

Nominations and Corporate Governance Committee Charter

1. Purpose

The purpose of the Nominations and Corporate Governance Committee is to assist the Board of Mercury NZ Limited (**Mercury**) to ensure that:

- > the Board and its Committees are structured appropriately and composed of suitably qualified individuals to support the Board's effectiveness in discharging its duties and responsibilities; and
- > the Board adheres to high standards of corporate governance, reflecting governance principles and best practice.

While directors are elected by shareholders, the Nominations and Corporate Governance Committee has an important role to identify people with the necessary range of skills, experience, knowledge and perspectives for selection as candidates for shareholder vote.

This Charter sets out the composition, authority, roles and responsibilities and procedures of the Committee.

2. Composition

- > The Committee is a committee of the Board.
- > The Board will approve all appointments to the Committee.
- > The Committee comprises a minimum of three directors and is chaired by the Board Chair.
- > The majority of Committee members will be non-executive, independent directors.
- > A quorum will be a majority of Committee members and will include the Board Chair.
- > The Committee will appoint a secretary who will be the Company Secretary or other Mercury employee as nominated by the Committee.
- > The Committee may invite members of management, any employee, internal or external auditors or any other person to attend meetings as required.

3. Management role

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

4. Authority

The Committee does not have the authority to make decisions for or on behalf of the Board unless specifically authorised to do so by this Charter or as directed by the Board. The Committee will make recommendations to the Board as set out in this Charter.

The Committee may delegate any of its responsibilities to the Committee Chair or a subset of Committee members from time to time and on such conditions as the Committee considers appropriate.

5. Roles and Responsibilities

The Board has delegated authority to the Committee to oversee and monitor Mercury's Board and committee composition and structure and corporate governance practices.

The Committee has the following specific responsibilities:



5.1 Director appointment and induction

- > Provide assurance that the Board has the effective composition, necessary and desirable skills, experience, knowledge, diversity and perspectives, and appropriate size to discharge its responsibilities and duties in accordance with the law, high standards of governance and Mercury's strategic objectives.
- > If there is a vacancy, or future vacancy, identify and recommend individuals qualified to become directors, to provide for continued effective Board composition and consistency with criteria approved by the Board, ensuring that appropriate checks are undertaken before recommending that an individual be appointed as director.
- > Have the authority to:
 - retain any search firm to identify director candidates; and
 - obtain advice and assistance from internal or external legal, accounting, or other advisors.
- > In consultation with the Board, undertake an interview and recommendation process in respect of any candidate and provide key information to shareholders to assist them to decide whether to elect or re-elect the candidate.
- > Assist the Board to provide a programme for the effective induction of new directors, including providing them with industry knowledge and with information on Mercury's financial, strategic, and operational positions, the values of Mercury and its corporate governance structure.
- > Oversee the entry into letters of appointment for all new directors, clearly setting out the expectations of new directors.

6. Review and assessment

- > Develop and maintain a record and assessment of the skills, experience, and knowledge of directors.
- > Prepare and approve a director skills matrix for inclusion in Mercury's annual corporate governance statement.
- > Develop and recommend to the Board for its approval an annual evaluation process of the Board and its committees that is consistent with the skills, experience, knowledge, and diversity identified as necessary for the Board to discharge its duties and responsibilities.
- > Ensure committee membership is appropriate, and committee structures are working effectively.
- > Review and monitor director tenure, capacity, commitments and Mercury shareholdings.
- > Review and recommend to the Board for approval appropriate director remuneration, including seeking benchmarking before recommendations are made (noting changes to aggregate remuneration require shareholder approval).
- > Present proposals relating to director remuneration to the annual shareholders' meeting, together with supporting material for consideration and approval, as required.
- > Ensure that adequate succession plans are in place to provide for the continued effective composition, necessary and desirable skills, experience, knowledge, diversity and perspective, and appropriate size of the Board.

7. Governance

- > Review Mercury's corporate governance practices and make recommendations to the Board based on that review.
- > Review and approve Mercury's annual corporate governance statement for release.
- > Review and endorse for Board approval Mercury's annual report.
- > Review and approve the Notice of Meeting for Mercury's Annual Shareholders' Meeting.
- > Monitor the independence status of directors and annually assess directors' independence and recommend to the Board for determination.
- > Review the following key policies as required and recommend any proposed changes for Board approval:
 - Non-Executive Director Remuneration Policy
 - Takeover Response Policy



8. Training and development

- > Consider and report to the Board on appropriate induction and continuing education for directors to provide opportunities for the Board to maintain and develop the skills, experience, knowledge, and diversity needed to perform its role effectively and in accordance with the law, high standards of governance and Mercury's strategic objectives.

9. Other

- > Consider and report to the Board on Executive succession matters
- > Consider and report to the Board on Mercury's relationships with key stakeholders and investors.
- > Undertake other matters as may be delegated by the Board.
- > Identify and direct any special projects or investigations it deems necessary to achieve the Committee's purpose.
- > Report actions to the Board with such recommendations as deemed appropriate.

10. Meetings

The Committee will meet as required, and at least once per year.

The Committee secretary will produce minutes of each meeting. 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 Committee meeting and will provide copies of the minutes to members of the Board.

From time to time, matters considered by the Committee may be relevant to another Board Committee. The Committee Chair and the Company Secretary will coordinate necessary or desirable cross-Committee discussions and reporting.

11. Access and independent advice

The Committee and its individual members are entitled to:

- > have access to any officer, employee, consultant, or advisor of Mercury at any time to request additional information or explanations; and
- > with the Committee Chair's consent, seek independent professional advice at Mercury's expense.

12. Review and approval of Charter

This Charter has been approved by the Board. The Committee will review the Charter as required, and at least every two years, and recommend any proposed changes to the Board for approval.

Effective date: 16 June 2025

Next review: 2027

