



Austin Engineering Limited

ACN 078 480 136

FY2019 Corporate Governance Statement

Austin Engineering Limited

This Corporate Governance Statement outlines Austin's governance framework. Austin is committed to ensuring that its policies and practices reflect the highest standard of corporate governance.

The Board recognises that good corporate governance is essential to creating long-term shareholder value, supported by the Austin Values:

- **Safety** – Safety is the cornerstone of Austin's business and no work is ever too urgent or too important that we cannot take time to do it safely.
- **Integrity** – We conduct our business in accordance with the highest standards of professional behaviour and ethics.
- **Quality** – We always strive to excel and set higher benchmarks
- **Commitment** – We follow through with our promises.
- **Accountability** – We are responsible for our actions and results
- **Teamwork** – Together we make the difference.

These values serve to guide all our decisions, from the top down. The values are supported by our governance framework and underpin our corporate culture.

Throughout FY2019, Austin's governance arrangements were consistent with the Corporate Governance Principles and Recommendations (3rd edition) published by the ASX Corporate Governance Council (the ASX Principles and Recommendations).

The Board continually reviews governance within Austin to ensure that our arrangements are appropriate in light of changing expectations and general developments in good corporate governance.

In accordance with the ASX Corporate Governance Principles and Recommendations (3rd edition), the Austin policies referred to in this statement have been posted to the corporate governance section of Austin's website: www.austineng.com

This Corporate Governance Statement is current as at 30 June 2019 and has been approved by the Board of Austin Engineering Limited.

The Board and its role

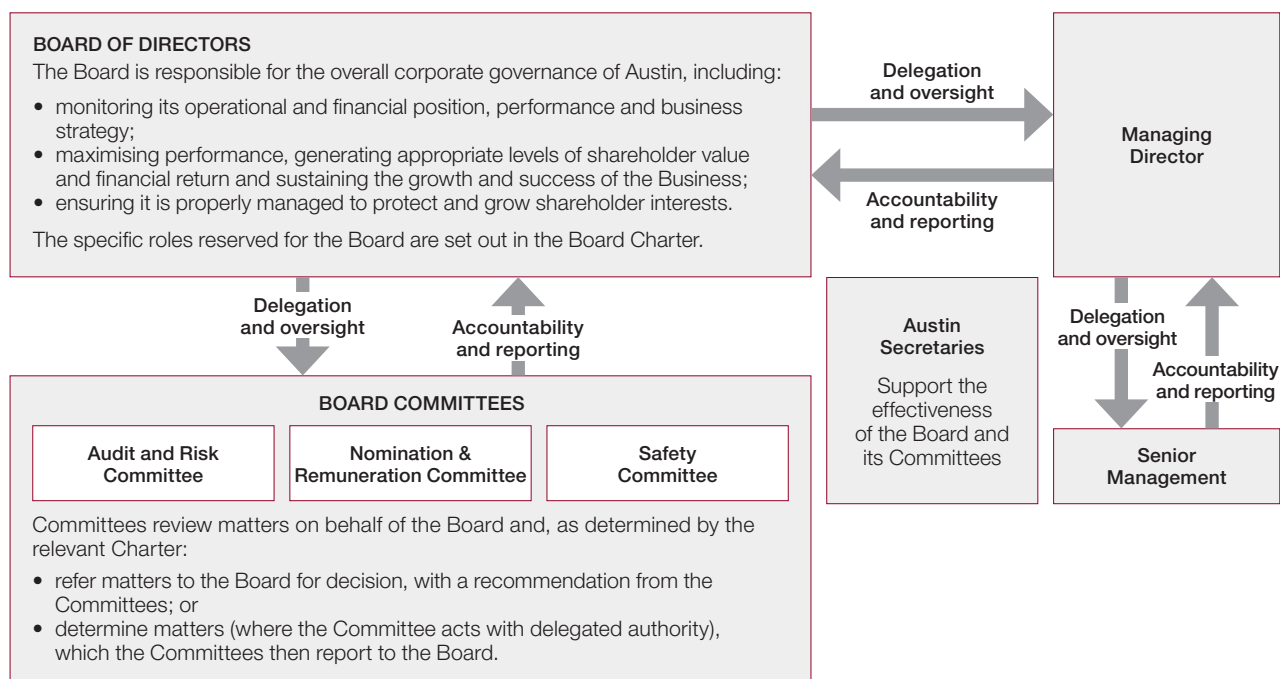
Responsibilities of the Board

Directors are accountable to shareholders for Austin's performance and governance. The Board has delegated to the Managing Director and, through the Managing Director, to other senior executives, responsibility for the day-to-day management of Austin's affairs and implementation of Austin's strategy and policy initiatives.

The Managing Director and other senior executives have written agreements in place which set out their

terms of appointment, and all executives operate in accordance with Board approved policies and standards as well as Austin's delegation of authority.

The diagram below summarises Austin's governance framework in accordance with the Board Charter, Audit & Risk Committee Charter, Nomination & Remuneration Committee Charter and Safety Committee Charter.



Composition of the Board

Membership

The above diagram illustrates the composition of the Board at 30 June 2019. As announced on 15 April 2019, the Board appointed David Singleton as an Independent Non-Executive Director. Austin's Constitution provides that there will be a minimum of three Directors.

The Board of Directors comprises of four Non-Executive Directors (including the Chairman) and one Executive Director, being the Managing Director. The roles of the Chairman and Managing Director are not exercised by the same individual.

Chairman's appointment and responsibilities

The Board elects the Chairman from the Non-Executive Independent Directors. The Chairman leads the Board and is responsible for the efficient organisation and effective functioning of the Board, ensuring that Directors have the opportunity to contribute to Board deliberations. The Chairman regularly communicates with the Managing Director to review key issues and performance trends.

Skills and diversity of the Board

Matters relating to Board and Board Committee composition are considered by the Nomination & Remuneration Committee in accordance with the framework set out in the Nomination & Remuneration Committee Charter and through processes implemented by the Board.

The Board actively seeks to ensure that it has the appropriate balance of skills, knowledge, experience, independence and diversity on the Board.

To assist in identifying areas of focus and maintaining an appropriate and diverse mix in its membership, the Board utilises a skills matrix which is reviewed by the Nomination & Remuneration Committee on a regular basis. It is an important, but not the only, basis of criteria applying to Board appointments. When the Board reviews the skills matrix, the Board looks to ensure that it covers the skills needed to address existing and emerging business and governance issues.

The Board has identified the following skills and experience comprised in the current Board, and that the Board will continue to maintain and build on, including:

- Related industry experience (mining services industry sector)
- Corporate strategy (setting and reviewing organisational strategy, organic growth and merger and acquisition opportunities)
- Health and safety (implementing workplace health and safety measures, proactive identification and prevention of health and safety risks)
- Financial acumen (knowledge of accounting and reporting processes, financial and capital management strategies and corporate finance issues)
- Leadership (driving engagement and enablement, strategic workforce planning and leading organisational change)
- Remuneration (executive scorecard setting, incentive arrangements and executive remuneration).

The Board aspires to have a Board comprised of individuals with diverse experience and expertise and takes these requirements into account when making Director appointments.

By way of example, the Board identified building on their existing experience in manufacturing, procurement and operations, both in Australia and internationally, as key areas to consider in its composition. On 15 April 2019, it was announced that David Singleton would join the Board as Independent Non-Executive Director. Mr Singleton brings extensive Australian and international experience in the key areas mentioned, which contribute to the Board's skills and diversity.

The Board benefits from the combination of Directors' individual skills, experience and expertise in particular areas, as well as the varying perspectives and insights that arise from the interaction of Directors with diverse backgrounds.

The experience and expertise of each Director are set out in the Austin Engineering Limited Annual Report.

Director independence

The Board has assessed the independence of each of the Non-Executive Directors (including the Chairman) in light of their interests, positions, associations and relationships, and considers each of them to be independent. The criteria considered in assessing the independence of Non-Executive Directors include that the Director:

- is not a substantial shareholder of Austin or an officer of, or otherwise associated directly with, a substantial shareholder;
- is not employed, or has not previously been employed, in an executive capacity by Austin or, if the Director has been previously employed in an executive capacity, there has been a period of at least three years between ceasing such employment and serving on the Board;
- has not within the last three years been a partner, director or senior employee of a provider of material professional services to Austin;
- has not been within the last three years in a material business relationship (i.e. as a supplier or client) with Austin, or an officer of or otherwise associated with someone with such a relationship;
- has no material contractual relationship with Austin other than as a Director;
- does not have close family ties with any person who falls within any of the categories described above; or
- has not been a Director of Austin for such a period that his or her independence may have been compromised.

It is considered that none of the interests of Directors (or the interests of persons with whom Directors have close family ties) with other organisations having a business relationship with Austin could materially interfere with the ability of those Directors to act in Austin's best interests.

Accordingly, all of the Non-Executive Directors (including the Chairman) are considered independent.

Tenure

Under Austin's Constitution, and as required by the ASX Listing Rules, a Director must not hold office (without re-election) past three years following that Director's last election. Retiring Directors are eligible for re-election. When a vacancy is filled by the Board during a year, the new Director must stand for election at the next Annual General Meeting. The requirements relating to retirement from office do not apply to the Managing Director of Austin.

The length of service of each current Director is set out in the Annual Report, and shows that the Board is well served with an appropriate and diverse mix of tenure.

The Board does not regard nominations for re-election as being automatic but rather as being based on the individual performance of Directors and the needs of Austin. Before the business to be conducted at the Annual General Meeting is finalised, the Board discusses the performance of Directors standing for re-election in the absence of those Directors. Each Director's suitability for re-election is considered on a case-by-case basis, having regard to individual performance. Tenure is just one of the many factors that the Board considers when assessing the independence and ongoing contribution of a Director.

Induction and training

Management, with the Board, provides an orientation program for new Directors. The program includes:

- briefings from executives and management, including detailed introductions to Austin's business and strategy implementation, history, culture, industry and key risks and opportunities;
- an introduction to Austin's regulatory environment (including legal duties and responsibilities of Austin Directors, and accounting matters where the Director requests additional background); and
- the provision of induction materials such as the Strategic Plan, governance charters and policies.

Austin also supports continuing education for Directors to continue to develop their professional skills. This is considered regularly in light of emerging business and governance issues relevant to Austin. The Board also receives appropriate briefings on material developments in laws, regulations and accounting standards relevant to Austin.

Succession planning

Board succession planning, and the progressive and orderly renewal of Board membership, are an important part of the governance process. The Board's policy for the selection, appointment and re-appointment of Directors is to ensure that the Board possesses an appropriate range of skills, experience and expertise to enable the Board to carry out its responsibilities effectively.

As part of the appointment process, Directors consider Board renewal and succession plans, and whether the Board is of a size and composition that is conducive to making appropriate decisions.

The non-executive Directors meet on a regular basis without management present in a forum intended to allow for open discussion, including in relation to Board and management performance.

Process	Explanation
Board review	<ul style="list-style-type: none"> The appointment of Directors follows a process during which the full Board assesses the necessary and desirable competencies of potential candidates and considers a number of candidates before deciding on the most suitable candidate for appointment. The selection process includes obtaining background checks on candidates and assistance from an external consultant, where appropriate, to identify and assess suitable candidates. Background checks are conducted before appointing a Director and putting forward a candidate to shareholders. These checks include the candidate's experience, education, criminal record and bankruptcy history, and reference checks. Candidates identified as being suitable are interviewed by a number of Directors. Confirmation is sought from prospective Directors that they would have sufficient time to fulfil their duties as a Director.
Nomination & Remuneration Committee recommendation	<ul style="list-style-type: none"> The Nomination & Remuneration Committee has responsibility for making recommendations to the Board on matters such as succession plans for the Board, suitable candidates for appointment to the Board, Board induction and Board evaluation procedures.
Appointment	<ul style="list-style-type: none"> At the time of appointment of a new Non-Executive Director, the key terms and conditions relative to that person's appointment, the Board's responsibilities and Austin's expectations of a Director are set out in a letter of appointment. All current Directors have been provided with a letter confirming their terms of appointment.
Shareholder communications	<ul style="list-style-type: none"> When candidates are submitted to shareholders for election or re-election, Austin includes in the notice of meeting all information in its possession that is material to the decision whether to elect or re-elect the candidate.

Conflicts of interest

In accordance with Austin's Constitution and the Corporations Act 2001 (Cth) (Corporations Act), Directors are required to declare the nature of any interest they have in business to be dealt with by the Board. Except as permitted by the Corporations Act, Directors with a material personal interest in a matter being considered by the Board may not be present when the matter is being considered and may not vote on the matter.

Access to information, independent advice and indemnification

After consultation with the Chairman, Directors may seek independent professional advice, in furtherance of their duties, at Austin's expense. Directors also have access to members of senior management at any time to request relevant information.

The Company Secretaries, who are accountable to the Board through the Chairman, provide advice and support to the Board and are responsible for all matters to do with the proper functioning of the Board.

Board Committees

The membership, qualifications and experience of each Committee member are set out in the Annual Report and the details of the number of Committee meetings Directors attended during the reporting period are set out in the Directors' Report.

Open lines of communication exist between all of Austin's Board Committees. This is intended to prevent any 'gaps' in risk oversight and to maintain a broader picture of Austin's risk profile.

Audit & Risk Committee

Composition and role

The Audit & Risk Committee has a formal Charter which sets out its role and responsibilities, composition, structure and membership requirements. Its responsibilities include review and oversight of:

- the external reporting obligations to shareholders and the public;
- the integrity and quality of Austin's financial statements and disclosures as performed by external audit;
- the systems and processes that the Board and management have established to identify and manage areas of significant risk as well as the effectiveness of Austin's risk management and internal control framework; and
- the nature and extent of related party transactions.

The Committee has the necessary power and resources to meet its responsibilities under its Charter, including rights of access to management and auditors, and to seek explanations and additional information.

Accounting and financial control policies and procedures have been established, and are monitored by the Committee to ensure that the financial reports and other records are accurate and reliable. Any new accounting policies are reviewed by the Committee. Compliance with these procedures and policies and limits of authority delegated by the Board to management are subject to review by the external auditors.

When considering the yearly and half yearly financial reports, the Audit & Risk Committee reviews the carrying value of assets, provisions and other accounting issues. The external auditors report to the Committee as appropriate on the outcome of their audits and the quality of controls throughout Austin. As part of its powers, the Audit & Risk Committee may meet with the external auditors, in the absence of the Managing Director and the Chief Financial Officer.

Responsibilities in relation to external audit

Austin's external auditor is BDO. At least annually, as occurred in FY2019, the Audit & Risk Committee reviews the scope of the external audit and evaluates the quality of the performance, the effectiveness and the independence of the external auditor.

If circumstances arise where it becomes necessary to replace the external auditor, the Audit & Risk Committee will formalise a process for the selection and appointment of a new auditor, and recommend to the Board the external auditor to be appointed to fill the vacancy.

The Audit & Risk Committee monitors procedures to ensure the rotation of external audit engagement partners every five years as required by the Corporations Act.

The Audit & Risk Committee has approved a process for the monitoring and reporting of non-audit work to be undertaken by the external auditor. The type of services of the external auditor which are prohibited because they have the potential, or appear, to impair independence include the participation in activities normally undertaken by management and where the external auditor would be required to review their work as part of the audit.

The Independence Declaration by the external auditor is included in the Annual Report.

Safety Committee

Composition and role

The Safety Committee has a formal Charter which sets out its role and responsibilities, composition and structure. The Committee's responsibilities include the review and monitoring of:

- the Group's strategy for occupational health and management's plans to improve safety performance;
- the effectiveness of the Group's policies, systems and governance structure for identifying and managing safety risks which are material to the Group;
- the policies and systems within the Group for ensuring compliance with applicable legal and regulatory requirements associated with safety matters; and
- the adequacy of the Group's systems for reporting actual or potential accidents, breaches and significant incidents, and review of investigations and remedial actions in respect of any significant incident.

In performing its role, the Committee seeks to support the activities of Management and enhance the OH&S culture of the Group

Nomination & Remuneration Committee

Composition and role

The Nomination & Remuneration Committee has a formal Charter which sets out its role and responsibilities, composition, structure and membership requirements. The Committee's responsibilities include reviewing, advising and making recommendations to the Board on:

- Austin's remuneration framework (including incentive policies and practices, remuneration arrangements for the Managing Director and the Managing Director's direct reports);
- identification and recommendation of suitable candidates for appointment to the Board;
- the Board skills matrix;
- succession planning policy and approach generally, and the succession plan for the Managing Director in particular;
- developing and implementing procedures for the Board's periodic evaluation of its performance and the endorsement of retiring Directors seeking re-election; and
- Board induction and the provision of appropriate training and development opportunities for Directors as required.

The Committee makes recommendations to the full Board on remuneration arrangements for the Managing Director and senior executives and, as appropriate, on other aspects arising from its functions.

Part of the role of the Remuneration & Nomination Committee is to advise the Board on the remuneration policies and practices for Austin generally and the remuneration arrangements for senior executives.

Performance evaluation and remuneration

Performance evaluation process

The evaluation encompasses a review of the structure and operation of the Board, the skills and characteristics required by the Board to maximise its effectiveness and whether the blending of skills, experience and expertise and the Board's practices and procedures are appropriate for the present and future needs of Austin.

An evaluation of the performance of the Board, its Committees and individual Directors took place in FY2019 and the Board formally review the performance of the Managing Director.

The criteria assessed are both qualitative and quantitative, and include profit performance, other financial measures, safety performance, financial and non-financial risk identification and management, and strategic actions.

Further details on the assessment criteria for Managing Director and senior executive remuneration (including equity-based plans) are set out in the Remuneration Report, which forms part of the Annual Report.

The performance of senior executives is reviewed annually against appropriate measures as part of Austin's performance management system, which is in place for all managers and staff. The system includes processes for the setting of objectives and the annual assessment of performance against strategic and operational objectives.

The Managing Director presents the outcomes of those reviews to the Board through the Nomination & Remuneration Committee. The Nomination & Remuneration Committee serves the Board in an advisory and investigative role.

Remuneration

Remuneration of Non-Executive Directors

The remuneration of the Non-Executive Directors is fixed. The Non-Executive Directors do not receive any options, at risk remuneration or other performance-related incentives, nor are there any schemes for retirement benefits for Non-Executive Directors.

The remuneration arrangements for Non-Executive Directors are distinct from the arrangements for senior executives.

Remuneration of senior executives

Austin's remuneration practices for senior executives, including the Managing Director, are designed to attract, motivate and retain high quality people. The policy is built around principles that:

- executive rewards be competitive in the markets in which Austin operates;
- executive remuneration has an appropriate balance of fixed and at risk reward;
- remuneration be linked to Austin's performance and the creation of shareholder value;
- at risk remuneration for executives has both short- and long- term components; and
- a significant proportion of executive reward be dependent upon performance assessed against key business measures.

These principles ensure that the level and composition of remuneration is sufficient and reasonable and that its relationship to corporate and individual performance is defined.

Further information relating to the remuneration of the Non-Executive Directors and senior executives is set out in the Directors Report in the Austin Engineering Annual Report.

Austin policies and risk framework

Risk identification and management

The Board (through the Audit & Risk Committee) is responsible for satisfying itself that a sound system of risk oversight and management exists and that internal controls are effective.

In particular, the Board seeks assurance that:

- the principal strategic, operational, financial reporting and compliance risks are identified; and
- systems are in place to assess, manage, monitor and report on these risks and that these systems are rigorously tested to ensure that they are operating effectively at all stages of the risk management cycle.

The managers of Austin's businesses are responsible for identifying and managing risks. Under supervision of the Board, management is responsible for designing and implementing risk management and internal control systems to manage Austin's material business risks. This comprises:

- the identification of core strategic, operational, financial and compliance risks;
- the identification and monitoring of emerging business risks; and
- assessment, monitoring and mitigation of identified risks.

On at least an annual basis, the Global Governance and IT Manager facilitates a formal bottom-up, organisation-wide risk management process with the business. Outcomes are shared with the Audit & Risk Committee and Management. The process is governed centrally through Austin's enterprise risk management standard and directed by policies and procedures within functional areas such as Finance, Occupational Health & Safety, Business Development and Marketing, Operations, Information Technology and Governance.

Austin's senior management has reported to the Board (through the Audit & Risk Committee) on the effectiveness of the management of the material business risks faced by Austin during FY2019. The Audit & Risk Committee has reviewed the risk management framework and is satisfied that it continues to be sound.

Internal audit

Austin does not have an internal audit function. Given Austin's current size and nature of its operations, the Board considers it appropriate to engage external advisors (independent of the external auditor) as appropriate from time to time, to undertake various tasks that an internal audit function would perform.

Austin did not engage an external auditor during the period to undertake any internal audit activities.

The Board receives a written assurance from the Managing Director and Chief Financial Officer, that to the best of their knowledge and belief, the declaration provided by them in accordance with section 295A of the Corporations Act 2001 is founded on a sound system of risk management and internal control, and that system is operating effectively in relation to financial reporting risks.

Risk profile

Austin designs and manufactures customised off-highway truck bodies, buckets and ancillary products used in the mining industry. These activities expose Austin, directly and indirectly to environmental, social and economic sustainability risks, that may materially impact Austin's ability to create or preserve value for shareholders over the short, medium and long term.

Details regarding our approach to managing risks are contained in the Operational Review, Financial Review and Risk Management sections of the Annual Report. These explain Austin's exposure to key risk areas and how the exposures within the risk areas are managed.

Managing Director and Chief Financial Officer declaration

The Managing Director and the Chief Financial Officer give a declaration to the Board, before the Board resolves that the Directors' Declaration accompanying the full year and half year financial statements be signed, that in their opinion, Austin's financial records have been properly maintained, and the financial reports comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of Austin, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

The Managing Director and the Chief Financial Officer gave this declaration to the Directors for the full year ended 30 June 2019.

Compliance with laws and policies

Austin has adopted policies to monitor compliance with occupational health, safety, environment, anti-corruption and bribery, competition and consumer laws throughout the jurisdictions in which it operates.

There are also procedures providing employees with alternative means to usual management communication lines through which to raise concerns relating to suspected illegal or unethical conduct. Austin believes that whistleblowing can be an appropriate means to protect Austin and individuals, and to ensure that operations are conducted within the law.

There are ongoing programs for the continuous review of all Austin's operations to ensure regulatory compliance. Austin also has staff to monitor and advise on workplace health and safety.

Austin also has a Global Governance and IT Manager tasked with achieving compliance within Austin through collaboration across all functional areas. Given the multi-disciplinary nature of the compliance effort within Austin, there is close collaboration between external assurance providers, consultants including legal counsel and the Global Governance and IT Manager.

Conduct and ethics

Austin's management guidelines include the Code of Conduct and other guidelines and policies which set out legal and ethical standards for all employees.

The Code and related guidelines and policies guide all employees as to the practices necessary to maintain confidence in Austin's integrity, and as to the responsibility and accountability of individuals for reporting, and investigating reports of unethical practices. The Code also guides compliance with legal and other obligations to stakeholders.

Employees are provided with training on the expected standards of behaviour, Austin's Values and compliance with the Code of Conduct. Compliance with the Code is monitored by senior management, and the Board is notified of material breaches. The Board reviews the Code regularly, and at least every three years.

Austin's Code of Conduct is available on Austin's website.

Diversity at Austin

Diversity at Austin is led by the Managing Director, with the support of the Board overseeing the strategy and plan initiatives and progress on diversity objectives.

Management is responsible for implementing initiatives throughout the businesses to achieve the Group's diversity objectives, and more generally to reinforce Austin's commitment to fostering an inclusive and supportive workplace in accordance with the principles outlined in the Diversity Policy.

Austin is committed to promoting equality within its culture and believes this is vital for developing and maintaining a high performing and positive workplace. Austin strives to reinforce the values of respect, equality, teamwork, innovation and accountability. Diversity is a consideration that forms part of Austin's long term commercial success and strategy.

Austin's commitment to diversity will make it stronger and deliver benefits, including diversity of thought, improved business performance, enhanced service delivery and increased employee attraction, retention, motivation and satisfaction.

At 30 June 2019, female employees represented approximately 9.7% (2018: 9.1%) of the total workforce. A significant proportion of Austin's wider operations centre around medium to heavy engineering activities in workshop environments that require trade qualifications such as boiler making, welding and fabrication. Participating rates of women in these trades are low. Austin's policy is to provide opportunities for women wherever possible through internal promotion and external recruitment across all levels.

Diversity – Measurable objectives for FY2019

Objectives	Initiatives to facilitate achievement of the objective	Status of the objective at 30 June 2019	Status of the objective at 30 June 2018
Maintain current level of participation of women in operations (employees excluding those in finance and administration)	Equal employment treatment is to be given without regard to gender.	4.7%	3.8%
At least maintain current level of participation by women in corporate services (employees in finance and administration)	Equal employment treatment is to be given without regard to gender.	44.9%	47.3%
Increase the number of women on the Board by 2020	Equal employment treatment is to be given without regard to gender.	0%	0%

A copy of the Diversity Policy is available on Austin's website.

Dealings in Austin shares

Under Austin's Securities Trading Policy, trading in Austin shares by Directors, senior executives and other designated employees and their close associates is prohibited at all times outside the **permitted trading periods** in this table:

Event/ASX Announcement	Permitted Trading Period
Announcement to ASX of full year results	The 6 week period after the day of the announcement
Announcement to ASX of half year results	The 6 week period after the day of the announcement
Annual general meeting	The 6 week period after the day of the annual general meeting
Release of a document offering ANG Securities (eg prospectus or cleansing notice)	While the offer remains open for acceptance

The Board may vary the prohibited periods from time to time by providing notice (written or electronic) to all Restricted Persons.

Directors, Employees and Consultants of the Austin Group are prohibited from:

- engaging in hedging arrangements, deal in derivatives or enter into other arrangements which limit the economic risk related to the Company's Securities and/or
- engaging in any margin lending or Austin's Securities lending arrangements or granting a security interest, mortgage, charge, lien or other encumbrance over Austin's Securities and/or
- 'short term' (less than 90 days) or speculative trading in Austin Securities or in financial products associated with Austin Securities; or short selling Austin Securities.

Breaches of the Policy are treated seriously and may lead to disciplinary action being taken against the executive, including dismissal. Trading in Austin shares at any time is subject to the overriding prohibition on trading while in possession of inside information.

[Austin's Securities Trading Policy is available on Austin's website.](#)

Continuous disclosure

Austin appreciates the importance of timely and adequate disclosure to the market. It is committed to making timely and balanced disclosure of all material matters, and maintaining effective communication with its shareholders and investors so as to give them ready access to balanced and understandable information.

Austin has in place mechanisms designed to ensure compliance with all relevant disclosure laws and ASX Listing Rule requirements under the Continuous Disclosure Policy adopted by the Board. These mechanisms also ensure accountability at a senior executive level for that compliance.

The Managing Director, the Chief Financial Officer and the Joint Company Secretaries are responsible for determining whether or not information is required to be disclosed to the ASX. Announcements relating to significant matters, such as results, guidance to the market, major acquisitions or divestments, or other corporate matters which involve significant financial or reputational risk, are referred to the Board for approval, prior to being released.

[Austin's Continuous Disclosure Policy is available on Austin's website.](#)

Communications with shareholders

Austin's policy is to promote effective two-way communication with shareholders and other investors so that they understand Austin's business, governance, financial performance and prospects, as well as how to assess relevant information about Austin and its corporate activities.

Investor relations

- To encourage two-way communication, the Managing Director and Chief Financial Officer and share registry can be contacted directly by shareholders by telephone or electronically via email. The links to these contacts are available on the Austin website at www.austineng.com

Annual reporting

- Shareholders may elect to receive annual reports electronically or to receive notifications via email when reports are available online. Hard copy annual reports are provided to those shareholders who elect to receive them.

Austin announcements

- All formal reporting and Austin announcements made to the ASX are published on Austin's website after confirmation of lodgment has been received from the ASX. Furthermore, Austin has an email list of investors, analysts and other interested parties who are sent relevant announcements via email alert after those announcements have been lodged with the ASX.

Annual General Meeting

- Shareholders are invited, at the time of receiving the Notice of Meeting, to put forward questions that they would like addressed at the Annual General Meeting.
- At the Annual General Meeting, shareholders have a reasonable opportunity to ask the external auditor questions in relation to the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by Austin in relation to the preparation of the financial statements of Austin, and the independence of the external auditor in relation to the conduct of the audit.

Austin's Communications with Shareholders policy is available on Austin's website.

Conclusion

While the Board is satisfied with its level of compliance with governance requirements, it recognises that practices and procedures can always be improved. Accordingly, the corporate governance framework of Austin will be kept under review to take account of changing standards and regulations.