



Nomination and Remuneration Committee Charter

Careteq Limited

ACN 612 267 857

1.0 INTRODUCTION

- 1.1 The Nomination and Remuneration Committee (Committee) is a committee of the Board of Directors (**Board**) of Careteq Limited (**Company**).
- 1.2 The Board established the Committee under the Company's Constitution.
- 1.3 This Charter sets out the scope of the Committee's responsibilities in relation to the Company and its controlled entities (**Group**).

2.0 OBJECTIVES

- 2.1 The Committee will oversee the process of appointment and remuneration of the Non executive Directors, Managing Director, Company Secretary, CFO (or equivalent), and other senior executives and employees of the Company.
- 2.2 The main objectives of the Committee include:
- (a) reviewing and advising the Board on the composition of the Board and its committees and seek to ensure that their composition reflects appropriate skills, expertise and diversity;
 - (b) reviewing the performance of the Board and its committees, the chair of the Board (**Board Chair**), the executive and Non-executive Directors, and other individual members of the Board;
 - (c) assisting the Board in fulfilling its responsibilities to stakeholders on remuneration activities by overseeing the development of the Board's remuneration policy and the remuneration of senior executives, Non-executive Directors and Directors;
 - (d) disclosing for each reporting period the performance review procedure undertaken during that period;
 - (e) ensuring that proper succession plans are in place for consideration by the Board; and
 - (f) complying with all relevant legislation and regulations including the ASX Listing Rules and Corporations Act.

3.0 COMPOSITION AND STRUCTURE

- 3.1 Pursuant to ASX Listing Rule 12.8, if the Company is included in the S&P/ASX 300 Index at the beginning of the Company's financial year, then all members of the Committee must be Non-executive Directors.
- 3.2 The Board will strive to adhere to the following composition requirements for the Committee where at all possible. However, the Board acknowledges that the composition of the Board may not allow adherence to the following composition requirements from time to time.
- 3.3 The Committee should be structured so that it:
- (a) has at least three members;
 - (b) consists of a majority of independent Directors; and
 - (c) is chaired by an independent Director.
- 3.4 The current members of the Committee are: Brett Cheong, Mark Simari and Stephen Munday. The Committee is currently chaired by Brett Cheong.
- 3.5 The Board may appoint such additional Non-executive Directors to the Committee or remove and replace members of the Committee by resolution.

3.6 **EXPERTISE**

At least one member of the Committee must have an understanding of:

- (a) the principles of corporate governance, including knowledge of the *ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th edition, 2019)*;
- (b) the Company's businesses and organisation structure;
- (c) the functions of the Board and the various roles and responsibilities of the Directors and other key executives;
- (d) Company management, at a senior management level; and
- (e) remuneration policies and practices.

3.7 COMPANY SECRETARY

The Company Secretary must attend all Committee meetings and will act as Secretary to the Committee, unless otherwise determined by the Committee.

4.0 MEETINGS AND PROCEDURES

- 4.1 The Committee will consider nomination and remuneration issues as often as the Committee members deem necessary in order to ensure that the Committee fulfils its role and the objectives set out in this Charter. It is intended that this will occur at least twice a year.
- 4.2 Any member may call a meeting of the Committee.
- 4.3 The quorum for a Committee meeting is two Committee members.
- 4.4 The Committee may invite anyone it considers appropriate to attend Committee meetings.
- 4.5 Committee meetings may be held by any technological means allowing its members to participate in discussions even if all of them are not physically present in the same place.
- 4.6 The dates, times and venues of each meeting of the Committee will be notified by the Company Secretary to all members of the Committee as far in advance as possible.
- 4.7 Supporting papers for each meeting of the Committee will be distributed by the Company Secretary to all members of the Committee as far in advance as possible to the meeting.
- 4.8 A member of the Committee will not participate in the review of their own performance.
- 4.9 A member must not be present for discussions at a Committee meeting on, or vote on a matter regarding, his or her election, re-election, or removal.
- 4.10 A member of the Committee must not be present for discussions on, or vote in a matter regarding, his or her own remuneration or a specific remuneration policy that affects him or her. However, a member who is a Non-executive Director may be present and vote in relation to the remuneration of Non-executive Directors.

4.11 Proceedings of the Committee will be governed by the provisions of the Constitution, in so far as they may be applicable.

5.0 CHAIR

5.1 In the absence of the Chair, the remaining members will elect one of their number as Chair of the meeting.

5.2 The Chair of the Committee has a casting vote.

6.0 MINUTES

6.1 The Company Secretary will be responsible for keeping the minutes of its meetings and circulating them to the Chair of the Committee for review, the other Committee members, the other members of the Board and other Committee meeting attendees as appropriate.

6.2 Minutes of meetings of the Committee, will be distributed to members as soon as practicable following the meeting and tabled for approval at the next Committee and presented at the next Board meeting.

6.3 Minutes, agenda and supporting papers are available to Directors upon request to the Company Secretary, except if a conflict of interest exists.

7.0 AUTHORITY

7.1 Access

7.2 The Committee has unrestricted access to senior management, all employees and all Company records and to financial and legal advisers.

7.3 Independent Advice

7.4 The Committee or any member of the Committee is authorised to obtain (at the cost of the Company) outside legal or other independent professional advice, and to secure the attendance of such advisers if it is considered necessary for the proper performance of the Committee's functions under this Charter. The member should first contact the Chair of the Committee (or if the Chair, the Company Secretary) for approval prior to proceeding with procuring that professional advice.

8.0 DUTIES AND RESPONSIBILITIES – NOMINATION

8.1 Without limiting its role, the specific duties and responsibilities of the Committee in respect of nomination duties include the following:

- (a) periodically assess both the skills desired and required to discharge the Board's duties, having regard to the strategic direction of the Company;
- (b) develop a process for evaluating the performance of the Board, its committees, the Board Chair, the executive and Non-executive Directors, and the other individual members of the Board.
- (c) critically review the skills, performance, and effectiveness of the Board, its committees the Board Chair, the executive and Non-executive Directors, and the other individual members of the Board;
- (d) make recommendations to the Board on the appointment, re-election and removal of Directors in light of the Board's current skills, knowledge, experience, independence and diversity;
- (e) establish a criteria for Board membership;
- (f) review the size and composition of the Board;
- (g) review the time commitment required from Non-executive Directors and whether existing non-executive directors are meeting that requirement;
- (h) establish with each candidate for a Non-executive directorship their commitments outside the Company and the time involved with each, and obtain from each a written statement confirming they are able to dedicate sufficient time to the position;
- (i) develop and review disclosure about a formal and transparent process for selection, appointment and re-appointment of directors, including criteria for selection of candidates, steps taken to ensure a diverse range of candidates are selected and how any gaps in the skill or experience of the board are identified;
- (j) evaluate and propose candidates for directorships to the Board having regard to the desired composition of the Board as stated in the Company's Board Charter and Diversity Policy, as well as the particular skills, experience, expertise and diversity that will best increase the effectiveness of the Board having regard to the competencies held by existing directors;
- (k) undertake appropriate checks before appointing the person or putting the person forward to shareholders as a candidate for election as a director. These

checks will include the candidate's character, experience, education, criminal record and bankruptcy history;

- (l) inform the Board of the names of directors who are retiring in accordance with the provisions of the Constitution or as required by the ASX Listing Rules and make recommendations to the Board as to whether the Board should support the re-nomination of that retiring director. In order to make these recommendations, the Committee will review the retiring director's performance during the period in which the director has been a member of the Board;
- (m) propose measurable objectives to assist the Company to achieve gender diversity for adoption by the Board, annually review the Company's progress in meeting each objective and report to the Board on the effectiveness of the objectives and the Company's progress;
- (n) establish and facilitate an induction program for new directors with all such information and advice which may be considered necessary or desirable for the director to commence their appointment to the Board;
- (o) require Non-executive Directors to inform both the Board Chair and the Chair of the Committee (**Committee Chair**) before accepting any new directorships;
- (p) identify any specific responsibilities of individual Board members, including the Board Chair;
- (q) provide to directors continuing education for the purpose of updating and maintaining their skills and knowledge;
- (r) review succession planning for the executive directors and other senior management of the Company including in regard to maintaining an appropriate mix of skills, experience, expertise, and diversity; and
- (s) review the membership and performance of other Board committees and make recommendations to the Board.

9.0 DUTIES AND RESPONSIBILITIES - EQUITY BASED PLANS

9.1 The Committee will:

- (a) make recommendations to the Board to ensure the adequacy and relevance of equity-based and share option or performance rights plans;

- (b) implement and disclose a policy restricting the ability of a participant to enter into transactions which limits the economic risk of participating in the equity-based plan; and
- (c) ensure that equity based and share option or performance rights plans operate within their stated limits and within the limits prescribed by the ASX Listing Rules.

10.0 DUTIES AND RESPONSIBILITIES – REMUNERATION

10.1 The overriding objective of the Committee is to provide an independent and objective perspective on the value and structure of remuneration for each of the Company's Non-executive Directors, Managing Director, Company Secretary, CFO (or equivalent), and other senior executives and employees, so as to ensure it is aligned with the Company's purpose, values, strategic objectives and appetite. The Committee will:

- (a) ensure the Company maintains effective remuneration policies and strategies to attract, incentivise and retain highly competent employees including short and long term incentive plans and equity-based incentive plans (if applicable); and
- (b) in respect of executive incentive plans, make recommendations to the Board regarding the design of all executive incentive plans.

10.2 In respect of Executive Director and senior executive remuneration, the Committee will:

- (a) review the Company's performance and remuneration review principles;
- (b) review and make recommendations (in accordance with the Company's remuneration policies and framework) concerning all components of the remuneration of executive directors and, in conjunction with the CEO's recommendations, senior executives, including (as appropriate) fixed, performance-based and equity-based remuneration, short and long term incentives and all other entitlements and benefits arising from the terms of employment;
- (c) review the short and long term performance goals and objectives of executive directors and, in conjunction with the CEO's recommendations, senior executives together with the process for annual review and evaluation of progress towards attainment of those goals and objectives;

- (d) review the level of any entitlement of executive directors and senior executives to any short and long term incentives in accordance with the rules and principles of any incentive plans;
- (e) review and make recommendations to the Board on director's fees for non-executive Directors;
- (f) seek external advice on director remuneration, executive remuneration and short and long term incentive plans and equity-based incentive plans (if applicable) and obtain regular benchmarking data before recommendations are made to the Board;
- (g) consider those aspects of the Company's remuneration policies and packages which require shareholder approval or where it may be best practice to seek such approval;
- (h) ensure that fees paid to directors are within the aggregate amount approved by shareholders and making recommendations to the Board regarding any increases needed to the aggregate amount at the next annual meeting;
- (i) ensure an Executive Director does not participate in deciding their own remuneration or that of other executives that may indirectly affect their own;
- (j) make recommendations to the Board on specific superannuation or retirement arrangements for Executive Directors and senior management; and
- (k) such other matters relating to remuneration as may be referred to it by the Board from time to time.

11.0 NON-EXECUTIVE DIRECTORS' REMUNERATION

11.1 In respect of Non-executive Directors' remuneration, the Committee will:

- (a) distinguish the structure of Non-executive Directors' remuneration from that of Executive Directors and other senior executives;
- (b) ensure remuneration incentives do not conflict with their obligation to bring independent judgement to matters before the Board; and
- (c) make recommendations to the Board regarding the framework and level of remuneration for Non-executive Directors consistent with the objective of retaining and attracting suitable candidates for the Board while maintaining a

level of remuneration commensurate with boards of similar size and type. This includes the design of and participation of any share option or performance rights incentive plan which may be appropriate for the Company;

(d) when appropriate and where any Director or Directors with an immediate conflict of interest arises, consult with management or external advisors for additional information required to assist the Board in making its decision.

11.2 Non-executive Directors are not permitted to be provided with retirement benefits other than statutory superannuation.

11.3 Shareholders approve the maximum aggregate remuneration for Non-executive Directors.

12.0 DISCLOSURES

12.1 In respect of disclosures, the Committee will:

(a) ensure that the Company discloses at the end of each reporting period the Committee met throughout the relevant period and the individual attendances at those meetings;

(b) ensure that the Company periodically discloses the board skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve;

(c) review all public disclosures to ensure that both the composition of the Board and the matrix of skills, knowledge, experience, independence, and diversity the Committee intends to achieve and maintain is fully, fairly and transparently reported as required; and

(d) review all public disclosures to ensure that both the levels and process of setting the remuneration for Directors and senior executives are fully and fairly reported, as required by law and consistent with common practice.

13.0 GENERAL DUTIES

13.1 In respect of general duties, the Committee will:

(a) determine and review the time commitment required from each Director to discharge his or her obligations to the Company in an effective manner;

(b) undertake all appropriate checks including character, experience, education, criminal record, and bankruptcy history before nominating an individual as a

candidate for appointment to the Board;

- (c) assess the independence of each Non-executive Director regularly, including any potential effect on independence arising out of the directorships held by, or offered to, each Non-executive Director in other public companies.

14.0 ACCOUNTABILITY AND REPORTING TO THE BOARD

- 14.1 The Board has ultimate responsibility for overseeing the performance of the Company, including its remuneration policies.
- 14.2 The Board is sufficiently informed in its decision-making with respect to remuneration strategies and structures.
- 14.3 The Committee is responsible for preparing recommendations to the Board and the Chair of the Committee (or a person nominated by the Chair of the Committee for that purpose) must report to the Board at its next meeting regarding all material matters relevant to the Committee's duties and responsibilities.

15.0 RELATED PARTY TRANSACTIONS

- 15.1 Related party transactions between a Director (or Directors) and the Company are regulated by the Corporations Act and the ASX Listing Rules.
- 15.2 A Director with a material personal interest must comply with the law fully, including:
 - (a) giving notice of that interest to the other Directors where required, including the nature and extent of the interest and the relation of the interest to the affairs of the Company (under section 191 of the Corporations Act); and
 - (b) unless exempted by law, by not being present while the matter is being considered at the Board meeting or vote on the matter (section 195 of the Corporations Act).
- 15.3 Before the Committee recommends to the Board that a related party transaction be approved without prior shareholder approval having been obtained, it must be determined that:
 - (a) an exemption under Chapter 2E of the Corporations Act applies; and
 - (b) Chapter 10 of the ASX Listing Rules does not apply.

15.4 The Company also discloses related party transactions in its financial report as required under relevant Accounting Standards. The Committee must ensure that all related party transactions are disclosed to the Company's auditors in a timely and complete manner.

16.0 COMPLIANCE WITH DISCLOSURE OBLIGATIONS

16.1 The Committee will review all reporting by the Company of its nomination and remuneration policies and practices, including the Company's annual remuneration report and Annual Report, to ensure that the Company meets its disclosure obligations as required under the ASX Listing Rules and the Corporations Act.

17.0 REVIEW OF THIS CHARTER

17.1 The Nomination and Remuneration Committee Charter is reviewed annually by the Committee or as often as it considers necessary to ensure it remains consistent with the Committee's authority, objectives and responsibilities with the Board approving the amended Charter.

17.2 The Board may amend the Nomination and Remuneration Committee Charter by resolution.

18.0 DISCLOSURE OF CHARTER

18.1 This Charter will be made available on the Company's website careteq.com.au in a clearly marked "Corporate Governance" page and be updated as required.

19.0 APPROVED AND ADOPTED

19.1 This Charter was approved and adopted by the Board on 22nd October 2021