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# **Nomination and Remuneration Committee Charter**

Pacific Smiles Group Limited ACN 103 087 449

Adopted by the Board on 28 August 2014, conditional on listing, and amended on 23 August 2023.

## 1 Role of the Committee and authority

- (a) The Nomination and Remuneration Committee (**Committee**) assists the board (**Board**) of Pacific Smiles Group Limited (ACN 103 087 449) (**Pacific Smiles Group or Pacific Smiles of the Group**) in fulfilling its responsibilities for corporate governance and oversight of Pacific Smile's nomination and remuneration policies and practices which enable it to attract and retain Directors and senior management of the Group (comprising the Chief Executive Officer and the CEO's direct reports, as well as other individuals as the Committee determines from time to time (**Senior Management**)) and appropriately align their interests with those of key stakeholders.
- (b) The Committee is empowered to investigate any matter, with full access to all books, records, company operations, and people of Pacific Smiles Group and the authority to engage external consultants or other professional advisers as it determines necessary to carry out its duties.
- (c) The Committee is a committee of the Board established in accordance with Pacific Smiles Group's constitution (**Constitution**) and is authorised by the Board to assist it in fulfilling its statutory and regulatory responsibilities. It has the authority and power to exercise the role and responsibilities set out in this Charter and granted to it under any separate resolutions of the Board from time to time.

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## 2 Membership

- (a) The Committee should, to the extent practicable given the size and composition of the Board from time to time, comprise of:
  - (i) at least three members;
  - (ii) Non-Executive Directors; and
  - (iii) a majority of directors who are independent (and must satisfy this description to the extent required by statute or regulation).
- (b) Membership of the Committee is as approved by the Board.
- (c) The chair of the Committee (**Committee Chair**) should be nominated by the Board and be an independent director (and must satisfy this description if required by statute or regulation).
- (d) The appointment and removal of Committee members is the responsibility of the Board.
- (e) A Committee member may resign as a member of the Committee upon reasonable notice in writing to the Committee Chair.
- (f) If a Committee member ceases to be a director of the Board, their appointment as a member of the Committee is automatically terminated with immediate effect.
- (g) The company secretary is secretary to the Committee.

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### 3 Meetings

- (a) The Committee will meet at least twice annually or as frequently as is required to undertake its role effectively.
- (b) Any Committee member may, and the company secretary must upon request from any member, convene a meeting of the Committee.
- (c) The Committee may invite any Executive Director, Executive or other staff member to attend all or part of a meeting of the Committee. All Non-Executive Directors of Pacific Smiles have the right to attend a meeting of the Committee.
- (d) The Committee may, with the approval of the Committee Chair, seek independent advice from external consultants to enable the Committee to properly carry out its functions and meet its objectives.
- (e) The proceedings of all meetings will be minuted by the company secretary. All minutes of the Committee are available for inspection by any director of the Board.
- (f) A quorum for any meeting will be at least two Committee members.
- (g) The Committee may request the EGM People & Culture to provide any information or carry out any task that may be necessary to enable the Committee properly to carry out its functions and meet its objectives.
- (h) The Committee must obtain approval from the Committee Chair before obtaining advice from external consultants.

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### 4 Duties and Responsibilities

4.1 The Committee's key responsibilities and functions are to assist the Board in discharging its responsibilities in relation to Pacific Smiles Group's:

- (i) remuneration policies, including:
  - (A) evaluating and approving the remuneration packages (including fixed remuneration, short term and long-term incentives and any other benefits or arrangements) of the Chief Executive Officer, Executive Directors and other members of Senior Management;
  - (B) evaluating and recommending the remuneration arrangements for Non-Executive Directors;
  - (C) monitoring compliance with the Non-Executive Director remuneration pool approved by Pacific Smiles Group in accordance with its Constitution, or as subsequently amended by its shareholders by general meeting from time to time, and recommending any changes to the pool; and
  - (D) engagement of external remuneration consultants;
  - (E) recommending clawback of remuneration when and if appropriate.
- (ii) recommending details of short and long term incentive plans, including:
  - (A) plan structure, terms and conditions;
  - (B) performance hurdles, if any;

- (C) invitations to participate in offers and the terms of participation;
  - (D) achievement of performance criteria (if any) and the final level of any payments, grants or allocations; and
  - (E) the ability to claw back performance-based remuneration from Executive Directors and Senior Management where appropriate;
- (iii) Overseeing equity plans, including:
- (A) amendments to the terms of existing plans within the parameters of those plans;
  - (B) administration of all regulatory caps on equity grants;
  - (C) administration and operation of plans, including but not limited to determining disputes and resolving questions of fact or interpretation concerning the various plans; and
  - (D) the ability to claw back performance-based remuneration Executive Directors and Senior Management where appropriate;
- (iv) Recommending Board composition and performance review processes, including:
- (A) the appropriate size, composition and diversity of the Board;
  - (B) the appropriate criteria (necessary and desirable skills and experience) for appointment of Directors;
  - (C) recommendations for the appointment, composition, re-election and removal of Directors;
  - (D) the terms and conditions of appointment to the Board;
  - (E) ensuring that an effective induction process is in place for newly appointed Directors and review of those induction procedures;
  - (F) ensuring that Directors are provided with appropriate professional development opportunities to develop and maintain the skills and knowledge needed to perform their role as a director effectively;
  - (G) the evaluation of the Board's performance including board committees and individual Directors;
  - (H) the time Non-Executive Directors are expected to devote to Pacific Smiles Group's affairs and whether directors are meeting that requirement; and
  - (I) review of Board succession plans;
- (v) Overseeing the succession of the Chief Executive Officer and his/her direct reports, including:
- (A) guidelines for management development; and
  - (B) review of the Chief Executive Officer and the process for review of other members of Senior Management and their development plans.

- 4.2 The Committee is also responsible for oversight of all remuneration related disclosures required in all statutory reporting, if any, and provide advice to the Board on approval of those disclosures. Such disclosure may include Group policies and practices regarding the remuneration of, and the potential claw back of any performance-based remuneration from Executive Directors and Senior Management.

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## 5 Reporting

- (a) The Committee will:
- (i) report to the Board formally at the next Board meeting following from the last committee meeting on matters relevant to the committee's role and responsibilities.
  - (ii) report and, as appropriate, make recommendations to the Board after each Committee meeting on matters dealt with by the Committee; and
  - (iii) as and when appropriate, seek direction and guidance from the Board on remuneration and people and culture risk management and compliance matters.
  - (iv) Ensure that all policies and practices the Company must disclose regarding the remuneration of Non- Executive Directors, Executive Directors and other Senior Executives, are disclosed in the Annual Report and as otherwise required by law.
- (b) Minutes of Committee meetings will be included in the papers for the next full Board meeting.

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## 6 Selection and appointment process

When identifying new Directors to recommend to the Board, the Committee may consider certain criteria to make recommendations to the Board, including the candidate's background, experience, professional skills, personal qualities, gender, capability of the candidate to devote the necessary time and commitment to the role, potential conflicts of interest and independence and whether their skills and experience will complement the existing Board.

With respect to the selection of candidates for the Board:

- (a) the Committee will develop and disclose a Board skills matrix, identifying the current mix of skills and diversity present on the Board, and consider what if any new skills and diversity is required to govern the Group;
- (b) the Committee will take into consideration Pacific Smiles Group's Diversity Policy when recommending new Directors to the Board.
- (c) the Committee may obtain assistance from professional intermediaries to identify and assess the suitability of Board candidates;
- (d) the Committee will undertake appropriate checks in respect of each candidate;
- (e) the names of candidates submitted for election or re-election as Directors at a shareholder meeting must be included in the Notice of Meeting (NoM) along with the following information to enable shareholders to make an informed decision on their election:
  - (i) biographical details, including skills, experience, competencies, qualifications and information sufficient to enable an assessment of the independence of the candidate;
  - (ii) a statement by the Board as to whether it supports the nomination of the proposed candidate(s);
  - (iii) details of relationships between:

- (A) the candidate and Pacific Smiles Group; and
- (B) the candidate and Directors of Pacific Smiles Group;
- (iv) Other directorships held;
- (v) particulars of other positions which involve significant time commitments;
- (vi) if the candidate has been submitted to be elected as a Non-Executive Director, details of all other interests, positions, associations or relationships which may bear on the candidate's independence;
- (vii) the term of office currently served by any Directors subject to re-election; and
- (viii) any other particulars required.

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## **7 Committee Performance**

- (a) The Board will, at least annually, review the Committee membership and the Committee Charter to determine it remains adequate for the Groups current circumstances and make recommendations to the Board in relation to the Committee's membership, responsibilities, functions or otherwise.
- (b) The Committee will also evaluate its performance annually to determine whether it is functioning effectively by reference to current best practice.