

Corporate Governance Statement

Date

This Corporate Governance Statement is current as at 29 October 2020. The “reporting period” comprises the year ended 30 June 2020 and the period up to the date of this statement.

Approval

This Corporate Governance Statement has been approved by the Board.

ASX Corporate Governance Council Principles and Recommendations

The Company has adopted systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity commensurate with Company’s needs.

The Board seeks, where appropriate, to provide accountability levels in line with the ASX Corporate Governance Council’s Principles and Recommendations (*4th Edition*) as published by ASX Corporate Governance Council during February 2019.

Copies of the Company’s corporate governance procedures, policies and practices are available the Company website at www.sensera.com.

Compliance with recommendations

A summary of the Company’s compliance with *The Corporate Governance Principles and Recommendations* and “if not, why not” explanations are set out in Annexure One.

Compliance note

The Company’s Annual Report and ASX Announcements platform show a high level of corporate and internal activity throughout the period covered by this statement. These activities included equity and debt fund raising in October 2019, a significant cost restructuring exercise, responding to the impact of the COVID-19 pandemic, and completing the sale of a major business unit in October 2020. Throughout this period the Board was in a transition situation and was not receiving compensation during the second half of the fiscal year. On 20 October 2020, a number of board changes were announced. Consequently, a number of activities noted in our Corporate Governance Statement were not performed.

In view of the changes referred to above, for the purposes of FY2021 reporting, the Company undertakes to reassess and realign its Corporate Governance Statement as closely as practicable with the ASX Corporate Governance Council’s Principles and Recommendations.

Board of Directors

The Board is responsible for corporate governance of the Company. The Board is responsible for the following matters:

- ensuring the Company's conduct and activities are ethical and carried out in accordance with the Company's charters, policies and for the benefit of its stakeholders;
- development of corporate strategy, implementation of business plans and performance objectives;
- approval of Company budgets;
- monitoring and reviewing at regular intervals the Company's performance towards meeting its stated objectives;
- reviewing, ratifying and monitoring systems of risk management, codes of conduct, internal control systems and legal and regulatory compliance;
- the appointment (and removal) of the Chair of the Board;
- the appointment of new Directors to fill a vacancy or as additional Directors;
- the appointment, and where appropriate, the removal of the:
 - CEO;
 - CFO;
 - Company Secretary; and
 - Ratifying the appointment or removal of other Senior Management of the Company.
- oversight of all matters delegated to Managing Director & CEO and Senior Management;
- managing succession planning for the position of Managing Director & CEO and overseeing succession planning for his or her direct reports;
- approving overall Company, Director and specific senior executive remuneration and related performance standards and their evaluation;
- regular review of the Code of Conduct, the Communication and Disclosure Policy, the Securities Trading Policy, the Diversity Policy and the Risk Management Policy to ensure the policies meet the standards of corporate governance to which the Board is committed;
- review and oversight of compliance with ASX Listing Rules, financial reporting obligations, including periodic and continuous disclosure, legal compliance and related corporate governance matters;
- approving and monitoring major Company financing matters including approving and monitoring major capital expenditure, capital management, acquisitions and divestitures, material contracts and incurring material debt obligations;
- monitoring and reviewing the operational performance of the Company including the viability of current and prospective operations and exploration opportunities; and
- proposing and recommending to shareholders any changes in the capital structure of the Company.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in Board discussions on a fully-informed basis.

Composition of the Board

Election of Board members is substantially the province of the shareholders in a general meeting. However, subject thereto, the Company is committed to the following principles:

- the Board is to comprise Directors with a blend of skills, experience and attributes appropriate for the Company and its business; and
- the principal criterion for the appointment of new Directors is their ability to add value to the Company and its business.

Board charter and policies

The Board has adopted a charter, which formally recognised its responsibilities functions, power and authority and composition. This charter sets out other things which are important for effective corporate governance including:

- (a) a detailed definition of 'independence';
- (b) a framework for the identification of candidates for appointment to the Board and their selection (including undertaking appropriate background checks);
- (c) a framework for individual performance review and evaluation;
- (d) proper training to be made available to Directors both at the time of their appointment and on an on-going basis;
- (e) basic procedures for meetings of the Board and its committees including frequency, agenda, minutes and private discussion of management issues among non-executive Directors;
- (f) ethical standards and values (in a detailed code of corporate conduct);
- (g) dealings in securities (in a detailed code for securities transactions designed to ensure fair and transparent trading by Directors and senior management and their associates); and
- (h) communications with shareholders and the market.

Independent professional advice

Under the Board Charter, subject to approval from the Chairman, each Director has the right to seek independent legal or other professional advice at the Company's expense on all matters necessary for that Director to make fully informed and independent decisions.

Remuneration arrangements

The total maximum remuneration of Non-Executive Directors is determined by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The Non-Executive Director maximum aggregate fee pool is A\$300,000 and has remained unchanged since listing in December 2016. The determination of Non-Executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each Non-Executive Director. Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

Trading policy

The Board has adopted a securities trading policy that sets out the guidelines on the sale and purchase of securities in the Company by its key management personnel. The policy generally provides that written notification to the Company Secretary must be obtained prior to trading.

External audit

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors.

Audit and Risk committee

The Audit and Risk Committee (the Committee) will consist of at least two independent Non-Executive Directors and such other members so that overall Audit and Risk Committee comprises:

- at least one member who has an understanding of the industry in which the Company operates;
- members who can read and understand financial statements and are otherwise financially literate.

For the period since incorporation to date, the Audit and Risk Committee comprises of two Non-Executive Directors, none of which is independent. The size and current composition of the Audit and Risk Committee preclude it from complying with all Recommendations.

The CEO and CFO have standing invitations to attend all Committee meetings.

Audit and Risk committee (cont.)

The Committee's responsibilities include:

- reviewing the overall conduct of the external audit process, including the independence of all parties to the process;
- reviewing the performance of external auditors, including the reappointment and proposed fees of the external auditor;
- where appropriate, seeking tenders for the audit and where a change of external auditor is recommended, arrange submissions to the shareholders for shareholder approval;
- undertaking a regular corporate risk assessment (including economic, environmental and social sustainability risks),
- overseeing the risk management system and ensuring compliance with internal controls;
- monitor and review the propriety of any related party transactions;
- reviewing the quality and accuracy of all published financial reports; and
- reviewing the accounting function and ongoing application of appropriate accounting and business policies and procedures.

Meetings shall be held not less than four times a year to review and discuss financial issues and the financial statements. A broad agenda is laid down for each regular meeting according to an annual cycle. The committee may invite the external auditors to attend each of its meetings.

Remuneration and Nomination Committee

The purpose of this committee is to:

- assist the Board and report on remuneration and related policies and practices (including remuneration of senior management and non-executive Directors); and
- assist the Board and make recommendations to it about the appointment of new Directors (both executive and non-executive) and senior management.

The Committee's functions include:

- review and evaluation of market practices and trends on remuneration matters
- recommendations to the Board about the Company's remuneration policies and procedures;
- recommendations to the Board about remuneration of senior management and non-executive Directors;
- oversight of the performance of senior management and non-executive Directors;
- maintaining succession planning for directors, the CEO and Senior Management; and
- review the Company's reporting and disclosure practices in relation to the remuneration of Directors and senior executives.

Meetings shall be held at least annually and more often as required.

Diversity Policy

The Board has adopted a diversity policy which provides a framework for the Company to achieve, amongst other things, a diverse and skilled workforce, a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff, improved employment and career development opportunities for women and a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives.

Sensera Limited
Corporate Governance Statement
Annexure One
29 October 2020

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Principle 1: Lay solid foundations for management and oversight		
<p>Recommendation 1.5 A listed entity should:</p> <p>(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;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>i. 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:</p> <p>ii. 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</p> <p>iii. 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</p>	No	<p>The Company has adopted a diversity policy, copy of which is available on the Company's website www.sensera.com.</p> <p>Due to its size, and other competing priorities during the year, the Company is yet to set any gender specific diversity objectives or targets.</p> <p>As at the date of this report, 100% of the company's Board, CEO and Senior Management are male. The operating organization has a diverse set of employees of different races and genders.</p>
<p>Recommendation 1.6 A listed entity should:</p> <ul style="list-style-type: none"> • have and disclose a process for periodically evaluating performance of the Board, its Committees and individual directors, and • disclose in relation to each reporting period, whether evaluation was undertaken in the reporting period with that process 	No	<p>The Board Charter sets out the performance evaluation processes. The Chairman determines the evaluation criteria and process, based on input from the Board and the Remuneration and Nomination Committee.</p> <p>Normally, the Board reviews annually, its overall performance, as well as the performance of its committees and individual directors.</p> <p>For the reasons set out in the Compliance Note in the Corporate Governance Statement above; formal performance reviews were not performed during the reporting period</p>
<p>Recommendation 1.7 A listed entity should:</p> <ul style="list-style-type: none"> • have and disclose a process for periodically performance of its senior executives; and • disclose in relation to each reporting period, whether evaluation was undertaken in the reporting period with that process. 	No	<p>Normally, the Chairman, with assistance and input from the Remuneration and Nomination Committee, assesses the performance of senior executives annually.</p> <p>For the reasons set out in the Compliance Note in the Corporate Governance Statement above; formal performance reviews were not performed during the reporting period.</p>

Sensera Limited
Corporate Governance Statement
Annexure One
29 October 2020

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Principle 2: Structure the Board to add value		
<p>Recommendation 2.1</p> <p>The board of a listed entity should have a nomination committee which:</p> <ol style="list-style-type: none"> (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: <ol style="list-style-type: none"> (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. 	No	<p>The Company has a Remuneration and Nomination Committee and its charter is available www.sensera.com.</p> <p>Due to the size of the Board and the Company, it is deemed appropriate that the Board Committee membership comprise two non-executive directors.</p> <p>The members of the Remuneration and Nomination Committee during the reporting period were:</p> <p>Current Chair - Simon Peeke (appointed as an independent non-executive director on 20 October, 2020)</p> <p>Previous Chair – Allan Brackin (Board Chair – independent non-executive director for the period up to his resignation as a director on 20 October 2020, and Jonathan Tooth – Non-Executive Director</p> <p>The number of meetings held and attendees are disclosed in the Annual Report</p>
<p>Recommendation 2.2</p> <p>A listed entity should have and disclose a Board skill matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.</p>	Yes (additional information)	<p>The Board uses a capabilities matrix to guide its assessment of the skills and experience of the Directors, and the skills that the Board considers will complement the effective functioning of the Board. The Board considers that there are many professional capabilities possessed among the Directors which include, but are not limited to, the following:</p> <ul style="list-style-type: none"> • Accounting and finance, • Capital market/raising experience • Corporate Governance • Industry knowledge • Commercialisation of innovation experience • Leadership knowledge & abilities • Risk Management • Regulatory environment knowledge • Marketing <p>When the need for a new director is identified, the required experience and competencies are defined in the context of this matrix.</p>

Sensera Limited
Corporate Governance Statement
Annexure One
29 October 2020

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
		Full details of each Director and other key management personnel's relevant skills and experience are set out in the Annual Report.
Principle 2: Structure the Board to add value (cont.)		
Recommendation 2.3: A listed entity should disclose	Yes	The Board considers the following directors who held office during the reporting period to be independent: <ul style="list-style-type: none"> • Camillo Martino, • Simon Peeke (appointed 20 October, 2020, • George Lauro and Allan Brackin (both resigned 20 October 2020). The length of service of each director is set out in the Annual Report.
(a) the names of the directors considered to be independent directors;	(additional information)	
(b) if a director has an interest, position or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion.		On April 29,2019 shareholders approved the grant of 750,000 options with an exercise price of A\$0.15 to Camillo Martino. The options expire on 3 July 2023 and as at grant date had an aggregate fair value of A\$48,450. The Board is of the opinion that this relationship is not material and therefore does not comprise director independence. Jonathan Tooth was not considered to be an independent director as a result of an at arms length loan(promissory note) provided to the Company for working capital purposes. This loan was repaid in full in October 2020. The Board will reconsider Jonathan Tooth's independence during FY2021.
Recommendation 2.4 A majority of the Board of a listed entity should be independent directors.	Partially	The majority of the Board were independent directors from 3 October 2019 through to 20 October 2019. The board now includes two (50%) independent directors.
Recommendation 2.5 The chair of the Board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	Partially	This recommendation has been satisfied since 3 October 2019.

Sensera Limited
Corporate Governance Statement
Annexure One
29 October 2020

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Principle 3: Act ethically and responsibly		
<p>Recommendation 3.1 A listed entity should articulate and disclose its values:</p>	Partially	The Company's values are articulated and proactively promoted to all staff, key customers and key suppliers. The values document is currently subject to review and it is expected that it will be published on the company website before 31 December 2020.
<p>Recommendation 3.3 A listed entity should have and disclose an whistleblower policy; and ensure that the board or committee of the board is informed of any material incidents reported under that policy.</p>	Partially	The Company has a whistleblower policy which is readily available to all officers and employees. Policy is compliance and reporting is managed by an independent third party. The policy is now published on the Company website.
Principle 4: Safeguard integrity in corporate reporting		
<p>Recommendation 4.1 The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non- executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board, and disclose:</p> <p>(3) the charter of the committee and the relevant qualifications and experience of the members of the committee; and</p> <p>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.</p>	No	<p>The Audit and Risk Committee charter is available at www.sensera.com</p> <p>Due to the size of the Board and the Company, it is deemed appropriate that the board committee membership comprise two non-executive directors and that it be chaired by an experienced yet non independent director.</p> <p>The Committee members during the reporting period were:</p> <p>:</p> <p>Chair –Jonathan Tooth – Non-Executive Director Simon Peeke (appointed 20 October 2020); and Allan Brackin- Independent non-executive director (resigned 20 October 2020).</p> <p>The number of meetings held and attendees thereto are disclosed in the Annual Report.</p>
<p>Recommendation 4.3 A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p>	Yes (additional information)	The Company's periodic corporate reports that are not audited or reviewed by the external auditor include the Quarterly Cash Flow Report Appendix 4C and the Preliminary Final Report (Appendix 4E). Both documents are approved by the board, the Appendix 4E is also recommended to by the Audit Committee.

Sensera Limited
Corporate Governance Statement
Annexure One
29 October 2020

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Principle 6: Respect the rights of security holders		
<p>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.</p>	Yes (additional information)	The Communication and Disclosure Policy contains policies and processes aimed to facilitate and encourage participation at meetings. Links to ASX announcements are made available at the Company's website. Shareholders are encouraged to participate in, and raise questions at, all shareholder meetings.
<p>Recommendation 6.4 A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands</p>	Yes (additional information)	The Company will follow ASX Guidance note 35 [10] and ensure that all Listing Rule resolutions and other substantive resolutions are decided by poll .
Principle 7: Recognise and manage risk		
<p>Recommendation 7.1 The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <ul style="list-style-type: none"> i. has at least three members, a majority of whom are independent directors; and ii. is chaired by an independent director, <p>and disclose:</p> <ul style="list-style-type: none"> iii. the charter of the committee; iv. the members of the committee; and v. 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 <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	No	<p>The Company has a combined Audit and Risk Committee to oversee risk</p> <p>The Audit and Risk Committee does not currently comply to Recommendation 7.1 (i) and 7.1 (ii) for the reasons set out under Recommendation 4.1.</p>

Sensera Limited
Corporate Governance Statement
Annexure One
29 October 2020

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Principle 7: Recognise and manage risk (cont.)		
<p>Recommendation 7.2</p> <p>The Board or a committee of the Board should:</p> <ul style="list-style-type: none"> • review the entity’s risk management framework with management at least annually to satisfy itself that it continues to be sound, to determine whether there have been any changes in the material business risks the entity faces and to ensure that they remain within the risk appetite set by the Board; and • disclose in relation to each reporting period, whether such a review has taken place. 	No	<p>The risk management framework is established within the Audit and Risk Committee Charter. The Committee reviews the Company’s risk profile and processes and reports to the Board.</p> <p>For the reasons set out in the Compliance Note in the Corporate Governance Statement above no formal review of the Company’s risk profile and processes was completed.</p>
<p>Recommendation 7.3</p> <p>A listed entity should disclose:</p> <ul style="list-style-type: none"> • if it has an internal audit function, how the function is structured and what role it performs; or <p>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.</p>	Yes (additional information)	<p>The Company has a broad based operations and quality insurance focused internal audit function reporting through to the CEO and the board by exception. The Audit and Risk Committee receives formal reports from the external auditor at least twice per annum, and both management and the board remain focused on managing business risks.</p>
Principle 8: Remunerate fairly and responsibly		
<p>Recommendation 8.1</p> <p>The board of a listed entity should have a remuneration committee which:</p> <ol style="list-style-type: none"> (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, <p>and disclose:</p> <ol style="list-style-type: none"> (3) the charter of the committee; (4) the members of the committee; and (5) as the number of times the committee met throughout the period which member were in attendance. 	Partially	<p>The Board has a combined Remuneration & Nomination Committee to assist the Board to discharge its responsibilities in relation to remuneration and issues relevant to remuneration policies and practices, including those for senior management and Non-Executive Directors. Committee members, number of meetings and attendees are disclosed in the Annual Report.</p> <p>For further details please refer to Recommendation 2.1.</p>