

Nomination and Corporate Governance Committee Charter

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POLICY

The Downer EDI Limited Nomination and Corporate Governance Committee ("N&CG Committee") has been established to assist the Board in its oversight of the:

- selection and appointment practices of the Company relating to Directors and the Chief Executive Officer and Managing Director ("Group CEO");
- Company's compliance with its corporate governance commitments and legal and regulatory obligations; and
- corporate governance report included in the Company's annual report.

PURPOSE

This Charter sets out the functions and responsibilities of the N&CG Committee and how the N&CG Committee will operate. The N&CG Committee has the power to make decisions about any of its responsibilities as set out in this Charter.

SCOPE

The Board, the N&CG Committee and the Company.

1.0 RESPONSIBILITIES AND FUNCTIONS

1.1 Responsibilities and functions generally

The N&CG Committee is broadly responsible for making recommendations to the Board about the:

- a) necessary or desirable skills and competencies of Directors;
- b) succession planning for the Board;
- c) process for evaluating the performance of the Board, the Committees and Directors;
- d) appointment and re-election of Directors;
- e) remuneration of Directors;
- f) appointment, remuneration and performance of the Group CEO; and
- g) the Company's Corporate Governance policies and procedures and the Company's Corporate Governance Report.

1.2 Skills and competencies of Directors

The N&CG Committee is responsible for ensuring a plan for identifying, assessing and enhancing the skills and competencies required for the Company's Directors is developed and implemented by the Company.

1.3 Board succession

The N&CG Committee is responsible for overseeing the:

- a) implementation of processes for identifying suitable candidates for appointment to the Board; and
- b) development of a succession plan to ensure there is, and continues to be, an appropriate balance of skills, competencies, experience and expertise on the Board.

1.4 Evaluation processes

The N&CG Committee is responsible for:

- a) overseeing the development and implementation of procedures for evaluating the performance of the Board, the Committees and each Director;
- b) regularly evaluating the performance of the Board and the Committees, and reporting its findings and recommendations to the Board;
- c) evaluating the performance of each Director on a regular basis and every time a Director seeks re-election to the Board; and
- d) regularly reviewing the time commitments required from Directors and whether these requirements are being met.

1.5 Appointment and re-election

The N&CG Committee is responsible for:

- a) overseeing the development and implementation of procedures for the appointment and re-election of Directors;
- b) identifying and recommending to the Board names of suitable candidates for appointment to the Board;
- c) identifying the Directors retiring in accordance with the Company's constitution, and making recommendations to the Board about each Director;
- d) obtaining sufficient information from Directors to enable shareholders to make an informed decision about a Director's election or re-election to the Board; and
- e) ensuring the Company's pro forma letter of appointment for non-executive Directors (including attachments), the induction procedure for new Directors and relevant induction materials are regularly reviewed and updated.

1.6 Directors' remuneration

The N&CG Committee is responsible for making recommendations to the Board about the remuneration of all Directors, including determining whether shareholder approval is required, and ensuring that all Directors' remuneration is made in accordance with relevant shareholder approvals.

1.7 Group CEO

The N&CG Committee is responsible for making recommendations to the Board about the appointment, remuneration and performance of the Group CEO, including determining whether shareholder approval is required and ensuring that remuneration is consistent with relevant shareholder approvals.

1.8 Corporate governance

The N&CG Committee is responsible for:

- a) ensuring relevant Senior Executives and Executives develop and implement policies and practices to ensure the Company complies with its corporate governance obligations and commitments;
- b) regularly reviewing the Company's corporate governance policies and practices to ensure they are current, effective and in line with leading practice;
- c) monitoring compliance with the Company's corporate governance policies and practices; and
- d) reviewing and recommending for approval the Corporate Governance Report for inclusion in the Company's annual report.

1.9 Disclosure

The N&CG Committee is responsible for reviewing all public disclosures and statements about the nomination and corporate governance matters that are within the N&CG Committee's specific responsibilities, including:

- a) market disclosures to the ASX and the New Zealand stock exchange;
- b) the Company's annual reports; and
- c) press releases,

before any disclosures or statements are released to the market or made public.

2.0 ADMINISTRATION

2.1 Operational guidelines

The *Operational Guidelines for the Board Committees* (“the Guidelines”) sets out the procedures and requirements to ensure the N&CG Committee fulfils its specific role and responsibilities.

The Guidelines form part of, and must be read with, this Charter. If there is an inconsistency about a specific procedure or requirement between this Charter and the Guidelines, the arrangements set out in this Charter apply.

2.2 External advisers

In addition to the authorisations set out in the *Operational Guidelines for the Board Committees*, the N&CG Committee may engage appropriately qualified external advisers (including executive recruitment agencies) to assist in identifying candidates which may be suitable for appointment to the Board.

2.3 Attendees

The N&CG Committee may invite any person to attend any meeting or part of any meeting of the N&CG Committee.