

CORPORATE GOVERNANCE & NOMINATIONS COMMITTEE

TERMS OF REFERENCE

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 4 November 2011 and by Orica Limited Board on 15 December 2011.