

Capitol Health Limited

ACN 117 391 812

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People, Culture & Sustainability  
Committee Charter

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## 1. Scope

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- 1.1. The People, Culture & Sustainability Committee (**Committee**) is a Committee of the Board of the Company with specific powers delegated under this Charter. The Charter sets out the Committee's function, composition, mode of operation, authority, and responsibilities.

## 2. Function

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- 2.1. The primary function of the Committee is to assist the Board in fulfilling its responsibilities relating to people, culture, and sustainability practices of Capitol Health Limited (**Company**) and its subsidiaries (together, **Group**), with the main objectives being as follows:
- (a) To ensure the Board has an effective composition, size, and commitment to adequately discharge its responsibilities and duties;
  - (b) To ensure that the Group has in place appropriate and unbiased remuneration policies and practices which promote inclusion and diversity, and which attract, retain, and reward persons who will pursue the Group's long-term growth and success;
  - (c) To adopt the most appropriate corporate governance policies and to fulfil its responsibilities for oversight of good governance practices of the Group;
  - (d) To review and oversee the Group's key people and organisational culture strategies and their alignment with the Group's overall strategy and vision; and
  - (e) To ensure the Group has in place effective measures, systems, and controls in relation to the Health, Safety, Environment, and Community and other sustainability issues that may have material strategic business and reputational implications for the Group and its stakeholders.

## 3. Membership and Composition

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- 3.1. The Board shall appoint the members of the Committee. The Committee will comprise:
- (a) at least three members;
  - (b) only Non-Executive Directors;
  - (c) a majority of Independent Directors; and
  - (d) an Independent Chairperson appointed by the Board.

## 4. Meetings

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- 4.1. The Committee shall:
- (a) meet as frequently as required; and
  - (b) the minimum quorum for a Committee meeting is two members.
- 4.2. The secretary of the Committee is the Company Secretary.

## **5. Authority**

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- 5.1. In performing its duties, the Committee shall have authority to:
- (a) discuss directly with management, auditors and consultants on any issue within its scope of responsibility;
  - (b) request reports, explanations, and information in relation to any activities of the Group; and
  - (c) obtain external legal or professional advice as it considers necessary to discharge its responsibilities.

## **6. People - Responsibilities**

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### **A Nominations**

- 6.1. The Committee is responsible for:
- (a) identifying and recommending to the Board, nominees for membership of the board including the Managing Director or 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) determining the independence of Directors (including the criteria for determination) and monitor the ongoing status of such Directors;
  - (d) reviewing and recommending the process for recruiting a new Director, including evaluating the balance of skills, knowledge, experience, independence and diversity on the board, undertaking appropriate checks on the candidate's character, experience, education, criminal record and bankruptcy, and, in the light of this evaluation, preparing a description of the role and capabilities required for a particular appointment;
  - (e) assessing and determining the time commitment needed from each Board member to adequately perform his or her duties;
  - (f) ensuring succession plans are in place to maintain an appropriate balance of skills on the Board and reviewing those plans;
  - (g) ensuring succession plans are in place to manage the succession of the Managing Director or Chief Executive Officer and other senior executives; and
  - (h) recommending the removal of Directors.

### **B Performance and education of Directors**

- 6.2. The Committee is responsible for:
- (a) at least annually reviewing the performance of the Managing Director or Chief Executive Officer;
  - (b) developing and implementing processes for evaluating the performance of the Board, its committees, and Directors; and
  - (c) reviewing and making recommendations to the Board on matters pertaining to induction and continuing professional development programmes for Directors.
- 6.3. 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 corporate governance statement or such other forum which the Board considers appropriate.

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

### **C Remuneration**

- 6.5. The Committee is responsible for:
- (a) ensuring there is no gender or inappropriate bias in the recruitment, retention and remuneration policies and practices for Directors and employees including executives; and
  - (b) reviewing and recommending to the Board for adoption recruitment, retention and termination policies and practices for the Board and executive and including preparing for approval by the Board any report on senior executives' remuneration that may be required under relevant regulatory standards.

#### *Executive remuneration*

- (c) reviewing and recommending to the Board for adoption executive remuneration framework for the Group;
- (d) with regard to senior executives (i.e., the Managing Director, Chief Executive Officer, and their direct reports), reviewing and recommending to the Board:
  - (i) the total remuneration (including incentive awards, equity awards and retirement and termination payments); and
  - (ii) the terms of engagement.

#### *Non-executive remuneration*

- (e) reviewing and recommending any changes to the Board at least annually regarding the remuneration of non-executive directors for serving on the Board and any committee (both individually and in total) and retirement policies.

#### *Superannuation*

- (f) reviewing and recommending to the Board matters in relation to the provision of superannuation to directors, senior executives, and other employees.

- 6.6. A member of the Committee / a member of the senior executive team must not participate in any review or assessment of their own remuneration.

## **7. Culture - Responsibilities**

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- 7.1. The Committee is responsible for:
- (a) overseeing and receiving reports from management on the development, definition, and communication of the Group's principles relating to health, safety, ethics and responsible conduct, and its expectations of employee behaviour;
  - (b) overseeing and receiving reports from management on efforts to foster and support the Group's desired culture;
  - (c) overseeing and receiving reports from management on its assessment of progress towards the Group's target culture state, including management's analysis of data and other insights gained from surveys conducted; and
  - (d) ensuring that the Group has a constructive workplace culture that contributes to the cultural health, safety, and integrity of employees, and the profitable growth of the Group.

## **8. Sustainability - Responsibilities**

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### **A Governance**

8.1. The Committee is responsible for:

- (a) assisting the Board to adopt the most appropriate corporate governance policies while meeting applicable corporate governance requirements including those arising under the Act, ASX Listing Rules and other relevant regulatory standards;
- (b) informing the Board of corporate governance requirements of regulators, including the Australian Securities and Investments Commission, Australian Securities Exchange and other stakeholders;
- (c) reviewing best practice developments in corporate governance in Australia and globally and identify to the Board corporate governance standards which it considers appropriate and in the best interests of the Group;
- (d) considering questions of possible conflict of interest arising for Directors, review existing behaviour and ethical guidelines for Directors and recommend changes for adoption by the Board; and
- (e) reviewing and recommending to the Board the Company's Corporate Governance statement.

### **B Safety and Health**

8.2. The Committee is responsible for:

- (a) overseeing the Group's safety and health policies and functions to ensure the Group's objectives are met;
- (b) reviewing the Group's policies and programmes to achieve safety and health standards;
- (c) reviewing the Group's safety and health performance against agreed targets; and
- (d) monitoring and reviewing key safety and health information, and make any recommendations to the Board regarding key safety and health issues across the Group.

### **C Community and Social Responsibility**

8.3. The Committee is responsible for:

- (a) reviewing the effectiveness of the Group's policies and initiatives on community engagement and social responsibility; and
- (b) monitoring the Group's activities and programmes to ensure they are directed towards opportunities for development and well-being of the Group's people, their families, and the communities in which they work and live.

### **D Environment**

8.4. The Committee is responsible for reviewing the effectiveness of the Group's policies and initiatives designed to ensure environmental sustainability and to minimise the Group's impact on the environment.

## **9. Minutes**

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9.1. The Secretary will be responsible for keeping the minutes of its meetings and circulating them to the Chairperson of the Committee for review, and thereafter circulated to the other members of the Committee or the Board as appropriate.

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

- 9.3. The minutes must be approved at the next meeting of the Committee. The Chairperson should report to the Board after each meeting.

## **10. Reviews**

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- 10.1. The Committee will review its performance on an annual basis.
- 10.2. The Committee should review this charter and its composition annually. The Board should consider the Committee's charter and/or composition.

## **11. Approved and Adopted**

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- 11.1. This Charter was approved and adopted by the Board on 25 May 2022 and reviewed on 22 February 2023.