

## **MALIBU BOATS, INC.**

### **CORPORATE GOVERNANCE PRINCIPLES**

The Board of Directors (the “Board”) of Malibu Boats, Inc. (the “Company”) has adopted the following principles of corporate governance (“Principles”). These Principles, together with the charters of Board committees and the Company’s other corporate governance documents and practices provide the basis for governance of the Company. These Principles address the Board’s governance role and functions and should be interpreted in the context of all applicable laws and the Company’s Certificate of Incorporation, Bylaws and other corporate governance documents.

The Board will review these Principles on an annual basis or more often if deemed necessary.

#### **Role of the Board of Directors**

The Board is elected by the Company’s stockholders to, among other things, select, advise, counsel and monitor the performance of the leadership team, select and oversee the Company’s Chief Executive Officer (the “CEO”), assist in defining the policies, direction and goals of the Company, provide an effective corporate governance framework for the Company and seek to advance the long-term interests of the Company’s stockholders. The Board is the ultimate decision-making body of the Company, except with respect to those matters reserved to or shared with the stockholders. In all actions taken by the Board, members of the Board (“Directors”) are expected to exercise their informed business judgment, act in good faith and with the belief that the action taken will serve the best interests of the Company.

#### **Director Selection and Qualifications**

A class of Directors is elected each year by the Company’s stockholders at the annual meeting of the stockholders. The Nominating and Governance Committee will consider written nominations from stockholders of the Company for Director nominees that are made in accordance with the Company’s Bylaws and applicable law.

The Nominating and Governance Committee shall review the qualifications of prospective candidates to determine whether they will make good candidates for membership on the Board. This consideration will include, at a minimum, a review of the prospective candidate’s character, judgment, experience, expertise, age, diversity, independence under applicable law and freedom from other conflicts, as well as other factors that the Nominating and Governance Committee may deem relevant in light of the needs of the Board and the Company and that are in the best interests of the Company, including relevant experience, the ability to dedicate sufficient time, energy and attention to performance of Board duties, financial expertise, experience with a company in the powerboat or recreational products industry and existing relationships within target industries or political circles that may benefit the Company, whether the prospective candidate is a director-selected prospective candidate or a stockholder-recommended prospective candidate. One or more of the Directors must qualify as an “audit committee financial expert,” as defined under applicable rules and regulations of the Securities and Exchange Commission (“SEC”). The Nominating and Governance Committee shall retain the right to modify these qualifications from time to time. The Nominating and Governance Committee will select qualified candidates and recommend those candidates to the Board, and the Board will then decide if it will invite the candidate(s) to be a nominee(s) for election at the annual meeting of stockholders.

## **Director Independence**

Except as permitted by any applicable exceptions, a majority of the Board's members shall satisfy the independent requirements under the applicable rules of The Nasdaq Stock Market ("Nasdaq") or the rules of any other securities exchange on which the Company's shares are listed.

## **Transactions Affecting Director Independence**

Without the prior approval of a majority of disinterested members of the full Board and, if required by Nasdaq rules, the Audit Committee of the Board, the Company will not make significant charitable contributions to organizations in which a Director or a family member of the Director is affiliated, enter into consulting contracts with (or otherwise provide indirect forms of compensation to) a Director, or enter into any relationships or transactions (other than service as a Director and Board committee member) between the Company and the Director (or any business or nonprofit entity or organization in which the Director is a general partner, controlling stockholder, officer, manager or trustee, or materially financially interested). Notwithstanding the foregoing, to the extent required to comply with SEC rules or regulations, no member of the Audit Committee will be an affiliated person of the Company or receive any direct or indirect compensation from the Company other than for service as a Director and on committees on which the individual serves.

## **Director Compensation**

The form and amount of Director compensation and benefits shall be determined by the Compensation Committee of the Board and then recommended to the full Board. In discharging this duty, the Compensation Committee shall be guided by three goals: (1) compensation should fairly pay Directors for work required given the size and scope of the Company and its business; (2) compensation should align the interests of the Directors with the long-term interests of stockholders; and (3) the structure of the compensation should be simple, transparent and easy for stockholders to understand. Directors that are also employees of the Company shall not be paid additional compensation for their service as Directors.

## **Meetings of the Board**

The Board shall hold regularly scheduled meetings at least four times a year. The Chair of the Board shall set the agenda for Board meetings, but any Director may suggest items for inclusion on the agenda of any meeting. Board agendas may be supplemented and issues not listed on a meeting agenda may be raised, at any time, at a meeting by any member of the Board.

Each Director is expected to attend Board meetings, the annual meeting of the Company's stockholders and the meetings of any committee on which the Director serves. Further, Directors are expected to ask questions and engage in discussion at such meetings and spend the time needed to properly discharge his or her duties as a Director.

## **Regular Meetings of the Independent Directors**

The independent Directors (as defined in accordance with applicable rules of Nasdaq) of the Board (the "Independent Directors") shall meet in executive session, without members of the Company's management present, on a regular basis but at least once each year. One of the Independent Directors shall serve as the presiding Director at each meeting of the Independent Directors.

### **Length of Board Service**

In accordance with the Company's Certificate of Incorporation, Directors are elected to serve a term of three years. To ensure that the Board remains composed of highly functioning members, the Nominating and Governance Committee shall evaluate the performance of each existing Director every year before recommending his or her nomination for an additional term to the Board.

The Board does not believe that arbitrary term limits on Directors' service are appropriate, nor does it believe that Directors should expect to be re-nominated each appropriate term. To ensure that the Board remains composed of highly functioning members, the Nominating and Governance Committee shall evaluate the performance of existing Directors before recommending to the Board its nomination for additional terms as Directors.

At the time the office of CEO becomes vacant, the person who most recently held such office immediately prior to such vacancy shall be deemed to have simultaneously submitted his or her resignation from the Board. Similarly, any Director (other than the CEO) employed by the Company who ceases to be employed by the Company for any reason shall be deemed to have simultaneously submitted his or her resignation from the Board. Whether the CEO or other employee continues to serve on the Board is a matter for discussion at that time with the new CEO, if applicable, and the Board. In addition, when a Director (other than the CEO or other employee of the Company) undergoes any significant change in his or her professional circumstances, including a change in his or her principal job responsibilities, he or she shall promptly notify the Board and the Nominating and Governance Committee. The Board does not believe any Director (other than the CEO or other employee of the Company) who experiences such a change in circumstances should necessarily leave the Board or any committee thereof; however, there should be an opportunity for the Board, through the Nominating and Governance Committee, to review the continued appropriateness of Board membership under these circumstances.

### **Directors' Commitment**

Directors must be willing to devote sufficient time, energy and attention to carrying out their duties and responsibilities to the Company and the Board effectively. A Director who also serves as a senior officer of a company or in equivalent positions should not serve on more than two other boards of public companies (or private, not-for-profit or service organization boards that are deemed by the Board to be equivalent) in addition to the Board, and other Directors should not serve on more than four other boards of public companies (or private, not-for-profit or service organization boards that are deemed by the Board to be equivalent) in addition to the Board. The CEO should not serve on more than one other board of a public company (or private, not-for-profit or service organization boards that are deemed by the Board to be equivalent) in addition to the Board.

### **CEO Selection**

The Board shall select the CEO. Professional skill, experience and integrity, as well as the ability to work effectively as a team-member, among other things, are important factors in the selection of the Company's CEO.

### **Annual Review of CEO**

To ensure that the CEO is providing the best leadership for the Company, the Compensation Committee will define a review process, which will include a full Board evaluation of the CEO on an

annual basis. The Compensation Committee shall consider this evaluation when it sets the CEO's compensation.

### **Officers of the Company**

The Board believes that the CEO should have the authority to select and supervise the executive officers of the Company. The Board will, however, provide counsel and oversight with respect to the evaluation, development and compensation of the Company's executive officers.

### **Succession Plan**

The Compensation Committee, together with the CEO, shall maintain a succession plan for the CEO and leadership team. This plan shall be discussed with the full Board at least annually.

### **Director Access to Officers, Employees and Information**

Directors shall have full and free access to the Company's officers, employees, books and records. Independent Directors are encouraged to contact executive officers or senior managers of the Company for any information. At the invitation of the Board, members of the leadership team may attend Board meetings or portions thereof for the purpose of participating in discussions. Any Director may request the attendance at a Board meeting of any member of the Company's management.

In discharging responsibilities as a Director, a Director is entitled to rely in good faith on reports or other information provided by Company management, independent auditors and other persons as to matters the Director reasonably believes to be within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Company.

### **Access to Independent Advisors**

The Board and its committees shall have the right at any time to retain independent outside financial, legal or other advisors at the Company's expense.

### **Committees of the Board**

The Board currently has the following standing committees: Audit; Compensation; and Nominating and Governance. Although the Board believes that this committee structure best serves the Company's current needs, the Board may establish additional committees when it deems necessary or appropriate. Each committee's membership shall be in accordance with such committee's charter. Management Directors may not be members of standing committees.

Each standing committee of the Board shall have a charter. Each committee charter shall set forth such committee's purpose, composition, responsibilities and authority. The Chair of each committee shall determine the frequency of committee meetings consistent with the committee's charter and the Company's needs.

### **Selection of Committee Members and Rotation of Committee Chairs**

The Nominating and Governance Committee shall propose a list of committee assignments to the Board at the first meeting of the Board following each annual meeting of the stockholders of the Company. The Board will consider appropriate changes in committee Chairs from time to time as needed.

## **Annual Board and Committee Evaluations**

The Nominating and Governance Committee shall lead an annual evaluation of the Board, and each committee shall lead an annual self-evaluation. The evaluations will be designed to assess whether the Board and its committees function effectively and make valuable contributions to the Company. The evaluations will focus on the contributions made to the Company by the Board, the standing committees of the Board and the Directors and specifically focus on areas in which improvements could be made.

## **Conduct and Conflicts of Interest**

The Board expects its members, as well as the Company's officers and employees, to be committed to the highest standards of honest, ethical and legal behavior. The Company's Code of Business Conduct provides guidance to all Directors, officers and employees in this regard. Each Director, officer and employee must certify, in writing, that he or she has read, understands and will adhere to the Code of Business Conduct. Any waiver of the Company's Code of Business Conduct or Code of Ethics for Senior Financial Officers and Chief Executive Officer may be made only by the Board to the extent necessary and warranted and shall be promptly disclosed to the extent required by law or regulation of any applicable securities exchange or market.

Directors and officers of the Company shall avoid conflicts of interest with the Company. If an actual or potential conflict of interest arises for a Director, the Director shall promptly inform the Chair of the Board. If an actual or potential conflict of interest arises for the Chair of the Board, the Chair of the Board shall promptly inform the Chair of the Audit Committee. If a significant conflict exists and cannot be resolved, the Director shall resign. All Directors shall recuse themselves from any discussion or decision affecting their personal, business or professional interests. The Board shall resolve any conflict of interest question involving a Director or the CEO, and the CEO shall resolve any conflict of interest issue involving any other officer of the Company.

## **Reporting of Accounting or Auditing Concerns**

The Audit Committee of the Board has established the following procedures to deal with any concerns about the Company's financial reporting, accounting, internal accounting controls, auditing matters or compliance with applicable laws. Anyone who has a concern about the Company's financial reporting, accounting, internal accounting controls, auditing matters or compliance with applicable laws is encouraged to communicate that concern to the Company. Any such communications may be confidential or anonymous.

Concerns expressed with respect to the Company's financial reporting, accounting, internal accounting controls, auditing matters or compliance with applicable laws and that are alleged to involve one of the Company's officers will be forwarded to the Chair of the Audit Committee of the Board.

Concerns expressed with respect to the Company's financial reporting, accounting, internal accounting controls, auditing matters or compliance with applicable laws that do not involve one of the Company's officers will be forwarded to the Company's Chief Financial Officer.

Any person who expresses concerns with respect to the Company's financial reporting, accounting, internal accounting controls, auditing matters or compliance with applicable laws in any manner will be told that his or her concern will be addressed as set forth above. He or she will also be told that he or she may remain anonymous to others and may speak directly with a member of the Audit Committee of the Board.

The status of all such outstanding concerns shall be reported to the Audit Committee on at least a quarterly basis. The Audit Committee may direct special treatment, including the retention of outside advisors or counsel, for any concern addressed to them. The Company will not retaliate or take any adverse action against any employee for raising or helping to resolve an integrity concern. The Company shall notify the Board of any negative change in any condition of employment of an employee who has raised an integrity concern.

### **Financial Reporting and Legal Compliance**

The Board's governance and oversight functions do not relieve the primary responsibilities of the Company's management to (i) make and keep books, records and accounts, which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) devise and maintain an effective system of internal accounting controls; (iii) devise and maintain effective disclosure controls and procedures and internal control over financial reporting; (iv) prepare financial statements that are accurate and complete and fairly present the financial condition, results of operation and cash flows of the Company; and (v) devise and maintain systems, procedures and corporate culture that promote compliance with legal and regulatory requirements and the ethical conduct of the Company's business.

### **Stockholder Communication with the Board**

The Company sees the value in open communication between stockholders and the Board. Stockholders may communicate directly with the Board, or individual Director(s), by writing to:

Malibu Boats, Inc.  
5075 Kimberly Way  
Loudon, Tennessee 37774  
Attention: Chief Financial Officer

and indicating prominently on the outside of any envelope that the communication is intended for (i) the Board, (ii) the Chair of the Board, (iii) a specific committee of the Board, (iv) the non-management Directors or (v) any other Director or subset of Directors of the Board. The Chief Financial Officer will review all correspondence submitted in accordance with these Principles and regularly forward, to the appropriate Director or Directors, copies of all communications that, in the opinion of the Chief Financial Officer, deal with the functions of or otherwise require the attention of individual Directors, the Board or committees or subsets thereof. Unless, in the opinion of the Chief Financial Officer, a communication is improper or irrelevant, a communication will not be withheld from its intended recipient(s) without the approval of the Chair of the Board, the Chair of the appropriate committee or the Director who presides during non-management executive sessions. Directors may, at any time, review a log of all correspondence received by the Company in accordance with these Principles and request copies of any such correspondence.

### **Director Orientation and Continuing Education**

The Company, through its CEO or other executive officers, will provide each new Director with materials and information about the Company reasonably necessary for a new Director to perform his or her duties. The Company shall familiarize new Directors with, among other things, the Company's business and strategic plans, significant financial, accounting and risk management issues, compliance programs, conduct codes, principal officers and auditing practices. In addition, a new Director may request additional materials or information. Any current Director may attend orientation presentations or request a copy of the written materials given to new Directors.

The Company shall arrange for appropriate continuing education for the Directors. At a minimum, the Company will keep Directors adequately informed of changes in applicable laws, rules and regulations as well as current best practices in corporate governance.

### **Media Communications**

In order to ensure compliance with applicable securities laws and to avoid the potential detriment to the interests of the Company that could result from inconsistent communications, Directors shall not respond to media inquiries or make statements to the media regarding the Company and its business without consultation with, and approval by, the CEO or the Board.

Adopted by the Board of Directors on June 22, 2017