



As at 25 October 2010

NOMINATION AND SUCCESSION PLANNING COMMITTEE CHARTER

Asciano Limited
ABN 26 123 652 862

UPDATES

19 June 2007	Adopted by the Board.
22 November	Adopted by the Board.
23 February 2010	Minor Amendments made.
5 August 2010	Minor Amendments made.

NOMINATION AND SUCCESSION PLANNING COMMITTEE CHARTER

1. Purpose

- 1.1** The Nomination and Succession Planning Committee ("Committee") is established by the Board of Directors of Asciano Limited ("Asciano").
- 1.2** This Charter governs the operations of the Committee. It sets out the Committee's role and responsibilities, composition, structure and membership requirements.
- 1.3** The purpose of the Committee is to assist the Board on nomination and succession planning matters, including by:
- (a) monitoring the size and composition of the Board and Board Committees;
 - (b) recommending individuals for nomination as members of the Board and its Committees;
 - (c) reviewing Board succession plans;
 - (d) ensuring that the performance of members of the Board and Board Committees are reviewed;
 - (e) reviewing succession plans for senior executives (including executive Directors and the Managing Director);
 - (f) ensuring the performance of senior executives is reviewed at least annually;
 - (g) ensuring that Board and senior executive succession plans maintain an appropriate mix of skills, experience, expertise and diversity;
 - (h) reviewing and reporting to the Board about the proportion of women at all levels of Asciano at least annually; and
 - (i) strategies to address diversity in the composition of members of the Board.
- 1.4** The Committee will have no executive powers with regard to its findings and recommendations.

2. Membership

- 2.1** The Committee will have a minimum of three members, the majority being independent Directors. Each member must be a non-executive Director.
- 2.2** The Committee will be chaired by an independent Director, who may be the Chairman of the Board.

3. Meetings

- 3.1** The Committee will meet as often as necessary, but must meet at least twice a year and one of those meetings must take place at least two months prior to Asciano's annual general meeting.
- 3.2** The Chairperson of the Committee must call a meeting of the Committee if so requested by any Committee member or the Company Secretary.
- 3.3** The Committee may invite other persons, such as internal specialists or external advisers, to attend meetings if considered appropriate by the Chairperson of the Committee.
- 3.4** Other Directors are entitled to attend any meeting of the Committee and any reports and papers relevant to that meeting will be made available to them, subject to any conflict of interest..
- 3.5** If a Director attending a meeting of the Committee is the subject of discussion of the Committee, they must not be present for that discussion.
- 3.6** The quorum necessary for a meeting of the Committee will be two members.

4. Secretary

- 4.1** The Company Secretary will act as the Secretary of the Committee and will attend all Committee meetings.
- 4.2** The Company Secretary, in conjunction with the Chairperson of the Committee, must prepare an agenda to be circulated to each Committee member and those persons invited to attend its meetings in accordance with paragraph 3.3, at least 3 full working days prior to each meeting of the Committee.
- 4.3** The Company Secretary will distribute a meeting timetable for each forthcoming calendar year.
- 4.4** The minutes of all Committee meetings will be circulated to members of the Board by the Company Secretary.

5. Reporting

- 5.1** The Chairperson of the Committee must provide a report on the findings and recommendations of the Committee to the next Board meeting after each meeting of the Committee.
- 5.2** The Committee must approve the details to be published in Asciano's Annual Report or other statutory report or document with respect to the activities and responsibilities of the Committee.
- 5.3** Committee papers will be made available to each Director on request to the Chairperson of the Committee, subject to any conflict of interest.

6. Responsibilities

6.1 Review of the Charter

The Committee will review and reassess the Charter annually and will seek prior Board approval to any amendments.

6.2 Size and composition of the Board

The Committee will:

- (a) regularly review the size and composition of the Board and make recommendations to the Board with regard to any appropriate changes;
- (b) make recommendations to the Board with respect to the necessary and desirable competencies of Directors;
- (c) make recommendations to the Board for the appointment and removal of Directors; and
- (d) in a timely manner, make recommendations to the Board whether or not Directors, whose term of office is expiring, should be proposed for re-election at the Company's next AGM.

6.3 New Directors

The Committee will:

- (a) establish guidelines for the appointment of new Directors, particularly having regard to the requirements of the ACCC;
- (b) develop policies and procedures for the selection and appointment of Directors;
- (c) identify individuals who may be qualified to become Directors, having regard to such factors as the Committee considers appropriate, including skill, diversity, experience with business, other organisations of a comparable size and the industries in which Asciano operates, the extent to which the candidate would be a desirable addition to the Board and any Board Committees, the requirements of the ACCC and the Principles of Good Corporate Governance and Best Practice Recommendations of the ASX Corporate Governance Council (the "**Guidelines**"); and
- (d) ensure that an effective training and education program for new Directors is in place, and regularly review its effectiveness.

6.4 Board Committees

The Committee will identify Directors qualified to fill vacancies on Board Committees and make recommendations to the Board accordingly, having regard to such factors as the Committee considers appropriate, including the Charter of the particular Board Committee, the Director's experience, the qualifications and experience of the other Committee members and the Guidelines.

6.5 Succession plans for Directors

The Committee will establish and review, on a regular basis, Board succession plans (excluding those of executive Directors) to maintain an appropriate mix of skills, experience, expertise and diversity on the Board and provide advice to the Board accordingly.

6.6 Performance for Directors

The Committee will:

- (a) develop a plan for identifying, assessing and enhancing Director competencies and ensure the plan is implemented; and
- (b) establish procedures for the evaluation of the performance of the Board, Board Committees and each Director.

6.7 Succession plans for Senior Executives

The Committee will review succession plans for senior executives on a regular basis in an endeavour to maintain an appropriate mix of skills, experience, expertise and diversity in the management of Asciano.

6.8 Performance for Senior Executives

The Committee will:

- (a) develop and implement a plan for identifying, assessing and enhancing competencies of senior executives; and
- (b) ensure that the performance of each senior executive is evaluated at least annually.

6.9 Other matters

The Committee will also consider any other matters delegated to it by the Board (including special investigations).

7. Committee performance

7.1 The Committee will undertake an evaluation of its performance at least annually.

7.2 The Board will evaluate the performance of the Committee as appropriate.

8. Other

- 8.1** The Committee is authorised to engage, at the Company's expense, outside legal or other professional advice or assistance on any matters within its terms of reference as set out in this Charter.
- 8.2** The Committee is authorised to seek any information it requires from any officer or employee of the Asciano Group and such officers or employees will be instructed by the board of the company employing them to respond to such enquiries.
- 8.3** No member of the Committee may participate in any decision with respect to his or her position.
- 8.4** The Committee may, in its discretion, delegate all or some of its responsibilities to a sub-committee.