

# Remuneration and Governance Committee Charter

[Advisory to ProCare Network Limited (Co-op) and ProCare Health (PHO) Limited Board]

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## 1. Purpose of this Charter

- 1.1 The Boards of ProCare Network Limited and ProCare Health (PHO) Limited have established a single Committee of Directors known as the Remuneration and Governance Committee (RAGC) to provide services to each company. The objectives, composition, term of office, duties and responsibilities of the Committee are set out in this Charter, and are pursuant to the authority contained in the Constitution of both Companies.

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## 2. Definitions

- 2.1 **ProCare** refers to **ProCare Network Limited (“Co-op”)** and **ProCare Health (PHO) Limited (“PHO”)** also referred to as “the organisation” and “Co-op and PHO” and includes any associated companies or subsidiary.
- 2.2 **The Boards** are the **Board of Directors of ProCare Network Limited (“Co-op”)** and **ProCare Health (PHO) Limited (“PHO”)** respectively.
- 2.3 **RAGC** is the **Remuneration and Governance Committee**, also referred to as “the Committee”.

- 2.4 An **Appointed Director** is as defined in the Co-op Constitution under the definitions section and in the PHO Constitution under clause 6.2.
  - 2.5 **CEO** refers to the Chief Executive Officer of ProCare.
  - 2.6 **EO** refers to the Executive Officer of ProCare Health (PHO) Limited.
  - 2.7 **Senior Management Team** refers to the ProCare Executive Leadership Team who report directly to the CEO of ProCare, also referred to as “Senior Manager”.
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### 3. Objective of the Committee

- 3.1 The role of RAGC is to assist each Board in the establishment of remuneration policies and practices for the organisation, and in discharging the Boards’ responsibilities related to remuneration and governance.
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### 4. Membership

- 4.1 Members of the Committee will be appointed by the Boards based on their expertise and will include:
    - a. all Appointed Directors from the Co-op Board;
    - b. The Chair of the Co-op Board;
    - c. The Chair of the PHO Board;
    - d. Any other Director the Boards deem appropriate to appoint, based on their expertise; and
    - e. The Committee may from time to time convene additional members to assist with specific matters.
  - 4.2 The respective Boards will appoint the Chair of RAGC;
    - a. The Chair of the Committee will be a Director of the PHO Board or Co-op Board but will not be the Chairman of either of the Boards.
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### 5. Duties and Responsibilities

- 5.1 *Specifically, the Committee should:*
    - A. ProCare**
      - a. Recommend the remuneration policy and strategies for ProCare to each Board;
    - B. CEO**
      - a. Recommend the remuneration of the CEO to the Co-op Board for approval;
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- b. Manage the recruitment process for the appointment of the CEO, with the objective of identifying a single recommended candidate for interview (if required) by the Co-op Board;
- c. Candidates for the CEO will be assessed by the Committee based on the job description and competence requirements of the position, the individual's reputation and cultural fit with ProCare and any other requirements established by the Co-op Board;
- d. RAGC will recommend to the Co-op Board, compensation for the CEO, having regard for market rates for comparable positions, the calibre of the individual and affordability for the organisation;
- e. RAGC will be responsible for proposing key performance indicators for the Co-op Board approval against which the CEO's performance and payment of at risk compensation (if any) may be paid;
- f. Annually, RAGC will review the CEO performance, report on performance to Co-op Board and will recommend for Co-op Board approval the portion of at risk compensation (if any) to be paid;
- g. Annually RAGC will undertake a market assessment of compensation for the CEO and recommend, for Co-op Board approval, changes to the CEO's remuneration package (if any);

**C. Senior Management Remuneration**

- a. Endorse remuneration for the Senior Management Team and the EO upon recommendation of the CEO;
- b. In accordance with the ProCare Delegated Authority Policy, a RAGC member who is also on the Co-op Board will responsible for being involved in the appointment and any planned exit of all ELT and the EO (this task will be shared amongst RAGC and may be delegated). The CEO has authority to hire and fire Senior Managers and does not require the approval of RAGC or the Boards;
- c. Review staff engagement / satisfaction surveys, succession planning and Executive Leadership Team development plans of each Company;
- d. In conjunction with the CEO, undertake a periodic review of policies and strategies for employee remuneration, having regard for affordability, balanced by the need to attract and retain people with the necessary talent and motivation to materially advance ProCare;
- e. Receive reports from the CEO regarding the culture and values of ProCare as demonstrated through the actions of staff, and through quantitative surveys undertaken from time-to-time;
- f. Make recommendations to the Boards regarding proposals made by the CEO through RAGC;
- g. Receive reports from the CEO to adverse employment matters that might give rise to reputational damage;

#### **D. Board Appointment and Remuneration**

- a. RAGC will identify and recommend candidates for Appointed Director/s taking into account such factors as it deems appropriate, including diversity and tenure, capability, skill sets, experience, qualifications, judgement and the ability to work with other Directors;
- b. For clarity, where the Board sees fit it may ask RAGC to co-opt additional Elected Board members to contribute to the shortlisting and recommendation process of any Board or Governance Committee appointments;
- c. At the request of the Boards, review and present recommendations for the level of directors' fees to be paid for the Boards and to members of all Committees of the ProCare;
- d. Maintain a register of appointments for Co-op and PHO Boards and their Committees; including details such as Appointed and Elected Director start and expiry dates, and Committee Member appointment and expiry dates; and required skills mix for ProCare; and
- e. Review governance policies and where necessary makes recommendations to the Boards to maintain the relevancy and accuracy of these policies.

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## **6. Authority**

- 6.1 RAGC is not a decision making body. The Committee does not have the power or authority to make a decision in the Boards' name or on its behalf. The Boards authorise the Committee, within the scope of its responsibilities, to:
- a. Seek any relevant information and advice from ProCare and its employees, subsidiary companies and/or providers necessary to fulfil its responsibilities under this Charter;
  - b. Make recommendations to the Boards on all matters requiring the Boards decision;
  - c. At the expense of each Company, obtain such outside information and advice, including market surveys and reports and to consult with such management consultants and other advisers as necessary to fulfil its responsibilities under this Charter;
  - d. Require the attendance of ProCare Officers at meetings as appropriate; and
  - e. RAGC will adhere to all ProCare policies and procedures.

## 7. Procedure

- 7.1 RAGC will meet as often as is required to fulfil the purpose of the Committee, but no less than twice annually to review the performance of the CEO;
- 7.2 A quorum of any three directors appointed to RAGC is required either in person or via teleconference. No business may be transacted at a meeting of the members if a quorum is not present;
- 7.3 Where ever possible, decisions of RAGC will be made on a consensus basis;
- 7.4 The Chief Financial Officer of ProCare (“CFO”) will act as the secretary of the Committee and is responsible, in conjunction with the Chair, for drawing up the agenda and circulating it, supported by explanatory papers / reports to Committee members, at least five working days prior to each meeting;
  - a. The agenda will be split into sections relevant to each company where applicable i.e. 1 - Co-op items, 2 - PHO Board items, and 3 - Joint items.
- 7.5 Any Director of the Boards is entitled to attend any meeting of RAGC during their specific Board’s allocated agenda time slot, and may attend the joint section of the meeting also.
  - a. Where there is a conflict of interest the Committee member must declare their interests and stand down from voting.
- 7.6 If the Chair is not present, the Committee members will appoint an Acting Chair for the meeting;
- 7.7 The CEO and CFO will attend each meeting of the Committee in an ex officio capacity;
- 7.8 Adequate minutes of the meeting will be taken by a nominated individual and circulated to RAGC within one week of the meeting for review and confirmation of accuracy; and the minutes must follow the following format:
  - a. split into three sections i.e. 1 - Co-op items, 2 - PHO items and 3 - Joint items
  - b. clearly state which Board is authorised and required to approve each item endorsed by the Committee;
- 7.9 RAGC will ensure that minutes of its meetings are kept and provided to the Boards in a timely manner prior to each Board’s next meeting.
  - a. The Chair of each meeting of the Committee will report back to the Boards separately on the key points of discussion, the decisions taken, and the recommendations of the Committee, to the next scheduled meeting of each Board;
- 7.10 The Chair of RAGC will call a meeting of the Committee if requested to do so by any Committee member, by the CEO, or the CFO.

## 8. Remuneration

- 8.1 Members of RAGC will be paid remuneration in accordance with the ProCare Board Governance Policy, and remuneration will be determined by the Boards and reviewed every two years.

## 9. Compliance Monitoring and Review

- 9.1 The CEO and the Chair of the Boards will meet jointly at least annually with the Chair of RAGC to ensure an effective working relationship between ProCare, the Boards and RAGC.
- 9.2 RAGC will self-assess the performance of the Committee on an annual basis and the Chair of RAGC will report the results of the assessment to the Boards via the Chairman of each Board jointly or separately, as agreed by the Chair of each Board (the Chair of each Board will report the results to their respective Board at their next meeting).
- 9.3 The Boards at their joint discretion may from time to time review the activities and effectiveness of RAGC and may, as a result of this review, amend, alter, or rescind any part or whole of the RAGC Charter.
- 9.4 This Charter shall be reviewed by ProCare Management in conjunction with RAGC every two years, and if required, make recommendations on any changes to the Boards.

<b>Title:</b> Remuneration and Governance Committee	<b>Author:</b> Tony Wai, CFO & GM of Corporate Services
<b>Approved Respectively By:</b> ProCare Network Limited (Co-op) Board ProCare Health (PHO) Limited Board	<b>Date Approved:</b> 2 July 2019 2 August 2019
<b>Commencement Date:</b> 1 July 2019 <b>Date Previously Approved:</b> April 2017 <b>Next Review Date:</b> 30 June 2021 - The Boards shall respectively review and approve this Committee Charter annually.	