

**RUNGE LIMITED**

**ACN 010 672 321**

**Nominations Committee Charter**

**Adopted by the Board on 11 April 2008**



## Nominations Committee Charter

### 1. Establishment of the Committee

This document sets out the specific responsibilities delegated by the Board to the Nominations Committee of Runge Limited ACN 010 672 321 ("**the Company**") and provides support for the manner in which the Committee will operate.

### 2. Objectives and Purpose

The primary objective of the Nominations Committee is to assist the Board to discharge its responsibilities with regard to the following areas:

- (a) overseeing the composition of the Board and competencies of Board members;
- (b) providing recommendations of appointment and evaluation of the Managing Director;
- (c) ensuring that appropriate procedures exist to assess the performance levels of the Chairman, Non-executive Directors, Executive Directors; and
- (d) developing succession plans for the Board and overseeing development by management of succession planning for senior executives.

### 3. Committee's responsibilities

The Committee's responsibilities include recommendations to the Board about:

- (a) the necessary and desirable competencies of Directors;
- (b) review of Board succession planning for the Company;
- (c) the selection, appointment and re-election of directors, including attending to the following matters:
  - (i) periodically assessing the appropriate mix of skills, experience and expertise required on the Board and assessing the extent to which the required skills are represented on the Board;
  - (ii) considering Board renewal and the length of service of individual directors when considering succession planning;
  - (iii) ensuring that the Board is of the size and composition that is conducive to making appropriate decisions
- (d) establishing processes for the evaluation of the performance of the Board, its committees and Directors.

### 4. Structure of Committee Membership

The structure of the Committee is as follows:

- (a) the Committee shall be appointed by the Board and comprise not less than three directors or such number as determined by the Board.
- (b) A majority of members of the Committee must, as far as possible, be independent non-executive directors.

- (c) The current members are the entire Board.
- (d) The Committee must be chaired by an independent director.

#### 5. **Expertise of Committee Membership**

Committee members, where possible, must:

- (a) have a sound knowledge of the Company's businesses, organisation structure and related policies and practices.
- (b) have an appropriate understanding of corporate governance matters particularly in relation to Board and Director responsibilities and ASX Corporate Governance Principles and Recommendations.

#### 6. **Company Secretary**

The Company Secretary or his nominee will act as Secretary to the Committee, unless otherwise determined by the Committee.

#### 7. **Liaison**

The Human Resources Manager will be the principal liaison between executive management and the Committee on Nominations matters and will normally be invited to attend meetings.

#### 8. **Proceedings**

*Frequency:*

- (a) The Committee will meet as frequently as required but must not meet less than once each year.
- (b) The Secretary to the Committee or any member may call a meeting of the Committee.

*Attendance:*

- (a) Members of the Board, Company management or independent consultants may attend all or part of each meeting at the invitation of the Chairman, voting at Committee meetings being restricted to Committee members.
- (b) The Human Resources Manager will normally be invited to attend meetings.

*Quorum:*

A quorum for a meeting shall be a minimum of 2 Committee members, 1 of which is an independent non-executive director Committee member. All meetings shall be conducted subject to an agenda circulated by the Chair or his nominee and incorporating any matters raised by other members of the Nominations Committee or referred by the Board.

*Chair:*

In the absence of the Chairman, the remaining members will elect one of their number as Chair of the meeting.

*Minutes:*

The Secretary shall maintain minutes of all meetings of the Nominations Committee. The minutes shall be signed by the Chairman.

*Non-Consensus:*

Where the Committee is unable to reach consensus on a matter, the Chairman of the Committee will report this to the Chairman of the Board. The Chairman of the Board will determine whether it is appropriate that the matter be resolved by the Board or by obtaining independent advice.

**9. Authorities***Access:*

The Committee has unrestricted access to executive management, all employees and all company records and to financial and legal advisers.

*Independent Advice:*

The Committee, or any individual member, with the approval of the Chairman of the Board, is entitled to obtain independent professional or other advice at the expense of the Company where they consider it necessary to carry out their duties.

**10. Reporting**

The Chairman of the Nominations Committee shall report to the Board subsequent to each Committee meeting, matters to be discussed will generally cover:

- (a) minutes and formal resolutions; and
- (b) other key activities and major issues of which the Board should be informed.

*Annual General Meeting and Annual Report*

- (a) the Chairman or his nominee must attend the Annual General Meeting and be available to respond to any shareholder questions on the Committee's activities and areas of responsibility.
- (b) the process for evaluation of the performance of senior executives and board members will be disclosed in the annual report.
- (c) the Nominations Committee is responsible for review and approval of disclosures in the Company's annual report regarding the Committee, its activities and performance.

**11. Terms of Reference Review**

The Committee must conduct an annual review of its performance and effectiveness, inviting comments from all members of the Board, at a meeting to be decided each calendar year. It must recommend to the Board any suggested changes in the duties and responsibilities of the Committee and the terms of reference.

**12. Privacy**

The Committee recognises that all personal information provided to members is subject to the applicable privacy legislation.