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1. REMUNERATION IN BRIEF

KEY SHAREHOLDER QUESTIONS

QUESTION	ANSWER	DETAILS
How is performance reflected in the remuneration of Executives in FY2016?	<p>The outcomes of Executives' remuneration for FY2016, reflect the financial results of the Company:</p> <ul style="list-style-type: none"> • zero Fixed Pay increases; • zero cash payments through the Combined Incentive Plan; and • nil vesting outcomes for LTI. 	See page 40
Have any changes been made to the remuneration of the Non-Executive Directors (NEDs)?	For the fifth consecutive year, there have been no increases to Non-Executive Director annual fees. In addition, Mr Grill agreed to a further temporary decrease in his Chairman fee for FY2016 and has waived his fee for FY2017.	See page 43
What changes have been made to remuneration components during FY2016?	<p>As detailed in the 2015 Remuneration Report, we made amendments to the Combined Incentive Plan for FY2016 in order to increase our competitiveness in our remuneration versus that of our peers while retaining short term cash incentives and medium term deferred equity. We have sought to drive a performance culture through an increase in our incentives for outperformance and build the equity interests of our Executives to be in alignment with our shareholders' interests.</p> <p>The cash portion of the Combined Incentive focuses on the achievement of financial and non-financial Key Performance Indicators (KPIs). The equity portion provides greater certainty of growth in Executive shareholdings through the SPPRs, with vesting outcomes linked to share price.</p>	See page 37
Are there provisions in place for clawback of incentives?	Yes, the Company maintains a Clawback/Malus provision within both the Combined Incentive Plan and the LTI Plan.	See page 36
Are there minimum shareholding requirements in place for the KMP?	Yes, Executives must retain equity delivered via incentive plans until they hold shares equivalent in value to two times Fixed Pay (four times Fixed Pay for the CEO) and must subsequently maintain that multiple. NEDs are required to build a holding equivalent in value to their annual fee. The minimum shareholding requirements are assessed each year.	See pages 36, 43 and 46
FIXED PAY		
Has Executives' Fixed Pay been reviewed in FY2016?	Yes, a review was completed during FY2016 which resulted in no increases to Fixed Pay for our Executives during the year. We are comfortable that the Executives remain competitive against the external market. It should also be noted that the CEO requested a 10% reduction in his Fixed Pay from 1 July 2015 and this will continue into FY2017.	See page 36

COMBINED INCENTIVE PLAN

How is the Combined Incentive Plan delivered to Executives? The Combined Incentive Plan is delivered in both cash (two thirds) and equity (one third). The cash portion is linked to the achievement of KPIs. The equity portion is provided as an annual allocation of equity through SPPRs. See page 37

How do the Share Price Performance Rights (SPPRs) work? The equity portion of the Combined Incentive Plan is an annual grant of performance rights with a two year performance period. The number of actual shares the performance rights convert into depends upon the share price at the end of the performance period. A share price lower than 50% of the original grant price will result in zero SPPRs vesting; should the share price more than double the original grant price, a maximum of 200% of the number of rights will vest. In between half and double, the rights vest on a proportionate basis. SPPRs provide strong alignment to shareholders' interests and use share price as the performance hurdle. It will motivate our Executives to take action that results in enhanced shareholder return. See page 38

What were the Combined Incentive Plan outcomes this year? The FY2016 financial outcomes have resulted in zero cash payments being made to the Executives under the cash component of the Combined Incentive Plan. SPPRs have been granted during FY2016, in accordance with the equity portion of the Combined Incentive Plan, which remain subject to the share price performance condition until the end of the two year vesting period. The amount granted is calculated as one third of the Executive's Combined Incentive target. See page 37

LTI PLAN

How has the LTI Plan performed this year? As a result of not achieving the required minimum, there will be zero vesting of the LTI awards. See page 41

What are the performance hurdles for the LTI Plan? There are two equally-weighted performance hurdles for the LTI Plan, relative Total Shareholder Return (TSR) and Earnings Per Share (EPS). See page 39

How long is the performance period for the LTI Plan? The performance period is four years. See page 39

Does the LTI Plan allow for retesting? No, there is no retesting of the LTI for Executives. See page 41

Does an Executive receive dividends on the unvested LTI? No, there are no dividends paid on the unvested LTI. See page 40

Have there been any changes to the LTI Plan this year? No changes have occurred for existing LTI grants. See page 39

Are there any LTI Plan changes planned for FY2017? Yes, following a review of the existing comparator group for our relative TSR performance hurdle (50% of the grant), future grants will have a slightly varied comparator group aligned to our current competitive landscape. The focus of Executives on the delivery of the Company's 'Realize our future' strategy and leading the change will be achieved through the provision of strategic performance rights (50% of the grant). These performance hurdles will be subject to the achievement of cost reduction and net debt to EBITDA targets measured at the end of FY2018, both of which are key to the delivery of the strategy. A further two year restriction period will apply on the shares following the measurement of the targets. Details of performance against the targets will be disclosed retrospectively due to the commercially sensitive nature of the targets. During FY2017, we will review the LTI Plan performance hurdles for FY2018 grants to ensure the motivational value of this portion of our Executives' remuneration is effective into the future. See page 39

DIRECTORS' REPORT CONTINUED

KMP COVERED IN THIS REPORT

Set out below is a list of the Executives of the Company whose remuneration details are outlined in this Remuneration Report. Except where noted, these Executives were employed for all of FY2016 in the positions noted below. The use of the term "Executives" throughout this report refers to the Executives listed. These Executives in addition to the NEDs listed on page 43 of the Annual Report, comprised the KMP of the Company for FY2016, as defined under the Accounting Standards.

NAME	POSITION	COUNTRY OF RESIDENCE	KMP DURATION
Andrew Wood	Chief Executive Officer	Australia	
Filippo Abba	Group Managing Director – <i>Improve</i> and Major Projects	United Kingdom	
Robert (Chris) Ashton	Regional Managing Director – Europe, Africa & Middle East	United States	1 January 2016 (commenced)
Dennis Finn	Group Managing Director/Chief Executive Officer, Advisian	United Kingdom	1 July 2015 (commenced)
Thomas Honan	Group Managing Director Finance/CFO	Australia	1 December 2015 (commenced)
Denis Lucey	Regional Managing Director – Asia Pacific	Indonesia	1 January 2016 (commenced)
Christopher Parker ¹	Regional Managing Director – Americas	United States	1 January 2016 (commenced)
Simon Holt ²	Chief Financial Officer	Australia	1 December 2015 (ceased)
David Steele ³	Group Managing Director – Services	Australia	1 January 2016 (ceased)

¹ Mr Parker was KMP for FY2015, ceased to be KMP on 30 June 2015 and was reinstated on 1 January 2016.

² Mr Holt ceased to be KMP on 1 December 2015 and ceased employment on 11 February 2016.

³ Mr Steele ceased to be KMP on 1 January 2016 when he moved to another role prior to his retirement on 30 June 2016.

2. REMUNERATION GOVERNANCE FRAMEWORK

GUIDING REMUNERATION PRINCIPLES

The guiding principles for executive remuneration are driven from the Company beliefs. The beliefs guide our actions, making it clear what we are accountable for and how we achieve success:

