

2019 CORPORATE GOVERNANCE STATEMENT

This corporate governance statement sets PKS Holdings Limited (**Company**) current compliance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**ASX Principles and Recommendations**). The ASX Principles and Recommendations are not mandatory. However, this corporate governance statement discloses the extent to which the Company has followed the ASX Principles and Recommendations. This corporate governance statement is current as at the date of the Company's admission to the official list of the ASX and has been approved by the board of the Company (**Board**).

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
1. Lay solid foundations for management and oversight		
<p>1.1. <i>A listed entity should disclose:</i></p> <p><i>(a) the respective roles and responsibilities of its board and management; and</i></p> <p><i>(b) those matters expressly reserved to the board and those delegated to management.</i></p>	Yes	<p>The Board is responsible for corporate governance of the Company.</p> <p>The Board has adopted a Board Charter which outlines the manner in which its powers and responsibilities will be exercised and discharged, having regard to principles of good corporate governance and applicable laws. Pursuant to the Board Charter, the Board assumes responsibilities including, but not limited to the following:</p> <ul style="list-style-type: none"> (a) considering and approving the strategy of the Company and its related companies (Group); (b) adopting an annual budget and monitoring financial performance including approving the annual and half year financial statements and reports; (c) approving major investments and monitoring the return on those investments; (d) monitoring the adequacy, appropriateness and operation of internal controls including reviewing and approving the Group's compliance systems and corporate governance principles; (e) providing continuous disclosure of information to the investment community, and making available information that shareholders reasonably require to make informed assessments of the Group's prospects; (f) reviewing and monitoring significant business risks and oversights and how they are managed; (g) monitoring the conduct of the relationship with key regulators to meet the Group's obligations; (h) determining delegations to committees, subsidiary boards and management and approving

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		<p>transactions in excess of delegated levels;</p> <ul style="list-style-type: none"> (i) appointing and reviewing the performance of the chief executive officer (CEO) of the Company and from time to time any portfolio companies of the Group, including overseeing the remuneration, development and succession planning for the chief executive officers and management, while overseeing the operation of appropriate human resource management systems including remuneration; (j) assessing its own performance and that of individual Directors; (k) selecting and appointing new Directors; (l) considering, approving and endorsing major policies of the organisation including a code of conduct which promotes ethical behaviour and social responsibility; (m) overseeing the implementation of appropriate work health and safety systems; and (n) protecting and overseeing the enhancement of the reputation of the Company. <p>A copy of the Board Charter is available on the Company's website at the following URL: www.pks.com.au.</p> <p>Pursuant to the Board Charter, the Board has delegated specific authorities to the chief executive officer (CEO). Subject to these delegated matters, the CEO is authorised to exercise all the powers of the Directors, except with respect to the following:</p> <ul style="list-style-type: none"> (a) approval of major elements of strategy including any significant change in the direction of that strategy; (b) approvals above delegated levels of credit limits, country risk exposures, equity risk limits, market risk limits, loans and encumbrances, equity investments and underwriting risk; (c) capital expenditure in excess of delegated levels or expenditure outside the ordinary course of business; (d) certain remuneration matters including material changes to remuneration policies; (e) adoption of the Company's annual budget; (f) approval of the interim and final accounts and related reports to the ASX; (g) specific matters in relation to continuous disclosure as defined in the Continuous Disclosure Policy; and (h) other matters as the Board may determine from time to time. <p>The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in Board discussions on a fully informed basis. The Company intends to review the</p>

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		membership of the Board, and the Board Charter at least once every year to determine its ongoing appropriateness.
<p>1.2. <i>A listed entity should:</i></p> <p>(a) <i>undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election as a director; and</i></p> <p>(b) <i>provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.</i></p>	Yes	The Company undertakes backgrounds checks with regards to the person's character, experience, education, criminal record and bankruptcy history prior to nomination for election as a director. Any material adverse information revealed by these checks is released to security holders prior to the general meeting at which they can be elected. When an individual is nominated to be a director, details of their relevant professional history and qualifications will be made accessible to the security holders in the Company.
<p>1.3. <i>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</i></p>	Yes	Directors and senior executives of the Company are given letters of appointment and/or service agreements prior to their engagement with the Company.
<p>1.4. <i>The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.</i></p>	Yes	The Company Secretary is responsible to the Board through the Chairman. The Chairman and the Company Secretary co-ordinate the Board agenda.

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<p>1.5. <i>A listed entity should:</i></p> <p>(a) <i>have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</i></p> <p>(b) <i>disclose that policy or a summary of it; and</i></p> <p>(c) <i>disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them, and either:</i></p> <p>(1) <i>the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</i></p> <p>(2) <i>if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</i></p>	<p>Yes</p> <p>Yes</p> <p>Yes</p>	<p>The Company has adopted a formal Diversity Policy which sets out the following practices to be followed by the Company:</p> <ul style="list-style-type: none"> (a) setting measurable objectives relating to diversity (including gender diversity) at all senior management and leadership levels; (b) broadening the field of potential candidates for senior management and board appointments; and (c) embedding the extent to which the Board has achieved the objective of this policy in the evaluation criteria for the annual Board performance review. <p>A copy of the Diversity Policy is available on the Company's website at the following URL: www.pks.com.au.</p> <p>The Board is committed to annually assessing both the Policy's objectives and its progress towards achieving the measurable objectives.</p> <p>The Company has undertaken a review of its diversity objectives, with the following objectives having been set by the Board:</p> <p>Objective 1: Increase the proportion of women in leadership roles across the Company to 40% by June 2022</p> <p>Objective 2: Ensure equivalent pay for equivalent skill set/role.</p> <p>The Company's workforce gender demographics for the year ended 30 June 2019 are as follows:</p> <ul style="list-style-type: none"> 1. The proportion of female directors: 0% 2. The proportion of female employees who are senior executives: 25% 3. The proportion of female employees in the entire organisation: 25% <p>For the purposes of the Diversity Policy, 'senior management' means an employee who directly reports to the CEO or the Board.</p>
<p>1.6. <i>A listed entity should:</i></p> <p>(a) <i>have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</i></p>	<p>Yes</p>	<p>The Remuneration and Nomination Committee is responsible for establishing processes for the review of the performance of individual Directors, Board Committees and the Board as a whole and implementation of such processes.</p>

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<i>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</i>	Yes	The performance of the Board as a group and of the Directors individually, is assessed each year. The Board conducted a formal, structured evaluation that involved each Director completing a confidential questionnaire covering the role, composition, processes, development and the carrying out its responsibilities. The results of the questionnaire and an analysis of these results was reported to the Board.
1.7. A listed entity should:		
<i>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</i>	Yes	The Remuneration and Nomination Committee is responsible for reviewing and making recommendations to the Board on the Company's remuneration framework, remuneration packages and policies applicable to its senior executives.
<i>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</i>	Yes	The Board and senior management team regularly review the performance of its senior executives and address any issues that may emerge. As part of this process, the Remuneration Committee may implement processes for evaluating the performance of its senior executives. During the period the Company did not undertake a formal performance review of senior executives.
2. Structure the board to add value		
2.1. The board of a listed entity should:		
<i>(a) have a nomination committee which:</i>		
<i>(1) has at least three members, a majority of whom are independent directors; and</i>	Yes	<ul style="list-style-type: none"> Andrew Gray (Chair of the Committee), Independent Non-Executive Director; Mike Hill, Independent Non-Executive Director; and Ronald Van der Pluijm, Chief Executive Officer.
<i>(2) is chaired by an independent director, and disclose:</i>	Yes	The majority of the members of the Nomination and Remuneration Committee are considered to be independent, including the chair of the Nomination Committee.
<i>(3) the charter of the committee;</i>	Yes	The Nomination and Remuneration Committee Charter is available at the Company's website: www.pks.com.au .
<i>(4) the members of the committee; and</i>	Yes	
<i>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</i>	Yes	As of the end of the reporting period, the Nomination and Remuneration Committee had not formally met.
<i>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</i>		
2.2. A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the	Yes	The Board strives to ensure that it is comprised of Directors with a blend of skills, experience and attributes appropriate for the Company and its business.

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<i>Board currently has or is looking to achieve in its membership.</i>		The Board Skills Matrix is available on the Company's Website: www.pks.com.au .
<p>2.3. <i>A listed entity should disclose:</i></p> <p>(a) <i>the names of the directors considered by the board to be independent directors;</i></p> <p>(b) <i>if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</i></p> <p>(c) <i>the length of service of each director.</i></p>	Yes	<p>The Board has reviewed the position and associations of each of the five Directors in office and has determined that Mike Hill, Andrew Gray, Neil Broekhuizen and Paul Williams are independent. In making this determination, the Board has had regard to the independence criteria in the ASX Principles and Recommendations, and other facts, information and circumstances that the Board considers relevant. The Board assesses the independence of new Directors upon appointment and reviews their independence, and the independence of the other directors as appropriate.</p> <p>Information with respect to potential issues of independence may be disclosed to the market but no formal policy exists to ensure such disclosure.</p> <ul style="list-style-type: none"> • Mike Hill, Director since June 2018 • Ron Van der Pluijm, Director since 31 May 2019 • Neil Broekhuizen, Director since 31 May 2019 • Andy Gray, Director since 31 May 2019 • Paul Williams, Director since 31 May 2019
<p>2.4. <i>A majority of the board of a listed entity should be independent directors.</i></p>	Yes	<p>The Board considers that Mr Mike Hill, Mr Andrew Gray, Mr Neil Broekhuizen and Mr Paul Williams are independent.</p> <p>The Board has taken the following steps to structure the Board to add value despite already having an independent majority of directors:</p> <p>(a) membership of the Board is focused on providing the Company with a broad base of industry skills and experiences considered necessary to fulfil the business objectives of the Company; and</p> <p>(b) membership of the Board is reviewed on an on-going basis by the Chairman of the Board to determine if additional core strengths are required to be added to the Board in light of the nature of the Company's business and its objectives.</p>
<p>2.5. <i>The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.</i></p>	Yes	The Company's Non-Executive Chairman, Mr Mike Hill, satisfies the ASX Principles and Recommendations definition of an independent director. The CEO of the Company is Mr Ronald Van der Pluijm.
<p>2.6. <i>A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.</i></p>	Yes	The Company has an induction programme for each new Director upon appointment. This includes meeting with members of the existing Board, Company Secretary, management and other relevant executives to familiarise themselves with the Company, its procedures and prudential requirements, and Board practices and procedures.

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		On an ongoing basis, and subject to approval of the Chairman, Directors may request and undertake training and professional development, as appropriate, at the Company's expense.
3. Promote ethical and responsible decision-making		
3.1. <i>A listed entity should:</i> <i>(a) have a code of conduct for its directors, senior executives and employees; and</i> <i>(b) disclose that code or a summary of it.</i>	Yes	The Company has adopted a formal Code of Conduct which is available on the Company's website at the following URL: www.pks.com.au .
4. Safeguard integrity in financial reporting		
4.1. <i>The board of a listed entity should:</i> <i>(a) have an audit committee which:</i> <i>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</i> <i>(2) is chaired by an independent director, who is not the chair of the board,</i> <i>and disclose:</i> <i>(3) the charter of the committee;</i> <i>(4) the relevant qualifications and experience of the members of the committee; and</i> <i>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</i> <i>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</i>	Yes Yes Yes Yes Yes	<p>The Board has established an Audit and Risk Committee, whose members are:</p> <ul style="list-style-type: none"> • Paul Williams (Chair of the Committee), Independent Non-Executive Director; • Mike Hill, Independent Non-Executive Director; and • Neil Broekhuizen, Independent Non-Executive Director. <p>The majority of the members of the Audit and Risk Committee are considered to be independent, including the chair of the Audit and Risk Committee.</p> <p>The Charter of the Audit and Risk Committee is available at the Company's website: www.pks.com.au.</p> <p>As at the end of the reporting period, the Audit and Risk Committee had not formally met.</p>
4.2. <i>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the</i>	Yes	The Board receives a declaration from its CEO, CFO or CEO/CFO equivalent before it approves the Company's financial statements.

ASX Principles and Recommendations	Comply (Yes/No)	Explanation
<i>financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</i>		
4.3. <i>A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</i>	Yes	An external auditor will be present at the Company's annual general meeting and be available to answer questions from security holders relevant to audit.
5. Make timely and balanced disclosure		
5.1. <i>A listed entity should:</i> <i>(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</i> <i>(b) disclose that policy or a summary of it.</i>	Yes	The Company is committed to providing timely, complete and accurate disclosure of information to allow a fair, and well-informed market in its securities and compliance with the continuous disclosure requirements imposed by law, including the Corporations Act and the ASX Listing Rules. A copy of the Company's Continuous Disclosure Policy is available at the following URL: www.pks.com.au .
6. Respect the rights of shareholders		
6.1. <i>A listed entity should provide information about itself and its governance to investors via its website.</i>	Yes	The Company provides information about itself and its governance to its investors on the Company's website via the following URL: www.pks.com.au . The Company will regularly update the website and contents therein as deemed necessary.
6.2. <i>A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.</i>	Yes	The Company has instituted an investor relations program to actively engage with security holders. The Company conducts regular institutional investor roadshows and the CEO and (where required) members of the Board are available to respond to security holder queries. The program gives security holders an opportunity to gain a greater understanding of the Company's business and financial performance. The Company has a formal Shareholder Communication Policy in place whereby information will be communicated to shareholders through: (a) continuous disclosure of all relevant financial and other information to the ASX; (b) publishing information on the Company's website at www.pks.com.au ; (c) periodic disclosure through the Annual Report and the half year financial report; (d) notice of meetings and explanatory material; and (e) the AGM and other general meetings.

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		A copy of the Shareholder Communication Policy is available on the Company's website at the following URL: www.pks.com.au .
6.3. <i>A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.</i>	Yes	The Board encourages full participation by shareholders at any meeting of security holders to ensure accountability and transparency. Written questions may be put to the external auditor ahead of, and the auditor will attend, the AGM to answer shareholder queries about the Auditor's Report.
6.4. <i>A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</i>	Yes	The Company encourages shareholders to register for receipt of announcements and updates electronically.
7. Recognise and manage risk		
7.1. <i>The Board of a listed entity should:</i> <i>(a) have a committee or committees to oversee risk, each of which:</i>		The Board has established an Audit and Risk Management Committee, whose members are:
<i>(1) has at least three members, a majority of whom are independent directors; and</i>	Yes	<ul style="list-style-type: none"> • Paul Williams (Chair of the Committee), Independent Non-Executive Director; • Mike Hill, Independent Non-Executive Director; and • Neil Broekhuizen, Independent Non-Executive Director. <p>The majority of the members of the Audit and Risk Committee are considered to be independent, including the chair of the Audit and Risk Management Committee.</p> <p>The Charter of the Audit and Risk Committee is available at the Company's website: www.pks.com.au.</p> <p>As at the end of the reporting period, the Audit and Risk Committee had not formally met.</p>
<i>(2) is chaired by an independent director,</i>	Yes	
<i>and disclose:</i>	Yes	
<i>(3) the charter of the committee;</i>	Yes	
<i>(4) the members of the committee; and</i>	Yes	
<i>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</i>	Yes	
<i>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</i>		
7.2. <i>The board or a committee of the board should:</i> <i>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</i>	Yes	The Audit and Risk Committee annually reviews and approves the risk management policies of the Company.
<i>(b) disclose in relation to each reporting period, whether such a review has taken place.</i>	Yes	The Audit and Risk Committee had not undertaken a review during the reporting period, having only recently been established.
7.3. <i>A listed entity should disclose:</i> <i>(a) if it has an internal audit function, how the function is structured and what role it performs; or</i>	N/A	The Company's Audit and Risk Committee will periodically review the effectiveness of its financial risk management and internal control processes of the Company.

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<i>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</i>	Yes	As and when required, the Audit and Risk Committee will engage external consultants to also review and evaluate the effectiveness of the Company's risk management and internal control processes.
7.4. <i>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</i>	Yes	All material risks to economic, environmental and social sustainability risks will be announced to the market, in accordance with the requirements of the ASX Listing Rules and otherwise.
8. Remunerate fairly and responsibly		
8.1. <i>The Board of a listed entity should:</i> <i>(a) have a remuneration committee which:</i>		The Board has established a Nomination and Remuneration Committee, whose members are:
<i>(1) has at least three members, a majority of whom are independent directors; and</i>	Yes	<ul style="list-style-type: none"> • Andrew Gray (Chair of the Committee), Independent Non-Executive Director; • Mike Hill, Independent Non-Executive Director; and • Ronald Van der Pluijm, Chief Executive Officer. <p>The majority of the members of the Nomination and Remuneration Committee are considered to be independent, including the chair of the Remuneration Committee.</p> <p>The Charter of the Nomination and Remuneration Committee is available at the Company's website: www.pks.com.au.</p> <p>As at the end of the period, the Nomination and Remuneration Committee had not formally met.</p>
<i>(2) is chaired by an independent director, and disclose:</i>	Yes	
<i>(3) the charter of the committee;</i>	Yes	
<i>(4) the members of the committee; and</i>	Yes	
<i>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</i>	Yes	
<i>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</i>		
8.2. <i>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</i>	Yes	The Company disclosed its remuneration policy in the 2019 Annual Report and intends to disclose its updated remuneration policy in the next Annual Report.
8.3. <i>A listed entity which has an equity-based remuneration scheme should:</i> <i>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the</i>	Yes	The Company has a Securities Trading Policy that prohibits directors, officers and employees from entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements under any equity-based remuneration scheme. A copy of the Securities Trading Policy is available on the

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<i>economic risk of participating in the scheme; and</i>		Company's website at the following URL: www.pks.com.au .
<i>(b) disclose that policy or a summary of it.</i>		