

Remuneration and Culture Committee Charter

The Board of Macmahon has established a Remuneration and Culture Committee. This Charter outlines the Committee's roles, responsibilities, and terms of operation and should be read in conjunction with the Board Charter.

1. Purpose & Responsibilities

The purpose of the Remuneration and Culture Committee (**Committee**) is to assist the Board in fulfilling its corporate governance and oversight responsibilities regarding Macmahon's remuneration and culture arrangements for Directors and executives.

The responsibilities of the Committee include reviewing, advising, and making recommendations to the Board on:

- a) Promoting the desired culture of the Company;
- b) Approving people strategies and initiatives that support and further corporate objectives, including diversity, and employee engagement;
- c) The structure, design, and operation of executive remuneration arrangements; and
- d) Directors fees.

The Board has delegated to the Committee the responsibilities set out in **Attachment 1**.

2. Authority

Except where expressly stated in this Charter, the Committee discharges its responsibilities by making recommendations to the Board.

The Committee does not have any powers to commit the Board or management to the implementation of its recommendations except where expressly stated in this Charter or as authorised by resolution of the Board.

The Committee has the authority to conduct or direct investigations into any matters within its Charter.

The Committee is not responsible for supervising the performance of management and does not become involved in day-to-day operations, management functions or decision-making.

3. Committee Composition

The Committee must have at least three members, the majority of whom are to be Independent Non-Executive Directors.

The Committee members will be appointed by the Board.

The Board will appoint the Chair of the Committee.

Committee members should have a working familiarity with setting remuneration and sufficient industry knowledge to effectively align remuneration with prudent risk-taking.

If a Committee member ceases to be a Director of the Board, that member ceases to be a member of the Committee.

4. Committee Meetings

4.1 Meetings Requirements

The Committee meets at least three times per year, or more often, if necessary, to fulfil its responsibilities.

A quorum of the Committee will comprise three members.

Committee members may attend meetings in person or participate by videoconference or other electronic means.

Committee decisions may be made by circular or written resolution. A circular or written resolution signed by all Committee members will be effective as a resolution duly passed at a Committee meeting. A resolution may consist of several documents in like form, each signed by one or more members. The expression “written” includes email or other electronic means.

Management is responsible to the Committee for making recommendations to the Committee and implementing recommendations of the Committee, which the Board approves.

4.2 Conflicts of Interest

A Committee member with a material personal interest in a matter that relates to the affairs of Macmahon must give the other Committee members notice of their interest.

Committee members shall not participate in discussions and shall not vote on any issues in which there is an actual, potential or perceived conflict of interest.

4.3 Committee Work Plan, Agenda and Meeting Documentation

Each Committee meeting will have a structured agenda. The Chair of the Committee determines the work plan and agenda, with input from Committee members, the Chief People Officer – (CPO), and the Company Secretary. Any Director and the Managing Director & Chief Executive Officer (MD/CEO) may request that a particular item be added to the agenda.

The agenda and supporting documentation for each Committee meeting will be circulated to Committee members, other Directors, and other attendees, as appropriate, within a reasonable time before the meeting.

Executives will not receive meeting materials related to their remuneration or performance.

4.4 Notice of Meeting and Attendance

Notice of Committee meetings will be provided to all Directors. Directors who are not members of the Committee may attend Committee meetings and will have access to Committee papers and minutes.

Notice of Committee meetings will also be provided to the MD/CEO, who must attend meetings if requested by the Committee Chair. Other members of management and advisers may be invited to participate in meetings as the Chair of the Committee thinks fit.

4.5 Company Secretary

The Company Secretary (or their nominee) will be the Secretary of the Committee.

4.6 Minutes

Minutes of each Committee meeting will be prepared by the Company Secretary (or their nominee), approved by the Chair of the Committee in draft and circulated to all Committee members.

The minutes of a Committee meeting will be approved at the next Committee meeting or by circular resolution and then signed by the Chair of the Committee.

The Committee's Chair-approved minutes of each Committee meeting will be included in the Board papers.

4.7 Reporting

The Chair of the Committee will report to the Board on the business matters arising out of a Committee meeting.

The Committee will refer any matter to the Board or another Board Committee where it falls within their responsibility or if it would benefit from the Board or that Board Committee's consideration.

5. Access to Information and Advice

5.1 Access to Management and Others

The Committee will have free and unfettered access to the MD/CEO, the CFO, CPO, and the External Auditor, and information and may make any enquiries to fulfil its responsibilities.

5.2 Access to Independent Professional Advice

The Committee has the right to seek independent professional advice, subject to the Board's approval, at Macmahon's expense, concerning any matter related to the discharge of its responsibilities.

Advice received should be distributed to the Board and the Committee as appropriate.

Committee members are entitled to rely on the expertise of independent experts so long as they are not aware of any grounds that would make such reliance inappropriate.

6. Workshops and Training

The Committee may hold workshops and training sessions to maintain the skills and knowledge required to perform its role effectively.

The Committee will keep themselves informed on insights into Board and executive remuneration and other matters relevant to its responsibilities.

7. Appointment of Remuneration Consultants

If the Committee is considering engaging a Remuneration Consultant to provide recommendations to the Board on Board and executive remuneration, the Committee must:

- a) ensure that the remuneration consultant is sufficiently qualified and independent;
- b) recommend for the Board's approval the appointment of the remuneration consultant and the terms of engagement being entered into with the remuneration consultant;
- c) receive and consider the recommendations of the remuneration consultant; and
- d) ensure that executives do not receive recommendations on their own remuneration from the remuneration consultant.

8. Review

8.1 Committee Performance Review

The Board will conduct an annual review of the Committee's performance and effectiveness.

When considered appropriate, the Committee will review its membership and make recommendations to the Board for approval.

8.2 Review of this Charter

The Committee will review this Charter every two years, or sooner if circumstances require, with any amendments recommended to the Board for approval.

9. Related Documents

- Board Charter
- Statement of Values
- Diversity and Inclusion Policy
- Senior Executives Remuneration Policy
- Non-Executive Directors Remuneration Policy
- Non-Executive Directors Share Ownership Policy

Attachment 1

Duties and Responsibilities

In making decisions and recommendations, the Committee will consider its responsibilities and the activities of the Board's other committees and, where appropriate, coordinate with and consider information arising out of those committees and any other relevant factors.

The duties and responsibilities of the Committee are as follows:

1. Culture

- 1.1 Satisfy itself that the culture is aligned with the Company's purpose and values and review and consider findings from employee engagement surveys; and
- 1.2 Review people and culture trends, surveys, and metrics and, in doing so, consider whether any significant matters should be brought to the attention of the Board.
- 1.3 Review the people strategies to support the Company's strategy, values and culture.

2. Inclusion and Diversity

- 2.1 Review and approve the Company's Inclusion and Diversity Policy and strategies, including the establishment of annual measurable objectives for achieving diversity in the composition of the Company's workforce.
- 2.2 Receive reports and monitor progress on the effectiveness of the Company's Inclusion and Diversity policy and progress towards achieving those objectives.
- 2.3 Review the Group's gender pay equity position, including plans and progress towards addressing any gaps.
- 2.4 Review of Workplace Gender Reporting under the Workplace Gender Equality Act.

3. Remuneration Framework

- 3.1 Review and monitor the effectiveness of Macmahon's Reward & Recognition Framework for employees within the Group.
- 3.2 Review and recommend to the Board for approval the Remuneration Policies for the Board, MD/CEO, and executives who are direct reports to the MD/CEO.
- 3.3 Work with the Board and other Committees to ensure that executive remuneration is part of and consistent with the risk management framework and does not incentivise behaviour by MD/CEO and other executives that may lead to inappropriate or excessive risk-taking.
- 3.4 Identify and recommend to the Board for approval the appointment of the remuneration consultant and approve the terms of engagements entered into with the remuneration consultant.

4. MD/CEO & Executive Remuneration Arrangements

- 4.1 Review and recommend to the Board for approval the accountabilities and performance KPIs for the MD/CEO and maintain visibility of the accountabilities and performance KPIs of other executives.
- 4.2 Review and recommend to the Board for approval the total remuneration framework for the MD/CEO, including changes to total fixed remuneration, performance-based short-term and long-term incentives, other benefits, and termination payments.
- 4.3 Review and recommend to the Board any performance-based short-term and long-term incentive plans, including recommendations on award entitlements, performance criteria, vesting payments, and clawbacks.

- 4.4 Arrange, as appropriate, an external remuneration consultant review of the MD/CEO's and other executive's remuneration based on industry benchmarking and accepted methodologies.

5. Executive Incentive Plans and Employee Equity Plans

- 5.1 Review and make recommendations to the Board regarding the establishment of any new and material amendment of the terms of any existing Executive incentive plans, short-term and long-term incentive plans and any employee (not limited to Executive) share ownership plans.
- 5.2 Review and recommend to the Board any performance-based short-term and long-term incentive plans for the MD/CEO and the executives who are direct reports to the MD/CEO, including recommendations on award entitlements, performance criteria (including consideration of any sustainability and climate-related performance metrics), vesting payments, and claw backs.
- 5.3 Exercise all powers, authorities and discretions relating to incentive plans and equity plans that are delegated to it by the Board.

6. Director Remuneration Arrangements

- 6.1 Review and recommend to the Board for approval changes to the annual remuneration of the Chair and Non-Executive Directors, including committee fees.
- 6.2 Review the external remuneration benchmarking assessment process for the Board, which will include the aggregate of the remuneration of the Board, remuneration for the Board Chair, Committees Chairs, and Committee members, in line with the following remuneration principles:
- a) attract and retain Directors with the competencies and experience that are aligned with Macmahon's purpose, values, and strategic direction; and
 - b) acknowledges the capacity and capability required to oversee Macmahon's performance and contribute to the Board's role.
- 6.4 Review and recommend to the Board any increase in the total fee pool available to Directors and subject to shareholder approval.

7. Remuneration Report

- 7.1 Review and approve key management personnel (Directors and executives) whose remuneration is disclosable in the Annual Remuneration Report.

8. Governance

- 8.1 Approve policies that require or are reserved for the Committee approval and relevant to the Committee's remit.
- 8.2 Consider any other relevant matters delegated by the Board to the Committee