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1 PURPOSE

The Downer EDI Limited Nominations Committee has been established to assist the Board in its oversight of the:

- selection and appointment practices of the Company relating to Non-executive Directors and the Chief Executive Officer and Managing Director (“Group CEO”); and
- remuneration of all Directors.

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

2 RESPONSIBILITIES AND FUNCTIONS

2.1 Responsibilities and Functions Generally

The Nominations 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; and
- f) appointment, remuneration and performance of the Group CEO.

2.2 Skills and Competencies of Directors

The Nominations 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.

2.3 Board Succession

The Nominations 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.

2.4 Evaluation Process

The Nominations 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.

2.5 Appointment and Re-election

The Nominations 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
- 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.

2.6 Directors' Remuneration

The Nominations 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.

2.7 Group CEO

The Nominations 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.

3 ADMINISTRATION

3.1 Operational Guidelines

The *Operational Guidelines for the Board Committees* (“the Guidelines”) sets out the procedures and requirements to ensure the Nominations 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.

3.2 External Advisers

In addition to the authorisations set out in the *Operational Guidelines for the Board Committees*, the Nominations 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.

3.3 Attendees

The Nominations Committee may invite any person to attend any meeting or part of any meeting of the Nominations Committee.