

# Product and Services Innovation Committee

## Terms of Reference

### Purpose

The primary purpose of the Product and Services Innovation Committee (the **Committee**) is to assist the Board to discharge its responsibilities in overseeing the strategy and implementation of the Company's product and related services innovation and business development and to advise the Board on the principal issues arising that require consideration.

### Membership

- The Committee shall comprise not less than four members, all of whom are directors of the Company, the majority being Independent (within the meaning set out in the Nomination Committee Terms of Reference) non-executive directors.
- The Chairperson of the Committee will be an Independent non-executive director and shall be a member of the Medical Science Committee.
- The Chief Technology Officer (CTO) and other executives and/or external advisors shall be invited to attend meetings at the Committee's discretion, where their special knowledge and/or expertise can make a material contribution to the discussion.

### Secretarial and Meetings

- The Company Secretary shall be Secretary to the Product and Services Innovation Committee.
- The Secretary, in conjunction with the CTO and the Chairperson, shall draw up an agenda for each meeting which shall be circulated by the Secretary to the members of the Committee and any invited attendees.
- The quorum of the meeting shall be a minimum of two non-executive directors who are members.
- The Committee shall meet at least three times per year.
- The Chairperson may convene other meetings of the Committee if required in response to issues raised by the Chairperson, CEO & President and the CTO.

### Authority

The Committee will have authority to seek any information it requires from any officer or employee of the Company or its controlled entities, including information concerning activities or programmes being undertaken by external entities in cooperation with, or sponsored by the Company.

The Committee will have no executive powers in regard to its findings and recommendations.

## **Responsibilities**

The Committee's central responsibility is to oversee the Company's strategy and implementation for product and related services innovation and business development including; research and product development programmes, priorities and resource allocation in supporting the Company's agreed corporate strategy and to advise the Board on the principal issues arising that require consideration by the full Board.

In discharging its responsibilities, the Committee will consider the Company's:

- Research and Development organisational development;
- product and services strategy, plan and progress;
- intellectual property strategy and portfolio;
- advanced innovation strategy and program;
- business development strategy and execution.

The Committee will also receive from time-to-time briefings on external developments in relevant technologies and clinical fields.

In undertaking such oversight, the Committee will take into account the extent to which the product development programs, priorities and resource allocation support the Company's corporate strategy by aligning with:

- agreed target markets and competitive positioning; and
- product value chain cost objectives.

The Committee shall monitor risk management and the adequacy and appropriateness of internal controls with regard to the management of risks associated with the product and services research and development aspects of Cochlear's business. In this regard the Product and Services Innovation Committee shall liaise with the Audit and Risk Committee and shall make recommendations when appropriate to the Audit and Risk Committee for the purposes of the Audit and Risk Committee's reviews of the Company's risk management Framework.

The Committee will advise the Board on the principal issues arising that require consideration by the Board and oversee a program of technology updates to the board to support the board in considering those issues.

The Committee will annually assess the capabilities of the Committee to discharge its responsibilities, review its performance and make recommendations to the Board for improving the effectiveness of the Committee.

## **Reporting to the Board**

The Chairperson of the Product and Services Innovation Committee will report to the Board after each Committee meeting the findings and recommendations of the Committee and the minutes of all Committee meetings will be circulated promptly to all members of the Board.

## **Current Membership**

Chair:	Sir Michael Daniell, KNZM
Non-Executive Directors:	Mr Glen Boreham, AM
	Ms Caroline Clarke
	Mr Michael del Prado
	Ms Christine McLoughlin, AM
	Ms Karen Penrose
	Prof Bruce Robinson, AC
Managing Director:	Mr Dig Howitt
Secretaries:	Ms Kristy Jo
	Mr Rob McGrory

Last Updated: 2 September 2024