

## **Remuneration and Nomination Committee Charter**

### **1. Purpose**

The Remuneration & Nomination Committee (**Committee**) is a committee of the Board of Universal Biosensors, Inc. (**UBI**).

The Committee's primary functions are to:

- develop and facilitate a process for Board and Director evaluation;
- assess the availability of Board candidates, obtain approval from the Board to proceed and then, in conjunction with the Chairperson to undertake the necessary due diligence and negotiation;
- make specific recommendations to the Board on remuneration and incentive plans for Directors and senior management;
- advise the Board on the recruitment, retention and termination policies for senior management; and
- undertake a review of the Chief Executive Officer's performance, at least annually, including recommending to the Board the Chief Executive Officer's goals for the coming year and reviewing progress in achieving those goals.

### **2. Membership and Terms**

- The Committee will consist of a minimum of two non-executive Directors who are "Non-Employee Directors" as defined under Section 16 of the Securities and Exchange Act of 1934, as amended.
- Committee members will be appointed by the Board.
- The Company Secretary will act as the secretary for the Committee unless otherwise determined by the Board.
- A simple majority of Committee members shall constitute a quorum.

### **3. Chairperson**

- Should the Chairperson be absent from a meeting, the members of the Committee present at the meeting shall choose one of the other members of the Committee to chair that particular meeting.
- The Chairperson will not chair the Committee when it is dealing with the remuneration of the Chairperson.

#### **4. Non-Committee Members and Meetings**

- The Chief Executive Officer will, at the invitation of the Chairperson, attend the Committee meetings.
- The Committee may invite external professional advisers to address and assist the Committee in achieving its objectives.
- Attendance of other Directors is at the discretion of the Chairperson.

#### **5. Frequency of Meetings**

- The Committee may meet as often as required and at least three times each year.
- Any member of the Committee or the Board may call a meeting of the Committee.

#### **6. Authority**

The Committee is authorised by the Board:

- to review and investigate any matter within the scope of its charter and make any recommendations with respect to the outcomes;
- to seek any information it requires from any employee and/or UBI's records; and
- to direct all staff to cooperate with any request made by the Committee.

The Committee does not have authority to commit the Board and / or the Company to any action and is limited to submitting recommendations to the Board for consideration or acting on a specific delegation from the Board.

#### **7. Committee Members' Interests**

A member of the Committee is not entitled to be present when his or her performance is being evaluated.

#### **8. Voting**

Matters arising for determination at Committee meetings are to be decided by a majority of votes of those present and voting.

#### **9. Access**

All Board members have access at any time to the Chairperson of the Committee in respect of issues within the scope of the Committee.

#### **10. Nomination Duties**

The duties of the Committee in relation to nomination matters include:

- recommending the appropriate size and composition of the Board;
- recommending criteria for Board membership;
- assessing and advising the Board annually on the independence of each non-executive Director;
- recommending a policy for the selection and appointment of new Directors to the Board;

- reviewing the policy and making recommendations to the Board with respect to tenure and retirement of Directors;
- developing and implementing a plan to identify director competencies and at least once each year, provide a process for the Board to review the skills of the existing non-executive Directors and consider whether those skills collectively are sufficient for the Board to discharge its responsibilities competently;
- reviewing succession plans for key executives and senior management;
- ensuring the attendance of the Board members is regularly reviewed and tracked;
- assisting new Directors to ensure their understanding of:
  - UBI’s financial, strategic, operational and risk management position;
  - their rights, duties and responsibilities;
  - share trading policies and
  - the role of board committees.

## **11. Remuneration Duties**

The duties of the Committee in relation to remuneration matters include:

- assisting the Board in fulfilling its responsibilities in respect of establishing appropriate remuneration levels and policies including incentive policies for directors and senior executives;
- reviewing the market to ensure that senior executives are being rewarded commensurate with their responsibilities;
- reviewing the Company’s recruitment, retention and termination policies and procedures for senior management;
- reviewing the policy for superannuation arrangements of UBI’s Directors and senior management;
- regularly reviewing all executive incentive plans, including equity-based plans, including a consideration of performance thresholds, regulatory and market requirements and whether to seek shareholder approval of any aspect of such plans;
- reviewing disclosures in annual reports, periodic reports, UBI’s website, etc concerning the Committee’s remuneration activities.

## **12. Reporting**

- The Secretary shall circulate the minutes of the meetings of the Committee to all members of the Committee for comment and change before being signed by the Chairperson of the Committee and circulated to the Board.
- The minutes are to be tabled at the Board meeting following the Committee meeting along with any recommendations of the Committee.
- Any relevant supporting papers specified as necessary by the Committee shall also be copied to the Board.

## **13. Charter**

- The Board may review this Charter from time to time to ensure it remains consistent with the Board’s objectives and responsibilities.
- A copy of this charter will be made available on UBI’s website.
- Changes to the Charter may be recommended by the Committee and may only be implemented by resolution of the Board.