



truscreen  
a world without  
cervical cancer

## Truscreen Group Limited Remuneration and Nomination Committee Charter

### 1. Authority

The Board of Directors (the “Board”) of TruScreen Limited (the “Company”) has established the Remuneration and Nomination Committee (the “Committee”).

The Committee is authorised to do all things and investigate all matters that fall within the terms of reference set out in this Charter and in doing so may:

- Obtain independent professional advice in the satisfaction of its duties at the cost of the Company (subject to the approval of the Chairman of the Board).
- Secure the attendance at meetings of outsiders with relevant experience.
- Have direct access to the resources and information of the Company as it may reasonably require.

### 2. Purpose and Objectives

The primary function of the Committee is to assist the Board in discharging its responsibility to exercise due care, diligence and skill in relation to;

- Appointment, remuneration and evaluation of the Chief Executive Officer and succession planning in relation to him/her.
- Remuneration of the Leadership Team (senior executives reporting directly to the CEO).
- Executive Incentive Scheme and Remuneration.
- Review risk and compliance with statutory and regulatory requirements relative to Human Resources.
- Review Health & Safety policies to ensure the company is providing a safe working environment for all employees and contractors, and that it complies with all statutory and regulatory requirements pertaining to Health & Safety.
- This Committee also recommends to the board, candidates to be appointed as a director. Such candidates must have demonstrable commercial skills and judgment relevant to the board at the time of appointment.
- The Committee reviews annually the composition of the board and where necessary, can seek assistance from external advisors in connection with the suitability of current or new board members.

### 3. Membership and Meetings

- The Committee will consist of the Chairman, CEO and one non-executive director of the Board. The members are appointed by the Board which also appoints the Chairman of the Committee.
- The quorum for a meeting shall be two directors. If only two members are present, the Chair shall not have a casting vote.
- Members of the Committee shall be appointed for an initial two year term after which they may be re-appointed annually at the Board’s discretion.
- Election and removal of members by the Board shall be by majority vote.
- The duties and responsibilities of members of the Committee are in addition to those as a member of the Board.

- Payment in addition to normal Board fees may be made to Committee members within the overall total Board fees as approved by the shareholders from time to time.
- The Committee shall meet at least twice per year.
- The Committee may request members of management to attend as required.
- The Committee Chair will report to the Board at least twice annually on the Committee's activities.
- The Committee will complete a selfassessment form annually and provide this to the Chairman of the Board.
- All meetings are to be recorded and minutes provided to all Directors, Chief Executive Officer and TruScreen management in attendance. Note: 'Director only' minutes would not necessarily be available to the executive.

#### 4. Duties

The following activities have been defined by the Board and constitute the terms of reference delegated to the Committee. The Committee is authorised to:

##### General Responsibilities

- Review the Committee's Charter annually.
- Review the Chief Executive Officer's Remuneration.
- Conduct the Chief Executive Officer's performance reviews.
- Review the Chief Executive Officer's recommendations for Leadership Team remuneration and incentive packages.
- Make recommendations to the board on the appropriateness and implementation of any staff share or option schemes.
- Develop and review a reimbursement and expenses policy for board members and senior management.
- Develop and define clear lines of authorisation for spending and decision making between management and board and review this annually.
- Review annually the composition of the Board and make recommendations as regards existing members or potential new Board candidates.

#### 5. Non-executive Director Remuneration

The policy of the Committee is to set an appropriate level of remuneration which allows the Company to retain the services of a suitable number of appropriately qualified non-executive Directors. In order to achieve this end, the Committee intends to recommend non-executive Director remuneration which aligns with median levels of non-executive Director salaries of equivalent size and complexity to TruScreen. Remuneration levels recommended by the Committee will also reflect the significant responsibilities and risks taken on by non-executive Directors, as well as the opportunity cost of forgoing other appointments. The process for setting non-executive Director remuneration is set out below:

- As is required by the NZX Listing Rules, the total remuneration pool payable to non-executive Directors is limited to the amount approved by the Company's shareholders from time to time.
- Remuneration set in respect of each non-executive Director will consist of a base fee; additional compensation will be payable for responsibilities and workload incurred in carrying out extra responsibilities (e.g. involvement in Board Committees).

- Any proposal by the Committee to increase the total remuneration pool available to compensate non-executive Directors will be based on a thorough review of market trends.
- Board remuneration will be formally reviewed at least every three years (or more frequently, as needed to account for changing circumstances); such review to incorporate a report of an independent organisation having expertise in recommending non-executive Director remuneration levels.
- Annual remuneration payable to Directors will be disclosed in TruScreen's annual report, in the manner prescribed by the NZX Listing Rules.

## **6. Company salary/wage review**

Agree the company wide wage and salary review policy annually prior to management undertaking individual salary/wage reviews.

## **7. Key Human Resource Policies**

- Make recommendations to the Board (including proposing amendments) with respect to employee remuneration, benefits and incentive schemes.
- Overview and ensure that the Company is in compliance with statutory HR responsibilities.
- Periodically review the structure and succession plans for the Leadership Team.
- Undertake other related tasks or special investigations as directed by the Board.

## **8. Attendance at Meetings**

Except by agreement or as a result of sudden illness of a member or their immediate family, members are expected to attend all scheduled Committee meetings (either in person or via teleconference) and other activities deemed by the Chairman to be official business of the Committee. Requests for absence from meetings shall be approved by the Chairman of the meeting and requests for extended leave of absence from meetings are to be in writing and approved by the Board.

## **9. Review of the Charter.**

This charter will be reviewed annually by the Board.