

Protocol on Nominations Matters for the Board of Transfield Services Limited

This protocol has been prepared in accordance with the Board Charter and Company Constitution.

In keeping with Transfield Services' commitment to sound governance, the Board may meet from time to time, but at least once a year, to review and assess the following in order to promote effective Board performance:

- (a) The size and composition of the Board and Board Subcommittees; and
- (b) The range of skills, expertise and experience for the current and future business requirements of the Company.

This protocol is guidance for the Board only. The Board may, as always, exercise its discretion when considering the matters outlined here.

Guidance for Board size and composition

Transfield Services shall use the following as the guiding principles to determine the size and composition of the Board and Board Subcommittees:

- (a) The Board and Board Subcommittees will consist of a majority of independent directors;
- (b) Appointments will be made in accordance with the Transfield Services Equal Employment Opportunity Policy;
- (c) The size of the Board and any Board Subcommittees will be determined in response to Transfield Services business requirements and to enable efficient decision making, especially during periods of change; and
- (d) The Board will refer to the Board Skills Matrix to ensure there is an appropriate balance of skills, knowledge and experience to enhance effective Board performance.

All potential Board candidates whether identified by the Board or with the support of an external consultant will:

- (a) Undergo a vetting process to enable the Company to be satisfied that the candidate's character, experience, education, directorships, criminal record and bankruptcy history are appropriate;
- (b) As part of the appointment process, acknowledge he/she has sufficient time to fulfil his/her responsibilities as a director and demonstrate that existing commitments and time involved will not interfere with the performance of their role as a director on the Transfield Services Board; and
- (c) Attend the Transfield Services induction program.

Guidance for Board performance and development

The Board will review and attend to the following before 30 June each year:

- (a) Board and director performance to be reviewed through an internal process. In every second year, Board and director performance will be reviewed through an external process with a suitably qualified consultant;
- (b) The outcome of the Board and director performance review will be used to evaluate and update the Board Skills Matrix and improve Board performance;
- (c) The succession plan for the directors, Chairman and Managing Director and Chief Executive Officer; and
- (d) The induction program for the appointment of new Board members.