



**CORPORATE
GOVERNANCE
STATEMENT
2019**

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Overview

We are pleased to present our Corporate Governance Statement 2019 (Statement), which outlines the corporate governance framework and practices of Ausdrill Limited, trading as Perenti Global ABN 95 009 211 474 (the Company), together with its subsidiaries (together, the Group).

Throughout the reporting period, being the year ended 30 June 2019, the Company's governance arrangements have been consistent with the third edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (ASX Principles), except as set out in section 9.1 below.

This Statement is current as at 28 August 2019, and has been approved by the Board.

This Statement should be read in conjunction with the Company's 2019 Annual Report (Annual Report). Further information about the Company's corporate governance practices and copies of key governance documents referred to in this document are available on the Company's website at: perentigroup.com

Our Governance Framework

The Board of the Company (Board) is committed to achieving the highest standards of corporate governance and business conduct, fostering a culture of compliance which values integrity, ethical behaviour, accountability, transparency and respect for others. We believe that this is essential for the long term performance and sustainability of the business, and to protect and enhance the interests of shareholders and other stakeholders.

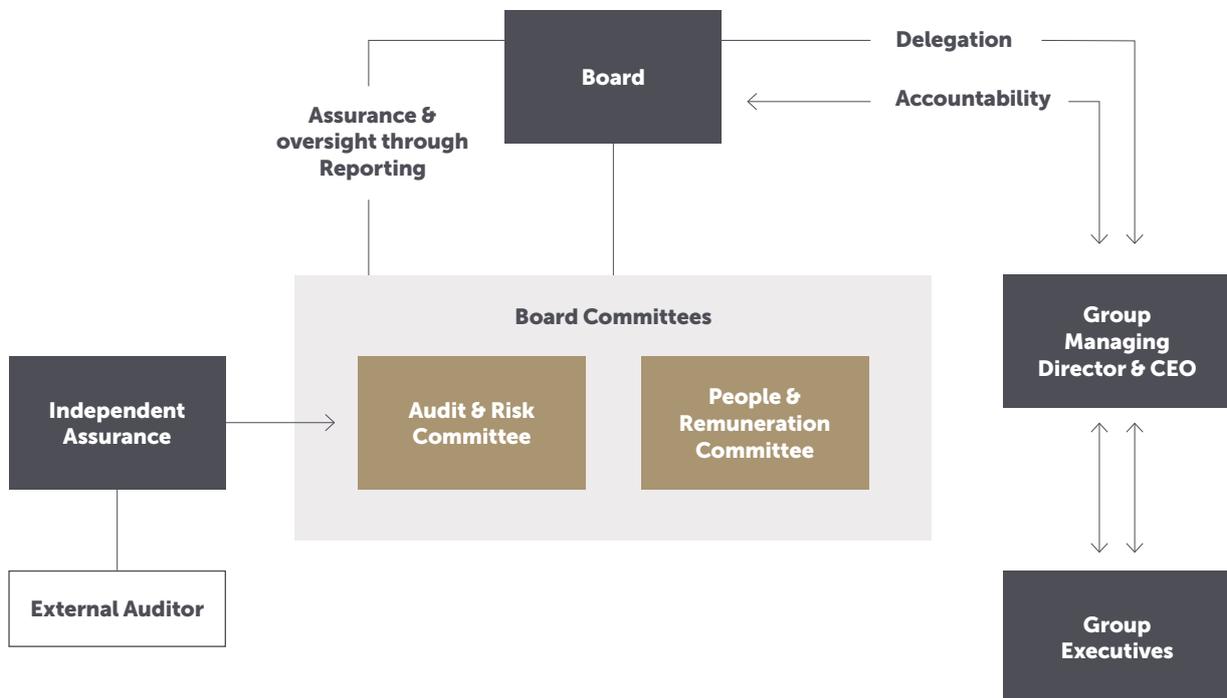
The Company's governance framework plays a critical role in helping the business deliver on its strategy and objectives. It provides the structure through which business objectives are set, performance is monitored, and risks are managed. It includes a framework for decision making across the business and provides guidance on the standards of behaviour of our people expected across our business.

The Board regularly reviews the Company's governance framework and associated practices to ensure it complies with current regulations and consistently reflects market practice and stakeholder expectations.

In 2019, the Board commenced a review of the Company's existing corporate governance framework and policies with a view to further enhancing the Company's governance practices and to comply with the fourth edition of the ASXCGC Principles and Recommendations. The Company is already compliant with a number of the new recommendations. The Board and Committee Charters have been recently reviewed and updated by the Board, with the People and Remuneration Committee Charter updated in June 2019 and the Board Charter and Audit and Risk Committee Charter updated in August 2019. The Company intends to implement the updated corporate governance policies in the 2020 financial year.

The key aspects of the Company's governance framework and main governance practices for the year ended 30 June 2019 are outlined in this 2019 Corporate Governance Statement.

The Company's corporate governance framework is illustrated below:



Our Governance Framework

Board

Responsible for overseeing the performance and operations of the Company

Ian Cochrane	Mark Norwell	Terry Strapp	Mark Hine	Rob Cole	Alex Atkins	Keith Gordon¹
Independent, Non-executive Chairman	Group Managing Director and Chief Executive Officer	Independent, Non-executive Director	Independent, Non-executive Director	Independent, Non-executive Director	Independent, Non-executive Director	Non-executive Director

¹ As announced by the Company on 15 August 2019, Mr Gordon will retire from his position as Director with effect from 1 September 2019.

Board Committees

Assist the Board to discharge its responsibilities in relation to:

Audit and Risk

Including risk management and financial reporting

People and Remuneration

Including Group Executive pay and human resourcing matters across the business

Group Executive

Manages the day-to-day operation of the Company under the leadership of the Managing Director and within the framework set and approved by the Board.

Below is the list of the Company's core governance framework documents. These documents are located on the Company's website.

Charters

Board Charter	Audit and Risk Committee Charter	People and Remuneration Committee Charter
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Corporate Governance Policies

Disclosure Policy	Anti-Bribery and Anti-Corruption Policy	Securities Trading Policy	Employee Code of Conduct
Shareholder Communication Policy	Risk and Opportunity Management Policy	Diversity and Equal Opportunity Policy	Whistleblower and Whistleblower Protection Policy

Our Core Principles

The Company believes lawful, ethical and responsible business practices are essential to achieving sustainable long-term performance and creating shareholder value. We conduct our business with integrity and honesty and in an open and accountable manner and strive to contribute positively to the regions and communities in which we operate.

During the year we revised our overall aspiration and purpose and developed five guiding principles, which will assist us to achieve our objectives. Our principles enable us focus on what is important, balance our priorities and ensure we are aligned on how we deliver on our purpose.

Applying these principles to everything we do defines our behaviour and drives our ambition to create enduring value and certainty for all stakeholders.

In the coming year we will focus on initiatives across our business that will drive improvements across the Group.

NO SHORT-CUTS

We never compromise our standards. We strive for the best in everything we do and continue to raise the bar in safety, performance and transparency every day.



NEVER WASTEFUL

We make every moment count. We operate as efficiently as possible. We plan effectively, make full use of our assets and always spend our money wisely.



WALK IN THEIR SHOES

To win new clients, keep existing clients and to ensure everyone benefits, we have to really know them – not just who they are and what they're asking for, but what really matters to them.



SMARTER TOGETHER

None of us is as smart as all of us. By valuing our diversity, working together, sharing knowledge and supporting each other, we're capable of exceptional things.



ENABLE TOMORROW

We actively embrace change, enabling new technologies and smarter ways of working, so the mine of tomorrow is safer, more productive and more reliable than ever before.



1. Laying solid foundations for management and oversight

1.1 THE BOARD OF DIRECTORS



Name	Role	Independent	Term in Office	Board	Audit & Risk Committee	People & Remuneration Committee
Mr Ian Cochrane	Chairman, Non-Executive Director	Yes	3 years 9 months	●	●	●
Mr Mark Norwell	Group Managing Director and CEO	No	11 months	●		
Mr Terrence Strapp	Non-Executive Director	Yes	14 years 1 month	●	●	
Mr Mark Hine	Non-Executive Director	Yes	4 years 6 months	●		●
Mr Robert Cole	Non-Executive Director	Yes	1 year 1 month	●	●	●
Ms Alexandra Atkins	Non-Executive Director	Yes	1 year 1 month	●		●
Mr Keith Gordon	Non-Executive Director	No	10 months	●	●	

● Chairman ● Member

1. Laying solid foundations for management and oversight

As announced by the Company on 15 August 2019, Mr Gordon will retire from his position as Director with effect from 1 September 2019.

Detailed biographies of the Directors and their attendance at Board and Committee meetings during the reporting period are included in the Directors' Report in the Annual Report.

1.2 ROLE AND RESPONSIBILITIES OF THE BOARD AND MANAGEMENT

The Board Charter sets out the role and responsibilities of the Board, describes those matters expressly reserved for the Board, and those matters delegated to Management.

The current Board Charter is available on the Company's website.

1.3 THE ROLE OF THE BOARD

The Board is responsible for the overall strategy, governance and performance of the Company. The role of the Board is to provide strategic guidance to the Company, to guide and monitor the management, business and affairs of the Company and to promote a culture which supports its core values and principles.

The Board strives to deliver sustainable value to its shareholders, while taking into account the interests of other stakeholders. The Board recognises its responsibility to act honestly, fairly, diligently and in accordance with the law and to instil these values throughout the organisation.

The Board is also responsible for monitoring Management's progress in implementing that strategy and promoting a culture which supports its core values. The Board meets regularly to review the Company's performance and progress against its strategy.

1.4 BOARD COMMITTEES

The Board has established two standing Committees to assist in the discharge of its responsibilities:

- Audit and Risk Committee
- People and Remuneration Committee.

Each Board Committee has a Charter that defines its roles and responsibilities.

As and when required, the Board establishes special purpose sub-committees to give detailed consideration to specific matter or projects. For example, during the Barmenco acquisition, the Board established and delegated responsibility to a Board sub-committee for the purpose of that transaction.

Board committees report to and make recommendations to the Board. The Chair of each Committee reports to the Board after each meeting. All Non-executive Directors have a standing invitation to attend Committee meetings with the consent of the relevant Committee Chairman. Papers prepared for the Committees are made available to all Directors.

The Board regularly reviews and approves the Committee Charters, chairmanship and membership. The Company's Board and Committee Charters were reviewed and updated in 2019, with a view of enhancing the Company's governance practices.

An overview of the members, composition and responsibilities of each Committee is set out below:

Details of the number of Committee meetings held during the reporting period and attendance by Directors are set out in the Directors' Report in the Annual Report.

Each Committee has a Charter setting out its role and responsibilities, objectives, composition, structure, membership requirements and the manner in which the Committee is to operate. The current Charters are available on the Company's website.

1. Laying solid foundations for management and oversight

Members	Current Composition	Key responsibilities
Audit and Risk Committee		
Terrence Strapp (Chair) ¹	Four members	Integrity of corporate reporting and effectiveness of internal controls.
Ian Cochrane	Only Non-executive Directors, the majority of which are independent	Appropriateness of risk appetite and effectiveness of risk management framework, and monitoring external and internal audit effectiveness, and auditor independence.
Robert Cole	An independent Chair, who is not Chair of the Board.	Further details about the responsibilities of the Audit and Risk Committee are outlined in sections 4.1 and 7.2.
Keith Gordon ²	At least one member, who has accounting and financial expertise.	
People and Remuneration Committee		
Mark Hine (Chair)	Four Members	Make recommendations in relation to:
Ian Cochrane	Only Non-executive Directors, all of whom are independent.	Remuneration of Non-executive Directors,
Alexandra Atkins	At least two members, who have an understanding of executive remuneration and of the associated regulatory framework.	Performance and remuneration of, and incentives for, the Managing Director and other Senior Executives.
Robert Cole	An independent Chair.	Remuneration strategies, practices and disclosures.
		Oversight of people, including succession and development planning, diversity, and culture.
		Further details about the responsibilities of the People and Remuneration Committee are outlined in sections 8.1 and 9.

¹ With effect from the close of the 2019 Annual General Meeting, the Board intends to appoint Mr Cole as chair of the Audit and Risk Committee, with Mr Strapp (if re-elected) to remain a member of the Committee until his proposed retirement at the 2020 Annual General Meeting.

² As announced by the Company on 15 August 2019, Mr Gordon will retire from his position as Director with effect from 1 September 2019.

1.5 ROLE OF THE CHAIRMAN

The Directors have elected Mr Ian Cochrane as Chairman of the Board. The Chairman is independent and a Non-executive Director. The role of the Chairman includes leading the Board and facilitating and encouraging constructive discussion, representing the Board to shareholders, and communicating the Board's position and undertaking performance evaluations of the Board, its Committees and individual Directors.

Mr Cochrane's qualifications and experience are set out in the Directors' Report in the Annual Report. Further details on the role of the Chairman are set out in the Board Charter.

1.6 ROLE OF THE GROUP MANAGING DIRECTOR AND CEO, AND GROUP EXECUTIVE

The Board delegates management of the Company's affairs and implementation of the corporate strategy and policy initiatives to the Company's executive management team (Group Executive) under the leadership of the Managing Director.

Mr Mark Norwell commenced in the role as Group Managing Director and CEO of the Company on 17 September 2018.

The Managing Director is responsible for the day-to-day management of the Company. The Managing Director is supported in this function by delegating authority to the appropriate Group Executives for specific activities and transactions. This authority is governed by a formal delegation of authority that is approved by the Board and which is reviewed as required.

Management's discharge of its responsibilities is monitored through regular Board reporting by the Managing Director and performance evaluations of the Managing Director and Group Executives (see section 1.10 below).

1. Laying solid foundations for management and oversight

1.7 THE ROLE OF COMPANY SECRETARY

The Board is responsible for the appointment of the Company Secretary. The Company Secretary is directly accountable to the Board through the Chairman on all matters regarding the proper functioning of the Board.

Mr Strati Gregoriadis is the Company Secretary of the Company. Mr Gregoriadis' qualifications and experience are set out in the Directors' Report in the Annual Report.

1.8 DIRECTOR NOMINATION AND APPOINTMENT

The Board has not established a nomination committee however the full Board performs the functions that would otherwise be fulfilled by a nomination committee. The Board Charter sets out the Board's processes for the nomination and appointment of Directors.

The Board regularly reviews the skills represented by the Directors and considers whether the composition of the Board meets the necessary and desirable competencies of Directors (by reference to the Board Skills Matrix) and Board succession plans remain appropriate for the Company's corporate strategy to maintain an appropriate mix of skills, experience, expertise and diversity on the Board.

The Board also considers and reviews the process for nomination and selection of new Directors and the process of evaluating the performance of the Board, its Committees, individual Directors, and Group Executives.

Before the Board appoints a new Director or puts forward a candidate for election, the Board ensures that the Company undertakes comprehensive background checks.

Any Director who has been appointed during the year must stand for election at the Company's next Annual General Meeting (AGM). Shareholders are provided with all material information in the Company's possession relevant to their decision as to whether or not to elect a new Director.

Upon appointment, each Director receives a letter of appointment which sets out the formal terms of their appointment. Directors also receive a deed of indemnity, insurance and access.

1.9 DIRECTOR RETIREMENT AND RE-ELECTION

One third of the members of the Board (excluding the Managing Director) retire by rotation at every AGM of the Company, and may stand for re-election.

The Board's recommendation in respect of the re-election of an existing Director is not automatic and is contingent on their past performance, contribution to the Company, and the current and future needs of the Board and the Company. Shareholders are provided with all material information in the Company's possession relevant to their decision as to whether to re-elect a new Director.

Mr Hine and Mr Strapp will retire by rotation in 2019. They are standing for re-election at the 2019 AGM, with the unanimous support of the Board, noting that they each abstained on voting in relation to their own appointment.

1.10 PERFORMANCE REVIEWS

(a) Board Performance

The performance of the Board, its Committees, and individual Directors is reviewed throughout the year.

The Chairman evaluates the Board, Board Committees, and individual Non-executive Directors. The remainder of the Board evaluates the Chairman.

The performance evaluations are conducted through a series of discussions held throughout the year. During these discussions the Chairman obtains confidential feedback from the Directors, the Managing Director and the Company Secretary on their view of the dynamics between the Board members and the quality of the Board's decision making.

Performance evaluations were conducted in accordance with the above process during the reporting period.

(b) Managing Director and Group Executive Performance

The Managing Director and all Group Executives have written agreements with the Company setting out their employment terms, including remuneration and performance requirements. The Board is responsible for monitoring Management's performance and implementation of strategy.

The Board conducts a performance review of the Managing Director each year.

The Managing Director conducts annual performance reviews of the Group Executives to evaluate their performance against relevant performance measures and reports to the Board on the outcome of this review. The process for evaluating executive's performance and remuneration is set out on pages 45 to 62 of the Remuneration Report in the Annual Report.

Performance evaluations of each executive's performance took place in relation to the reporting period in accordance with the process disclosed in the Remuneration Report.

2. Structuring the board to be effective and add value

2.1 BOARD COMPOSITION

The composition of the Board is designed to include Directors that bring complementary skills and experience to ensure sustained delivery of value to shareholders in a manner that is consistent with the Company's core principles, supports management and the business, and protects the interests of shareholders.

The Company's Constitution and Board Charter provide that the Board should comprise of between three and seven Directors, the majority of whom should be independent. At the 2019 Annual General Meeting, the Board has proposed that the Company passes a resolution to amend the Company's Constitution to increase the maximum number of directors to eight. Further details of this are contained in the Notice of Annual General Meeting.

The Board currently comprises seven Directors, six of which are Non-executive Directors. Upon the retirement of Mr Gordon, as at 1 September 2019, the Board will comprise of six Directors, five of which are independent.

Details of the current Directors are set out in section 1.1 above.

2.2 DIRECTOR SKILLS AND EXPERIENCE

The Company is committed to ensuring that the composition of the Board continues to include directors who bring an appropriate mix of skill, experience and expertise to Board decision-making. The Board also aims to retain a balance between long-serving directors with experience and knowledge of the Company's business and history, and new directors who bring an external perspective and different insights.

The Directors have a broad and diverse range of experience and skills across a number of business areas.

The Board Skills Matrix set out below describes the combined skills, experience and qualities required for the effective management of the Company, together with the number of Directors who as at 1 September 2019 bring these skills to the Board.

To the extent that any skills are not directly represented on the Board, they are realised through Management and external advisors.

The Board Skills Matrix is considered by the Board to guide its assessment of the skills and experience of new and existing Directors and to identify any gaps in the collective expertise of the Board for the purpose of Board succession planning.

Board Skills Matrix

Skills/Experience	Board Representation
Leadership Executive leadership experience.	
Business Strategy Experience and judgement to contribute to the development of strategy.	
Global Mining & Mining Services Experience in, and understanding of, the contract mining services in Australia or overseas.	
Capital Management Experience in, and understanding of, capital markets and debt financing.	
Law, Governance and Risk Management Understanding of legal, governance and compliance issues and regulatory, governance and risk management frameworks.	
Finance and Accounting Ability to understand and analyse financial statements and financial performance, and to contribute to the oversight of the integrity of financial reporting.	
People Management Experience in, or understanding of, leadership and organisational design to contribute to talent management, succession planning and judgements about culture.	
Technology & Innovation Understanding of the technologies and innovations existing and current within the industry.	
	1 2 3 4 5 6
	No. of Directors as at 1 September 2019*

* excludes Mr Keith Gordon who will retire as a Director on 1 September 2019

2. Structuring the board to be effective and add value

2.3 DIRECTOR INDEPENDENCE

The Company recognises that having a majority of independent Directors helps to ensure that the decisions of the Board reflect the best interests of Company and its shareholders generally and that those decisions are not biased towards the interests of management or any other group.

The Board Charter requires a majority of the Directors to be independent.

The Board regularly reviews the independence of each Non-executive director and, in August 2019, completed an independence assessment in accordance with the ASX Principles.

In determining whether a Director is independent, the Board considers whether the directors is free of interests that could (or could be perceived to) materially interfere with the independent exercise of that Director's judgement and their capacity to act in the best interests of the Company and its shareholders generally. The Board takes a qualitative approach to assessing materiality and independence on a case-by-case basis by reference to each Director's individual circumstances rather than applying strict quantitative thresholds.

The Group Managing Director and CEO, Mr Norwell, is not independent as he is an executive of the Company.

The Board considers the following Non-executive Directors to be independent:

- Mr Ian Howard Cochrane
- Mr Terrence John Strapp
- Mr Mark Andrew Hine
- Mr Robert Cole
- Ms Alexandra Atkins.

Pursuant to the Barmingo acquisition in October 2018, Mr Gordon was appointed to the Board as a representative of certain Barmingo vendors. He is therefore not considered to be an independent Director. Mr Gordon will cease to be a Director with effect from 1 September 2019.

The tenure of each Director is set out in section 1.1 of this Statement. Mr Terrence Strapp has been a Non-executive Director of the Company for more than 14 years. In 2019, the Board reviewed and determined that his tenure has not impacted on his independence and the Board continues to consider that Mr Strapp is an independent Director. As at the date of this report, all other Directors have served on the Board for less than 10 years.

2.4 INDUCTION OF NEW DIRECTORS

As part of the induction program covering the Company's financial position, strategies, operations and risk management policies, each new Director is provided with an induction pack and meets with the Board Chairman, the Managing Director, Group Executives and other senior managers to gain valuable insights into relevant operational and corporate matters.

2.5 CONTINUING DEVELOPMENT OF DIRECTORS: ACCESS TO INFORMATION, TRAINING AND ADVICE

All Directors are expected to maintain the knowledge and skills required to discharge their obligations to the Company.

On an ongoing basis, Directors are provided with papers, presentations and briefings on matters which may affect the business or operations of the Company. Directors have access to all Board Committee papers and are invited to attend all Committee meetings regardless of whether they currently serve on that Committee. Directors are also entitled to request any other information they consider necessary to make informed decisions and to have access to the Company Secretary.

Directors are also encouraged to undertake continuing education and training relevant to the discharge of their obligations as Directors of the Company. Relevant training and professional development is available to Directors at the Company's expense, as approved on a case-by-case basis.

Directors are also entitled to seek independent professional advice at the Company's expense, subject to the prior written consent of the Chairman.

2.6 CONFLICTS OF INTEREST

Directors are required to disclose all interests that may conflict with their duties. The Board has also adopted a Conflicts of Interest Protocol which is set out within the Board Charter.

Pursuant to this protocol, a Director may, at any time, declare a conflict of interest in relation to a matter by notification to the Company Secretary in writing. In addition, the Managing Director, in consultation with the Chairman, may at any time determine a Director to have a conflict of interest.

If a Director has a material personal interest in a matter being considered by the Board, they must not be present for the consideration of that matter or vote on the matter and will not receive any information which relates to that matter.

2.7 ATTENDANCE AT MEETINGS

Details of Director attendance at meetings in the 12 months up to 30 June 2019 is set out on page 44 of the Annual Report.

3. Acting Lawfully, Ethically and Responsibly

The Company is committed to conducting its business with integrity and in an open and accountable manner. The Board believes that lawful, ethical and responsible business practices are essential to achieving sustainable long-term performance and creating shareholder value.

The Board recognises its role in setting the ethical tone and standards of the Company and its responsibility in monitoring and developing a corporate culture which accords with its values.

The following sections set out the policies that the Company has had in place during the reporting period to promote ethical and responsible business practices in the organisation. Each of these policies are available on the Company's website. Management is currently undertaking a review of these codes and other Company policies, and the Company intends to implement the updated corporate governance policies in the 2020 financial year.

3.1 CODE OF CONDUCT

The Company has a Director Code of Conduct and an Employee Code of Conduct.

The Director Code of Conduct, which is set out in the Board Charter, sets out standards of behaviour of Directors required to promote responsible decision making and ethical behaviour which aligns with the values of honesty, integrity, accountability, independence and equality.

The Employee Code of Conduct sets out the standards of conduct required to be met by all Group personnel. The Employee Code of Conduct provides a framework for conducting business with integrity and professionalism, objectivity, fairness and courtesy, to avoid conflicts of interest and to comply with the letter and the spirit of the law. The Employee Code of Conduct also details the responsibility and accountability of individuals for reporting and investigating breaches of the code.

The current Board Charter and the Employee Code of Conduct are available on the Company's website.

3.2 WHISTLEBLOWER AND WHISTLEBLOWER PROTECTION POLICY

The Company has established a Whistleblower and Whistleblower Protection Policy. This policy provides a safe environment where information regarding misconduct (including unethically, dishonest, illegal, corrupt, fraudulent or unsafe actions or practices) within the Company may be disclosed confidentially and without fear of reprisal or detrimental treatment for the person making the disclosure. The policy is currently being updated to meet the requirements of recent legislative changes.

3.3 ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

The Company has an Anti-Bribery and Anti-Corruption Policy which sets out the Company's zero tolerance for any bribery or corruption in its business dealings and operations anywhere in the world. The Company also has a related Anti-Bribery and Anti-Corruption standard which sets out the specific requirements of Group personnel and agents related to the policy.

3.4 SECURITIES TRADING POLICY

The Company has established a Securities Trading Policy which outlines the restrictions, closed periods and processes required when Directors and key management personnel desire to trade company securities. Directors and key management personnel are prohibited from entering into transactions in associated products which operate to limit the economic risk of security holdings in the Company over unvested entitlements.

The Board is satisfied that the Company has complied with its policies on ethical standards, including trading in securities.

4. Integrity in Corporate Reporting

The Company believes that accurate and timely corporate reporting underpins effective risk management and is key to executing the Company's strategy.

The Board is responsible for overseeing that appropriate monitoring and reporting mechanisms are in place. It has established the Audit and Risk Committee to assist in discharging this responsibility. Details about the Company's processes for corporate reporting are contained in the Company's Disclosure Policy.

4.1 AUDIT AND RISK COMMITTEE

The Audit and Risk Committee assists the Board to meet its oversight responsibilities in relation to the Company's financial reporting, its risk management framework and procedures, compliance with related legal and regulatory requirements, and external audit functions. The minutes of the meetings of the Audit and Risk Committee are tabled at Board meetings and the Committee Chair reports relevant matters of the Audit and Risk Committee to the Board.

The current Audit and Risk Committee Charter is available on the Company's website.

4.2 INTEGRITY OF FINANCIAL REPORTING

The Audit and Risk Committee meets at least four times per year, including immediately prior to the release of the full and half year financial statements. The Audit and Risk Committee has reviewed the integrity of the Company's financial statements for the financial year ended 30 June 2019 and is satisfied that the Company's financial reports for FY2019 comply with the applicable accounting standards and present a true and fair view of the Company's financial condition and operational results. The Audit and Risk Committee has also confirmed that it is satisfied that the Company's risk management framework and internal control systems are operating effectively for the management of material business risks within the risk appetite set by the Board.

Prior to the financial statements being approved by the Board, the Managing Director and the Chief Financial Officer (CFO) provide written statements to the Board in accordance with section 295A of the Corporations Act 2001, and recommendation 4.2 of the ASX Principles, in respect of the half and full-year reporting periods.

The Board received such certifications in respect of the half and full-year reporting periods of FY2019.

4.3 EXTERNAL AUDITOR

The Company's external auditor, PwC, was first appointed in 1989. PwC's policy is to rotate audit engagement partners on listed companies at least every five years, and in accordance with that policy a new audit engagement partner was introduced for the year ended 30 June 2019.

Representatives of PwC are invited to all Audit and Risk Committee meetings and all Audit and Risk Committee papers are made available to PwC. All Audit and Risk Committee members have direct access to PwC representatives.

PwC attends each AGM and a representative is available to answer, at, or ahead of, the AGM, questions from shareholders relevant to the audit, the preparation and content of the audit report, the accounting policies adopted by the Company, and the independence of the auditor in relation to the conduct of the audit. PwC's independence declaration is contained on page 65 of the Directors' Report in the Annual Report.

PwC's audit engagement partner will attend the 2019 AGM to answer questions relevant to the external audit.

4.4 VALIDATION OF CORPORATE REPORT

The Company has vetting and authorisation processes in place to ensure that all Company announcements are factual, complete, accurate and understandable. Management and the Company Secretary verify all material factual content for all reports and announcements prior to release to the market.

The following process is followed prior to the release of any periodic corporate report to the market. A draft is prepared by Management, which is reviewed by various executives in their respective areas of expertise and control. In respect of the Annual Report, the financials and notes are audited by the Company's external auditor. The balance of the Annual Report, and any other period report, is settled by Management, with the assistance of external advisors as required. The report is then provided to the Board for its review and approval.

5. Making timely and balanced disclosure

5.1 CONTINUOUS AND PERIODIC DISCLOSURE

The Company is committed to providing shareholders and the market with equal and timely access to material information concerning the Company in a factual, clear and balanced way.

The Company has adopted a Disclosure Policy which sets out how it complies with its disclosure obligations under Corporations Act 2001 and the ASX Listing Rules.

The Managing Director is responsible for overseeing and coordinating disclosure of information to the media and to analysts, brokers and shareholders, and for communicating with the Company Secretary in relation to continuous disclosure matters. The Company Secretary is responsible for communication with ASX. The Managing Director and the Company Secretary are responsible for ensuring that all employees are aware of their obligation to bring price-sensitive matters to management's attention, and to safeguard the confidentiality of corporate information to avoid the need for premature disclosure.

All market sensitive information is first notified to ASX and then promptly placed on the Company's website following receipt of confirmation from ASX. Before giving any new and substantive investor or analyst presentations, the Company releases a copy of the presentation materials to ASX.

Key periodic shareholder communications include the Company's Annual Report, and its full-year and half-year financial results.

Copies of the final versions of all material ASX announcements are provided to the Board promptly after those announcements have been made.

The Disclosure Policy is available on the Company's website.

6. Respecting the rights of security holders

6.1 SHAREHOLDER ENGAGEMENT

The Company is committed to ensuring that shareholders have access to accurate, timely and effective information about the Company both through its website and other communication mediums.

All market announcements are posted on the Company's website as soon as practicable after they have been released to the market. The Company also publishes other relevant information, including its corporate governance arrangements on its website.

The Company has implemented an investor relations framework to facilitate effective two-way communications with investors. This includes communicating through a number of channels and technologies, including email, webcasting and social media, to allow shareholders to participate in shareholder meetings and to have their enquiries heard.

The Company also hosts briefings for institutional investors and analysts to discuss information already released to the market via ASX and to provide background information to assist analysts and institutions in their understanding of the Company's businesses. The Company's policy is to not disclose or discuss price sensitive information unless it has already been released to the market via the ASX. Before giving any new and substantive investor or analyst presentations, the Company releases a copy of the presentation materials to ASX.

The Company's Shareholder Communication Policy, which is to be read in conjunction with the Disclosure Policy, is available on the Company's website.

6.2 ELECTRONIC COMMUNICATIONS

The Company also gives Shareholders the option to receive communications from, and send communications to, the Company and its Share Registry, Link Market Services Limited (Share Registry), electronically.

The Company's website allows shareholders to make direct contact with the Company and access Company information on demand. The website has an option for interested parties to register to receive updates on the Company's ASX Announcements. The Company's Share Registry offers a similar service to alert shareholders of any Company ASX Announcements.

6.3 ANNUAL GENERAL MEETINGS

The Company recognises the importance of shareholder participation in general meetings and supports and encourages that participation.

The Company's Annual General Meeting (AGM) will be held on Tuesday 1 October 2019 at the Duxton Hotel, 1 St Georges Tce, Perth, Western Australia.

To improve access and participation for those who cannot attend in person, the Company webcasts the proceedings of its general meetings.

All Directors attended the 2018 AGM, with the exception of Mr Keith Gordon who was not appointed as a Non-executive Director until 1 November 2018. All the Directors are expected to attend the 2019 AGM with the exception of Mr Gordon, who will resign with effect from 1 September 2019.

All substantive resolutions at shareholder meetings (including the 2018 AGM) are decided by a poll rather than a show of hands.

7. Recognising and managing risk

The Board recognises that effective risk management is critical to maintaining the Company's reputation. The Company has a consistent and proactive approach to risk management across operations globally aligned with ISO 31000:2009, as well as the ASX Principles and Recommendations.

7.1 DIVISION OF RESPONSIBILITIES BETWEEN THE BOARD AND MANAGEMENT

The Board is responsible for setting the Company's risk appetite. It is responsible for satisfying itself annually, or more frequently as required, that management has developed and implemented a sound system of risk management and internal control. Detailed work on this task is delegated to the Audit and Risk Committee and reviewed by the full Board.

Management implements the Board approved risk management framework and manages the Company's operations within the risk appetite set by the Board. It is responsible for identifying, managing, monitoring, mitigating and reporting on risks.

The Company's commitment to strong governance extends through to the approach taken to risk management systems and controls. The Company engages external advisors to support the ongoing optimisation of the Company's risk management framework which includes regular identification and assessment of key risks and controls (financial and non-financial) as well as strategies to appropriately manage risk across the Group.

7.2 AUDIT AND RISK COMMITTEE

The Audit and Risk Committee has a mandate from the Board to provide risk management oversight across material risks. The Audit and Risk Committee is responsible for ensuring there are adequate policies in relation to risk management, compliance and internal control systems. Details of the membership, charter and meetings of the Audit and Risk Committee are outlined in section 1.4 above.

The Audit and Risk Committee's responsibilities include:

- Considering all material risks of the Group
- Reviewing the Company's risk management framework
- Overseeing the processes for identifying, evaluating, monitoring and reporting of material operational, financial, compliance and strategic risks
- Reviewing the effectiveness of the Company risk management systems and internal controls.

The Audit and Risk Committee obtains regular reports from management, the external auditors and project teams (under its Charter) and has access to the Company's records, management, employees, external auditors and external advisors in fulfilling its responsibilities.

The Company has a Risk and Opportunity Management Policy which is available on the Company's website.

7.3 THE COMPANY'S RISK MANAGEMENT FRAMEWORK

The Company has an established risk management framework. The framework encompasses (among other matters) the risk governance structure across the Company, the risk strategy and appetite, risk culture and behaviours and supporting frameworks and processes governing risk identification, assessment, monitoring and reporting.

The Audit and Risk Committee reviews the Company's risk management framework annually. This review took place in FY19. The Audit and Risk Committee confirmed that it is satisfied that the Company's risk management framework and internal control systems are operating effectively for the management of material business risks within the risk appetite set by the Board. In accordance with the objective of continuous improvement, the Company, with the assistance of its external advisers, is currently undertaking a detailed review of its risk management framework, with a view to updating the framework to ensure that the Company's risk management framework and control systems align with best practice.

7.4 MANAGEMENT'S ROLE IN RISK MANAGEMENT

Management is responsible for developing, implementing and reporting on the Company's risk management and internal control systems. At management level, the risk management team is comprised of the Group Executives who report on new and emerging sources of risk and related controls and mitigation measures that have been implemented in their respective areas of responsibility to the Audit and Risk Committee through the Managing Director.

The Managing Director reports to the Audit and Risk Committee on the effectiveness of:

- the risk management and internal control system during the year; and
- the Company's management of its material business risks.

7.5 INTERNAL AUDIT

The Company does not currently have an internal audit function. As part of its review of the risk management framework, the Company has assessed this position and will establish an internal audit function in the 2020 financial year. To evaluate and continually improve the effectiveness of the Company's risk management and internal control processes, the Board relies on management's ongoing monitoring and reporting of material business risks at Board and Committee meetings.

2. Recognising and managing risk

7.6 EXPOSURE TO MATERIAL ECONOMIC, ENVIRONMENTAL AND SOCIAL SUSTAINABILITY RISKS

The Company is exposed to a range of market, financial, operational, and socio-political risks that could have an adverse effect on the Company's future performance. The nature and potential impact of these risks can change over time and vary in degree to the extent they can be controlled by the Company. The Company has a risk management framework in place with internal control systems to mitigate these key business risks. The Company's key business risks include, but are not limited to:

- Mining industry risks and competition
- Instability and security risks in countries that we operate in
- Sovereign risk
- Foreign exchange risk
- Labour costs and availability
- Health and safety risk
- Supply chain risk
- Regulatory risk
- Sustainability and climate change risk
- Digital and cyber risk
- Reputational risk
- Business continuity and uninsured risks.

Further information of the Company's materials business risks, including any material exposure to economic, environmental and social sustainability risks and how these are managed is set out on pages 31 to 35 of the Annual Report.

8. Remunerating fairly and responsibly

The Company aims to attract and retain high quality Directors and Group Executives.

The Board oversees Director remuneration arrangements and has established a People and Remuneration Committee to assist it in this regard.

8.1 PEOPLE AND REMUNERATION COMMITTEE

The People and Remuneration Committee assists the Board by reviewing and making recommendations to the Board on remuneration matters such as:

- the Group's remuneration structure, strategy and framework;
- Group Executives' remuneration and incentives;
- Management succession planning; and
- the Annual Remuneration Report.

The current People and Remuneration Committee Charter is available on the Company's website.

8.2 REMUNERATION POLICIES

The Company's remuneration policies are aimed at motivating senior executives to pursue the long-term growth and success of the Company, and demonstrating a clear relationship between performance and remuneration. No individual is directly involved in deciding his or her own remuneration. The Company's Securities Trading Policy provides that participants in equity-based remuneration plans are not permitted to enter into any transactions that would limit the economic risk of options or other unvested entitlements.

The structure of remuneration for Non-executive Directors is clearly distinguished from that of the Managing Director and Group Executive. Non-executive Directors are not entitled to any retirement benefits (other than those required pursuant to the Superannuation Guarantee Legislation) and are not eligible for performance-based remuneration.

Information regarding the Company's remuneration framework for the Directors and Group Executives is set out in the Remuneration Report of the Annual Report. The Remuneration Report includes a summary of Company policies and practices for determining the nature and amount of remuneration for Non-executive Directors and Group Executives, and the relationship between those policies and Company performance.

Shareholders are invited to consider and approve the Remuneration Report at each Annual General Meeting.

9. Inclusion and Diversity

The Company has a diverse workforce in various geographic locations around the world. Its workforce comprises employees from varied ethnic backgrounds, age groups and races, across all genders.

The Company aims to provide a work environment that promotes equal opportunity and diversity, allowing employees to reach their potential, in an environment that is free from discrimination, harassment and bullying. This is underpinned by the Diversity and Equal Opportunity Policy which is available on the Company's website.

In recognition of the need for focused attention on the inclusion and diversity agenda, during the reporting period the Board's previously established remuneration committee broadened its scope to form the People and Remuneration Committee. The People and Remuneration Committee is responsible for (amongst other things), the Group Inclusion and Diversity strategy and policy, overseeing compliance with equal opportunity and anti-discrimination legislation, and ensuring that the Company is able to attract and retain an inclusive and diverse selection of Directors, executives and employees.

In July 2019, the Company commenced a review of its existing diversity policy (the Diversity and Equal Opportunity Policy) and is in the process of developing a new Inclusion and Diversity Policy which aligns with the 4th Edition of the ASX Principles. This policy will be reviewed by the Board in 2019.

9.1 GENDER BALANCE

Whilst the Board did not establish any specific measurable objectives for achieving gender diversity during the reporting period (or have a diversity policy requiring such objectives to be set), the Company's approach to filling existing vacancies or new positions has been to apply general strategies which encourage diversity. This included recruiting from a diverse pool of candidates and identifying factors in recruitment and selection processes which encourage diversity, including offering flexible working arrangements and remuneration parity.

The Company is a relevant entity under the Workplace Gender Equality Act 2012 (Cth), and discloses its "Gender Equality Indicators" to the Workplace Gender Equality Agency (WGEA) annually. While the Company's Diversity and Equal Opportunity Policy did not include a requirement to assess the Company's diversity against any specified objectives during the reporting period, the Company uses the Gender Equality Indicators reported to WGEA to assess its progress in improving gender diversity. The Company's most recent report to the WGEA is available on the Company's website.

During the reporting period, there was a slight decrease in female participation rates across the Group, with 10% of the workforce identifying as female as at 30 June 2019. This decrease reflects the change in headcount and composition of the overall workforce following the acquisition of Barmenco. In terms of FTE there has been an increase in female numbers across all levels of the organisation.

Females represent 10% of the Group's overall employee pool within Australia. The following statistics outline the percentage of females employed throughout the Company, in Australia, at the end of FY18 and FY19.

Diversity % of Women	2019	2018
Board	17%	0% ¹
Group Executives ²	0%	11%
Managers ³	6%	7%
All Non Managers ⁴	10%	12%

¹ Subsequent to year end, Ms Alexandra Atkins was appointed as a Non-executive Director on 14 July 2018, resulting in the Board being 17% female

² Group Executives are defined as being Group Executive Team (i.e. CEO -1)

³ Managers are defined as Group Managers, Senior Managers and Other Managers combined (i.e. CEO -2, CEO -3 and CEO -4).

⁴ All Non-Managers as defined in WGEA Report

9.2 INDIGENOUS AFFAIRS

The Company promotes the involvement of Indigenous people in its operations both in Australia and Africa and is committed to offering Indigenous people meaningful and sustainable employment and providing support for them to build long term careers with the Company.

Across the Group's Australian operations, we actively engage with Traditional Owners to better understand how to effectively engage, attract and retain local indigenous people. We partner with various organisations (including learning/education institutions) to support the identification and on-boarding of prospective employees, specifically apprentices, trainees and mining staff. Through these partnerships, the Australian Underground business has achieved a 20% participation rate for indigenous employees in our 2019 Underground Apprentice Program.

Within the Group's African operations, our focus and approach to building capability in local communities has seen several of the Company's African employees now working on an expatriate basis for the Company in other African countries.



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