



Make a *Difference*

Nomination Committee Charter

21 February 2019



1. PREAMBLE

- 1.1 The Board of Ricegrowers Limited (“SunRice”) has established the Nomination Committee (“the Committee”) to assist it in fulfilling its responsibilities, having regard to the requirements of the SunRice constitution (“Constitution”) and the duties of the Directors.
- 1.2 The Board requires that each Board Committee must have its own Charter addressing matters relevant to each Committee’s composition, responsibilities and administration. It is also required that each Committee’s Charter is approved by the Board and reviewed by the Committee at least every two years.

2. PURPOSE

- 2.1 Having regard to the objectives of the Board the Committee will aim to identify the attributes and collective capabilities that are required by the Board and to enhance those attributes and capabilities, both on an ongoing basis and in the circumstances that candidates are recommended to shareholders for election to the Board.
- 2.2 The Committee will consider the appropriate balance of skills and experience required by the Board to properly fulfil its objectives and recommend to the Board strategies for redressing any imbalances.

3. AUTHORITY

- 3.1 The Committee is authorized by the Board to:-
 - 3.1.1 Perform activities within the terms of its Charter;
 - 3.1.2 Seek such information as it requires from any external party or, through executive management, any employee; and
 - 3.1.3 Obtain the assistance of suitability qualified external parties, where it is considered necessary, to carry out its responsibilities.

4. ORGANISATION

- 4.1 **Membership**
 - 4.1.1 The members of the Committee and the Chairman of the Committee will be appointed by the Board.
 - 4.1.2 The Committee shall comprise of at least 3 Non-Executive Directors.
 - 4.1.3 The quorum will be 2 Non-Executive Directors.
 - 4.1.4 The duties and responsibilities of a member of the Committee are in addition to any held as a member of the Board.
 - 4.1.5 The Company Secretary shall be the Secretary of the Committee, if in attendance; otherwise the Chairman of the Committee shall act as Secretary.

4.2 Meetings

- 4.2.1 Only Committee members are entitled to attend meetings.
- 4.2.2 Other Board members may attend meetings with reasonable notice and the approval of the Chairman of the Committee and may request copies of Committee papers, but shall not be entitled to vote.
- 4.2.3 Employees, and advisors, may be invited to attend meetings.
- 4.2.4 The Chairman of the Committee shall call meetings as necessary, typically four times per year with the timing to support the processes of the election, or re-election, of Independent Directors, Grower Directors and Board Committees.
- 4.2.5 A Notice of Meeting, the agenda, and supporting documentation for each meeting must be given to each member of the Committee within a reasonable time for each meeting.
- 4.2.6 The presence of one half of the members of the Committee (rounded upwards if not a whole number) will constitute a quorum.
- 4.2.7 Decisions at a meeting of the Committee shall be determined by a majority of votes of the members present and voting. The Chairman of the Committee shall have a casting vote in addition to a deliberative vote.
- 4.2.8 Minutes of meetings shall be circulated to all Members after approval by the Chairman of the Committee. The minutes will be made available for discussion at the following Board Meeting.
- 4.2.9 Members should use their best endeavours to attend every meeting of the Committee which may be by telephone or videoconference, if appropriate.
- 4.2.10 The Committee may meet with representatives of external consulting firms, without management present, as required.

5. ROLES AND RESPONSIBILITIES

5.1 Board composition and performance

- 5.1.1 The Committee will oversee the process for evaluation of the Board, Board committees and individual Directors, including the Board's performance relative to its objectives and Charter.
- 5.1.2 The Committee will develop policy and review, assess and recommend to the Board, as appropriate, on Director tenure, Board composition, Board succession plans, strategic function and size, including to ensure an appropriate mix of skills, experience and diversity is maintained, having regard to the Constitution.

5.1.3 The Committee will review the commitment required by Directors, including reviewing the other commitments of Directors and the time involved in those commitments.

5.1.4 Directors are required to inform the Committee Chairman before accepting new appointments.

5.2 Board elections and re-elections (Independent Directors)

5.2.1 The Committee will assess the criteria required of Directors to achieve the Board's objectives having regard to the specific attributes, skills and experience that the Committee believes are necessary for one or more of the Directors to possess.

5.2.2 The Committee will consider and make recommendations to the Board on the criteria required for candidates as Directors. These recommendations should pay attention to the mix of skills, experience and other attributes of existing Directors and how the candidates' skills, experience and attributes will balance and complement those of the existing Directors.

5.2.3 The Committee will identify and recommend to the Board potential candidates, who meet the relevant criteria to be considered for election as Directors.

5.3 Board elections and re-elections (Grower Directors)

5.3.1 The Committee will review the re-election by shareholders of Grower Directors, as those Directors become eligible for re-election.

5.3.2 The Committee will review the appropriateness and effectiveness of the mechanisms in the Constitution for the election of Directors and recommend any required changes to the Board.

5.4 Board elections processes (all Directors)

5.4.1 The Committee will oversee the process of the election of Directors and recommend to the Board, where required, rules and procedures for elections.

5.4.2 The Committee will consider and recommend to the Chairman of the Board the way in which open proxies directed to the Chairman, in relation to the election of Directors, should be voted.

5.5 Director induction and development

5.5.1 The Committee will review and recommend to the Board a process for induction and education of new Directors.

5.5.2 The Committee will review and approve any continuing education for Directors, having regard to the performance assessment outcomes of the Board.

5.6 CEO Succession Planning

- 5.6.1 The Committee will oversee the succession of the CEO, and ensure that plans are developed and discussed with the Board.

5.7 Evaluating performance of the Committee

- 5.7.1 The Committee will evaluate the performance of the Committee on a collective basis every second year and assess the achievement of the requirements of the Charter and report the results to the Board.

5.8 Review of Committee Charter

- 5.8.1 The Committee will review the Charter periodically (and at least every two years) and recommend any amendments to the Board for approval.

5.9 Other

- 5.9.1 The Committee will perform any other responsibilities as may be delegated to it by the Board from time to time.

6. POLICY AND PROCEDURES FOR NOMINATION AND APPOINTMENT OF DIRECTORS

- 6.1** The following sets out the policy and procedure for nomination and appointment of Directors, having regard to the requirements of the Constitution:

6.1.1 RMB Directors

- 6.1.1.1 Under the Constitution, the Board may have up to 3 Directors who are elected members of the Rice Marketing Board (Elected RMB Members) and hold an A Class Share (**RMB Directors**).
- 6.1.1.2 The RMB Directors are not required to be nominated by the Board.
- 6.1.1.3 Following election to the RMB the appointments are initially made by the Board for the same period as their term of office with RMB, subject to confirmation by A Class Shareholders at the next General Meeting.
- 6.1.1.4 Under the Sole and Exclusive Export Agreement (SEEL) between SunRice and RMB, SunRice agrees to appoint all Elected RMB Members who consent to act and satisfy the “relevant requirements” (i.e. also hold an A Class Share) as RMB Directors for their term on RMB.
- 6.1.1.5 If the eligible Elected RMB Members are not appointed or subsequently elected then RMB may terminate the SEEA.

6.1.1.6 Therefore, the Board does not have a role in the selection of the RMB Directors.

6.1.2 Grower Directors

6.1.2.1 Under the Constitution, the Board may have up to 4 Directors, in addition to the RMB Directors, who hold an A Class Share (**Grower Directors**).

6.1.2.2 Unless they are existing Grower Directors, these Directors are required to be nominated by two A Class Shareholders.

6.1.2.3 Grower Directors are elected by the A Class Shareholders for a period of 4 years or such other term determined by the A Class Shareholders.

6.1.2.4 Therefore the Board does not have a direct role in the selection of the Grower Directors.

6.1.2.5 However, the Board does undertake to identify and communicate the attributes, skills and experience that it believes are necessary for one or more of the Grower Directors to possess.

6.1.2.6 In future, the Board will work with industry groups and external specialists to prepare and implement programs to develop a pool of potential Grower Director candidates.

6.1.2.7 A retiring Grower Director is eligible for re-election.

6.1.3 Independent Directors

6.1.3.1 Under the Constitution, the Board may have up to 4 Directors whom the Board believe have the appropriate experience to be a Director (of which one may be an employee and is not Independent) (Independent Directors).

6.1.3.2 Independent Directors are nominated by the Board. Independent Directors are elected by the A Class Shareholders for the term determined by the A Class Shareholders.

6.1.3.3 In the event of a Independent Director vacancy the Board will assess and identify the attributes, skills and experience that it believes are necessary for the new candidate to possess and will appoint a Director to fill the casual vacancy until the next AGM or nominate a candidate to A Class Shareholders for election to the Board.

6.1.3.4 In selecting the candidate to nominate or appointing a Director to fill the casual vacancy, the Board may seek the assistance of external consultants. Potential candidates will be required to provide details other relevant commitments, including time commitments.

6.1.3.5 A retiring Independent Director is eligible for re-election.

- 6.2** Appointments of all Directors are made pursuant to a letter of appointment that requires Directors to confirm, amongst other things, that they will comply with the Board Charter, Directors' Code of Conduct and other applicable charters and policies.
- 6.3** Appropriate checks are undertaken before appointing a person as a Director, or putting forward to A Class Shareholders a candidate for election as a Director.