

## **CORPORATE GOVERNANCE STATEMENT**

### **Compliance with ASX Corporate Governance Principles and Recommendations**

Vonex is committed to achieving and demonstrating the highest standards of corporate governance. Vonex has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (3rd edition) published by the ASX Corporate Governance Council.

The 2023 corporate governance statement is dated 22 September 2023 and reflects the corporate governance practices in place during the 2023 financial year. The 2023 corporate governance statement was approved by the board on 22 September 2023.

Vonex's corporate governance charter has been drafted in light of these Guidelines and the table below summarises the Company's compliance, in accordance with ASX Listing Rule 4.10.3 and can be viewed at: <https://vonex.com.au/wp-content/uploads/2020/06/Vonex-Limited-CGPlan-4th-edition.pdf>

Principles and Recommendations	Compliance	Complies	
<b>Principle 1 – Lay solid foundations for management and oversight</b>			
1.1	<p>A listed entity should have and disclose a board charter setting out:</p> <ul style="list-style-type: none"> <li>(a) the respective roles and responsibilities of its board and management; and</li> <li>(b) those matters expressly reserved to the board and those delegated to management.</li> </ul>	<p>The Board has adopted a Board charter that formalises its roles and responsibilities and defines the matters that are reserved for the Board and specific matters that are delegated to management.</p> <p>Information about the respective roles and responsibilities of our Board and management (including those matters expressly reserved to the Board and those delegated to management) is found under the Board Charter of the Corporate Governance Plan.</p> <p>The Corporate Governance Plan can be found at <a href="https://vonex.com.au/wp-content/uploads/2020/06/Vonex-Limited-CGPlan-4th-edition.pdf">https://vonex.com.au/wp-content/uploads/2020/06/Vonex-Limited-CGPlan-4th-edition.pdf</a>.</p>	Complies
1.2	<p>A listed entity should:</p> <ul style="list-style-type: none"> <li>(a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and</li> <li>(b) 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.</li> </ul>	<p>The appointment or re-election of new persons is undertaken by the full Board operating under the Nomination Committee charter.</p> <p>The function of the Nomination Committee charter is to identify and recommend candidates to fill vacancies and to determine the appropriateness of director nominees for election to the Board. The Board recognises the benefits arising from diversity and aims to promote an environment conducive to the appointment of well qualified Board candidates so that there is appropriate diversity to maximise the achievement of corporate goals.</p> <p>As required under the ASX Listing rules and the Corporations Act, election or re-election of directors is a resolution put to members at each Annual General meeting. The notice of meeting contains all material information relevant to a decision on whether or not to elect or re-elect a director. The company will also publish Director profiles on the company's website outlining biographical details, other directorships held, commencement date of office and level of independence.</p>	Complies
1.3	<p>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	<p>The Company has written agreements with each Director and senior executive. On appointment of Directors and senior executives the Company will issue necessary written agreements outlining the terms of their appointment.</p>	Complies
1.4	<p>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>	<p>The company secretary has a direct relationship with the Board in relation to these matters.</p>	Complies

Principles and Recommendations	Compliance	Complies
<p>1.5 A listed entity should:</p> <ul style="list-style-type: none"> <li>(a) have and disclose a diversity policy;</li> <li>(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</li> <li>(c) disclose in relation to each reporting period:               <ul style="list-style-type: none"> <li>(1) the measurable objectives set for that period to achieve gender diversity;</li> <li>(2) the entity's progress towards achieving those objectives; and</li> <li>(3) either:                   <ul style="list-style-type: none"> <li>(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</li> <li>(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 and published under that Act.</li> </ul> </li> </ul> </li> </ul> <p>If the entity was in the S&amp;P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p>	<p>The Company has disclosed its Diversity Policy in its Corporate Governance Plan.</p> <p>The Board has adopted a diversity policy to ensure that the company has as diverse a workforce as practicable.</p> <p>The Company recognises that a diverse and talented workforce is a competitive advantage and that the Company's success is the result of the quality and skills of our people. The Company's policy is to recruit and manage on the basis of qualification for the position and performance, regardless of gender, age, nationality, race, religious beliefs, cultural background, sexuality or physical ability. It is essential that the Company employs the appropriate person for each job and that each person strives for a high level of performance.</p> <p>To drive diversity and inclusion within the Company, the Board seeks to increase the percentage of women in the business and more specifically, in leadership roles, and actively promote a culture that values diversity, inclusion and flexibility. While the Company is small and focused on returning to profitability, it has not achieved these objectives for the period. The Company is not "relevant employer" under the Workplace Gender Equality Act.</p> <p>The Company is not included in the S&amp;P / ASX 300 Index at the commencement of the reporting period.</p>	<p>Partially Complies</p>

Principles and Recommendations		Compliance	Complies
1.6	<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>	<p>The Company has disclosed its Remuneration Committee charter in its Corporate Governance Plan.</p> <p>The Company has also disclosed in that Corporate Governance Plan its Performance Evaluation Policy.</p> <p>These two documents outline the Company's policies and practices regarding the performance evaluation of the Board, its committees, and individual directors.</p> <p>Due to the changes in the Board occurring during the reporting period, the evaluation process was not undertaken during this reporting period.</p>	Partially Complies
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; 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>	<p>The Company has disclosed in the Corporate Governance Plan its Remuneration Committee charter.</p> <p>The Company has also disclosed in the Corporate Governance Plan its Performance Evaluation Policy.</p> <p>These two documents outline the Company's policies and practices regarding the performance evaluation of senior executives.</p> <p>No evaluation process was undertaken during this reporting period.</p>	Partially Complies
<b>Principle 2 – Structure the Board to be effective and add value</b>			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(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; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>The Company has disclosed in the Corporate Governance Plan its Nomination Committee charter.</p> <p>The Board determined that, given the Company's size and the size of the Board, the functions of the nomination committee would be undertaken by the Board at the current time.</p> <p>The Board has carried out those functions in accordance with the Nomination Committee charter.</p>	Partially Complies

Principles and Recommendations		Compliance	Complies
2.2	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.	Together, the Directors have a broad range of experience, expertise, skills, qualifications and contacts relevant to the Company and its business, however the Company has not disclosed a current skills matrix.	Partially Complies
2.3	A listed entity should disclose: <ul style="list-style-type: none"> <li>(a) the names of the directors considered by the board to be independent directors;</li> <li>(b) if a director has an interest, position, affiliation 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; and</li> <li>(c) the length of service of each director.</li> </ul>	The Board considers Stephe Wilks (appointed on 28 October 2022) to be an independent director. The Board considers Brent Paddon (appointed on 28 October 2022) to be an independent director. The Board considers Jason Gomersall (appointed on 1 March 2020) to be an independent director.	Complies
2.4	A majority of the board of a listed entity should be independent directors.	At all times the majority were independent non-executive directors.	Complies
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.	The Chair, Stephe Wilks, is a non-executive and independent director, and is not the CEO.	Complies
2.6	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.	The Company has a program for inducting new directors and will provide induction material for any new directors. Depending upon specific requirements, the Board will provide appropriate professional development opportunities for Directors.	Complies
<b>Principle 3 – Instil a culture of acting lawfully, ethically, and responsibly</b>			
3.1	A listed entity should articulate and disclose its values.	The Company has disclosed its values in the Corporate Governance Plan.	Complies
3.2	A listed entity should: <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>	The Company has disclosed its Code of Conduct in the Corporate Governance Plan.	Complies

Principles and Recommendations	Compliance	Complies
3.3 A listed entity should: <ul style="list-style-type: none"> <li>(a) have and disclose a whistleblower policy; and</li> <li>(b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.</li> </ul>	The Company has disclosed its Whistleblower Policy in the Corporate Governance Plan.	Complies
3.4 A listed entity should: <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>	The Company has disclosed its Anti-bribery and Corruption policy in the Corporate Governance Plan.	Complies
<b>Principle 4 – Safeguard the integrity of corporate reports</b>		
4.1 The board of a listed entity should: <ul style="list-style-type: none"> <li>(a) have an audit committee which:               <ul style="list-style-type: none"> <li>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</li> <li>(2) is chaired by an independent director, who is not the chair of the board,</li> </ul>               and disclose:               <ul style="list-style-type: none"> <li>(3) the charter of the committee;</li> <li>(4) the relevant qualifications and experience of the members of the committee; and</li> <li>(5) 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; or</li> </ul> </li> <li>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</li> </ul>	The Company has an audit committee which has at least three members (Stephe Wilks, Brent Paddon, Jason Gomersall), all of whom are non-executive directors and a majority of whom are independent directors. It is chaired by an independent director (Jason Gomersall), who is not the Chair of the Board.  The Company has disclosed in the Corporate Governance Plan its Audit & Risk Committee charter.  The relevant qualifications and experience of the members of the committee, and 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 has been disclosed in the company's financial statements and Annual Report.	Complies

Principles and Recommendations		Compliance	Complies
4.2	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, 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.	This declaration was received by the Board.	Complies
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.	When preparing periodic reports for release to the market, these reports are reviewed by the relevant members of the of senior executive, before being presented to the Board for review and approval. Where appropriate, the Board may also seek professional external advice, including from the Company's auditors. Such reports are not released to market without this review and approval process being undertaken.	Complies
<b>Principle 5 – Make timely and balanced disclosures</b>			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	The Company has disclosed its Continuous Disclosure Policy in the Corporate Governance Plan.	Complies
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	The Company Secretary is responsible for ensuring all material market announcements are promptly distributed to the Board.	Complies
5.3	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.	The Company Secretary is responsible for ensuring all substantive investor or analyst presentation are released on the ASX Market Announcements Platform ahead of the presentation.	Complies
<b>Principle 6 – Respect the rights of shareholders</b>			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	The Board Charter and other applicable policies, as well as information about the current Board of Directors are available on the company's website.  <a href="https://vonex.com.au/investors/corporate-governance">https://vonex.com.au/investors/corporate-governance</a>	Complies
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	The Company has disclosed its Shareholder Communication Strategy in the Corporate Governance Plan. The Company will also use its website, half year and full year reports, market announcements and media disclosures to communicate with its shareholders, as well as encourage participation at general meetings.	Complies

Principles and Recommendations		Compliance	Complies
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	The Company facilitates effective participation in the AGM, by conducting the AGM using a hybrid model that will allow shareholders to attend in person or online, as well as the ability to submit written questions ahead of and during the AGM. The Company has engaged a recognised and reputable share registry service provider to further these objectives. However, the Company has not disclosed a formal policy or process.	Partially Complies
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.	The Company always uses a poll at all meetings of security holders.	Complies
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	The Company has instructed its share registry to facilitate this option for shareholders.	Complies
<b>Principle 7 – Recognise and manage risk</b>			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(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; or</p> <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>	<p>The Company has a combined Audit and Risk committee, which has at least three members (Stephe Wilks, Brent Paddon, Jason Gomersall), all of whom are non-executive directors and a majority of whom are independent directors. It is chaired by an independent director (Jason Gomersall), who is not the Chair of the Board.</p> <p>The Company has disclosed its Audit &amp; Risk Committee charter in the Corporate Governance Plan.</p> <p>The relevant qualifications and experience of the members of the committee, and 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 has been disclosed in the Company's Annual Report.</p>	Partially Complies



Principles and Recommendations	Compliance	Complies
<p>7.2 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>	<p>The Company has an Audit &amp; Risk Committee charter which states the Audit &amp; Risk Committee is responsible for assisting the Board to review the Company's risk management framework at least annually.</p> <p>Whilst no formal review was undertaken during this reporting period, the Board regularly reviewed the company's risk levels and operations throughout the year.</p>	Partially Complies
<p>7.3 A listed entity should disclose:</p> <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>The Board has determined that, given the Company's size, the Company not have an internal audit function at this time.</p> <p>The Company relies upon its external audit function, the oversight of a Board of Directors with significant telecommunications experience, and at times, the use of independent external consultants and advisors. The Board continually monitors the risk management and internal control processes adopted by the Company to ensure they are appropriate to the operations of the Company. The Board is satisfied with the current level of risk, risk management and control monitoring within the Company.</p>	Partially Complies
<p>7.4 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>The Company does not have any material exposure to environmental or social risks. The Board continues to monitor and manage risk in accordance with its risk framework.</p>	Complies
<b>Principle 8 – Remunerate fairly and responsibly</b>		
<p>8.1 The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(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; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>The Company has disclosed its Remuneration Committee charter in the Corporate Governance Plan.</p> <p>The Board determined that, given the Company's size and the size of the Board, the functions of the Remuneration Committee would be undertaken by the Board.</p> <p>The Board has carried out those functions in accordance with the Remuneration Committee charter.</p>	Partially Complies

Principles and Recommendations		Compliance	Complies
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	The Company has disclosed its Remuneration Committee charter in the Corporate Governance Plan. The Company has also disclosed in that Corporate Governance Plan its Performance Evaluation Policy. These two documents outline the Company's policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	Complies
8.3	A listed entity which has an equity-based remuneration scheme should: (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 (b) disclose that policy or a summary of it.	The Company's equity-based remuneration scheme is governed by the Vonex Performance Rights scheme. The Company has disclosed its Securities Trading Policy, which includes restrictions on participants entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme, in the Corporate Governance Plan.	Complies
<b>Additional Recommendations that apply only in certain cases</b>			
9.1	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.	We do not have a director in this position and this recommendation is therefore not applicable	n/a
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	We are established in Australia and this recommendation is therefore not applicable	n/a
9.3	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.	We are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable	n/a
<b>Additional disclosures applicable to externally managed listed entities</b>			
-	Alternative to Recommendation 1.1 for externally managed listed entities: The responsible entity of an externally managed listed entity should disclose: (a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.	We are not an externally managed listed entity and this recommendation is therefore not applicable.	n/a

Principles and Recommendations	Compliance	Complies
- Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities: An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.	We are not an externally managed listed entity and this recommendation is therefore not applicable.	n/a