Appendix 4G

Key to Disclosures
Corporate Governance Council Principles and Recommendations

Name of entity

Atomos Limited

ABN/ARBN

25 139 730 500

Financial year ended:

2021

Our corporate governance statement[1] for the period above can be found at:[2]

☐ These pages of our annual report:

☒ This URL on our website: https://www.atomos.com/investor

The Corporate Governance Statement is accurate and up to date as at 30 September 2021 and has been approved by the Board.

The annexure includes a key to where our corporate governance disclosures can be located.[3]

Date:	30 September 2021
Name of authorised officer authorising lodgement:	Nyla Bacon Company Secretary

Nyla Bacon

[1] "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council's recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3.

The Appendix 4G is not a substitute for, and is not to be confused with, the entity's corporate governance statement. They serve different purposes and an entity must produce each of them separately.

[2] Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

[3] Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

See notes 4 and 5 below for further instructions on how to complete this form.

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
1.1	A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	☒ and we have disclosed a copy of our board charter at: https://www.atomos.com/investor	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	☒	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	☒	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	☒	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

[4] Tick the box in this column only if you have followed the relevant recommendation in full for the whole of the period above. Where the recommendation has a disclosure obligation attached, you must insert the location where that disclosure has been made, where indicated by the line with "*insert location*" underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert "our corporate governance statement". If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg "pages 10-12 of our annual report"). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg "www.entityname.com.au/corporate governance/charters/").

[5] If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

Corporate Governance Council recommendation		**Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:**	**Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]**
1.5	A listed entity should: (a) have and disclose a diversity policy; (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and (c) disclose in relation to each reporting period: (1) the measurable objectives set for that period to achieve gender diversity; (2) the entity's progress towards achieving those objectives; and (3) either: (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act. If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.	☐ and we have disclosed a copy of our diversity policy at: …… [*insert location*] and we have disclosed the information referred to in paragraph (c) at: …… [*insert location*] and if we were included in the S&P / ASX 300 Index at the commencement of the reporting period our measurable objective for achieving gender diversity in the composition of its board of not less than 30% of its directors of each gender within a specified period.	☒ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
1.6	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	☒ and we have disclosed the evaluation process referred to in paragraph (a) at: our Corporate Governance Statement and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: our Corporate Governance Statement.	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		**Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:**	**Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]**
1.7	A listed entity should: (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	☒ and we have disclosed the evaluation process referred to in paragraph (a) at: our Corporate Governance Statement and whether a performance evaluation was undertaken for the reporting period in accordance with that process at: our Corporate Governance Statement	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE			
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	☒ *[If the entity complies with paragraph (a):]* and we have disclosed a copy of the charter of the committee at: https://www.atomos.com/investor and the information referred to in paragraphs (4) and (5) at: our Corporate Governance Statement *[If the entity complies with paragraph (b):]* and we have disclosed the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively at: …… [*insert location*]	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.	☒ and we have disclosed our board skills matrix at: our Corporate Governance Statement	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	☒ and we have disclosed the names of the directors considered by the board to be independent directors at: our Corporate Governance Statement and, where applicable, the information referred to in paragraph (b) at: our Corporate Governance Statement and the length of service of each director at: our Corporate Governance Statement and on our website at https://www.atomos.com/investor	☐ set out in our Corporate Governance Statement

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
2.4	A majority of the board of a listed entity should be independent directors.	☒	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	☐	☒ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	☒	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should articulate and disclose its values.	☐ and we have disclosed our values at: …… [*insert location*]	☒ set out in our Corporate Governance Statement
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	☒ and we have disclosed our code of conduct at: https://www.atomos.com/investor	☐ set out in our Corporate Governance Statement
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	☒ and we have disclosed our whistleblower policy at: https://www.atomos.com/investor	☐ set out in our Corporate Governance Statement
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	☒ and we have disclosed our anti-bribery and corruption policy at: https://www.atomos.com/investor	☐ set out in our Corporate Governance Statement

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS			
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	☐ *[If the entity complies with paragraph (a):]* and we have disclosed a copy of the charter of the committee at: …….. [*insert location*] and the information referred to in paragraphs (4) and (5) at: …….. [*insert location*] *[If the entity complies with paragraph (b):]* and we have disclosed the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner at: …….. [*insert location*]	☒ set out in our Corporate Governance Statement
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	☒	☐ set out in our Corporate Governance Statement
4.3	A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	☒	☐ set out in our Corporate Governance Statement

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	☒ and we have disclosed our continuous disclosure compliance policy at: https://www.atomos.com/investor	☐ set out in our Corporate Governance Statement
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	☒	☐ set out in our Corporate Governance Statement
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	☒	☐ set out in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	☒ and we have disclosed information about us and our governance on our website at: https://www.atomos.com/investor	☐ set out in our Corporate Governance Statement
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	☒	☐ set out in our Corporate Governance Statement
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	☒ and we have disclosed how we facilitate and encourage participation at meetings of security holders at: https://www.atomos.com/investor	☐ set out in our Corporate Governance Statement
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	☒	☐ set out in our Corporate Governance Statement
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	☒	☐ set out in our Corporate Governance Statement

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	☒ [*If the entity complies with paragraph (a):*] and we have disclosed a copy of the charter of the committee at: https://www.atomos.com/investor and the information referred to in paragraphs (4) and (5) at: our Corporate Governance Statement [*If the entity complies with paragraph (b):*] and we have disclosed the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework at: …… [*insert location*]	☐ set out in our Corporate Governance Statement
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	☒ and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period at: our Corporate Governance Statement	☐ set out in our Corporate Governance Statement

Corporate Governance Council recommendation		**Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:**	**Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]**
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.	☒ *[If the entity complies with paragraph (a):]* and we have disclosed how our internal audit function is structured and what role it performs at: …… [*insert location*] *[If the entity complies with paragraph (b):]* and we have disclosed the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes at: our Corporate Governance Statement	☐ set out in our Corporate Governance Statement
7.4	A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	☒ and we have disclosed whether we have any material exposure to environmental and social risks at: our Corporate Governance Statement and, if we do, how we manage or intend to manage those risks at: …… [*insert location*]	☐ set out in our Corporate Governance Statement

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	☒ *[If the entity complies with paragraph (a):]* and we have disclosed a copy of the charter of the committee at: https://www.atomos.com/investor and the information referred to in paragraphs (4) and (5) at: our Corporate Governance Statement *[If the entity complies with paragraph (b):]* and we have disclosed the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive: …… [*insert location*]	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	☒ and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives at: our Corporate Governance Statement	☐ set out in our Corporate Governance Statement **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	☒ and we have disclosed our policy on this issue or a summary of it at: https://www.atomos.com/investor	☐ set out in our Corporate Governance Statement **OR** ☐ we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]
ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES			
9.1	A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.	☐ and we have disclosed information about the processes in place at: …… [*insert location*]	☐ set out in our Corporate Governance Statement **OR** ☒ we do not have a director in this position and this recommendation is therefore not applicable **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	☐	☐ set out in our Corporate Governance Statement **OR** ☒ we are established in Australia and this recommendation is therefore not applicable **OR** ☐ we are an externally managed entity and this recommendation is therefore not applicable
9.3	A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	☐	☐ set out in our Corporate Governance Statement **OR** ☒ we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable ☐ we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	*Alternative to Recommendation 1.1 for externally managed listed entities:* The responsible entity of an externally managed listed entity should disclose: (a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.	☐ and we have disclosed the information referred to in paragraphs (a) and (b) at: …….. [*insert location*]	☐ set out in our Corporate Governance Statement

Corporate Governance Council recommendation		**Where a box below is ticked,[4] we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:**	**Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are:[5]**
-	*Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:* An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.	☐ and we have disclosed the terms governing our remuneration as manager of the entity at: …….. [*insert location*]	☐ set out in our Corporate Governance Statement

ATOMOS LIMITED

2021 CORPORATE GOVERNANCE STATEMENT

The Board is responsible for the overall corporate governance of Atomos Limited (**Company**) including adopting appropriate policies and procedures designed to ensure that the Company is properly managed to protect and enhance security holder interests.

This Corporate Governance Statement (**Statement**):

- reports against the 4th edition (February 2019) of the Corporate Governance Principles and Recommendations issued by the ASX Corporate Governance Council (**Governance Principles**) for the financial year ending on 30 June 2021 (**Reporting Period**) and the practices detailed in this Statement are current for the Reporting Period and/or otherwise as noted on the dates indicated in this Statement; and

- has been approved by the Board and is available on the Company's website under Corporate Governance at https://www.atomos.com/investor.

Consistent with the Company's commitment to transparency in its dealings with stakeholders, this Statement has been prepared by reference to each recommendation contained in the Governance Principles.

All references to the Company's website in this Statement are to https://www.atomos.com/investor

PRINCIPLE 1. – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

Recommendation 1.1

A listed entity should have and disclose a board charter setting out:

(a) ***the respective roles and responsibilities of its board and management; and***

(b) ***those matters expressly reserved to the board and those delegated to management.***

Complies

The Company has a Board Charter (which is available on the Company's website) that formally sets out the functions and responsibilities of the Board and management and those matters delegated by the Board to management.

Recommendation 1.2

A listed entity should:

(a) ***undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and***

(b) ***provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.***

Complies

The Company, under the Remuneration and Nomination Committee's Charter (which is available on the Company's website), has committed to undertake appropriate checks before appointing a director or senior executive or putting forward to security holders a candidate for election, as a director.

Before the Company's annual general meeting, security holders will be provided with all material information to assist them to make an informed decision on all directors standing for election or re-election. Directors are elected or re-elected in accordance with the Company's Constitution and the ASX Listing Rules.

Recommendation 1.3

A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.

Complies

The Company has entered into agreements with each director and senior manager, which outlines the terms of their appointment. Each of the Company's directors has a signed letter of appointment and each of the Company's senior managers is engaged under an employment or contractor agreement.

Recommendation 1.4

The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.

Complies

The company secretary has a direct reporting line to the Chairman of the Company and all directors have direct access to the company secretary, who is appointed by, and accountable to, the Board on all governance matters and the proper functioning of the Board.

Recommendation 1.5

A listed entity should:

(a) ***have and disclose a diversity policy;***

(b) ***through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and***

(c) ***disclose in relation to each reporting period:***

(1) the measurable objectives set for that period to achieve gender diversity;

(2) the entity's progress towards achieving those objectives; and

(3) either:

(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or

(B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent ''Gender Equality Indicators'', as defined in and published under that Act.

If the entity was in the S&P/ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.

Partially complies

The Company has a Diversity Policy (which is available on the Company's website), which states that diversity not only refers to gender but extends to age, ethnicity, religious or cultural background, language, marital or family status and disability. The Diversity Policy requires the Board to set measurable objectives and to assess annually both the objectives and the Company's progress in achieving them. While no formal measurable objectives for achieving gender diversity were approved by the Board during the Reporting Period, the Company's Diversity Policy was a primary consideration for the Remuneration and Nomination Committee and the Board in the director recruitment process successfully undertaken during the Relevant Period. Management also adheres to the principles outlined in the Diversity Policy when recruiting and this has resulted in an improvement in gender balance within the Company during the Reporting Period.

The Company is not a "relevant employer" under the Workplace Gender Equality Act.

The Company defines "senior executive" as a person that has responsibility for one or more business functions. The Company is committed to an inclusive workplace that embraces and promotes diversity of all types as part of its corporate culture.

As at the date of this Statement, the proportion of women and men across the levels of Board, senior management and total employees were as follows:

- The proportion of female directors: 33%
- The proportion of female employees who are senior managers / executives: 19%
- The proportion of female employees in the whole organisation: 31%.

Recommendation 1.6

A listed entity should:

(a) ***have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and***

(b) ***disclose, for each reporting period, whether a performance evaluation has been undertaken in accordance with the process during or in respect of that period.***

Complies

The Remuneration and Nomination Committee of the Board, pursuant to the Remuneration and Nomination Committee's Charter (which is available on the Company's website), has established a process for evaluating and assessing the Board's and its Committees' performance on an annual basis. The performance evaluation process was conducted for the Reporting Period for the Board and both Committees with the relevant findings distributed to the Board and Committee members for review, discussion and recommendations. The reviews were conducted in July 2021 with relevant recommendations agreed for implementation.

Recommendation 1.7

A listed entity should:

(a) ***have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and***

(b) ***disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.***

Complies

Pursuant to the terms of the Remuneration and Nomination Committee's Charter (which is available on the Company's website), the Company has a process for evaluating the performance of senior executives. The Company sets annual reviews with senior executives and performance is measured against various performance metrics. An evaluation was undertaken during the Reporting Period.

PRINCIPLE 2 – STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE

The Constitution of the Company provides that there will be a minimum of three and a maximum of ten directors on the Board. At the date of this Statement, the Board is comprised of the following Directors:

- Mr Christopher Tait, Chair; Non-Executive Director (appointed 11 September 2017). Mr. Tait was appointed Executive Chair and acting chief executive officer of the Company in March 2020. Mr Tait returned to the Non-Executive Chairman position in September 2021. Mr Tait is not considered independent (see also Recommendation 2.5);

- Mr Stephen Stanley, Deputy Chair & Chair of Remuneration and Nomination Committee (Independent, Non-Executive Director) (appointed 1 February 2019);
- Sir Hossein Yassaie, Chair of Audit, Finance & Risk Committee (Independent, Non-Executive Director) (appointed 1 September 2016);
- Mr Jeromy Young, Founder (Executive Director) (appointed 29 September 2009); Mr Young is not considered independent.
- Ms Megan Brownlow (Independent, Non-executive Director) (appointed 1 July 2021); and
- Ms Lauren Williams (Independent, Non-executive Director) (appointed 1 July 2021).

Directors' appointment details and details of their directorships in other listed entities and their previous experience can be found in the Company's annual report for financial year 2021 and on the Company's website.

The ultimate responsibility for the supervision of management rests with the Board. However, the Board may delegate the discharge of some of its responsibilities to Committees, in accordance with the Company's Constitution and applicable law.

The Board has established the following standing committees, which assist it in the execution of its responsibilities:

- Audit, Finance & Risk Committee; and
- Remuneration and Nomination Committee.

Each of these Committees operates in accordance with specific charters approved by the Board, which can be found on the Company's website. The composition and effectiveness of the Committees is reviewed on a periodic basis.

The current membership of the Committees is as follows:

Remuneration and Nomination Committee

The current members of the Remuneration and Nomination Committee are Mr Stephen Stanley, (independent chair), Mr Christopher Tait, Sir Hossein Yassaie and Ms Lauren Williams. The majority of the Committee's members are considered independent. Mr Tait is not considered independent for the reasons given under Recommendation 2.5.

The number of times the Committee has met, the members' qualifications and the individual attendances of those members are disclosed in the Company's annual report for the Reporting Period.

Audit, Finance & Risk Committee

The current members of the Audit, Finance & Risk Committee are Sir Hossein Yassaie, (independent chair), Mr Christopher Tait, Mr Stephen Stanley and Ms Megan Brownlow. Sir Hossein Yassaie was appointed as the Chair of the Committee in September 2020, taking over the position from Mr Stephen Stanley when Mr Stephen Stanley was appointed to the position of Deputy Chair of the Board. The majority of the Committee members are considered independent. Mr Tait is not considered independent for the reasons given under Recommendation 2.5.

The number of times the Committee has met, the members' qualifications and the individual attendances of those members are disclosed in the Company's annual report for the Reporting Period.

Recommendation 2.1

The board of a listed entity should:

(a) have a nomination committee which:

(1) has at least three members, a majority of whom are independent directors; and

(2) is chaired by an independent director,

and disclose:

(3) the charter of the committee;

(4) the members of the committee; and

(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or

(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.

Complies. See Principle 2 for further details.

Recommendation 2.2

A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.

Complies

The Board aims to have members of the Board with an appropriate range of skills, knowledge, experience, independence and diversity, and an understanding of, and competence to deal with, current and emerging issues relevant to the business of the Company and to ensure that the Company can carry out its obligations in accordance with its Constitution and the requirements of good governance.

A board skills matrix has been developed to determine if the skills of the Board members reflect the range of skills the Board requires. The skills matrix was reviewed and updated during the Reporting Period, as detailed in the Company's annual report for FY 2021. The appointments of Ms Brownlow and Ms Williams to the Board, served to address a number of skills and experience that the Board was looking to achieve on the Board. The Board believes the existing mix of skills is appropriate to

ensure that the Board can carry out its obligations in accordance with its Charter and the requirements of good governance.

Recommendation 2.3

A listed entity should disclose:

(a) ***the names of the directors considered by the board to be independent directors;***

(b) ***if a director has an interest, position or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and***

(c) ***the length of service of each director.***

Complies

In determining whether a Board member is considered to be independent, the Board has regard to relevant principles, including applicable guidance from ASX. A Board member may be considered independent if he or she is free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect, his or her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company and its security holders. In each case, the materiality of any such interest, position, association or relationship will be assessed by the Board.

As outlined under Principle 2 and Recommendation 2.5 and, based on its current assessment, the Board considers all directors other than Mr. Tait and Mr. Young to be independent directors.

Recommendation 2.4

A majority of the board of a listed entity should be independent directors.

Complies

As outlined above under Principle 2, the Board is comprised of a majority of independent directors.

Recommendation 2.5

The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.

Does not Comply

The Chair of the Board, Mr. Tait, is not considered to be an independent director due to his relationship with Henslow, which is a corporate adviser to the Company. Further, Mr. Tait, was appointed as the Executive Chair of the Company in March 2021 and continues to act in that role. However, Mr. Tait provides significant experience and expertise to the Company. The balance of the Board is satisfied that Mr. Tait is able to and does exercise independent judgement in carrying out

his duties as a Director and Chair of the Board. Further, while Mr. Tait was undertaking the Executive Chair role, the Board adopted the process of the Deputy Chair, Mr. Stephen Stanley, chairing the Board meetings in respect of all executive matters for discussion and decision.

The Company does not consider this departure from recommendation 2.5 to be detrimental to security holders.

Recommendation 2.6

A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.

Complies

A director induction program is in place with Directors expected to participate in the induction and orientation program on appointment.

PRINCIPAL 3: INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY

Recommendation 3.1

A listed entity should articulate and disclose its values.

Partially Complies

The Company is in the process of formalising the statement of values to be incorporated into its code of conduct.

Recommendation 3.2

A listed entity should:

(a) ***have and disclose a code of conduct for its directors, senior executives and employees; and***

(b) ***ensure that the board or a committee of the board is informed of any material breaches of that code***.

Complies

The Company has a code of conduct for its directors, senior executives and employees. A copy of the code of conduct is available on the Company's website. Management is responsible for informing the Board of any material breaches of the code of conduct.

Recommendation 3.3

A listed entity should:

a) have and disclose a whistleblower policy; and

b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.

Complies

The Company has a whistleblower policy available on the Company's website.

Recommendation 3.4

A listed entity should:

a) have and disclose an anti-bribery and corruption policy; and
b) ensure that the board or a committee of the board is informed of any material breaches of that policy.

Complies

The Company has an anti-bribery and corruption policy available on the Company's website.

PRINCIPAL 4: SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS

Recommendation 4.1

The board of a listed entity should:

(a) have an audit committee which:

(1) ***has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and***

(2) ***is chaired by an independent director, who is not the chair of the board,***

and disclose:

(3) ***the charter of the committee;***

(4) ***the relevant qualifications and experience of the members of the committee; and***

(5) ***in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or***

(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.

Substantially Complies

As outlined above under Principle 2, Mr Christopher Tait held the role of Executive Chair during the Reporting Period and also served as a member of the Audit, Finance & Risk Committee. As such, not all of the members of the Committee were non-executive directors during the Reporting Period.

Recommendation 4.2

The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Complies

The Company has received a signed declaration from the CEO and CFO that the financial records of the Company have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Recommendation 4.3

A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.

Complies

For the Company's periodic reporting which is not audited or reviewed by an external auditor, management is expected to declare in respect of each relevant reporting period that, in their opinion, the Company's financial records have been properly maintained and that the financial statements comply with appropriate accounting standards and give a true and fair view of the financial position of the Company. The periodic corporate reports are then presented to the Audit and Risk Management Committee, as applicable, and to the Board, for review and approval.

PRINCIPAL 5: MAKE TIMELY AND BALANCED DISCLOSURE

Recommendation 5.1

A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.

Complies

The Board recognises the importance of its continuous disclosure obligations. The Company has a continuous disclosure policy which is available on the Company's website.

Recommendation 5.2

A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.

Complies

The Board is informed of all material market announcements promptly after they have been made.

Recommendation 5.3

A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.

Compiles

The Company releases copies of all substantive investor or analyst presentations on the ASX Market Announcements Platform ahead of the presentation.

PRINCIPAL 6: RESPECT THE RIGHTS OF SECURITY HOLDERS

Recommendation 6.1

A listed entity should provide information about itself and its governance to investors via its website.

Complies

The Company provides information on its website about itself and copies of the key governance Charters and policies referred to in this Statement. The Company's Annual Report also discloses the Company's activities and is available on its website.

Recommendation 6.2

A listed entity should design and implement an investor relations program to facilitate effective two way communication with investors.

Complies

The Company has an active shareholder relations program facilitated by specialist firms in capital markets and shareholder communications.

Recommendation 6.3

A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.

Complies

The Board encourages full participation of security holders. The Company has adopted a shareholder communication policy which is available on the Company's website. The policy encourages security holders to submit questions directly to the Company.

Recommendation 6.4

A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.

Complies

The Company ensures poll voting occurs as required.

Recommendation 6.5

A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.

Complies

The Company encourages the use of electronic communication and offers security holders the option to receive and send electronic communication to the Company and its share registry where possible.

PRINCIPAL 7: RECOGNISE AND MANAGE RISK

Recommendation 7.1

The board of a listed entity should:

(a) ***have a committee or committees to oversee risk, each of which:***

(1) ***has at least three members, a majority of whom are independent directors; and***

(2) ***is chaired by an independent director,***

and disclose;

(3) ***the charter of the committee;***

(4) ***the members of the committee; and***

(5) ***as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or***

(b) ***if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.***

Complies. See Principle 2 for further details.

Recommendation 7.2

The board or a committee of the board should:

(a) ***review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and***

(b) ***disclose, in relation to each reporting period, whether such a review has taken place.***

Complies

The Company has adopted a Risk Management Policy, which is designed to assist the Company to identify, evaluate and mitigate risks affecting the Company. Under this policy the Board is responsible for overseeing and managing the risk management program. The Board has delegated responsibility to the Audit, Finance &Risk Committee to develop and maintain the risk management program, in light of the day-to-day needs of the Company. A review was undertaken during the Reporting Period and continues to be ongoing.

Recommendation 7.3

A listed entity should disclose:

(a) ***if it has an internal audit function, how the function is structured and what role it performs; or***

(b) ***if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.***

Complies

The Company does not have an internal audit function. The Audit, Finance & Risk Committee has responsibility for evaluating and improving the effectiveness of risk management and internal control processes. The Board is confident these measures are appropriate at present.

Recommendation 7.4

A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.

Complies

The Audit, Finance & Risk Committee is charged with assisting management in determining and managing its exposure to economic, environmental and social sustainability risks.

The Company is exposed to general economic conditions both domestically and internationally. The Company does not face any specific environmental and social sustainability risks.

PRINCIPAL 8: REMUNERATE FAIRLY AND RESPONSIBLY

Recommendation 8.1

The board of a listed entity should:

(a) ***have a remuneration committee which:***

(1) ***has at least three members, a majority of whom are independent directors; and***

(2) ***is chaired by an independent director,***

and disclose:

(3) ***the charter of that committee;***

(4) ***the members of that committee; and***

(5) ***as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings, or***

(b) ***if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration for directors and senior executives is appropriate and not excessive.***

Complies

Recommendation 8.2

A listed entity should separately disclose its policies and practices regarding the remuneration of nonexecutive directors and the remuneration of executive directors and other senior executives.

Complies

The Company's policies and practices regarding the remuneration of executive and non-executive Directors and the remuneration of other senior executives are disclosed in the Company's annual report.

Recommendation 8.3

A listed entity which has an equity-based remuneration scheme should:

(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and

(b) disclose the policy or a summary of it.

Complies

The Company has a Securities Trading Policy, which is available on the Company's website. The policy prohibits the participants in the Company's equity-based remuneration scheme from entering any transactions which limit the economic risk associated with participating in the scheme.