



# Nomination Committee Charter



## Nomination Committee Charter

This Charter sets out the role, responsibilities, structure and processes of the Nomination Committee (**Committee**), established by the Board of directors of Coles Group Limited (**Company**).

### 1 Structure and Composition

The Committee will comprise:

- (a) all of the non-executive directors; and
- (b) an independent non-executive director as Committee Chair, who may be the Chair of the Board.

Any directors of the Board who are not Committee members are entitled to attend Committee meetings and receive copies of the Committee papers. Other non committee members, including members of management, may attend all or part of a meeting of the Committee at the invitation of the Committee Chair.

### 2 Roles and Responsibilities of the Committee

#### 2.1 Role of the Committee

The role of the Committee is to assist the Board in fulfilling its responsibilities to shareholders and regulators in relation to the nomination and succession planning processes for the directors of the Company.

#### 2.2 Responsibilities of the Committee

The responsibilities of the Committee are as follows:

- (a) reviewing and making recommendations to the Board in relation to Board composition, competencies and diversity, including:
  - (1) periodically assessing the skill set required to discharge competently the Board's duties, having regard to the strategic direction of the Company and its subsidiaries (Group) and assessing the skills currently represented on the Board;
  - (2) regularly reviewing and making recommendations to the Board regarding the structure, size and composition (including the mix of skills, knowledge and experience) of the Board and the effectiveness of the Board as a whole;
  - (3) assist the Board to develop and regularly review its board skills matrix setting out the mix of skills that the Board currently has or is looking to achieve in its membership, including in relation to any emerging business and governance issues; and
  - (4) developing strategies to set measurable objectives for achieving diversity in the composition of the Board, in senior executive positions and across the workforce generally;
- (b) developing and reviewing Board succession plans, director induction programs and continuing development, including:
  - (1) giving full consideration to the succession plans of the Board (including the role of Chair of the Board), with the aim of maintaining an appropriate mix of skills, experience, expertise and diversity over time;
  - (2) identifying existing directors who are due for re-election by rotation at Annual General Meetings, in accordance with the Company's Constitution and the ASX Listing Rules;
  - (3) overseeing the process for recruiting new directors, including evaluating the balance of skills, experience, independence and diversity on the Board; and
  - (4) developing director induction programs that are undertaken by each new director and periodically reviewing the effectiveness of the program, including assessing if professional development opportunities address new and emerging business and governance issues;
- (c) ensuring that there is a robust and effective process for evaluating the performance of the Board, the committees of the Board and individual directors, including:

- (1) scheduling, at least annually, performance reviews of the individual directors and formal performance reviews of the Board and its committees at least every two years;
  - (2) reviewing the time commitment required by non-executive directors and whether these time commitments are being met; and
  - (3) in relation to any re-appointment or re-election of a non-executive director, reviewing the performance of the non-executive director during their term of office;
- (d) reviewing and making recommendations in relation to Board appointments, re-elections, terminations and successions, and:
- (1) preparing a description of the role and capabilities required for a particular appointment;
  - (2) identifying suitable candidates to fill Board vacancies as and when they arise and nominating candidates for the approval of the Board. This will include any subsequent decisions to extend an appointment;
  - (3) conducting appropriate checks before appointing a director or senior executive or putting someone forward for election as a director;
  - (4) ensuring that, on appointment, all non-executive directors receive a formal letter of appointment and all executive directors have received a service contract; and
  - (5) reviewing disclosures, including a statement in the Annual Report detailing the Committee's activities and the process used for appointments;
- (e) overseeing the annual assessment of, and making recommendations to the Board as to, the independence of each director having regard to the ASX Corporate Governance Council's Corporate Governance Principles and Recommendation, and overseeing the disclosures made in relation to the independence of each director; and
- (f) reviewing or making recommendations to the Board on matters which the Committee considers necessary, or are requested by the Board.

### 3 Meetings

- (a) The Committee will meet at least annually, and will hold additional meetings as it deems necessary.
- (b) A quorum for a meeting of the Committee is three directors who are Committee members.
- (c) The Committee Chair may convene a meeting of the Committee at any time. Notice will be given to every member of the Committee, of every meeting of the Committee. There is no minimum notice period and acknowledgment of receipt of notice by all members is not required before the meeting may be validly held.
- (d) The Committee Chair is responsible for the conduct of all Committee meetings. Matters arising for determination at a Committee meeting must be decided by a majority of votes cast by the members present and entitled to vote on the matter. The Committee Chair does not have a casting vote, subject to the terms of the Constitution.
- (e) The Company Secretary or his/her delegate will act as secretary for all meetings of the Committee.
- (f) The Company Secretary or his/her delegate is responsible for distributing meeting notices, agendas and Committee papers to members prior to each meeting.
- (g) The Committee will be responsible for developing an annual agenda, to ensure that the Committee reviews, assesses or reports (as applicable) on each of the areas for which it is responsible under this Charter.

#### 4 Access to Information and Independent advice

- (a) The Committee has the authority to require:
- (1) the attendance of any management or team member of the Group;
  - (2) access to, and meeting with, the external and internal auditors without executives or management of the Group present; and
  - (3) unrestricted and unfettered access to any information, document, report or material in the possession of any manager, team member or entity of the Group, and all team members and managers must comply with such requests from the Committee, subject to any legal requirements, including any fiduciary or statutory duties of Committee members.
- (b) The Committee may engage any independent legal, financial or other advice as it considers necessary to perform its responsibilities under this Charter, at the Company's expense.

#### 5 Minutes

Minutes of meetings of the Committee must be kept by the Company Secretary or his/her delegate. The Company Secretary or his/her delegate will distribute the minutes to the Committee members for comment, and have these approved by the Committee Chair as soon as practicable after each meeting. After approval by the Committee Chair, the minutes will be presented at the next Board meeting.

All minutes of the Committee must be entered into a minute book maintained for that purpose and be available for inspection by any director.

#### 6 Reports to Board

- (a) The Committee will keep the Board informed of its activities through the provision of the minutes and Committee papers of each meeting. The minutes of the prior Committee meeting will be included in the Board papers for the subsequent Board meeting. All directors will be permitted, within the Board meeting, to request information of the Committee Chair or members of the Committee.
- (b) Additionally, the Committee Chair will formally advise the Chair of the Board of any matters or recommendations requiring the attention by the Board, and will ensure that the Board is made immediately aware of any matters brought to the attention of Committee Chair, that may significantly impact the financial condition or reputation of the Group.
- (c) The Committee will also consider if any material matters arising out of the Committee meeting should be advised to any other Committee and, if so, ensure that this occurs.

#### 7 Review and Assessment

- (a) The Committee will assess its effectiveness periodically and report on its findings to the Board. The Committee will also participate in a formal review at least every two years, as part of the Board and Committee review process.
- (b) The Committee will regularly review the Charter to ensure that it meets best practice standards, complies with the ASX Corporate Governance Principles and Recommendations, and meet the needs of the Group and the Committee.

Adopted by the Board on 22 August 2019.