



## 2021 Corporate Governance Statement

### 1. Introduction

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Effective corporate governance is critical for the long-term success of Aeeris Ltd (**Aeeris** or **Company**). The board of the Company (**Board**) is committed to maintaining and enhancing a strong corporate governance framework for the Company and is responsible for the overall corporate governance of Aeeris.

The Board monitors the operational and financial position, and overall performance of Aeeris and oversees its business strategy, including approving its strategic goals. The Board is committed to maximising performance, generating shareholder value and financial returns, and sustaining the growth and success of the Company.

With these objectives in mind, the Board seeks to ensure that Aeeris is properly managed and ensures the Company, its directors (**Directors**), officers and employees operate in an appropriate environment of corporate governance. Accordingly, the Board has created a framework for managing Aeeris, including adopting relevant internal controls, risk management processes, and corporate governance policies and practices which it believes are appropriate for the Company's business and which are designed to promote the responsible management and conduct of Aeeris.

The information in this Statement has been approved by the Board and is current as at the date of the Annual Report.

### 2. ASX Corporate Governance Principles and Recommendations

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The ASX Corporate Governance Council has developed and released its fourth edition of the corporate governance recommendations for Australian listed entities (**ASX Recommendations**) in order to promote investor confidence and to assist companies to meet stakeholder expectations. The recommendations are not prescriptions, but guidelines. However, under the Listing Rules, Aeeris is required to provide an annual Corporate Governance Statement disclosing the extent to which it has followed the ASX Recommendations in the relevant reporting period. Where Aeeris does not follow a recommendation, it must identify the recommendation that has not been followed and give reasons for not following it and must also disclose what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

The Company's current departures from the ASX Recommendations are included in Section 9 below.

The key aspects of the Company's corporate governance practices are summarised below. These charters and policies are available on its website at <https://www.aeeris.com/corporate-governance.html>.

In light of the Company's size and nature, the Board considers that the current board structure is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

### **3. Board of Directors**

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During the period the Board comprised three directors, one of whom is independent.

Kerry Plowright, Chairman and CEO

Appointed 11 November 2013

In 2007, Kerry founded the Early Warning Network's Geographical Notification and Information System (GNIS) and has been the key driver behind the development of the Group's technology platform. Kerry is responsible for leading the Aeeris team in both the operation and further technical evolution of the EWN platform. He has a depth of experience in establishing and growing successful businesses. In 1995 he founded a digital publishing and software business called Ezimerchant, which created one of the world's first out-of-the-box e-commerce and DIY products and payments platforms.

Kerry is a member of the Audit and Risk Committee.

Bryce Reynolds, Non-executive Director, B. Comm

Appointed 18 July 2014

In 2006, Bryce established Veritas Securities Limited as a founding director after working for a large investment bank and two mid tiered Australian securities firms. Since then he has further added to his skill base by being an active company director for numerous private ventures in the funds management and IT/digital fields.

Bryce is Chairman of the Audit and Risk Committee.

Nathan Young, Independent, Non-executive Director B. Comm, G.Dip App Fin

Appointed 21 February 2018

Nathan began his career in financial markets over 20 years ago. He holds a Bachelor of Commerce from The University of Melbourne and a Graduate Diploma in Applied Finance and Investment. He has previously been employed by a large Investment Bank and Hedge Fund focused on trading and investment strategies. In these organisations one of his roles was to evaluate seed capital, pre-IPO listed investment opportunities in the technology sector.

Nathan is a member of the Audit and Risk Committee.

#### **Role of the Board and management**

The Company has clearly defined the respective roles and responsibilities of the Board and management which are detailed in the Board Charter available on the Company's website at [https://www.aeeris.com/corporate\\_governance.html](https://www.aeeris.com/corporate_governance.html).

The Board Charter also sets out the matters expressly reserved to the Board and those delegated to management.

## Board Skills Matrix

The skills and experience of the Directors are set out in the matrix below:

Experience	Industry
Corporate Advisory	Investment Banking
M&A transactions	Environmental
Corporate Finance	Defence
Entrepreneurial activity	Publishing
Funds Management	TMT
Software Development	

In addition to the skills and experience set out above, the Board considers that each Director has the ability to:

- Act with honesty and integrity
- Focus on the material issues
- Think strategically and take an organisation-wide perspective
- Understand the external environment and deal with pressure from external sources
- Influence effectively at the board table
- Respect alternative viewpoints
- Hold management accountable

## Independence of the Board

The Board assesses the independence of Non-executive Directors against the definition of independent Director and the factors set out in Box 2.3 of the ASX Corporate Governance Principles and Recommendations.

Currently the Board comprises one independent director. Given the Company's background, the nature and size of its business and the current stage of its development, the Board believes that this is both appropriate and acceptable at this time. The Board will review its composition periodically and has the intention to appoint appropriate independent Directors as required.

The Chairman is not independent and is the same person as the CEO. The Board considers the Chairman is suitably skilled to perform this dual role at this time due to his experience and expertise in the areas in which the Company operates and the size and complexity of the Company. It will continue to monitor this and, when it becomes appropriate, will consider appointing an independent CEO or Chairman so both roles are no longer filled by the one person.

## Appointment, induction and training

In selecting new Directors, the Board ensures that candidates have the appropriate range of skills, experience and expertise that will best complement Board effectiveness.

The Company ensures that appropriate background checks are undertaken regarding a potential new Director's character, experience, education, criminal record and bankruptcy history before appointing or putting forward a candidate to shareholders for election as a Director.

The Company also provides its shareholders with all material information in its possession that is relevant to their decision on whether or not to elect or re-elect a Director through the Notice of

Meeting, Director resumes and other information contained in the Annual Report and on the Company's website.

Upon appointment, each Director will receive a written agreement which sets out the terms of their appointment. New Directors will also attend an induction program where they are briefed on the Company's:

- operations and the industry sectors in which it operates;
- financial, strategic, operational and risk management position;
- governance matters, policies and procedures; and
- the Director and committee member's rights, duties and responsibilities.

Directors are provided with regular professional development opportunities to develop and maintain the skills and knowledge needed to perform their role as Directors effectively.

### **Board performance**

The Company believes it is important that the Board reviews its own performance to ensure it is performing to a high level. Under the Board Charter, the Board must conduct an annual performance review. The Charter sets out the process for this review.

The Company undertook an informal Board review in 2021.

### **Risk**

The Board, through the Audit and Risk Committee, oversees the Company's risk management framework and internal control systems through regular monitoring, assessment and review.

The Board is required to review at least annually the effectiveness of the Company's risk management and internal control systems. An internal review was conducted in 2020.

The Board reviews and assesses the Company's exposure to economic, environmental and social sustainability risks and determines the Company's approach to managing those risks.

### **Remuneration**

The Board has a number of processes it employs for setting the level and composition of remuneration for Directors and ensuring that such remuneration is appropriate and not excessive. These are described in the Remuneration Report within the Annual Report. The Remuneration Report also includes a summary of our policies and practices regarding the remuneration of Directors.

### **Nomination**

Aeris does not have a nomination committee. The Board as a whole is responsible for Board succession issues and to ensure the Board has the appropriate balance of skills, knowledge, experience, independence and diversity to discharge its duties and responsibilities effectively.

Given the size of the Company's management team, the Board believes this is an appropriate way in which to deal with this aspect of the Company's governance at this time.

### **Company Secretary**

The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board. The role of the Company Secretary is set out in more detail in the Board Charter.

## **4. Board Committees**

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To assist the Board in discharging its duties efficiently and effectively, it has established an Audit and Risk Committee (and will establish a Remuneration Committee when appropriate for the Company). This Committee operates within its Board approved Charter which sets out the roles, responsibilities, membership requirements and meeting procedures for each committee.

Each established committee will meet as required and no less than twice a year. Two Audit and Risk Committee meetings were held during the period.

### **Remuneration and Nomination Committee**

The Board has not established a Remuneration and Nomination Committee at this time however it does have a committee charter for when it is appropriate to establish such a committee. A copy of the charter of the Remuneration and Nomination Committee is available on the Company's website at [https://www.aeeris.com/corporate\\_governance.html](https://www.aeeris.com/corporate_governance.html).

The Board takes responsibility for setting appropriate remuneration levels for directors and senior executives. The Board addresses succession issues and ensures the Board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively through review and assessment.

### **Audit and Risk committee**

The Board has established an Audit and Risk Committee. It has three members, one of whom is independent, and is chaired by a non-executive director who is not the Chairman of the Board. A copy of the charter of the Audit and Risk Committee is available on the Company's website at [https://www.aeeris.com/corporate\\_governance.html](https://www.aeeris.com/corporate_governance.html).

Information about members of the committee, including their relevant experience and qualifications, the number of times the committee has met and who attended the meetings is set out in the Annual Report.

## **5. Diversity**

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Aeeris is committed to ensuring an inclusive workplace that encourages and embraces diversity. The Company has a Diversity Policy which provides a framework for the Company to achieve workplace diversity and includes requirements for the Board to set measurable objectives. The Diversity Policy is available on the Company's website at [https://www.aeeris.com/corporate\\_governance.html](https://www.aeeris.com/corporate_governance.html).

The Board has not established measurable targets for achieving gender diversity across the Company at this stage due to the Company's size and its development stage. It will review gender diversity and measurable targets as it grows.

The respective proportions of men and women on the Board, in senior executive positions and across the Company are as below:

	<b>Men</b>	<b>Women</b>
<b>Board</b>	100%	0%
<b>Senior Executives*</b>	50%	50%

\* Direct reporting line to the CEO (see Management section of this Statement)

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## **6. Senior Executives**

For each senior executive, the Company has:

- written agreements which set out the terms of their appointment;
- a process for periodically evaluating their performance; and
- policies and practices regarding their remuneration.

The Company carried out performance evaluations on each of its senior executives during the period.

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## **7. Values**

Aeeris's values include:

- Ensuring sound standards of corporate governance and compliance with all applicable laws;
- Being honest, transparent and accountable in all business dealings;
- Fostering innovation, enterprise and continuous learning within the organisation;
- Respecting and embracing diversity through openness, sharing, trust, teamwork and cooperation.

### **Ethical and Responsible Behaviour**

Aeeris is committed to acting ethically and responsibly, including acting with honesty and integrity. To support this, the Company has developed various policies that set out the values and expectations as to how the Company and its employees will work and behave.

### **Code of Conduct**

The Company is committed not only to complying with its legal obligations, but also to acting ethically and responsibly. The Company expects a high level of honesty, care, fair dealing and integrity in the conduct of all business activities.

The Company has a Code of Conduct which sets the minimum standards of conduct expected of all Directors, officers, executives, employees and contractors of the Company. The Code of Conduct is available on the Company's website at [https://www.aeeris.com/corporate\\_governance.html](https://www.aeeris.com/corporate_governance.html).

### **Conflicts of Interest**

Aeeris's Code of Conduct also includes guidelines in managing conflicts of interest.

In accordance with the requirements of the Corporations Act 2001 (*Cth*), Directors who have a material personal interest in a matter must not be present whilst the matter is being considered. The other Directors, however, may allow such Director/s to participate and vote in relation to the issue if they are satisfied that the interest should not disqualify the Director/s from voting or being present.

### **Whistleblower**

Aeeris's Whistleblower Policy sets out the types of disclosures that qualify for protection under the Whistleblower Protection Scheme, information about the protections available under the Scheme and how the Company will support whistleblowers and protect them from detriment. The policy is made available to all officers, employees and contractors and can be found at [https://www.aeeris.com/corporate\\_governance.html](https://www.aeeris.com/corporate_governance.html).

### **Anti-bribery and Corruption**

Compliance with Aeeris's Anti-bribery and Corruption Policy is foundational to the Company's values, reputation and standing in the wider community.

The Company prohibits bribery and corruption in all dealings in all countries. Aeeris's Anti-bribery and Corruption Policy applies to all dealings whether they be with organisations, individuals, governments, or their representatives.

A copy of the Anti-bribery and Corruption Policy can be found at [https://www.aeeris.com/corporate\\_governance.html](https://www.aeeris.com/corporate_governance.html). The Board must be notified of any material breaches to this policy.

### **Anti-corruption and Fraud**

Aeeris has zero tolerance for unfair or unethical conduct in business. It believes acting fairly and ethically will protect the Company's assets and create value for our business partners, customers and shareholders.

The Company recognises that compliance with bribery and anti-corruption laws is essential to protect its reputation and preserve its ability to continue to develop its business.

Aeeris has adopted a Fraud and Corruption Policy which reinforces the Board, senior management and employees' commitment to refraining from corrupt and fraudulent conduct and its responsibility for identifying fraudulent and corrupt activities and for establishing policies, controls and procedures for prevention and detection of these activities. A copy of the policy is available at [https://www.aeeris.com/corporate\\_governance.html](https://www.aeeris.com/corporate_governance.html).

### **Dealing in Aeeris's Securities**

Aeeris has adopted a Share Trading Policy applicable to Directors, employees and associates which prohibits a person from trading or dealing in the Company's securities if they are privy to insider information. Further, a Director or their associates, may only deal in the Company's securities when they do not have any inside information and during a trading window.

A copy of the Policy is available at [https://www.aeeris.com/corporate\\_governance.html](https://www.aeeris.com/corporate_governance.html).

### **Sustainability and Climate Change**

Aeeris views sustainable and responsible business practices as important for its business and shareholder value. Sustainability is about managing risks and opportunities in a way that best balances the long-term needs of all our stakeholders – customers, employees, suppliers, investors and community partners – as well as the wider community and the environment at large. Aeeris’s management of sustainability aims to address the matters that the Company believes are the most material for its business and stakeholders, now and in the future. Aeeris also understands that this is an evolving agenda and seeks to progressively embed the management of sustainability matters into business practice, while also anticipating and shaping emerging social and environmental issues where it has the skills and experience to make a meaningful difference and drive business value.

### **Modern Slavery**

Aeeris is committed to sustainable business practices, advancing human rights, and have embedded business practices that work towards the prevention of modern slavery and human trafficking in its business and supply chains.

### **CEO & CFO Declaration**

The Company has received a declaration from the CEO and CFO function that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

### **Internal Audit**

The Company does not have an internal audit function at this time, and due to its size and current activities the Board does not believe one is warranted at this time. The Board evaluates and monitors internal control processes to continually improving the effectiveness of its risk management.

The Board independently reviews, verifies and safeguards the integrity of its corporate reporting, including regularly monitoring the appointment and removal of the external auditor and the rotation of the audit engagement partner.

### **Verification of Periodic reports**

Aeeris releases quarterly cashflow and activity reports that are not audited or reviewed by an external auditor. The Company has embedded processes to ensure the accuracy of these reports and to ensure they are balanced and provide investors with appropriate information to make informed investment decisions.

## **8. Market Disclosure and Shareholder Communications**

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Aeeris believes effective communication with its shareholders, potential shareholders and other market participants is of utmost importance for any listed company and is committed to promoting the highest standards of disclosure to ensure a fully informed market.

### **Continuous disclosure**

The Company must comply with continuous disclosure requirements arising from legislation and the ASX Listing Rules. The Company has in place a written policy for complying with its continuous disclosure obligations under the ASX Listing Rules. The Continuous Disclosure Policy and Communications Strategy is available on the Company's website at [https://www.aeeris.com/corporate\\_governance.html](https://www.aeeris.com/corporate_governance.html).

### **Investor Relations**

The Company is committed to regularly communicating with its shareholders in a timely and accessible manner, and to encouraging shareholder participation at its general meetings.

The Company provides information about itself and its corporate governance to investors via its website. Shareholders also have the option to receive communications from, and send communications to, the Company and its share registry electronically.

The Company also has Shareholder Communications Policy which facilitates effective two-way communication with investors, as well as facilitates and encourages participation at meetings of security holders. The Shareholder Communications Policy is available on the Company's website.

### **Website**

Information about Aeeris Limited and its governance policies and practices is available on the Company's website at <https://www.aeeris.com/index.html>.

### **Electronic Communication**

Aeeris gives its shareholders the option to send and receive all communications to the Company and its share registry electronically. Shareholders are encouraged to update their communication preferences and elect to receive all communication electronically with the share registry at <https://www.investorserve.com.au/>

### **Annual General Meeting**

The Annual General Meeting (AGM) is an important occasion for updating shareholders on the Company's performance. The AGM provides the opportunity for shareholders to ask questions of and hear from the Board. Aeeris encourages shareholder participation at its AGM as an opportunity to allow the Board to listen and respond to shareholder feedback.

The Company ensures that its external auditor attends all AGMs and is available to answer queries from shareholders relevant to the audit and any substantive resolutions are decided by a poll rather than a show of hands.

## **9. Compliance with Recommendation**

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Aeeris has complied with 28 of the 35 ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (relevant to the Company) during the period. Given the nature and scale of the Company, the Board believes its compliance with the Recommendations to be appropriate at this time.

The five Recommendations the Company did not comply with are:

- Recommendation 1.5. Whilst the Board has adopted a Diversity Policy it has not set measurable objectives for gender diversity across the Company. Given the size and development stage of the Company, the Board believes this is appropriate at this time;
- Recommendation 2.1: The Company does not have a Nomination Committee at present. The Company's Nomination Committee Charter provides for the creation of a Nomination Committee (if it is considered it will benefit the Company), with at least three members, a majority of whom are independent Directors, and which must be chaired by an independent Director. Until a Committee is established, nomination is the responsibility of the entire Board. The Company believes that, given its size and developments stage, this is appropriate at this time.
- Recommendation 2.4: The Company's Board Charter requires that, where practical, the majority of the Board should be independent. The Board is currently comprised of one independent and two non-independent directors. This is not consistent with Recommendation 2.4 of the ASX Recommendations however, the Directors believe that they are able to objectively analyse the issues before them in the best interests of all Shareholders and in accordance with their duties as Directors. See Section 3 above for further information on Director independence.
- Recommendation 2.5. The Company's Chairman is not independent and is the same person as the CEO of the entity. The Board considers the Chairman is suitably skilled to perform this dual role at this time due to his experience and expertise in the areas in which the Company operates and the size and complexity of the Company. It will continue to monitor this and, when it becomes appropriate, will consider appointing an independent CEO or Chairman so both roles are no longer filled by the one person;
- Recommendations 4.1 and 7.1. While Aeeris has an Audit and Risk Committee with three members and is chaired by a non-executive director who, while not the Chairman of the Board, is not independent. Further there is an executive on the Committee and the majority of are not independent. However, despite the Committee's composition, the current Committee is confident that it has the skills, capacity and capability to independently verify and safeguard the integrity of the Company's financial statements and reporting, including the process for the appointment and removal of the external auditor and the rotation of the audit engagement partner and oversee the Company's risk management framework. The Company intends to re-assess the structure of this Committee following the appointment of one or more additional Directors (as and when that occurs in the future); and
- Recommendation 8.1. It is the Company's intention to establish a Remuneration Committee at the appropriate time. In the meantime, the non-executive Directors oversee the fixing of remuneration for the Directors and the CEO and ensures such remuneration is appropriate and not excessive.