



**Billabong
International
Limited**

Nominations Committee Charter

Billabong International Limited

Introduction

This Charter sets out the basis on which the Board of Directors has established a Nominations Committee pursuant to the Constitution.

The Board of Directors has determined in respect of the Nominations Committee:

1. Objectives

The primary objective of the Committee is to assist the Board in assessing the Company's Board composition needs, compiling specifications for appropriate candidates, conducting interviews and making recommendations to the Board and the ongoing evaluation and review of the performance of the Board, the Board's Committees and the Directors.

2. Committee Membership

2.1. Structure

The Committee will consist of at least three members, each of whom will be appointed or removed by the Board.

All members of the Committee must be Non-Executive Directors and a majority must be independent Directors.

The Chair of the Board of Directors will be the Chair of the Committee, except when the Committee is dealing with the appointment of a successor to the Chair in which case a separate Chair will be appointed by the Board.

2.2. Company Secretary

The Company Secretary will act as Secretary to the Committee.

3. Proceedings of Meetings

3.1. Frequency

The Committee will meet as frequently as required but at least once a year.

Any Committee member or the Secretary may call a meeting of the Committee.

3.2. Quorum

A quorum is a majority of Committee members.

3.3. Attendance

Subject to the below, only members of the Committee are entitled to be present at a Committee meeting.

The Committee may extend an invitation to any person to attend all or part of any meeting of the Committee which it considers appropriate.

3.4. Reporting to the Board

The Chair of the Committee, or delegate, shall report to the Board following each meeting.

4. Access and Authority

4.1. Authority of the Committee

The Committee has authority to investigate any activity within its terms of reference. The Committee is responsible for making recommendations to the Board regarding appropriate action resulting from such investigations.

4.2. Access

The Committee shall have unrestricted access to personnel, records, external auditors and senior management as appropriate.

4.3. Independent Advice

The Committee has authority to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary, with the cost of such advisors to be borne by the Company.

5. Minutes

Minutes of meetings are to be provided to the Chair as soon as practicable after each meeting and are to be tabled for discussion at the next Committee meeting.

The minutes of all Committee meetings shall be circulated to members of the Board.

6. Responsibilities

6.1. Specific duties and responsibilities

Without limiting its role, the specific duties and responsibilities of the Committee include the following:

- (a) assessing periodically the skill set required to discharge competently the Board's duties, having regard to the strategic direction of the Group, and assessing the skills, experience, independence and knowledge currently represented on the Board (including reviewing the Board's Skills Matrix and the Independence of Director's Matrix);
- (b) regularly reviewing and making recommendations to the Board regarding the structure, size and composition (including the balance of skills, independence, knowledge, expertise and diversity of gender, age, experience and relationships) of the Board and keeping under review the leadership needs of the Board;
- (c) preparing a description of the role and capabilities required for a particular appointment;
- (d) identifying suitable candidates (executive and non-executive) to fill Board vacancies, taking into account the skills, experience and diversity required on the Board, and the attributes required of Directors;
- (e) to undertake appropriate checks and consider potential conflicts of interest before appointing new Directors or putting forward candidates for election or re-election by shareholders;
- (f) ensuring that, on appointment, all Directors receive an induction and formal letter of appointment, setting out the time commitment and responsibility envisaged in the appointment including any responsibilities with respect to Board Committees;
- (g) provision of appropriate training and development opportunities for Directors;

- (h) identifying the existing Directors who are due for re-election by rotation at the Company's Annual General Meeting, in accordance with the Constitution;
- (i) giving full consideration to appropriate succession planning for the Board, satisfying itself that processes and plans are in place in relation to the Board;
- (j) establishing processes for the review of the performance of individual Directors, the Board's Committees and the Board as a whole, in particular prior to the endorsement of retiring directors seeking re-election;
- (k) reviewing the time required from Non-Executive Directors to effectively discharge his or her duties to the Group and whether Directors are meeting that requirement;
- (l) reviewing disclosures, including ASX filings and announcements for the election of a Director, statements in the Annual Report detailing the Committee's activities and the process used for appointments;
- (m) making publicly available the Committee's Charter, explaining its role and the authority delegated to it by the Board;
- (n) reviewing the Committee's Charter and its own performance annually; and
- (o) reviewing the Independence of Directors Policy and the Policy & Procedures for Selection, Appointment and Re-Election of Non-Executive Director's Policy annually.