

NOMINATION & REMUNERATION COMMITTEE CHARTER

GWA GROUP LIMITED

CONTENT

1. INTRODUCTION	3
2. PURPOSE	3
3. ROLE AND RESPONSIBILITIES	3
4. SIZE AND COMPOSITION	4
5. MEETINGS	4
6. REPORTING	5
7. ACCESS TO INDEPENDENT ADVICE	5
8. REVIEW	5
9. PUBLICATION	5
10. APPROVAL	5

1. INTRODUCTION

The Board has established the Nominations & Remuneration Committee:

- to assist the Board in discharging its responsibilities as set out below; and
- with the terms of reference and delegated authority set out in section 3.

2. PURPOSE

As part of its broader charter the Board is accountable for a range of human capital responsibilities eg :

- a. ensuring its members are best able to discharge their responsibilities having regard to the law and excellence in governance standards.
- b. the appointment, terms of appointment, performance and remuneration of the CEO;
- c. reviewing the CEO's appointments to the Executive Leadership Team;
- d. approving senior management succession plans;
- e. approving the recommendations of the CEO for the remuneration of the Executive Leadership Team; and
- f. approving Group employee incentive schemes.

3. COMMITTEE ROLE AND RESPONSIBILITIES

The Committee's role and responsibilities include:

- a. In relation to the Board
 - Reviewing and making recommendations to the Board regarding Directors' tenure and the composition and size of the Board.
 - Assessing the skills required to discharge the Board's duties, including specific qualities or skills that the Committee believes are necessary for the Non-Executive Directors of the Board to possess and the mix of skills, experience and diversity that the Board desires to achieve in its membership.
 - Reviewing the Director terms of appointment from time to time.
 - Conducting searches for new directors and recommending appointment of preferred candidates having regard to the mix of skills, experience and diversity of the Board and the skills identified to discharge the board's duties.
 - Recommending the appointment of the Chair of the Board and the Chairs of any Board Committee.
 - Making recommendations on the re-election by shareholders of any Director or the election of any new Director at the next General Meeting.
 - Developing, implementing and reviewing succession planning for the Chair of the Board, Directors (including CEO/Managing Director and any other Executive Director) and Chairs of Board Committees.
 - Reviewing and making recommendations to the Board on the remuneration framework, the fee pool and fee levels for Directors.
- b. In relation to the CEO and any other Executive Director
 - Reviewing and making recommendations on the employment arrangements including contract terms, annual remuneration, participation in short term and long term incentive schemes and all other remuneration elements.

- Reviewing and approving the performance objectives of the CEO and any other Executive Director and assessment of actual performance against those objectives.
- c. In relation to the Executive Leadership Team
- Reviewing the employment arrangements for members of the Executive Leadership Team (other than the CEO or any other Executive Director) including contract terms, annual remuneration, participation in short term and long term incentive schemes and all other remuneration elements.
 - Reviewing and noting succession plans for members of the Executive Leadership Team.
 - Reviewing and noting performance objectives of the Executive Leadership Team and the CEO's assessment of actual performance against objectives of the Executive Leadership Team.
 - Reviewing and approving performance targets for Group employee incentive schemes as applicable to the Executive Leadership Team.
- d. In relation to the Group
- Reviewing and recommending to the Board the content of the annual Remuneration Report for inclusion in the Directors' Report.
 - Reviewing and approving the introduction of, or material changes to, Group employee incentive schemes.
 - Reviewing the effectiveness of and progress against, the GWA Diversity and Inclusion Policy.

4. COMMITTEE SIZE AND COMPOSITION

- a. All Committee members must be non-executive Directors.
- b. Unless otherwise determined by the Board, the Committee will comprise a minimum of three independent non-executive Directors and will have an independent non-executive Director as Chair (who may be the Chair of the Board).
- c. Appointment to the Committee will be for two years or as determined by the board.
- d. The Board will appoint the Chair and Committee members and may remove or replace the Chair and Committee members by resolution.

5. MEETINGS

- a. The Committee will meet at least half-yearly, or more frequently as necessary.
- b. A quorum for any Committee meeting will be the smallest number greater than half the members.
- c. No member of management of the Group may participate in deliberations of the Committee with respect to his or her own remuneration.

- d. The Secretary of the Committee will be the Group General Manager People, Culture & Communication or their appointed delegate.
- e. The Committee agenda and papers will be circulated to the Committee members within a reasonable period in advance of each Committee meeting. The Secretary of the Committee will circulate the minutes of the Committee meetings to members of the Committee.
- f. The Committee may pass a resolution without a Committee meeting being held if all of the Committee members who are entitled to vote on the resolution sign a document containing a statement that they are in favour of the resolution set out in the document.

6. REPORTING

- a. The Committee will make recommendations to the Board and the Chair of the Committee will provide regular updates to the Board about the Committee's activities.
- b. Minutes of each Committee meeting will be tabled at the next Board meeting.

7. ACCESS TO INDEPENDENT ADVICE

- a. The Committee collectively, and each Committee member individually, has the right to seek independent professional advice as they consider necessary to fulfill their responsibilities and permit independent judgment in decision making, subject to the approval of the Chair of the Committee at the Group's expense.
- b. It is expected that a Committee member will consult the Chair before obtaining advice and the policy of the Board is that external advice will be made available to all Directors unless the Chair agrees otherwise.

8. REVIEW

This Charter will be reviewed every two years or more frequently as required.

9. PUBLICATION

This Charter is to be made available to shareholders upon request and is to be available at www.gwagroup.com.au. Key features are to be included in the Annual Report to shareholders.

10. APPROVAL

This Charter was approved and adopted by the Board on 19 August 2016.