



# NOMINATIONS COMMITTEE CHARTER

**Last updated 26th May 2023**

## 1. Purpose

This Committee Charter (the “**Charter**”) sets out the role, responsibilities, structure and processes of the Nominations Committee of Ao Shang Hui Consulting Ltd trading as AustCham Shanghai (the “**Company**”).

## 2. Objectives

The objectives of the Nominations Committee (the “**Committee**”) are:

- 2.1. To ensure the Company has adopted Board selection, appointment and review practices that result in a Board:
  - (a) with an effective composition, size, mix of skill sets and experience and commitment to adequately discharge its responsibilities and duties and add value to the Company and its members;
  - (b) that has a proper understanding of, and competence to deal with, the current and emerging issues of the business of the Company;
  - (c) can effectively review and challenge the performance of management and exercise independent judgement;
  - (d) to ensure collaboration between directors.
- 2.2. To ensure members and other key stakeholders understand and have confidence in the Board selection, appointment and review practices.
- 2.3. In discharging their responsibilities, the members have a duty to act in the best interests of the Company as a whole, irrespective of personal, professional, commercial or other interests, loyalties or affiliations.



### 3. Role

The Committee is not a policy making body, but assists the Board in achieving the objectives detailed above by implementing Board policy and recommending nominations which require Board approval.

### 4. Responsibilities

The Committee is responsible for:

- (a) the selection and recommendation to the Board of new Board members;
- (b) determining the appropriate mix of skills, diversity, experience and expertise required by the Board for it to effectively discharge its responsibilities;
- (c) making recommendations to the Board on the appointment, election and removal of Directors;
- (d) reviewing a process for the evaluation of the performance of the Board, its Committees, the Chairman and individual directors;
- (e) Establishing performance evaluations of the Board, its Committees, the Chairman and individual directors, at least annually;
- (f) ensuring that there is an appropriate induction process in place for incoming directors (all directors appointed upon election) and reviewing its effectiveness;
- (g) reviewing the professional development program provided to directors to assess whether it is appropriate to develop and maintain their skills and knowledge needed to perform their roles effectively;
- (h) reviewing the nominations received from members who wish to be appointed to the Board in accordance with the preferred criteria and guidelines set out below.
- (i) monitoring Board membership and structure to ensure that there is appropriate representation on the Board from across the membership.
- (j) ensuring that Board elections are held in accordance with the Members' Charter, Constitution, and policy and procedures approved by the Board, including the appointment of an Election Auditor.
- (k) making recommendations to the Board in respect of changes that may be required to the constitutional documents of the



Company and various Company charters in relation to rules governing Board composition.

- (l) making recommendations to the Board on membership and appointment of chair of other committees of the Board.
- (m) to develop and review the succession plan for the CEO.
- (n) the Committee Chair should attend the AGM to answer any questions from members on the Committee's activities and the annual nomination process.

## 5. Composition

5.1. The Committee is a committee of the Board.

5.2. The Committee will consist of three members of the Board or, in the event that there are insufficient Board members who are eligible to sit on the Committee, non-Board members may be appointed.

In the event that a non-Board member is recommended to the Board for appointment to the Committee, the individual need not be a representative of, or work for, a member firm. However they must either be a former Board member or hold a senior executive position and be able to demonstrate the necessary experience to undertake the work of the Committee.

The Board, on recommendation of the Chair of the Board, will appoint Committee members and the Chair of the Committee, unless such appointment relates to non-Board members in which case the Board, on recommendation of the Committee, will appoint non-Board members.

5.3. Membership of the Committee is reviewed annually and members are eligible for reappointment.

5.4. Each Committee member will be non-executive. Directors on the Board whose position is up for re-election at the next Board election are not eligible to be a member of the Committee. Non-Board members appointed pursuant to clause 5.2 are not permitted to sit as a member of the Committee within twelve months prior to standing for Board election or applying for an interim Board appointment. They will also be required to stand down as a Committee member with immediate effect should they declare a conflict of interest with any third party who intends to stand for Board election.

5.5. The Chair of the Committee must be non-executive and must not also be the Chairman of the Board.



## 6. Meetings

- 6.1. The Committee will hold meetings at least twice each year and additionally as it considers necessary.
- 6.2. A quorum will be two members.
- 6.3. All Committee members are expected to attend each meeting in person or through other approved means such as teleconferencing and video conferencing.
- 6.4. The notice confirming the venue, time and date, together with a agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend no later than five days before the date of the meeting. Supporting papers shall be sent to members and other attendees, as appropriate, at the same time.
- 6.5. The Committee may invite other people to attend as it sees fit, and consult with other people or seek any information it considers necessary to fulfill its responsibilities.
- 6.6. The Committee Chairman will communicate the recommendations of the Committee to the Board at the following Board Meeting.

## 7. Secretariat Duties

- 7.1. The Company Secretary (or other appropriate delegated person) will act as secretary to the Committee. The secretary will assist the Chair to develop and distribute agendas, papers, minutes and calendar.
- 7.2. The Company Secretary shall minute the proceedings and decisions of all Committee meetings, including recording names of those present and in attendance.
- 7.3. Draft minutes must be prepared and circulated to members of the Committee within one week of a meeting. A final draft of the minutes must be presented to the next meeting of the Committee for approval and signature by the Committee Chairman of the meeting to which the minutes relate.
- 7.4. The Company Secretary will undertake the call for nominations to the Board, as specified by the Committee.
- 7.5. Once the nominations received have been assessed and



recommendations made, the Committee advises the Board in accordance with its delegation.

- 7.6. The Board makes a decision to promote an ideal Board composition based on the Committee's recommendations.

## **8. Nomination Criteria**

When reviewing a nomination for directorship, the Committee must take into account:

- (a) The level of seniority in the nominee's workplace.
- (b) Previous and other directorial experience.
- (c) The level of further education undertaken by the nominee.
- (d) The standing of the nominee in the community.
- (e) Qualifications.
- (f) Skills set of the nominee to complement the skill set of the Board.
- (g) Industry/professional sector of the nominee to ensure the diversity on the Board, keeping in mind the composition of the membership at large.
- (h) Consideration of their experience as a recognised thought leader and team player.
- (i) Declared/apparent conflict of interest.
- (j) Any other attributes that the Committee believes will benefit the Company.

## **9. Voting**

Any matters requiring a decision will be decided by consensus.

## **10. Conflict of Interest**

Committee members will be invited to disclose conflicts of interest at the commencement of each meeting. Ongoing conflicts of interest need not be disclosed at each meeting once acknowledged. Where members or invitees are deemed to have real or perceived conflicts of interest, they will be excused from Committee discussions on the issue where a conflict exists.



## 11. Reporting to the Board

The Chair of the Committee is to report to the Board following each Committee meeting. The manner of reporting may be by distribution of a copy of the minutes supplemented by other necessary information, including recommendations requiring Board action and/or approval. The Chairman is to organise the supply of information regarding the Committee which is to included in the Company's annual report.

## 12. Review

12.1. The Committee will review its performance on an annual basis. The review may be conducted as a self-assessment and will be coordinated by the Chair. The assessment may seek input from any person.

12.2. The Committee should review this charter and its composition annually to ensure that it remains consistent with the Board's objectives and its responsibilities. The Board should consider the Committee's review and either approve or further review the Committee's charter and/or composition.