

**CONNEXION TELEMATICS LTD**  
**ACN 004 240 313**  
**(Company)**

**CORPORATE GOVERNANCE STATEMENT**

This Corporate Governance Statement is current as at 17 August 2023 and has been approved by the Board of the Company on that date.

This Corporate Governance Statement discloses the extent to which the Company follows the recommendations set by the ASX Corporate Governance Council in its publication Corporate Governance Principles and Recommendations – 4<sup>th</sup> Edition (**Recommendations**). The Recommendations are not mandatory, however the Recommendations that will not be followed have been identified and reasons provided for not following them along with what (if any) alternative governance practices the Company intends to adopt in lieu of the recommendation.

The Company's Corporate Governance Plan is available on the Company's website at <https://connexionltd.com/investors-corporate-info/>.

RECOMMENDATIONS (4 <sup>TH</sup> EDITION)	COMPLY	EXPLANATION
<b>Principle 1: Lay solid foundations for management and oversight</b>		
<b>Recommendation 1.1</b> (a) A listed entity should have and disclose a board charter which sets out the respective roles and responsibilities of the Board, the Chair and management, and includes a description of those matters expressly reserved to the Board and those delegated to management.	YES	The Board is responsible for the corporate governance of the Company.  The Company has adopted a Board Charter which sets out, amongst other things, the specific responsibilities of the Board, the roles and responsibilities of the Chairman, as well as the matters expressly reserved for the decision of the Board and those delegated to management.  Refer to the Company's Board Charter for further detail which is located on the Company's website at the following link: <a href="https://connexionltd.com/investors-corporate-info/">https://connexionltd.com/investors-corporate-info/</a>

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<p><b>Recommendation 1.2</b> A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a Director; and</p> <p>(a) 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.</p>	YES	<p>The Board will undertake appropriate checks as to the character, experience, education, criminal record and bankruptcy history of the candidate before appointing a person or putting forward to shareholders a candidate for election, as a Director.</p> <p>Refer to Section 21 of the Company's Board Charter for further detail which is located on the Company's website at the following link: <a href="https://connexionltd.com/investors-corporate-info/">https://connexionltd.com/investors-corporate-info/</a></p> <p>All material information relevant to a decision on whether to elect or re-elect a Director will be provided in the Company's Notice of Meetings to shareholders.</p>
<p><b>Recommendation 1.3</b> A listed entity should have a written agreement with each Director and senior executive setting out the terms of their appointment.</p>	YES	<p>The Company currently has executed Letters of Appointment with Non-Executive Directors. Details of executive contracts in place are detailed in the Company's 2023 Annual Report.</p>
<p><b>Recommendation 1.4</b> 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.</p>	YES	<p>The Company Secretary reports directly to the Board through the Chair and is accessible to all directors. Refer Section 5 of the Company's Board Charter for further detail which is located on the Company's website at the following link: <a href="https://connexionltd.com/investors-corporate-info/">https://connexionltd.com/investors-corporate-info/</a></p>
<p><b>Recommendation 1.5</b> A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</p> <p>(c) disclose in relation to each reporting period:</p>	NO	<p>The Company has adopted a Diversity Policy which identifies gender diversity as a key area of focus for the Company. While the Company is committed to gender diversity in its workplace, the Board believes that the Company is not yet of a size where it is appropriate to implement formal measurable objectives for achieving gender diversity.</p> <p>Refer to the Company's Diversity Policy for further detail which is located on the Company's website at the following link: <a href="https://connexionltd.com/investors-corporate-info/">https://connexionltd.com/investors-corporate-info/</a></p>

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<p>(i) the measurable objectives set for that period to achieve gender diversity;</p> <p>(ii) the entity's progress towards achieving those objectives; and</p> <p>(iii) either:</p> <p>(A) the respective proportions of men and women on the Board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</p> <p>(B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in the Workplace Gender Equality Act.</p>		<p>The proportion of women on the board, women in senior executive positions and women employees in the whole organisation as at reporting date was as follows:</p> <table border="1" data-bbox="1326 411 1975 769"> <thead> <tr> <th>Gender</th> <th>Board</th> <th>Senior executive positions</th> <th>Whole organisation</th> </tr> </thead> <tbody> <tr> <td>No. of men</td> <td>4</td> <td>3</td> <td>23</td> </tr> <tr> <td>No. of women</td> <td>0</td> <td>0</td> <td>14</td> </tr> <tr> <td>% women</td> <td>0%</td> <td>0%</td> <td>38%</td> </tr> </tbody> </table>	Gender	Board	Senior executive positions	Whole organisation	No. of men	4	3	23	No. of women	0	0	14	% women	0%	0%	38%
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<p><b>Recommendation 1.6</b></p> <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the Board, its committees and individual Directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	YES	<p>Refer to the Company's Board and Senior Executive Evaluation Policy for further detail which is located on the Company's website at the following link: <a href="https://connexionltd.com/investors-corporate-info/">https://connexionltd.com/investors-corporate-info/</a></p> <p>A performance evaluation of the Board was undertaken in respect of the financial year ended 30 June 2023.</p>																
<p><b>Recommendation 1.7</b></p> <p>A listed entity should:</p>	YES	<p>Refer the Company's Board and Senior Executive Evaluation Policy for further detail which is located on the Company's website at the following link: <a href="https://connexionltd.com/investors-corporate-info/">https://connexionltd.com/investors-corporate-info/</a></p>																



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<p>A listed entity should have and disclose a Board skills matrix setting out the mix of skills that the Board currently has or is looking to achieve in its membership.</p>		<p>The Company has developed a Board Skills Matrix which is used as a tool to assess the appropriate and ideal balance of skills, experience, independence and diversity necessary for the Board to discharge its duties and responsibilities effectively.</p> <p>A copy of the Board Skills Matrix is located on the Company's website at the following link: <a href="https://connexionltd.com/investors-corporate-info/">https://connexionltd.com/investors-corporate-info/</a></p>
<p><b>Recommendation 2.3</b></p> <p>A listed entity should disclose:</p> <p>(a) the names of the Directors considered by the Board to be independent Directors;</p> <p>(b) if a Director has an interest, position or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendations (4th Edition), 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; and</p> <p>(c) the length of service of each Director</p>	YES	<p>The Board consists of four directors, three of whom are considered as Independent non-executive directors being; Mr Robert Downey, Mr Greg Ross and Mr Simon Scalzo.</p> <p>The Board considers each non-executive director to be independent having regard to the indicia in Box 2.3 in the ASX Recommendations. The other Directors currently considered by the Board to not be independent on the basis that they have also been engaged in executive management or consulting roles or were substantial shareholders or holders of other equity instruments.</p> <p>Other information in respect to each director can be located in the director's report contained within the annual report for the year ended 30 June 2023.</p>
<p><b>Recommendation 2.4</b></p> <p>A majority of the Board of a listed entity should be independent Directors.</p>	YES	<p>The Board consists of four directors, three of whom are considered as Independent non-executive directors being; Mr Robert Downey, Mr Greg Ross and Mr Simon Scalzo.</p>
<p><b>Recommendation 2.5</b></p> <p>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.</p>	YES	<p>The Chair, Mr Robert Downey is an Independent Director.</p>

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<p><b>Recommendation 2.6</b> A listed entity should have a program for inducting new Directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as Directors effectively.</p>	NO	There is no formal policy for inducting new directors however they are provided with relevant policies and information to be able to carry out their functions as a newly appointed director in a diligent and professional manner.
<b>Principle 3: Instil a culture of acting lawfully, ethically and responsibly</b>		
<p><b>Recommendation 3.1</b> A listed entity should articulate and disclose its values.</p>	NO	The Company has yet to formally articulate and disclose its values. The Company includes similar information on its website which sets out its key strengths and offerings.
<p><b>Recommendation 3.2</b> A listed entity should:</p> <ul style="list-style-type: none"> <li>(a) have and disclose a code of conduct for its Directors, senior executives and employees; and</li> <li>(b) ensure that the Board or a committee of the Board is informed of any material breaches of that code.</li> </ul>	YES	The Board have adopted a code of conduct. The Code can be found at the following link: <a href="https://connexionltd.com/investors-corporate-info/">https://connexionltd.com/investors-corporate-info/</a>
<p><b>Recommendation 3.3</b> A listed entity should:</p> <ul style="list-style-type: none"> <li>(a) have and disclose a whistleblower policy; and</li> <li>(a) ensure that the Board or a committee of the Board is informed of any material incidents reported under that policy.</li> </ul>	YES	<p>The Board have adopted a Whistleblower Policy. The Policy can be found at the following link: <a href="https://connexionltd.com/investors-corporate-info/">https://connexionltd.com/investors-corporate-info/</a></p> <p>The Whistleblower Policy provides that the Board is informed of any material incidents reported.</p>
<p><b>Recommendation 3.4</b> A listed entity should:</p> <ul style="list-style-type: none"> <li>(a) have and disclose an anti-bribery and corruption policy; and</li> <li>(b) ensure that the Board or committee of the Board is informed of any material breaches of that policy.</li> </ul>	NO	The Company is currently considering the drafting and implementation of an anti-bribery and corruption policy to formally implement processes which are considered an adhered to at present.



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<p>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 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.</p>		
<p><b>Recommendation 4.3</b> 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	<p>The Board receives detailed information in respect to the Quarterly Reports and other Corporate Reports that were required to be lodged with the ASX throughout the year. Management avail themselves to the Board for any queries or further provision of detailed information ahead of approval for release.</p>
<p><b>Principle 5: Make timely and balanced disclosure</b></p>		
<p><b>Recommendation 5.1</b> A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.</p>	YES	<p>The Company has adopted a Continuous Disclosure policy which details the processes and procedures which have been adopted by the Company to ensure that it complies with its continuous disclosure obligations as required under the ASX Listing Rules and other relevant legislation.</p> <p>The Policy can be found at the following link: <a href="https://connexionltd.com/investors-corporate-info/">https://connexionltd.com/investors-corporate-info/</a></p>
<p><b>Recommendation 5.2</b> A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.</p>	YES	<p>The Company Secretary ensures the Board is provided with copies of all material market announcements promptly after they have been made.</p>
<p><b>Recommendation 5.3</b></p>	YES	<p>All substantive investor or analyst presentations are released on the ASX Markets Announcement Platform ahead of such presentations.</p>

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A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.		
<b>Principle 6: Respect the rights of security holders</b>		
<b>Recommendation 6.1</b> A listed entity should provide information about itself and its governance to investors via its website.	YES	Shareholders can access information about the Company and its governance (including its constitution and adopted corporate governance policies) from the Company's website. Refer to the Company's Shareholder Communication Policy which includes relevant information on the communication with shareholders which is located on the Company's website at the following link: <a href="https://connexionltd.com/investors-corporate-info/">https://connexionltd.com/investors-corporate-info/</a>
<b>Recommendation 6.2</b> A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	YES	The Company has adopted a Shareholder Communications Policy which aims to promote and facilitate effective two-way communication with investors.  Refer to the Company's Shareholder Communication Policy which includes relevant information on the communication with shareholders which is located on the Company's website at the following link: <a href="https://connexionltd.com/investors-corporate-info/">https://connexionltd.com/investors-corporate-info/</a>
<b>Recommendation 6.3</b> A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	YES	Refer to the Company's Shareholder Communication Policy which includes relevant information on the communication with shareholders which is located on the Company's website at the following link: <a href="https://connexionltd.com/investors-corporate-info/">https://connexionltd.com/investors-corporate-info/</a>  Shareholders will be encouraged to participate at all general meetings of the Company by written statement contained in every Notice of Meeting sent to shareholders prior to each meeting.  The Company intends to accommodate shareholders who are unable to attend general meetings in person by accepting votes

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		<p>by proxy. Further, any material presented to shareholders at the meeting will be released to the ASX immediately prior to the commencement of the meeting for the benefit of those shareholders who are unable to attend in person. The Company will also announce to the ASX the outcome of each meeting immediately following its conclusion.</p> <p>At each general meeting, shareholders will be given an opportunity to ask questions in relation to the resolutions put to shareholders at that meeting, and in respect of the Company's business and operations generally.</p> <p>At each AGM, shareholders will also be invited by the Chairman to ask questions of the Company's external auditor and the Board in relation to the annual financial report of the Company and the conduct of the audit.</p>
<p><b>Recommendation 6.4</b> 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	All substantive resolutions at securityholder meetings are decided by a poll rather than a show of hands.
<p><b>Recommendation 6.5</b> A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</p>	YES	<p>Shareholders have the option of electing to receive all shareholder communications by e-mail and can update their communication preferences with the Company's registrar, Automatic Registry Services, at any time.</p> <p>Refer to the Company's Shareholder Communication Policy which includes relevant information on the communication with shareholders which is located on the Company's website at the following link: <a href="https://connexionltd.com/investors-corporate-info/">https://connexionltd.com/investors-corporate-info/</a></p>

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<b>Principle 7: Recognise and manage risk</b>		
<p><b>Recommendation 7.1</b> 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"> <li>(i) has at least three members, a majority of whom are independent Directors; and</li> <li>(ii) is chaired by an independent Director, and disclose: <ul style="list-style-type: none"> <li>(iii) the charter of the committee;</li> <li>(iv) the members of the committee; and</li> <li>(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</li> </ul> </li> </ul> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework.</p>	NO	<p>Due to the size, the Board has determined that the function of the Audit and Risk Committee is most efficiently carried out with full Board participation and accordingly, the Company has elected not to establish a separate Audit and Risk Committee at this stage. As a result, the duties that would ordinarily be assigned to the Audit and Risk Committee are carried out by the full Board.</p>
<p><b>Recommendation 7.2</b> The Board or a committee of the Board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the Board; and</p> <p>(b) disclose in relation to each reporting period, whether such a review has taken place.</p>	YES	<p>The Board devotes time on at least an annual basis to fulfil the roles and responsibilities associated with overseeing risk and maintaining the Company's risk management framework and associated internal compliance and control procedures.</p>
<p><b>Recommendation 7.3</b> A listed entity should disclose:</p>	YES	<p>Due to the current size of the Company and the manageable scale of its operations, the Board, in carrying out the duties typically assigned to the Audit &amp; Risk Committee, have determined that the Company's existing risk management</p>

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<p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(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 governance, risk management and internal control processes.</p>		<p>processes and internal controls are sufficiently robust and as such, no internal audit committee is required at this stage.</p>
<p><b>Recommendation 7.4</b></p> <p>A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.</p>	<p>YES</p>	<p>There is no material exposure to environmental and social sustainability risk.</p> <p>In respect to economic risks, A range of factors can influence the level of the Company's sustainability.</p> <ul style="list-style-type: none"> <li>▪ Funding Risk: The economic success of the Company may be dependent on the Company being able to raise sufficient funds either through debt or equity in order to further develop its technology. The Board assesses funding on an ongoing basis and ensures the Company is adequately funded. Funding initiatives are considered by the Board and decisions are made based on the circumstances facing the Company.</li> <li>▪ Developing Intellectual Property – the company has a track record of developing conceptual proprietary knowledge, continued development is an important part of the economic sustainability of the company.</li> <li>▪ Maintaining ownership of existing Intellectual Property.</li> <li>▪ Developing additional technology.</li> <li>▪ Customer concentration risk: Connexion is exposed to a very high degree of customer concentration risk and, until this is addressed, Connexion's economic sustainability faces a higher likelihood of being negatively impacted.</li> </ul>



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		A copy of the latest Annual Report containing this disclosure can be accessed at the Company's website.
<p><b>Recommendation 8.3</b></p> <p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(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</p> <p>(b) disclose that policy or a summary of it.</p>	YES	<p>The Company also has a Share Trading Policy that prohibits Directors, Officers and employees from entering into transactions which limits the economic risk of participating any equity-based remuneration scheme.</p> <p>Refer to the Company's Share Trading Policy which is located on the Company's website at the following link: <a href="https://connexionltd.com/investors-corporate-info/">https://connexionltd.com/investors-corporate-info/</a></p>
<b>Additional recommendations that apply only in certain cases</b>		
<p><b>Recommendation 9.1</b></p> <p>A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.</p>		N/A - The Board currently consists of all English-speaking directors.
<p><b>Recommendation 9.2</b></p> <p>A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.</p>		N/A
<p><b>Recommendation 9.3</b></p> <p>A listed entity established outside Australia, and an externally managed 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.</p>		N/A