

NOMINATIONS COMMITTEE CHARTER

Approved 29 September 2015

1. GENERAL SCOPE AND AUTHORITY

1.1 Introduction

This charter governs the operations of the Nominations Committee of Redflex Holdings Limited (**RHL** or **Company**).

1.2 Purpose

The Nominations Committee is part of the Board of Directors of RHL (**Board**) and its purpose is to assist the Board in the effective discharge of its responsibilities in relation to:

- (a) identifying and assessing individuals qualified to become Non-Executive Directors;
- (b) reviewing succession plans for the Board, Group Chief Executive Officer and other senior executives;
- (c) ensuring performance of Non-Executive Directors is reviewed; and
- (d) assisting the Board to evaluate the performance of the Group Chief Executive Officer;
- (e) evaluating performance of the Board, as a whole.

1.3 Authority

The Committee is required to make recommendations to the Board and does not have any executive powers to commit the Board or management to the implementation of these recommendations, other than where the Board has delegated authority to the Committee.

1.4 Retention of Board responsibility

The Board retains overall responsibility for oversight of the nominations function.

1.5 Access to Books and Records

In discharging its oversight role, the Committee is able to have full access to all books, records, facilities, and personnel of RHL and has the authority to engage independent counsel and other advisers as it determines necessary to carry out its duties.

2. MEMBERSHIP

- (a) The Nominations Committee shall be at least three (3) members and shall comprise a majority of independent Non-Executive Directors and an independent chairperson who is not the chairperson of the Board.
- (b) Membership of the Nominations Committee shall be determined by the Board. The Nominations Committee may comprise the entire Board or as the Board directs

- (c) In the event that a member of the Committee retires from the Board for any reason then that member shall cease to be a member of this Committee.

3. MEETINGS

- (a) The Committee shall meet as frequently as required or as determined by the Committee chairperson but not less than once per year with an agenda and briefing papers circulated in a timely manner prior to the meeting.
- (b) Any member of the Nominations Committee may request to convene a meeting of the Nominations Committee.
- (c) The Company Secretary shall be the secretary of this Committee unless the Board or the Committee otherwise directs.
- (d) The chairperson may direct the Company Secretary or some other individual to prepare an agenda for a Nominations Committee meeting for the chairperson's approval prior to distribution.
- (e) A quorum of two members shall be present prior to commencing a meeting. If the chairperson is not present for a meeting of the Committee, a chairperson for that meeting shall be elected by the members present to act as chairperson for that particular meeting.
- (f) Minutes shall be taken at Nominations Committee meetings by the Company Secretary or by any other individual present at the meeting. Within a reasonable time after a Committee meeting a draft of the minutes must be prepared and presented to the chairperson of the Committee for approval prior to distribution. The approved draft minutes will then be circulated to the other members of the Committee and to the Board. Minutes will be confirmed at the next scheduled meeting of the Committee.
- (g) The Committee may invite any member of management, adviser, consultant or other individual to attend meetings.
- (h) For the avoidance of doubt, in the case where the Nominations Committee is not comprised of the full Board, any Non-Executive Director who wishes to attend a Nominations Committee meeting has a standing invitation to do so.
- (i) The Nominations Committee is entitled to meet without management or senior executives being present.

4. DUTIES

The Nominations Committee has the duty to make recommendations to the Board in relation to, and undertake, the following actions:

- (a) assess the necessary competencies for the Board, having regard to the strategic direction, risks and challenges of the Company;
- (b) implement a plan for identifying, assessing and enhancing Board and Committee competencies;

- (c) review the Board succession plans to ensure that there is an appropriate mix of skills, experience, expertise and diversity on the Board and its Committees;
- (d) prepare and maintain a Board skills and diversity matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership;
- (e) the re-nomination of Non-Executive Directors retiring by rotation;
- (f) identify suitably qualified candidates for election to the Board and make recommendations to the Board regarding the same (such recommendations will take into account the Nomination Committee's review and evaluation of required Board competencies, the balance of skills, knowledge, experience, independence and diversity on the Board);
- (g) ensure appropriate background checks are undertaken before appointing a person, or putting forward to shareholders a candidate for election, as a Non-Executive Director;
- (h) regularly assess, at least annually, the independence of each Non-Executive Director;
- (i) review, at least annually, the composition of each committee and present recommendations for committee memberships to the Board, as needed;
- (j) ensure shareholders are provided with all material information in the Company's possession relevant to a decision on whether or not to elect or re-elect a Non-Executive Director;
- (k) ensure the Company has a written agreement with each Non-Executive Director and senior executive setting out the terms of their appointment;
- (l) ensure there are induction and continuing professional development programs available for Non-Executive Directors;
- (m) develop and recommend to the Board the appropriate process for evaluation of the performance of the Board, its committees and each Non-Executive Director;
- (n) develop and recommend to the Board the appropriate process for evaluation of the performance of the Group Chief Executive Officer and assist the Board in such evaluation of the performance of the Group Chief Executive Officer; and
- (o) undertake any other responsibilities delegated by the Board relating to nominations.

5. TIME COMMITMENT

- (a) The Committee will regularly review the time commitment required for a Non-Executive Directors within the Company and whether Non-Executive Directors are meeting this requirement.
- (b) Non-Executive Directors should also inform the Chairperson of the Board and the chairperson of the Nominations Committee prior to accepting any new

appointment as a director of another listed entity or any other material directorship or any other significant position outside the Company with a significant time commitment requirement of that Non-Executive Director.

6. REPORTING

The chairperson of the Nominations Committee will prepare and deliver a report from the Committee to the Board at the next scheduled meeting of the Board after the Committee meets. Such report should include all matters that should be brought to the attention of the Board including the Committee's recommendations in relation to such matters.

7. COMMITTEE PERFORMANCE

The Committee shall perform an evaluation of its performance at least annually to determine whether it is functioning effectively by reference to current best practice.

8. REVIEW OF CHARTER

- (a) The Board will review this Charter at least annually to ensure it complies with applicable legal requirements and remains relevant and effective.
- (b) This Charter is not intended to be contractual in nature.
- (c) The Board may change this Charter at any time.

9. PUBLICATION

A copy of this Charter will be available in the Investor Relations / Corporate Governance section of the Redflex website (www.redflex.com.au) or made available on request.