



## CG2 New Director selection and appointment procedure

The Board's procedure when selecting and appointing new directors varies depending upon the circumstances of the Company at the particular time. This is a general description of the procedures that may be adopted in selecting and appointing new directors whenever the Board elects to undertake independent search for a director with particular skills or experience.

### **1. Assessing the Board's skills and requirements**

The Directors periodically assess the skills required of the Board, with regard to the Company's strategic direction. In particular, the Directors will assess whether the Core Skills described in paragraph 2 are represented on the Board.

When an existing non executive director retires, and otherwise as it sees appropriate, the Directors assess the skills represented on the Board, and determine whether those skills meet those required of the Board.

### **2. Core Skills to be identified by the Board**

In assessing the skills required of the Board, the Directors consider whether the following skills and knowledge are represented:

- Strategic expertise;
- Accounting and financial knowledge, including an understanding of reporting requirements;
- Legal, including an understanding of director's duties;
- Risk management;
- Experience with financial markets; and
- Experience in the industry and markets in which the Company operates.

### **3. Selection of candidates for appointment as Directors**

Where a need is identified or arises, the Directors may prepare a brief for an independent third party recruitment adviser, identifying the skills sought and experience sought. Based on a search undertaken by the adviser, and taking into account the skills and experience of each candidate, the Directors may develop a short list of potential appointees.

From the short list of potential appointees, the Directors may make a recommendation to the Board on the most appropriate person to be invited to become a director of the Company.

### **4. Policy for the appointment of directors**

The Directors may consider the following factors when recommending a person for appointment to the Board:

- the candidate's ability to devote sufficient time to effectively discharge the director's duties to the Company;
- the extent to which existing directorships and other commitments that may demand the attention of the candidate;
- the impact that existing positions, directorships or other relationships may have on the candidate's ability to exercise an independent judgment; and
- the candidate's potential to deliver value to the company, work constructively with the existing directors, and contribute to the overall effectiveness of the Board.