

PEOPLE, CULTURE AND REMUNERATION COMMITTEE CHARTER

**The Hospitals Contribution Fund of Australia Ltd
(ACN 000 026 746)**

**HCF Life Insurance Company Pty Ltd
(ACN 001 831 250)**

(the “Companies”)

HCF BOARD APPROVAL DATE: 15 April 2026

TABLE OF CONTENTS

1. INTRODUCTION AND PURPOSE OF THE COMMITTEE	3
2. ROLE OF THE COMMITTEE	3
2.1. ROLE	
2.1.1 HCF Group Remuneration and Consequence Management Frameworks.....	3
2.1.2 Oversight of PCR Practices.....	3
2.2. RESPONSIBILITIES.....	4
2.2.1 The Remuneration Framework	4
2.2.2 Non-Executive Directors Remuneration Framework	4
2.2.3 Remuneration – CEO & MD, Executives, Specified Roles, Accountable Persons, and other Designated Persons.....	4
2.2.4 Risk Management	5
2.2.5 Remuneration – Risk Outcomes.....	5
2.2.6 Talent Management and Succession.....	5
2.2.7 Accountable Persons.....	6
2.2.8 Organisational Culture.....	6
2.2.9 Workplace Relations	6
2.2.10 Workplace Health and Safety	6
3. ROLE OF THE CHAIR.....	6
4. ROLE OF COMMITTEE MEMBERS	7
5. ROLE OF MANAGEMENT.....	7
5.1. RESPONSIBILITY	7
5.2. COMMUNICATION.....	7
6. COMMITTEE STRUCTURE.....	7
6.1. COMPOSITION	7
6.2. CHAIR	
7. CONDUCT OF COMMITTEE BUSINESS	8
7.1. FREQUENCY AND CALLING OF MEETINGS	8
7.2. QUORUM OF MEETINGS	8
7.3. SECRETARY	8
7.4. CONDUCT OF MEETINGS	8

1. INTRODUCTION AND PURPOSE OF THE COMMITTEE

The People, Culture and Remuneration Committee (**Committee**) has been established by the Boards (**Boards**) of The Hospitals Contribution Fund of Australia Ltd (**HCF**) and HCF Life Insurance Company Pty Ltd, (together, the **Companies**), to assist them in overseeing the development and implementation of key people, culture and remuneration practices (**PCR Practices**) of HCF and its subsidiaries (**HCF Group**).

The Boards authorise the Committee, within the scope of its responsibilities, to perform the activities set out in this Charter. In carrying out its role, the Committee must have regard to relevant prudential standards, the individual requirements of each Company, as well as the overall requirements of the HCF Group. The Committee will report on its proceedings and make its recommendations to the Boards.

2. ROLE OF THE COMMITTEE

2.1. ROLE

The role of the Committee is to assist and advise the Boards in fulfilling their corporate governance responsibilities as described in this section.

2.1.1 HCF Group Remuneration and Consequence Management Frameworks

The Committee exercises oversight of the design, operation and monitoring of the HCF Group Remuneration Framework (**Remuneration Framework**), including the HCF Group Executive Remuneration Policy and the HCF Group General Employee Remuneration Policy, and the HCF Group Consequence Management Framework (**Consequence Management Framework**), and associated policies and practices, so that they:

- a) enable the HCF Group to attract, retain and motivate the Chief Executive Officer & Managing Director (**CEO & MD**), directors, senior managers, and other employees of the HCF Group with the skills, expertise, and experience needed to achieve the objectives of the HCF Group, and in the case of HCF directors, the Director Eligibility Criteria as set out in the HCF Constitution;
- b) are fair and appropriate taking into account the performance of the HCF Group and the individual performance of the relevant CEO & MD, director, senior manager, or employee;
- c) consider an appropriate balance of financial and non-financial measures in assessing performance and determining remuneration outcomes;
- d) ensure that remuneration arrangements and variable remuneration outcomes align with prudent risk-taking, HCF Group's business plan, strategic objectives, sustainable performance, and long-term financial soundness;
- e) identify and mitigate material conflicts to the objectives of the Remuneration Framework arising from third-party service provider compensation arrangements (other than related bodies corporate);
- f) comply with relevant legal requirements and prudential standards, including with respect to any amendments to those requirements over time; and
- g) fully consider consequence management outcomes for the CEO & MD and Executives in order to determine and recommend to the Boards for approval the type and quantum of any variable remuneration adjustment to be applied.

2.1.2 Oversight of PCR Practices

The Committee's role is also to assist and advise the Boards in matters relating to:

- a) ensuring the Remuneration Framework, policies, and practices are consistent with prudential standards, and are aligned to HCF Group's vision, values and overall business objectives;
- b) ensuring that HCF's Remuneration arrangements are regularly benchmarked, align with market trends and are in accordance with the Remuneration Framework and policies, as amended from time to time;
- c) ensuring remuneration outcomes of the CEO & MD and the direct executive management team (**Executives**) are made in accordance with HCF Group Executive Remuneration Policy;
- d) overseeing the terms of service of the non-executive directors, and the employment arrangements of the

CEO & MD and Executives; overseeing talent and succession plans for the Executives (noting that the CEO & MD's talent and succession plans will go directly to the Board); culture including values, behaviours and diversity and inclusion;

- e) ensuring there are no gender or other biases in HCF Group remuneration practices;
- f) workplace relations; and
- g) work health and safety.

2.2. RESPONSIBILITIES

In carrying out its role, the Committee has the following responsibilities in relation to:

2.2.1 The Remuneration Framework

- a) Annually review the Remuneration Framework (including the HCF Group Executive Remuneration Policy and the HCF Group General Employee Remuneration Policy) or if there are any material changes to the size, business mix or complexity of the HCF Group's business operations which makes a further review appropriate.
- b) The purpose of the review is to:
 - assess the effectiveness of the Remuneration Framework and compliance with legal requirements and prudential standards; and
 - make recommendations to the Boards in relation to the review.
- c) In particular, the Committee must be satisfied that the Remuneration Framework and its policies and practices encourage behaviours that support the long-term financial soundness of the Risk Management Framework (including aligning remuneration with prudent risk-taking).
- d) Oversee a comprehensive review of the Remuneration Framework by an operationally independent, appropriately experienced and competent person at least every three years. The outcome of the review will be presented to the Boards with an action plan, as appropriate.

2.2.2 Non-Executive Directors Remuneration Framework

Review and make annual recommendations to the Board:

- a) on the Remuneration Framework, policies and fee levels for non-executive directors on the Board, taking into account the non-executive directors' remuneration principles set out in the HCF Constitution. This includes a recommendation to the HCF Board on the appropriate fee pool for non-executive directors which the Board will submit to HCF's members at a general meeting; and
- b) on the Remuneration Framework and fee levels for non-executive directors of subsidiary boards.

2.2.3 Remuneration – CEO & MD, Executives, Specified Roles, Accountable Persons, and other Designated Persons

Review and make annual recommendations to the Boards for approval of:

- a) the total remuneration arrangements (total fixed remuneration and variable remuneration) and variable remuneration and other reward outcomes, including with respect to deferral and the application of in-period adjustments, malus, and clawback, for the following:
 - i. **Specified Roles** in HCF Companies, as defined under the relevant prudential standard including:
 - A. the CEO & MD;
 - B. the Executives and any other persons who exercise senior management responsibilities within the meaning of relevant APRA legislation and prudential standards (**Senior Managers**);
 - C. 'material risk-takers' as defined in the relevant prudential standard; and
 - D. persons whose primary role is risk management, compliance, internal audit (if that function is not outsourced to a third party), financial control or actuarial control (**Risk and Financial Control Personnel**),

- ii. (collectively **Specified Roles**); **Accountable Persons** who have actual or effective senior executive responsibility for management or control of an HCF Company, or of a significant or substantial part or aspect of its operations, or hold prescribed responsibilities, as outlined in the Financial Accountability Regime legislation (**Accountable Persons**);
- iii. **other designated persons** whose activities may (in the Committee's opinion) affect the financial soundness of a Company or an HCF subsidiary (**Designated Persons**); and
- iv. **any other person specified by APRA**, provided that, for Risk and Financial Control Personnel, the Committee must ensure that any such remuneration arrangements do not compromise the independence and authority of those persons in carrying out their functions.

Recommendations made by the Committee to the Boards for approval on the above will be made on *an individual basis* for the CEO & MD, the Executives and Accountable Persons, and *on a cohort basis* for Risk and Financial Control Personnel.

- b) other variable remuneration, reward tools and processes which may include:
 - i. the design and rules of any variable remuneration arrangements (including short-term or long-term incentive plans) for the Specified Roles, Accountable Persons, other Designated Persons and other persons specified by APRA, which comply with the Remuneration Framework and the relevant prudential standards;
 - ii. the performance of these roles against their agreed objectives, as well as to make recommendations based on this review for the payment of any performance-linked incentives. Performance reviews provided to the Committee should include material information that have led to the remuneration outcomes and recommendations. Other relevant information should also be made available to the Committee and to the relevant Board, as requested and required;
 - iii. any retention or sign-on rewards and/or termination payments provided to these roles;
 - iv. the terms of the CEO & MD's contract of employment, including remuneration terms and any variation to such terms; and
 - v. material changes to general employee remuneration arrangements (including variable remuneration).

2.2.4 Risk Management

The Committee will regularly and proactively engage with the Board Risk, Compliance and Sustainability Committee (**RCSC**) and the Chief Risk Officer; to provide assurance to the Boards that the interpretation and application of HCF Group's Remuneration Policies and annual remuneration outcomes and practices are consistent with the Risk Management Framework, including that actual risk outcomes are appropriately reflected in those remuneration outcomes and practices.

2.2.5 Remuneration – Risk Outcomes

The RCSC will exercise oversight with respect to Accountable Persons take reasonable steps in compliance with the law and its obligations.

Bi-annually, the Chief Risk Officer and Chair of the RCSC will provide the Committee with any relevant information that assists the Committee to review and recommend to the Boards for approval, any risk-adjusted remuneration outcomes for employees in Specified Roles, Accountable Persons or other Designated Persons in relation to risk or misconduct matters, in line with the Remuneration and Consequence Management Frameworks and prudential and statutory requirements, as applicable. These reports will include the following:

- a) Consequence Management Outcomes including conduct risk as they relate to the Specified Roles and other Designated Persons; and
- b) Compliance with HCF Group Accountability Framework obligations by the Accountable Persons and consequence management outcomes including conduct risk as they relate to Accountable Persons.

2.2.6 Talent Management and Succession

- a) Oversee the succession planning frameworks and processes for the CEO & MD and Executives;
- b) Review, monitor and recommend to the Boards the succession plans for the Executives, following consultation with the CEO & MD; and

- c) Oversee the leadership initiatives towards the delivery of the HCF Group leadership strategy.

2.2.7 Accountable Persons

The Committee will receive reports on and oversee:

- a) the appointment of, and changes to, the Companies' Accountable Persons; and
- b) the effective operation of the Companies' processes for compliance with the regulators' requirements for registering Accountable Persons.

2.2.8 Organisational Culture

Review and make recommendations to the Boards for approval of:

- a) the appropriate culture and values for the organisation and the plan to achieve it;
- b) the design of HCF Group's policies relating to culture, which includes its Code of Conduct and policies relating to equal opportunity and anti-discrimination; and
- c) the Diversity and Inclusion Strategy. Review, monitor and approve:
- d) the implementation of the culture plan referred to above to achieve the appropriate culture for the organisation and to report to the Boards on its progress;
- e) the measurable objectives that foster strong organisational culture across HCF Group and review progress towards these objectives. This includes review of the organisational employee survey results and related initiatives undertaken by management; and
- f) review HCF Group's People & Culture strategy and any specific matters related to People & Culture as requested from time to time by the Boards.

2.2.9 Workplace Relations

Review, monitor and provide input to the Boards regarding:

- a) legislative, regulatory or market developments likely to have a significant impact on HCF Group in respect of employment issues;
- b) industrial relations strategies including enterprise bargaining agreements;
- c) regulatory compliance requirements relating to HCF Group's employment obligations.

2.2.10 Workplace Health and Safety

- a) review and make recommendations to the Boards regarding HCF Group's policies and programs to protect the health and safety of employees; and
- b) monitor and review the HCF Group's performance against agreed workplace health and safety measures.

3. ROLE OF THE CHAIR

The Chair is responsible for:

- a) providing appropriate leadership to the Committee;
- b) setting the agenda, style, and tone of Committee discussions;
- c) facilitating Committee discussions to ensure core issues within the Committee's scope are addressed, referred to the Boards (where required) and that adequate time is allocated for consideration of all issues;
- d) monitoring the performance of the Committee; and
- e) liaising with any person, as deemed necessary to assist with fulfilling the role and responsibilities of the Committee, including but not limited to the Chairs of the Boards and other Board Committees.

4. ROLE OF COMMITTEE MEMBERS

Committee members are responsible for:

- a) understanding the structure, accountability, management responsibilities, remuneration practices, performance measures, business objectives, and operating environment of the HCF Group;
- b) disclosing to the Committee any actual or potential conflict of interest (including details of transactions and relationships) that may exist or might reasonably be thought of to exist in relation to their role and responsibilities as a Committee Member as soon as the situation arises and if deemed desirable by the Committee, take such steps as necessary and reasonable to resolve any conflict within an appropriate period;
- c) devoting as much time and attention to the Committee for them to carry out their responsibilities; and
- d) making themselves available to meet any regulator (including APRA) on request.

5. ROLE OF MANAGEMENT

5.1. RESPONSIBILITY

Management is responsible for:

- a) providing the Committee with recommendations on matters as outlined in this Charter;
- b) executing the remuneration strategy, and ensuring that the HCF Group Executive and General Employee Remuneration Policies are applied consistently with the Remuneration Framework, and that appropriate consequence management outcomes are applied consistently with the Consequence Management Framework;;
- c) monitoring that remuneration packages of employees (other than those approved at Board level) and other reward tools are set in compliance with the Remuneration Framework and relevant regulatory requirements;
- d) providing the Committee with appropriate reporting relating to
 - i. performance and remuneration outcomes; and
 - ii. risk conduct and consequence reports that may impact remuneration outcomes;
- e) executing the Diversity and Inclusion Strategy approved by the Boards including developing, implementing, and monitoring initiatives to achieve measurable objectives;
- f) developing, implementing, and monitoring initiatives to foster strong organisational engagement and culture across the HCF Group consistent with the values of the organisation;
- g) preparing external regulatory reporting requirements and disclosure standards; and
- h) maintaining sufficient knowledge, skills, and expertise to manage people, culture, and remuneration activities.

5.2. COMMUNICATION

The CEO & MD and Chief Officer People & Culture (and other Executives and senior leaders, as appropriate) and any remuneration consultants are responsible for providing information to the Committee to make informed and objective decisions in relation to each of its responsibilities outlined in this Charter.

6. COMMITTEE STRUCTURE

The CEO & MD and Chief Officer People & Culture (and other Executives and senior leaders, as appropriate) and any remuneration consultants are responsible for providing information to the Committee to make informed and objective decisions in relation to each of its responsibilities outlined in this charter.

6.1. COMPOSITION

The Committee will be comprised of at least three (3) Non-Executive Directors of the Company, a majority of whom must be Independent Directors (per CPS 510) and free from any business or other relationship that, in the opinion of the Boards, would materially interfere with the exercise of their independent judgement as a member of the

Committee.

All appointments (including that of the Chair) will be determined by the HCF Board.

f The term of service of members of the Committee will be reviewed by the Boards at least annually, with a view to rotating members periodically, without, however, losing continuity of experience and knowledge gained by members of the Committee.

6.2. CHAIR

The Chair of the Committee will be appointed by the HCF Board and must be an Independent Director.

If the Chair is absent, the Committee may appoint a temporary Chair from among its Independent Director members for the duration of the meeting. **ATTENDANCE AT MEETINGS BY NON-MEMBERS**

All Directors of the Boards are entitled to receive Committee papers and can attend the Committee as an invitee, subject to there being no conflict of interest. They are entitled to ask questions and express their views. Other persons/advisers may be invited to attend the Committee's meetings from time to time by the Committee via the Chair.

be Except where otherwise directed, individuals—excluding non-executive directors and the Company Secretary—must not be present during, nor participate in, any discussions or decisions of the Committee concerning their own remuneration or the specific remuneration policies applicable to them.

7. CONDUCT OF COMMITTEE BUSINESS

7.1. FREQUENCY AND CALLING OF MEETINGS

The Committee will meet as frequently as required to perform its role but at least three times each year.

The Chair must call a meeting of the Committee if requested by any member of the Committee, the External Auditor, the Head of Internal Audit, the Chief Officer, People & Culture, or the Chair of any of the Boards.

7.2. QUORUM OF MEETINGS

The Committee will meet as frequently as required to perform its role but at least three times each year. The quorum for Committee meetings will be two members or such other number determined by the Boards.

7.3. SECRETARY

The Secretary of the Committee will be the Company Secretary of the Company, or their nominee.

7.4. CONDUCT OF MEETINGS

Meetings will be formally structured, held in appropriate facilities with timely notice, agendas, supporting papers and minutes of prior meetings distributed sufficiently in advance.

Matters will be debated openly and constructively amongst Committee members. The Committee may invite management or external consultants to attend meetings, where necessary and desirable.

The process for the preparation and approval of minutes and the security and retention of papers is set out in the HCF Director Board/Committee Papers and Minutes Policy.

The Committee may adopt such rules and regulations as it deems appropriate for the conduct of its affairs, provided only that they are not inconsistent with the HCF Constitution, this Charter, or any resolution of the Boards.

8. REVIEW

The Committee will review this Charter annually and recommend amendments to the Boards as needed.

I confirm that I have reviewed this Charter and am satisfied that it captures all the regulatory requirements.

TITLE	DATE	SIGNATURE
Head of Legal & Compliance	27/3/26	Stuart Barnard

Company Secretary	27/3/26	<i>Nathan Francis</i>
Chief Officer, People & Culture	27/3/26	<i>Angela Wilcox</i>

Do you have a question? Contact the HCF Company Secretary Team:



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