Nominations Committee

Terms of Reference

Section 1: General

1. Role of the Committee	The broad remit of the Nominations Committee (**Committee**) is to assist the Governance Board (**Board**) in the effective discharge of its powers, duties, functions and responsibilities under the partnership agreement (**PA**) including in relation to: • leadership succession planning and the appointment of the Country Senior Partner (**CSP**) • the election of partners as members of the Board • the appointment of Appointed Board Members (**ABMs**) • supervision of the proper application of the PEIS by Management in relation to CSP, Governance Board members and the Management team. The Committee is the committee appointed by the Board for, but not limited to, identifying and developing potential CSP candidates.
2. Committee members	All Appointed Board members and Board Deputy Chair.
3. Key executive alignment	Country Senior Partner The individual holding the role of CSP shall have a standing invitation to attend Committee meetings, except where their attendance may present a conflict of interest.
4. Delegation of Board's powers, duties, functions and responsibilities	• By approving these terms of reference and in accordance with the Partnership Agreement, the Board delegates to the Committee the powers, duties, functions and responsibilities specified in section 2 below. • As specified in the Partnership Agreement, the Committee shall exercise the powers delegated in accordance with any directions of the Board and a power exercised by the Committee shall be deemed to have been exercised by the Board. • The Board is responsible for the supervision of the exercise of powers, duties, functions or responsibilities delegated by the Board to the Committee.
5. Reporting to the Board	The Committee: • reports to the Board any decisions made by the Committee in the exercise of the Board's powers delegated to it • keeps the Board apprised of key matters under active consideration by the Committee • provides recommendations to the Board on other matters within its remit, where appropriate • minutes of the Committee's meetings are prepared and circulated to Board members. The minutes must clearly identify any exercise of power by the Committee under delegation.
6. Structure of the Committee	Unless determined otherwise by the Board, on the recommendation of the Chair of the Board: • the Chair of the Board will be the Chair of the Committee

Section 1: General

	• the Committee will comprise all the ABMs and the Deputy Chair, who is normally an Elected Board Member (**EBM**) • the Committee's terms of reference will be determined by the Board.
7. Reporting to the Committee	• In order to effectively discharge its powers, duties, functions and responsibilities under section 2, the Committee will receive and review reports from Management, as well as any reports or advices it seeks and obtains from external advisors. • On an ongoing basis, the Committee will provide feedback on the standard and timeliness of reporting it receives from Management to help ensure it is adequate, meaningful and enables it to discharge its powers, duties functions and responsibilities.
8. Proceedings of the Committee	The proceedings of the Committee will be conducted in accordance with the applicable requirements of the Partnership Agreement. Accordingly: • the Committee will meet whenever the Committee determines it is appropriate. For practical purposes it is expected the Committee Chair will control the Committee's operating rhythm • a quorum for a meeting is 2/3rds Committee members. A member present by way of proxy is included in quorum • the Committee may invite any person (including any external adviser) to attend its meetings and/or to provide written reports or advice • minutes of the Committee's meetings are prepared and circulated to the Chair of the meeting and then to other Committee members for review, before being approved by Committee members at the next meeting. • the Committee has unrestricted access to all staff and relevant records of the Firm it considers necessary to fulfil its obligations and has the right to seek and obtain explanations and additional information from Management.
9. Decisions of the Committee	A resolution is passed if 2/3rds of members participating in the vote approve the resolution. Each Committee member is entitled to one vote.
10. Review	As part of the Board's annual performance assessment process, the Committee's performance and its terms of reference will be reviewed to assess whether it is operating effectively. The Committee will recommend any changes to its terms of reference to the Board, for approval.

Section 2: Scope of delegated powers, duties, functions and responsibilities

By approving these terms of reference and in accordance with the Partnership Agreement, the Board delegates to the Committee, to exercise on its behalf, the following powers, duties, functions and responsibilities, and to report to the Board. If specified below or where the Committee considers it appropriate, the Committee may make recommendations to the Board.

The effective date of the delegation of the powers, duties, functions and responsibilities set out under the heading "Elected Board Members" is the day after the conclusion of the 2024 Board member election.

A. CSP appointment	
11. Identification and development of CSP candidates	• On behalf of the Board, the Committee will lead the process for the selection of the CSP's successor and will work with the CSP on identifying and developing potential candidates. In so doing, it will agree with the CSP: – the process to identify Partners and other suitably qualified persons who are potential candidates for the CSP position (which will include discussions with those Partners and others), noting that other suitably qualified persons, if considered, may include firm alumni, current or former Network partners, or persons who have distinguished themselves elsewhere and who demonstrate a cultural alignment with the Firm – the process to enable the development of those Partners as potential candidates for the CSP position. • In agreeing with the CSP the process to identify Partners and other suitably qualified persons who are potential candidates for the CSP position, consideration will be given by the Committee to the following: – the process for succession planning in relation to key leadership roles in the Firm and the manner and transparency of that process – the process for the allocation of Partner development opportunities and programs; and the adequacy of that process – the transparency provided by the CSP to Partners of the process by which Partners are selected for key leadership roles and Partner development opportunities and programs – the diversity of candidates including in relation to gender, diverse cultural or social background, cognitive diversity and any other forms of diversity that the Committee considers are relevant, with reference to the Firm's Diversity and Inclusion Policy any Network guidance on TSP attributes and succession planning. • In conjunction and collaboration with the CSP, the Committee will monitor the agreed process. • It will consider the form and content of communications with Partners about the activities being undertaken by the Committee, the CSP and the Board in relation to the identification and development of potential candidates, and about the process for appointing a CSP by CSP Majority Partner approval. • It will review and discuss with the Board, at least semi-annually, the status of the process of identification and development of high calibre partners and other suitably qualified persons as potential candidates for the CSP role.
12. CSP casual vacancy	• Identify potential candidates for the CSP role who could fill a casual vacancy in the office of the CSP at short notice for consideration by the Board in exercise of its powers under the Partnership Agreement. • Recommend for Board approval the appointment of a person to fill a casual vacancy in the office of CSP (as required).
13. CSP appointment	• Conduct and oversee the process and procedure for appointing a CSP by CSP Majority Partner approval in accordance with the requirements of the Partnership Agreement

Section 2: Scope of delegated powers, duties, functions and responsibilities

	• Hold discussions with the Network Leadership Team regarding the process to determine the Endorsed CSP candidate and the rationale for the determination of the preferred candidate. • Recommend for Board recommendation to Partners, the Endorsed CSP candidate. • Recommend for Board approval the date on which a CSP Approved CSP Appointment takes effect.
B. Elected Board members	
14. Number and term of elected Board members	• Recommend to the Board for approval the total number of Partners to hold office as members of the Board. • Recommend to the Board for approval any other determinations required under the Partnership Agreement. • Recommend to the Board for approval whether the term of a partner elected in the middle of the order will be two years or four years.
15. Attributes	Recommend to the Board for approval any "additional minimum attributes" required of a Board member.
16. Diversity requirements	Recommend to the Board for its approval the Requirements for the composition of the Board following the election with a view to facilitating expertise or diversity, or any other relevant matter.
17. Election process	• Exercise the Board's powers in relation to the process and procedure for the conduct of a Board Election in accordance with the requirements of the Partnership Agreement (including determining the information and materials to be provided as part of the Expression of Interest (EOI) and the process for assessment of partners who submit EOIs). • Recommend to the Board for its approval any modifications required to the preferential voting system to implement the Requirements.
18. Selection of candidates	• Review EOIs from interested partners and identify from those interested Partners those who adequately contribute to satisfying the minimum Requirements for the composition of the Board and individually satisfy any additional minimum attributes. • Recommend to the Board the Partners so identified for selection as candidates in the election.
19. Designation of Management roles	Designate as Management Roles those Management Positions which are inconsistent with holding office as a member of the Board.
20. Casual vacancy	Recommend for Board approval an equity Partner to fill a casual vacancy on the Board.
C. Appointed Board Members	
21. Appointment of Appointed Board Members	• Determine for Board approval the process for the identification of appropriate potential candidates for appointment as Appointed Board Members.[1] • Conduct that approved process and upon completion of the process recommend for Board approval candidates for appointment as Appointed Board Members, and the term and the conditions of any such appointments.

[1] The process and protocols set out in the Schedule were approved as part of the Committee's revised Terms of Reference which were approved by the Board with effect from 1 December 2024.

Section 2: Scope of delegated powers, duties, functions and responsibilities

22. Removal of Appointed Board Members	• Consider and recommend for Board consideration whether an Appointed Board Member has committed Serious Misconduct. • Recommend for Board approval the removal of an Appointed Board Member under the Partnership Agreement.
23. Partner votes	Conduct any Partner Votes required for the appointment of an Appointed Board Member.
D. Leadership development and succession	
24. Leadership development	• Monitor the process of development of Partners as potential candidates for the role of CSP • Semi-annually, together with the CSP, discuss the status of that process with the Governance Board.
25. Key leadership roles	Oversee and challenge succession planning for key leadership roles including but not limited to the role as a member of the CSP's Management Team.
26. Appointments to Management Positions	Consider and if appropriate, ratify the appointment of persons to Management Positions.
27. Territory Succession Plan	Review and challenge the Territory Succession Plan prior to its submission to the Network.
E. Other	
28. Partner performance and income for CSP and members of Governance Board and Management Team	• Exercise all the powers, duties, functions and responsibilities under the Partner Evaluation and Income Scheme in relation to the Country Senior Partner (including undertaking the annual performance assessment, determining the performance rating, determining the allocation of any Individual Award Income, determining the responsibility rating and the application of Management Team deferred amounts). • Supervise the proper application of the PEIS by Management in its application to the members of the Governance Board and the Management Team. • Oversee the application of the Firm's Partner Grievance and Consequence Management policies as they apply to the CSP and members of the Board and Management Leadership Team.
29. Other matters	Establish and appoint members of Residuary Committees and refer issues to them under the Partnership Agreement.

Section 3: Interaction with Board and work of other Committees

30. Interaction with Board	The Committee will: • assist the Board in developing an understanding of the key issues falling within the Committee's remit • identify information, issues and matters falling within its remit that should be the subject of detailed consideration by the Board report to the Board at its next meeting on matters considered by the Committee, and to other Board Committee Chairs on matters relevant to those Committees • report any exercise of power by the Committee under delegation to the Board, which will be noted by the Board in the minutes of its next meeting.
31. Interaction with other Board Committees	• The Committee Chair will work with the Chair of the Board Risk Committee:

  - to identify and consider any of the risks associated with the matters covered by these terms of reference
  - on reputational, regulatory and public interest related risk matters
  - on issues identified by the Committee that relate to the Firm's Risk Management Framework, Risk Appetite or internal controls.
- The Committee Chair will inform the Chair of the Finance, Audit & Sustainability Committee of any matters which the Chair considers necessary to bring to the attention of the Finance, Audit and Sustainability Committee.

Approved by the Governance Board.

Schedule 1 – Process for the identification selection and appointment of Appointed Board Members

1. This Schedule sets out the process the Committee has determined and recommended to the Board, for the identification of appropriate potential candidates for appointment as Appointed Board Members (**ABM**).

2. When the Board commences a process to identity and appoint an ABM(s), the Committee:

   a) will review the collective skills, experience, tenure and diversity required for the current Board to effectively discharge its duties and responsibilities, having regard to the Firm's current circumstances and future expectations

   b) will review and recommend to the Board for approval, the criteria (which including the skills, experience, diversity, independence and other attributes) for identifying, selecting and appointing candidates as an ABM

   c) may engage an external consultant to assist in identifying potential candidates for appointment as an ABM

   d) will conduct interviews with selected candidate(s) to ascertain their suitability

   e) will, prior to making a recommendation to the Board for the appointment of an ABM, consider the results of checks undertaken on the candidate's character, experience, education, criminal record and bankruptcy history, as well as checks to ascertain whether the candidate meets the Firm's audit independence requirements

   f) will arrange for Board members to meet with the preferred candidate(s)

   g) will consider candidates for appointment as ABMs and recommend their appointment to the Board for approval

   h) will recommend the terms and conditions of appointment of ABMs to the Board for approval.

3. When assessing the independence of an ABM, or a candidate for appointment as an ABM, the Committee and the Board will consider whether they are:

   a) independent of management

   b) free of any interest, position, affiliation and relationship that might materially influence, or could reasonably be perceived to materially influence, their capacity to:

      i) bring independent judgement to bear on issues before the Board

      ii) act in the best interests of the Firm.

4. Examples of interests, positions, affiliations or other relationships that might raise issues about the independence of an ABM, and are to be considered when assessing the independence of an ABM, or a candidate for appointment as an ABM, include if the person:

   a) is, or has at any time during the last three years, been a member of the Firm's Management Leadership Team or employed in an executive capacity by the Firm or an Affiliate

b) is, or has at any time during the last three years, been a director, officer or employee of the Firm or an Affiliate

c) is a Partner, or former partner, of the Firm

d) is, or has at any time during the last three years, been in a material business relationship (e.g. as a supplier, professional adviser, consultant or customer) with the Firm or an Affiliate, or is an officer of, or otherwise associated with, someone with such a relationship

e) is a director, officer or employee of, an audit client of PwC

f) does not meet PwC's audit independence requirements

g) controls, or significantly influences an audit client of PwC, or in the case of an SEC-registered audit client, owns more than 5% of that audit client

h) has close personal ties with any person who falls within any of the categories described above

i) has been an ABM for such a period that their independence from management may have been compromised.

In this schedule "Affiliate" means:

a) an entity controlled by the Firm

b) a director or officer or an entity controlled by the Firm

c) a Partner of the Firm or a relative (as defined by the Corporations Act) of the Partner.

5. When considering each of the matters set out in paragraphs 3 and 4 above, the materiality of the interest, position or relationship needs to be assessed by Committee and the Board to determine whether it might interfere, or might reasonably be seen to interfere, with the ABM's capacity to bring independent judgement to bear on issues before the Board and to act in the best interests of the Firm rather than in the interests of any other party.