



Continuous Disclosure and Shareholder Engagement Policy

SenSen Networks Limited

Table of contents

1.	Introduction	1
2.	Principles – ASX Listing Rules	1
3.	ASIC Guidelines	2
4.	What information needs to be disclosed?	2
5.	How should information be disclosed?	3
6.	Contravention & breach	3
7.	Obligations and responsibilities	4
7.1	Roles & responsibilities	4
8.	Procedure	4
8.1	Reporting & escalation of information	4
8.2	Company Secretary & Managing Director	5
8.3	Timing	5
8.4	Dissemination of information to ASX	6
8.5	Dissemination of information to third parties	6
8.6	Shareholder engagement	6
8.7	Official spokesperson	7
9.	Specific Situations	7
9.1	Analysts & media	7
9.2	Market rumours	8
9.3	Leaks & inadvertent disclosures	8
10.	Policy disclosure	8

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Adopted by Board: 21 March 2018

1. Introduction

The purpose of this Continuous Disclosure Policy (**Policy**) is to ensure that SenSen Networks Limited (**SenSen**), as a minimum, complies with its continuous disclosure obligations under the Corporations Act and the Australian Securities Exchange (**ASX**) Listing Rules. This is achieved, in part, by ensuring that:

- (a) The market is provided with timely and equal access to information known to SenSen which is likely to impact upon its share price;
- (b) SenSen, through adherence to and regular review of this Policy, seeks to achieve and exceed best practice;
- (c) The Australian Securities and Investments Commission's (**ASIC**) "Better Disclosure to Investors" guidance principles and the ASX guidance note "Continuous Disclosure: Listing Rule 3.1" are appropriately incorporated into SenSen's Policy; and
- (d) Personnel with key roles under this Policy are educated in their obligations and responsibilities under the Policy.

2. Principles – ASX Listing Rules

The continuous disclosure requirements within the ASX Listing Rules are contained in Listing Rules 3.1, 3.1A and 3.1B, and state:

- 3.1 *Once an entity is or becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities, the entity must immediately tell ASX that information.*
 - 3.1A *Listing rule 3.1 does not apply to particular information while all of the following are satisfied.*
 - 3.1A.1 *One or more of the following 5 situations applies.*
 - *It would be a breach of a law to disclose the information.*
 - *The information concerns an incomplete proposal or negotiation.*
 - *The information comprises matters of supposition or is insufficiently definite to warrant disclosure.*

- *The information is generated for the internal management purposes of the entity.*
 - *The information is a trade secret.*
- 3.1 A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential.*
- 3.1 A.3 *A reasonable person would not expect the information to be disclosed.*
- 3.1B *If ASX considers that there is or is likely to be a false market in an entity's securities and asks the entity to give it information to correct or prevent a false market, the entity must immediately give ASX that information.*

An entity becomes aware of information if a director or executive officer has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as a director or executive officer of that entity. A director or executive officer may be deemed as having knowledge of any information that is known to employees of SenSen. It is for this reason that SenSen employees have reporting obligations under this Policy.

Once a director or executive officer becomes aware of information, he or she must immediately consider whether that information should be given to the ASX. Due to the elements of constructive knowledge on the part of the entity (or rather its directors and executive officers) and immediacy of the disclosure requirements, this Policy incorporates a system to identify material information and to decide if that information needs to be disclosed.

3. ASIC Guidelines

ASIC has developed ten best practice principles for continuous disclosure. The guidelines are aimed primarily at preventing selective disclosure and developing disclosure procedures, but also address issues such as briefing analysts as a means of ensuring equal access to information for all sectors of the investment market.

All ten guidance principles are reflected in this Policy.

4. What information needs to be disclosed?

An entity must disclose information if a reasonable person would expect that information to have a material effect on the price or value of the entity's securities. A reasonable person is taken to expect information to have a material effect on the price or value of securities if it would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell securities. Much will depend upon the identity of the particular company in question and its circumstances at the time that the information comes to hand.

This Policy imposes upon the Company Secretary and Managing Director the responsibility for determining what information is to be disclosed. Where there is doubt as to the obligation to disclose the information, the Company Secretary and the Managing Director must consult Board members and senior executives and, if necessary, obtain external advice.

However, the Company Secretary and Managing Director must at all times bear in mind the requirement to disclose the information in a timely manner and the continuous disclosure obligations are not suspended merely because legal or accounting advice is being obtained prior to disclosure.

Determining whether information is materially price sensitive is a question of fact requiring consideration to be given to all of the circumstance surrounding the information and SenSen at that point in time. The ASX will give weight to judgments that are logically and honestly made.

The information must be relevant to the disclosing entity, but this does not limit the information to information from any one source. Information may come from other sources (for example, a joint venture partner or an unlisted subsidiary in which the disclosing entity has an interest or the decision of a government body) where that information has a material impact on SenSen.

5. How should information be disclosed?

Once disclosure is required to be made, disclosure of the information must be made to the ASX before dissemination of that information at large. An entity must not disclose information that is for release to the market to anyone until it has given the information to the ASX and has received an acknowledgment from the ASX that the information has been received.

6. Contravention & breach

If SenSen breaches its continuous disclosure obligations by failing to notify the ASX of information required to be disclosed, and such contravention is intentional, reckless or negligent, SenSen and its officers may be guilty of an offence under the Corporations Act.

The consequences for SenSen of being found guilty include:

- (a) Criminal liability with monetary fines (up to \$1.1 million);
- (b) Civil liability for any loss or damage suffered by any person as a result of SenSen's failure to disclose the information to the ASX; and
- (c) De-listing from the ASX.

SenSen's officers, employees and advisors (which can include accountants, lawyers and financial advisors) who are involved in a contravention by the company, may also

face criminal (monetary fine and/or 5 years imprisonment) and civil liability for any loss or damage suffered by any person as a result of non-disclosure.

The Corporate Law Economic Reform Program 9 reform to the law relating to continuous disclosure has resulted in a new penalty system of infringement notices as a means of addressing what ASIC considers to be less serious breaches of continuous disclosure obligations. Infringement notices represent a swifter form of punishment of offenders and result in fines set with reference to the market capitalisation of the offending company.

7. Obligations and responsibilities

7.1 Roles & responsibilities

Responsibility for compliance with the continuous disclosure obligations and this Policy falls on all employees of SenSen. However, the responsibilities vary depending upon the person's role within SenSen. The following personnel have key responsibilities with respect to disclosure as summarised below:

- (a) Board of Directors – it is the Board's role to take responsibility for the maintenance and review of this Policy and, where applicable, the signing off on significant ASX announcements.
- (b) Company Secretary/Managing Director – responsible for administering this Policy and communicating with the ASX.
- (c) Authorised Spokespersons – communicating publicly with third parties on behalf of SenSen.
- (d) All employees – obligation to report to the Company Secretary and/or Managing Director any information of which he or she gains knowledge which has the potential to amount to materially price sensitive information and therefore be required to be disclosed. This obligation extends to the reporting of leaks or inadvertent disclosures of information that come to the employee's attention.

8. Procedure

8.1 Reporting & escalation of information

It is the duty of all employees and not just directors and senior executives to immediately notify the Company Secretary and/or Managing Director as soon as he or she becomes aware of information that a reasonable person may expect to have an effect on the price or value of SenSen's securities (**Potentially Price Sensitive Information**).

The escalation and reporting of Potentially Price Sensitive Information by employees should be made by way of an internal memo e-mailed to the Company Secretary and

Managing Director, marked as being of high priority. Where the information comes first to the knowledge of the Company Secretary and/or Managing Director, no such memo is required. All Potentially Price Sensitive Information must be reported. Whether or not an exemption with respect to its disclosure applies is a question for the Company Secretary and Managing Director.

The duty to consider the application of the continuous disclosure obligations to the reported Potentially Price Sensitive Information is the responsibility of the Company Secretary and the Managing Director.

8.2 Company Secretary & Managing Director

Upon receipt of the Potentially Price Sensitive Information, the Company Secretary and Managing Director must:

- (a) review the information;
- (b) conduct further inquiries if required;
- (c) determine in consultation with other SenSen officers, executives and other senior employees, whether the information has to be disclosed to the ASX; and
- (d) prepare and co-ordinate the disclosure of the information should it be determined as being materially price sensitive.

No person may communicate with the ASX or any other party about price sensitive information except the Company Secretary and the Managing Director.

In addition to the above responsibilities, the Company Secretary is also responsible for:

- (a) ensuring SenSen Group is compliant with this Policy;
- (b) reporting regularly to the Board of Directors regarding continuous disclosure issues;
- (c) keeping a record of all ASX and other announcements SenSen has made; and
- (d) monitoring the application of this Policy including the understanding of employees of the general principles of continuous disclosure and its importance, including the underlying principles behind the need for continuous disclosure, and, where necessary, arranging appropriate training and education sessions for employees.

8.3 Timing

Continuous disclosure issues are intensely time critical. Therefore, if there is likely to be any significant delays in the investigation of potential price sensitive information or the preparation and lodgement of announcements to the ASX, the Board of Directors should consider whether a trading halt or suspension is warranted.

8.4 Dissemination of information to ASX

If the Company Secretary and Managing Director form the opinion that the Potentially Price Sensitive Information must be disclosed in accordance with this Policy, the Company Secretary must prepare a draft announcement for lodgement with the ASX. The announcement must be factual, relevant and expressed clearly, objectively and unemotionally.

The Company Secretary must disseminate the draft announcement to the Board of Directors for comment.

The Company Secretary must lodge the announcement electronically with the ASX as soon as possible.

8.5 Dissemination of information to third parties

SenSen must not disclose to third parties any information released to the ASX in a formal announcement until such time as SenSen has received confirmation from the ASX of the release of that announcement.

As soon as practicable after receipt of confirmation from the ASX but in any event no later than 24 hours after receipt of confirmation, the Company Secretary must arrange for the announcement to be published on SenSen's website in a manner whereby the nature of the information is clear to its reader and the information is published in an area that is not associated with SenSen's promotional or product material.

In addition to posting the information on SenSen's website, the Company Secretary must ensure that the announcement is disseminated to major stakeholders and interested parties. This can be done via e-mail or a fax stream or if appropriate, a media release. The emphasis on this further release should at all times be equity of access to the information and dissemination of the information across the broadest spectrum of the market.

8.6 Shareholder engagement

Apart from adhering to this policy regarding continuous disclosure and maintaining a comprehensive up-to-date website which shareholders may access, SenSen will ensure that:

- (a) meetings of shareholders are convened at times and places which give shareholders adequate opportunity to attend those meetings;
- (b) documents sent to shareholders regarding matters for consideration at shareholder meetings shall be presented in the clearest possible manner to enable informed consideration; and
- (c) shareholders requiring clarification of any announcements made or documents sent to shareholders shall be afforded reasonable access to senior management and/or directors as appropriate to obtain such clarification.

8.7 Official spokesperson

No employee of SenSen is authorised to discuss the company's business operations or any price sensitive information with third parties and therefore such action is strictly prohibited.

The Managing Director, Chairman and any other person authorised by the Board of Directors from time to time are permitted to speak with third parties in accordance with this Policy.

When discussing SenSen with third parties the authorised spokesperson:

- (a) Must limit comments to information that is already within the public domain;
- (b) Should consult the Company Secretary prior to the discussions in order to become better briefed on information previously disclosed to the ASX;
- (c) May clarify with the Company Secretary previous announcements to the ASX but must not disclose material price sensitive information which has not previously been released;
- (d) Must advise the Company Secretary of the nature of the information that the spokesperson intends to discuss with the third party;
- (e) Should limit discussions to areas of the spokesperson's expertise wherever possible; and
- (f) Should report to the Company Secretary after the discussions if there is any doubt as to whether information has been disclosed which should not have been.

9. Specific Situations

9.1 Analysts & media

The application of this Policy with respect to spokespersons generally, also applies to briefings with analysts and the media.

Prior to meeting with analysts, any slides or presentations intended to be used as part of the briefings should be given to the ASX for immediate release to the market and should be posted on SenSen's website.

When dealing with analysts' questions that raise issues outside of the intended scope of the briefing, spokespersons should not discuss information that has not been released through the ASX. Where answering a question requires the disclosure of price sensitive information, the spokesperson must decline to answer the question or take it on notice. If SenSen intends to respond to the question, the relevant price sensitive information must be announced to the ASX beforehand and receipt of confirmation of the release of the announcement must occur prior to a response being given. This ensures that no

one person or group of persons has access to information for any period of time prior to the information being readily available to the market at large.

Any comments made in relation to an analyst's financial projections should be limited to correcting factual errors and underlying assumptions. Responses that in any way address issues of SenSen's projections as being incorrect should be avoided. Any changes in SenSen's projections must be announced through the ASX.

A minimum of two SenSen representatives must be present at briefings with analysts. If two representatives are not present, the spokesperson who is present should endeavour to tape record the briefing. Comprehensive file notes of the discussion must be kept and provided to the Company Secretary for verification.

9.2 Market rumours

SenSen has a "no comment" policy with respect to market rumours, however it will issue an announcement in response to market speculation and rumours where it is necessary to comply with its continuous disclosure obligations.

If there is market rumour or speculation which is creating a false market, the ASX may request SenSen to respond to that speculation to ensure that the market is trading on a fully informed basis.

9.3 Leaks & inadvertent disclosures

The disclosure of information that is of a material, price sensitive nature through means other than an ASX announcement may amount to a breach of the ASX Listing rules and/or the Corporations Act. To reduce the consequences of a leak or inadvertent disclosure of information, the Company Secretary must prepare and lodge an announcement with the ASX as soon as practicable after the fact of the disclosure comes to the attention of the SenSen.

It is important to note that the disclosure of previously confidential information is sufficient to deprive that information of the exemption from disclosure that may otherwise have been afforded to it under ASX Listing Rule 3.1A.

10. Policy disclosure

This Policy will be posted to SenSen's website in the Corporate Governance section.

Review Date: 21 March 2019