



Nominee Director Protocol Sigma Healthcare Limited

Connecting health solutions



Legal and Company Secretary Policy

Version 1.0

Effective Date: 18 September 2023

1. Objectives

1.1 This Nominee Director Protocol (**Protocol**) sets out the principles to be followed by:

- 1.1.1 the board of directors of Sigma (**Board**);
- 1.1.2 each director of Sigma who represents, is nominated by or is employed by a person with Voting Power of at least **10%** in Sigma (**Nominee**); and
- 1.1.3 the relevant shareholder of Sigma who nominated the Nominee (**Nominating Shareholder**).

1.2 The objective of this Protocol is to:

- 1.2.1 ensure that all parties operate in a transparent manner; and
- 1.2.2 outline principles that will assist with the management of risks associated with sharing Sigma's confidential information and potential and actual conflicts of interest which may arise due to the appointment of the Nominee to the Board.

1.3 This Protocol is intended to operate alongside Sigma's constituent documents and applicable policies, including Sigma's Board Charter. If there is any inconsistency between this Protocol and Sigma's other policies, this Protocol will prevail to the extent of such inconsistency.

2. Compliance with this Protocol

Each Nominee and their Nominating Shareholder must, prior to the Nominee's appointment as a director of the Board, provide Sigma with written confirmation that the Nominee and their Nominating Shareholder will comply with their respective obligations under this Protocol.

3. Provision of information to Nominating Shareholder by Nominee

3.1 A Nominee must keep all Sigma Information strictly confidential and not disclose or use any Sigma Information except as permitted by law and this Protocol.

3.2 Subject to paragraph 3.3, a Nominee may communicate any Sigma Information to its Nominating Shareholder.

3.3 The Chair may direct a Nominee not to disclose Sigma Information to its Nominating Shareholder where the Chair, acting reasonably, determines that:

- 3.3.1 the Sigma Information is of such a strategic or confidential nature that it should not be shared further, in each case having regard to the business and commercial interests of the Nominating Shareholder and its related bodies corporate (other than its investment in Sigma);
- 3.3.2 the Sigma Information is, or may become, Excluded Information (as defined in paragraph 4.1.1 below); or
- 3.3.3 disclosure of the Sigma Information to the Nominating Shareholder may result in a breach of law or of any confidentiality obligations which is binding on the Company.

3.4 Subject to paragraph 3.5, the Nominating Shareholder must keep the Sigma Information strictly confidential and must not disclose or use any Sigma Information except:

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- 3.4.1 as permitted by this Protocol; or
 - 3.4.2 Sigma Information which is necessary for the Nominating Shareholder to comply with applicable financial and reporting obligations, including obligations requiring accounting of the Nominating Shareholder's investment (**Accounting Information**).
- 3.5 A Nominating Shareholder may disclose Accounting Information under obligations of confidentiality to such of its associates or directors, senior managers, auditors and professional advisors as are required to have access to the Accounting Information for the purposes of preparation and reporting of financial information by the Nominating Shareholder, provided that such persons have been instructed by the Nominating Shareholder to hold that Accounting Information in strict confidence in accordance with this Protocol.
- 3.6 A Nominating Shareholder:
- 3.6.1 must not, and must procure that none of its Affiliates and employees do not, improperly use any Sigma Information to:
 - (a) gain an advantage for itself or for any other person; or
 - (b) cause detriment to Sigma;
 - 3.6.2 must keep all Sigma Information under its effective control confidential and take or cause to be taken all precautions as may be reasonably necessary to prevent any unauthorised disclosure or use of the Sigma Information; and
 - 3.6.3 must not deal in the securities of Sigma, or enter into an agreement to do so, or procure or encourage anyone else to do so, whilst in possession of Sigma Information which is inside information (as defined under section 1042A of the Corporations Act).

4. Communication of Sigma information

- 4.1 A Nominee must:
- 4.1.1 not request any Sigma Information (**Excluded Information**) to the extent it relates to:
 - (a) any arrangement, agreement or transaction between Sigma (or any of its Affiliates) and the Nominating Shareholder (or any of its Affiliates) other than operational and financial information at Board meetings or information otherwise regarding Sigma's business as a whole in the form of aggregated data which does not otherwise disclose or identify any matters in relation to any agreement, arrangement or transaction between Sigma (or any of its Affiliates) and the Nominating Shareholder (or any of its Affiliates); or
 - (b) matters where there is an actual, potential or perceived risk of conflict of interest between the Nominee's duties to its Nominating Shareholder and to Sigma, as determined by the Chair from time to time, acting reasonably;
 - 4.1.2 not be appointed to any other position within, or by, Sigma or any of its Affiliates which would result in Excluded Information being made available to the Nominee;
 - 4.1.3 not be present during discussions, or vote on any resolution, to the extent relating to Excluded Information (each discussion or vote being an **Excluded Deliberation** in respect of that Nominee);

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- 4.1.4 where discussions with Board members involve competitively sensitive information about the Nominating Shareholder of the Nominee or Sigma's industry in general, only participate in such discussions to the extent permissible under applicable laws (including competition laws); and
- 4.1.5 not, without the prior written consent of the Chair, discuss any matters relating to Sigma with any officer, employee, consultant or contractor of Sigma or any of its Affiliates, except at Board or Board committee meetings or with other members of the Board.

4.2 If the Chair determines that information is Excluded Information under paragraph 4.1.1(b):

- 4.2.1 the Chair will give prior written notice to the Nominee, to the extent possible without disclosing Excluded Information, in general terms of reasons why the Chair considers it should be Excluded Information and as much information as possible concerning the content and the nature of the Excluded Information as is possible without disclosing the Excluded Information; and
- 4.2.2 if the Nominee or Nominating Shareholder notifies the Chair or the Board that it disagrees with the Chair's determination under paragraph 4.1.1(b), a committee comprising all of Sigma's directors (excluding the Chair, the relevant Nominee and any director who has been also been excluded from the relevant information or deliberation) must review the Chair's decision within 10 business days of receipt of the Nominee or Nominating Shareholder's notice, and the Chair and the Nominating Shareholder or Nominee will be entitled to present their case to the committee. The committee will either confirm or overturn the Chair's decision, with such decision being final.

4.3 The Nominee may also request to be excluded from discussions, or any vote on any resolution in relation to a matter until the Nominee requests to be included again. Relevant minutes of Board meetings will record the Nominee's absence from discussions and abstention from voting and the reasons for it.

4.4 Sigma and the Chair must proactively assess whether any discussions, or vote on any resolution involve an Excluded Deliberation or other conflict of interest and use reasonable endeavours to provide the Nominee with the opportunity to be excluded under paragraph 4.3. In providing the Nominee with this opportunity, Sigma must not disclose more information than is necessary for the Nominee to assess whether they should exclude themselves from the discussions or vote on the resolution.

5. Notification of Conflicts

Each Nominating Shareholder and Nominee must provide the Board with written notice as soon as reasonably practicable after it becomes aware that there is an actual, potential or perceived conflict of interest between the Nominee's or Nominating Shareholder's (as relevant) interests and the interests of Sigma.

6. Compliance with laws

Each Nominating Shareholder and Nominee agree to comply with the Board Charter, Australia's competition laws and the insider trading provisions of the Corporations Act.

7. Non-compliance

7.1 If a Nominating Shareholder:

- 7.1.1 ceases to hold Voting Power of at least **10%** in Sigma; or

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- 7.1.2 if a Nominating Shareholder or its Nominee fail to comply with this Protocol or the Board Charter:
- (a) in any material respect (that has not ceased within 5 business days after receiving written notice of such non-compliance);
 - (b) where such failure is a breach of confidentiality obligations, or restrictions on making Sigma Information available to a Nominating Shareholder, and such failure has a material adverse impact on Sigma; or
 - (c) where such failure is a breach of Australia's competition laws or the insider trading provisions of the Corporations Act,

the Chair (acting reasonably) may make any one or more of the following determinations:

- (d) require the Nominating Shareholder to procure its Nominee to retire immediately from the Board;
- (e) withhold information made available to the directors of Sigma, including Board papers, from the Nominee for such time, or on such conditions, as the Chair considers appropriate in the relevant circumstances;
- (f) decide that the Nominating Shareholder is not permitted to nominate a new Nominee; or
- (g) make such other determination as the Chair (acting reasonably) considers is appropriate in the relevant circumstances.

8. Restrictions on Nominees

- 8.1 A Nominee must (in the Board's opinion acting reasonably) have the requisite business acumen and relevant experience and otherwise be suitable to be a director of Sigma in accordance with Sigma's selection criteria for directors, the Board Renewal Policy and the Nomination & Remuneration Committee Charter.
- 8.2 A Nominating Shareholder must not nominate a person as a Nominee if that person:
- 8.2.1 has been removed as a director of the Board by resolution of Sigma's shareholders; or
 - 8.2.2 was a director of the Board who retired by rotation and was not re-elected by Sigma's shareholders.

9. Qualifications

- 9.1 For the avoidance of doubt, this Protocol:
- 9.1.1 governs arrangements between Sigma and each Nominating Shareholder and its Nominee. It does not operate as an agreement, arrangement or understanding between any Nominating Shareholder (or its Nominee) and any other Nominating Shareholder (or its Nominee);
 - 9.1.2 does not restrict a Nominating Shareholder from exercising in its absolute discretion a right to vote at a general meeting of Sigma or acquiring or disposing of any securities in Sigma (subject to law); and

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- 9.1.3 does not restrict a Nominee from requesting and receiving information relating to Sigma which is not Excluded Information and which a director is entitled to request under law.

10. Definitions

Affiliate means:

- (a) in relation to a body corporate:
 - (i) each of that body's Related Bodies Corporate;
 - (ii) that body's directors; and
 - (iii) the persons who have a substantial holding in that body; and
- (b) in relation to a natural person, any:
 - (i) relative (as defined in the Corporations Act) of that person or that person's spouse; and
 - (ii) body corporate in which that person and any relative of that person or that person's spouse own or hold in aggregate more than 20% of the voting shares.

Corporations Act means the *Corporations Act 2001* (Cth).

Excluded Information has the meaning given in clause 4.1.1 of this Protocol.

Related Body Corporate has the meaning given in the Corporations Act.

Sigma means Sigma Healthcare Limited.

Sigma Information means information received by the Nominee in connection with, or as a result of, their position as a director of Sigma (but excluding information that is or becomes public knowledge, other than as a result of a breach of this Protocol).

Voting Power has the meaning in the Corporations Act.

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Document control and related documents

Name of document	Nominee Director Protocol		
Document Author	Company Secretary		
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Document Reviewers	Sigma Healthcare Chairman		
Review Period	Every Two years		
Related documents	Sigma Healthcare Charter, Risk Management and Audit Committee Charter, People and Remuneration Committee Charter		
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