

Corporate Governance Statement FY21

The Board of Directors of Dubber Corporation Ltd (the “Company”) is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of the Company on behalf of the shareholders by whom they are elected and to whom they are accountable.

This statement sets out the main corporate governance practices in place throughout the financial year in accordance with 4th edition of the ASX Principles of Good Corporate Governance and Best Practice Recommendations.

Further information about the Company’s corporate governance practices is set out on the Company’s website at www.dubber.net/company-profile

This Statement was approved by the Board of Directors and is applicable for the year ended 30 June 2021.

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

ASX Recommendation 1.1: A listed entity should have and disclose a board charter setting out:

- (a) the respective roles and responsibilities of its board and management; and**
- (b) those matters expressly reserved to the board and those delegated to management.**

The Board has adopted a formal charter that details the respective board and management functions and responsibilities. A copy of this board charter is available in the corporate governance section of the Company's website at www.dubber.net/company-profile

ASX Recommendation 1.2: a listed entity should undertake appropriate checks before appointing a person or putting forward to security holders a candidate for election as a director and provide security holders with all material information relevant to a decision on whether or not to elect or re-elect a director.

The Company considers the character, industry and relevant experience, education and skill set, as well as interests and associations of candidates for appointment to the Board and conducts appropriate checks to verify the suitability of the candidate.

Information in relation to Directors seeking reappointment is set out in the Directors report and notice of Annual General Meeting.

ASX Recommendation 1.3: a listed entity should have a written agreement with each Director and senior executive setting out the terms of their appointment.

The Company has in place written agreements with each Director and senior executive.

ASX Recommendation 1.4: the company secretary of a listed company should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.

The Board Charter provides for the Company Secretary to be accountable directly to the board through the Chair.

ASX Recommendation 1.5: a listed entity should:

- **have and disclose a diversity policy which includes the requirement for the board to set measurable objectives for achieving gender diversity;**
- **disclose the measurable objectives and the entity's progress to achieving them;**
- **disclose the measurable objectives and progress towards achieving them; and**
- **disclose the respective proportions of men and women on the board and at each level of management and the company as a whole.**

The Company has adopted a Diversity Policy which is available in the corporate governance section of the Company's website at www.dubber.net/company-profile

The measurable objectives have been set for FY20 onwards at a 5-year company-wide target of 25% women and a long-term target of 50% women. The Company's employment policy is to employ based on merit.

As at 30 June 2021:

Board – 0% women; Senior Executives – 2% women; whole organisation – 28% women.

ASX Recommendation 1.6: a listed entity should have and disclose the process for evaluating the performance of the board, its committees and individual directors and whether a performance evaluation was carried out during the reporting period in accordance with that process.

The Chair has the overall responsibility for evaluating the Board, any committees established and, when appropriate, individual directors on an annual basis.

The method and scope of the performance evaluation will be set by the Chair and which may include a Board self-assessment checklist to be completed by each Director. The Chair may also use an independent adviser to assist in the review if deemed appropriate.

A performance review was undertaken during the reporting period.

ASX Recommendation 1.7: a listed entity should have and disclose a process for periodically evaluating the performance of its senior executives and disclose in relation to each reporting period where a performance evaluation was undertaken in accordance with a process.

Senior executives have formal performance evaluations conducted throughout the year.

Performance evaluations of senior executives were undertaken during the year.

PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE

ASX Recommendation 2.1: The board of a listed entity should establish a nomination committee:

- with at least three members the majority of which are independent directors
- chaired by an independent Director; and
- disclose the charter of the committee, the members of the committee and the number of times the committee met throughout the period and member attendance at those meetings.

Given the present size and complexity of the Company the Board has not constituted a Nomination Committee with the full Board carrying out the role of a Nomination Committee. The Board considers succession issues and the requirements 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 regularly at Board meetings.

ASX Recommendation 2.2: a listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.

On a collective basis the Board's skills indicates the mix of skills, experience and expertise that are considered necessary at Board level for optimal performance of the Board. The matrix reflects the Board's objective to have an appropriate mix of industry and professional experience including skills such as leadership, governance, strategy, finance, risk management and international business operations.

The Board skills matrix is located on the Company's website.

ASX Recommendation 2.3: a listed entity should disclose the names of the directors considered by the board to be independent directors and provide details in relation to the length of service of each Director.

The independent directors for the entire financial year are:

1. Mr Peter Clare – Non-executive Chairman (appointed 1 December 2017)
2. Mr Gerard Bongiorno – Non-executive Director (appointed 2 July 2017)

Mr Steven McGovern (appointed 2 March 2015) is the managing director. Mr Peter Pawlowitsch (appointed 20 September 2011) changed to an Executive Director during the year and is therefore not considered to be an independent Director.

ASX Recommendation 2.4: the majority of the board of a listed entity should be independent directors.

50% of the Board are considered independent directors for the entire year.

The Board will review its composition as the Company's circumstances change.

ASX Recommendation 2.5: The Chair 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 Chairperson, Mr Peter Clare is considered to be an independent Director.

Mr Steven McGovern is the Managing Director.

ASX Recommendation 2.6: a listed entity should have a program for inducting new directors and provide appropriate professional development opportunities.

The Board is responsible for providing new directors with an induction to the Company and for the program for providing adequate professional development opportunities for directors and management.

PRINCIPLE 3: ACT ETHICALLY AND RESPONSIBLY

ASX Recommendation 3.1: a listed entity should articulate and disclose its values.

A copy of the Company's Values Statement is available in the corporate governance section of the Company's website at www.dubber.net/company-profile

ASX Recommendation 3.2: a listed entity should establish a code of conduct and disclose the code or a summary of the code.

The Company has established a Code of Conduct as to the practices necessary to maintain confidence in the Company's integrity, the practices necessary to take into account its legal obligations and the reasonable expectations of its stakeholders and the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.

A copy of the Company's code of conduct is available in the corporate governance section of the Company's website: www.dubber.net/company-profile

ASX Recommendation 3.3: a listed entity should have and disclose a Whistleblower policy and ensure the board is informed of any material incidents.

A copy of the Company's Whistle Blower Policy is available in the corporate governance section of the Company's website at www.dubber.net/company-profile

ASX Recommendation 3.4: a listed entity should have and disclose an Anti-Bribery and Anti-Corruption policy and ensure the board is informed of any material incidents.

A copy of the Company's Anti-Bribery and Anti-Corruption policy is available in the corporate governance section of the Company's website at www.dubber.net/company-profile

PRINCIPLE 4: SAFEGUARD INTEGRITY IN FINANCIAL REPORTING

ASX Recommendation 4.1: The Board of a listed entity should establish an audit committee:

- **with at least three members, all of whom are non-executive directors and a majority of which are independent directors**
- **chaired by an independent Director; and**
- **disclose the charter of the committee, the members of the committee and the number of times the committee met throughout the period and member attendance at those meetings.**

Given the present size and recent board changes of the Company, the Board has not constituted an Audit Committee with the full Board carrying out the role of an Audit Committee. The Board considers the appointment and removal of the Auditor and auditor rotation annually.

ASX Recommendation 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.

The Board has received the assurance required by ASX Recommendation 4.2 in respect of the financial statements for the half year ended 31 December 2020 and the full year ended 30 June 2021 from the Managing Director and CFO. Given the size and nature of the Company's operations the Board has not received the assurance in respect of the quarterly cash flow statements believing that the provision of the assurance for the half and full year financial statements is sufficient.

ASX 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.

The external auditor attends the Annual General Meeting and is available to answer questions from shareholders relevant to the audit and financial statements. The external auditor will also be allowed a reasonable opportunity to answer written questions submitted by shareholders to the auditor as permitted under the Corporations Act.

PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE

ASX Recommendation 5.1: a listed entity should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.

The Company has established a continuous disclosure policy which is designed to guide compliance with ASX Listing Rule disclosure requirements and to ensure that all Directors, senior executives and employees of the Company understand their responsibilities under the policy. The Company Secretary acts as the Company's Disclosure Officer and is responsible for implementing and administering this policy. The Disclosure Officer is responsible for all communication with ASX and for making decisions on what should be disclosed publicly under this policy.

In accordance with the Company's continuous disclosure policy, all information provided to ASX for release to the market is posted to its website at www.dubber.net/company-profile after ASX confirms an announcement has been made.

ASX Recommendation 5.2: a listed entity should ensure that its board receives copies of all material market announcements

This practice is in place.

ASX Recommendation 5.3: Investor presentations should be released on the ASX Announcements Platform prior to any presentation.

This practice is in place.

PRINCIPLE 6: RESPECT THE RIGHTS OF SHAREHOLDERS

ASX Recommendation 6.1: a listed entity should provide information about itself and its governance to investors via its website.

The Company's website at www.dubber.net/company-profile contains information about the Company, Directors and management and the Company's corporate governance practices, policies and charters. All ASX announcements made to the market, including annual and half year financial results are posted on the website as soon as they have been released by the ASX. The full text of all notices of meetings and explanatory material, the Company's Annual Report and copies of all investor presentations are posted on the website.

ASX Recommendation 6.2: a listed entity should have an investor relations program that facilitates effective two-way communication with investors.

The Chairman is the main contact for investors and potential investors and makes himself available to discuss the Company's activities when requested together with other Directors and the Managing Director as required. In addition to announcements made in accordance with its continuous disclosure obligations the Company, from time to time, prepares and releases general investor updates about the Company.

Contact with the Company can be made via email addresses provided on the website.

ASX 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.

The Company encourages participation of shareholders at any general meetings and its Annual General Meeting each year. Shareholders are encouraged to lodge direct votes or proxies subject to the adoption of satisfactory authentication procedures if they are unable to attend the meeting.

The full text of all notices of meetings and explanatory material are posted on the Company's website at www.dubber.net/company-profile

ASX 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.

This practice is in place.

ASX Recommendation 6.5: a listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security register electronically.

Contact with the Company can be made via email addresses provided on the website.

The Company's share register provides a facility whereby investors can provide email addresses to receive correspondence from the Company electronically and investors can contact the share register via telephone, facsimile or email.

PRINCIPLE 7: RECOGNISE AND MANAGE RISK

ASX Recommendation 7.1: The Board of a listed entity should have a committee to oversee risk:

- **with at least three members, all of whom are non-executive directors and a majority of which are independent directors**
- **chaired by an independent Director; and**
- **disclose the charter of the committee, the members of the committee and the number of times the committee met throughout the period and member attendance at those meetings.**

The Board has not constituted a Risk Committee with the full Board responsible for risk management. Management report to the Board on the risk management framework on a regular basis.

ASX Recommendation 7.2: The Board or a committee of the Board, of a listed entity should review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and disclose in relation to each reporting period whether such a review was undertaken.

The Board is responsible for the oversight of the Company's risk management and control framework. Given the small management team and Board, risk is reviewed on an ongoing basis.

The Board has conducted a review during the reporting period.

ASX Recommendation 7.3: a listed entity should disclose if it has an internal audit function and if it does not have an internal audit function that fact and the processes it employs for evaluating and continually improving the effectiveness of risk management and internal control processes.

Given the Company's current size and level of operations it does not have an internal audit function.

The Board is responsible for the oversight of the Company's risk management and control framework. Responsibility for control and design of risk management is delegated to the appropriate level of management within the Company the Board being responsible for the risk management and control framework.

ASX Recommendation 7.4: a listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and if it does how it manages or intends to manage those risks.

The Company has exposure to economic risks, including general economy wide economic risks and risks associated with the economic cycle.

There may be a requirement in the future for the Company to raise additional funding to pursue its business objectives. The Company's ability to raise capital may be affected by these economic risks.

The Company has in place risk management procedures and processes to identify, manage and minimise its exposure to these economic risks where appropriate.

The operations and proposed activities of the Company are subject to regional and Federal laws and regulations concerning the environment. As with most technology companies, the Company's activities are not expected to have an impact on the environment. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

The Company's Corporate Code of Conduct outlines the Company's commitment to integrity and fair dealing in its business affairs. The code sets out the principles covering appropriate conduct in a variety of contexts and outlines the minimum standard of behavior expected from employees when dealing with stakeholders.

PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY

ASX Recommendation 8.1: The board of a listed entity should establish a remuneration committee:

- **with at least three members the majority of which are independent directors**
- **chaired by an independent Director; and**
- **disclose the charter of the committee, the members of the committee and the number of times the committee met throughout the period and member attendance at those meetings.**

Given the present size and complexity of the Company the Board has not constituted a Remuneration Committee with the full Board responsible for remuneration role and responsibilities. The Board sets the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive by comparison to market levels.

ASX Recommendation 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's policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives are set out in the Remuneration Report included in the Directors Report of the Financial Statements.

ASX Recommendation 8.3: a listed entity which has an equity based remuneration scheme should have a policy on whether participants are permitted to enter into transactions which limit the economic risk of participating in the scheme and disclose the policy or a summary of that policy.

A participant in an equity based remuneration plan operated by the Company must not enter into a transaction (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the equity based remuneration plan.