



## **People, Culture and Remuneration Committee Charter**

Atomo Diagnostics Limited

ACN 142 925 684

Level 1, 3-5 George Street  
Leichhardt  
NSW 2040  
Australia

+61 (0)2 9099 4750  
info@atomodiagnostics.com

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## Table of Contents

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1. Purpose of the Charter	p. 3
2. Role and Responsibilities	p. 3
3. Composition and Structure	p. 5
4. Meetings and Procedures	p. 6
5. Compliance with Disclosure Obligations	p. 6
6. Approval	p. 6
7. Disclosure of Charter	p. 6

# People, Culture and Remuneration Policy

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Date adopted by the board: 25<sup>th</sup> August 2021

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## 1. Purpose of the Charter

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This Charter has been adopted by the Board for the purpose of specifying the authority of the People, Culture and Remuneration Committee as a sub-committee of the Board, and for setting out the role and responsibilities of the Committee which is to assist the Board in monitoring the Company's culture and people and remuneration policies and practices.

## 2. Role and Responsibilities

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The overriding objective of the Committee is to provide an independent and objective perspective on the value and structure of remuneration for each of the Company's Non-Executive Directors, Executive Directors, the Company Secretary, and direct reports to the Managing Director (or equivalent), and other employees, so as to maximise the benefit derived from their skills and experience, promote and sustain a culture aligned with the Company's values and facilitate the long-term growth and success of the Company.

The Committee will monitor and make recommendations to the Board in relation to:

### Remuneration

- (a) the Company's remuneration (including incentives and rewards), recruitment, retention and termination policies and practices for Executive Directors and direct reports to the Managing Director and the alignment of the policies and practices with the promotion and sustainment of a culture aligned with Atomo's values, the promotion of long-term sustainable success and the achievement of the Company's business objectives;
- (b) the remuneration of the Company's non-executive directors and the quantum and allocation of the non-executive directors' fee pool;
- (c) the administration and operation of the Company's incentive plans; any proposed new incentive plan or change to an existing incentive plan; the proposed issue of

invitations under the Company's incentive plans; and the testing of vesting conditions and award of incentives; and

- (d) minimum shareholding rules for the Company's directors and executives;
- (e) specific superannuation or retirement arrangements for Executive Directors and direct reports to the Managing Director;
- (f) independent, market-based remuneration benchmarks on an annual basis to ensure competitive levels of benefit;
- (g) any gender or other inappropriate bias in remuneration for Executive Directors and direct reports to the Managing Director;

### People

- (h) people strategies and practices which will instil and reinforce the Company's purpose and values, ensure health and wellbeing (physical and mental) and support the achievement of the Company's long-term business objectives;
- (i) the development of, and progress in meeting, the Company's diversity objectives;

### Performance

- (j) the Company's performance appraisal processes for the direct reports to the Managing Director and in consultation with the Chair, the performance appraisal process for the Managing Director;
- (k) the Company's performance appraisal processes for the Board, Board Committees and individual Non-Executive Directors;

### Board Skills

- (l) the necessary and desirable collective skills, experience and diversity of the Board and Board Committees;
- (m) the independence of each Director, including any potential effect on independence arising out of the directorships held by, or offered to, each Director in other public companies;
- (n) succession plans for the Chair, the Managing Director and direct reports to the Managing Director;
- (o) the Company's induction program for new Directors and ongoing professional development program for Directors;

- (p) the re-election of Directors;
- (q) any proposed separation arrangements in respect of the Managing Director or any direct report to the Managing Director; and

### Reporting

- (r) the Company's disclosures in relation to people, culture and remuneration matters including those made in the Company's annual remuneration report and annual corporate governance statement.

## 3. Composition and Structure

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### 3.1 Composition and structure

- (a) The Committee should be structured so that it:
  - (i) has at least three members;
  - (ii) consists of a majority of independent Directors; and
  - (iii) is chaired by an independent Director.
- (b) If the Company is included in the S&P/ASX 300 Index at the beginning of the Company's financial year, the Board will make such changes to the composition of the Committee as are required to meet the requirements of the ASX Listing Rules including ASX Listing Rule 12.8.
- (c) The members of the Committee will be appointed and removed by the Board.

### 3.2 Expertise

Members of the Committee must have an appropriate level of understanding of:

- (a) the recommendations in relation to remuneration matters set out in the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations* (4th edition, 2019);
- (b) the Company's businesses and organisation structure;
- (c) the functions of the Board and the various roles and responsibilities of the Directors and other key executives; and
- (d) company management, at a senior management level

## 4. Meetings and Procedures

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The Committee will consider matters within the scope of its responsibilities as often as the Committee members deem necessary in order to ensure that the Committee fulfils its role and the objectives set out in this Charter. It is intended that this will occur at least twice a year.

Except as set out in this Charter, the Committee is subject to the Board's general policy for engaging or seeking advice from professional advisers. The Committee may seek any information it considers necessary in order to fulfil its responsibilities from:

- (a) appropriate external advisers or consultants at the Company's expense; and
- (b) the Company's management.

## 5. Compliance with Disclosure Obligations

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The Committee will review all reporting by the Company of its remuneration policies and practices, including the Company's annual remuneration report and Annual Report, to ensure that the Company meets its disclosure obligations as required under the ASX Listing Rules and the Corporations Act.

## 6. Approval

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The Board may change this Charter by resolution.

## 7. Disclosure of Charter

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This Charter will be made available on the Company's website in a clearly marked "Corporate Governance" page and be updated as required.