

# **CORPORATE GOVERNANCE & NOMINATIONS COMMITTEE**

## **TERMS OF REFERENCE**

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### **PURPOSE**

The Corporate Governance & Nominations Committee (“the Committee”) is a Committee of the Orica Limited Board created to assist the Board in the effective discharge of its responsibilities for:

- Ensuring the company has appropriate ethical standards and corporate governance policies and practices.
- Issuing an annual corporate governance statement.
- Board composition and succession including nomination of non-executive directors to the Board.
- Board performance including performance reviews.
- Corporate Donations Program.

### **MEMBERSHIP**

The Committee consists of all directors.

The Committee may invite any other individuals to attend meetings of the Committee, as it considers appropriate.

### **MEETINGS**

The Committee meets at least three times annually or more frequently as required.

The Chairman or the Secretary may call a meeting.

Two non-executive directors shall constitute a quorum.

The Committee’s Terms of Reference shall be reviewed annually and updated as required.

### **RESPONSIBILITIES**

To review and approve matters concerning:

- (a) Governance policies in light of best practice, regulatory developments and the needs of the company including policies for continuous disclosure and dealings in securities.
- (b) The company’s ethical standards including the Code of Conduct.
- (c) The size and composition of the Board, including the;
  - mix of executive and independent non-executive directors;

- skills, experience;
  - selection criteria for nomination of candidates of non-executive directors; and
  - the time commitment and contribution required of non-executive directors.
- (d) Succession planning for non-executive directors.
- (e) The identification and nomination of individuals qualified to become Board members.
- (f) The terms and conditions on which non-executive directors are appointed and hold office.
- (g) The methodology for reviewing the performance of the Board, the Chairman and individual non-executive directors.
- (h) Oversight of the Corporate Donations Program

To review and make recommendations to the Board concerning:

- a) The corporate governance statement for inclusion in the Company's Annual Report in accordance with ASX Listing Rule 4.10.3.
- b) Remuneration arrangements for non-executive directors.
- c) The terms of reference for the Board, Chairman and Chief Executive Officer.
- d) The Board's annual objectives and program.

**Approved by Corporate Governance & Nominations Committee on 5 November 2009 and by Orica Limited Board on 16 December 2009.**