



Corporate Governance Statement

Maas Group Holdings Limited (“the Company”) and its controlled entities (collectively, the “Group”) have adopted and substantially comply with the ASX Corporate Governance Principles and Recommendations (4th Edition) (the “ASX Recommendations”) to the extent appropriate to the Group’s size and nature of its operations.

Set out below are the corporate governance practices that were in operation throughout the reporting period for the year ended 30 June 2021 (the “Statement”). In the Statement, the Group identifies the ASX Recommendations which been followed or partly followed and explains those which have not been followed. The Statement was approved by the Board and is current as at 30 September 2021 and also incorporates any relevant updates between 30 June 2021 and the approval date.

The Group’s corporate governance policies, charters and other policies are all available on the Group’s website:

<https://investors.maasgroup.com.au/investor-centre/?page=corporate-governance>

The Group’s Annual Report is also available here:

<https://investors.maasgroup.com.au/investor-centre/?page=annual-reports>

Principle 1 – Lay solid foundations for management and oversight

1.1. A listed entity should have and disclose a board charter setting out:

- (a) the respective roles and responsibilities of its board and management; and**
- (b) those matters expressly reserved to the board and those delegated to management.**

The Board is responsible for the overall governance of the Group, guiding and monitoring the business and operations on behalf of its stakeholders. The Board provides leadership, strategic guidance and oversight of management of the Group, deriving its authority from the Company’s Constitution.

The Board has adopted a charter (“Board Charter”) which sets out the role and responsibilities of the Board and those functions reserved to the Board, together with those responsibilities delegated to management.

To support and assist the Board in discharging its responsibilities, the Board has established four committees:

- (a) Audit and Risk Committee;
- (b) Health, Safety and Environment Committee;
- (c) Remuneration and Nomination Committee; and
- (d) Related Party Committee.

The Board delegates to the Chief Executive Officer (“CEO”) the management of day-to-day affairs of the Group and authority to control the affairs of the Group (other than those reserved to the Board and its Committees).

The Board will regularly consider and review the Board Charter and the division of functions between the Board and management to ensure that it continues to be appropriate to address the needs of the Group. The Board Charter is available on the Group's website.

<https://investors.maasgroup.com.au/investor-centre/?page=corporate-governance>

1.2. A listed entity should:

- (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and**
- (b) 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.**

The Board has established a Remuneration and Nomination Committee and its functions and powers are formalised in the Remuneration and Nomination Committee Charter, which is available on the Group's website:

<https://investors.maasgroup.com.au/investor-centre/?page=corporate-governance>

The process for selection and appointment of new Directors to the board is detailed in the Remuneration and Nomination Committee Charter. Before Board candidates are appointed, the Board will consider the current Board's skills and competencies, basing selection criteria on its needs. Appropriate checks are performed prior to any appointment, including criminal and bankruptcy checks.

The Group provides shareholders in the notice of meeting with relevant information to enable each shareholder to make an informed decision on all Directors standing for election or re-election as a Director, including skills and experience, qualifications and other directorships held. A biography of each Director is published in the Directors' Report within the Annual Report and is also available on the Group's website:

<https://investors.maasgroup.com.au/investor-centre/?page=board-of-director>

1.3. A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.

All Directors and senior executives have entered into written agreements with the Group, clearly defining their roles and responsibilities.

1.4. 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.

The Company Secretary is accountable directly to the Board, through the Chairman, and all Directors have access to the Company Secretary. In accordance with the Company's Constitution, the appointment or removal of the Company Secretary is a matter for the Board as a whole. The role and responsibilities of the Company Secretary are outlined in the Board Charter which is available on the Group's website.

<https://investors.maasgroup.com.au/investor-centre/?page=corporate-governance>

1.5. A listed entity should:

- (a) have and disclose a diversity policy**
- (b) through its board or committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and**
- (c) disclose in relation to each reporting period:**
 - (1) the measurable objectives set for that period to achieve gender diversity**
 - (2) the entity's progress towards achieving those objectives; and**
 - (3) either:**
 - (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or**
 - (B) 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.**

The Board has adopted a Diversity Policy, a copy of which is available on the Group's website:

<https://investors.maasgroup.com.au/investor-centre/?page=corporate-governance>

The Board is charged with setting a diversity profile which will be taken into account by the Remuneration and Nomination Committee in selecting and appointing qualified employees, senior management and board candidates.

The Group is an equal opportunity employer, committed to developing and promoting diversity at all levels of the Group, recognising that diversity not only includes gender, but also gender identity, age, ethnicity, cultural background, marital or family status, religion and disability.

The Company was admitted to the ASX official list on 4 December 2020 and for the reporting period ended 30 June 2021, had not finalised the measurable objectives for achieving diversity. Consistent with the Group's Corporate Governance Statement lodged with the ASX on 3 December 2020 the Board has now determined initial measurable objectives for pursuing gender diversity for the board of at least 25% and for 20% of senior executives to be women by 2025, and having regard to the nature of the industries within which the Group operates, a year-on-year increase of female representation across the workforce.

The Group has defined "senior executive" as persons who directly report to the CEO and/or are in charge of a principal business segment.

At the end of the reporting period of 30 June 2021, the respective proportion of men and women in various roles within the Group were:

- A total of 895 employees; of these, 108 are female;
- A total of 9 employees who are senior executives; of these 1 is female; and
- A total of 5 Directors; of these, none are female.

The Company is committed to giving all genders the same chance to reach their potential and is committed to creating an inclusive culture that values all people and addresses biases.

1.6. A listed entity should:

- (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and**
- (b) disclose, in relation to each reporting period, whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.**

The Chairman of the Board is charged with the responsibility of monitoring and facilitating the performance reviews of the Board. The Remuneration and Nomination Committee is responsible for making recommendations to the Board in relation to the performance appraisal processes of the Group, including the monitoring and review of the CEO's performance.

The Company was admitted to the ASX official list on 4 December 2020 and for the year ended 30 June 2021, has not undertaken a review of its Board and Directors as at that date. The first annual review of the performance of the Board will be completed by December 2021.

1.7. A listed entity should:

- (a) have and disclose a process for periodically evaluating the performance of its senior executives at least once every reporting period; and**
- (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.**

The Remuneration and Nomination Committee has responsibility for overseeing the reviews of the Executive Director and senior management and reporting the outcomes to the Board.

The Company was admitted to the ASX official list on 4 December 2020 and for the reporting period, has not undertaken a review of its CEO and other senior executives. The performance of senior executives will be reviewed at least annually against measurable qualitative and quantitative performance criteria set by the Remuneration and Nomination Committee. The first annual review is due to be completed by December 2021.

Principle 2 – Structure the board to be effective and add value

2.1. The board of a listed entity should:

- (a) have a nomination committee which:**
 - (1) has at least three members, a majority of whom are independent directors; and**
 - (2) is chaired by an independent director,**
and disclose:
 - (3) the charter of the committee;**
 - (4) the members of the committee; and**
 - (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**
- (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.**

During the year, the Board established and maintained a Remuneration and Nomination Committee, comprising Michael Medway (Chair), Neal O'Connor and Stephen Bizzell. The responsibilities and powers of the Remuneration and Nomination Committee are set out in the Remuneration and Nomination Committee Charter which is available on the Group's website:

<https://investors.maasgroup.com.au/investor-centre/?page=corporate-governance>

During the reporting period, the Chair and the majority of the members of the Remuneration and Nomination Committee were not independent. The Company noted this in its initial Corporate Governance Statement lodged with the ASX on 3 December 2020 where it noted that it considered the composition of the Remuneration and Nomination Committee to be appropriate given the size and nature of the Company but that it monitors the needs of the Company and may consider the future appointment of additional members.

The Company has recently announced the proposed appointment of David Keir as an independent Non-Executive Director, subject to the completion of customary onboarding processes. Upon the finalisation of the appointment of David Keir, the composition of all Board Committees will be reviewed. It is anticipated that David Keir will be appointed to the Remuneration and Risk Committee, while Neal O'Connor will be appointed Chair of the Remuneration and Nomination Committee. Neal O'Connor and David Keir are considered to be independent Directors free from any interest, position or relationship that might influence, or be perceived to influence, in a material respect their capacity to bring independent judgement to bear on issues before the Remuneration and Nomination Committee.

Upon the future appointment of David Keir to the Remuneration and Nomination Committee, Stephen Bizzell will resign from the Committee whilst Michael Medway will remain a member of the Remuneration and Nomination Committee. Michael Medway is not considered to be an independent director. As a result of the proposed changes to the membership of the Remuneration and Nomination Committee the membership of the Committee will comprise three members, and in accordance with Principle 2.1, a majority of the members will be regarded as independent.

The number of meetings held and attended by each member of the Remuneration and Nomination Committee during the reporting period is published in the Directors' Report within the Group's Annual Report.

2.2. A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.

In establishing the Board, the Group has considered the appropriate and diverse mix of skills, experience and expertise to effectively discharge its responsibilities, appropriately monitor risk management and add value to the Group. On a collective basis, the Board has the following extensive range of experience and skills:

- Construction industry
- Plant hire industry
- Real estate industry
- Property development
- Corporate governance
- Finance and audit
- Legal
- Industry
- Public company leadership
- Risk
- Remuneration
- innovation
- Capital markets

The Board considers that its existing skills and experience are appropriate to discharge its responsibilities and obligations for MGH.

2.3. A listed entity should disclose:

- (a) the names of the directors considered by the board to be independent directors;**
- (b) 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 or relationship in question and an explanation of why the board is of that opinion; and**
- (c) the length of service of each director.**

The Board has assessed each Director against the criteria of independence set out in the Board Charter and also ASX Recommendations, including Box 2.3 of the ASX Recommendations. During the year, five Directors formed the Board and the Board has determined that Neal O'Connor and Stewart Butel are independent. Neal O'Connor and Stewart Butel are free from any interest, position, association or relationship that might influence, or reasonably be perceived to influence the exercise of their judgement.

The length of service of each Director is set out in the Director's Report within the Group's Annual Report, which is available on the Group's website.

The Company has recently announced the proposed appointment of David Keir as independent Non-Executive Director, subject to the completion of customary onboarding processes. The appointed independent Non-Executive Directors will stand for re-election at the Annual General Meeting to be held in November 2021.

2.4. A majority of the board of a listed entity should be independent directors.

For the reporting period, the Board consists of five Directors, two of whom are independent. The majority of the members of the Board are not independent, but each Director believes he will be able to individually and collectively analyse the issues before them objectively and in the best interests of stakeholders, discharging their duties and responsibilities as Directors.

Upon the appointment of proposed independent Non-Executive Director David Keir, the Board will comprise an equal number of independent and non-independent directors (including the CEO/MD) with the independent directors being greater than 50% of all Non-Executive Directors. The Board will continue to monitor the needs of the Group and consider the appointment of additional members to the Board with respect to both principles 2.4 and 1.5.

2.5. 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.

The Chairman of the Board is Non-Executive Director Stephen Bizzell. Although the Board does not consider him to be an independent Director as a result of corporate advisory services provided to the Company within the last 3 years, Stephen Bizzell is an experienced Chairman with extensive listed company experience. The Board values his extensive knowledge of the Group and of corporate matters generally, placing a high level of importance on this, particularly during the initial years of the Company being admitted onto the official list of the ASX.

The positions of Chairman and CEO are held separately by Stephen Bizzell and Wesley Maas, respectively.

2.6. A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.

The Group has established an induction program for new Directors which includes information on the core values of the Group, governance framework, key strategies and also presentations by management. Directors have ongoing access to the Group's senior executives and information in relation to the business of the Group, the industry in which it operates, and other information required by them to discharge the responsibilities of their office. As set out in the Board Charter, any Director may seek independent professional advice at the expense of the Group to assist them in discharging their responsibilities as Director.

Principle 3 – Instil a culture of acting lawfully, ethically and responsibly.

3.1. A listed entity should articulate and disclose its values.

The Group has six core values, namely, trust, teamwork, commitment to customers, ownership, leadership and candour. The values are contained in the Company's Code of Conduct which has been adopted by the Board and is applicable to all Directors, senior executives and employees. A copy of the Code of Conduct is available at:

<https://investors.maasgroup.com.au/investor-centre/?page=corporate-governance>

3.2. A listed entity should:

- (a) have and disclose a code of conduct for its directors, senior executives and employees; and**
- (b) ensure that the board or a committee of the board is informed of any material breaches of that code.**

The Group has established a Code of Conduct which articulates acceptable practices and standards of conduct expected of the Group and its people, including Directors, officers, employees, contractors, consultants and other person acting on behalf of the Group. Any material breaches of the Code of Conduct are reported to the Board. The Code of Conduct can be found on the Group's website:

<https://investors.maasgroup.com.au/investor-centre/?page=corporate-governance>

3.3. A listed entity should:

- (a) have and disclose a whistleblower policy; and**
- (b) ensure that the board or a committee of the board is informed of any material breaches of that code.**

The Group has adopted a Whistleblower Protection Policy to support the Group's commitment to honesty and integrity. Any material incidents which are reported under the Whistleblower Protection Policy are presented to the Board. The Whistleblower Protection Policy can be found on the Group's website:

<https://investors.maasgroup.com.au/investor-centre/?page=corporate-governance>

3.4. A listed entity should:

- (a) have and disclose an anti-bribery and corruption policy; and**
- (b) ensure that the board or a committee of the board is informed of any material breaches of that code.**

The Group has adopted an Anti-bribery and Corruption Policy and takes a zero-tolerance approach to bribery and corruption. Any material breaches of the Anti-bribery and Corruption Policy are reported to the Board. The Anti-bribery and Corruption Policy can be found on the Group's website:

<https://investors.maasgroup.com.au/investor-centre/?page=corporate-governance>

Principle 4 – Safeguard integrity in corporate reporting

4.1. The board of a listed entity should:

- (a) have an audit committee which:**
 - (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and**
 - (2) is chaired by an independent director, who is not the chair of the board, and disclose:**
 - (3) the charter of the committee;**
 - (4) the relevant qualifications and experience of the members of the committee; and**
 - (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**
- (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.**

The Board established and maintained an Audit and Risk Committee comprising of three members, which for the period ended 30 June 2021 were, Neal O'Connor (Chair), Michael Medway and Stephen Bizzell. The responsibilities and powers of the Audit and Risk Committee are set out in the Audit and Risk Committee Charter which is available on the Group's website:

<https://investors.maasgroup.com.au/investor-centre/?page=corporate-governance>

During the year, only Neal O'Connor, the Chair of the Audit and Risk Committee was considered to be independent. The remaining members and the majority were not independent.

The positions of Chair of the Board and Chair of the Audit and Risk Committee were held separately by Stephen Bizzell and Neal O'Connor respectively.

The Company has recently announced the proposed appointment of David Keir as independent Non-Executive Director, subject to the completion of customary onboarding processes. It is anticipated that upon David Keir's appointment to the Board, he will also be appointed Chair of the Audit and Risk Committee. David Keir is an independent Director and is free from any interest, position or relationship that might influence, or be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Audit and Risk Committee.

Following David Keir's appointment as Chair of the Audit and Risk Committee, it is anticipated that Neal O'Connor and Michael Medway will continue as members, while Stephen Bizzell will resign as a member of the Audit and Risk Committee. Both David Keir and Neal O'Connor are regarded as independent directors and members of the Audit and Risk Committee. Subsequent to David Keir's appointment, the majority of the members of the Audit and Risk Committee will be independent Directors with the Chairman of the Committee also being regarded as independent.

The number of meetings held and attended by each member of the Audit and Risk Committee during the reporting period is set out in the Directors' Report within the Group's Annual Report.

A biography outlining the qualifications and experience of each Director is published in the Directors' Report within the Annual Report and also available on the Group's website:

<https://investors.maasgroup.com.au/investor-centre/?page=board-of-director>

- 4.2. 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 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.**

Before approving the financial statements for the year ended 30 June 2021, the Audit and Risk Committee and Board received from its CEO and its Chief Financial Officer a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the 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.

- 4.3. A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.**

The Group has established processes to verify the integrity of periodic corporate communications and reports which are released to the market and which are not audited or reviewed by the external auditor. The Group's Disclosure and Communication Policy sets out the process by which ASX announcements are written, reviewed and authorised for release. The Disclosure and Communication Policy is available on the Group's website: <https://investors.maasgroup.com.au/investor-centre/?page=corporate-governance>

Principle 5 – Make timely and balanced disclosure

5.1. A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.

The Group is committed to providing timely, complete and accurate information to the market and has adopted a Disclosure and Communication Policy. The policy assists the Board and the Company to ensure they comply with the continuous disclosure obligations of the ASX and ensures that all shareholders have equal and timely access to material information about the Group. The Disclosure and Communication Policy is available on the Group's website:

<https://investors.maasgroup.com.au/investor-centre/?page=corporate-governance>

5.2. A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.

The Company Secretary provides Directors with copies of all material announcements promptly after they have been released to the market. This forms part of the Company Secretary's responsibilities which detailed in MGH's Disclosure and Communication Policy.

5.3. A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.

The Company Secretary ensures that presentation materials for investors and analysts are released to the ASX before the presentations are given.

Principle 6 – Respect the rights of security holders

6.1. A listed entity should provide information about itself and its governance to investors via its website.

Information about the Group and its corporate governance policies is published under an “Investor Centre” on the Group’s website:

<https://investors.maasgroup.com.au/Investor-Centre/>

The Investor Centre contains information relevant to shareholders and other stakeholders including:

- all announcements released to the market;
- biographies of each Director;
- all policies and charters adopted by the Board;
- information about dividends and the dividend reinvestment plan.

In addition to the “Investor Section” of the Company website, the website contains the biographies of Executive team members.

6.2. A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.

The Group promotes effective communication with its shareholders and other stakeholders and has implemented a Disclosure and Communication Policy to define and support this. The Group is committed to:

- complying with the continuous disclosure obligations of the ASX Listing Rules and the law;
- ensuring shareholders and the market are updated in a timely, balanced and understandable way;
- encouraging attendance of general meetings and facilitating participation.

The Group also holds two-way investor teleconferences, in particular, for reporting full-year financial results and periodic investor relations road-shows.

A copy of the Disclosure and Communication Policy is available on the Group’s website: <https://investors.maasgroup.com.au/investor-centre/?page=corporate-governance>

6.3. A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.

The Group encourages shareholder attendance and participation at general meetings. The date, time and location of the Company’s general meetings will be provided in the notices of meeting and published on the Group’s website, as well as released via ASX Announcement. Subject to any prevailing health or lockdown directives, shareholders are able to attend the meeting in person (both physically and virtually) and where they are unable to attend in person, shareholders are encouraged to participate by appointing a proxy, attorney or representative to vote on their behalf. Shareholders are invited to submit questions in advance and to ask questions of the Group and its external auditor at the annual general meeting.

6.4. A listed entity should ensure all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.

The Group ensures that all substantive resolutions at general meetings are determined by way of poll.

6.5. A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.

Investors are able to communicate with the Group electronically and contact details are available on its website. The Group encourages shareholders to submit questions or requests for information directly to the Group by email.

Investors are encouraged to register their email with the Group's registry service provider Link Market Services Limited to receive information electronically.

Principle 7 – Recognise and manage risk

7.1. The board of a listed entity should:

- (a) have a committee or committees to oversee risk, each of which:**
 - (1) has at least three members, a majority of whom are independent directors; and**
 - (2) is chaired by an independent director,****and disclose:**
 - (3) the charter of the committee;**
 - (4) the members of the committee; and**
 - (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**
- (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.**

For the period ended 30 June 2021, the Board established and maintained an Audit and Risk Committee comprising three members, namely, Neal O'Connor, Michael Medway and Stephen Bizzell, all of whom are Non-Executive Directors. Neal O'Connor is an independent director and Chair of the Audit and Risk Committee.

During the year, only Neal O'Connor, the Chair of the Audit and Risk Committee was considered to be independent, so the majority of members were not independent.

The Company has recently announced the proposed appointment of David Keir as independent Non-Executive Director, subject to the completion of customary onboarding processes. It is anticipated that upon David Keir's appointment to the Board, he will also be appointed Chair of the Audit and Risk Committee. David Keir is an independent Director and is free from any interest, position or relationship that might influence, or be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Audit and Risk Committee.

Following David Keir's appointment as Chair of the Audit and risk Committee, it is anticipated that Neal O'Connor and Michael Medway will continue as members of the Audit and Risk Committee, while Stephen Bizzell will resign from the Committee. Both David Keir and Neal O'Connor are regarded as independent directors and members of the Audit and Risk Committee. Subsequent to David Keir's appointment, the majority of the members of the Audit and Risk Committee will be independent Directors with the Chairman of the Committee also being regarded as independent.

The responsibilities and powers of the Audit and Risk Committee are set out in the Committee's Charter and its responsibilities include oversight of the Group's internal control structure and risk management framework. The Committee also provides advice and updates to the Board in relation to risk and the status of the management of risks by the Group. The Audit and Risk Committee Charter is available on the Group's website:

<https://investors.maasgroup.com.au/investor-centre/?page=corporate-governance>

The number of meetings held and attended by each member of the Audit and Risk Committee during the reporting period is published in the Directors' Report within the Group's Annual report which is available on the Group's website.

7.2. The board or a committee of the board should:

- (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and**
- (b) disclose, in relation to each reporting period, whether such a review has taken place.**

The Board through the Audit and Risk Committee reviews and evaluates the effectiveness of the Group's risk management framework, including whether it is operating within the risk appetite set by the Board. A review has been undertaken during the reporting period.

The Company was admitted to the ASX official list on 4 December 2020. The Audit and Risk Committee has discussed the Company's risk management framework during the period and will complete its annual review prior to the anniversary date of the Company's admission to the ASX official list. Accordingly for the reporting period, although work has been undertaken in relation to assessing the adequacy of the Company's risk management framework, a formal review has not been completed, but will be completed prior to the anniversary of the Company's admission to the ASX official list.

7.3. A listed entity should disclose:

- (a) if it has an internal audit function, how the function is structured and what role it performs; or**
- (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 governance, risk management and internal control processes.**

Due to the Group's current size and operations, the Group does not yet have an internal audit function. The Board through the Audit and Risk Committee will continue to work with management and review and evaluate the effectiveness of its risk management and internal controls to determine the requirement of an internal function.

7.4. A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.

The Group has identified how it manages material environmental and social risks on pages 12 to 14 of the Group's Annual Report which is available on the Group's website:

<https://investors.maasgroup.com.au/investor-centre/?page=annual-reports>

Principle 8 – Remunerate fairly and responsibly

8.1. The board of a listed entity should:

- (a) have a remuneration committee which:**
 - (1) has at least three members, a majority of whom are independent directors; and**
 - (2) is chaired by an independent director,****and disclose:**
 - (3) the charter of the committee;**
 - (4) the members of the committee; and**
 - (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**
- (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.**

During the period ended 30 June 2021, the Board established and maintained a Remuneration and Nomination Committee, comprising Michael Medway (Chair), Neal O'Connor and Stephen Bizzell. The Remuneration and Nomination Committee is responsible for setting and reviewing the policies and practices of the Group in relation to the remuneration of Directors and senior executives. The responsibilities and powers of the Remuneration and Nomination Committee are set out in the Charter which is available on the Group's website:

<https://investors.maasgroup.com.au/investor-centre/?page=corporate-governance>

During the reporting period, the Remuneration and Nomination Committee comprised of one independent member, Neal O'Connor, while the Chair and the majority of the members were not independent.

The Company has recently announced the proposed appointment of David Keir as independent Non-Executive Director, subject to the completion of customary onboarding processes. Upon appointment of David Keir, the composition of all Board Committees will be reviewed. It is anticipated that David Keir will be appointed to the Remuneration and Risk Committee, while Neal O'Connor will be appointed Chair of the Remuneration and Nomination Committee. Neal O'Connor and David Keir are considered to be independent Directors free from any interest, position or relationship that might influence, or be perceived to influence, in a material respect their capacity to bring independent judgement to bear on issues before the Remuneration and Nomination Committee.

It is also anticipated that upon David Keir's appointment to the Remuneration and Nomination Committee, Stephen Bizzell will resign from the Committee and Michael Medway will remain a member of the Remuneration and Nomination Committee. Michael Medway is not considered to be an independent Director. As a result of the proposed changes to the Committee, the Remuneration and Nomination Committee will comprise three members with a majority of the members being regarded as independent with an independent Chair.

The number of meetings held and attended by each member of the Remuneration and Nomination Committee is published in the Directors' Report within the Group's Annual Report which is available on the Group's website.

8.2. 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.

Details of the Group's remuneration philosophy and the remuneration received by Directors and executives can be found in the audited remuneration report, which is contained within the Group's Annual Report.

8.3. A listed entity which has an equity-based remuneration scheme should:

- (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and**
- (b) disclose that policy or a summary of it.**

The Company does not currently have an equity-based remuneration scheme in place. Upon the implementation of an equity-based remuneration scheme, formal policies will be established.