

CORPORATE GOVERNANCE STATEMENT (“STATEMENT”)

Issue Date: 11 September 2018

Introduction

Platinum Asia investments Limited ABN 13 606 647 358 (the “**Company**”) is a listed investment company on the Australian Securities Exchange (“**ASX**”). The objective of the Company is to seek long-term capital growth by investing in undervalued companies in the Asia ex-Japan region. The Company has appointed Platinum Investment Management Limited ABN 25 063 565 006 AFSL 221935, trading as Platinum Asset Management (“**Platinum**”), as its investment manager (“**Investment Manager**”) and administrator (“**Administrator**”).

The Company has three non-executive directors (“**Non-Executive Directors**”) and a company secretary (“**Company Secretary**”). It has no executive directors, employees, premises, plant and equipment, or other physical assets. The Company’s investment activities are undertaken by Platinum in accordance with the investment management agreement between the Investment Manager and the Company (“**Investment Management Agreement**”). The Company’s day-to-day affairs are managed by Platinum in accordance with the administrative services agreement between the Administrator and the Company (“**Administrative Services Agreement**”).

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.

Company policies, charters and codes referred to in this Statement are provided on the Company’s website at <http://www.platinumasia.com.au/>.

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.

Role of management

Not applicable – the Company does not have any management and instead outsources investment management and administration services to Platinum.

Role of the Board

The Board has adopted a charter that details the functions and responsibilities of the Board.

The role of the Company’s Board of Directors (“**Board**”, each director of the Board herein referred to as a “**Director**”) is to promote the long-term health and prosperity of the Company.

Responsibilities of the Board

The principal responsibilities of the Board include:

- monitoring the financial position and performance of the Company;
- ensuring the appointed Investment Manager and Administrator are performing their duties in a skilful and diligent manner, employ qualified and experienced staff and operate in accordance with appropriate risk monitoring and compliance procedures;
- overseeing and monitoring Platinum’s compliance with the terms of the Investment Management Agreement and Administrative Services Agreement;
- ensuring the Company operates in compliance with its legal and regulatory environment and good corporate governance practices are adopted;
- identifying the principal risks faced by the Company and ensuring that appropriate control and monitoring systems are in place to manage the impact of these risks;
- overseeing the integrity of the financial accounts and reporting;
- overseeing communications and reporting to shareholders;

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- appointing the Chair and Board and the delegated committee members; and
- setting the charters of the delegated committees of the Board.

Access to Information and Independent Advice

All Directors have unrestricted access to the Company’s records and information and to the management of the Investment Manager and Administrator.

The Investment Manager and Administrator provide regular information and reporting to the Board as well as upon request.

The Board’s Charter provides that the Directors may seek independent professional advice at the Company’s expense, after first notifying the Chair. The Chair will review the estimated costs for reasonableness, but will not impede the seeking of advice.

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 Non-Executive Directors have been engaged according to letters of appointment.

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.**

The Company’s approach to business promotes a culture of equal opportunity and has the core principles of meritocracy based on ability, fairness and equality. The Company does not discriminate on gender, race, religion or cultural grounds.

As the Company has no full time employees and given the size of the Board, a diversity policy has not been

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established. The Board’s composition is reviewed on an annual basis. In the event a vacancy exists, the Board will include diversity as part of its selection process. Ms Margaret Towers was appointed to the Board on 31 March 2018 to replace Mr Bruce Coleman.

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.

The Board’s Charter requires the Board to review its performance (at least annually) against previously agreed measurable and qualitative indicators.

The Board Charter requires the Board to undertake a formal annual review of its overall effectiveness, including its committees.

The Board reviews its performance in the context of the Company’s objectives, results and the achievements of the Investment Manager and Administrator. The Board ensures each Director has the necessary skills, experience and expertise, and the mix remains appropriate for the Board to function effectively. As a result of these performance reviews, the Board may implement changes to improve the effectiveness of the Board and corporate governance structures. Independent professional advice may be sought as part of this process.

The Board undertook a review of its performance and that of its committees during the year.

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.

Not applicable – the Company does not have any senior executives.

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.

Given the size and purpose of the Company, the Board considers a nomination committee is not warranted. The full Board considers the issues that would otherwise be a function of a nomination committee.

The Board considers an appropriate mix of skills, experience, expertise and the diversity of the Board (including gender diversity).

When evaluating, selecting and appointing Directors, the Board considers:

- the candidate’s competencies, qualifications and expertise, addition to diversity of the Board, and the candidate’s fit with the current membership of the Board;

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- 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 Directors;
- the candidate’s independence status, including the term of office currently served by the Director;
- criminal record and bankruptcy history (for new candidates);
- the need for a majority or equal balance on the Board; and
- requirements of the *Corporations Act 2001* (Cth), ASX Listing Rules, the Company’s Constitution and 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 (if appointed)) must retire from office; and
- each Director (but not the Managing Director (if appointed)) must retire from office at the third annual general meeting following his/her last election.

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

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

Skill & Experience	Board Representation ¹
Investment Management	70%
Finance	100%
Legal and Regulatory	100%
Product Distribution	40%
Shareholder Relations and Communications	70%
Risk Management	100%
Technology	70%

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

(c) the length of service of each director.

Refer to Recommendation 2.4

¹ Percentage represented by the Directors on the Board

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

Structure of the Board

The Board currently comprises three Non-Executive Directors: Margaret Towers (Chair), Malcolm Halstead and Ian Hunter.

Details of the background, experience and professional skills of each Director are set out in the Directors’ report. Margaret Towers is a non-independent, Non-Executive Director. The other Non-Executive Directors of the Company, Malcolm Halstead and Ian Hunter, have been assessed as independent.

An independent Director is a Non-Executive Director that the Board considers to be independent of Platinum’s management and free of any business or other relationship that could materially interfere with, or could reasonably be perceived to interfere with, the exercise of unfettered and independent judgement.

The Board regularly assesses the independence of each Director by taking into account the factors outlined below:

- the specific disclosures made by each Director as referred to below;
- where applicable, the related party dealings referable to each Director, noting whether those dealings are material under accounting standards;
- whether a Director is, or is associated directly with, a substantial shareholder of the Company;
- whether the Director has ever been employed by the Company or any of its subsidiaries;
- whether the Director is, or is associated with, a supplier, professional adviser, consultant to or customer of the Company, which is material under accounting standards;
- whether the Director personally carries on any role for the Company other than as a Director of the Company; and
- the length of service of the Director and whether his/her tenure is affecting the Director’s ability to

continue to perform his/her duties in the best interests of the Company and its shareholders.

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

Directors must disclose any material personal or family contract or relationship in accordance with the *Corporations Act 2001* (Cth). 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 2001* (Cth) and the Company’s policies.

Each Director may from time to time have personal dealings with the Company. Some Directors are involved with other companies or professional firms that may from time to time have 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 notes to the Company’s accounts as required by law.

If a Director’s independent status changes, this will be disclosed and explained to the market in a timely manner and in consideration of the Company’s Shareholder Communications Policy.

Materiality

The Board determines ‘materiality’ on both a quantitative and qualitative basis. An item that either affects the Company’s net assets by approximately 0.5% or affects the Company’s distributable income in a forecast period by more than approximately 5% of the Company’s net profit before tax, is likely to be material. However, these quantitative measures must be supplemented with a qualitative examination. The facts (at the time) and the context in which the item arises will influence the determination of materiality.

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:

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Director	Years on Board
Margaret Towers	<1 (appointed on 31 March 2018)
Ian Hunter	3
Malcolm Halstead	3

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 not independent. However, the Chair of the Board is a Non-Executive Director and the majority of the Board are independent. The Board values the experience, cross-directorships and the product and industry knowledge of the Non-Executive Directors. The Board believes good governance is about having the right culture, and Non-Executive Directors who are independent of thought.

The Chair is responsible for leadership of the Board and for the efficient organisation and conduct of the Board's functioning. The Chair facilitates the effective contribution of all Directors and promotes constructive and respectful relations between Directors and between the Board and Platinum's management.

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 and are provided with a Directors' Handbook of Company information, key policies and procedures.

The annual performance assessment provides an opportunity for all Directors to identify required training although Directors can request professional development opportunities at any time.

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.

Business Rules of Conduct

The Investment Manager and Administrator, Platinum, has established Business Rules of Conduct applicable to its executive Directors and all staff. It communicates the appropriate standards of behaviour, provides a framework for the workplace, and informs staff of their responsibilities with respect to legal, compliance, confidentiality, privacy, conflicts of interest, investment activities and operational processes.

All new employees of the Investment Manager and Administrator receive induction training in relation to the Business Rules of Conduct and all employees are asked to sign an annual declaration confirming their ongoing compliance.

Compliance is monitored by the Compliance team of the Investment Manager and Administrator.

The Directors' Code of Conduct and other matters associated with corporate governance are posted on the Company's website at <http://www.platinumasia.com.au/>.

PRINCIPLE 4: Safeguard integrity in corporate reporting

Recommendation 4.1 - The board of a listed entity should:

(a) have an audit committee which:

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(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 “**Committee**”).

The Audit, Risk & Compliance Committee has three members: Ian Hunter (Chair), Margaret Towers and Malcolm Halstead.

All members of the Audit, Risk & Compliance Committee are Non-Executive Directors. The majority of the Committee are independent as is the Chair of the Committee.

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

The Audit, Risk & Compliance Committee has authority (within the scope of its responsibilities) to seek any information it requires from any employee of the Investment Manager and Administrator or any external party. Members may also meet with the external auditor and/or Platinum’s Chief Compliance Officer without Platinum’s management present and consult

independent experts, where the Audit, Risk & Compliance Committee considers it necessary to carry out its duties.

All matters determined by the Audit, Risk & Compliance Committee are submitted to the full Board as recommendations for Board decisions. The Chair of the Committee provides an update on the matters discussed in the Committee meeting at each subsequent Board meeting. Additional requirements for specific reporting by the Audit, Risk & Compliance Committee to the Board are addressed in the Committee charter.

The purpose of the Audit, Risk & Compliance Committee is to assist the Board in fulfilling its responsibilities relating to the financial reporting and accounting practices of the Company.

Its key responsibilities are to:

- review and recommend to the Board the financial statements (including key financial and accounting principles adopted by the Company);
- review and monitor risks and the implementation of mitigation measures for those risks as appropriate;
- assess and recommend to the Board the appointment of external auditors and monitor the conduct of audits;
- monitor the Company’s compliance with its statutory obligations;
- review and monitor the adequacy of management information and internal control systems; and
- ensure that any shareholder queries relating to such matters are dealt with expeditiously.

The attendance record at Audit, Risk & Compliance Committee 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 and applications for tender of external audit services are requested as deemed appropriate, taking

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into consideration assessment of performance, existing value and tender costs.

PricewaterhouseCoopers was appointed as the external auditor to the Company in 1994. 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 2017.

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.

The Company is an investment company and does not have a CEO or CFO. The Company’s investment activities and day-to-day affairs are undertaken and managed by the Company’s Investment Manager and Administrator, Platinum. Before the Board approves the Company’s financial statements, it receives declarations of two Directors (including the Finance Director) of Platinum that, in their opinion, the financial records of the Company 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 Company, and that their opinion has been formed on the basis of a sound risk management system and internal controls which are operating effectively.

In respect of the year ended 30 June 2018, Platinum’s two Directors have made the following certifications to the Board:

- the Company’s financial reports are complete and present a true and fair view, in all material respects, of the financial condition and operational results of the Company and are in accordance with relevant Accounting Standards; and
- the above statement is founded on a sound system of risk management and internal compliance and control that implements the policies adopted by the Board and that the Company’s risk management and internal compliance and control system is operating efficiently and effectively in all material respects.

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

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- ensuring the Company’s stakeholders have the opportunity to access externally available information issued by the Company.

The Company Secretary is responsible for coordinating the disclosure of information to ASIC, the ASX and shareholders and ensuring that any notifications/reports to the ASX are promptly posted on the Company’s website.

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.

Information about the Company and its corporate governance items are posted on the Company’s website at <http://www.platinumasia.com.au/>.

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 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 report, quarterly investment report and monthly and weekly notices to the ASX.

The Company Secretary oversees and coordinates the distribution of all information by the Company to the ASX, shareholders, the media and the public.

All shareholders have the opportunity to attend the annual general meeting and ask questions of the Board.

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 October/November each year. The date, time and venue of the AGM are notified to the ASX

when the financial reports are lodged, generally in August 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

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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 adequate policies for the oversight and management of material business risks to the Company;
- there are effective systems in place to identify, assess, monitor and manage the risks of the Company and to identify material changes to the Company’s risk profile; and
- arrangements are adequate for monitoring compliance with laws and regulations applicable to the Company.

The Board’s appointed Investment Manager and Administrator, Platinum, has implemented risk management and compliance frameworks based on ISO 31000:2009 *Risk Management - Principles and Guidelines* and AS 3806-2006 *Compliance Programs*. These frameworks (together with Platinum’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 the Board and the Audit, Risk & Compliance Committee; and
- compliance with the law, regulations, contractual obligations and internal policies is communicated and demonstrated.

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 Company is an investment company and has three Non-Executive Directors, no employees and has no internal audit function. The Chief Compliance Officer of the Investment Manager and Administrator provides periodic reports to the Audit, Risk & Compliance Committee on risk management and internal control processes relevant to the Company.

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 the exposures to the material sustainability risks (economic, environmental and social) of the Investment Manager in the Corporate Responsibility and Sustainability section of the Investment Manager’s website at <http://www.platinum.com.au/>.

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:

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(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.

Given the size of the Company the Board has determined that a remuneration committee is not warranted. The full Board considers the issues that would otherwise be a function of a remuneration committee.

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.

Remuneration Policies

Remuneration for the Non-Executive Directors is set at market rates commensurate with the responsibilities borne by the Non-Executive Directors. Independent professional advice may be sought.

Further information is provided in the remuneration report set out in the Directors’ report.

Remuneration Paid

Remuneration paid to the Non-Executive Directors for the 2017/2018 reporting year is set out in the Directors’ report.

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.

Not applicable - the Company’s Non-Executive Directors do not receive any equity-based remuneration.