

Capital Management Policy



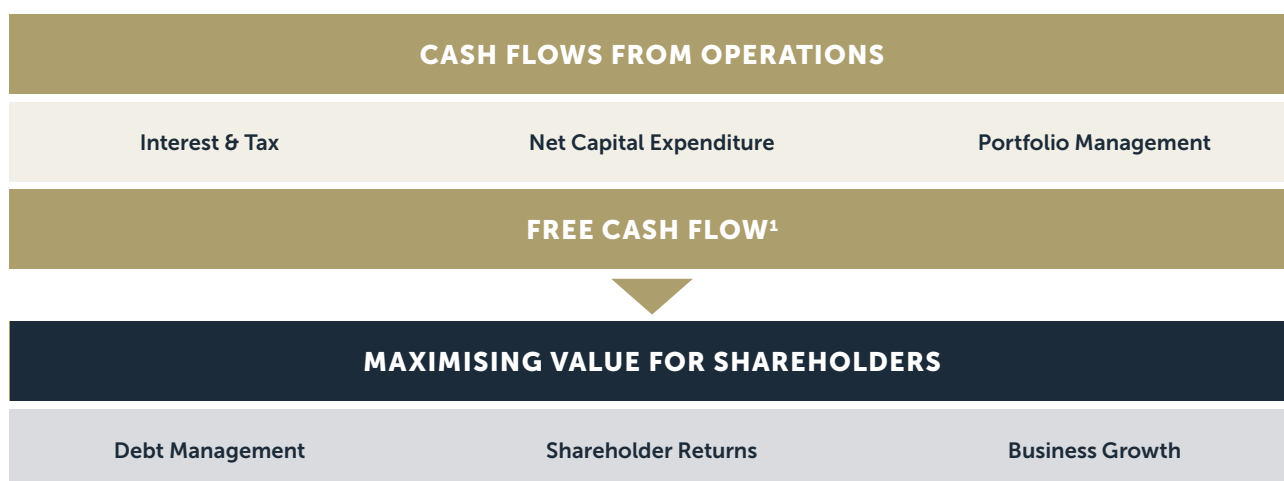
**Expect
More**

Perenti’s Capital Management Policy sets the framework under which decisions will be made in relation to the allocation of capital to ensure capital is deployed to facilitate the delivery of a sustainable Total Shareholder Return (TSR).

The Capital Management Policy addresses the allocation of capital to the following categories.

1. Expansion capital to facilitate growth in current operations
2. Growth capital to invest in new business opportunities – organic and inorganic
3. Gross Debt reduction
4. Shareholder returns via dividends or share buy backs

The following graphic outlines the capital allocation decision tree for Perenti.



¹Free cash flow is defined as the cash flow from operations less tax, interest and all capital expenditure net of proceeds from sale of assets.

CAPITAL ALLOCATION

In line with Perenti’s primary objective to deliver sustainable shareholder returns, the following principles must be applied when assessing the allocation of capital:

1. Capital must be allocated in alignment with the Board approved Strategic Plan.
2. The maintenance of a strong balance sheet is considered a core objective with leverage (net debt to EBITDA) to be below 1.0x. Where net debt is above this target a clear strategy and timeline must be developed to return Perenti to the target level.
3. The decision to allocate capital to growth initiatives is contingent upon the investment’s expected returns being consistent with Perenti’s Strategy, exceeding the applicable Group hurdle rate, maintaining a balanced portfolio, the opportunity presenting the greatest value to shareholders and other relevant strategic considerations.

4. The declaration and payment of dividends will be determined in line with the following guidelines:
 - Where net leverage is below 1.0x (*a dividend of up to 30-40% of annual underlying net profit after tax (before amortisation of customer related intangibles)*).
 - Where net leverage is above, or forecast to be above 1.0x (*no dividends will be paid unless there is a clear strategy to reduce leverage below 1.0x in the near term*).
5. Share buy backs will be considered as an alternative to dividends or as a standalone option in the following circumstances:
 - The company's level of excess capital.
 - The prevailing share price of Perenti represents value based on the company's internal modelling and future considerations.

A handwritten signature in black ink, appearing to read 'Mark Norwell', with a stylized flourish at the end.

MARK NORWELL

Managing Director and Chief Executive Officer
Perenti

Approved by the Perenti Board on 2 December 2024