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## NOMINATION AND REMUNERATION COMMITTEE CHARTER

### 1. Document purpose

This Charter sets out the role and responsibilities of the Nomination and Remuneration Committee (**Committee**) of Wellfully Limited ACN 056 482 636 (**Wellfully, us, our, we**) and how the Committee performs. For the purposes of this Charter, it refers to all entities and operations controlled by Wellfully.

This Charter will be reviewed periodically.

### 2. Committee purpose

The Committee is a committee of the Board. Its purpose is to make recommendations to the Board about:

- a. Board composition and succession planning;
- b. director remuneration (subject to any shareholder approval that is required in accordance with the Constitution, the *ASX Listing Rules* and the law) and remuneration arrangements for our key executives;
- c. the public reporting of remuneration for these people;
- d. the performance of our key executives; and
- e. diversity.

Notwithstanding the Committee's purpose and responsibilities, the Board is ultimately accountable to stakeholders for these matters.

### 3. Committee members

As at the date of this Charter, the Committee includes: **Antonio (Tony) Verano** (Chairman of the Committee, Chairman of the Board), **Anthony Wright** (Independent, Non-Executive Director), **Steven Schapera** (Non-Executive Director) and the **Company Secretary**.

## 4. Remuneration

The Committee will:

- a. review and make recommendations to the Board regarding remuneration of our executives/key people including contract terms, annual remuneration and participation in our short and long term incentive plans;
- b. review major changes and developments in Wellfully's remuneration, recruitment, retention and termination policies and procedures for executives;
- c. review the performance assessment processes and results for each executive as they reflect the capability of management to realise the business strategy;
- d. review the annual report disclosures in relation to the appointment, dismissal, salary, benefits, awards, and penalties of management and key employees;
- e. monitor and review our remuneration arrangements (including any equity incentive plans) for continued compliance with the law and market expectations or practices;
- f. review and make recommendations to the Board on remuneration by gender and recommend any strategies to address any pay gap; and
- g. approve the Remuneration Report to be disclosed in the annual report.

## 5. Remuneration policy

In discharging its responsibilities, the Committee must have regard to the following policy objectives:

- a. to ensure our remuneration structures are equitable and aligned with the long-term interests of Wellfully, its shareholders and other stakeholders having regard to our relevant policies, including our *Diversity and Inclusion Policy*;
- b. to attract and retain skilled people;

- c. to structure incentives that are challenging and linked to the creation of sustainable returns; and
- d. to ensure any termination benefits are justified and appropriate.

In the discharge of the Committee's responsibilities, no one should be directly involved in determining their own remuneration.

## 6. Incentive plans

The Committee will consider and make recommendations to the Board with respect to:

- a. short or long term incentive plans (including in respect of the performance hurdles, eligibility criteria and terms of offer) for key people; and
- b. KPIs for key people and feedback about each person's performance against them.

## 7. Director remuneration

The Committee will make recommendations to the Board about the level of remuneration (including superannuation, travel and other benefits) of the directors.

The remuneration of the Directors is subject to any approval by shareholders that is required in accordance with the Constitution. The maximum aggregate remuneration (including any fees) approved for a non-executive director is currently set at \$250,000 per annum.

## 8. Nomination and succession

The Committee will:

- a. review and recommend to the Board the size and composition of the Board, including review of Board succession plans and the succession of the Chair of the Board, the Chair of the Audit and Risk Committee, the CEO, and other executives;

- b. develop and maintain a Board skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve;
- c. periodically assess and report to the Board on the necessary and desirable skills required to competently discharge the Board's obligations considering our strategic direction and report to the Board on that assessment;
- d. ensure that we have an induction program for new directors and make recommendations to the Chair of the Board about appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role effectively;
- e. review and propose potential candidates for appointment to the Board – in identifying suitable candidates, the Committee will have regard to the skills required relative to the skills already on the Board;
- f. make recommendations to the Board on candidates that the Committee considers appropriate for appointment, subject to any shareholder approval that is required in accordance with the Constitution;
- g. provide confirmation of the directors to retire and make recommendations for the re-election of directors (subject to the principle that no Committee member may be involved in making a recommendation in respect of themselves); and
- h. oversee the Board's annual performance evaluation process which will be managed by the Committee's Chair and the Company Secretary.

Unless required by law, the terms of any succession plan are confidential and that access to it is only provided to the Board and any employees that need to know.

## 9. Nomination policy and procedure

- a. Factors considered when reviewing a Board candidate:
  - i. skills, experience, expertise and personal qualities;
  - ii. existing composition of the Board;
  - iii. candidate's ability to put in sufficient time and effort; and
  - iv. potential conflicts of interest, and independence.
- b. Detailed background information in relation to a potential candidate should be provided to all directors.
- c. The identification of candidates may be assisted by a search recruiter. A request for this must be made through the Company Secretary.
- d. Appropriate checks will be undertaken before a candidate is appointed, or put forward to shareholders for election.
- e. If a candidate is put forward to shareholders, the shareholders will receive all material information relevant to the decision.
- f. The Committee only makes recommendations to the Board. It does not make appointments.
- g. The shareholders appoint directors to the Board. However, the Board may appoint directors to fill a vacancy on the Board if set out in the Constitution (i.e. to ensure that the number of directors remains above the constitutional minimum or where required to comply with the law or ASX Listing Rules).
- h. An offer of a Board appointment will be made by the Chair of the Board, and appointment must be approved by the shareholders at the next general meeting.
- i. All new appointments should be confirmed by letter approved by the Board.

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## 10. Diversity and inclusion

The Committee will:

- a. have regard to Diversity and Inclusion Policy in discharging its responsibilities in relation to remuneration, nomination and succession;
- b. annually review the effectiveness of this policy by:
  - v. assessing progress towards the achievement of the measurable objectives and any strategies aimed at achieving the objectives; and
  - vi. reporting to the Board recommending any changes to the measurable objectives, strategies or the way in which they are implemented;
- c. in accordance with this policy, annually review the relative proportion of women and men who are employed by us as a whole and in executive positions, and who are on the Board, and submit a report to the Board, which outlines the Committee's findings;
- d. review the annual report and other public disclosures regarding diversity and inclusion.

## 11. Composition

- a. The Committee will consist of at least three non-executive directors appointed by the Board, of which at least one must be an independent director.
- b. Committee members will have suitable skills and business acumen to be effective in their role on the Committee.
- c. Other directors who are not on the Committee may also attend meetings as an observer.
- d. A quorum of the Committee shall be at least two members.
- e. The Company Secretary is the Secretary of the Committee.

- f. The Committee Chair may invite others (e.g. the CEO, CFO or external experts) to meetings.

## **12. Meeting frequency**

The Committee will meet twice per annum. The Chair, a member or the secretary may call for other meetings.

## **13. Reporting**

- a. The Committee shall report to the Board on the matters discussed at each meeting and minutes of meetings will be given to the Board.
- b. The Committee will, to the extent reasonably practical, review all public disclosures and statements concerning matters that are subject of this Charter including disclosures in the Annual Report and press releases.

## **14. Resources and advice**

- a. The Committee may request any information from management that the Committee considers necessary for it to assess the performance of executives or to comply with any laws.
- b. The Committee may seek the advice from our auditors, solicitors or engage external advisers when necessary, and any advice so obtained will generally be available to the Board. A request for external advice must be made through the Company Secretary.

## **15. Performance**

The Committee Chair will assess the performance of the Committee annually and address improvements.