



PWR Holdings Limited

2021 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

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As at 19 August 2021

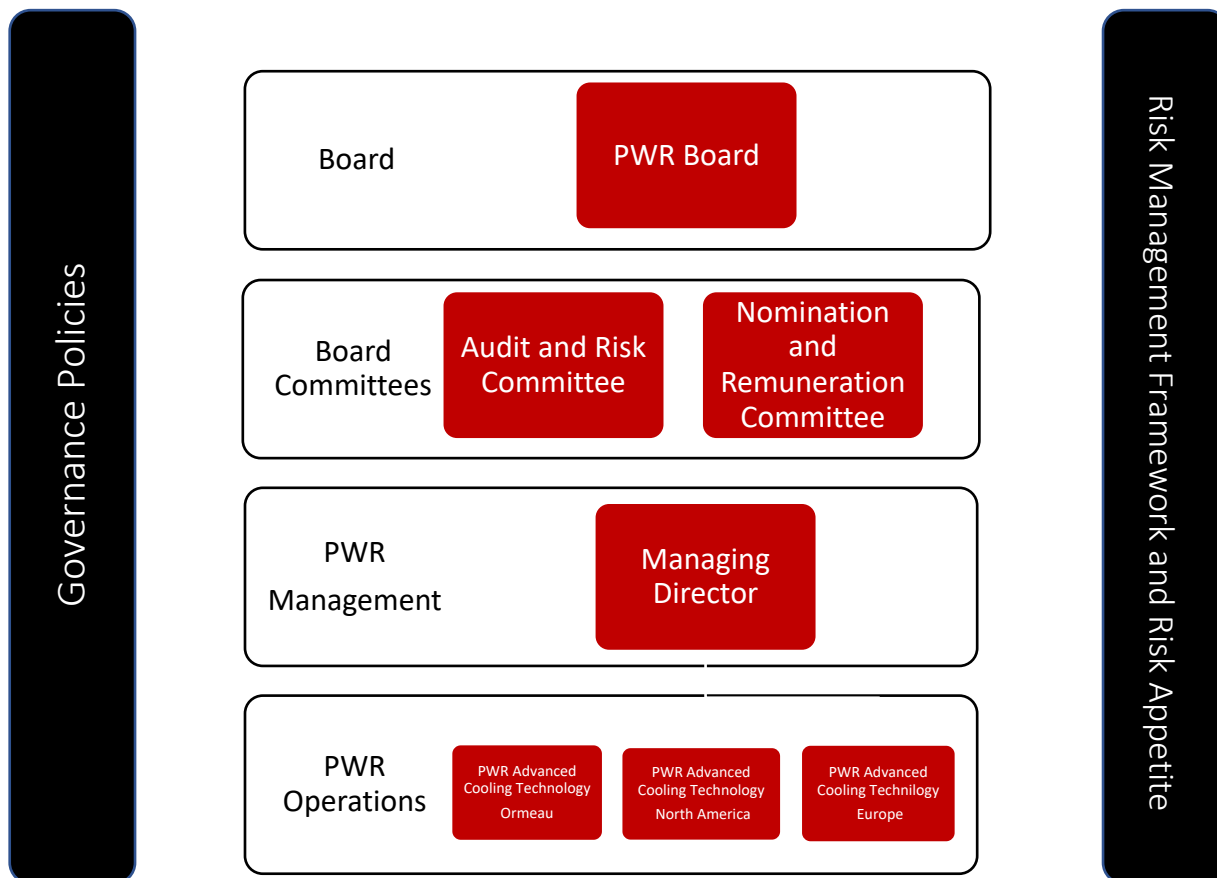
Introduction

The corporate governance framework for PWR Holdings Limited (Company) and its subsidiaries (Group) are 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 at 19 August 2021 and has been approved by the Board.

Our Governance Framework



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Our Key Governance Documents

PWR's publicly available governance framework 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 (not on website) 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 Policy Securities Trading Policy Diversity Policy Anti-Bribery and Corruption Policy Whistleblower Policy
Principle 4: Safeguard integrity in corporate reporting	Audit & Risk 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 Performance Rights Plan

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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 business sets out the limits of that delegation.

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 Chief Executive Officer
- 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 and Risk Committee, and
- Determining 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 2021 financial year:

- Audit and Risk Committee (ARC) - Jeff Forbes (Chairman), Teresa Handicott and Roland Dane, and

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

There is a Charter for each of these committees setting out its role and responsibilities. Committee Charters are available on the Company's website. Further details about the operation of these Committees is 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 2021 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 regularly to the Board to interact with the Board, contributing to a culture that promotes openness and transparency and facilitating strategic discussion about the industries in which the Company operates.

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 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.

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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.

Company Secretary

The Company Secretary is appointed by and reports to the Board. Ms Lisa Dalton has been the Company Secretary since prior to its 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.

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 informal discussions on its performance and the required skills to oversee the execution of the Company's strategy during the year.

The Board participated in a Board and Director performance review during FY2021. The Board developed priorities on which to focus in FY2022 to continue to strengthen PWR's corporate governance framework.

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.

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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. The annual performance assessment of the MD is undertaken by the Nomination and Remuneration Committee and the Nomination and Remuneration Committee reviews the performance of the MD against his KPIs.

A performance evaluation of the MD and each Executive was conducted in respect of the 2021 financial year. For information on the KPI assessments for the 2021 financial year, please see the Company's Remuneration Report set out on pages 32 to 48 of the 2021 Annual Report, which is available on the Company's website.

KPIs in respect of 2022 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:

- employed 30 apprentices and 16 school experience students with a focus on increasing female participation in its workplace
- implemented strategies to attract female applicants to when recruiting
- implemented an online learning and development platform, providing flexible access to its employees to build and develop skills, improve employee engagement, accelerate employee induction and training, and support organisational goals

The Company prepares an annual report to the Workplace Gender Equality Agency. Copies of this report can be found at www.pwr.com.au

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

Measurable Objectives	FY2021 Actual	FY2021 Target	FY2022	FY2023
Number of women in Executive Management over the next 3 years	1	2	2	3
PWR	11%	14%	16%	20%

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Measurable Objectives		FY2021 Actual	FY2021 Target	FY2022	FY2023
3 year targets to increase female representation:	C&R	13%	16%	17%	20%
	PWR Europe	17%	33%	33%	35%
Board composition remains at least 30% female as per the ASX Governance Principles and Recommendations.		25%	At least 30% female membership		

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 may be engaged to assist the Board in identifying appropriate candidates for appointment.

Composition of the Board

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

Throughout the 2021 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
	Chairman	19 October 2017	

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Name	Role	Appointment Date	Re-elected
Jeff Forbes	Non-Executive Director	7 August 2015	2018 AGM (standing for re-election at 2021 AGM)
Roland Dane	Non-Executive Director	1 March 2017	2019 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.

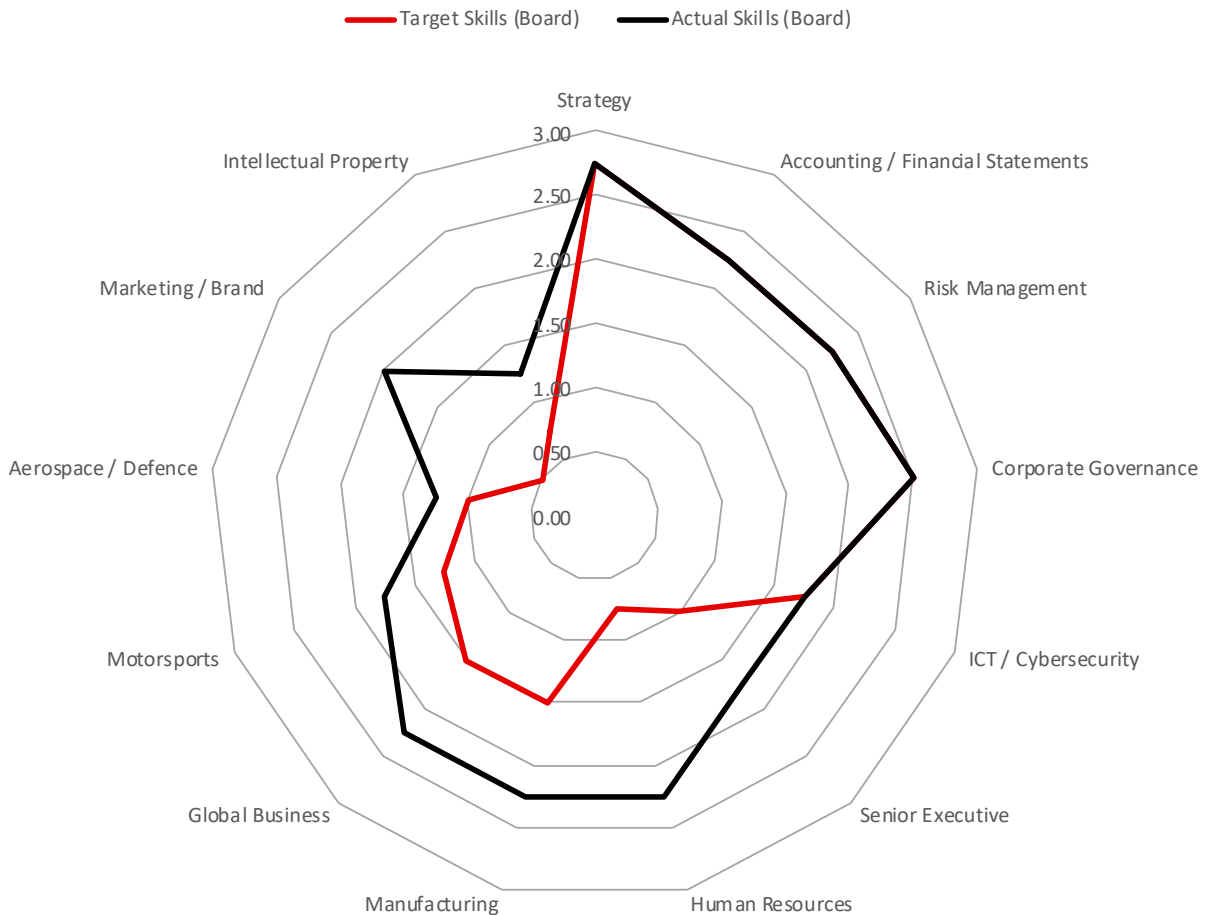
The Board feels that it is currently of the right structure and size and possesses the necessary expertise to drive the short, medium- and long-term strategic objectives of the Group. The Board's skills assessment which was updated in FY2021 has determined its actual skill set meets or exceeds the targeted skills required

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PWR Board Targeted v. Actual Skills July 2021



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

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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 would receive 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, 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:

- 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.

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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 costs of 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 and to the Director 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 values of respect, passion and teamwork guide how we do it. Every day, our values shape the way we behave and the standards we set for ourselves and others.



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

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- 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.

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 and Risk Committee.

4

Safeguard the integrity of corporate reports

Audit, and Risk Committee (ARC)

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.

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The Board has established an Audit and Risk Committee. The charter for the Audit and Risk Committee is available on the Company's website. The ARC 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 and Risk Committee is comprised of:

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

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

The ARC'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 ARC and the CFO work with the external auditors to plan the audit approach. All aspects of the audit are reported back to the ARC and the external auditors are given the opportunity at ARC 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
- 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.

The ARC 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 ARC reports the findings of the ARC

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back to the Board at the following Board meeting. Minutes of each of the ARC meetings are also provided to the Board meeting following the ARC meeting.

The external auditor is invited to attend ARC meetings. To ensure the auditor remains independent, all audit and non-audit work is authorised by the ARC. 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 ARC 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 2021 financial year, the Board received the declarations and statements referred to above in relation to the half year ending 31 December 2020 and the full year ending 30 June 2021 prior to approving the financial statements for those periods.

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 ARC 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 2021 financial year was Ms. Erin Neville-Stanley.

Attendance at Annual General Meeting (AGM) by Auditor

The external auditor attended the 2020 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.

6

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,
- Provision of equal and timely access to price sensitive information in accordance with the principles outlined in the Continuous Disclosure Policy.

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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 all 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 2020, in August 2020, and for the period ended 31 December 2020, in March 2021. Presentations were also provided at the AGM in October 2020.

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

The Company is planning to hold its 2021 AGM on 29 October 2021 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 and Risk Management Committee (ARC)

The ARC supports the Board in its oversight of risk.

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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.

Economic, environmental and sustainability risks

A discussion on the Group’s enterprise business risks is provided in the 2021 Annual Report.

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 Operating Officer and Chief Financial Officer have responsibility for management of the Group’s risk function and have access to the Chairman of the ARC.

Management undertook half-yearly enterprise risk assessments, and these assessments were reported to the ARC. 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.

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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 and the Company has undertaken independent external reviews of its IT and potential cyber security exposures in its Australian and UK offices and has subsequently implemented all recommendations arising from these reviews. On completion of the implementation of the recommendations, a further independent external assessment was 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 is:

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

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.

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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 aggregate Non-Executive Director remuneration cap approved by shareholders in 2016 is \$750,000 per annum (inclusive of superannuation contributions). The Board determines the distribution of Non-Executive Director fees within the approved remuneration cap.

Executive Remuneration

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>

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Principles of remuneration	How the Company meets these principles
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
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 2021 Remuneration Report which is included in the 2021 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:

Corporate Governance Statement

For the year ended 30 June 2021

As at 19 August 2021



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

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