

Board Charter

1. Introduction

The Board of Macmahon Holdings Limited (**Macmahon**) recognises its ultimate responsibility to its shareholders for the strategy and performance of Macmahon in general. The board of directors (**Board**) of Macmahon is dedicated to fulfilling these duties in a lawful and professional manner and in accordance with Macmahon's Statement of Values and "best practice" governance processes.

This charter (**Charter**) outlines the role and responsibilities of the Board and of senior management and remains a living document which will be regularly reviewed and updated to reflect changes in the commercial, legal, and social environment, together with any amendments and developments in Board policies and procedures.

The company secretary (**Company Secretary**) will ensure that this Charter is kept current in accordance with the Board's decisions.

2. The Role of the Board

The Board has the responsibility to plan and govern the business and affairs of Macmahon for the benefit of its shareholders and to act in the best interests of Macmahon as a whole.

One of the main tasks of the Board is to drive the performance of Macmahon and ensure compliance with all of its contractual, statutory and any other legal obligations, including the requirements of any regulatory body. Another main task of the Board is ensure that Macmahon's business is carried out in accordance with Macmahon's Statement of Values.

Without limiting the foregoing, the Board is responsible for:

Culture and Values

- Demonstrating leadership including by guiding the development of an appropriate culture and values, and establishing and approving a Statement of Values and Code of Conduct to underpin the desired culture and values of Macmahon;
- Charging the Managing Director/Chief Executive Officer (**MD/CEO**) with the responsibility of instilling the values espoused in the Statement of Values across the organisation;

Corporate Governance

- Establishing a corporate governance framework and monitoring its effectiveness, reviewing, and reporting on Macmahon's corporate governance compliance with the best practice recommendations of the ASX Corporate Governance Council, and compliance obligations under the ASX Listing Rules;
- Approving Macmahon's corporate governance policies and any measurable objectives set out in the policies;

Strategic Objectives

- Defining Macmahon's purpose and approving its strategic objectives, including by reviewing and approving corporate strategies, budgets, annual financial business plans and certain Macmahon policies regularly;

- Overseeing management in its implementation of Macmahon's strategic objectives, instilling of Macmahon's values and performance generally and ensuring that goals are in place;
- Reviewing the progress and performance of Macmahon in meeting the Company's corporate objectives;

Financial Reporting

- Overseeing the integrity of Macmahon's accounting and corporate reporting systems, including by approving the annual and half year financial reports, the financial content of reports and any other information for disclosure to the market that contains financial projections or statements as to future financial performance;

Significant Business

- Authorising acquisition, establishment, disposal, or cessation of any significant business of Macmahon;

Borrowing and Granting Security

- Other than in the ordinary course of business, approving borrowing and the granting of security over, or interests in, the undertaking of Macmahon or any of its assets;
- Authorising expenditure in excess of the discretionary limits delegated at any time to the Managing Director/Chief Executive Officer (**MD/CEO**);

Continuous Disclosure

- Overseeing Macmahon's process for making timely and balanced disclosure of all material information concerning Macmahon that a reasonable person would expect to have a material effect on the price or value of Macmahon's securities;

Risk Management

- Ensuring robust and effective risk management (for both financial and non-financial risks), compliance and control systems (including legal compliance) are in place and operating effectively and setting the risk appetite within which the Board expects management to operate;

Safety and People

- Ensuring appropriate human resource systems (including occupational health & safety systems) are in place to ensure the safety, well-being, and effective contribution of all employees;

Appointment of Directors and Board Committees and Subsidiaries

- Appointing additional directors who would come before shareholders for election at the next Annual General Meeting;
- Establishing, appointing the membership of, and determining the powers of each Board sub-Committee and to accept, modify or reject any Committee's recommendations;
- Approving any subsidiary board and sub-committee charters;

Management Performance and Remuneration

- Undertaking a review of the MD/CEO's performance, at least annually, including setting with the MD/CEO's goals for the coming year and reviewing progress in achieving those goals;
- Approving the levels of remuneration and conditions of service including any financial incentives of executives reporting directly to the MD/CEO;
- Appointing and removing the MD/CEO and Company Secretary and to determine their remuneration and conditions of service, including any financial incentives;
- Satisfying itself that Macmahon's remuneration policies are aligned with Macmahon's purpose, values, strategic objectives, and risk appetite;
- Ensuring there is executive succession planning and approving significant changes to organisational structure;

Delegation to MD/CEO

- Delegating appropriate powers to the MD/CEO and committees (as detailed below) to ensure the effective day-to-day management of the business, and monitoring the exercise of these powers;

Accountability

- Satisfying itself that an appropriate framework exists for relevant information to be reported by senior management to the Board;
- Ensuring corporate accountability to shareholders through a high level of transparency in reporting and encouraging effective shareholder participation at general meetings through the Board Chair (**Chair**);

Auditors

- Reviewing the independent audit process;
- Recommending to shareholders the appointment/removal of external auditors;

Dividends and Issues of Securities

- Approving a dividend policy and declaring dividends;
- Authorising the issue of any shares, options, equity instruments or other securities;

Nomination Matters

- Developing and regularly reviewing a policy on Board structure;
- Developing criteria for Board membership;
- Identifying and screening specific candidates for nomination;
- Appointing the Nomination Committee Chair;
- Ensuring there is an appropriate induction and orientation program in place; and
- Ensuring there is an appropriate Board succession plan in place.

3. Board structure

The Board will determine the number of Directors required from time to time. Where possible independent non-executive directors will comprise the majority of Directors, and the Chair of the Board shall be an independent non-executive director.

The Board may establish one or more sub-committees to assist it with fulfilling its responsibilities. The Board has established a Nomination Committee, a Tender Review Committee, a Remuneration Committee and an Audit & Risk Committee, each of which has the authority to make recommendations to the Board.

All directors should bring skills and experience that add value to Macmahon. The Nomination Committee, and ultimately the Board, will regularly review the balance of skills and experience of the Board.

4. Independence

The Board has adopted the definition of independence set out in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th edition).

5. Meetings

The Board normally has nine scheduled full meetings each year. Other meetings are held on short notice when particular issues arise which require discussions and decisions by the Board. Any Board member may, at any time, request to convene a meeting. The Company Secretary must, on the request of a Board member, call a meeting of the Board. The date, time, and venue of each meeting of the Board will be notified by the Company Secretary to all members of the Board as far in advance as practicable.

Attendance at Board meetings may be in person, by telephone or by other electronic means, as agreed. In absence of the Chair, the Board members will elect a member to act as chair for that meeting. The quorum necessary for a meeting of the Board shall be two members (subject to conflict-of-interest issues).

The Board will keep minutes of its meetings. The Company Secretary shall circulate the minutes of the meetings of the Board to all members of the Board for comment/amendment before being signed by the Chair. The minutes are to be included in the Board papers at the next full Board meeting.

The Company Secretary, or a designate, will be the secretary of the Board.

Members of management may attend all or part of a meeting of the Board at the invitation of the Chair. If considered necessary or appropriate, third parties and professional advisers with relevant experience and expertise may be invited to attend Board meetings.

6. Role of the Chair

The Chair is responsible for leadership of the Board, for ensuring the Board operates effectively, and for the briefing of all Directors in relation to issues arising at Board meetings. The Chair is also responsible for:

- communicating the view of the Board to shareholders;
- prompting constructive and respectful relations between directors and between the Board and senior management;
- approving Board agendas and ensuring adequate time is available for discussion of all agenda items, including strategic issues; and
- ensuring that all substantive resolutions put to members at a meeting of members is decided by poll.

7. Responsibilities of MD/CEO

The MD/CEO manages a team of senior executives responsible for all functions contributing to the success of Macmahon.

The MD/CEO's specific responsibilities include:

- Developing, in conjunction with the Board, Macmahon's vision, values and goals;
- Responsibility for the achievement of corporate goals and objectives, including safety and environmental, social and governance (ESG) targets;
- Responsibility for the day-to-day activities of Macmahon in advancing the strategic direction.
- Developing the short, medium and long term corporate strategies and planning to achieve Macmahon's vision and overall business objectives;
- Ensuring that senior executives continuously reference and reinforce Macmahon's values when interacting with staff;
- Ensuring that all employees receive appropriate training on Macmahon's Statement of Values;
- Preparing business plans and reports with the senior management;
- Developing with the Board the Macmahon's ongoing corporate strategy, implementing and monitoring that strategy and reporting/presenting to the Board on current and future initiatives;
- Advising the Board regarding the most effective organisational structure and overseeing its implementation;
- Assessing business opportunities of potential benefit to Macmahon;
- Responsibility for proposals for major capital expenditure to ensure their alignment with corporate strategy and justification on economic grounds;

- Sustaining competitive advantage through maximising available resources, encouraging staff commitment, and strategically aligning the corporate culture with the organisation's goals and objectives;
- Establishing and maintaining effective and positive relationships with Board members, shareholders, customers, suppliers and other government and business liaisons;
- Undertaking the role of key company spokesperson;
- Recommending policies to the Board in relation to a range of organisational issues including delegations of authority and performance incentives;
- Ensuring appropriate oversight of statutory, legal, and regulatory compliance, and compliance with corporate policies and standards;
- Responsibility for Macmahon's performance;
- Providing leadership;
- Ensuring succession planning; and
- Ensuring that appropriate procedures are in place to identify and manage conflict of interests of senior management.

8. Role of senior management

The role of senior management is to:

- support and assist the MD/CEO to run the general operations and finances of Macmahon, in accordance with the delegated authority of the Board;
- be responsible for Macmahon's performance in accordance with the approved strategic direction;
- be responsible for re-enforcing Macmahon's values, while operating within Macmahon's values, Code of Conduct, budget, and the risk appetite set by the Board;
- providing the Board with accurate, timely and clear information on Macmahon's operations; and
- reporting all matters which fall outside the scope of delegated powers at first instance to the MD/CEO or, if the matter concerns the MD/CEO, then directly to the Chair.

9. Directors' authorities and delegations

The Board is responsible for any delegations of its responsibilities with regard to corporate operations and regularly reviewing any such delegations to ensure that they remain appropriate. As such, it decides what company matters are delegated to either specific Directors or management. In addition, it outlines what controls are in place to oversee the operation of these delegated powers.

As a consequence, individual non-executive directors have no individual authority to participate in the day-to-day management of Macmahon including making any representations or agreements with member companies, suppliers, customers, employees or other parties or organisations.

The exception to this principle occurs where the Board, through resolution, explicitly delegates an authority to the director individually. Additionally, it is recognised that all executive directors will carry significant delegated authority by virtue of their management position as outlined in a relevant Board resolution.

Similarly, Board sub-Committees and their members require specific delegations from the Board as a whole and these will be contained in each Committee's respective charters.

10. Authority Matrix and matters reserved for the Board

Approved delegations and authorities are formalised in Macmahon's Delegation of Authority Matrix which applies to the Board, management, and staff, and covers all mining and corporate aspects of Macmahon's operations. To ensure clarity for Board members, matters reserved for the Board are

consolidated into a separately available document and is based directly on content derived from the abovementioned Delegation of Authority Matrix.

11. General delegations

A summary list of delegations and authorities is provided to all operating units and company locations via Macmahon's business system.

In general, the Board delegates those powers and authorities required to effectively and efficiently carry out Macmahon's business.

12. Directors' access to independent advice

Directors may, in carrying out their duties and responsibilities to Macmahon, seek external professional advice. If external professional advice is sought, a Director is entitled to reimbursement of all reasonable costs where such a request for advice is approved by the Chair. In the case of a request made by the Chair, approval is required by the Chair of the Audit and Risk Committee. Approval will generally be given where Directors judge such advice necessary for them to discharge their duties and responsibilities as Directors.

13. Board Performance

The Board has authorised the Nomination Committee to assess the performance of the Board on an annual basis, and to make recommendations in respect of such performance, following which the Chair will take appropriate action to address any desired improvements in respect of areas where there is a need to enhance its role, effectiveness, process or composition.

14. Review of Board Charter

The Chair is responsible for ensuring that this Charter is reviewed at least annually for the purpose of assessing its continued relevance to the needs of the Board and identifying any enhancements required. Proposed enhancements shall be submitted to the Board for approval.

This Charter was approved by the Board on 23 June 2022.