



# Diagnostics for Life

# 2024

CORPORATE GOVERNANCE STATEMENT

Healius Limited ACN 064 530 516

# FY 2024 Corporate Governance Statement

This Corporate Governance Statement describes the corporate governance framework, policies and practices of Healius Limited (Healius) and its subsidiaries (together the Healius Group). This Statement was approved by the Board on 19 September 2024.

As part of an ongoing commitment to securityholders, Healius' Board of Directors is dedicated to creating and maintaining high standards of corporate governance. This is a key component of consistently delivering security holder value. As a result, the Board works within a system underpinned by its corporate governance policies and practices and risk management processes. These are designed to promote and strengthen our responsible management and corporate conduct.

This Corporate Governance Statement outlines the main features of our governance framework reporting against the ASX Corporate Governance Principles and Recommendations (4th edition) (ASXCGC Recommendations) as published by the ASX Corporate Governance Council (Council). This Corporate Governance Statement summarises our compliance with the ASXCGC Recommendations.

## Principle 1: Lay solid foundations for management and oversight

Healius clearly delineates the respective roles and responsibilities of its Board and management and regularly reviews their performance.

### Recommendation 1.1: Board responsibilities and delegation of authority

The Healius Board Charter sets out the respective roles and responsibilities of its Board and management; and those matters expressly reserved to the Board and those delegated to management.

The Board is responsible for the following:

- representing and serving the interests of securityholders by overseeing and appraising our strategies, policies and performance,
- overseeing the financial and human resources systems that meet our business objectives and reviewing management's performance,
- protecting and optimising performance and building sustainable value for securityholders,
- monitoring and reviewing the effectiveness of our workplace health, safety and environment practices, and
- ensuring that securityholders are kept informed of any major developments that affect the Healius Group's performance and state of affairs.

From time to time, the Board may establish Board Committees which have delegated authority to act under its Constitution and the Board Charter. Each Board Committee functions under its own Charter.

As at 30 June 2024, the following Board Committees were in place:

- Audit,
- People & Governance, and
- Risk Management.

In carrying out its responsibilities and functions, the Board may delegate any of its powers or seek out qualitative or quantitative information from management and external consultants. This delegation may be to a Board Committee, a Director, an employee, or other person. However, the Board acknowledges that it retains ultimate responsibility for strategy and control and for the exercise of such powers under the *Corporations Act 2001* (Cth) (Corporations Act).

The Board holds at least ten formal Board meetings each year and will also meet whenever necessary to carry out its responsibilities. During these meetings, Directors:

- request any relevant information,
- raise and discuss any concerning issues, and
- vote on resolutions based on their own judgement.

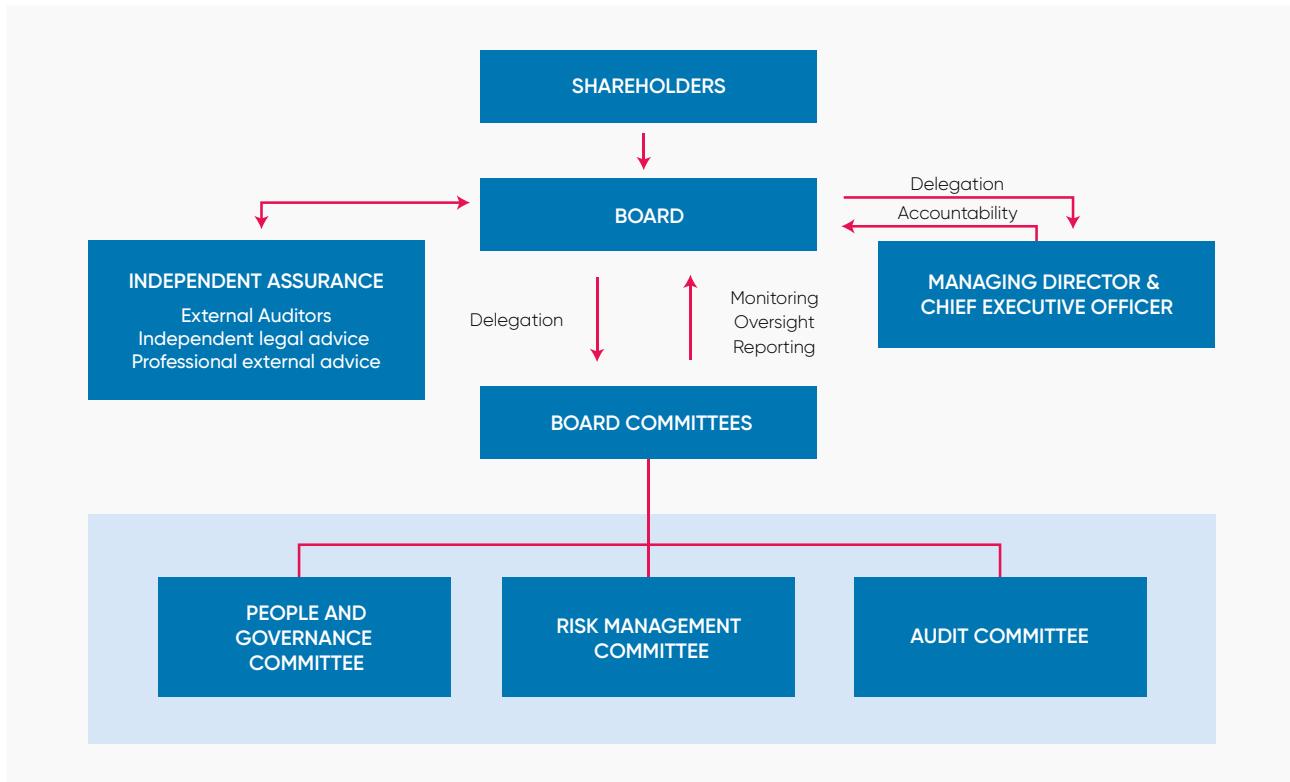
Directors are required to maintain confidentiality, with the exception of decisions which require public disclosure.

Copies of our Board and Committee Charters are available at [www.healius.com.au/about-us/corporate-governance/](http://www.healius.com.au/about-us/corporate-governance/).

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## HEALIUS' GOVERNANCE FRAMEWORK

The Healius' Governance Framework illustrates the decision-making processes. The Managing Director & Chief Executive Officer (CEO), in conjunction with the members of the Executive Management Team and Senior Executives who report to the CEO, are responsible for day-to-day management and they report to the Board on a regular basis and their biographies are included in the 2024 Annual Report. Board Committees have delegated authority to monitor specific issues involving remuneration and Board selection, risk management, audit and other regular reporting to the Board.



The Board has reserved for itself matters which are of a strategic, sensitive or extraordinary nature or which exceed the authority limits of management general functions of the Board include, but are not limited to:

- Defining Healius' purpose and approving its strategic direction,
- Overseeing and approving major capital expenditure, capital management, acquisitions and divestments, to ensure the integrity of financial reporting,
- Approving the Healius Group's statement of values and standards of behaviour and conduct to underpin our desired culture,
- Monitoring corporate performance,
- Determining capital structure and dividends,
- Selecting, appointing and evaluating the performance of the CEO and determining the remuneration and succession planning associated with that position,
- Reviewing the procedures for appointing, selecting and monitoring Senior Executives' performance as well as succession planning associated with these roles,
- Reviewing and approving Senior Executives' development and performance objectives,
- Setting the risk appetite to which the CEO and Senior Executives are expected to operate,
- Monitoring our Work Health and Safety (WHS) issues and reviewing WHS reports and information,
- Approving major business initiatives,
- Providing advice and guidance to Senior Executives,
- Approving the delegation of powers to Board Committees, the CEO and Senior Executives, and
- Approving, overseeing and monitoring our governance model.

The Board has delegated the day-to-day management of the business of the Company to management through the Managing Director and the Chief Executive Officer, subject to agreed authority limits. The Board must satisfy itself that an appropriate framework exists for relevant information to be reported by management to the Board and, whenever required, challenge management and hold it to account. Paul Anderson, Managing Director and Chief Executive Officer is responsible for leading the Executive Management Team and Senior Executives, and with senior management to develop the Healius Group's strategic initiatives for approval and oversee, direct and manage its business divisions.

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## Recommendation 1.2: Provision of information to securityholders

Healius provides all material information to securityholders that is relevant to deciding whether or not to elect or re-elect a particular candidate as a Director of Healius.

We have adopted a protocol for undertaking appropriate checks, including conducting criminal and insolvency background checks on candidates for the office of director.

These checks are conducted in relation to all director appointments.

## Recommendation 1.3: Written agreements with Directors and Senior Executives

Healius has employment agreements in place for the CEO and each member of the Executive Management Team and Senior Executives. The agreements set the key terms of their appointment, remuneration arrangements and entitlements on termination.

Our current appointment process for Non-executive Directors includes the provision of a letter of appointment setting out the Company's expectations of directors.

All current Directors are fully aware of the terms of their appointment including their roles and responsibilities. The Board considers that the appointment arrangements for Directors adequately protect the interests of Healius and our securityholders.

## Recommendation 1.4: Group Company Secretary

Our Group Company Secretary is responsible for advising the Board and its Committees on governance matters (covering all matters relating to the proper functioning of the Board and its Committees), monitoring the Board and Committee policies and procedures, and ensuring the efficient administration of Board meetings. The Group Company Secretary is directly accountable to the Board, through the Chair. Our Board Charter requires that the Group Company Secretary attend Board and Committee meetings as minute secretary.

## Recommendation 1.5: Diversity at Healius

We consider diversity to be an essential attribute in achieving superior outcomes for our securityholders and other stakeholders.

The Healius Diversity, Equity, Inclusion and Belonging Policy recognises the importance of and commitment to, building a workforce that reflects the diversity of the people and communities we serve. It is important that our people know the value the Healius Group places on diversity, equity, inclusion and belonging, to create welcoming workplaces and teams where our people can thrive. This will enable the Group to shape itself in responsive and culturally appropriate ways. A copy of the new policy is available on the Healius website at [www.healius.com.au/about-us/corporate-governance/](http://www.healius.com.au/about-us/corporate-governance/).

The Board's People & Governance Committee is responsible for making recommendations to the Board about:

- The setting of measurable objectives for achieving gender diversity in the composition of the Board, Senior Executives and our workforce generally,
- Disclosure of the above objectives, our progress towards achieving those objectives, and other matters required to be disclosed under relevant Principles, and
- The monitoring of other indicators of diversity (such as race, cultural background, sexuality, gender identity, faith and religious identity); and measures to foster and enhance such diversity.

The policy tasks the Board with setting objectives for fostering gender diversity. The Committee is responsible for making recommendations to the Board in relation to:

- Initiatives that support and encourage diversity throughout Healius,
- Objectives that address gender diversity, particularly at Board level. This includes selection, performance evaluation and succession planning, and
- The annual assessment of the effectiveness of the objectives relating to diversity.

Our Group Executive, People & Shared Services, is responsible for:

- Developing transparency with promotion, development opportunities and gender pay parity,
- Researching diversity barriers in our workplaces and developing and implementing policies which address those barriers,
- Leading our initiatives regarding diversity,
- Reporting on diversity initiatives to the CEO, Senior Executives, and the Committee,
- Developing, reviewing and maintaining people policies and procedures according to the new Policy and in keeping with the measurable objectives for achieving diversity, particularly gender diversity at senior levels, and
- Reporting to the Workplace Gender Equality Agency (WGEA).

When identifying candidates for vacancies on the Board, the People & Governance Committee ensures that internal and external assessments of potential candidates include a search for suitably qualified and experienced women and men. In order to promote equality and gender diversity when appointing Board members, all Directors play an active role in the interview process after the selection panel recommends a shortlist of candidates.

In July 2020, the Board adopted a gender target, to be achieved by 31 December 2022, of 40% male, 40% female and 20% of any gender. The current NED Board ratio is 66% male, 33% female.

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When developing and implementing recruitment and selection processes, we ensure that all candidates are considered and selected on the basis of individual skills, experience and merit, in line with all equal opportunity and anti-discrimination legislation. Our Standards of Behaviour & Conduct Policy promotes respect for others, integrity and fairness in the workplace. All Directors, employees and contractors must adhere to those principles within the framework of the policy.

Across the Healius Group, gender composition as at the date of this Corporate Governance Statement is 73.84% females, 25.71% males and 0.19% non-binary/gender diverse. We participate in, and are compliant with, the annual WGEA reporting program. Healius remains focused on gender diversity in particular increasing female representation within the Executive and General Manager ranks.

Healius has pledged support for 40:40 Vision, an initiative led by superannuation fund HESTA. 40:40 Vision seeks to achieve gender balance – 40% women, 40% men and 20% any gender – across the senior leadership of all ASX200 companies by 2030. To achieve this, we are looking at initiatives that will support further gender balance in leadership roles, including ensuring gender balance in talent identification and succession planning.

## HEALIUS GROUP WORKPLACE GENDER PROFILE AS AT 30 JUNE 2024

| FEMALE REPRESENTATION ACROSS MANAGER OCCUPATIONAL CATEGORIES | CORPORATE | PATHOLOGY | IMAGING |
|--|-----------|-----------|---------|
| Non-Executive Directors                                      | 29%       | -         | -       |
| Executive Management Team                                    | 20%       | -         | -       |
| Other Executive/General Managers                             | 36%       | 44%       | 50%     |
| Senior Managers  | 65%       | 61%       | 52%     |
| Other Managers   | 54%       | 77%       | 74%     |

- Other Executive/General Managers are those general managers largely tasked with managing state operations, or functional responsibility, or a direct report of a functional Group Executive.
- Senior Managers are responsible for a function, department within a business unit or function, or outcome. They are more likely to be involved in a balance of strategic and operational aspects of management. Some decision making at this level would require approval from either of the two management levels above. They may also be responsible for resourcing a budget.
- Other Managers are those who plan, organise, direct, control and coordinate an operational function. They usually oversee day to day operations, working within and enforcing defined company parameters. These individuals implement, determine, monitor and review strategies, policies and plans to meet business needs relating to their own function/work area. An "Other Manager" is accountable for a defined business outcome which generally involves the management of resources that also includes time management, coordination of different functions of people, financial resources and other assets. Line managers are also included in this category.

### Recommendation 1.6: Board performance

The performance of the Board, its Committees and individual Directors is assessed and reviewed by the Board and facilitated by the Chair and the Group Company Secretary. To determine whether it is functioning effectively, the Board periodically reviews its corporate governance policies and processes and performs an evaluation of its performance at appropriate intervals. This process is confidential and involves both self and peer assessment. The evaluation is a useful tool for examining the role, composition, administration and effectiveness of the Board, its Committees and individual Directors.

The Board's responsibility for undertaking regular performance evaluation is documented in the Healius Board Charter. The most recent review took place in June 2024, and the review outcomes of the review were shared among the Chair and other Directors.

### Recommendation 1.7: Senior Executive performance

Annual performance evaluations are conducted for the Managing Director and Chief Executive Officer, members of the Executive Management Team and Senior Executives against set key performance indicators.

Performance evaluations were undertaken for the year ended 30 June 2024.



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## Principle 2: Structure the Board to be effective and add value

The Board of Healius is of an appropriate size and has the skills, commitment and knowledge of the entity and the industry in which it operates to enable it to discharge its duties effectively and to add value.

### Recommendation 2.1: People & Governance Committee

Amongst its other responsibilities, the People & Governance Committee is responsible for making Board recommendations about:

- Evaluation of the performance of the Board, its Committees, and Directors,
- The appointment, re-election, and succession of Directors, and
- Remuneration, recruitment, retention and termination policies and procedures for Senior Executives as well as superannuation arrangements.

As at 30 June 2024, the People & Governance Committee comprised the following independent Non-executive Directors:

- Sally Evans (Chair),
- Kate McKenzie,
- Michael Stanford, and
- Charles Taylor.

This committee composition meets the Council's criteria in terms of the Committee Chair's independence, number of members and independence of members.

A copy of the People & Governance Committee Charter is available at [www.healius.com.au/about-us/corporate-governance/](http://www.healius.com.au/about-us/corporate-governance/).

## BOARD SELECTION AND MEMBERSHIP

As part of its role in relation to the nomination of Directors, the Board devises criteria for Board membership. The criteria for the selection of suitable candidates are the candidate's capacity to contribute to the Healius Group's development regarding the business, the candidate's experience, and the attributes of existing Directors.

Where a vacancy exists on the Board, or where it is considered that the Board would benefit from a new Director with particular skills, suitable candidates are proposed for consideration. Where appropriate, the services of external consultants are also engaged.

## BOARD RENEWAL

Our Constitution requires that, with the exception of the sole Executive Director (the CEO), one third of all eligible Directors, and any other Director who has held office for over three years since their last election, must retire in rotation at the Annual General Meeting (AGM). A retiring Director holds office until the conclusion of the meeting at which he or she retires. They may stand for re-election by securityholders at that meeting. The Board may appoint a new Director to fill a casual vacancy and that Director holds office until the close of the next AGM, unless elected at that meeting.

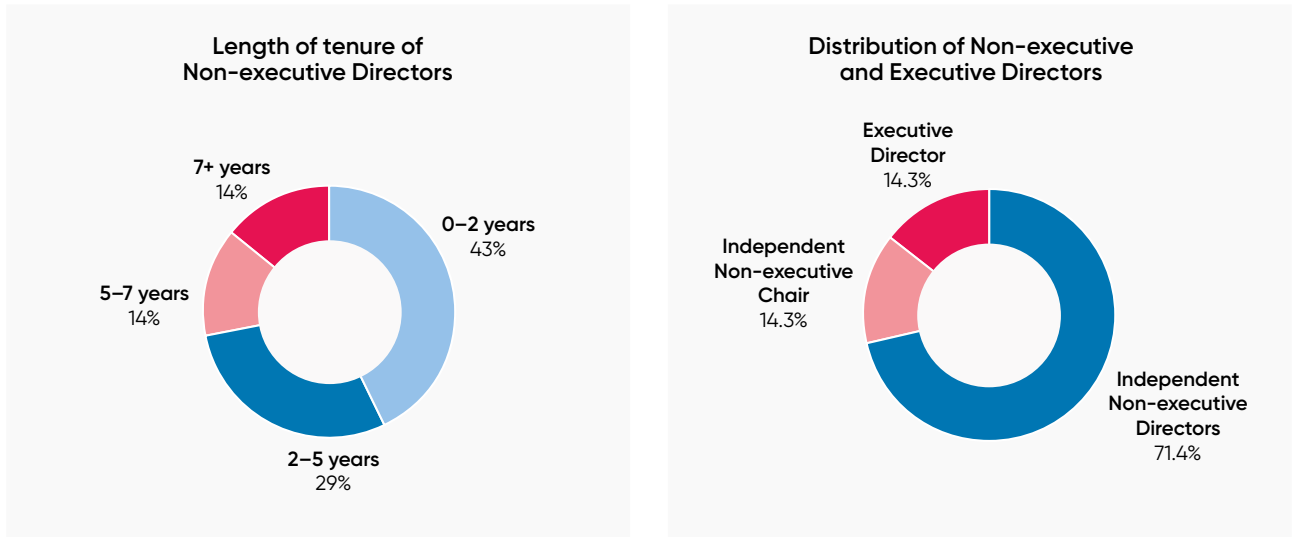
The Board makes recommendations in respect of the election or re-election of each Director based on tenure, skills and experience of the Director in relation to Board composition. The People & Governance Committee ensures that appropriate background checks take place for the appointment of a new Director. The details of those Directors who stand for re-election are provided in the Notice of Meeting which is sent to securityholders prior to the AGM.

Additionally, each Director standing for re-election makes a short presentation to securityholders at the meeting itself.

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## Recommendation 2.2: Board skills matrix

The Board considers that its membership should consist of Directors with a broad range of skills, expertise, and experience from a diverse range of backgrounds. The names, skills, experience, expertise, and appointment dates of current Directors are set out on pages 26 to 27 of our 2024 Annual Report. The length of tenure, and distribution of Non-executive Directors and Executive Directors are listed in the following charts.



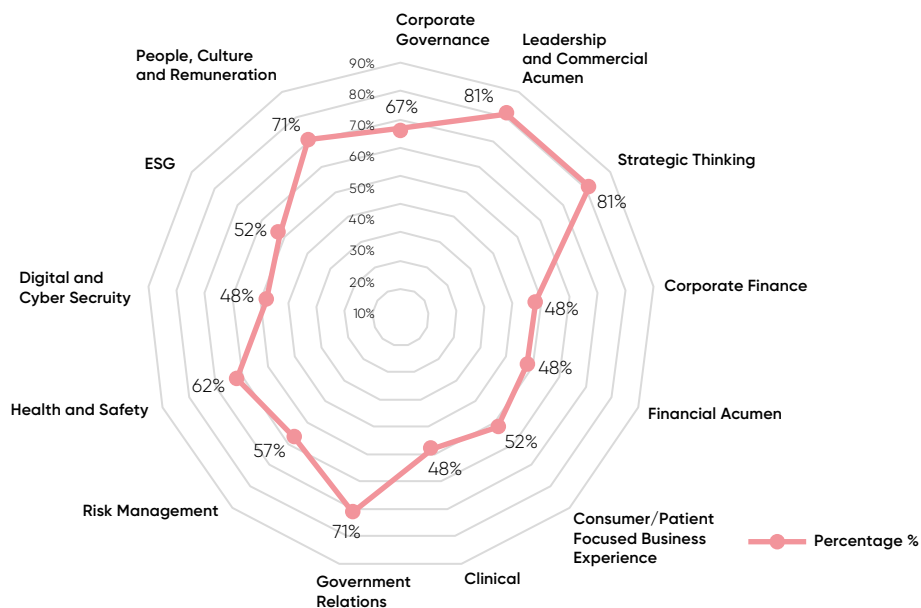
The current skills and experience of our Directors include the healthcare industry, financial, regulatory and business acumen and public company Board, Committee member and Chair experience.

The most recent update to the Healius Board Skills Matrix occurred as part of the Board Performance Assessment carried out in FY 2024. The information allowed the Board greater visibility of the key issues relating to the Directors' experience, knowledge and skills. This process assists us to achieve high standards of corporate governance.

The first step in building the Matrix involved selecting appropriate criteria for assessment. 12 skills as set out below were selected. As a checking mechanism that the selected skills have appropriately wide coverage, the 12 skills selected were assigned to four broader categories: Technical, Industry, Governance and Financial.

This process resulted in the following Board Skills Matrix. These results will be used by the Board to inform its professional development and succession processes.

## Healius Limited Board Skills Matrix 2024



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## COMPOSITION, OPERATION AND REPORTING OF COMMITTEES

The composition of Board Committees is also reviewed annually. Members are selected on the basis of their skills and experience, as well as requirements related to independence. Each Board Committee is chaired by an independent Non-executive Director.

Committees meet at least four times annually and more often as required. Senior Executives and other senior managers may attend Committee meetings by invitation, provided there is no conflict of interest. All Directors have access to all Board Committee papers and can attend Board Committee meetings on request.

### Recommendations 2.3 & 2.4: Director independence

The size, composition and independence of the Board is determined by the Board Charter and the Company's Constitution. It is also assessed annually. The Board recognises that independent Directors are important in assuring securityholders that the Board is able to exercise independent judgement.

A Director should be independent of management and free from any interest and business or other relationship that could be perceived to materially interfere with their ability to act in Healius' best interests. To determine this, materiality is assessed on a case-by-case basis in relation to each Director's personal circumstances rather than a specific materiality threshold.

The Board considers that the current Non-executive Directors, including the Chair, meet the definition of independence under the ASXCGC Recommendations.

### Healius' current independent Directors are:

- Kate McKenzie (3.5 years' service),
- Gordon Davis (9 years' service),
- Sally Evans (6 years' service),
- John Mattick (2.5 years' service),
- Michael Stanford (1 years' service), and
- Charles Taylor (1.5 years' service).

### Recommendation 2.5: The Chair

Our Non-executive Chair is Kate McKenzie. The Chair is responsible for:

- Effective leadership of the Board,
- Oversight of Healius' corporate governance framework,
- Oversight of Board meeting agendas, record-keeping (in conjunction with the Group Company Secretary) and Committee processes, and
- Representing the Board in communications with the public, the CEO and with management. The Chair is independent and does not also hold the office of Chief Executive Officer.

### Recommendation 2.6: Board induction, information, advice and support

All new Directors participate in an induction program individually designed to help them understand the Healius Group's operations. The induction is coordinated by the Group Company Secretary and includes meetings with key management across all business divisions, visits and practical demonstrations at various sites. It also includes information about the Healius Group's history, operations, key stakeholders and corporate governance protocols.

All Directors have access to company records and information and receive regular reports from executive management. The Group Company Secretary also plays an important role in supporting Directors by monitoring adherence to policies and procedures and by providing briefing material for the Board's consideration at Board meetings. This information includes regular reports from Senior Executives including the CEO and the CFO. This is to ensure the Board can discharge its duties effectively.

Each Director has entered into access and indemnity arrangements which allow access to documents for a period of seven years following resignation or retirement. With the prior approval of the Chair, each Director has the right to seek independent legal and other professional advice, at Healius' expense, concerning any aspect of the Group's operations or undertakings, in order to fulfil their duties as a Director.



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## Principle 3: Instill a culture of acting lawfully, ethically and responsibly

Healius has built and continually reinforces a culture across the organisation of acting lawfully, ethically and responsibly.

### Recommendation 3.1: The Healius Group's values

#### Our Purpose:

We are inspired to care for health and wellbeing at every stage of life.

#### Our Mission:

We share a mission to seek and sustain life-enhancing healthcare, delivered by people who care.

#### Our Values:

##### WE CARE



**Work it together:** We believe when we bring out the best in each other, there is no limit to what we can do.

- Listening to others and speaking up to sharing our ideas.
- Helping each other whenever we can.
- Working with different people and teams to achieve our shared goals.
- Creating and maintaining a respectful environment for everyone.
- Looking for opportunities to work with others to solve problems.
- Building and maintaining effective and professional relationships.



**Empathy for everyone:** We believe we build better relationships when we take the time to understand and care about each other.

- Asking questions and actively listening.
- Having compassion for people's experiences and situations.
- Thinking about the impact of our actions on others.
- Being genuine and honest about our own feelings.
- Look out for the safety and well-being of each other, our patients and our community.



**Committed to excellence:** We believe in striving for excellence and quality in everything we do, from big goals to the smallest interactions.

- Following through on our promises.
- Communicating with impact.
- Genuinely caring about doing the best we can.
- Developing ourselves and others.
- Seeking out and acting on feedback.



**Act with integrity:** We believe that when we are fair and honest, we gain the trust of our colleagues and patients.

- Holding ourselves accountable for our actions.
- Role modelling positive, values-based behaviours and professional standards.
- Having the courage to make the right choices even when they're difficult.
- Showing ownership, initiative and energy.



**Recognise our people:** We believe that the work our people do every day deserves recognition and celebration.

- Personally acknowledging positive behaviour and outcomes.
- Saying thank you.
- Speaking positively.
- Celebrating diverse achievements (big and small).



**Embrace innovation:** We believe that everything we do can benefit from a fresh perspective, and that great ideas can come from anyone.

- Taking the time to imagine a better way of doing things.
- Asking questions and challenging the way things work.
- Suspending judgement of other people's ideas and suggestions.
- Finding the opportunity when faced with change.
- Keeping an open mind.
- Being curious and willing to try something new.

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## **Recommendation 3.2: Standards of Behaviour and Conduct Policy**

Our Standards of Behaviour and Conduct Policy promotes ethical and responsible decision-making throughout the Healius Group. Application of this policy is supported by a range of other policies and management practices including:

- Compliance with law and regulations,
- Corporate integrity and social responsibility,
- Conflicts of interest,
- The maintenance of information privacy and confidentiality,
- Inside information,
- Improper benefits,
- Misappropriation, and
- Workplace conduct.

Any issues which may amount to a breach of this policy will be reported for investigation to the Senior Executives identified in the policy.

The Board or, where appropriate, the most relevant Board Committee receives reports of material breaches of the policy, including action taken in response to such breaches.

A copy of our Standards of Behaviour and Conduct Policy is available at [www.healius.com.au/about-us/corporate-governance/](http://www.healius.com.au/about-us/corporate-governance/).

## **Recommendation 3.3: Whistleblower Protection Policy**

We are committed to a culture of corporate compliance and ethical behaviour generally. It is vital that improper conduct is disclosed through appropriate channels, and we are committed to protection of individuals who disclose instances or allegations of improper conduct occurring in relation to the Healius Group.

The Group has in place a Whistleblower Protection Policy.

Through fostering openness and transparency, the policy helps us develop increased levels of trust across the organisation and helps to give our stakeholders the confidence that they are engaged with an organisation committed to doing the right thing and swiftly detecting and addressing wrongdoing.

The policy aims to ensure that any person making a Disclosure is not personally disadvantaged or discriminated against for making that Disclosure.

The Board or, where appropriate, the most relevant Board Committee, receives reports of material breaches of the policy, including action taken in response to such breaches.

Healius has engaged an external third party service provider to provide a confidential and, if requested by a whistleblower, anonymous line of communication. This communication can take place by a number of channels including phone, e-mail and web. Healius has appointed Whistleblower Protection Officers and Whistleblower Investigation Officers to manage the day-to-day operation of the policy.

A copy of our Whistleblower Protection Policy is available at [www.healius.com.au/about-us/corporate-governance/](http://www.healius.com.au/about-us/corporate-governance/).

## **Recommendation 3.4: Anti-bribery and anti-fraud Policy**

We are committed to a culture of corporate compliance and ethical behaviour generally. Our Anti-bribery and anti-fraud Policy (which also encompasses anti-corruption measures) is an important aspect of instilling that culture.

The Board or, where appropriate, the most relevant Board Committee, receives reports of material breaches of the policy, including action taken in response to such breaches.

A copy of our Anti-bribery and anti-fraud Policy is available at [www.healius.com.au/about-us/corporate-governance/](http://www.healius.com.au/about-us/corporate-governance/).

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## Principle 4: Safeguard the integrity of corporate reports

Healius has in place appropriate processes to verify the integrity of its corporate reports.

### Recommendation 4.1: Audit Committee

The Healius Group has a formal and rigorous structure and process for verifying and safeguarding the integrity of our corporate reporting. The Audit Committee is a key part of this structure.

The Audit Committee's main responsibility is assisting the Board in the following:

- Reporting financial information,
- Determining the appropriate application and amendment of accounting policies,
- Appointing and remunerating an external auditor, and
- Providing a link between the external auditor, the Board, and management of Healius.

The Audit Committee is also responsible for:

- Reviewing our financial reporting and disclosure processes,
- Ensuring the reliability and integrity of financial reporting and accounting policies,
- Assessing whether external reporting is consistent with Committee members' information and knowledge and whether it satisfies security holder requirements,
- Assessing the adequacy of the management processes supporting external reporting,
- Developing and implementing procedures for the selection and appointment of the external auditor and for the rotation of external audit engagement partners,
- Reviewing the performance and independence of the external auditor, including recommending the appointment, or, if necessary, the removal of the external auditor,
- Recommendations to the Board in relation to the compensation, terms of engagement and other contractual terms for the external auditor, and
- Assessing the performance and objectivity of the internal audit.

As at 30 June 2024, the Audit Committee comprised the following independent Non-executive Directors:

- Charlie Taylor (Chair),
- Gordon Davis,
- John Mattick, and
- Michael Stanford.

This committee composition meets the Council's criteria in terms of the Committee Chair's independence, number of members and independence of members.

The relevant qualifications and experience of the members of the Audit Committee are set out on pages 26 to 27 of our 2024 Annual Report.

A copy of the Audit Committee Charter is available at [www.healius.com.au/about-us/corporate-governance/](http://www.healius.com.au/about-us/corporate-governance/).

### Recommendation 4.2: Executive assurance to the Board

Prior to the approval of Healius' financial statements for the half year and full year periods, the Board receives a written declaration from the CEO and the CFO & COO with the following confirmations:

- The financial records of Healius have been properly maintained and the financial statements comply with the appropriate accounting standards; they give a true and fair view of the Company's financial position and performance.
- Their opinions have been formed on the basis of a sound risk management and internal control system which is operating effectively.

In providing this assurance declaration, the CEO and the CFO require a comprehensive review from the business division managers as well as independent declarations of their respective business divisions' financial position.

### Recommendation 4.3: Processes for verification of non-audited/reviewed periodic corporate reports

In addition to the annual audited financial statements, Healius releases periodic corporate reports which are not subject to review or audit by our external auditors.

Where a periodic report is not subject to review/audit, we employ processes designed to minimise the chance of error in the report. These processes vary according to the report being issued. Generally, this involves engaging with relevant internal stakeholders throughout the report preparation process from start to finish, culminating in internal sign-off by relevant stakeholders that the portion of the report to which they have contributed is accurate.

In some cases the process can leverage parallel verification processes; for example the Preliminary Final Report, whilst not formally audited, leverages the parallel audit process which is conducted in the course of review and release of the full year accounts, which typically occurs a few weeks after issue of the Preliminary Final Report.

All periodic reports are also subject to approval from the Board or a Board Committee before release and this approval process includes confirmation from management to the Directors that the relevant report has been reviewed and is accurate.

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## Principle 5: Make timely and balanced disclosure

### Recommendation 5.1: Communication (including Continuous Disclosure) Policy

The Healius Group's Communication Policy – which includes Continuous Disclosure – is designed to ensure the provision of timely, balanced and accurate disclosure of material information to the market. This helps to ensure that we keep our securityholders informed and that we comply with the continuous disclosure obligations under the Corporations Act and the Australian Securities Exchange (ASX) Listing Rules. This includes the provision of information on the Group's:

- Financial situation,
- Performance,
- Ownership, and
- Corporate governance.

We also ensure that securityholders, regulators, ratings agencies and the general investment community have equal and timely access to all the material information that concerns Healius including:

- Annual and interim profit announcements,
- Release of financial reports,
- Trading updates, and
- Investor presentations and briefings.

The identification and monitoring of matters which may require disclosure, in accordance with Healius' continuous disclosure obligations, occurs regularly at Senior Executive meetings and meetings of the Disclosure Committee. If a matter is identified as potentially requiring disclosure, it may be referred to the Board by the Disclosure Committee.

Company announcements are lodged on both the ASX Market Announcements Platform and the Healius website.

Investors can elect to receive key announcements via a website link.

In addition to recent announcements, the Healius website contains key information:

- Results releases and security holder meetings,
- Annual Reports,
- Other reports such as the Sustainability Report and the Tax Transparency Report,
- Presentations, and
- Corporate governance policies.

A copy of our Communication (including Continuous Disclosure) Policy is available at [www.healius.com.au/about-us/corporate-governance/](http://www.healius.com.au/about-us/corporate-governance/).

### Recommendation 5.2: Prompt Board receipt of material market announcements

The duties of the Group Company Secretary include prompt forwarding of all material ASX announcements to Directors as soon as they are released on the ASX Market Announcements Platform. (Such announcements have also been through the review process under the Communication Policy.)

### Recommendation 5.3: Investor or analyst presentations

All substantive investor or analyst presentations by Healius are released via the ASX Market Announcements Platform before the commencement of the relevant presentation.

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## Principle 6: Respect the rights of securityholders

### **Recommendation 6.1: Communications with securityholders via the Healius website**

We provide information about our company and our governance to all investors via the Healius website.

In order to make information easily accessible for investors, the website includes a dedicated "Invest in Us" section as well as copies of all information lodged with the ASX.

### **Recommendation 6.2: Investor relations program**

Our communication strategy is disclosed in the Communication (including Continuous Disclosure) Policy. Developed to provide securityholders with accurate, relevant, and timely information, it also enables them to exercise their rights as securityholders in an informed manner.

This communication strategy provides securityholders, potential investors and other interested stakeholders with equal and timely access to important information.

We advance notification of security holder briefings via our investor database and the Healius website. Investors also have access to briefings and question and answer sessions through teleconferences or webcasts; this facilitates effective two-way communication with investors. Copies of webcasts are made available on the Healius website at [www.healius.com.au/invest-in-us/results-and-presentations/webcasts/](http://www.healius.com.au/invest-in-us/results-and-presentations/webcasts/).

### **Recommendation 6.3: Security holder participation at meetings**

The AGM provides an open forum for the Board to communicate directly with securityholders. It is also an opportunity for securityholders to express views, ask questions, and respond to Board proposals.

### **Recommendation 6.4: Polls**

Our practice at all security holder meetings, including the AGM, is that all resolutions are decided by a poll rather than by a show of hands.

### **Recommendation 6.5: Electronic communications**

Securityholders can also send and receive communications with Healius and our share registry through the Healius website. Securityholders can register to receive relevant announcements via e-mail through the Healius website.

# FY 2024 Corporate Governance Statement

## Principle 7: Recognise and manage risk

### Recommendation 7.1: Risk Management Committee

The Risk Management Committee is responsible for approving, reviewing and monitoring the Healius Group's system of risk management and internal controls.

This Committee also assists the Board with its oversight responsibility by reviewing, assessing and making Board recommendations relating to the risk management framework and internal control structures.

The risk identification, analysis, treatment and monitoring processes implemented by Healius are in accordance with Standards Australia AS/NZS ISO 31000: 2018. Every quarter, management reports to the Risk Management Committee on key risks and the status of risk mitigation activities.

The Risk Management Committee is also responsible for:

- Ensuring the profile of each material business risk of the Healius Group is identified and kept up to date (excluding financial risks which are managed by the Audit Committee),
- Monitoring any anticipated changes to material business risks,
- Monitoring and reviewing the effectiveness of the risk management system implementation,
- Reporting and providing recommendations to the Board (or the CEO and/or CFO & COO) in relation to any proposed financial certifications on whether the risk management system is sound, being managed and implemented effectively, and
- Reviewing and approving key policies in each business division that relate to the risk management system implementation.

As at 30 June 2024, the Risk Management Committee comprised the following Independent Non-executive Directors:

- Kate McKenzie (Chair),
- Sally Evans,
- Gordon Davis, and
- John Mattick.

This committee composition meets the Council's criteria in terms of the Committee Chair's independence, number of members and independence of members.

The Risk Management Committee has the authority to seek any information it considers relevant to its functions from any Healius officer or employee. These personnel must readily provide the requested information. The Committee also has authority to conduct or direct any investigation it considers necessary.

A copy of the Risk Management Committee Charter is available at [www.healius.com.au/about-us/corporate-governance/](http://www.healius.com.au/about-us/corporate-governance/).

### Recommendation 7.2: Risk management framework review at least annually

In FY 2024, Healius' risk management framework was reviewed and updated by the Risk Management Committee. The Committee determined that the risk management framework continues to be sound.



# FY 2024 Corporate Governance Statement

## **Recommendation 7.3: Internal Audit function**

The Internal Audit function is to review and enhance internal control processes across the entire Healius Group.

All progress was reported back to the Board, via the Audit Committee or the Risk Management Committee. The internal audit function continues to evolve into a balance of compliance and business reviews.

In addition to the dedicated internal audit function, the Healius Group has an effective system of risk management and internal control processes. Within the risk management framework, each business unit is required to formally consider its risk environment and create the following:

- A register of identified risks,
- Controls, and
- A risk treatment plan.

All of these are stored in a risk information management system.

## **Recommendation 7.4: Material exposure to economic, environmental and social sustainability risks**

The Healius Group does not have any material exposure to economic, environmental or social sustainability risk under the ASXCGC Recommendations. The Risk Management Committee continues to consider formal evaluation of the extent to which Healius is exposed to climate change risk and the potential making of disclosures recommended by the Financial Stability Board's Task Force on Climate-related Financial Disclosures.

The Group's operations are highly regulated and subject to a range of State and Commonwealth legislation and accreditation requirements. Each of the Pathology, Imaging and Day Hospitals divisions operates under a range of policies which provide guidance relating to identifying and responding to risk.

An incident notification and response procedure is in place throughout the Group. Implementation of these policies is ultimately overseen by Senior Executives within each division. A comprehensive insurance program and nationwide work health and safety program is in place and is reviewed annually.

Further information on the Healius Group's environment, social and governance (ESG) initiatives is available in the Sustainability Report at [www.healius.com.au/invest-in-us/reports/sustainability-report/](http://www.healius.com.au/invest-in-us/reports/sustainability-report/).

# FY 2024 Corporate Governance Statement

## Principle 8: Remunerate fairly and responsibly

### **Recommendation 8.1: People & Governance Committee**

The independence of the Committee Chair, number of members and member independence meets the criteria set out by the Council. For details on the People & Governance Committee, please refer to page 6 of this Corporate Governance Statement.

### **Recommendation 8.2: Remuneration of Non-executive Directors, CEO and other Senior Executives**

For further details on the remuneration of Non-executive and Executive Directors and Senior Executives, please refer to pages 36 to 46 in our 2024 Annual Report.

The Healius Group's current policies comply with the Council's guidelines set out in the ASXCGC Recommendations.

### **Recommendation 8.3: Economic risks under equity-based remuneration scheme**

Our executive incentive plans allow the Board to award incentive payments in the form of equity. The Corporations Act prohibits key management personnel (or closely-related parties) of an ASX-listed Australian company (such as Healius) from entering into an arrangement that would limit their exposure to an element of their remuneration subject to a holding lock.

Equity-based awards by Healius under the incentive plans are made on the condition that Corporations Act requirements are complied with.



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