

The Warehouse Group Limited

Corporate Governance and Nominations Committee Charter

1. Role

The Corporate Governance and Nominations Committee (“the Committee”) is a committee of the Board of Directors (“the Board”) of The Warehouse Group Limited (“the Company”).

The role of the Committee is to ensure that the Company maintains a high level of corporate governance through continuous monitoring of international corporate governance best practice as promulgated by the relevant authoritative bodies, and its Board comprises directors who are appropriately skilled.

2. Responsibilities

2.1. The Committee is responsible for, among other things:

- developing recommendations to the Board on corporate governance matters within the Company;
- undertaking an annual review of the alignment of the Board’s operations with best corporate governance practice;
- overseeing an annual review of Board, committee and director performance;
- convening, on an as required basis, to address specific corporate governance or independence issues that arise in relation to the auditor, a director or a supplier;
- approving the corporate governance statement of the Company as included in the annual report;
- undertaking an annual review of the suite of governance policies;
- determining the independence of directors and monitoring their ongoing independence status;
- setting and reviewing all components of the shareholder-approved remuneration pool for executive and non-executive directors;
- preparing a director skills matrix for disclosure in the annual report;
- annually reviewing and reporting to the Board on its composition and current and required skills;
- preparing a description of the role and capabilities required for a particular director appointment; and
- identifying and recommending candidates for the approval of the Board, to fill Board vacancies as and when they arise.

2.2. The Committee’s responsibilities for director recommendations to the Board include, amongst other things:

- Existing non-executive directors
Non-executive directors are appointed for a term of three years. A non-executive director may stand for re-election in accordance with the procedure prescribed by the Company’s Constitution. The Board will make a recommendation to shareholders regarding the re-election of the director. A number of factors are considered by the Board in relation to whether or not an incumbent director should be recommended by the Board to the shareholders of the Company for re-election. These include:
 - An assessment of the competencies required by the Board;
 - The period for which the director has held office; and
 - Consideration of the incumbent director’s performance, taking into account factors including performance evaluations, contribution to, and experience gained on, the Board, and his or her attendance at Board meetings.

- **New directors**

The Board believes that its membership should comprise directors with an appropriate mix of skills, experience, diversity and personal attributes that allow the directors individually, and the Board collectively, to:

- Discharge its responsibilities and duties under the law effectively and efficiently;
- Understand the Company's business and the environment in which it operates so as to be able to agree with Management the objectives, goals and strategic direction which will maximise shareholder value; and
- Assess the performance of Management in meeting those objectives and goals.

Accordingly, in selecting potential new directors, the Committee will seek to identify the necessary and desirable competencies that will ensure that any candidate it puts forward to the Board for consideration will enable the Board to:

- Fulfil its responsibilities;
- Represent a variety of skills, expertise, experience (including commercial and/or industry experience) and diversity of backgrounds and thought; and
- Competently address accounting, finance and legal matters.

The Committee will also take into account the results of the annual appraisal of the Board's performance.

While recognising that each director will not necessarily fulfil all of its criteria, the Committee has identified the following fundamental factors as being relevant to its considerations:

- Outstanding in capability with extensive and senior commercial experience;
- Cultural fit with existing Board members and empathy to the Company's culture;
- High level of personal integrity;
- A team player;
- An independent state of mind;
- Free of conflicts as identified by the Company; and
- Time available to meet the commitment required.

In addition, specific functional skills will be identified from time to time to complement the overall mix of functional skills of Board members.

Recommendations for new Board members are put to the Board for its consideration and approval.

- **Appointment procedures**

NZX's Main Board Listing Rules set out certain requirements that the Company must follow each year in relation to director nominations.

The Company's Constitution provides that all new appointees to the Board will only hold office until the next Annual Shareholders' Meeting after the date of their appointment.

The Company will ensure that the Notice of Meeting contains relevant background information on those directors recommended for re-election.

3. Powers and Authority

3.1. Authorities

The Committee is a committee of the Board.

The Committee will make recommendations to the Board on all matters requiring its decision. The Committee does not have the power or authority to make decisions for or on behalf of the Board.

The Committee will have all access to, and the authority of the Board to seek any information it requires from any officers, employees, consultants or advisers to fulfill its function, duties and responsibilities. All employees will be directed to co-operate with any request made by the Committee.

3.2. Independent advice

The Committee has the authority of the Board to obtain independent professional advice and expertise if it considers this necessary.

3.3. Reliance

The Committee members are entitled to rely on information or advice of Management and employees of the Company on matters within their area of responsibility; and the advice of internal and external counsel and other experts on matters within their areas of expertise, provided that reliance is permitted by law.

Before a Committee member can rely on such information or advice the Committee member must be satisfied that there are no facts or circumstances that he or she is aware, or ought to be aware, which would deny reliance; and he or she has reviewed the information or advice, having regard to the member's knowledge of the Company.

4. Composition

4.1. Membership

The Committee will be comprised of at least three members, two of whom are independent directors of the Board.

The Committee may, from time to time, co-opt external experts if the Committee believes this would assist the Committee to discharge its responsibilities.

4.2. Term of appointment

Members of the Committee will be appointed and replaced by Board resolution.

4.3. Quorum

A quorum will be a majority of members.

4.4. Chair

The Chair of the Committee will be appointed by the Board. The Chair will be an independent director and may be the Chair of the Company.

4.5. Secretary

The Board Secretary will also act as Secretary to the Committee. The Secretary, in conjunction with the Committee Chair, is responsible for the co-ordination of all Committee business including meeting scheduling, agendas, scheduling policy reviews, distribution of Committee papers, minutes and communication with the Board and internal and external auditors.

5. Meetings

5.1. Procedures

Committee meetings will be conducted in accordance with the Company's Constitution and otherwise as determined by the Committee Chair. Matters arising for determination at the meeting will be decided by a majority of votes cast by those present and entitled to vote on the matter. The Committee Chair has a casting vote, subject to the terms of the Constitution.

All discussions, papers and records of Committee meetings will remain confidential to the Company unless there is a specific direction from the Committee or the Board or disclosure is

required by law.

5.2. Meetings of the Committee

Meetings of the Committee will be held at least twice a year, at the discretion of the Chair or if requested by any Committee member or the CEO. The request will be in writing and state the purpose for the meeting. The Committee Chair will convene the meeting within 21 days after the receipt of the request.

Written notice of Committee meeting dates, times and locations will be prepared by the Secretary.

5.3. Papers and work programme

Meeting agendas and minutes will be distributed to all Board members regardless of whether they are members of the Committee.

The Committee will establish an annual work programme to ensure that the Committee reviews, assess or reports on each of the areas for which it is responsible under this Charter.

5.4. Observers

Any director who is not a member of the Committee may attend meetings.

Management and any other person approved by the Committee Chair may be invited to attend Committee meetings.

Any person may be asked to leave the meeting at the Chair's discretion.

5.5. Minutes

Minutes of all meetings will be taken by the Secretary. Following approval by the Committee, these will be signed by the Committee Chair as a correct record of the proceedings of the meeting. The Committee Chair will report the findings and recommendations of the Committee to the Board after each meeting. Copies of the minutes will be provided to Board members.

5.6. Confidentiality

All discussions, papers and records of Committee meetings will remain confidential to the Company unless there is specific direction from the Committee or the Board or disclosure is required by law.

6. Review

The Committee will annually assess its effectiveness and report its findings to the Board. Input to the review will be sought from Management and internal and external auditors.

The Committee will review this Charter at least every two years to ensure it remains consistent with the Committee's objectives and responsibilities and incorporates changes in best practice and legislation.

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