



WorleyParsons

resources & energy

EcoNomics

Remuneration Committee Charter

WorleyParsons Limited

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REMUNERATION COMMITTEE CHARTER WORLEYPARSONS LIMITED

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REMUNERATION COMMITTEE CHARTER WORLEYPARSONS LIMITED

Pursuant to a resolution of the Board of WorleyParsons Limited (**WorleyParsons**) passed on 12 October 2007, a Remuneration Committee (the **Committee**) of the Board was established. The purpose and the powers of the Committee are set out in this document.

1. ROLE

The role of the Committee is to assist and advise the Board on matters relating to the remuneration of the Board, and the performance and remuneration of the Chief Executive Officer's (**CEO**) direct reports. The Nominations Committee reviews and assesses the performance and remuneration of the CEO.

2. MEMBERSHIP OF THE COMMITTEE

The Committee will have at least three members and be comprised solely of non-executive directors, with the majority of the directors being independent directors. The Board will appoint the Chair of the Committee, who should be an independent director.

The Board may appoint such additional directors to the Committee or remove and replace members of the Committee by resolution.

Members of management must not be appointed members of the Committee. Non-committee members may attend meetings of the Committee at the invitation of the Committee Chair, who will have regard to potential conflicts of interest when making invitations. The invitation to attend the Committee meetings may be a standing invitation. The CEO, or any other attendee, may not participate in deliberations of the Committee where the matter could affect his or her position or where he or she has a personal interest in the matter.

3. ADMINISTRATIVE MATTERS

It is intended that the Committee will meet every four months or coincident with every second Board meeting. However, the Committee will meet as often as Committee members deem necessary in order to fulfil their role.

The Committee or an individual member may, upon notifying the Board or the Chairman, seek the advice of the Company's auditors, solicitors and other external consultants or specialists as to any matter pertaining to the powers or duties of the Committee.

The Committee may obtain information from and consult with the CEO or other internal management resources, as it considers appropriate.



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The Committee may, with the prior approval of the Board, instruct the CEO to engage such other independent advisers in relation to any matter pertaining to the responsibilities of the Committee in accordance with the Board's general policy, as the Committee may require.

A notice of each meeting confirming the date, time, venue and agenda shall be forwarded to each member of the Committee (with a copy to all Board Members) at least five working days prior to the date of the meeting. The notice for members will include relevant supporting papers for the agenda items to be reviewed and discussed. Any member may, and the Secretary must, convene a meeting of the Committee upon a member's request.

The Secretary will attend all Committee meetings as minute secretary. All minutes of the Committee will be entered into a minute book maintained for that purpose and will be open at all times for inspection by any director, provided that no conflict of interest exists.

A quorum will comprise any two Committee members. In the absence of the Committee Chair or appointed delegate, the members shall elect one of their number as Chair for that meeting.

Meetings and proceedings of the Committee are governed by the provisions of the WorleyParsons Constitution regulating meetings and proceedings of the Board.

4. REPORTING

The Committee Chair will provide a report of the actions of the Committee at the next Board meeting. The minutes and agenda of the prior Committee meeting will be included in the Board papers for the subsequent Board meeting.

The Committee Chair will also, if requested, provide a brief oral report to the Board as to any material matters arising out of the Committee meeting. All directors will be permitted, within the Board meeting, to request information of the Committee Chair or members of the Committee.

5. RESPONSIBILITIES AND FUNCTIONS

Overview

The Committee will be responsible for seeking to ensure the Group has and observes coherent remuneration policies and practices which enable it to attract and retain executives, directors and employees who will create value for shareholders, generate sustained business performance and support WorleyParsons' objectives, goals and values.



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Remuneration Strategy

The Committee will be responsible for:

- the remuneration strategy for executives and employees having regard to the general pay environment, including setting remuneration at the level necessary to retain high performing executives and employees;
- reviewing general remuneration and recruitment policies and practices for the Group (including provision of short and long term incentive schemes, bonuses and similar matters) and where appropriate, recommend for adoption by the Board.

Remuneration Management & Review

The Committee will be responsible for:

- reviewing and making recommendations to the Board on the total level of remuneration of non executive directors, including individual fees for directors and the Chair and any additional fees payable for membership of Board committees;
- reviewing and making recommendations to the Board on the total level of remuneration for the Chief Financial Officer and other executive directors (other than the CEO), including short term and long term incentives and whether there is an appropriate balance between fixed and incentive pay that is consistent with the objectives of WorleyParsons and the role and status of the executives concerned;
- reviewing and approving the recommendations of the CEO on total levels of remuneration for CEO's Committee members and the CEO's direct reports, including their participation in short and long term incentive schemes and whether there is an appropriate balance between fixed and incentive pay that is consistent with the objectives of WorleyParsons and the role and status of the executives concerned; and
- considering the outcome of the annual advisory vote on the adoption of the Remuneration Report when reviewing the remuneration practices and policies of the Company.

Performance Management

The Committee will be responsible for:

- reviewing and making recommendations to the Board on the performance targets for the Chief Financial Officer and other executive directors (other than the CEO); and
- reviewing the performance targets for CEO's committee members and the CEO's direct reports.



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Statutory Reporting

The Committee will be responsible for reviewing and making recommendations to the Board for the Remuneration Report for inclusion in the annual report.

Termination Payments

The Committee will be responsible for reviewing and approving termination payments to CEO's Committee members and the CEO's direct reports.

Retirement

The Committee will be responsible for reviewing the Group's obligations on matters such as retirement plans and other employment benefits and entitlements.

Diversity

The Committee will be responsible for reviewing and reporting to the Board, at least annually, on the proportion of women and men in the workforce at all levels of the Group.

Codes and Policies

The Committee will be responsible for reviewing Group codes and policies related to the Committee's scope of responsibility and recommending these to the Board for approval.

6. REVIEW

The Board will annually, at the first meeting of each calendar year, review the membership and charter of the Committee to determine its adequacy for current circumstances. Where necessary, the Committee may, by resolution, alter the responsibilities, functions or membership of the Committee and recommend to the Board the formal adoption of the revised charter for future operations of the Committee.