CORPORATE GOVERNANCE FRAMEWORK

1. Introduction

The purpose of this Connectivity Standards Alliance (Alliance) Corporate Governance Framework (Framework) is to provide an overall framework for the governance and operation of the Alliance as a global, open standards organization whose mission is to bring industry and marketplace together to set the foundation and future of the Internet of Things (IoT).

As a dynamic organization that serves the IoT industry and marketplace and as a leader to create new market and technology opportunities, the Alliance looks to adapt to new challenges and the needs of its Members, the IoT industry and marketplace. This Framework provides guiding principles for Alliance leadership to operate and adapt to changes as the market and the needs of its Members evolve, while maintaining the Alliance's longevity, success, and resiliency.

In addition to establishing a consistent, resilient, and flexible governance and operational framework, a primary objective of this Framework is to promote maximum engagement of the entire membership, promote interests of the broader membership, and be responsive to evolving Member needs. Governance should promote a leadership model that serves all classes of membership and is balanced so that opportunities exist for Member input in decision-making processes. Finally, all policies and initiatives of the Alliance should be formulated and undertaken with an emphasis on inclusiveness and diversity, and the Alliance should proactively identify key areas of improvement and create plans to improve in such areas.

The Alliance will periodically review this Framework and may adjust its governance structure, policies, and procedures as necessary based on internal input and feedback from its Members and perspectives from the IoT marketplace and industry.

This Framework co-exists with and is implemented by the Alliance **Corporate Bylaws** and Alliance policies, including the Alliance **IPR Policy**, the **Conflict of Interest Policy**, the Alliance **Organizational Processes and Procedures**, and the Alliance **Certification Policy**, as each policy may be amended from time-to-time (collectively, the **Corporate Documents and Policies**). Ultimately, the Corporate Documents and Policies take precedence in the case of any conflict or inconsistencies with this Framework. The Alliance will work to keep this Framework current with the Corporate Documents and Policies, and vice-versa, and accordingly, the Alliance may update this Framework at any time.

2. Membership

Participation in the Alliance is open to all organizations that are a part of the IoT industry. Based on their level of membership, Members are expected to engage in some or all of the following: contribute their expertise through collaborating to develop standards that promote the interoperability of the IoT, share any intellectual property that become a part of those standards, test tools and specifications, and participate in certification of manufactured products to ensure the market achieves maximum interoperability. Additionally, Members will have the ability to join committees and groups within the Alliance, including Working Groups, regional interest groups, and industry stakeholder groups that develop and influence standards, as well as contribute their expertise in other committees and subgroups in areas such as requirements, marketing, advisory and strategy. With an open, inclusive, and global focus, the Alliance will work to accommodate input, contributions, and participation by all Members of a far-reaching and growing constituency of actors in bringing the IoT to reality.

The Alliance leadership, through its Board of Directors and enabling sub-groups, such as Board committees, working groups, advisory groups, subordinate groups, interest groups, partner ecosystems, should have the broadest level of participation as possible and practicable, and consistent with the Alliance's mission.

3. Organizational Structure of the Alliance

The Alliance has several levels of membership, including Promoters, Participants, Adopters and Affiliates. The overall organization structure of the Alliance is set forth below and is described in greater detail in the balance of this Framework:
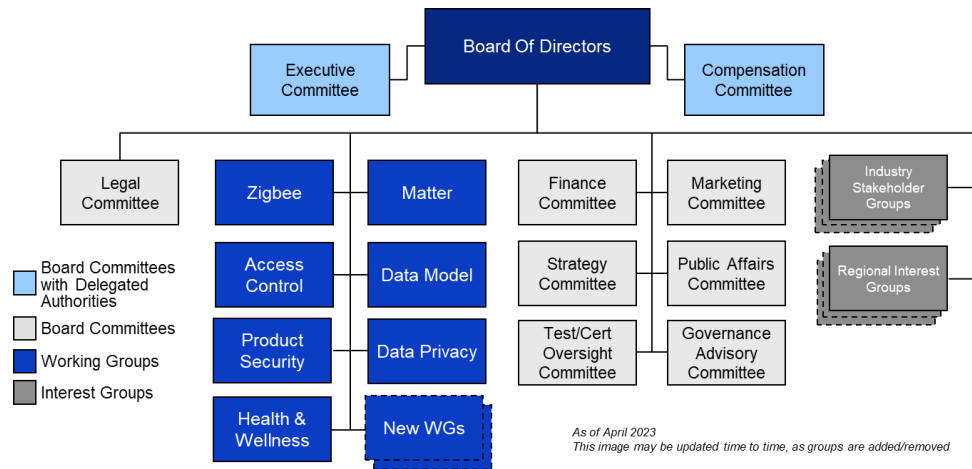
The following provides additional detail on each area of the organizational structure of the Alliance:

4. Alliance Board of Directors

The Alliance Board of Directors is responsible for the overall management of and policy setting for the Alliance. This governing body has final approval over all developed standards and Alliance policies, forming and overseeing Alliance Working Groups, overseeing Board and Advisory Committees and forging liaisons with other standards organizations. The Board meets on a regular basis.

4.1 Scope of Work:

4.1.1 Provide Leadership to the Alliance

In addition to being responsible for the overall management and policy setting for the Alliance, the Board of Director members are eligible to run for and be elected to all Board Committees and Working Group Steering Committees and to serve as chairs and vice-chairs of such committees.

4.1.2 Manage Industry Stakeholder and Regional Interest Groups

The Board establishes and manages groups which are made up of Member companies that have a common interest and are part of the same market segment or domain, such as devices, semiconductors, retail, *etc.*, (Industry Stakeholder Groups), or are part of a defined area or geographic scope (*e.g.*, European region, Asia region, *etc.*) (Regional Interest Groups). These Groups are the conduit for more collaborative two-way communications between Member companies and the Board.

4.2 Composition:

The Board is comprised of the following: one Primary Director (with vote) from each Promoter Member, and the Alliance President and CEO, who serves in an *ex-officio*, non-voting capacity. Each Promoter Member

may appoint one Alternate Director who can act for the Primary Director in the absence of the Primary Director. Board Directors appointed by their Promoter Member companies should have experience as a line-of-business leader and/or experience serving as director on another board.

It is the goal of the Board of Directors to have broad representation across the IoT value chain, current and future IoT markets or domains and across geographies, with an emphasis on inclusiveness and diversity.

4.3 Board Officers:

Officers of the Board include a Chairperson, one (1) Vice-Chairperson, a Treasurer, and a Secretary, each of whom must be representatives from different Promoter Member companies. All officers will have a term of one (1) year, with terms beginning at the conclusion of the first all-member Alliance meeting of the calendar year. The Board Chairperson shall also be the chairperson of the Executive Committee; but cannot also be simultaneously the Chair of any other Board Committee or Working Group Steering Committee.

5. Committees and Groups

5.1 General Guidelines

5.1.1. Size and Make-Up:

To create clear structure and authority for Committees, each Committee will have a set number of Promoter Members, who will be elected to the Committee by the Board.

Any voting member of any Committee must be a Primary Director or Alternate Director. The member who is elected cannot delegate or proxy their function (or vote) to another representative from their company. For clarity, the chairperson of a Committee may still delegate responsibilities (but not their vote) to the Committee's vice-chairperson, as would be normal as part of their respective roles.

Additionally, subject matter specialists who are not Primary Directors or Alternate Directors (e.g.: marketing or certification subgroup chairs of Working Groups) may be needed to perform the work of the Committee. These persons, along with others, may be invited to participate as guests in select Committee meetings, subordinate groups, and working sessions at the discretion of the applicable chairperson.

Each Committee will have a charter that will specify any applicable and additional roles and responsibilities of each Committee consistent with this Framework.

5.1.2 Voting:

The number of voting members for each Committee are set forth below. Committees will require a quorum for a vote. A quorum will be a majority of the total number of voting members on the Committee. *Ex-officio* members do not count towards quorum. As motions are brought from Committees to the Board of Directors, the Committee vote (number of voting Committee members and results) will be clearly displayed and transparent to the Board of Directors.

5.1.3 Openness:

Committee meetings, with the exception of Executive Committee meetings, are open to all Primary Directors and Alternate Directors; and, at the discretion of the chairperson, may participate in meetings, aligned to the approach of one company / one voice.

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5.1.4 Leadership:

Candidates running for Committees will be requested to submit a written statement of qualifications, including their experience and skills, that will benefit the Committee and the Alliance.

It is expected that the Committee members and chairpersons act in a fashion befitting their role as elected representatives and leaders of their Committee, including demonstrating behaviors such as: regular attendance and preparedness for meetings, making fair and impartial assessments of Committee proposals and progress, engaging with and seeking feedback from membership and not acting solely in one's own or one's company's self-interest, generally fulfilling their obligations of confidentiality, acting in a way that supports the overall strategy and mission of the Alliance, and overall being a good promoter and steward of the Alliance. Should a Committee member or chairperson not fulfill their duties or not act in a fashion befitting the role, others on the Committee or Board may take action in accordance with the Alliance Organizational Policies and Procedures.

5.2 Executive Committee

5.2.1 Statement of Purpose:

The Executive Committee shall meet on a monthly basis, and at such other times as may be advisable at the direction of the Chairperson or President and Chief Executive Officer and shall have the responsibilities and authority as outlined in the bylaws and the scope of work below.

5.2.2 Scope of Work:

The Executive Committee is focused on the work of the Board, setting agendas, determining what issues are heard by the Board, when, how and for what purpose and exercising any delegated authority as outlined in the Alliance Corporate Bylaws. Further, the Executive Committee helps define the routing of general issues, ad hoc, or unexpected items to the appropriate area or committee. Given its purpose and scope of work, Executive Committee meetings will be closed sessions by default. Primary and Alternate Directors, Working Group Steering Committee Chairs and other guests may be invited to participate in Executive Committee meetings and working sessions at the discretion of the Chairperson. The Chairperson of the ExCom is the Chairperson of the Board.

Each member of the Executive Committee who is a chairperson of a Board Committee is responsible for ensuring their respective committee is appropriately apprised (within confidentiality requirements) of the strategy, priorities, and decisions of the Board.

5.2.3 Composition:

The Executive Committee is comprised of ten (10) members: (1) the chairpersons of each of the following committees as voting members: Strategy, Finance, Governance Advisory, TCOC, Marketing, and Public Affairs; (2) the Chairperson and Vice Chairperson of the Board of Directors as voting members; and (3) as *ex-officio*, non-voting members, the President and CEO of the Alliance and the Board Secretary. To comply with applicable law, each of the members of the Executive Committee must be Primary Directors.

5.3 Strategy Committee

5.3.1 Statement of Purpose:

The Strategy Committee is responsible for the short- and long-term strategy, roadmaps, and growth plan of the Alliance.

5.3.2 Scope of Work:

Define and manage Alliance initiative and technology roadmaps and priorities, ensuring related Alliance work aligns with the vision, mission, and goals of the Alliance. Oversee the formation of Alliance liaison relationships and provide guidance to the Board of Directors on items that heavily impact Alliance strategy.

5.3.3 Composition:

The Strategy Committee is comprised of ten (10) members: Seven (7) are voting members, elected by the Board of Directors from Promoter Members, and who must be Primary Directors or Alternate Directors. The Board Chairperson, the Alliance President and CEO and the Alliance Head of Marketing, shall serve as Committee members in an *ex-officio*, non-voting capacity. Representatives should have direct experience in or directly contribute to the formulation of their company's business strategy. The Strategy Committee will elect its own chairperson from its Primary Director members. The vice-chairperson can be chosen from any elected committee member.

5.4 Test & Certification Oversight Committee (TCOC)

5.4.1 Statement of Purpose:

The TCOC is responsible for the short- and long-term strategy of Alliance certification programs in consultation with the Alliance Head of Certification and Testing Programs.

5.4.2 Scope of Work:

The TCOC will develop the strategy and direction for Alliance certification programs, subject to the approval by the Board. The TCOC will periodically review, update, and recommend changes and improvements to the Alliance Certification Policy and other Alliance-wide and Working Group specific documents related to testing and certification procedures, as appropriate. The Alliance certification programs are then administered by Alliance staff.

5.4.3 Composition:

The TCOC will be comprised of eight (8) members: Seven (7) are voting members, elected by the Board of Directors from Promoter Members and who must be Primary Directors or Alternate Directors. The Alliance Head of Testing and Certification shall serve as a Committee member in an *ex-officio*, non-voting capacity. All voting representatives should have direct experience in certification, regulation, or quality assurance programs within their company's business, and especially in end-to-end delivery (development, test, and quality assurance). The Test & Certification Oversight Committee will elect its own chairperson from its Primary Director members. The vice-chairperson can be chosen from any elected committee member.

5.5 Public Affairs Committee

5.5.1 Statement of Purpose:

The Public Affairs Committee is responsible for forming policy guidance, feedback and Alliance direction on public policy matters affecting the Alliance Members, family of standards and the development of the IoT industry.

5.5.2 Scope of Work:

The Public Affairs Committee will organize Alliance Members to educate regulators and lawmakers in areas of interest to the Alliance Members; propose policy positions, for use by Alliance Members, regulators, and policymakers; and convene and coordinate public policy outreach programs.

5.5.3 Composition:

The Public Affairs Committee will be comprised of eight (8) members. Seven (7) are voting members, including the Alliance Chairperson and Vice Chairperson and five (5) representatives elected by the Board of Directors from Promoter Members, who must be Primary Directors or Alternate Directors. The Alliance President and CEO shall serve as a Committee member in an *ex-officio*, non-voting capacity. These representatives should have direct experience in public policy formulation. The Public Affairs Committee will elect its own chairperson from its Primary Director members. The vice-chairperson can be chosen from any elected committee member.

5.6 Finance Committee

5.6.1 Statement of Purpose:

The Finance Committee is responsible to advise and support the Board in maintaining a transparent financial control environment.

5.6.2 Scope of Work:

The Finance Committee will: develop, review and adjust (as needed) the fiscal policy for the Alliance and recommend such items to the Board; review the detailed financial status of the Alliance and prepare a monthly report for the Board; prepare an overall Alliance annual budget proposal for review, discussion and approval by the Board; review the annual audit; and review the annual IRS Form 990 return prior to submission to the IRS.

5.6.3 Composition:

The Finance Committee is comprised of ten (10) members. Eight (8) are voting members, including the Alliance Chairperson and Treasurer, who must be a Primary Director, and six (6) representatives elected by the Board of Directors from Promoter Members, who must be Primary Directors or Alternate Directors. The Alliance President and CEO and Head of Finance shall serve as Committee members in an *ex-officio*, non-voting capacity. Elected members of this committee should have a finance background and/or experience. The Alliance Treasurer shall serve as chairperson of the Finance Committee. The vice-chairperson can be chosen from any elected committee member.

5.7 Marketing Committee

5.7.1 Statement of Purpose:

The Marketing Committee is responsible for providing insight and advice to Alliance Marketing regarding marketing strategies for the Alliance and all its brands. Marketing Committee members act as advocates for all Alliance brands.

5.7.2 Scope of Work:

The Marketing Committee reviews the priorities and plans of Alliance and Working Group marketing, provides perspectives on balancing activities across the Alliance and technology brands; provides guidance to Working Groups and the Board on brand and messaging matters (timing, content & communications), including those related to messaging across and between brands; and acts as advocate of the Alliance and its brands, participating in marketing and communications internally and externally, encouraging Member participation in Alliance marketing efforts.

5.7.3 Composition:

The Marketing Committee will be comprised of eight (8) members: Seven (7) are voting members elected by the Board of Directors from Promoter Members, who must be Primary Directors or Alternate Directors. The Alliance Head of Marketing shall serve as a Committee member in an *ex-officio*, non-voting capacity. All voting representatives should have direct experience in product marketing or marketing communications. The Marketing Committee will elect its own chairperson from its Primary Director members. The vice-chairperson can be chosen from any elected committee member.

5.8 Governance Advisory Committee

5.8.1 Statement of Purpose:

The Governance Advisory Committee is principally concerned with the way of working for Working Groups, especially through the Alliance Organizational Policies and Procedures. The Governance Advisory Committee is responsible to ensure Working Groups share best practices in the ways of working within and across the Working Groups, by acting as stewards of the Alliance's policies, procedures, and Working Group Governing Documents. This Committee's role is to serve all Working Groups in an unbiased capacity.

5.8.2 Scope of Work:

The Governance Advisory Committee will periodically review, update, and recommend changes to the Alliance Organizational Process and Procedures and other Alliance-wide and Working Group Governing documents, as appropriate. The Governance Committee will also recommend to the Board of Directors solutions to operational gaps identified within Working Groups; and resolve operational Working Group conflicts or recommend resolution of conflicts to the Board.

5.8.3 Composition:

The Governance Advisory Committee is comprised of one (1) elected member by the Board of Directors from Promoter Members, who must be a Primary Director , who shall also serve as the chairperson of the Committee. Additional members include the Alliance Head of Operations and the Vice Chairperson of the Board, who shall serve in an ex-officio, non-voting capacity, the chairpersons of each of the Working Group Steering Committees, and three (3) At Large members elected by the Participant membership.

5.9 Compensation Committee

5.9.1 Statement of Purpose:

The Compensation Committee is responsible for reviewing and approving the compensation and Employment Agreement of the President and Chief Executive Officer. Additionally, on an annual basis, the Compensation Committee reviews with the President and Chief Executive Officer the budget for compensation of Alliance employees.

5.9.2 Scope of Work:

Review and approve the President and Chief Executive Officer's compensation and Employment Agreement. Prior to any renewal of the President and Chief Executive Officer's Employment Agreement, working with Alliance counsel, the Compensation Committee will undertake a survey of the President and Chief Executive Officer's total compensation compared against peer organizations to ensure compliance with IRS tax-exemption rules and regulations.

Annually, in consultation with the President and Chief Executive Officer, establish Key Performance Indicators (KPIs) and review those KPIs at year-end for purposes of determining the President and Chief Executive Officer's bonus per the Employment Agreement. Review the overall budget for compensation of Alliance employees with the President and Chief Executive Officer.

5.9.3 Composition:

The Compensation Committee is comprised of three (3) members, the Chairperson, Vice-Chairperson, and the Treasurer of the Board of Directors. The Chairperson of the Board is the Chairperson of the Compensation Committee. To ensure compliance with applicable law, each member of the Compensation Committee must be a Primary Director.

6. Alliance Working Groups

Alliance Working Groups are the logical working areas for standards to be created, developed, and maintained. Each Working Group, in addition to its technical standards development work, will incorporate other work necessary, such as certification and testing programs and marketing and product management functions to support the development and promotion of standards in the Alliance's portfolio.

New Alliance Working Groups will be modeled using a common blueprint for structure that includes: a Working Group Steering Committee, a Technology Subgroup, a Certification Subgroup, and a Marketing & Products Subgroup. While Alliance Organizational Policies and Procedures allow for variance to this structure, the blueprint structure will facilitate efficient Working Group set-up, administration, member participation and support.

6.1 New Working Group Creation

Working Groups are formed, restructured and/or terminated by the Board of Directors as defined in the Alliance Bylaws. However, ideas to create new Working Groups may originate anywhere internal or external to the Alliance. It is the responsibility of the Strategy Committee to provide a process and to facilitate such ideas for consideration, development, and review, such as establishing Tiger Teams for new Working Group exploration. The Strategy Committee is responsible for agreeing to the formation of and oversee the work of such Tiger Teams. When warranted, the Strategy Committee will be responsible for approving new Working Group proposals and bringing recommendations to form new Working Groups to the Board of Directors. A recommendation brought to the Board of Directors to create a new Working Group should include:

- A new Working Group proposal developed with the support of at least five Promoter/Participant member companies that has been reviewed and approved by the Strategy Committee
- A Charter for the proposed new Working Group
- A three-year high-level business justification, including rough-order-of-magnitude (ROM) view of annual projected expenses and revenues. For clarity, the ROM should assume member volunteers perform Working Group functions (as is typical)
- The support of at least three Promoter/Participant member companies interested in serving on the Interim WG SC, at least one of whom must be a Promoter Member company.

Prior to bringing a new Working Group recommendation to the Board, the Strategy Committee will provide notice to the Board that the Strategy Committee will be reviewing such proposal from a Tiger Team. Any Board member who is interested in reviewing the new Working Group proposal and providing feedback prior to a Strategy Committee making a recommendation to the Board will be able to attend applicable Strategy Committee and/or Tiger Team meetings to provide feedback.

A new Working Group will require initial funding to support the administration and operation of the Working Group. Such funding will be allocated by the Finance Committee on the recommendation of the Strategy Committee, until the new Working Group can develop its own annual budget request as part of the annual budgeting process.

Once a new Working Group SC is elected, it will be responsible for developing the Working Group roadmap. The Strategy Committee will facilitate a "year 1 review" for all new Working Groups.

6.2 Working Group Steering Committees

Each Working Group will have a Steering Committee that will manage the overall activities of the Working Group. Reporting to the Working Group Steering Committee (WG SC) will be one or more sub-groups and subordinate groups, such as marketing and product, certification, and technical sub-groups and other task groups.

6.2.1 Scope of Work:

A Working Group Steering Committee will establish, maintain, and oversee the operations of a Working Group and its sub-groups, subordinate groups and other task groups; provide input to Alliance staff to develop an annual Working Group operations budget; develop an annual plan for the Working Group; engage and manage global Working Group membership to meet that plan; and provide reports on a periodic basis on the activities of the Working Group, including participation, status of development of specifications testing and certification programs, marketing activities and such other items as requested by the Board or Alliance Committee from time-to-time.

The Working Group Charter will specify any applicable and additional roles and responsibilities of the groups underneath the Steering Committee or of the WG SC itself consistent with this Framework.

6.2.2. Composition / Voting Make-Up:

The WG SC will include a set number of members elected by the Board to the WG SC, along with chairs of sub-groups or subordinate groups who are elected by the membership of those sub-groups or subordinate groups.

WG SC members elected by the Board will be Primary Directors or Alternate Directors. The Board of Directors can make exceptions to this Director requirement and also allow for WG SC At Large members to be elected for situations where such At Large members are needed (e.g.: where the current Board cannot support or does not have the expertise to lead such WG SCs, or where At Large representation from other Working Groups is needed). These At Large members may be from either Promoter Member or Participant companies.

If a member company has more than one person on the WG SC, that member company will have only one vote and they will appoint the individual on the WG SC who will be entitled to vote.

If, after reviewing the net number of voting members on a WG SC, the WG SC or the Board determines the number of net voting members on the WG SC is too low, then the size of the WG SC can be increased to include additional Promoter Members by approval of the Board.

6.2.3 Leadership:

Each WG SC will have a chairperson. The WG SC will elect its chairperson from the Board-Elected Promoter Members candidates. Should there not be a Board-Elected Promoter Member candidate at the end of the nomination period, another WG SC member may be considered as a candidate for chairperson, whose candidacy must be approved by the Board of Directors.

It is expected that the WG SC chairperson act in a fashion befitting their role as an elected representative and leader of the Working Group, including demonstrating behaviors such as: regular attendance and preparedness for meetings, making fair and impartial assessments of Working Group proposals and progress, engaging with and seeking feedback from membership and not acting solely in one's own or one's company's self interest, generally fulfilling their obligations of confidentiality, acting in a way that supports the overall strategy and mission of the Alliance, and overall being a good promoter and steward of the Alliance. Should a WG SC chairperson not fulfill their duties or not act in a fashion befitting the role, others on the WG SC or Board may take action in accordance with the Alliance Organizational Policies and Procedures.

CHANGE CONTROL

Version	Summary of Changes	Date Adopted
V1.0	Initial release	December 6, 2021
V1.1	Corrected Section 5.5.3 to align with approved composition of the Public Affairs Committee	January 6, 2022
V1.2	- Updated Section 5.2 to note that Executive Committee delegated authorities are in Alliance Corporate Bylaws - Updated subsections in Section 5.4 to reflect that all Board Committee Chairs must be Primary Board Directors, aligned with delegated authority requirements - Added Section 5.9 Compensation Committee, with Board of Directors approving such committee on January 25, 2023 - Updated Section 6 to include new Section 6.2 Working Group formation with Board of Directors approving such language on March 15, 2023 - Updated Section 5.8.3 to correctly note the ex-officio non-voting members of the Governance Advisory Committee - Updated organizational image to reflect new WGs and Compensation Committee, other minor edits and cleanup	May 17, 2023