

# NPT LIMITED

## NOMINATION COMMITTEE CHARTER

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The Nomination Committee oversees the Company's compliance with the Nomination Charter. The Board has considered that the Company's size prevents them from establishing a separate Nominations Committee and therefore the full Board will fulfill the obligations and be guided by the Nomination Charter as set out below. This decision will be reviewed from time to time.

### **1. OBJECTIVES**

The objectives of the Charter are to ensure the Board's current and future composition, in respect to the mix of qualifications, skills and experience, are appropriate to the Company's operations and strategic direction and contribute to the effective governance of the Company. Directors are expected to exercise an independent and informed judgment on matters which come before the Board and be free of any business or other relationship that may interfere with the exercise of that individual judgment.

### **2. SECRETARIAL AND MEETINGS**

The secretary of the Charter meetings shall be appointed by the Board. A quorum shall be two Board members, at least one of whom must be an independent non-executive Director.

All Directors are entitled to attend Nomination Charter meetings, except those Directors whose positions as Directors are under consideration in which case attendance is by invitation only. When meeting on Nomination matters the Chairman shall be the Chairman of the Board or, when the appointment of a successor as Board Chairman is under consideration, another independent non-executive Director selected by the Board.

Reasonable notice of meetings and the business to be conducted shall be given to the members of the Board.

Meetings shall be held from time to time as required having regard to the occurrence of Board vacancies, actual or anticipated. Any member of the Board may request a meeting at any time if they consider it necessary.

### **3. RESPONSIBILITIES**

The responsibilities of the Board in respect to Nomination matters are as follows:

- to identify and nominate candidates to fill Board vacancies and senior Management positions (i.e. CEO and CFO) as and when they arise;
- before making an appointment, to evaluate the balance of skills, knowledge and experience on the Board and, in the light of the evaluation, to determine the role and capabilities required for the appointment;
- to formulate succession plans for both non-executive, executive Directors, and senior Managers taking into account the challenges and opportunities facing the Company and the skills and expertise accordingly required to manage the Company in the future;
- to regularly review the structure, size and composition (including the skills, knowledge and experience) of the Board and to make any changes;
- to keep under review the leadership requirements of the Company, both non-executive and executive, with a view to ensuring the continued ability of the Company to compete efficiently in the marketplace; and
- to consider such other matters relating to Board nomination or succession issues as may be identified by the Board.

### **4. APPOINTMENT OF DIRECTORS**

- The Company will have no less than three or more than six Directors. From the Company's first annual meeting one third of the Directors will resign and be subject to re-election in each year. At all times there must be at least two independent Directors of the Company as required by the NZSX Listing Rules (LR 3.3.1(c)). At least two of the Directors must be resident in New Zealand.
- The Company's Constitution provides for the appointment of two independent Directors. The Board considers a Director to be independent if they are independent of management and free of any business or other relationship that could materially interfere with the exercise of their unfettered and independent judgment or could otherwise affect their ability to act in the best interests of the Company.
- The Directors are required to keep the Board advised of any interests they have that could potentially conflict with the interests of the Company.
- The Board determines the independence of each Director in terms of any matter arising at any time and on a formal basis at the time of appointment and annually thereafter. The Board will review any determination it makes as to a Director's independence on becoming aware of any information that indicates that the Director may have a material relationship that could potentially conflict with the interests of the Company.
- The Board has adopted the definition of independent Directors set out in the NZSX Listing Rules as its definition of independence.

## **5. ANNUAL REVIEW**

The Board will undertake an annual self-review of the Nomination Charter's objectives and responsibilities and the extent to which they have been achieved and/or discharged. Such objectives and responsibilities and their attainment will also be reviewed by the Board and any other person the Board considers appropriate.

## **6. REPORTING PROCEDURES**

The minutes of all meetings in respect to the Nomination Charter will be circulated to members of the Board and to such other persons as the Board decides.

The Chairman will present an annual report to the Board summarising activities undertaken during the year in respect to the Nomination Charter and any related significant results and findings.