



PS&C Limited ACN 164 718 361 (Company)

Corporate Governance Statement

Last reviewed and adopted by the Board on 28th August 2019

PS+C

Corporate Governance Statement

PS&C Ltd and the board are committed to achieving and demonstrating the highest standards of corporate governance. The board continues to review the framework and practices to ensure they meet the interests of shareholders. The company and its controlled entities together are referred to as the group in this statement.

A description of the group's main corporate governance practices is set out below. The board has assessed PS&C's current practice against the ASX Corporate Governance Principles and Recommendation guidelines.

Principle 1 – Lay solid foundations for management and oversight

The Board is responsible for overall corporate governance of the group.

The role of the Board and delegation to management has been formalised in the Corporate Governance Charter which outlines the main corporate governance practices in place for the group and to which the Board and each Director are committed. The conduct of the Board is also governed by the Constitution, and where there is inconsistency with that document, the Constitution prevails to the extent of the inconsistency.

The Charter will be reviewed and amended from time to time as appropriate taking into consideration practical experience gained in operating as a listed company.

The Board's broad function is to chart strategy and set financial targets for the group, monitor the implementation and execution of strategy and performance against financial targets, appoint and oversee the performance of executive management, and generally to take an effective leadership role in relation to the group.

In appointing Directors to the board, potential candidates are to undergo appropriate checks as to the person's character, experience, education, criminal record and bankruptcy history. Shareholders are provided with all material information in PS&C's possession relevant to a decision on whether or not to elect or re-elect a Director. The terms and conditions of the appointment of all new members of the Board must be specified in a letter of appointment.

The Company Secretary is accountable directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board.



Corporate Governance Statement

The Chairman, with assistance from the Remuneration and Nomination Committee, annually assesses the performance of Directors and senior executives, and the Chairman's performance is assessed by the other Directors.

The Charter is available on the group's website at www.pscgroup.com.au/investors

PS&C has developed and adopted a Diversity Policy which requires the Directors to establish measurable objectives for achieving gender diversity, with the outcomes reported to the Workplace Gender Equality Agency. As at XX XXXX 2019, the gender diversity and aspirations were as follows:

Gender Diversity

Group	FY16 Actual % of Women	FY17 Actual % of Women	FY18 Actual % of Women	FY19 Actual % of Women	FY20 Target % of Women
Directors	33%	0%	0%	0%	25%
Executive Management Team	22%	14%	25%	20%	25%
Senior Management	40%	36%	38%	36%	50%
Total Workforce	21%	34%	26%	28%	34%

The Diversity Policy is available on the group's website.

PS&C considers it has measures in place for equal access and remuneration for positions.

Principle 2 – Structure the Board to add value

The group has a three-member board, of which the majority is independent. Together, the Directors have a broad range of experience, expertise, skills, qualifications and contacts relevant to the group and its business.

The Chairman Kevin McLaine is an independent non-executive Director.

The Group's CEO, Glenn Fielding is not the same individual as the Chairman.

A Remuneration and Nomination Committee has been established with its own Charter and consists of Kevin McLaine and Robert Hogeland. The Board



Corporate Governance Statement

considers that the technical skills, qualifications and experience represented by the involvement of these members are suited to the effective discharge of the responsibilities of the committee. PS&C does not consider that any further value will be added by the inclusion of another member (to make three members, as recommended by the Corporate Governance Council), particularly given the small size of the PS&C Board.

The group has established charter rules for the Remuneration and Nomination Committee as a guide for Board deliberations. The Remuneration and Nomination Committee Charter is available on the group's website.

A Director is considered independent when they substantially satisfy the test for independence as set out in applicable laws, rules and regulations (including the ASX Corporate Governance Recommendations).

The Board has undertaken a review of the mix of skills and experience on the Board in light of the group's principal activities and direction and has considered diversity in succession planning. The Board considers the current mix of skills and experience of members of the Board and its senior management is sufficient to meet the requirements of the group.

Directors are provided with (1) proper information in relation to the Company and any group company before accepting appointment, and a proper induction course on accepting appointment and (2) access to continuing education in relation to the Company extending to its business, the industry in which it operates, and generally information required by them to discharge the responsibilities of their office.

The Company has disclosed full details of its Directors in the Annual Report. The number of meetings of the Board and each Committee is detailed in PS&C's Directors' Report, within the Annual Report each year. Other disclosure material on the structure of the Board is available on the group's website.

Principle 3 – Promote ethical and responsible decision making

The group has adopted a code of conduct, within the Corporate Governance Charter. This code sets out a framework to enable Directors to achieve the highest possible standards in the discharge of their duties and to give a clear understanding of best practice in corporate governance.

In addition, a code of conduct for employees has been implemented which



Corporate Governance Statement

provides the framework of principles for conducting business and dealing with other employees, clients and suppliers. It also affirms the group's belief in responsible social and ethical behaviour from all employees.

Principle 4 – Safeguard integrity in financial reporting

The group has established an Audit and Risk Management Committee to assist and report to the Board.

The Audit and Risk Management Committee consists of Kevin McLaine and Robert Hogeland and is chaired by Kevin McLaine. The Board considers that the technical skills, qualifications and experience represented by the involvement of these members are suited to the effective discharge of the responsibilities of the committee. PS&C does not consider that any further value will be added by the inclusion of another member (to make three members, as recommended by the Corporate Governance Council), particularly given the small size of the PS&C.

The audit committee is not currently chaired by a person who is not Chairman of the board and the other member is not a non-executive director. The Company has recently had an unexpected director resignation and is actively endeavouring to appoint independent, non-executive directors to the board who will fill this position.

The Audit and Risk Committee has a formal charter.

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

The external auditors will be requested to attend the AGM and be available to answer questions by shareholders on the conduct of the audit and the preparation and content of the audit report.



Principles 5 & 6 – Make timely and balanced disclosure and respect the right of shareholders

PS&C has a continuous disclosure policy which is designed to ensure that all material matters are appropriately disclosed in a balanced and timely manner and in accordance with the requirements of the ASX Listing Rules.

PS&C has adopted a shareholder communications policy. The group aims to ensure that all shareholders are well informed of all major developments affecting the group and that the full participation by shareholders at the group's AGM is facilitated. PS&C encourages face-to-face participation at AGM's and shareholders have the option to receive communications from and send communications to PS&C, and its security register, electronically. Details are available on PS&C's website.

The Continuous Disclosure and External Communications Policy is available on the group's website.

Principle 7 - Recognise and manage risk

The Corporate Governance Charter and the Audit and Risk Management Committee Charter sets out processes and policies for the management of risk in PS&C's business. The Board must evaluate risks regularly and consider corrective action.

The Corporate Governance Charter and the Audit and Risk Management Committee Charter empowers the Audit and Risk Management Committee to support the group's business risk strategy.

The Board is responsible for the oversight and management of risk, including the identification of material business risks on an ongoing basis and will be assisted by the Audit and Risk Management Committee where required.

Management is responsible for establishing procedures to provide assurance to the Board that major business risks are identified, consistently assessed and appropriately addressed. PS&C does not currently have any material exposure to economic, environmental or social sustainability risks. The management team regularly report risks, at least annually, to the Board.

PS&C does not have an internal audit function due to the small size and minimal geographical spread of the group as well as a reasonably low level of complexity



Corporate Governance Statement

involved in systems and processes. This requirement will be reviewed by the Board annually.

The group's code of conduct requires the CEO and CFO to provide a statement to the Board with any financial report to the effect that the group's risk management and internal compliance and control systems are operating efficiently and effectively in all material respects.

Principle 8 – Remunerate fairly and responsibly

The Board has established a Remuneration and Nomination Committee to assist the Board to discharge its responsibilities in relation to remuneration and issues relevant to remuneration policies and practices, including those for senior management and non-executive Directors.

The Remuneration and Nomination Committee consists of Kevin McLaine and Robert Hogeland, and is chaired by Kevin McLaine. The role of the Remuneration and Nomination Committee is set out in this Committee's charter.

The group has adopted a remuneration policy which complies with the guidelines for executive remuneration packages and non-executive director remuneration. The group also has a Code of Conduct for Transactions in Securities that applies to Directors and relevant employees.

No senior executive is involved directly in deciding their own remuneration.

The Remuneration and Nomination Committee Charter and remuneration policy are available on the group's website.

Specific details on remuneration and incentive arrangements are detailed in the Remuneration Report in the Directors' Report as part of the Annual Report.



About PS+C Limited

We design and develop solutions that connect our clients with their customers, strengthen the security of their operations, streamline their processes and sharpen their competitive advantage.

Level 11, 410 Collins Street
Melbourne Australia 3000

hello@pscgroup.com.au
+61 3 9682 2699
www.pscgroup.com.au

