

Remuneration and nomination committee charter

Jayex Healthcare Limited ACN 119 122 477 (**Company**)

Remuneration and nomination committee charter

1. Introduction

- 1.1 The Remuneration and Nomination Committee (**Committee**) is a committee of the board of directors (**Board**) of Jayex Healthcare 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**).
- 1.4 The role of the Committee is not an executive role.

2. Objective

The objective of the Committee is to help the Board achieve its objective to ensure the Company:

- (a) has a board of an effective composition, size and commitment to adequately discharge its responsibilities and duties;
- (b) has coherent remuneration policies and practices to attract and retain executives and directors who will create value for shareholders;
- (c) observes those remuneration policies and practices; and
- (d) fairly and responsibly rewards executives having regard to the performance of the Group, the performance of the executives and the general pay environment.

3. Nominations and board composition - responsibilities

The Committee is responsible for:

- (a) identifying and recommending to the Board, nominees for membership of the board including the chief executive officer;
- (b) identifying and assessing the necessary and desirable competencies and characteristics for board membership and regularly assessing the extent to which those competencies and characteristics are represented on the Board;
- (c) developing and implementing processes to identify and assess necessary and desirable competencies and characteristics for Board members;
- (d) ensuring succession plans are in place to maintain an appropriate balance of skills on the Board and reviewing those plans; and
- (e) recommending the removal of directors.

4. Nomination and appointment of new directors

The Committee's responsibilities in relation to nominations to the Board are:

- (a) identifying and assessing the necessary and desirable competencies and characteristics for Board members and assessing the extent to which those competencies and characteristics are represented on the Board;
- (b) assessing and identifying the skills, experience and knowledge represented on the Board and those desired and establishing processes for identifying suitable candidates for appointment to the Board to ensure an appropriate mix of expertise, experience and succession;
- (c) assessing and determining the time commitment needed from each Board member to adequately perform his or her duties;
- (d) writing a job description for any vacancies on the Board, including a description of the skills, experience and knowledge desired in a candidate;
- (e) identifying nominees for membership of the Board after making suitable inquiries of professional search and recruitment consultants and major shareholders for candidates; and
- (f) recommending to the Board nominees that have the identified skills, experience, knowledge and capabilities required for the vacancy.

5. Performance and education of directors - responsibilities

5.1 The Committee is responsible for:

- (a) annually reviewing the performance of the chief executive officer;
- (b) establishing processes for evaluating the performance of the Board, both collectively and individually;
- (c) annually evaluating the performance of the Board, both collectively and individually;
- (d) regularly reviewing the time required from non-executive directors to perform their functions and assessing whether they are satisfying time requirements;
- (e) establishing induction programmes for new directors and senior executives to gain an understanding of:
 - (i) the Group's financial position, strategies, operations and risk management policies; and
 - (ii) the respective rights, duties and responsibilities and roles of the Directors, senior executives and the board; and
- (f) developing continuing education programmes for directors.

5.2 The Committee will disclose to members of the Company the process for evaluating the performance of the Board, its committees and individual directors in the Company's annual report or such other forum which the Board considers appropriate.

5.3 A member of the Committee must not participate in any review or assessment of their own performance.

6. Remuneration policies and practices

6.1 Executive remuneration and incentive policies and practices must be performance based and aligned with the Group's vision, values and overall business objectives.

- 6.2 Executive remuneration and incentive policies and practices must be designed to:
- (a) motivate the directors and management to pursue the Group's long term growth and success; and
 - (b) demonstrate a clear relationship between the Group's overall performance and the performance of executives.
- 6.3 Structures for non-executive directors' remuneration and executive directors' and senior executives' remuneration must be clearly distinguished.

7. Remuneration - responsibilities

- 7.1 In performing its responsibilities in relation to remuneration, the Committee must give appropriate consideration to the Company's performance and objectives, employment conditions and remuneration relativities.
- 7.2 The Committee is responsible for:

Executive remuneration and incentive policies

- (a) reviewing, approving and recommending to the Board for adoption executive remuneration and incentive policies and practices; and

Executive directors and senior management

- (b) annually considering, approving and recommending to the **Board** each executive director's total remuneration (including base pay, incentive awards, equity awards, retirement rights and terms of engagement) having regard to executive remuneration and incentive policies;
- (c) determining if shareholder approval is needed for any change to remuneration of directors or executives;
- (d) reviewing and approving, on the recommendation of the chief executive officer:
 - (i) the total remuneration (including incentive awards, equity awards and retirement and termination payments);
 - (ii) the terms of engagement; and
 - (iii) any changes to the total remuneration and terms of employment, of direct reports of the chief executive officer and other senior executives;
- (e) recommending to the Board for approval changes to the remuneration or terms of engagement of executive directors before implementation; and
- (f) preparing for approval by the Board any report on executive remuneration that may be:
 - (i) required by the ASX Listing Rules or the *Corporations Act 2001* (Cth) (**Act**); or
 - (ii) proposed for inclusion in the annual report,and reporting regularly to the Board on those matters;

Executive incentive plans

- (g) reviewing, approving and recommending to the Board for adoption:
 - (i) the design of any executive incentive plan;
 - (ii) the total proposed payments from any executive incentive plan; and

- (iii) reviewing, approving and recommending to the Board for adoption the design of any equity based plan;
- (h) reviewing any plan for legislative, regulatory and market developments;
- (i) reviewing, approving and recommending to the Board for approval the total proposal awards under any equity based plan;
- (j) reviewing, approving and recommending to the Board for approval the proposed award to each executive under the rules of any plan or as approved by the Committee;
- (k) reviewing, approving, recommending to the Board for adoption and keeping under review the performance hurdles for any equity based plan;

Non-executive directors

- (l) reviewing the remuneration of non-executive directors for serving on the Board and any committee (both individually and in total);
- (m) recommending to the Board the remuneration and retirement policies for non-executive directors having regard to market trends and shareholder interests;

Superannuation

- (n) reviewing superannuation arrangements;

Reimbursement of expenses

- (o) reviewing and monitoring the reimbursement of any expenses incurred by directors and senior executives; and

Insurance and indemnities

- (p) reviewing any insurance premiums or indemnities for the benefit of directors and officers.

8. Recruitment and termination - responsibilities

8.1 The Committee is responsible for:

- (a) reviewing and recommending to the Board for adoption recruitment, retention and termination policies and practices;
- (b) reviewing and recommending to the Board for approval termination payments to executive directors before they are implemented; and
- (c) considering and, if appropriate, ratifying termination payments to direct reports of the chief executive officer and other senior executives and members of the senior management team or executive committee.

8.2 Any termination payment to any other departing executive should be reported to the Committee at its next meeting.

9. Other responsibilities

The Committee is responsible for doing anything the Board considers appropriate in the context of this charter.

10. Committee composition

- 10.1 The Company notes that the ASX corporate governance guidelines recommend that the Committee should comprise:
- (a) at least three directors;
 - (b) all non-executive directors; and
 - (c) a majority of independent directors,
- the chairperson of which should be an independent director.
- 10.2 While the Company will aim to have a Committee that complies with the size and composition guidelines outlined in paragraph 10.1 above, this may not always be practicable in the future given the size of the board and the circumstances of the Group, including the nature of the Group's business. Accordingly, the Board has absolute discretion to determine the appropriate size and composition of the Committee from time to time.
- 10.3 The Board has determined that the Committee will comprise of:
- (a) Shane Tanner (Chairperson);
 - (b) Brian Renwick; and
 - (c) John Allinson
- 10.4 The Board decides appointments, rotations and resignations within the Committee having regard to the ASX Listing Rules, the Act and the Company's constitution.
- 10.5 A Committee member may act by their alternate, where appointed.

11. Committee meetings

- 11.1 The Committee will meet as often as it considers necessary.
- 11.2 The quorum for a Committee meeting is two Committee members.
- 11.3 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. A member who is not physically present but participating by technological means is taken to be present.
- 11.4 The Committee may pass or approve a resolution without holding a meeting in accordance with the procedures (so far as they are appropriate) in section 248A of the Act.
- 11.5 The Committee may invite anyone it considers appropriate to attend Committee meetings.

12. Minutes of Committee meetings

- 12.1 The Committee must keep minutes of its meetings.
- 12.2 Minutes of each Committee meeting must be included in the papers for the next full Board meeting after each meeting of the Committee.
- 12.3 Minutes must be distributed to all Committee members after the Committee chairperson has approved them.
- 12.4 Minutes, agenda and supporting papers are available to directors upon request to the Committee secretary, except if a conflict of interest exists.

13. Reporting to the Board

The Committee chairperson must report the Committee's findings to the Board after each Committee meeting.

14. Access to information, independent advice and resources

14.1 The Committee may seek any information it considers necessary to fulfil its responsibilities.

14.2 The Committee has access to management to seek explanations and information from management, at the Company's cost.

14.3 The Committee may seek professional advice from employees of the Group and from appropriate external advisers, at the Company's cost. The Committee may meet with external advisers without management being present.

14.4 The Committee may have access to adequate internal and external resources, including access to advice from external consultants or specialists.

15. Review and changes to this charter

15.1 The Committee will review this charter annually or as often as it considers necessary.

15.2 The Board may change this charter from time to time by resolution.

16. Approved and adopted

This charter was approved and adopted by the Board on 15 December 2015.

Date **15 December 2015**

Signed **Michael Boyd**
Chairperson of the board of directors
of Jayex Healthcare Limited