

# Environment and Social Performance Working Group

## 1. BACKGROUND

The Environment and Social Performance Working Group (the “Working group”) has been established after conducting a materiality assessment for Macmahon Holdings Limited (the “Company”) which the Macmahon board has approved. The materiality assessment has recommended proposed priorities and these have been incorporated into focus areas for the Working Group.

## 2. PURPOSE

The objective of the Working Group is to review the effectiveness and improve key sustainability focus areas strategy, policy and initiatives designed to manage environment and social risks. The Working Group will oversee compliance with sustainable development responsibilities, corporate governance and commitments to strive to be a leader in sustainable mining.

The Working Group will focus on the following areas (the “Working Group focus areas”):

- Community
- Indigenous engagement
- Environment
- Climate change
- Social performance
- Employee engagement on sustainability
- Environment Social and Governance (ESG) reporting

## 3. SCOPE

The Working Group has responsibility for overseeing sustainability for the overall Macmahon business. However, it does not replace or replicate established company management responsibilities and delegations, the responsibilities of other executive management groups or subject matter experts within Macmahon, or the reporting lines and responsibilities of the Working Group focus areas.

Although the Working Group will cover the area of diversity and inclusion it does not own or have responsibility for diversity and inclusion programs, initiatives and outputs.

The Working Group’s responsibilities are to:

- Recommend to the Executive Leadership Team (ELT) and Board key policies and strategies in relation to the Working Group focus areas.

- Oversee, monitor, and review the Company's sustainability responsibilities and commitments in relation to the Working Group focus areas.
- Oversee processes designed to ensure compliance with applicable policies and legal and regulatory requirements and public targets relating to the Working group areas.
- Oversee identification, management and mitigation of risks relating to the Working Group focus areas.
- Oversee the Company's performance in relation to the Working Group focus areas.
- Review the Company's response on issues of concern or non-compliance relating to the Working Group focus areas.
- Review recommendations from management in relation to industry trends and industry standards relating to the Working Group focus areas.
- Review and make recommendations to the Board in relation to significant public statements or reports relating to the Working Group focus areas (including the Sustainability Report) and public targets relating to the Working Group focus areas.
- Undertake work or actions with respect to particular matters within the Working Group's scope as requested and/or delegated by the Board and ELT from time to time.
- Report to the ELT and Board on the work and findings of the Working Group and, where necessary, make recommendations in relation to them.

#### **4. MEETINGS**

- Meetings will be formally held on a monthly basis
- Extraordinary meetings can be convened (on request of Working group members)
- Meeting agenda items will be discussed during the meeting

#### **5. MEMBERSHIP AND ATTENDANCE**

The Working Group will meet monthly and at such other times as the Working Group deems to be appropriate. Meetings of the Working Group shall be called by the chair of the Working Group or the sponsor. The Working Group is not a formal committee and therefore no quorum requirement will be applied.

The Working Group membership is structured so that it:

- consists of a chair
- has a sponsor
- has at least three members

Minutes will be taken by a nominated secretary (during each meeting) and the Sponsor and Chair will appoint and remove members of the Working Group as required.

##### **5.1 Working Group meetings attendance:**

- Working Group members are expected to attend all scheduled meetings, or a suitable delegate has been confirmed.
- The Working Group, from time to time, may invite internal or external parties to address the forum as requested.

#### **6. REPORTING**

The Working Group will keep minutes of its meetings. The Working Group Sponsor will update the ELT and Board about Working Group activities and make appropriate recommendations, as required.

If required at Board Meetings, the Working Group will update the Board on any significant matters arising since the last Board meeting.

Any diversity and inclusion related work programs, initiatives and outputs developed by the Working Group will be in consultation with the Diversity and Inclusion Committee.



## 7. COMMITTEE REVIEW

Annually, the Working Group will assess the performance of the Working Group and take appropriate action in respect of areas where there is a perceived need for enhancement of its role, operational processes or membership.