

# Appendix 4G

## Key to Disclosures

### Corporate Governance Council Principles and Recommendations

Name of entity

PWR HOLDINGS LIMITED

ABN/ARBN

85 105 326 850

Financial year ended:

30 June 2023

Our corporate governance statement<sup>1</sup> for the period above can be found at:<sup>2</sup>

☐ These pages of our annual report:

☒ This URL on our website: <https://www.pwr.com.au/corporate-governance-policies> and ATTACHED

The Corporate Governance Statement is accurate and up to date as at *17 August 2023* and has been approved by the Board.

The annexure includes a key to where our corporate governance disclosures can be located.<sup>3</sup>

Date: 17 August 2023

Name of authorised officer authorising lodgement: Teresa Handicott, Chairman

<sup>1</sup> "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council's recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3.

The Appendix 4G is not a substitute for, and is not to be confused with, the entity's corporate governance statement. They serve different purposes and an entity must produce each of them separately.

<sup>2</sup> Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

<sup>3</sup> Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

See notes 4 and 5 below for further instructions on how to complete this form.

**ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES**

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
<b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>			
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.	<input checked="" type="checkbox"/> and we have disclosed a copy of our board charter at: <a href="https://www.pwr.com.au/app/uploads/2021/07/PWR-Holding-Ltd-Board-Charter-August-2017.pdf">https://www.pwr.com.au/app/uploads/2021/07/PWR-Holding-Ltd-Board-Charter-August-2017.pdf</a>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

<sup>4</sup> Tick the box in this column only if you have followed the relevant recommendation in full for the whole of the period above. Where the recommendation has a disclosure obligation attached, you must insert the location where that disclosure has been made, where indicated by the line with “insert location” underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert “our corporate governance statement”. If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg “pages 10-12 of our annual report”). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg “www.entityname.com.au/corporate governance/charters/”).

<sup>5</sup> If you have followed all of the Council’s recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
1.5	<p>A listed entity should:</p> <ul style="list-style-type: none"> <li>(a) have and disclose a diversity policy;</li> <li>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</li> <li>(c) disclose in relation to each reporting period: <ul style="list-style-type: none"> <li>(1) the measurable objectives set for that period to achieve gender diversity;</li> <li>(2) the entity's progress towards achieving those objectives; and</li> <li>(3) either: <ul style="list-style-type: none"> <li>(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</li> <li>(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.</li> </ul> </li> </ul> </li> </ul> <p>If the entity was in the S&amp;P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p>	<input checked="" type="checkbox"/> <p>and we have disclosed a copy of our diversity policy at:  <a href="https://www.pwr.com.au/app/uploads/2021/07/PWR-Holding-Ltd-Diversity-Policy-August-2017.pdf">https://www.pwr.com.au/app/uploads/2021/07/PWR-Holding-Ltd-Diversity-Policy-August-2017.pdf</a>  and we have disclosed the information referred to in paragraph (c) at:  page 45 of our 2023 Annual Report</p>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.6	<p>A listed entity should:</p> <ul style="list-style-type: none"> <li>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</li> <li>(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.</li> </ul>	<input checked="" type="checkbox"/> <p>and we have disclosed the evaluation process referred to in paragraph (a) at:  page 6 of our corporate governance statement</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at:  at page 6 of our corporate governance statement</p>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

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1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(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.</p>	<p><input checked="" type="checkbox"/> and we have disclosed the evaluation process referred to in paragraph (a) at: pages 77 and 78 of our 2023 Remuneration Report in our Annual Report and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: pages 77 and 78 of our 2023 Remuneration Report in our Annual Report</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

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<b>PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE</b>			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(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</p> <p>(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.</p>	<p><input checked="" type="checkbox"/> <a href="https://www.pwr.com.au/app/uploads/2021/07/PWR-Holding-Ltd-Nomination-Remuneration-Committee-Charter-August-2017.pdf">https://www.pwr.com.au/app/uploads/2021/07/PWR-Holding-Ltd-Nomination-Remuneration-Committee-Charter-August-2017.pdf</a> and the information referred to in paragraphs (4) and (5) at: pages 62 and 63 and page 67 of our 2023 Annual Report</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.	<p><input checked="" type="checkbox"/> and we have disclosed our board skills matrix at: in our 2023 Annual Report on page 55 and in our Corporate Governance Statement on page 10.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, affiliation 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</p> <p>(c) the length of service of each director.</p>	<p><input checked="" type="checkbox"/> and we have disclosed the names of the directors considered by the board to be independent directors at: pages 62 and 63 of our 2023 Annual Report and the length of service of each director at: page 9 of our Corporate Governance Statement and page 66 of our 2023 Annual Report.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

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2.4	A majority of the board of a listed entity should be independent directors.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
<b>PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY</b>			
3.1	A listed entity should articulate and disclose its values.	<input checked="" type="checkbox"/> and we have disclosed our values at: page 16 of our 2023 Annual Report	<input type="checkbox"/> set out in our Corporate Governance Statement
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.	<input checked="" type="checkbox"/> and we have disclosed our code of conduct at: <a href="https://www.pwr.com.au/app/uploads/2021/12/PWR-Holdings-Limited-Code-of-Conduct-2021.pdf">https://www.pwr.com.au/app/uploads/2021/12/PWR-Holdings-Limited-Code-of-Conduct-2021.pdf</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
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 incidents reported under that policy.	<input checked="" type="checkbox"/> and we have disclosed our whistleblower policy at: <a href="https://www.pwr.com.au/app/uploads/2021/07/PWR-Holdings-Ltd-Whistleblower-Policy-2019.pdf">https://www.pwr.com.au/app/uploads/2021/07/PWR-Holdings-Ltd-Whistleblower-Policy-2019.pdf</a>	<input type="checkbox"/> set out in our Corporate Governance Statement

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3.4	<p>A listed entity should:</p> <p>(a) have and disclose an anti-bribery and corruption policy; and</p> <p>(b) ensure that the board or committee of the board is informed of any material breaches of that policy.</p>	<p><input checked="" type="checkbox"/> and we have disclosed our anti-bribery and corruption policy at: <a href="https://www.pwr.com.au/app/uploads/2021/07/PWR-Holdings-Ltd-Anti-Bribery-and-Corruption-Policy-2018.pdf">https://www.pwr.com.au/app/uploads/2021/07/PWR-Holdings-Ltd-Anti-Bribery-and-Corruption-Policy-2018.pdf</a></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

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<b>PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS</b>			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(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</p> <p>(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.</p>	<p><input checked="" type="checkbox"/> and we have disclosed a copy of the charter of the committee at: <a href="https://www.pwr.com.au/app/uploads/2022/08/PWR-ARSC-Charter-July-2022.pdf">https://www.pwr.com.au/app/uploads/2022/08/PWR-ARSC-Charter-July-2022.pdf</a> and the information referred to in paragraphs (4) and (5) at: pages 62 and 63 and page 67 of our 2023 Annual Report</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement



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<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	<input checked="" type="checkbox"/> and we have disclosed our continuous disclosure compliance policy at: <a href="https://www.pwr.com.au/app/uploads/2021/07/PWR-Holding-Ltd-Continuous-disclosure-policy-August-2017.pdf">https://www.pwr.com.au/app/uploads/2021/07/PWR-Holding-Ltd-Continuous-disclosure-policy-August-2017.pdf</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
<b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b>			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	<input checked="" type="checkbox"/> and we have disclosed information about us and our governance on our website at: <a href="https://www.pwr.com.au/investors/corporate-governance/">https://www.pwr.com.au/investors/corporate-governance/</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	<input checked="" type="checkbox"/> and we have disclosed how we facilitate and encourage participation at meetings of security holders at: <a href="https://www.pwr.com.au/app/uploads/2021/07/PWR-Holding-Ltd-Shareholder-Communications-Policy-August-2017.pdf">https://www.pwr.com.au/app/uploads/2021/07/PWR-Holding-Ltd-Shareholder-Communications-Policy-August-2017.pdf</a>	<input type="checkbox"/> set out in our Corporate Governance Statement

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(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</p> <p>(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.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed a copy of the charter of the committee at: <a href="https://www.pwr.com.au/app/uploads/2022/08/PWR-ARSC-Charter-July-2022.pdf">https://www.pwr.com.au/app/uploads/2022/08/PWR-ARSC-Charter-July-2022.pdf</a> and the information referred to in paragraphs (4) and (5) at: pages 62 and 63 and page 67 of our 2023 Annual Report.</p>	<input type="checkbox"/> set out in our Corporate Governance Statement
7.2	<p>The board or a committee of the board should:</p> <p>(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</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period at: page 20 of our Corporate Governance Statement</p>	<input type="checkbox"/> set out in our Corporate Governance Statement

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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.	and we have disclosed the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes at: page 20 of our Corporate Governance Statement	<input type="checkbox"/> set out in our Corporate Governance Statement
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.	<input checked="" type="checkbox"/> and we have disclosed whether we have any material exposure to environmental and social risks at pages 18 to 28 and pages 56 to 61 of our 2023 Annual Report and, if we do, how we manage or intend to manage those risks at pages 18 to 28 and pages 56 to 61 of our 2023 Annual Report	<input type="checkbox"/> set out in our Corporate Governance Statement

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
<b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b>			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(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</p> <p>(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.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed a copy of the charter of the committee at: <a href="https://www.pwr.com.au/app/uploads/2021/07/PWR-Holding-Ltd-Nomination-Remuneration-Committee-Charter-August-2017.pdf">https://www.pwr.com.au/app/uploads/2021/07/PWR-Holding-Ltd-Nomination-Remuneration-Committee-Charter-August-2017.pdf</a> and the information referred to in paragraphs (4) and (5) at: pages 62 and 63 and page 67 of our 2023 Annual Report.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.2	<p>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.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives at: pages 71 to 89 of our 2023 Annual Report.</p> <p>And we have disclosed our policy on NED Remuneration at: <a href="https://www.pwr.com.au/app/uploads/2022/08/PWR-NED-Remuneration-Policy-June-2022.pdf">https://www.pwr.com.au/app/uploads/2022/08/PWR-NED-Remuneration-Policy-June-2022.pdf</a></p> <p>And we have disclosed our policy on Executive Remuneration at: <a href="https://www.pwr.com.au/app/uploads/2023/08/PC-52-13-PWR-Group-Executive-Remuneration-Policy-1.pdf">https://www.pwr.com.au/app/uploads/2023/08/PC-52-13-PWR-Group-Executive-Remuneration-Policy-1.pdf</a></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
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.	<input checked="" type="checkbox"/> and we have disclosed our policy on this issue or a summary of it at: <a href="https://www.pwr.com.au/app/uploads/2021/07/PWR-Holding-Ltd-Securities-Trading-Policy-February-2019.pdf">https://www.pwr.com.au/app/uploads/2021/07/PWR-Holding-Ltd-Securities-Trading-Policy-February-2019.pdf</a>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
<b>ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES</b>			
9.1	A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.		<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> we do not have a director in this position and this recommendation is therefore not applicable <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	<input type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> we are established in Australia and this recommendation is therefore not applicable <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
9.3	A listed entity established outside Australia, and an externally managed 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.	<input type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable <input type="checkbox"/> we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
<b>ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES</b>			
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	<input checked="" type="checkbox"/> Not applicable	<input type="checkbox"/> set out in our Corporate Governance Statement
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<input checked="" type="checkbox"/> Not applicable	<input type="checkbox"/> set out in our Corporate Governance Statement



PWR Holdings Limited

## 2023 Corporate Governance Statement

Our approach to corporate governance is driven by our vision, purpose and DNA

### Our Vision

The Global Leader in Cooling Technology Inspired by Engineering Excellence

### Our Purpose

Through passionate people and innovative solutions we lead the way in advanced cooling system design and supply, to exceed the expectations of our global partners across diverse industries

### Our DNA



Respect



Passion



Teamwork

# Corporate Governance Statement

For the year ended 30 June 2023  
As of 17 August 2023



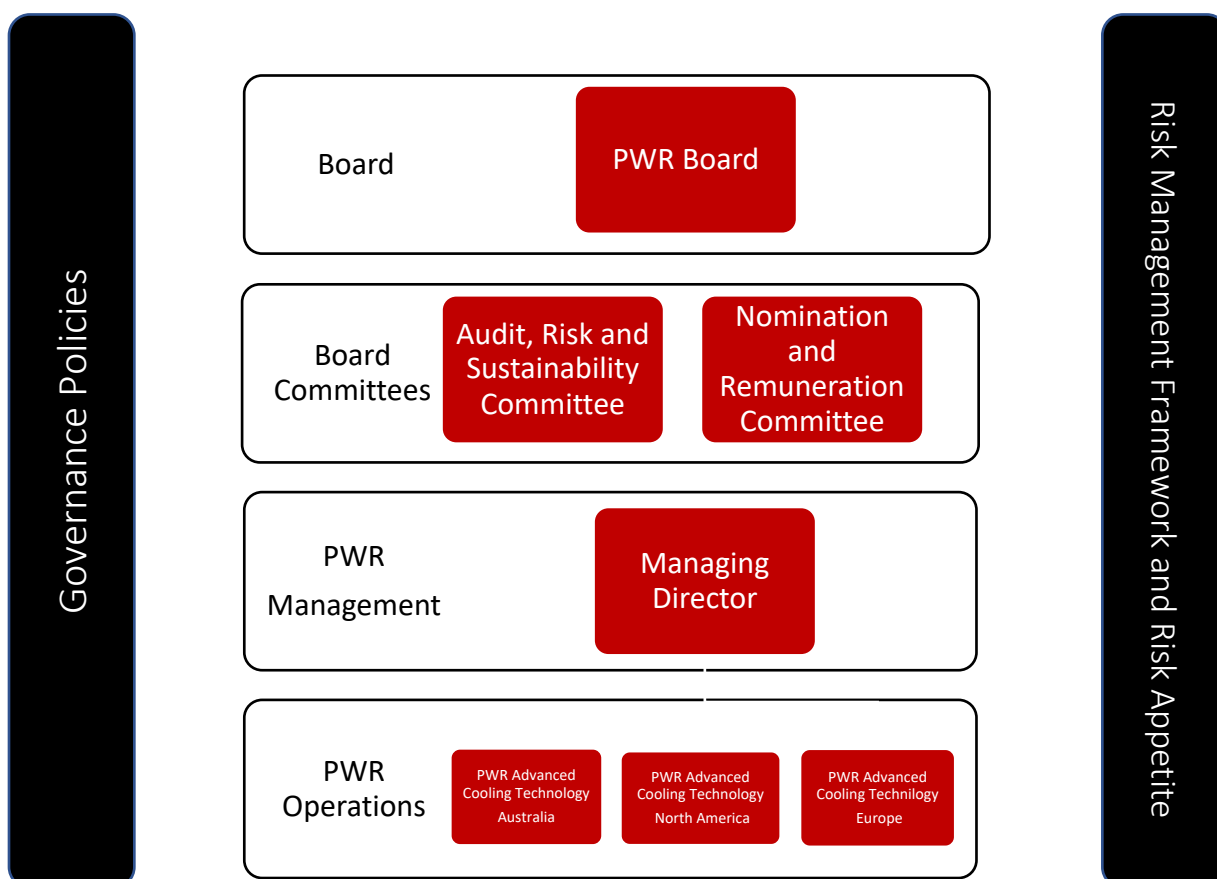
## Introduction

The corporate governance framework for PWR Holdings Limited (Company) and its subsidiaries (Group) is set by the Board having regard to the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition) (ASX Principles and Recommendations), corporate best practice and the best interests of all shareholders.

The documents that are described in this Corporate Governance Statement are available on the Company's website at <https://www.pwr.com.au/corporate-governance-policies>.

This Corporate Governance Statement is current as of 17 August 2023 and has been approved by the Board.

## Our Governance Framework





## Corporate Governance Statement

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### Our Key Governance Documents

PWR's publicly available governance documents are listed here against the relevant ASX Principles. The majority of these documents are available on the Company's website.

ASX Principles	Relevant Document / Information
Principle 1: Lay solid foundations for management and oversight	PWR Board Charter Delegation of Authority Policy Nomination and Remuneration Committee Charter
Principle 2: Structure the Board to add value	PWR Board Charter Nomination and Remuneration Committee Charter
Principle 3: Act ethically and responsibly	PWR Code of Conduct and Business Ethics Securities Trading Policy Diversity Policy Anti-Bribery and Corruption Policy Whistleblower Policy Modern Slavery Policy
Principle 4: Safeguard integrity in corporate reporting	Audit, Risk and Sustainability Committee Charter
Principle 5: Make timely and balanced disclosure	Continuous Disclosure Policy
Principle 6: Respect the rights of security-holders	Shareholder Communication Policy Continuous Disclosure Policy
Principle 7: Recognise and manage risk	Risk Management Policy Risk Appetite Statement (not on website)
Principle 8: Remunerate fairly and responsibly	Nomination and Remuneration Committee Charter Non-Executive Director Remuneration Policy Executive Remuneration Policy Performance Rights Plan (approved 2022 AGM)

# Corporate Governance Statement

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1

## Lay solid foundations for management and oversight

### Role of Board and Management

The Board has adopted a Board Charter that details the functions and responsibilities of the Board, Chairman and individual Directors. Responsibility for the day-to-day management and administration of the Group is delegated to the Managing Director and Chief Executive Officer (MD), assisted by the leadership team (Executives). The MD manages the Group in accordance with the strategy, business plans and delegations approved by the Board. A formal delegation from the Board to the Managing Director sets out the limits of that delegation. The Managing Director then formulates delegations to Executives and other key roles in a separate document.

The Board is responsible for the overall strategic direction and stewardship of the Group and, in particular for the long-term growth and profitability of the Group, the strategies, policies and financial plans of the Group and for monitoring the implementation of those policies, strategies and financial plans.

The functions reserved for the Board include:

- Appointing the Chairman
- Appointing and monitoring performance of the MD
- Setting and monitoring strategic objectives
- Implementing funding strategies to support strategic objectives
- Approving and monitoring strategic and financial plans
- Approving and monitoring annual budgets and business plans
- Approving and monitoring major capital expenditure, capital management and all major corporate transactions, including the issue of securities
- Approving financial reports and material external communications and reports in accordance with the Company's Continuous Disclosure Policy
- Overseeing the integrity of accounting and corporate reporting systems, including the external audit
- Appointing, re-appointing and removing the external auditor and approving the auditor's remuneration, upon recommendation from the Audit, Risk and Sustainability Committee, and
- Determining the dividend policy.

To assist in performing these duties in the most efficient manner, the Board has established two Board Committees, which comprised the following members during the 2023 financial year:

## Corporate Governance Statement



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- Audit, Risk and Sustainability Committee (ARSC)- Jeff Forbes (Chairman), Teresa Handicott and Roland Dane, and
- Nomination and Remuneration Committee (NRC) – Teresa Handicott (Chairman), Jeff Forbes and Roland Dane.

Newly appointed, Independent Non-executive Director Kym Osley became a member of both the ARSC and NRC on 1 July 2023.

There is a Charter for each of these committees setting out their respective roles and responsibilities. Committee Charters are available on the Company's website. Further details about the operation of these Committees are provided in this Corporate Governance Statement.

Details of each of the Directors' relevant qualifications and experience, the number of times that the Board and each of these Committees met during the reporting period, as well as Director attendance at each of the meetings is included in the Directors' Report of the Company's Annual Report for the 2023 financial year (Annual Report). A copy of the Annual Report is available on the Company's website.

The Board invites Executives to attend Board and committee meetings where appropriate. The MD and Executives are required to report to and interact regularly with the Board, contributing to a culture that promotes openness and transparency and facilitating strategic discussion about the industries in which the Company operates, its customers and competitors.

Directors are entitled to request additional information at any time they consider it appropriate to undertake their role.

### Appointment of new Directors

The Nomination and Remuneration Committee is responsible for recommending the appointment of new Directors to the Board.

During the Director selection process, potential candidates are subject to appropriate and prudent background and screening checks prior to appointment. These include checks in relation to the person's character, experience and qualifications, criminal history and bankruptcy as well as ensuring that the person is available to provide the appropriate time commitment to serve as a Director on the Board.

A Director appointed to fill a casual vacancy must stand for election at the next Annual General Meeting (AGM) of the Company which is generally held in October each year. Additionally, Directors who have been in office without re-election for three years since their last appointment must retire and seek re-election at the Company's AGM. In each case, the Company provides to shareholders all material information in its possession, concerning

## Corporate Governance Statement



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the Director standing for appointment or re-election, in the explanatory memorandum to the relevant Notice of Meeting. Directors will also include a recommendation within any Notice of Meeting on the manner in which shareholders are encouraged to vote with respect to any resolutions relating to the election of Directors.

Kym Osley, AO, CSC, who was appointed by the Board to fill a casual vacancy will stand for election by Shareholders at the 2023 Annual General Meeting.

Teresa Handicott, PWR's Chairman, who has served on the Board since the Company listed on the ASX in 2015, has elected not to stand for re-election at the 2023 AGM and will retire at the conclusion of the AGM.

The Board has elected Roland Dane as Chairman with effect from the conclusion of the 2023 AGM.

### Letters of appointment for Directors

Directors receive formal letters of appointment setting out the arrangements relating to their appointment including:

- Term of appointment
- Anticipated time commitment
- Remuneration
- Requirements to disclose interests which may affect independence
- Requirements to comply with the Company's Constitution, key Company policies including the Code of Conduct and Securities Trading Policy
- Entitlement to seek independent advice at the expense of the Company
- Insurance, indemnity and ongoing rights to access information arrangements, and
- Ongoing confidentiality obligations.

### Contracts of employment for MD and Executives

The MD and Executives all have contracts of employment which set out the key terms and conditions of their appointment and include details about their remuneration. These are updated from time to time, as appropriate. Background screening checks are undertaken in respect of all senior Executives, prior to appointment and in some cases during their employment to meet the Company's accreditation requirements.

### Company Secretary

The Company Secretary is appointed by, and reports to, the Board through the Chairman. Ms Lisa Dalton has been the Company Secretary since prior to listing on the ASX in 2015. She is responsible for supporting the effectiveness of the Board by ensuring that policies and procedures are followed and co-ordinating the completion and dispatch of the Board agendas and papers. Ms Dalton's skills and experience are summarised within the Annual Report.

## Corporate Governance Statement

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### Board performance evaluation

The Nomination and Remuneration Committee is responsible for scheduling performance reviews of the Board, its Committees and the individual Directors, assisted by the Company Secretary. The Board then undertakes an evaluation process to review its performance. The Board held discussions on its performance and the required skills to oversee the execution of the Company's strategy during the year and has spent considerable time during the Reporting Period undertaking Board succession planning in the context of the Company's long term strategic objectives.

### MD and Senior Executive performance evaluation

Key performance indicators (KPIs) for the MD and each Executive are reviewed and recommended to the Board by the Nomination and Remuneration Committee at the commencement of each financial year.

The Nomination and Remuneration Committee, together with the MD, reviews and makes recommendations to the Board following the MD's annual performance assessment of Executives against the agreed KPIs. Also, an annual performance assessment of the MD is undertaken by the Nomination and Remuneration Committee and against the MD's KPIs.

A performance evaluation of the MD and each Executive was conducted in respect of the 2023 financial year. For information on the KPI assessments for the 2023 financial year, please see the Company's Remuneration Report set out on pages 71 to 89 of the 2023 Annual Report, which is available on the Company's website.

KPIs in respect of 2024 financial year for the MD and each Executive have also been established and approved by the Board.

### Diversity

The Board has adopted a Diversity Policy and the Company is committed to providing and promoting a corporate culture which embraces and values the unique contributions of its people with diverse backgrounds, experiences and perspectives to provide exceptional customer service and to make the Company a great place to work.

The Group's commitment to diversity will make it stronger and deliver benefits, including diversity of thought, improved business performance, enhanced service delivery and increased staff attraction, retention, motivation and satisfaction.

During the year the Group:

- Had 4 Apprentices, including one female completing their training and transitioning to fully qualified tradespeople
- Hosted 35 Work Experience Students including a number of females

## Corporate Governance Statement



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- Employed its second female production supervisor and continued to support its first female apprentice welder
- Implemented strategies to attract female applicants to when recruiting and commenced work in Australia on the development of links with Griffith University (Gold Coast and Brisbane) and Trinity College Beenleigh to establish Women in Engineering Programs and Trade based work experience programs for females. Similar initiatives will be encouraged in North America and Europe.

The Company prepares an annual report to the Workplace Gender Equality Agency. Copies of this report can be found at [www.pwr.com.au](http://www.pwr.com.au)

The Group's objectives for diversity over the next three years are:

	2022 Actual	2023 Target	2023 Actual	2024 Target	2025 Target
Number of women on Board of Directors	1	1	1	2	2
Number of women in Executive Management	1	2	2	2	3
PWR Group Female representation:					
PWR Australia	16%	21%	16%	22%	23%
PWR North America	17%	21%	20%	22%	23%
PWR Europe	17%	10%	8%	12%	15%

A copy of the Group's Diversity Policy is available on the Company's website.

## 2

### Structure the Board to be effective and add value

#### Nomination, appointment and re-election of Directors

The procedures for the appointment and removal of Directors are governed by the Company's Constitution. One of the roles of the Nomination and Remuneration Committee, as set out in its Charter, is to identify and recommend to the Board individuals for nomination as members of the Board and its Committees, taking into account such factors as it deems appropriate, including experience, qualifications, judgement and the ability to work with other Directors.

External consultants were engaged during the Reporting Period to assist the Board in identifying appropriate candidates with aerospace and defence experience, resulting in the appointment of Mr Kym Osley as an

## Corporate Governance Statement

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Independent, Non-Executive Director. Mr Osley was appointed to the Board from 1 February 2023 and will stand for election by Shareholders at the 2023 AGM.

### Composition of the Board

The Board comprises five Directors; an Independent Non-Executive Chairman, one Executive Director and three Independent Non-Executive Directors. The Board's size and composition is determined by the Directors, within limits set by the Company's Constitution.

During the 2023 financial year, the Directors and their duration of office was:

Name	Role	Appointment Date	Re-elected
Teresa Handicott	Non-Executive Director	1 October 2015	2020 AGM. Retiring at 2023 AGM
	Chairman	19 October 2017	
Jeff Forbes	Non-Executive Director	7 August 2015	2021 AGM
Roland Dane	Non-Executive Director	1 March 2017	2022 AGM
Kym Osley, AO, CSC	Non-Executive Director	1 February 2023	For election at the 2023 AGM
Kees Weel	Managing Director	30 June 2003	N/A

Directors' profiles and skills and experience are set out in the Directors' Report in the Annual Report. The Board seeks to have an appropriate mix of skills, experience, expertise and diversity to enable it to discharge its responsibilities and add value to the Company.

### Board skills and experience

The appointment of any new Director is based on pre-established criteria having regard to the existing skills of the Board as a whole and having assessed those areas where additional skills or background or experience are required. Gender is also taken into consideration when appointing new directors, noting that during FY24, the Board has set a target of at least 2 female directors.

During the year, the Board focused on Board succession and developed comprehensive succession plans for directors driven by its assessment of skills and capabilities aligned to PWR's Strategy.

The outcome of the succession planning, the update to the Board Skills Matrix and the decision by Teresa Handicott, current Chairman, not to stand for re-election at the 2023 Annual General Meeting has resulted in:

- The Board determining that Roland Dane will be appointed as its Chairman commencing at the conclusion of the 2023 Annual General Meeting, and

## Corporate Governance Statement

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- The Board commencing a Non-Executive Director recruitment exercise focusing on:
  - Gender diversity
  - Experience in financial statements and reporting
  - Experience in corporate governance/ legal and listed entity

### Board Skills and Experience (Does not include Chairman who is retiring)

Strategy	75%	25%	Experience in leading, developing or executive strategic business objectives
Risk Management	50%	50%	Experience in identifying, assessing and monitoring existing and emerging financial and non-financial risks
Leadership	25%	75%	Held senior leadership/ executive role in an organisation of significant size or complexity
Accounting / Financial Statements	25%	75%	Proficient in financial accounting and reporting
Corporate Governance / Legal / Listed Entity	25%	75%	Experience as a Non-Executive Director of a listed entity and/ or understanding of legal and regulatory frameworks underpinning corporate governance principles
Manufacturing	75%	25%	Experience at a senior level working in and/or leading a manufacturing business
Global Business	75%	25%	Experience in global business operations
Motorsports	50%	50%	Experience in the motorsports industry
Aerospace / Defence	50%	50%	Experience in the Aerospace and Defence industry
Expert	Competent	Aware	



## Corporate Governance Statement



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### Director Independence

The Board Charter requires that the majority of the Directors are independent which is defined within the Board Charter. This takes into account the guidance provided under the ASX Listing Rules and the ASX Principles and Recommendations.

The Board reviews any determination it makes as to a Director's independence on becoming aware of any information that may have an impact on the independence of the Director, each independent Director must regularly provide the Board with all information regarding his or her interests that is relevant to his or her independence. Where the independent status of a Director is lost, this must be immediately disclosed to the market.

### Chairman and MD are not the same person

The Chairman of the Board is elected by the Non-Executive Directors. The Board supports the separation of the role of Chairman and MD. The Chairman's role is to

- Lead the Board in reviewing and discussing Board matters
- Chair board meetings
- Establish the agenda for Board meetings, in consultation with the MD and Company Secretary.
- Chair meetings of members, including the annual general meeting
- Provide guidance and mentoring to the MD, and
- Facilitate the Board's interface with the MD.

### Director education and induction

All Directors are responsible for ensuring they remain current in understanding their duties as Directors. Directors have access to continuing education about the business and industry in which the Group operates in the form of regular updates from the MD and Executives. A new Director receives a comprehensive induction designed to familiarise them with the Company's business, strategy and operations by way of meetings with Non-Executive Directors, Executives and other key employees and access to all relevant Company information including key policies, charters and procedures and Board papers.

### Conflicts of interest

The Board Charter outlines the Board's policy on conflicts of interest and Directors are required to disclose any conflict of interest to the Board. This conflict is then recorded in the Register of Interests maintained by the Company Secretary. At each Board meeting Directors are requested to consider whether there are any changes to their standing interests or whether there are any new interests to declare. Where conflicts of interest exist or have the potential to exist, a Director is required to:

## Corporate Governance Statement



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- fully and frankly inform the Board about the circumstances giving rise to the conflict
- abstain from voting on any motion relating to the matter
- unless the Board agree for that Director to remain in the meeting, absenting himself or herself from all board deliberations relating to the matter, and
- not to receive Board papers or minutes bearing on the matter.

### Access to information and independent advice

All Directors have access to the Executives and the Company Secretary to discuss issues or obtain information on specific areas in relation to items to be considered at Board meetings or other matters as they consider appropriate. Further, Directors have unrestricted access to records and information of the business.

A Director is entitled to seek independent professional advice (including but not limited to legal, accounting and financial advice) at PWR's expense on any matter connected with the discharge of his or her responsibilities.

Directors who wish to seek advice must obtain the prior consent of the Chairman (acting reasonably) and will be entitled to reimbursement of reasonable costs of obtaining such advice. In the case of the Chairman, no consent is required.

All documentation containing or seeking independent professional advice must clearly state that the advice is sought both in relation to the Director's role and in his or her personal capacity.

The Chairman may determine that any advice received by an individual Director will be circulated to the remainder of the Board.

## 3

### Instil a culture of acting lawfully, ethically and responsibly

#### PWR DNA

While our strategy outlines what we do to achieve our purpose, our PWR DNA of respect, passion and teamwork guide how we do it. Every day, our DNA shape the way we behave and the standards we set for ourselves and others.

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### *Respect*

- We do what we say we will do.
- We always follow through.
- We rely on each other to do the right thing



### *Passion*

- We are driven to achieve our vision.
- We always find a way and take pride in what we do



### *Teamwork*

- We work together and solve problems together.
- We know that together we are better.

## Code of Conduct

The Board maintains high standards of ethical conduct and the MD is responsible for ensuring that high standards of conduct are maintained by all staff. The Group's integrity and business reputation is critical to its ongoing success.

The Board has adopted a Code of Conduct. It requires that the Group conduct its business in accordance with the highest standards of business conduct, including but not limited to:

- the creation of sustainable value for shareholders and other stakeholders
- compliance with the law
- respect for local cultures
- a healthy and safe workplace
- responsible environmental management, and
- integrity, fairness and respect in its interaction with others.

The Company's Code of Conduct is available on the Company's website.

## Anti-bribery and corruption policy

The Group strives to conduct its business in an honest and ethical manner and outlines this approach in its Anti-bribery and Corruption Policy, a copy of which is available on the Company's website.

## Corporate Governance Statement



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The Company:

- takes a zero-tolerance approach to bribery and corruption
- is committed to acting professionally, fairly and with integrity in all its business dealings and relationships wherever it operates and implementing and enforcing effective systems to counter bribery
- strives to uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which it operates.

The CFO has primary and day-to-day responsibility for implementing this policy and for monitoring its use and effectiveness. Management at all levels are responsible for ensuring those reporting to them are made aware of and understand this policy and are given adequate and regular training on it.

### Whistleblower policy

The Company has a Whistleblower Policy which encourages individuals to report known or suspected instances of inappropriate conduct, including breaches of the Code of Conduct and other policies and business requirements. Employees have access 24 hours a day, 7 days a week, to an anonymous service that logs any concerns raised by employees or third parties. A copy of the Whistleblower Policy is available on the Company's website. Any suspected instances of inappropriate conduct including breaches of the Code of Conduct and other policies and business requirements are reported to the Audit, Risk and Sustainability Committee.

### Ethical Sourcing and Modern Slavery policy

The Company has adopted an Ethical Sourcing and Modern Slavery Policy, a copy of which is available on our website. The Company is committed to promoting ethical sourcing, respecting and promoting human rights, and active management of modern slavery risk across the Company's operations. This includes assessing modern slavery risks in our supply chain and taking swift action to address any adverse impacts.

We expect all suppliers and contractors who have, or seek to have, a business relationship with the Company to familiarise themselves with this policy and to act in way that is consistent with PWR's DNA, as set out in our Code of Conduct.

We will only do business with organisations who fully comply with this policy, or those who are taking verifiable steps towards compliance.

We will uphold all laws relevant to modern slavery in all the jurisdictions in which we operate.

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### 4

## Safeguard the integrity of corporate reports

### Audit, Risk and Sustainability Committee (ARSC)

The Board is committed to a transparent and robust process for auditing and reporting of the Group's financial performance and overseeing the Group's internal control structure, risk management systems and the external audit function.

The Board has an established Audit, Risk and Sustainability Committee and revised the Committee's responsibilities to assist the Board with monitoring the establishment and implementation of the Company's Sustainability Framework.

The charter for the Audit, Risk and Sustainability Committee is available on the Company's website. The ARSC is structured so that it has at least three members, consists only of Non-Executive Directors, consists of a majority of independent directors and is chaired by an independent Chairman who is not the Chairman of the Board. Further all members must be financially literate and at least one member must have accounting and/or related financial management expertise.

The Audit, Risk and Sustainability Committee, during the Reporting Period was comprised of:

- Jeffrey Forbes (Chairman, independent non-executive director)
- Teresa Handicott (independent non-executive director)
- Roland Dane (independent non-executive director)

Kym Osley was appointed to the ARSC from 1 July 2023.

The relevant qualifications and experience of the members of the Audit, Risk and Sustainability Committee are set out in the Annual Report.

The ARSC's principal functions are set out in its Charter, which is available on the Company's website and include oversight of:

- the adequacy of the Company's accounting policies and principles and any significant estimates and judgments adopted by management in the preparation of external reports
- the external auditor's engagement and performance annually, having regard to relevant legislative and regulatory requirements
- the quality and independence of the audit process. The Chair of the ARSC and the CFO work with the external auditors to plan the audit approach. All aspects of the audit are reported back to the ARSC, and the external auditors are given the opportunity at ARSC meetings to meet with Directors. The external auditor meets with the Board without management present to allow open discussion between the Directors and the external auditor in relation to their external audit
- the adequacy, expertise and independence of the external auditor

## Corporate Governance Statement



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- the processes used by management to monitor and ensure compliance with laws, regulations and other requirements relating to the preparation of accounts and external reports
- Any related party transactions and investments involving the Company and the Directors, including maintaining a register of related party contracts which is reviewed at least annually
- Review management's system of risk management and internal control at least annually to ascertain whether it:
  - has been designed to effectively manage enterprise risks; and
  - is operating effectively in all material respects in relation to the financial reporting risks.
- Assist the Board with embedding and communicating PWR's ongoing commitment to environmental stewardship, health and safety, corporate social responsibility, corporate governance and sustainability as it is relevant to PWR.

The ARSC has a minimum of four scheduled meetings each year and meets at other times as required. The Company Secretary attends and minutes all meetings. The Chairman of the ARSC reports the findings of the ARSC back to the Board at the following Board meeting. Minutes of each of the ARSC meetings are also provided to the Board meeting following the ARSC meeting.

The external auditor is invited to attend ARSC meetings. To ensure the auditor remains independent, all audit and non-audit work is authorised by the ARSC. The external auditor is not permitted to perform any non-audit or assurance services that may impair or appear to impair the external auditor's judgement. The ARSC makes a recommendation to the Board each year on the auditor's independence.

### MD and CFO declarations

In accordance with section 295A of the Corporations Act 2001 (Cth) for each half and full year financial period, the MD and CFO provide the Board with a written declaration that, in their respective opinions:

- The financial records of the Company have been properly maintained, and
- The financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company.

To underpin the integrity of the Company's financial reporting and risk management framework, the Company seeks and receives management declarations in relation to the company's risk management and compliance obligations.

In the 2023 financial year, the Board received the declarations and statements referred to above in relation to the half year ending 31 December 2022 and the full year ending 30 June 2023 prior to approving the financial statements for those periods.

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### External audit process

The financial reports are subject to an annual audit by KPMG, the Group's auditor, who also reviews the Group's half yearly financial statements. The ARSC oversees this process on behalf of the Board, in accordance with its Charter.

The current external auditor is KPMG and the lead audit and engagement partner for the 2023 financial year was Ms. Erin Neville-Stanley.

During the Reporting Period and consistent with good governance, the ARSC tendered for expressions of interest for external audit services. Following an evaluation of responses, the Committee recommended to the Board that KPMG remain as PWR's external auditor. The Board approved this recommendation.

### Attendance at Annual General Meeting (AGM) by Auditor

The external auditor attended the 2022 AGM and was available to answer questions from shareholders present at the meeting.

## 5

## Make timely and balanced disclosure

### Continuous disclosure

The Board has established a written Continuous Disclosure Policy to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability for compliance. A copy of this policy is available on the Company's website.

The purpose of the Group's Continuous Disclosure Policy is to ensure that the Group:

- Makes timely and balanced disclosure of all matters that a reasonable person would expect to have a material effect on the price or value of the Company's securities
- Promotes a fair market, honest management and full and fair disclosure
- Promotes investor confidence in the integrity of the Group and its securities, and
- Establishes a framework to enable PWR to provide shareholders and the market with timely and balanced disclosure of relevant information about the Group.

Each Board meeting considers whether any continuous disclosure issues arose during the course of the meeting.

The Continuous Disclosure Policy is administered by a Disclosure Committee consisting of the MD, CFO and Company Secretary.

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### Respect the rights of security holders

#### Shareholder communications

The Company is committed to providing shareholders with balanced and clear information about its business and performance and recognises the responsibility it has to maintain open and transparent communication with shareholders.

The Board has adopted a Shareholder Communications Policy, which is available on the Company's website, which sets out the Group's approach and commitment to communication:

- Open communication with investors to make informed assessments of the Group's performance and future prospects
- Use of clear and concise language in all its communications, and
- Provision of equal and timely access to price sensitive information in accordance with the principles outlined in the Continuous Disclosure Policy.

Shareholders are kept informed in a number of ways including:

- Company website
- Annual and half yearly reports
- Market disclosures
- Industry and conference presentations, and
- Presentations at General Meetings.

The half year and annual report, market releases and presentations are available on the Company's website.

#### Investor relations programme

The Company has an investor relations programme that includes engaging with institutional investors, buy-side and sell-side research analysts and individual investors on a scheduled basis (at the time of the release of both half and full year results) or ad hoc basis (including industry conferences and key updates).

During the reporting period, the Group provided investor presentations following the release of the results for the period ended 30 June 2022, in August 2022, and for the period ended 31 December 2022, in March 2022. Presentations were also provided at the AGM in November 2022.

Advance notice of scheduled analyst and investor briefings is provided to shareholders through the ASX companies announcement platform.



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The Company is planning to hold its 2023 AGM on 27 October 2023 and a copy of the Notice of Meeting will be provided on the Company's website as well as being sent directly to shareholders via their nominated means of communication.

Shareholders are encouraged to receive communications from, and send communications to, the Company and its share registry, Computershare Investor Services, electronically.

## 7 Recognise and manage risk

### Audit, Risk and Sustainability Committee (ARSC)

The ARSC supports the Board in its oversight of risk.

### Risk Management

The Company recognises that embedding risk management principles and practices into strategy development and day-to-day operational processes and decision-making is critical to achieving robust and proactive business outcomes – a balance between mitigating threats and exploiting opportunities.

The Company has an Enterprise Risk Management Policy which sets out its approach to risk management. The Company seeks to:

- Embed the alignment and integration of risk management with the Group's business planning processes and with the day-to-day activities of all employees
- Ensure the Company's business strategies and plans are appropriate in light of the economic, social, legal and regulatory environment in which the business operates
- Provide a means of identifying priorities and allocating resources effectively and efficiently, and
- Provide a means of identifying, evaluating and maximising opportunities for business growth and diversification where such opportunities involve some level of risk.

The Company has a Risk Appetite Statement (RAS) which articulates the risk tolerances acceptable to the business when implementing strategy and business plans. The RAS is reviewed annually as part of the strategic planning cycle.

### Sustainability Framework including economic, environmental and sustainability risks

A discussion on the Group's enterprise business risks is provided in the 2023 Annual Report.

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### A risk management and internal control system

The Board Charter provides that it is the responsibility of the Board to identify the material risks of the business and also to review and ratify the Group's systems of internal compliance and control, risk management and legal compliance to determine the integrity and effectiveness of those systems.

At all levels, the Group is committed to ensuring that risk management is regarded as an essential element in its management processes with linkages to every aspect of its business including development of existing business, expansion into new markets, relationships with customers and suppliers and its treasury and capital management activities.

The Chief Financial Officer has responsibility for management of the Group's risk function and have access to the Chairman of the ARSC.

Management undertook half-yearly enterprise risk assessments, and these assessments were reported to the ARSC. The risk assessments included information to show the status of identified risks and how these are being managed together with an assessment of the effectiveness of the management assurance and risk management framework.

The Company does not have an internal audit function. The Board is of the view that it is not cost effective to have an internal audit function at this point in time given the size of the business and the fact that Group is not a complex operation. This decision will however be kept under review. The Board works with management to review the management assurance function, to provide assurance to the Board on the effectiveness of internal controls and to recommend improvements to those controls. Where necessary independent third parties are requested to undertake audits of specific parts of the business.

During the reporting period, a significant area of focus was on protection of the Group's intellectual property and management of cybersecurity risk the Company has undertaken independent external reviews of its IT and potential cyber security exposures and has subsequently implemented all recommendations arising from these reviews. Ongoing independent external assessments will be completed to test and confirm the effectiveness of cyber security robustness.

## 8

### Principle 8 - Remunerate fairly and responsibly

#### Nomination and Remuneration Committee (NRC)

The Board has formed a NRC to assist it discharge its responsibilities to remunerate fairly and responsibly. Membership of the NRC during the Reporting Period was:

- Teresa Handicott (Chairman, independent, non-executive director)

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- Roland Dane (Independent non-executive director), and
- Jeffrey Forbes (Independent, non-executive director).

Mr Kym Osley was appointed as a member of the NRC from 1 July 2023.

### Remuneration governance

The NRC assists the Board to ensure the Group's remuneration practices are fair, robust and meet the expectation of shareholders. Its role and function are set out in its Charter, a copy of which is available on the Company's website. The NRC's specific responsibilities for remuneration governance include:

- The remuneration framework for Directors, including the process by which any pool of Directors' fees approved by PWR's members is allocated to Directors
- The remuneration packages to be awarded to the CEO and other senior executives
- Equity-based remuneration plans for senior executives and other employees
- Superannuation arrangements for Directors, senior executives and other employees
- Whether there is any gender or other inappropriate bias in remuneration for Directors, senior executives or other employees.

### Non-Executive Director Remuneration

A copy of the Remuneration Policy for Non-Executive Directors is available on the Company's website. The objective of the Non-Executive Director Remuneration Policy is to:

- provide a clear fee arrangement that avoids potential conflicts of interest associated with performance incentives,
- remunerate Directors at market rates for their commitment and responsibilities, and
- obtain independent external remuneration advice when required.

Non-Executive Directors receive remuneration for undertaking their role. They do not participate in the Group's incentive plans nor receive any variable remuneration. Non-Executive Directors are not entitled to retirement payments.

The Main Board Package (MBP) for Non-Executive Directors was approved by Shareholders at the 2022 AGM and is \$1,000,000 per annum (inclusive of superannuation contributions). The Board determines the distribution of Non-Executive Director fees within the approved MBP. Remuneration for Non-Executive Directors is as follows:

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Role	MBP during Reporting Period \$
Chairman	195,000
Non-Executive Director and Chairman Audit and Risk Committee	130,000 <sup>1</sup>
Non-Executive Director	110,000

1. Includes \$20,000 per annum for taking on role of Chairman of Audit and Risk Committee during FY2023

### Executive Remuneration

The Company has an Executive Remuneration Policy in place, a copy of which can be found on the website.

The guiding principles governing the Company's Pay for Performance Policy and how these are implemented are summarised in the table below:

Principles of remuneration	How the Company meets these principles
Remuneration will incorporate external market reference to maintain market competitiveness	The Company undertakes remuneration benchmarking using independent remuneration consultants to maintain market competitiveness
Make clear the line of sight between performance and reward to ensure that superior performance is recognised and rewarded, with a view to driving long-term growth and shareholder value	<p>A substantial component of pay is contingent on performance against targets. The Company sets key performance indicators that have stretch targets, evidenced by improvement over and above actual results achieved from the prior year or specifically linked to achievement of an outcome from our strategic work programs. Maximum potential at risk remuneration is capped so as not to encourage excessive risk taking.</p> <p>The Company's incentive plans have a balance of short and long term targets selected to support business performance and strategy implementation and ultimately shareholder value.</p>
Provide fair, consistent and internally equitable reward to appropriately compensate employees for their contributions and performance outcomes	Internal equity is achieved partly through external benchmarking and internally moderating performance assessments across the business
Manage the balance between reward funding and Company performance / financial outcomes	The Board maintains ultimate discretion under the Company's incentive plans to make awards or not and all awards are subject to consideration of the Company's ability to pay

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Principles of remuneration	How the Company meets these principles
Ensure a level of transparency and clarity in reward design and governance processes	The Company attempts to report in a transparent manner on the link between reward and performance under its incentive schemes and outline the governance process to give confidence to its shareholders.

Further information on the Company's remuneration framework is outlined in the 2023 Remuneration Report which is included in the 2023 Annual Report available on the Company's website.

### Trading in the Company securities by Directors and Employees

All Directors and employees are required to comply with the Group's Securities Trading Policy in undertaking any trading in the Company's shares and may not trade if they are in possession of any inside information.

The Securities Trading Policy seeks to:

- minimise the risk of insider trading in the Company's shares occurring and eliminate any appearance of possible insider trading
- summarise the law relating to insider trading, including:
  - the insider trading prohibitions which apply to all of PWR's people at all times, and
  - the consequences of breaching the prohibitions
- provide a framework for compliance with the relevant law
- set out the Group's policy in relation to Confidential Information
- outline when certain Restricted Persons may and may not trade in the Company's securities
- describe when clearance to trade may be given to restricted persons in exceptional circumstances, and
- explain the restrictions that apply to short-term trading, hedging and margin lending.

Directors and employees may trade during the permitted trading periods outlined in the policy. In addition, Directors and certain restricted employees may only trade during the trading periods with prior written clearance as set out in the policy. Permitted trading periods are:

Event/ASX Announcement	Permitted Trading Period
Announcement to ASX of full year results	From the day after the announcement to 30 November
Announcement to ASX of half year results	From the day after the announcement to 31 May
Release of a document offering Company Securities (eg prospectus or cleansing notice)	While the offer remains open for acceptance

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The Company has in place a Long-Term Incentive Plan which was approved by shareholders at the Company's 2016 AGM, 2021 AGM and 2022 AGM.

The Securities Trading Policy prohibits participants from entering into transactions in financial products which operate to limit the economic risk of security holdings in the Company's unvested entitlements or vested entitlements subject to a holding lock or impose a restriction on dealing, including any hedging or similar arrangement in respect of unvested entitlements or restricted entitlements held or granted under any equity-based remuneration scheme.

Directors, Executives and certain other employees are prohibited at all times from entering into any stock borrowing or margin loan arrangement in relation to security holdings in the Company, transferring securities in the Company into an existing margin loan account and selling securities in the Company to satisfy a call pursuant to a margin loan.

A copy of the Group's Securities Trading Policy is available on the Company's website.