

NOMINATION AND REMUNERATION COMMITTEE CHARTER

1. Organisation

This charter governs the operations of the Slater & Gordon Nomination and Remuneration Committee ("the Committee"). The Committee shall review and reassess the charter at least annually and obtain the approval of the Board of Directors for any changes.

2. Membership

The Committee shall be members of, and appointed by, the Board of Directors and shall comprise at least three directors that have diverse, complementary backgrounds. At least two of the members of the Committee will be independent of management and the company.

The Committee chair will be appointed by the Board and shall be one of the independent directors and may be the Chair of the Board of Directors.

Members of the Committee shall be considered independent so long as they do not have any relationship with the company that may interfere with the exercise of independent judgement. This means they shall not accept any consulting, advisory, or other compensatory fee from the company and are not an affiliated person of the company or its related entities. They must also meet the criteria for independence specified in the ASX Corporate Governance Council's Recommendation 2.1.

The Managing Director shall be a member of the Committee and shall be involved in all its considerations other than those in which he has a personal pecuniary interest. Other members of the Slater & Gordon management team and external advisers may be invited to Committee meetings at the discretion of the Committee.

Members will be appointed to the Committee for a period of one year unless otherwise determined by the Board.

3. Purpose

The Nomination & Remuneration Committee has delegated responsibility from the Board for:

- (i) Evaluating the performance of the Board and the directors against agreed performance standards;
- (ii) Recommending the appointment or removal of directors;
- (iii) Recommending the structure and quantum of director remuneration;
- (iv) Recommending the structure and quantum of remuneration packages for senior executives;
- (v) Reviewing and making recommendations on Slater & Gordon's recruitment, development and retention policies;
- (vi) Overseeing the implementation of the Employee Ownership Plan (OP) and recommending employees for participation in the Plan;
- (vii) Reviewing and making recommendations on other forms of employee incentives; and
- (viii) Making recommendations on superannuation arrangements.

In discharging its responsibilities, the Committee will have access to relevant personnel of the Company and the authority to engage independent advisers as it determines necessary to carry out its duties.

4. Meetings

The Committee will meet at least three times each year and more frequently as required. A quorum shall be two members. The Company Secretary or other officer of the Company as determined by the Committee will act as secretary of the Committee.

5. Conflicts of Interest

A committee member shall not be present when his or her salary or fees or performance are discussed with the exception of the deliberations to the Board Remuneration.

6. Voting

The outcome of any vote required at Committee meetings will be determined by a simple majority. Where there is a tied vote, the Chair of the meeting has an additional casting vote.

7. Duties and Responsibilities

(i) Nomination

The duties and responsibilities of the Committee with respect to nomination matters include:

- (a) determining the optimum composition and skills mix of the Board
- (b) establishing a formal process for the selection of new Board members, including the criteria that will be used
- (c) making recommendations to the Board on the appointment or removal of directors
- (d) ensuring that there is an appropriate induction process for new directors
- (e) developing and implementing a program to build the skills of individual directors and the effectiveness of the Board as a whole
- (f) evaluating the performance of the Board
- (g) evaluating the performance of the Managing Director, directors and other key staff as nominated by the Committee
- (h) reviewing succession plans for key senior staff
- (i) reviewing recruitment, development, retention and termination policies for staff

(ii) Remuneration

The duties and responsibilities of the Committee with respect to remuneration include:

- (a) determining remuneration policies and remuneration details for non-executive Board members
- (b) determining total remuneration packages, including incentive components, for the Managing Director, Executive Directors and other key staff as nominated by the Committee in accordance with a policy of utilising remuneration to foster long-term growth and success
- (c) overseeing the implementation of the Employee Ownership Plan ("EOP") and recommending employees for participation in the Plan
- (d) reviewing and making recommendations on other forms of employee incentives
- (e) determining and reviewing superannuation arrangements

8. Reporting

The minutes of all Committee meetings shall be signed by the Committee Chair and provided to the Board at its next meeting.

9. Committee Performance

The committee shall perform an evaluation of its performance at least annually to determine whether it is functioning effectively by reference to current best practice. This charter shall also be reviewed at the same time.

This Nomination and Remuneration Committee Charter was adopted on 23 August 2007 and reviewed and amended on 25 February 2009 by the Board of Slater & Gordon Limited.