
REMUNERATION & NOMINATION COMMITTEE CHARTER

INTRODUCTION

The Remuneration & Nomination Committee has been established by resolution of the Board of Macmahon Holdings Limited (“Macmahon”).

MEMBERSHIP

Where possible the Remuneration & Nomination Committee shall be structured so that it has a minimum of three members and be composed of a majority of independent Non-executive Directors.

CHAIRMAN

A Non-executive Director will be the Chairman of the Remuneration & Nomination Committee.

SECRETARY

The Company Secretary shall be the Secretary of the Remuneration & Nomination Committee.

QUORUM

A quorum shall be two members.

MEETING FREQUENCY

The Remuneration & Nomination Committee meetings will be held on a regular basis as determined by the Committee.

REPORTING PROCEDURES

The Remuneration & Nomination Committee will keep minutes of its meetings. The Secretary shall circulate the minutes of the meetings of the Committee to all members of the Committee for comment/amendment before being signed by the Chairman of the Committee.

AUTHORITY

The Remuneration & Nomination Committee is authorised by the Board to investigate any activity within its charter. It is authorised to seek any information it requires from any employee and all employees are directed to cooperate with any request made by the Remuneration & Nomination Committee.

The Remuneration & Nomination Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise at its meetings if it considers this necessary.

The Remuneration & Nomination Committee is required to make recommendations to the Board on all matters within its Charter.

DUTIES

The Remuneration & Nomination Committee provides recommendations for Board review and is responsible for:

REMUNERATION:

- assisting the Board in fulfilling its responsibilities in respect of establishing appropriate remuneration levels and policies for Directors and senior executives;
- establishing and maintaining the Senior Executives Remuneration Policy and the Non-executive Directors Remuneration Policy;
- assessing the market to ensure that senior executives are being rewarded commensurate with their responsibilities;
- obtaining appropriate advice in establishing salary levels;
- reviewing and making recommendations to the Board on policies for senior executives' remuneration;
- reviewing the salary levels of senior executives and making recommendations to the Board on any proposed adjustments;
- reviewing recommendations from the Chief Executive Officer relating to proposed merit adjustments for direct reports;
- proposing, for full Board approval, the terms and conditions of employment for the Chief Executive Officer;
- reviewing the Company's recruitment, retention and termination policies and procedures for senior executives;
- reviewing and making recommendations to the Board on the Company's incentive schemes and superannuation arrangements; and
- Board remuneration.

Nomination:

The Committee shall periodically review the size, structure and balance of the Board, and make recommendations to the Board about:

- Board structure;
- the criteria for Board membership including the necessary and desirable competencies of directors;
- specific candidates for nomination;
- induction and orientation programs for new directors;
- Board succession;
- processes for the evaluation of Board, Committee and director performance;
- the appointment and re-election of directors; and

- continuous professional development for directors to maintain the desirable competencies required by the Company.