



## PROCEDURE FOR THE SELECTION AND APPOINTMENT OF DIRECTORS

### 1 Responsibility

Pursuant to the Board Charter for CAR Group Ltd (**Company** or **CAR Group**), reviewing the composition of the Board and succession planning for the Chair and Non-Executive Directors are matters reserved for the Board.

The Board has established a People & Culture Committee (the Committee) to assist in the discharge of its responsibilities. Pursuant to that Committee's Charter, its duties include making recommendations on Board membership. This policy provides some insight into the process undertaken in exercising that duty.

### 2 Review of Board Composition

The Board regularly reviews the composition of the Board and the succession plans for Directors.

Each year, the Board conducts a Board performance review and a skills survey, so that each director may contribute his or her views on the skills represented on the Board and whether there is a gap in skills or experience that a new director may address.

Specifically, the Board considers:

- the skills, knowledge, experience and diversity required on the Board and the extent to which each is currently represented by the composition of the Board;
- the business and strategic needs of the Company;
- upcoming retirement of directors and any skills, knowledge or experience that the Board may lack upon their retirement; and
- opportunities to obtain the services of particular persons with desirable skills at the time of their availability.



### 3 Selection

If the Board determines that it is necessary or desirable to recruit additional directors, it will identify the skills and experience required to be fulfilled by that appointment. The Board, with assistance from the Committee, will determine the most appropriate search process for identifying and evaluating candidates.

In addition to the specific skills, knowledge and experience deemed necessary for a suitable candidate, the Board also considers:

- the extent to which the candidate is likely to contribute to the overall effectiveness of the Board and work constructively with the existing directors;
- the integrity of the candidate;
- whether the candidate would be prepared to question and challenge in meetings;
- whether the candidate has a proven track record of creating value for shareholders;
- whether the candidate has exhibited a commitment to the highest standard of governance;
- the nature of existing positions held by the candidate including directorships or other relationships, and the impact that each may have on the candidate's ability to provide the Company with the time and attention the position requires, and exercise independent judgement; and
- whether the candidate will bring an independent point of view to the Board's decision making process.

With these matters in mind, the Committee will produce a list of candidates for consideration by the Board. Selected candidates will be interviewed by members of the Committee and the Chair. If a preferred candidate is identified, all members of the Board will be given the opportunity to meet with the candidate prior to an offer being made.

### 4 Appointment

Following appropriate reference checks and other processes required at the discretion of the Board, a director is appointed by a letter of appointment which sets out the duties and responsibilities of the role.



## 5 Shareholder approval

In accordance with the Company's constitution, each new non-executive director must resign at the first Annual General Meeting following their appointment and offer themselves for election by shareholders.

Similarly, all non-executive directors are required to retire after a period of no more than three years, at which point they may seek re-election by shareholders. Directors seeking re-election are subject to a performance review by other directors to enable a recommendation on the re-election to be given to shareholders.



### Document and Version Control

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