

Nomination & Remuneration Committee Charter

Sigma Healthcare Limited

13 February 2025

Connecting health solutions



Nomination & Remuneration Committee Charter

1. GENERAL

1.1 The Nomination & Remuneration Committee is established by the Board under the Constitution of Sigma Healthcare Limited (the **Company**).

1.2 In this Charter the following terms have the following meanings:

CEO means the Managing Director and Chief Executive Officer of the Company.

Charter means the Nomination & Remuneration Committee Charter.

Committee means the Nomination & Remuneration Committee.

Committee Group means the Company and its subsidiaries.

Key Management Personnel (KMP) means the executives of the Group who have authority and responsibility for planning, directing and controlling the major activities of the Group (as identified in the Remuneration Report).

Executive Leadership Team (ELT) means the executives of the Group who are appointed by the CEO to membership of the Executive Committee.

2. PURPOSE AND AUTHORITY

2.1 Purpose

The purpose of the Committee is to assist the Board in fulfilling its responsibilities by reviewing, advising and making recommendations to the Board on matters relating to remuneration, nomination and other human resources policies and practices.

2.2 Authority

The Committee acts as an advisory body to the Board by making recommendations to the Board. The Committee does not have delegated power to make binding decisions. The Board will have the ultimate approval of all matters considered by the Committee, except where specific powers are specifically set out in this Charter or are otherwise delegated by the Board.

The Board may authorise the Committee, within the scope of its responsibilities, to:

- perform activities and make recommendations to the Board consistent with this Charter; and
- require the attendance of Company officers at meetings as appropriate.

The Board has provided the Committee with specific authority to engage independent counsel and other external advisors as deemed necessary by the Committee in order to carry out its duties, at the Company's expense.

3. ORGANISATION

3.1 Composition

The Committee shall comprise of at least three Non-Executive Directors that are nominated by the Board, the majority of whom the Board considers to be independent. The Chair of the Committee is to be selected by the Board and shall be one of the independent Directors who is not Chair of the Board. A quorum for any meeting will be the majority of the Committee at the date of the meeting.

The secretary of the Committee will be the Company Secretary, or such other person as nominated by the Board.

3.2 Meetings

The Committee shall meet on at least three occasions each financial year or more frequently as circumstances require. The meetings shall be scheduled on prearranged dates and should correspond with Sigma's remuneration and reporting cycle.

Directors who are not members of the Committee may attend any Committee meetings to observe proceedings and are entitled to receive copies of the papers.

The CEO, Chief People Officer, and Company Secretary shall attend Committee meetings. The Committee may invite such other members of the management team or such other people as it deems appropriate to provide information as necessary so that the Committee may be fully informed on the relevant matter. No individual is permitted to be present when his/her individual remuneration is being discussed.

Committee minutes will be prepared by the Company Secretary and circulated to all Committee members within 30 days of the meeting. The Committee minutes will be promptly confirmed by the Committee members, signed by the Committee Chair, and noted by the Board at the next appropriate time.

3.3 Reporting

The key matters discussed at each Committee meeting are to be ordinarily reported by the Chair of the Committee to the Board at the next most appropriate Board Meeting. The report should cover all matters relevant to the Committee's roles and responsibilities including:

- recommendations regarding matters within the scope of this Charter;
- matters required by any listing rule, legislation, regulatory body or other regulatory requirement;
- matters proposed for inclusion in the Annual Report, including the Remuneration Report; and
- other matters that require Board action or approval.

4. KEY RESPONSIBILITIES

In addition to any other matters which may be delegated to the Committee by the Board, the Committee's responsibilities include:

4.1 General

- a) Review the Company's remuneration framework and policies and practice on Non-Executive Director and Executive remuneration to ensure that they:
 - i. are aligned to the achievement of Company strategy and objectives;
 - ii. are designed to attract and retain high performing Non-Executive Directors, Executives and employees;
 - iii. provide a clear link between reward and shareholder value;
 - iv. align remuneration to Company and individual performance;
 - v. are reasonable and fair; and
 - vi. comply with current governance and legal requirements.
- b) Regularly review the Company's short term and long-term incentive plans, including consideration of performance conditions and participation.
- c) Ensure that the Company's obligations regarding superannuation and other employment benefits and entitlements are being met.
- d) Review and make recommendations to the Board regarding the Remuneration Report for inclusion in the annual Directors' Report.
- e) Engagement with shareholders and other stakeholders in relation to the Company's remuneration policies and practices.
- f) Commission and receive information, advice, and recommendations directly from remuneration consultants in respect to Non-Executive Director, CEO, KMP and ELT remuneration (in accordance with section 206K of the *Corporations Act 2001* (Cth)).

4.2 Non-Executive Director Remuneration

- a) Review and make recommendations to the Board regarding the remuneration and benefits of Non-Executive Directors.
- b) Ensure that fees paid to Non-Executive Directors are within the aggregate amount approved by shareholders and make recommendations to the Board for any adjustment to this amount at the Annual General Meeting.

4.3 CEO Remuneration and Performance

- a) Consider and recommend to the Board the terms and conditions of the CEO's employment contract including fixed remuneration, short term and long-term incentives, equity-based payments, benefits, superannuation, retirement, and termination compensation.
- b) Conduct an annual review of the CEO's remuneration in line with Company performance, individual performance, governance principles and market practice.
- c) Ensure the performance of the CEO is reviewed against his/her predetermined key performance indicators for the purpose of determining any short-term incentive reward.

4.4 KMP and ELT Remuneration, and Performance and Company Remuneration Guidelines

- a) Review the CEO's proposed terms and conditions of employment for KMP, and ELT (review required by Committee Chair and Board Chair only) including fixed remuneration, short term and long-term incentives, equity-based payments, benefits, superannuation, retirement and termination compensation.
- b) Consider the outcome of the CEO's annual assessment of the KMP's and ELT's performance against agreed KPIs.
- c) Review the CEO's proposed changes to the KMP's, and ELT's remuneration including fixed remuneration and awards under the relevant short term and long-term incentive plans to ensure alignment with remuneration policy and structure.
- d) Approve the general guidelines for salary increases for non EBA team members.

4.5 Diversity & Inclusion Policy

- a) Review the Diversity & Inclusion Policy annually and recommend any changes to the Board.
- b) Review and monitor the Company's measurable objectives for achieving gender diversity including the Company's progress towards achieving them.
- c) Oversee the implementation of programs and initiatives to enhance gender diversity.

4.6 Human Resources

- a) Monitor the Company's Health and Safety strategy and performance.
- b) Monitor the Company's Workers Compensation performance and insurance arrangements.
- c) Monitor developments in relevant employment and workplace relations legislation and regulations and review the Company's compliance with such relevant legislation.
- d) Monitor the Company's culture and engagement results.
- e) Review the Company's learning and development strategy and programs including talent management, career development activities and succession planning.

4.7 Nomination

Board Composition and Performance Evaluation

- a) Support and assist the Chair of the Board in the identification and recommendation of suitable candidates for appointment to the Board, including by having regard to:
 - Sigma policies and procedures, including the Board Renewal Policy;
 - the overall skills, experience, diversity, independence and knowledge required to competently discharge the Board's duties, having regard to the strategic direction of the Group and the diversity aspirations of the Board, and report the outcome of that assessment to the Board; and
 - the collective skills, experience, diversity independence and knowledge of the non-executive Directors represented on the Board and determine whether the Board, as a whole, has the skills, experience, independence, and knowledge required to competently discharge its duties.
- b) Support and assist the Chair of the Board in the identification and recommendation of suitable candidates for appointment to the position of CEO.
- c) Development and implementation of procedures for the Board's periodic performance review, including:
 - making recommendations to the Board as to whether the Board should support the re-nomination of a non-executive Director seeking re-election.
- d) Periodic review of Board composition, and the endorsement of retiring Non-Executive Directors seeking election.
- e) The Committee will make recommendations to the Board on candidates it considers appropriate for appointment, after undertaking appropriate checks.

4.8 Inclusion and Diversity

- a) In determining the process for the identification of suitable candidates for appointment to the Board, the Committee will ordinarily ensure:
 - the establishment of measurable objectives for achieving inclusion and diversity;
 - the annual review and report to the Board on the inclusion and diversity objectives and progress against those objectives;
 - inclusion and diversity aspirations for the Board are taken into account by considering a broad range of candidates with diversity of gender, nationality, geography, age, personal strengths, and social and ethnic backgrounds; and
 - a search is undertaken by an appropriately qualified independent third party acting on a brief prepared by the Committee which identifies the skills, experience and knowledge sought.

4.9 Succession Planning

- a) Undertake succession planning, in particular for the CEO, Directors, Chairman of the Board and Chair of Board Committees, having regard to the assessments made for the purposes of Board Composition recommendations and Performance Evaluations (as described above).
- b) Reviewing the terms and conditions on which non-executive Directors are appointed and hold office.
- c) Succession Planning policy and approach in general for KMP and ELT.

4.10 Director Independence

The Committee will assess, and make recommendations to the Board in relation to, the independence of Directors on appointment, and then annually and whenever any new interests or relationships are disclosed by a Director.

4.11 Director Induction, and Continuing Development

The Committee ensure all Directors are appropriately inducted to the Company and Board and offered appropriate training and development opportunities, and periodically review the effectiveness of such induction and training.

5. CHARTER REVIEW

The Committee will review the Charter every two years, discuss any required changes with the Board and ensure the Board approves any revisions to the Charter.

Last Reviewed: 11 October 2024
