

CORPORATE GOVERNANCE STATEMENT (“STATEMENT”)

Issue Date: 21 September 2018

Introduction

Platinum Asset Management Limited ACN 050 064 287 (the “**Company**”) is a company listed on the Australian Securities Exchange (“**ASX**”).

The Company’s main corporate governance practices are set out below and, unless otherwise stated, were in place for the entire year. The Company has followed the ASX Corporate Governance Council’s *Corporate Governance Principles and Recommendations* 3rd edition (“**Governance Principles**”), except where indicated.

The Company and its controlled entities together are referred to as “the **Group**” in this Statement.

PRINCIPLE 1: Lay solid foundations for management and oversight

Recommendation 1.1 – A listed entity should disclose:

(a) the respective roles and responsibilities of its board and management; and

(b) those matters expressly reserved to the board and those delegated to management.

Roles and responsibilities of the Board

The Company’s Board of Directors (“**Board**”) has adopted a charter that details the functions and responsibilities of the Board (“**Charter**”).

The primary role of the Board as set forth in its charter is to promote the long-term health and prosperity of the Company.

Responsibilities of the Board

The principal responsibilities of the Board include:

- considering and approving the strategic direction of the Company;
- monitoring the performance and financial position of the Group;
- overseeing the integrity of the Group’s financial accounts and reporting and approving the Company’s accounting policies;
 - ensuring that significant risks to the Company are identified and that appropriate controls, monitoring and reporting mechanisms are put in place;
- reviewing reports and recommendations from any delegated committee of the board;

- approving the appointment and removal of the the Managing Director;
- approving the appointment and removal of the Chair, Directors, Company Secretary and committee members;
- setting the charters of the Board delegated committees;
- assessing the performance of the Board, its delegated committees and the Managing Director;
- ensuring that the Company operates in compliance with its constitution and its legal and regulatory obligations;
- ensuring that good corporate governance policies and practices are adopted;
- overseeing the establishment and implementation of appropriate remuneration policies, practices and disclosures with respect to the Group’s executive directors, other senior executives and the non-executive directors;
- developing and actioning Board succession plans and succession plans for the Group’s senior management;
- considering the diversity in the workplace; and
- considering and approving key policies of the Company.

The Chair is responsible for leading the Board, ensuring that the Board’s activities are organised and efficiently conducted, overseeing the processes and procedures in place to evaluate the performance of the Board, its committees and the Directors, and for facilitating effective discussions at Board meetings.

Responsibilities of Management

The Managing Director is responsible for the management and operation of the Company. Those powers not specifically reserved for the Board under its Charter, and which are required for the day to day management and operation of the Company, are conferred on the Managing Director.

The Managing Director of the Company is also the Managing Director of Platinum Investment Management Limited (“**Platinum**”), the investment manager of the Group. The Managing Director reports to the Board on the performance of Platinum. The Platinum board makes further delegations to the senior managers of each

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department within Platinum.

Recommendation 1.2 – A listed entity should:

(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and

(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director

Prior to appointing a director or putting forward a new candidate for election, employment screening checks are undertaken as to the person’s experience, education, and whether they have any criminal and/or bankruptcy history.

When presenting a director for re-election, the Company provides shareholders with details of the term of office currently served by the director together with the director’s independence status, and whether the Board supports the re-election.

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

The Company’s directors and senior executives have been engaged according to letters of appointment or employment contracts (as applicable).

Recommendation 1.4 – The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.

The company secretary is accountable to the Board, through the Chair, for all corporate governance matters.

Each director has unrestricted access to the company secretary.

The appointment and removal of the company secretary must be determined by the Board as a whole.

Recommendation 1.5 - A listed entity should:

(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity’s progress in achieving them;

(b) disclose that policy or a summary of it; and

(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity’s diversity policy and its progress towards achieving them, and either:

- 1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined “senior executive” for these purposes); or**
- 2) if the entity is a “relevant employer” under the Workplace Gender Equality Act, the entity’s most recent “Gender Equality Indicators”, as defined in and published under that Act.**

Diversity

The Group promotes a culture of equal opportunity and applies the principles of meritocracy, fairness, equality and contribution to commercial success at all levels within the Group. The Group recognises and values the blend of skills, perspectives, styles and attitudes available to the Group through a diverse workforce. Different perspectives in the investment selection process and stronger problem-solving capabilities flow from a diverse workforce.

The Group has in place a written diversity policy. Workplace diversity in this context includes, but is not limited to, gender, age, ethnicity, sexual orientation and cultural background.

Flexibility

The Group has in place a written policy on flexible working arrangements. Flexible working arrangements under the policy include, but are not limited to, flexible patterns of work (for example, job sharing) and flexible arrangements with respect to where a staff member works.

Senior executives are trained on how to assess and manage flexible working arrangements.

Recruitment

The Board is committed to utilising recruitment firms that have in place policies or processes designed to provide a diverse representation of candidates for open positions in

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the Group.

Hiring managers are required to include as part of the interview process (for vacant positions in the Group), a diversified group (including by gender) of candidates.

For vacant positions on the Board, the Company is also committed to including in the interview process, a diversified group of candidates.

Gender Diversity

The Group has developed a business-led approach, whereby directors and Platinum staff are appointed on merit regardless of gender, age, ethnicity and cultural background.

The Nomination and Remuneration Committee formally reviews salaries for pay equity to address gender pay gaps on an annual basis. The results of this review are reported annually to the Board.

Platinum’s Diversity Objectives

The Company’s measurable objectives for workplace diversity for 2018/19 are:

Objective	Initiative
Business strategy Build awareness of diversity and inclusion in the workplace.	Build ongoing awareness of diversity and inclusion across the business. Conduct regular meetings of the Diversity and Inclusion Committee with representatives from each business area.
Training and Mentoring Build awareness, and provide training and mentoring opportunities to employees across the organisation.	To build awareness and provide training and mentoring opportunities to all employees with the aim of bringing through the underlying potential of our people managers and their teams.
Remuneration Equitable pay.	To review annual salaries for pay equity and against prevailing market benchmarks for existing and new staff.
Flexibility Explore flexible work arrangements for employees.	To explore the provision of flexibility to all employees, where possible.

Objective	Initiative
Recruitment Ensure diversity and inclusion in the recruitment and selection practices.	Work to create candidate shortlists and an interview process that is inclusive of a diversified group of applicants. To partner with recruitment firms that select from diverse candidate pools and have in place a written diversity and inclusion policy or process with respect to their hiring practices, which demonstrates their ongoing commitment to meeting our diversity and inclusion objectives.

Diversity Statistics

Diversity Criteria	Platinum ¹	Australia
Women on the Board	33% (3 of 9)	25.6% ²
Women in senior executive positions	29% (2 of 7)	16.5% ³
Women in the workforce	30% (30 of 100)	46.9% ⁴
Women in line roles	20% (4 of 20)	29.7% ⁵
Women employed on a part-time basis	47% (14 of 30)	21.8% ⁶
Workforce over 55 years of age	7% (7 of 100)	16% ⁷
Workforce made up of people born outside of Australia	47% (47 of 100)	56% ⁸
Workforce made up of people with tertiary qualifications	83% (83 of 100)	31% ⁹

¹ This data is current as at 13 August 2018.

² Australian Institute of Company Directors, Board Diversity Statistics, 31 July 2018.

³ Workplace Gender Equality Agency (“WGEA”), Gender workplace statistics at a glance, February 2018.

⁴ WGEA, Gender workplace statistics at a glance, February 2018.

⁵ WGEA, Gender workplace statistics at a glance, February 2018.

⁶ WGEA, Gender workplace statistics at a glance, February 2018.

⁷ Australia Bureau of Statistics (“ABS”), Cat. 6291.0.55.001, Labour Force, Australia, Detailed, June 2018.

⁸ ABS, Cat. 2071.0, Census of Population and Housing: Reflecting Australia – Stories from the Census, 2016.

⁹ ABS, Cat. 6227.0, Education and Work, Australia, May 2017.

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Workforce made up of people identified as Aboriginal or Torres Strait Islander people	0% (0 of 100)	0.19% ¹⁰
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Recommendation 1.6 - A listed entity should:

(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and

(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.

Performance of the Board and directors

The Board's Charter requires:

- the Board to review its performance (at least annually) against previously agreed quantitative and qualitative indicators;
- the Chair of the Board to review each non-executive director's performance;
- a nominated independent director to review the Chair's performance; and
- the Board to undertake a formal annual review of its overall effectiveness, including its committees.

These assessments were undertaken for the year to 30 June 2018. .

Performance of the Committees

The Board has established an Audit, Risk and Compliance Committee as well as a Nomination and Remuneration Committee. The Board's charter requires the Board to undertake a formal annual review of the effectiveness of its committees. These reviews were undertaken by the Board for the year to 30 June 2018.

Recommendation 1.7 - A listed entity should:

(a) have and disclose a process for periodically evaluating the performance of its senior executives; and

(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that

process.

Annual performance reviews are performed for all staff of Platinum (including senior executives) providing an opportunity for a discussion of job performance and remuneration, goal setting and the identification of training needs.

These evaluations were undertaken for the year to 31 March 2018.

PRINCIPLE 2: Structure the Board to add value

Recommendation 2.1 - The board of a listed entity should:

(a) have a nomination committee which:

- (1) has at least three members, a majority of whom are independent directors; and**
- (2) is chaired by an independent director, and disclose**
- (3) the charter of the committee;**
- (4) the members of the committee; and**
- (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or**

(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.

Nomination and Remuneration Committee (NRC)

The Board has established a Nomination and Remuneration Committee (NRC).

The members of the NRC are: S Menzies (Chair), M Cole, A Loveridge, B Smith and T Trumper. All members of the NRC (including the Chair) are independent non-executive directors.

The NRC operates under an approved charter. The role of the NRC under its charter is to make recommendations to the Board on:

¹⁰ ABS, Cat. 2076.0, Census of Population and Housing: Characteristics of Aboriginal and Torres Strait Islander Australians, 2016.

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- the necessary and desirable skills and competencies of directors;
- the evaluation, selection, appointment and re-election of directors;
- Board succession plans;
- the development of a process for the evaluation of the performance of the Board, its committees and directors;
- the development and disclosure of the Platinum Group’s remuneration policies and framework;
- actual remuneration paid or proposed to be paid under these policies;
- the development of the Platinum Group’s recruitment, retention and termination policies;
- the development of the Platinum Group’s Diversity Policy; and
- the development and disclosure of the Platinum Group’s diversity objectives.

Ultimate responsibility for nomination, remuneration and diversity policies and practices rests with the Board.

Members of the NRC have access to Platinum’s officers and advisers and may consult independent experts, where the NRC considers it necessary to carry out its duties.

The attendance record at the NRC meetings is provided in the directors’ report.

Evaluation, Selection and Appointment of Directors

When making recommendations to the Board on the evaluation, selection, appointment and re-election of directors, the NRC considers amongst other things:

- the candidate’s competencies, qualifications and expertise and his/her fit with the current membership of the Board;
- the candidate’s knowledge of the industry in which the Company operates;
- directorships previously held by the candidate and his/her current commitments to other boards and companies;
- existing and previous relationships with the Company and the directors;
- the candidate’s independence status, including the term of office currently served by the director;
- the contribution to the aggregate Board skills;

- the current and desired diversity that the Board seeks in its membership;
- criminal record and bankruptcy history (for new candidates);
- requirements of the Corporations Act, ASX Listing Rules, the Company’s Constitution and other relevant Company policies.

The Board seeks to ensure that:

- its membership represents an appropriate balance between directors with investment management experience and directors with an alternative perspective; and
- the size of the Board is conducive to effective discussion and efficient decision-making.

Under the terms of the Company’s Constitution:

- an election of directors must be held at each Annual General Meeting and at least one director (but not the Managing Director) must retire from office; and
- each director (but not the Managing Director) must retire from office at the third Annual General Meeting following his/her last election.

Where eligible, a director may stand for re-election.

Remuneration Policies for Directors

Remuneration for the executive directors primarily consists of salary and discretionary performance incentives. Any equity-based remuneration for executive directors will be subject to shareholder approval, where required by the Corporations Act or ASX Listing Rules.

Remuneration for non-executive directors must not exceed in aggregate a maximum sum that shareholders fix in a general meeting. The current maximum aggregate amount fixed by shareholders is \$2 million per annum (including superannuation contributions). This amount was fixed by shareholders at the 10 April 2007 general meeting. The non-executive directors do not receive performance based incentive remuneration.

Executive and non-executive directors may also be reimbursed for their expenses properly incurred as directors.

Remuneration Practices

Remuneration paid to the executive and non-executive directors for the 2017/2018 reporting year is set out in the directors’ report.

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All remuneration proposals with respect to directors and Platinum staff are reviewed by the NRC, which makes recommendations to the Board for final approval.

The structure of remuneration for Platinum executive directors and Platinum staff consists of salary, compulsory contributions to superannuation funds and discretionary performance incentives. The remuneration of Platinum’s investment professionals for the 2017/2018 reporting year was determined by the Managing Director and the Chief Investment Officer of Platinum. The remuneration for Platinum’s senior operational staff for the 2017/2018 reporting year was determined by the relevant Platinum director and reviewed by Platinum’s Managing Director.

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

Board Skills Matrix

In August 2017, the Board commenced an assessment of its Board skills criteria and director evaluation process as part of its Board succession programme. Following that assessment, the Board formalised a revised board skills matrix in May 2018 and the incumbent directors’ collective skills and experience were assessed against this matrix. This assessment revealed certain gaps which the Board has since sought to address via the appointments of Ms Brigitte Smith on 31 March 2018, and Mr Tim Trumper on 1 August 2018.

The following table sets forth the key skills and experience identified by the Board as being most relevant to the needs of the Company and the extent to which they are collectively represented by the Board:

Skills/Experience	Board Representation
Portfolio Management	M
Financial Numeracy and Literacy	H
Legal and Corporate Governance	H
Risk and Compliance	H
Marketing and Brand (incl. digital)	M

Information Technology	M
Product Distribution	H
Shareholder Relations and Communications	H
Human Resource Management	M
CEO / Director Experience	H
Strategy Development and Implementation	H
Local Industry Experience	H
Strength of Network / Strength of Reputation	H
Overseas Industry Experience	M
Understanding of Broad Public Policy	H

In addition to the skills and experience outlined in the table, the Board considers that each Director has the following important behavioural attributes:

- team player/collaborator;
- willingness to challenge and probe;
- integrity;
- effective communication skills;
- effective listening skills;
- effective decision making skills;
- commitment to the role; and
- sound judgement.

Recommendation 2.3 - A listed entity should disclose:

(a) the names of the directors considered by the board to be independent directors;

(b) if a director has an interest, position, association or relationship of the type described in the notes to the Governance Principles but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in

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question and an explanation of why the board is of that opinion; and

(c) the length of service of each director.

Director Independence

The Board currently comprises nine directors: five *non-executive and independent directors*: Michael Cole, Anne Loveridge, Stephen Menzies, Brigitte Smith and Tim Trumper; and four *executive directors*: Kerr Neilson, Andrew Clifford, Elizabeth Norman and Andrew Stannard.

Details on the background, experience and professional skills of each director are set out in the directors’ report.

The Board regularly assesses the independence of each director. For this purpose, an independent director is a non-executive director who is free of any interest, position, association or relationship that could influence (or could reasonably be perceived to influence), in a material respect, the independent exercise of his/her judgement and the ability to act in the best interests of shareholders generally..

Directors must disclose any person or family contract or relationship in accordance with the *Corporations Act 2001* (Cth) (the “**Corporations Act**”). Directors also adhere to constraints on their participation and voting in relation to matters in which they may have an interest in accordance with the *Corporations Act* and the Company’s policies.

Each director may from time to time have personal dealings with the Company.

Details of offices held by directors with other organisations are set out in the directors’ report. Full details of related party dealings are set out in the notes to the Group’s accounts as required by law.

In assessing whether directors are independent, the Board takes into account (in addition to the matters set out above):

- the specific disclosures made by each director as referred to above;
- where applicable, the related party dealings referable to each director, noting whether those dealings are ‘material’;
- whether a director is (or is associated with) a substantial shareholder of the Company;

- whether the director has (within the last three years) been employed by the Group;
- whether the director has (within the last three years) been a partner, director or senior employee of a provider of material professional services to the Group;
- whether the director has (within the last three years) has been in a material business relationship (as a supplier or customer) with the Group, or an officer of, or otherwise associated with, someone with such a relationship; or
- whether the director has a material contractual relationship with the Group, other than as a director.

The Board also has regard to any other matters set out in the Governance Principles.

If a director’s independence status changes, this will be disclosed and explained to the market in a timely manner and in consideration of the Company’s communications policy.

Directors’ Length of Service

Details of the term of office held by each director in office as at the date of this Statement are as follows:

Director	Years on Board
Michael Cole	11
Anne Loveridge	1
Stephen Menzies	3
Brigitte Smith	<1 ¹¹
Tim Trumper	<1 ¹²
Kerr Neilson	11
Andrew Clifford	5
Elizabeth Norman	5
Andrew Stannard	3

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

The Board currently comprises of a majority of independent non-executive directors: five independent

¹¹ Brigitte Smith was appointed to the Board effective 31 March 2018

¹² Tim Trumper was appointed to the Board effective 1 August 2018

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non-executive directors and four executive directors.

Resolutions arising at Board meetings are decided by a majority of votes of the executive and non-executive directors present and voting. However, in all circumstances, a resolution will only be carried with the support of the majority of non-executive directors.

Recommendation 2.5 - The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.

The Chair of the Board is Michael Cole, an independent non-executive director and is not the CEO of the Company.

Recommendation 2.6 - A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.

New directors undergo an induction program, which includes meetings with Platinum’s management as well as the external auditor. New directors are provided with a director’s handbook of Company information, together with key policies and procedures.

The Board’s annual performance assessment provides an opportunity for all directors to identify required training, although directors can request professional development opportunities at any time. The Company will provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their roles as directors effectively.

PRINCIPLE 3: Act ethically and responsibly

Recommendation 3.1 - A listed entity should:

- (a) have a code of conduct for its directors, senior executives and employees; and**
- (b) disclose that code or a summary of it.**

Directors’ Code of Conduct

The Board has adopted a directors’ code of conduct, which is based upon the Australian Institute of Company Directors’ Code of Conduct. It requires the directors to act honestly, in good faith, and in the best interests of the

Company as a whole, whilst in accordance with the letter (and spirit) of the law. All directors sign an annual declaration stating that they have adhered to the directors’ code of conduct.

Trading in Company Securities

All directors and staff of the Group must comply with the Company’s securities trading policy. In summary, the policy prohibits trading in Company securities:

- when aware of unpublished price-sensitive information;
- from the first day of each calendar month until the next business day following the announcement of the Company’s monthly funds under management figure to the ASX;
- from 1 January (each year) until the next business day following the Company’s analyst briefing. The Company’s analyst briefing typically occurs on the next business day following the announcement of the half-yearly financial results of the Company to the ASX (usually around mid-February each year);
- from 1 July (each year) until the next business day following the Company’s analyst briefing. The Company’s analyst briefing typically occurs on the next business day following the announcement of the annual financial results of the Company to the ASX (usually around mid-August each year); and
- during any other black-out period, as determined by the Company’s Due Diligence Committee.

Business Rules of Conduct

Platinum’s business rules of conduct policy (“**BROC**”), applies to all staff of the Group. The BROC sets forth the appropriate standards of behaviour, provides a framework for how employees should act in the workplace, and informs staff of their responsibilities with respect to personal dealing, gifts and entertainment, legal and compliance matters, confidentiality and privacy, conflicts of interest and market trading activities.

Compliance is monitored by Platinum’s Compliance and Risk Department. All employees of the Group are required to sign an annual declaration confirming their compliance with the BROC.

PRINCIPLE 4: Safeguard integrity in corporate reporting

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Recommendation 4.1 - The board of a listed entity should:

(a) have an audit committee which:

(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and

(2) is chaired by an independent director, who is not the chair of the board,

and disclose:

(3) the charter of the committee;

(4) the relevant qualifications and experience of the members of the committee; and

(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or

(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.

Audit, Risk & Compliance Committee

The Board has established an Audit, Risk & Compliance Committee (the “ARCC”).

The ARCC has five members: A Loveridge (Chair), M Cole, S Menzies, B Smith and T Trumper. All members of the ARCC are independent non-executive directors.

The Audit, Risk & Compliance Committee operates under an approved charter.

The relevant qualifications and experience of the members of the ARCC are disclosed on the Company’s website at: <https://www.platinum.com.au/About-Platinum/PTM-Shareholders>

The purpose of the ARCC is to assist the Board in fulfilling its responsibilities. The ARCC’s key responsibilities are:

- serving as an independent and objective party to review the accounting practices and financial

information of the Group as reported by the Company to shareholders, regulators and exchanges (ASIC and ASX);

- ensuring a risk management framework is in place that identifies, evaluates, monitors and reports significant risks to the Group;
- considering the adequacy and effectiveness of the Group’s administrative, operating and accounting controls as a means of ensuring that the Company’s affairs are being conducted in compliance with legal, regulatory and policy requirements;
- overseeing and assessing the quality of audits conducted by the external auditor and by Platinum’s internal audit function;
- reviewing the Company’s corporate standards of behaviour; and
- maintaining (by scheduling regular meetings) open lines of communication between the Board, the external auditor and Platinum’s Chief Compliance Officer to exchange views and information, as well as confirm their respective responsibilities.

The ARCC has authority (within the scope of its responsibilities) to seek any information it requires from any Group employee or external party. Members may also meet with external auditor and Platinum’s Chief Compliance Officer without Platinum’s management present and consult independent experts, where considered necessary to carry out their duties.

All matters determined by the ARCC are submitted to the Board as recommendations for Board decisions. The Chair of the Committee provides an update on the matters discussed in the ARCC meeting at each subsequent Board meeting. Additional requirements for specific reporting by the ARCC to the Board are addressed in the ARCC’s charter.

The attendance record at ARCC meetings is provided in the directors’ report.

Company Auditor

The policy of the Board is to appoint an external auditor that clearly demonstrates competence and independence.

The performance of the external auditor is reviewed annually.

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PricewaterhouseCoopers was appointed as the external auditor to the Company in 2007. It is PricewaterhouseCoopers’ policy to rotate audit engagement partners on listed companies at least every five years. The most recent audit rotation commenced on 1 July 2015.

An analysis of fees paid to the external auditor, including a breakdown of fees for non-audit services, is provided in the directors’ report.

It is the policy of the external auditor to provide an annual declaration of its independence to the Audit, Risk & Compliance Committee.

Recommendation 4.2 - The board of a listed entity should, before it approves the entity’s financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

In respect of the year ended 30 June 2018, the CEO (the Managing Director) and the CFO (the Finance Director) have made the following certifications to the Board:

- the Company’s financial statements and notes present a true and fair view of the financial position and performance of the Group and are in accordance with relevant Accounting Standards and the *Corporations Act 2001 (Cth)* and *Corporations Regulations 2001 (Cth)*;
- the above statement is founded on a sound system of risk management and internal compliance and control that, in all material respects, implements the policies adopted by the Board; and
- the Company’s risk management and internal compliance and control systems are designed and implemented to effectively manage the Group’s material business risks.

Recommendation 4.3 - A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.

The external auditor is required to attend the Company’s annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor’s report.

PRINCIPLE 5: Make timely and balanced disclosure

Recommendation 5.1 - A listed entity should:

(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and

(b) disclose that policy or a summary of it.

The Company has a continuous disclosure policy.

The Board is committed to:

- the promotion of investor confidence by ensuring that trading in Company shares takes place in an efficient, competitive and informed market;
- complying with the Company’s continuous disclosure obligations under the ASX Listing Rules and the *Corporations Act 2001 (Cth)*; and
- ensuring the Company’s stakeholders have the opportunity to access externally available information issued by the Company.

The Company has established a Due Diligence Committee which is chaired by the company secretary and is responsible for implementing and overseeing compliance with the Company’s continuous disclosure policy.

PRINCIPLE 6: Respect the rights of security holders

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

Company policies, charters and codes referred to in this Statement are provided in the ‘Shareholder Information - Corporate Governance’ section of the Company’s website at <https://www.platinum.com.au/> (“**Company’s website**”).

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

The Board has adopted a shareholder communications policy that describes the Board’s policy for ensuring that

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shareholders and potential investors of the Company receive or obtain access to information publicly released by the Company. The Company’s primary portals are its website, annual report, annual general meeting, half-yearly financial report, notices to the ASX, analyst briefings and ASX releases on the website.

The shareholder communications policy further outlines details of the annual general meeting of members, typically in November each year. Shareholders are encouraged to attend the meeting, or if unable to attend, to vote on the motions proposed by appointing a proxy.

Platinum’s Director of Investor Services and Communications is responsible for shareholder communications generally and all media related dealings.

Recommendation 6.3 - A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.

The Company holds an annual general meeting (“AGM”) of shareholders in November each year.

The Company will choose a date, venue and time considered convenient to the greatest number of its shareholders.

A notice of meeting will be accompanied by explanatory notes on the items of business and together they will seek to clearly and accurately explain the nature of the business of the meeting. A copy of the notice of meeting will be placed on the Company’s website.

Shareholders are encouraged to attend the meeting, or if unable to attend, to vote on the motions proposed by appointing a proxy. The proxy form included with the notice of meeting will seek to explain clearly how the proxy form is to be completed and submitted.

Recommendation 6.4 - A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.

The Company provides its security holders with an electronic communication option.

PRINCIPLE 7: Recognise and manage risk

Recommendation 7.1 – The board of a listed entity

should:

(a) have a committee or committees to oversee risk, each of which:

(1) has at least three members, a majority of whom are independent directors; and

(2) is chaired by an independent director,

and disclose:

(3) the charter of the committee;

(4) the members of the committee; and

(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or

(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity’s risk management framework.

The Board, through the Audit, Risk & Compliance Committee, is responsible for ensuring that:

- there are effective systems in place to identify, assess, monitor and manage the risks of the Group; and
- internal controls and arrangements are adequate for monitoring compliance with laws and regulations applicable to the Group, including those of foreign jurisdictions in which the Group carries on business.

The Group has implemented risk management and compliance frameworks based on AS/NZS ISO 31000:2009 *Risk Management - Principles and Guidelines* and AS 3806-2006 *Compliance Programs*. These frameworks (together with the Group’s internal audit function) ensure that:

- emphasis is placed on maintaining a strong control environment;
- accountability and delegations of authority are clearly identified;
- risk profiles are in place and regularly reviewed and updated;
- timely and accurate reporting is provided to management and respective committees; and
- compliance with the laws (applicable to the Group)

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and the Group’s policies (including Platinum’s business rules of conduct policy) is communicated and demonstrated.

Platinum’s management reports periodically to the Audit, Risk & Compliance Committee on the effectiveness of the Group’s risk management and compliance framework.

Recommendation 7.2 - The board or a committee of the board should:

(a) review the entity’s risk management framework at least annually to satisfy itself that it continues to be sound; and

(b) disclose, in relation to each reporting period, whether such a review has taken place.

The Audit, Risk & Compliance Committee reviews the Company’s risk management framework at least annually. A review has taken place during the period and the Committee is satisfied that the framework remains sound.

Recommendation 7.3 - A listed entity should disclose:

(a) if it has an internal audit function, how the function is structured and what role it performs; or

(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.

The Group has an internal audit function performed by Platinum’s Compliance and Risk Department. Platinum’s Chief Compliance Officer has a reporting line to the Chair of Audit, Risk & Compliance Committee.

Platinum’s Compliance and Risk Department is responsible for reviewing the higher risk areas of the Group and for the development of testing programs to give assurance over the operation of the Group’s internal control framework.

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

The Company discloses its exposures to material sustainability risks - economic, environmental and social

in the Corporate Responsibility and Sustainability section on the Company’s website at: <https://www.platinum.com.au/About-Platinum/PTM-Shareholders>

PRINCIPLE 8: Remunerate fairly and responsibly

Recommendation 8.1 - The board of a listed entity should:

(a) have a remuneration committee which:

(1) has at least three members, a majority of whom are independent directors; and

(2) is chaired by an independent director, and disclose:

(3) the charter of the committee;

(4) the members of the committee; and

(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or

(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.

Refer to response for Recommendation 2.1.

Recommendation 8.2 - A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.

Refer to response for Recommendation 2.1.

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

(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and

(b) disclose that policy or a summary of it.

Directors and Platinum staff who receive equity-based

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remuneration are prohibited from entering into hedging transactions in products that limit the economic risk (i.e. the equity price risk) of participating in unvested entitlements.