

People and Remuneration Committee Charter

Approved by the Board of
Ramsay Health Care Limited
on 22 February 2022.

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Ramsay
Health Care

People and Remuneration Committee Charter

OVERVIEW

The Board of Ramsay Health Care Limited (the **Company**) has established a People and Remuneration Committee to assist it with overseeing:

- the remuneration framework of the Company and its subsidiaries (together, the **Group**); and
- people framework and strategy.

MEMBERSHIP OF THE COMMITTEE

The Committee must consist of:

- (a) only Non-Executive Directors;
- (b) a majority of independent directors;
- (c) an independent director as chair; and
- (d) a minimum of three members of the Board.

The Board may appoint additional Non-Executive Directors to the Committee or remove and replace members of the Committee by resolution. Members may withdraw from membership by written notification to the Board.

All Non-Executive Directors have a standing invitation to attend Committee meetings and have access to Committee papers, subject to conflicts. Other non-committee members, including members of management, may attend all or part of a meeting of the Committee at the invitation of the Committee chair.

Role and responsibilities

REMUNERATION

The responsibilities of the Committee in respect of remuneration are as follows:

- (a) Review and recommend to the Board employment and remuneration arrangements for the Managing Director & Chief Executive Officer (**CEO**) and, on recommendation of the CEO, the Group Chief Financial Officer, including contract terms, annual remuneration and participation in the Group's incentive plans.
- (b) On the recommendation of the CEO, review and approve employment and remuneration arrangements for other members of the senior executive team, including contract terms, annual remuneration and participation in the Group's incentive plans.
- (c) Conduct reviews of, and monitor the implementation of, the Group's remuneration framework to confirm it:
 - encourages and sustains a culture aligned with the Group's values;
 - supports the Group's strategic objectives and long-term financial soundness; and
 - is aligned with the Group's risk management framework and risk appetite.
- (d) Approve major changes and developments in the Group's policies and procedures related to remuneration, recruitment, retention, termination and performance assessment for senior executive team.
- (e) Approve major changes and developments in the remuneration policies, superannuation arrangements and personnel practices and strategies for the Group.
- (f) Review and recommend to the Board major changes and developments in relation to the Group's equity based employee incentive plans.
- (g) Oversee the operation of the Group's equity based employee incentive plans in place from time to

time and recommend to the Board whether offers are to be made under any of the Group's equity based employee incentive plans in respect of a financial year.

- (h) Look to ensure that risk behaviours and outcomes and any other relevant factors are reflected in the executive remuneration outcomes.
- (i) Review remuneration by gender and strategies or changes to address any pay gap.
- (j) Review and recommend to the Board the remuneration arrangements for the Chairman and the Non-Executive Directors of the Board, including fees, travel and other benefits.
- (k) Approve the appointment of remuneration consultants for the purposes of the *Corporations Act 2001* (Cth).
- (l) Review and recommend to the Board the remuneration report prepared in accordance with the *Corporations Act 2001* (Cth) for inclusion in the annual directors' report.
- (m) Review and facilitate shareholder and other stakeholder engagement in relation to the Group's remuneration policies and practices.

PEOPLE

The responsibilities of the Committee in respect of people management are as follows:

- (a) Review the Group's workforce strategy including future skills development and productivity, and strategies to strengthen the Group's workforce.
- (b) Review the effectiveness of the Group's policies and practices in relation to the attraction, motivation and retention of employees.
- (c) Review the Group's approach to leadership and talent development including future leader talent pipeline and people development processes.
- (d) Review succession plans for senior executive direct reports to the Managing Director & CEO and identify and recommend to the Board candidates where required.
- (e) Review the Group's Code of Conduct, and ensure arrangements are in place for dissemination to all employees, including communicating the importance of the Code of Conduct.
- (f) Review strategies to support diversity and inclusion, including reviewing and recommending to the Board measurable objectives for achieving gender diversity in the composition of the Board, senior executive team and workforce generally and assessing the Group's progress in achieving those objectives.
- (g) Monitor corporate culture and alignment with the Group's purpose and values, including through review of the Group's engagement survey results, targets and related initiatives undertaken by management, and make recommendations to the Board.

Remuneration policies and practices

- (a) Executive remuneration and incentive policies and practices must be performance based and aligned with the Group's purpose, values, strategic objectives and risk appetite.
- (b) Executive remuneration and incentive policies and practices must be designed to:
 - (1) attract and retain skilled executives;
 - (2) motivate executives to pursue the Group's long term growth and success, without rewarding conduct that is contrary to the Group's values or risk appetite;
 - (3) demonstrate a clear relationship between the Group's overall performance and the performance of executives;
 - (4) appropriately incentivise positive risk behaviour and improved patient outcomes, encourage sound risk management of both financial and non-financial risks, and discourage unnecessary and excessive risk taking;
 - (5) allow for proper adjustments to be made, including where risk and compliance failures occur; and
 - (6) ensure any termination benefits are justifiable and appropriate.
- (c) In the discharge of the Committee's responsibilities, no executive should be directly involved in

- determining their own remuneration.
- (d) The Committee must at all times have regard to, and notify the Board as appropriate of, all legal and regulatory requirements, including any shareholder approvals which are necessary to obtain.
 - (e) All engagements of, and interaction with, external remuneration consultants must comply with the Group's protocol for the engagement and utilisation of remuneration consultants.

Rights of access and authority

The Committee has unrestricted access to information it considers relevant to its responsibilities. The Committee has rights of access to management and to auditors (external and internal) without management present, and rights to seek explanations and additional information from both management and auditors.

Review of Charter

The Board will, at least every two years, review the membership and Charter of the Committee to determine its adequacy for current circumstances and the Committee may make recommendations to the Board in relation to the Committee's membership, responsibilities, functions or otherwise.

Administrative matters and procedures

The proceedings of the Committee will be conducted in accordance with provisions set out in Attachment 1.

Attachment 1

ADMINISTRATIVE MATTERS AND PROCEDURES

Meetings

The Committee will meet as often as the Committee members deem necessary in order to fulfil their role. However, it is intended that the Committee will normally meet at least quarterly.

Chair

The Chair of the Committee will be selected by the Board. If the Chair is unavailable to chair the meeting, the members present must elect one of themselves to chair the meeting.

Quorum

The quorum is at least two members.

Secretary

The Group General Counsel & Company Secretary, or his or her delegate, must attend all Committee meetings as minute secretary.

Convening and notice of meeting

Any member may, and the Group General Counsel & Company Secretary must upon request from any member, convene a meeting of the Committee. Notice will be given to every member of the Committee, of every meeting of the Committee. However, there is no minimum notice period and acknowledgement of receipt of notice by all members is not required before the meeting may be validly held.

Independent advice

The Committee may seek the advice of the Group's auditors, solicitors or other independent advisers, consultants or specialists as to any matter pertaining to the powers or duties of the Committee or the responsibilities of the Committee.

Minutes

Minutes of meetings of the Committee must be kept by the Secretary. All minutes of the Committee must be entered into a minute book maintained for that purpose and be available for inspection by any director.

Reporting

The Committee chair will provide a brief oral report to the Board as to any material matters arising out of Committee meetings. All Directors may, within the Board meeting, request information of members of the Committee.

A copy of the minutes of the Committee will also be provided to the Board with the Board papers.

The Committee will also consider if any material matters arising out of the Committee meeting should be advised to any other Committee and, if so, ensure that this occurs.

