

## TERMS OF REFERENCE | MAY 2019

# INNOVATION & TECHNOLOGY COMMITTEE

## PURPOSE AND CORE RESPONSIBILITIES

The Innovation & Technology Committee ('the Committee') is a sub-committee established by the Orica Limited Board and created to assist the Board in the effective discharge of its responsibilities in relation to the matters set out in these Terms of Reference.

In meeting its responsibilities, the Committee will report to the Board and take reasonable steps in its oversight of the following key areas:

- matters of innovation and technology;
- information technology (IT) strategy and execution; and
- technology-related risk.

## INNOVATION & TECHNOLOGY AND INFORMATION TECHNOLOGY STRATEGY

The Committee will review and report to the Board on:

- research and development, transition of new technology to commercialisation, product planning and roadmaps, and product line rationalisation;
- the deployment of technology and technology-related material operational initiatives, such as supply chain transformation, that could have a significant impact on the Company's performance and/or strategic goals;
- IT strategy, roadmaps and execution, including the financial, tactical and strategic benefits of proposed major IT initiatives.

In discharging its responsibilities, the Committee will:

- consider the planned financial and talent resources required to achieve operational and commercial success in the areas for which the Committee has oversight;
- review existing and future trends in technology that may affect the industries in which the Company operates and its strategic plans;
- review and give guidance on the Company's capital expenditure related to research and product development, Group-wide IT deployment and other technology-related material operational initiatives; and
- review the intellectual property portfolio and management in connection with the Company's technology, research and product development processes.

## TECHNOLOGY RISK

The Committee will review and report to the Board on:

- the technology-related material operational risks in light of any risk appetite set by the Board, and other emerging risks and mitigation plans related to the deployment and/or commercialisation of new products, IT and operational solutions that are based on new technology or significant innovations to existing technology;
- technology-related competitor analysis and potential disruption to Orica's existing and planned technology solutions and strategy.

In discharging its responsibilities, the Committee will receive reports from Management on material changes in customer operations and demands and competitor activity in technology solutions.

## REVIEW

Each year the Committee will review its performance against the Terms of Reference and agree the annual objectives and work plan for the year ahead.

The Committee's Terms of Reference shall be reviewed at least biennially and updated as required.

## AUTHORITY

In carrying out its duties, the Committee has the authority to discuss directly with management, internal auditors or experts any issue within its remit and to request reports, explanations and information of any of the activities or procedures of the Orica Group.

The Committee is authorised by the Board to obtain outside legal or other professional advice if it considers this necessary.

## MEMBERSHIP

The Committee will consist of not less than three Non-Executive Directors. The Chair and a majority of Committee members will be independent Directors.

The Company Secretary or a delegate shall act as the Committee Secretary.

A standing invitation to the Committee will be extended to all Non-Executive Directors and, subject to the nature of the matters being discussed, to the:

- Managing Director & Chief Executive Officer;
- Chief Commercial Officer;
- Vice President Technology; and
- Chief Digital Officer.

The Committee may invite any other individuals to attend meetings of the Committee as it considers appropriate.

## MEETINGS

The Committee will meet at least three times annually or more frequently as required. The Chairman or the Company Secretary may call a meeting and two Non-Executive Directors shall constitute a quorum.

The Chairman of the Committee will provide a report to the Board following each Committee meeting.

Committee members may hold a closed session in the absence of management.

**Approved by  
Orica Limited Board  
May 2019**

---

© 2019 Orica Group. All rights reserved. All information contained in this document is provided for informational purposes only and is subject to change without notice. Since the Orica Group cannot anticipate or control the conditions under which this information and its products may be used, each user should review the information in the specific context of the intended application. To the maximum extent permitted by law, the Orica Group specifically disclaims all warranties express or implied in law, including accuracy, non infringement, and implied warranties of merchantability or fitness for a particular purpose. The Orica Group specifically disclaims, and will not be responsible for, any liability or damages resulting from the use or reliance upon the information in this document. The word Orica and the Ring device are trademarks of the Orica Group. Orica Limited ABN 24 004 145 868