

Sigma Healthcare Limited

Short Term Incentive Equity Deferral Plan Rules

Sigma Healthcare Limited ACN 088 417 403

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Part A: Defined terms and interpretation

1. Defined terms and interpretation

Defined terms

1.1 In these Rules the following words and expressions have the meanings indicated, unless stated otherwise:

Application means a properly executed document from the Eligible Person applying to acquire Performance Shares under the Plan in accordance with 4.5^[06] and 4.6^[06].

Associate has the same meaning as set out in Section 318(1) of the *Income Tax Assessment Act 1936 (Cth)*.

ASX means the Australian Securities Exchange Limited ACN 008 624 691.

Bad Leaver means a Participant who ceases employment with the Company in circumstances where the Board determines that the Participant has:

- (a) resigned;
- (b) been terminated by the Company without cause;
- (c) committed any serious or persistent breach of any provisions of employment agreement;
- (d) been convicted of any criminal offence which involves fraud and dishonesty;
- (e) engaged in any conduct which brings the Company into substantial disrepute;
- (f) committed any wrongful or negligent act or omission which has caused the Company substantial liability;
- (g) engaged in grave misconduct or recklessness in the discharge of the Participant's duties;
- (h) become disqualified from managing corporations in accordance with Part 2D.6 of the Corporations Act or has committed any act that, pursuant to the Corporations Act, may result in the Participant being banned from managing a corporation; or
- (i) within 12 months of cessation of employment with the Company, commenced employment with; became a director of; provided any service to; or, acquired directly or indirectly, a 5% or greater ownership in, a direct competitor of the Company.

Board means all or some of the directors of the Company acting as the board of directors or a person or committee delegated by the board of directors in accordance with rule 12.2.

Business Day means a day that is not a Saturday, Sunday, public holiday or bank holiday in Victoria, Australia.

Capital Reconstruction means any of the following events:

- (a) the Company issues Shares by way of capitalisation of profits or reserves;
- (b) the Company gives Shareholders the right (pro-rata with existing shareholding and on terms including the payment of some consideration by the Shareholders on exercising the right) to subscribe for additional Shares;
- (c) the Company subdivides or consolidates its Shares;
- (d) the Company returns issued capital to holders of Shares;
- (e) the Company issues or cancels Shares on a pro-rata basis; or
- (f) the Company reorganises its issued capital in any other manner that is not referred to in (c), (d) or (e) of this definition (other than in lieu of dividends or by way of dividend reinvestment).

Change of Control means:

- (a) the acquisition, merger or consolidation of the Company into another company under Part 5.1 of the Corporations Act;
- (b) the acquisition by any person, either alone or together with any associate (as defined in the Corporations Act) of all or substantially all of the Company's assets or a relevant interest (as defined in the Corporations Act) in more than 50% of the issued Shares in the Company; or
- (c) any event which the Board determines, in its discretion, to be equivalent to an event referred to in (a) or (b) of the definition.

Company means Sigma Healthcare Limited ACN 088 417 403.

Condition means any or all of the Vesting Conditions and Forfeiture Conditions.

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001 (Cth)*.

Eligible Person means an executive director, full-time or part-time employee or executive of a member of the Group, who the Board determines is eligible to participate in the Plan. For the avoidance of doubt, an Associate of the employee is not an Eligible Person.

Forfeiture Conditions means any conditions determined in accordance with rule 7 that could or may result in a Participant forfeiting any Performance Shares or any interest in a Performance Share.

Good Leaver means a Participant who ceases employment by reason of retirement (with agreement of the Board), ill-health, total and permanent disablement, redundancy, or death, or the sale by the Company of the business in which the Participant is employed such that it is no longer a member of the Group.

Grant Date means the date the Board resolves to grant Performance Shares to a Participant.

Group means the Company and any Related Bodies Corporate of the Company.

Invitation means an invitation to an Eligible Person to acquire Performance Shares under the Plan.

Listing Rules means the official listing rules of the ASX.

Market Value means, in relation to a Share, the volume weighted average closing sale price of a Share sold on ASX on the last 5 trading days on which sales were recorded immediately before the relevant date.

Participant means an Eligible Person to whom the Board has resolved to allocate Performance Shares to under this Plan.

Performance Condition means any Vesting Condition described in rule 6.1 as a Performance Condition.

Performance Share means a fully paid ordinary share, allocated under the Plan, that is subject to a disposal restriction for a defined period of time (e.g. 12 or 24 months).

Plan means the Sigma Healthcare Limited Short Term Incentive Equity Deferral Plan as constituted by the Rules.

Related Bodies Corporate has the same meaning as set out in Section 50 of the Corporations Act.

Rules means the rules contained in this document known as the Plan Rules, as amended from time to time.

Share means an ordinary share in the capital of the Company.

Tax means any tax, levy, impost, deduction, charge, rate, contribution, duty or withholding which is assessed (or deemed to be assessed), levied, imposed or made by any government or any governmental, semi-governmental or judicial entity or authority together with any interest, penalty,

fine, charge, fee or other amount assessed (or deemed to be assessed), levied, imposed or made on or in respect of any or all of the foregoing.

Term means the period specified by the Board in the Invitation (but in any case not exceeding 15 years from the Grant Date) during which a participant may exercise a Performance Share.

Vesting Condition means any condition determined in accordance with rule 6 that must be satisfied before a Performance Share is allocated.

Vesting Period means the period starting at the Acceptance Date and ending at the date when the Vesting Conditions relating to the relevant Performance Shares are to be satisfied.

Interpretation

1.2 In this Plan, unless the contrary intention appears, or context otherwise requires:

- (a) a reference to any document includes any variation, replacement, or equivalent, of the document;
- (b) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (c) headings do not affect the interpretation of these terms and conditions;
- (d) singular includes the plural and vice versa;
- (e) words importing a particular gender include other genders;
- (f) a reference in these terms and conditions to a person includes that person's administrators, successors and permitted assignees;
- (g) a reference to "\$" or "dollar" is a reference to Australian currency;
- (h) words or phrases that have a defined meaning are identified by the use of a capital letter;
- (i) the word "includes" in any form is not a word of limitation;
- (j) where a word or phrase is defined, cognate words and phrases have corresponding meanings;
- (k) if a day on or by which an obligation must be performed or an event must occur is not on a Business Day, the obligation must be performed or the event must occur on or by the Next Business Day; and
- (l) if any provision of these terms and conditions is invalid, unenforceable or otherwise ineffective, that invalidity, unenforceability or ineffectiveness does not affect the validity, enforceability, operation, construction or interpretation of any other provision of these terms and conditions, with the intent that the invalid or unenforceable provision will be read down or, if it is not capable of being read down, will be treated for all purposes as severable from these terms and conditions.

Part B: Plan Duration, Eligibility and Participation

2. Commencement, Duration and Termination of Plan

2.1 The Plan will commence on the date determined by the Board.

2.2 The Plan continues in operation until the Board determines the Plan is terminated, suspended or discontinued. The Board may decide to terminate or suspend the operation of the Plan either for a fixed period or indefinitely, and may also decide to end any period of suspension.

2.3 If the Plan terminates, is suspended or is discontinued for any reason, the Performance Shares of

the Participants will not be prejudiced.

3. Ability to cash-settle under the Plan

- 3.1 Prior to allocating Performance Shares under the Plan, the Board may, in its absolute discretion, determine to offer a cash-equivalent amount in lieu of some or all of the Performance Shares that would otherwise have been allocated, having regard to the maximum number of Performance Shares that may be issued under the Corporations Act as well as the Company's capital management objectives, dilution limits, or tax considerations.
- 3.2 If the Board determines that an Award will be cash-settled, the cash payment to be made to the Participant will, unless otherwise set out in the Invitation or determined by the Board (acting in good faith), be in Australian dollars and equal to the Market Value of a Share as at the date on which the Participant's Award is cash settled, multiplied by the number of Performance Shares which would otherwise have been allocated to the Participant if the Awards had been equity settled.

4. Invitation and Application to acquire Performance Shares

Eligibility

- 4.1 The Board determines whether or not a person is an Eligible Person for the purposes of the Plan.

Invitation to participate

- 4.2 An Invitation may only be made if approved by the Board. It must be in writing and must be made in accordance with these Rules.

Terms to include in Invitation

- 4.3 The terms of any Invitation are to be determined by the Board and must include the following:
- (a) the name of the Eligible Person;
 - (b) how the number of Performance Shares for which the Eligible Person is invited to apply would be determined;
 - (c) the acquisition price (if any);
 - (d) whether Performance Shares will be subject to Conditions and / or whether disposal restrictions will apply to Performance Shares;
 - (e) the closing date for submitting an Application to Participate in the Plan to acquire Performance Shares; and
 - (f) any other terms and conditions the Board considers appropriate.
- 4.4 An Invitation is personal to, and not transferrable by, an Eligible Person.

Application to participate

- 4.5 If the Eligible Person wishes to Participate in the Plan, they must, on or before the closing date set out in the Invitation, give an Application:
- (a) to the person specified in the Invitation;
 - (b) in accordance with any instructions or conditions set out in the Invitation; and
 - (c) stating how the number of Performance Shares for which the Eligible Person is invited to apply would be determined .
- 4.6 Upon assessment of the vesting conditions, the Board shall determine the number of

Performance Shares to allocate to the Eligible Person in accordance with the Invitation and the Application. The date on which this assessment is made by the Board shall be the Allocation Date.

Transaction costs

- 4.7 The Company may, but is not required to, bear all brokerage, commission or other transaction costs (if any) payable by a Participant in relation to acquisition of Performance Shares under the Plan.

Part C: Conditions and Restrictions on Performance Shares

5. Conditions generally

- 5.1 A Participant is entitled to acquire Performance Shares and may only deal with those Performance Shares in accordance with the terms of these Rules and the Invitation in respect of those Performance Shares.

Dividends

- 5.2 Performance Shares carry entitlements to dividends prior to vesting, on the same basis as Shares.

Voting entitlements

- 5.3 Performance Shares carry voting rights prior to vesting.

Capital Reconstruction

- 5.4 In the event of a Capital Reconstruction, subject to any provisions in the Listing Rules, the Board may adjust the number of Performance Shares held by a Participant.

Dealing and disposal restriction

- 5.5 A Participant must not:
- (a) sell, transfer, encumber or otherwise deal with Performance Shares unless otherwise permitted under this Plan or determined by the Board; or
 - (b) enter into any arrangement for the purposes of hedging, or otherwise effecting their economic exposure to the Performance Shares.

Board may determine Conditions

- 5.6 The Board may determine that the interest to acquire the Performance Shares and the Performance Shares allocated to Participants will be subject to:
- (a) Vesting Conditions in accordance with rule 6; and
 - (b) Forfeiture Conditions in accordance with rule 7.

- 5.7 Any Conditions must be detailed in the Invitation.

Removal of Conditions

- 5.8 The Board may determine at any time that any or all of the Conditions and exercise of disposal restrictions applicable to any or all of a Participant's interest in Performance Shares or the Performance Shares themselves have been removed or, in the case of Vesting Conditions, be

deemed satisfied.

6. Vesting Conditions

Board may determine Vesting Conditions

- 6.1 The nature and content of the Vesting Conditions (including the Vesting Period) are determined by the Board and may include conditions relating to any or all of:
- (a) continuing employment;
 - (b) performance of the Participant;
 - (c) performance of the Company;
 - (d) the company's share price;
 - (e) the achievement of specific targets; or
 - (f) the occurrence of specific events.

A Condition of the nature described in paragraphs (b), (c), (e) or (h) constitutes a "**Performance Condition**".

7. Forfeiture Conditions and Cessation of Employment

7.1 Cessation of employment

- 7.1 On cessation of employment prior to the allocation of Performance Shares, the Board will have absolute discretion to determine whether the Participant is a Bad Leaver or a Good Leaver and the following provisions apply:
- (a) *Bad Leaver*– Subject to the Board's discretion to determine otherwise, all rights, entitlements and interests in any Performance Shares will be forfeited.
 - (b) *Good Leaver* – the Board may at its absolute discretion make a determination that some or all of a Participant's interests in Performance Shares convert to Performance Shares based on its assessment of the circumstances in which the Participant has ceased employment. The balance of Unvested Performance Shares that do not vest will be forfeited.

8. Change of Control

Treatment on Change of Control

- 8.1 If the Company becomes, or in the opinion of the Board is likely to become, subject to a Change of Control, the Board may in its absolute discretion, and subject to the Listing Rules, determine how the STI will be treated, including but not limited to:
- (a) making a determination that some or all of a Participant's STI will vest;
 - (b) making a determination that some or all of a Participant's STI shall lapse and be cancelled; or
 - (c) making a determination that the disposal restriction that applies to some or all of your Performance Shares may be removed.

9. Malus / clawback

- 9.1 Where, in the opinion of the Board:
- (a) a Participant at any time has:

- (i) committed serious or persistent breach of their employment agreement;
 - (ii) been convicted of a criminal offence which involves fraud and dishonesty;
 - (iii) engaged in conduct that has brought the Company into substantial disrepute;
 - (iv) committed any wrongful or negligent act or omission which has caused the Company substantial liability;
 - (v) engaged in grave misconduct or recklessness in discharge of your duties;
 - (vi) been disqualified from managing corporations under the Corporations Act; or
 - (vii) within 12 months of cessation of employment, became a director or employee, provided service to or acquired a 5% or more ownership in a direct competitor of the Company;
- (b) the Participant has been paid the STI, or the STI has been treated in a particular manner, upon the Participant ceasing to be employed within the Company, and the Board subsequently becomes aware of circumstances in existence at the time that the Participant's employment within the Company ceased which, had the circumstances been known at that time would, in the opinion of the Board, have resulted in the STI not being paid; or
- (c) all or part of the STI is no longer justified having regard to information or circumstances which have come to light after the grant of the STI was made,

then the Board may, at its discretion, and subject to applicable law, determine any treatment in relation to the STI (the cash and or Performance Share component), including, without limitation, to:

- (d) adjust the STI Scorecard;
- (e) reduce or extinguish a Participant's entitlement to the STI;
- (f) require that a Participant repay to the Company as a debt the value of some or all of the STI received;
- (g) delay decisions regarding confirmation of STI outcomes;
- (h) adjust a Participant's incentive entitlements in the current year or any future year.

9.2 Where a Participant has acquired Performance Shares on or after the date of the Company's 2025 Annual General Meeting, the Board has discretion to cancel or clawback those Shares (to the extent permitted by any applicable laws and the Listing Rules) if the Board determines (acting reasonably) that the relevant Performance Shares were allocated based on a financial statement or performance metric that was materially inaccurate. In circumstances where the Board has made such a determination, the Participant must take such steps as the Board may reasonably require to give effect to the cancellation or clawback.

9.3 The Company may exercise clawback in relation to Shares during the disposal restriction period and for at least 2 years from the date of issue of the Shares, including where the employment or engagement of the person has ceased.

Part D: Issue of Shares

10. Delivery of Shares

Vesting Conditions

10.1 Unless the Board makes a determination otherwise, a Participant will not be allocated Performance Shares until the Vesting Conditions are satisfied.

Entitlement to Shares

- 10.2 Subject to the Conditions being satisfied (or the Board making a determination otherwise) and the Participant meeting the Vesting Conditions, the Performance Shares will be allocated to the Participant.

Timing of allocation of Shares

- 10.3 Subject to any applicable law, any Shares to be issued to a Participant in accordance with rule 10.2 must be issued within a reasonable period after the vesting conditions in accordance with these rules are satisfied.

Shareholder rights

- 10.4 Where a Participant is allocated Performance Shares, the Participant is entitled to all rights in respect of those Shares and may only deal with those Shares in accordance with the terms of these Rules and the Invitation.

Ranking of Shares

- 10.5 Performance Shares rank equally in all respects with all shareholder entitlements for the same class (but not limited to voting rights, rights issues, dividends and other distributions to, or entitlements of, holders of existing Shares) which have a record date for determining entitlements on or after acquisition.

Part E: Participant's Rights

11. Rights of Participants

No effect on contract of employment

- 11.1 Nothing in these Rules:
- (a) confers on a Participant the right to receive any Performance Shares;
 - (b) confers on a Participant the right to continue as an Eligible Person;
 - (c) affects any rights which the Company may have to terminate the employment of any Eligible Person; or
 - (d) may be used to increase damages in any action brought against the Company in respect of any such termination.

Enforcement of rights

- 11.2 These Rules, any determination of the Board made pursuant to the Rules, and the terms and conditions of any Performance Shares granted under the Plan will be deemed to form a contract between the Company and the Participant in a court of competent jurisdiction. Each party will in addition to damages be able to seek specific performance of the contract between them as far as specific performance is applicable under a court of competent jurisdiction.

Attorney

- 11.3 The Participant irrevocably appoints the person who from time to time occupies the position of secretary of the Company (or the secretary's authorised delegate) as his or her attorney to complete and execute any documents including share transfers and to do all acts or things in his or her name on his or her behalf which may be convenient or necessary for the purpose of giving effect to the provisions of these Rules.

- 11.4 The Participant covenants that the Participant will ratify and confirm any act, or thing done, pursuant to power granted to the attorney (or the attorney's duly authorised delegate) under rule 11.3 and will indemnify the attorney (or his duly authorised delegate) in respect of any or act, or thing done, by the attorney in exercising the power.

Applicability of Rules to Participants in particular countries

- 11.5 Where a grant is made under this Plan to an Eligible Person who does not reside in Australia, the Rules of the Plan apply subject to any alterations or additions as the Board sees fit having regard to any applicable laws, matters of convenience or similar factors which may have application to the Eligible Person or to the Company in relation to the grant.

Part F: Administration of the Plan

12. Administration of the Plan

Management by Board

- 12.1 (a) The Board must administer the Plan in accordance with these Rules, the Constitution and any applicable laws.
- (b) No act will be done or determination made in accordance with these Rules where to do so would be a breach of any applicable laws, Listing Rules, or the constituent documents of the Company and where any such act is done or determination made, it will be considered voidable and to the extent possible be unwound and of no effect in respect of the Performance Shares.
- (c) Every exercise of a power or discretion by the Company or the Board and any decision by the Company or the Board regarding the interpretation, effect or application of these Rules:
- (i) is made at its absolute and sole discretion;
 - (ii) may be made at any time; and
 - (iii) is final, conclusive and binding.
- (d) The Board may exercise any power or discretion conferred on them by these Rules in the interest of, or for the benefit of the Company, and in so doing the Board is not required to act in the interests of another person or as requested by another person and will not be under any fiduciary obligation to another person.

Delegation of power by Board

- 12.2 (a) The Board may delegate some or all of its powers and functions under the Plan to a person or to a committee of two or more persons.
- (b) Where the Board has delegated a power or function to a person or to a committee, references in this Plan to the Company or Board in relation to that power or function will be read as references to that person or committee, as the case may be.

Board may receive instructions from Participant's legal representative

- 12.3 (a) Any communication received by the Company from a Participant's duly appointed legal representative will be deemed a communication from the Participant.

- (b) The Board reserves the right to make any inquiries or investigations that are necessary to satisfy itself, should there be any doubt, that the representative has been properly appointed.

13. Trust

Appointment of trustee

- 13.1 The Company may appoint a Trustee, on terms and conditions that it considers appropriate, to do all such things and perform all such functions as considered appropriate to enable the implementation of the Plan, including to acquire and hold Shares, or other securities of the Company, on behalf of Participants, for transfer to future Participants or otherwise for the purposes of the Plan.

Powers

- 13.2 In the event the Company appoints a Trustee, subject to the terms of the relevant trust deed appointing that Trustee:
 - (a) every exercise of a power or discretion by the Company or the Board in these Rules may be exercised by the Trustee;
 - (b) any reference to the Company or the Board in these Rules will accordingly be interpreted as a reference to the Trustee (as applicable);
 - (c) Shares may be issued or transferred to the Trustee on behalf of the Participant; and
 - (d) the Trustee on behalf of each and all of the Participants will be entitled to any rights specified in rule 11 which accrue to Shares held for the benefit of those Participants.

14. Listing Rules

Application

- 14.1 While the Shares of the Company remain listed for quotation on the ASX, the provisions of the Listing Rules apply to the Plan, and to the extent that the Plan and the Rules are inconsistent, the Listing Rules apply.

15. Amendment of Plan

Amendments

- 15.1 Subject to rule 15.2, the Board may add to, repeal, amend, alter or vary any or all of the provisions of these Rules in writing in any respect whatsoever, including the rights or obligations of the Participant.

No reduction of rights

- 15.2 No addition, repeal, amendment, alteration or variation of the provisions of these Rules will:
 - (a) without the Participant's consent in writing, materially reduce the Participant's accrued benefits or entitlements as they existed before the date of the amendment;
 - (b) without the Participant's consent in writing, impose additional obligations on the Participant in respect of his or her Performance Shares; or
 - (c) repeal, amend, alter or vary this rule 15.2,unless the addition, repeal, amendment, alteration or variation is introduced primarily:

- (d) for the purpose of complying with or conforming to present or future laws or regulating the maintenance or operation of the Plan or like plans, including any relevant tax legislation;
- (e) to correct any manifest error or mistake; or
- (f) to enable the Plan or the Company to comply with the Corporations Act, the Listing Rules or its Constitution.

Retrospective effect

- 15.3 Any amendment made pursuant to rule 15.1 may be given such retrospective effect as is specified in the written instrument or resolution by which the amendment is made.

16. Notices

Address for notices

- 16.1 Any notice given under or for the purposes of these terms and conditions will be given in writing, signed, and addressed to:
- (a) in the case of the Company – the secretary of the Company at such address as is nominated by the Company; or
 - (b) in the case of an Eligible Person – the Eligible Person or the Participant at the address nominated by the Eligible Person or the Participant.

17. Taxes

Withholding and collection

- 17.1 Unless otherwise required by law, no member of the Group is responsible for any Tax which may become payable by a Participant in connection with the issue, acquisition or disposal of Performance Shares allocated to the Participant under this Plan, or any other dealing by a Participant with Performance Shares.

Disclosure of information to Australian Taxation Office

- 17.2 By participating in the Plan, the Participant understands, acknowledges and agrees that the Participant consents to the disclosure of information about the Plan and the Participant to the Australian Taxation Office, which is required to be provided in accordance with the Company's reporting obligations under Australian taxation legislation.

Sale of Shares to cover taxes

- 17.3 If the Company or any member of the Group becomes liable to pay any 'TFN withholding tax (ESS)' pursuant to Section 14-155 of Schedule 1 to the *Taxation Administration Act 1953* (Cth), or any other Taxes in respect of a Participant's Performance Shares allocated to the Participant under the Plan, the Company will, in addition to any rights afforded to it or any other member of the Group by the *Taxation Administration Act 1953* (Cth) or any other legislation or by law and failing any arrangement satisfactory to the Company being entered into with the Participant to meet or reimburse the Company or any member of the Group for any such Tax liability, be entitled to sell all or any of the Shares allocated to a Participant under this Plan for and on behalf of the Participant and to apply the proceeds firstly in and towards meeting or reimbursing the Company or any member of the Group for such Tax liability and to pay any balance to the Participant.

18. Governing law

Application for Australian tax purposes

- 18.1 This is an Employee Share Scheme to which Subdivision 83A-C (deferred inclusion of gain in assessable income) of the *Income Tax Assessment Act 1997 (ITAA97)* specifically applies (subject to the requirements of the ITAA97).

Jurisdiction

- 18.2 These terms and conditions will be governed by and construed in accordance with the laws of the State of Victoria and the Eligible Persons, Participants and the Company agree to submit to the non-exclusive jurisdiction of the courts of the State of Victoria, and any courts hearing appeals from those courts.