

4. NON-EXECUTIVE DIRECTOR REMUNERATION

NON-EXECUTIVE DIRECTORS

This section outlines the remuneration arrangements in place for the Company's Non-Executive Directors (NEDs). All directors held office for the whole of FY2015, except where otherwise stated. The NEDs for FY2015 are listed below:

NAME	POSITION	COUNTRY OF RESIDENCE
John Grill	Chairman	Australia
Ron McNeilly	Deputy Chairman and Lead Independent Director	Australia
Larry Benke	Director	Canada
Erich Fraunschiel	Director	Australia
John M Green	Director	Australia
Christopher Haynes	Director	United Kingdom
Catherine Livingstone	Director	Australia
Wang Xiao Bin	Director	Hong Kong

GUIDING PRINCIPLES

The principles of fairness and shareholder alignment are reflected through the Company's commitment to setting NED fees at a level which remains market competitive, while ensuring they reflect the caliber of directors required to address the significant strategic and operational challenges faced by the Company, domestically and abroad.

For the fourth consecutive year, there will be no increase in annual fees for NEDs in FY2016.

The aggregate amount of fees (which include Board and Committee fees) that may be paid to NEDs in any year is capped at the level approved by shareholders. The current maximum aggregate amount of \$3.25 million per annum was approved by shareholders at the 2012 AGM. Of the aggregate annual fee pool, 69% (\$2.23 million) was utilized during FY2015 (76% (\$2.47 million) for FY2014). NEDs do not receive performance related payments.

REMUNERATION STRUCTURE

Board and Committee fees

Board and Committee fees for FY2015 and FY2016 are set out below. These amounts are inclusive of superannuation contributions made on behalf of NEDs in accordance with the Company's statutory obligations.

ROLE	FY2015 AND FY2016 ANNUAL FEES
Chairman ^{1,2}	\$520,000
Deputy Chairman and Lead Independent Director ¹	\$312,000
Other NED	\$194,000
Chairman of Audit and Risk Committee	\$47,000
Member of Audit and Risk Committee	\$26,000
Chairman of Remuneration Committee	\$37,000
Member of Remuneration Committee	\$21,000
Chairman of Health, Safety and Environment Committee	\$30,000
Member of Health, Safety and Environment Committee	\$12,000
Chairman/Member of Nominations Committee	nil

1 The Chairman of the Board and Deputy Chairman and Lead Independent Director do not receive additional fees for Committees, of which they may be a member.

2 Mr Grill agreed to a temporary decrease in the Chairman fee from \$520,000 to \$460,000 per annum for FY2014 and FY2015.

Other benefits

NEDs are eligible to receive travel allowances of \$5,000 per trip for overseas business related travel including attendance at Board meetings and site visits. NEDs are also entitled to be reimbursed for all business related expenses, including travel, incurred in the discharge of their obligations.

The Company does not pay retirement benefits to NEDs, except where required by legislation.

From time to time, the Board may determine special fees for additional duties undertaken by directors. No such fees were paid in FY2015.

REMUNERATION OUTCOMES

Remuneration of the NEDs for FY2015 and FY2014 is set out below:

	SHORT TERM EMPLOYEE		POST-EMPLOYMENT BENEFITS	SHARE BASED PAYMENT	TOTAL \$
	FEES \$	TRAVEL ALLOWANCES \$	SUPER-ANNUATION ¹ \$	EQUITY INCENTIVE STI/CASH SETTLED \$	
John Grill					
FY2015	441,217	5,000	18,783	–	465,000
FY2014	442,216	5,000	17,775	32,881 ²	497,872
Ron McNeilly					
FY2015	293,217	–	18,783	–	312,000
FY2014	294,260	5,000	17,734	–	316,994
Larry Benke					
FY2015	232,000	30,000	–	–	262,000
FY2014	212,102	25,000	–	–	237,102
Erich Fraunschiel					
FY2015	222,342	5,000	18,658	–	246,000
FY2014	224,264	5,000	16,732	–	245,996
John M Green					
FY2015	212,282	–	18,718	–	231,000
FY2014	214,405	5,000	16,591	–	235,996
Christopher Haynes					
FY2015	224,000	30,000	–	–	254,000
FY2014	223,996	30,000	–	–	253,996
Catherine Livingstone					
FY2015	201,726	–	18,274	–	220,000
FY2014	203,560	5,000	16,436	–	224,996
JB McNeil³					
FY2015	–	–	–	–	–
FY2014	182,600	20,000	–	–	202,600
Wang Xiao Bin					
FY2015	201,726	20,000	18,274	–	240,000
FY2014	203,560	35,000	16,436	–	254,996
Total remuneration					
FY2015	2,028,510	90,000	111,490	–	2,230,000
FY2014	2,200,963	135,000	101,704	32,881	2,470,548

1 Superannuation contributions are made on behalf of the NEDs in accordance with the Company's statutory superannuation obligations. In some cases, the amounts in this table are lower than the annualized superannuation guarantee cap (Cap). In FY2014, NEDs were paid every second month and the legislation requires the Cap to apply quarterly. The lower amount results from those quarters in which only one payment was made and it is lower than the quarterly cap.

2 Mr Grill received Deferred Equity STI rights in 2012 half vested after 12 months and half after 24 months. The plan provided dividend equivalent payments disclosed in FY2014.

3 Mr McNeil retired as a director on 3 April 2014.

NED INTERESTS IN SHARES AND PERFORMANCE RIGHTS

NED beneficial interests in shares and performance rights of the Company as at 30 June 2015 are detailed in the below table. The service and performance criteria for the rights are discussed in the LTI Plan section on page 57.

NUMBER OF SHARES AND PERFORMANCE RIGHTS HELD IN WORLEYPARSONS LIMITED

	TYPE	BALANCE AT 1 JULY 2014	ON EXERCISE OF PERFORMANCE RIGHTS	PURCHASE/ (SALE)	(LAPSES)	BALANCE AT 30 JUNE 2015
John Grill ¹	Shares	25,372,173	–	–	–	25,372,173
	Rights	61,850	–	–	(44,039)	17,811
Ron McNeilly	Shares	401,064	–	41,500	–	442,564
Larry Benke ²	Shares	1,133,383	–	–	–	1,133,383
Erich Fraunschiel	Shares	168,755	–	30,000	–	198,755
John M Green	Shares	891,869	–	–	–	891,869
Christopher Haynes	Shares	11,945	–	–	–	11,945
Catherine Livingstone	Shares	13,000	–	–	–	13,000
Wang Xiao Bin	Shares	11,000	–	–	–	11,000

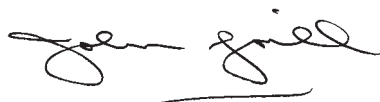
1 Mr Grill received rights as part of his employment with the Company prior to his retirement effective 23 October 2012. In 2011, shareholders approved that Mr Grill's performance rights should be cash settled.

2 Mr Benke received exchangeable shares as part of the Colt Group consideration upon acquisition in 2007.

NED minimum shareholding requirement

A minimum shareholding requirement exists to provide alignment between director and shareholder interests. Each NED must build a holding of the Company's ordinary shares equivalent in value to that director's annual fee. For the purpose of this test, the value of shares is calculated using the number of shares held at 30 June 2015 multiplied by the volume weighted average price of the Company's shares up to and including 30 June 2015 (\$10.414) or purchase price if higher. NEDs are expected to comply with this requirement within their first full term of three years as a director. All NEDs currently comply with the minimum shareholding requirement.

This Directors' Report (including Remuneration Report) is made in accordance with a resolution of the directors.



JOHN GRILL AO

Chairman

Sydney, 26 August 2015