

## RYMAN HEALTHCARE LIMITED BOARD CHARTER

### PURPOSE

The primary objective of the board of directors ("board") of Ryman Healthcare Limited ("Ryman") is to build long term shareholder value and in doing so act in the best interests of the company.

The purpose of the charter is to promote and maintain high standards of corporate governance and clarify the role and responsibilities of the board and its formal delegations.

The board acts as the focal point for, and custodian of, corporate governance, the shareholders, our residents and other stakeholders of Ryman and following sound corporate governance principles. It will, at all times, ensure that the company's ethics, as set out in the Code of Business Conduct and Ethics, are appropriately managed.

The board ensures that Ryman complies with applicable laws and adheres to non-binding codes, rules and standards, where appropriate.

### ROLE OF THE BOARD

The role of the board is to effectively represent and promote the interests of shareholders with a view to adding long-term value to the company's shares.

Having regard to its role the board will direct and monitor the management of the business and affairs of the company including, in particular:

- ensuring that the company goals are clearly established and that strategies are in place for achieving them
- establishing policies for strengthening the performance of the company including ensuring that Management is proactively seeking to build the Business
- monitoring the performance of management

- appointing the group chief executive, setting the terms of the group chief executive's employment contract
- deciding on whatever steps are necessary to protect the company's financial position and the ability to meet its debts and other obligations when they fall due, and ensuring that such steps are taken
- ensuring that the company's financial statements are true and fair and otherwise conform with law
- ensuring that the company adheres to high standards of ethics and corporate behaviour
- ensuring that the company adheres to the compliance and legal obligations in respect of health and safety
- ensuring that the company is adopting policies, practices, and procedures that result in the company meeting or exceeding societal and shareholders expectations with respect environmental, social and governance standards
- ensuring that the company has appropriate risk management/regulatory compliance policies in place

In the normal course of events, day-to-day management of the company will be in the hands of management.

## THE BOARD'S RELATIONSHIP WITH SHAREHOLDERS

The board will use its best endeavours to familiarise itself with issues of concern to shareholders.

The board will regularly evaluate economic, political, social and legal issues and any other relevant external matters that may influence or affect the development of the business or the interests of shareholders and, if thought appropriate, will take outside expert advice on these matters.

The board recognises that the company's long-term survival and prosperity are closely intertwined with the environments and markets within which it operates and the extent to which the company is seen as a responsible corporate citizen.

## BOARD PROCEDURES

The conduct of members will be consistent with their duties and responsibilities to the company and, indirectly, to Shareholders. The board will carry out its role with the emphasis on strategic issues and policy.

Members will use their best endeavours to attend board meetings and to prepare thoroughly. Members are expected to participate fully, frankly and constructively in board discussions and other activities and to bring the benefit of their particular knowledge, skills and abilities to the board table.

Board discussions will be open and constructive, recognising that genuinely held differences of opinion can, in such circumstances, bring greater clarity and lead to better decisions. The chair will, nevertheless, seek a consensus in the board but may, where considered necessary, call for a vote. All discussions and their record will remain confidential unless there is a specific direction from the board.

Executive members attend board meetings to discharge their board responsibilities. At board meetings, board responsibilities supersede all executive responsibilities.

The board has sole authority over its agenda and exercises this through the chairman. Any member may, through the chairman, request the addition of an item to the agenda. The agenda will be set by the chair in consultation with the group chief executive and the secretary.

At each normal meeting the company's interest register will be updated as necessary and the board will consider, amongst other matters:

- an operational report from the group chief executive
- a report from the group chief financial officer
- reports on their activities from the company's individual areas of activity
- specific proposals for capital expenditure and acquisitions

- major issues and opportunities for the company.

Members are entitled to have access, at all reasonable times, to all relevant company information and with approval from chair to management.

Members are expected to strictly observe the provisions of the Companies Act applicable to the use and confidentiality of company information.

## CHAIR

Each year, at the meeting following the Annual Meeting of shareholders, the board will appoint from among the members a chair.

The chair will be a non-executive member.

The chair is responsible for representing the board to shareholders.

The chair is responsible for ensuring the integrity and effectiveness of the governance process of the board.

The chair is responsible for maintaining regular dialogue with the group chief executive over all operational matters and will consult with the remainder of the board promptly over any matter that gives him or her cause for major concern.

The chair will act as facilitator at meetings of the board to ensure that no member, whether executive or non-executive, dominates discussion, that appropriate discussion takes place and that relevant opinion among members is forthcoming. The chair will ensure that discussions result in logical and understandable outcomes.

## DEPUTY CHAIR

Each year, at the meeting following the Annual Meeting of shareholders, the board will appoint from among the members a deputy chair.

The deputy chair is to assume all the duties and responsibilities of the chair, in the event that the chair is not available either at a board meeting or on any other occasion.

## BOARD COMMITTEES

Board committees will be formed only when it is efficient or necessary to facilitate efficient decision-making.

Board committees will observe the same rules of conduct and procedure as the board unless the board determines otherwise.

Board committees will only speak or act for the board when so authorised. The authority conferred on a board committee will not derogate from the authority delegated to the group chief executive.

The board has five standing committees, namely the Audit, Finance and Risk Committee, the Clinical Governance Committee, the Governance, Nominations and Remuneration Committee, the People and Safety Committee, and the Development, Design and Construction Committee.

The Audit, Finance and Risk Committee operates under its own terms of reference and assists the board with the discharge of its responsibilities relative to financial reporting and financial/secretarial compliance.

The Clinical Governance Committee operates under its own terms of reference and assists the board to discharge its responsibilities relative to clinical compliance and is focused on new innovation in healthcare and ensuring alignment with current emerging best clinical practice.

The Governance, Nominations and Remuneration Committee operates under its own terms of reference and assists the board in the establishment of remuneration policies and practices for the company, and also assists in discharging the board's responsibilities relative to remuneration setting and review of the group chief executive and directors' remuneration. The committee also assists the board with director recruitment and advice on governance issues.

The People and Safety Committee operates under its own terms of reference and assists the board with the discharge of its responsibilities by oversight and review of health, safety and Wellbeing matters and matters relating to the people engaged by the company to enable of the various activities of the company and the impact of these activities on employees, contractors, and suppliers

The Development, Design and Construction Committee operates under its own terms of reference and assists the board with the discharge of its responsibilities by oversight and review of development, design and construction matters arising out of activities of the company and the impact of these activities on employees, contractors, and suppliers.

In addition, the board has approved terms of reference for an Independent Directors Committee. The objective of this committee is to assist the board in addressing significant conflicts of interest and addressing any other matters referred to the committee by the board.

Specifically, an independent directors committee shall be constituted in the event that a notice of takeover (in accordance with the Takeovers Code) is received by Ryman, or in the event that a scheme of arrangement is considered with a potential merger party.

The operation of this committee, in the case of a takeover notice being received under the Takeovers Code, is set out in the separate takeover response protocol.

## **INDEPENDENT PROFESSIONAL ADVICE**

Any member is entitled to obtain independent professional advice relating to the affairs of the company or to his or her other responsibilities as a member.

If a member considers such advice is necessary the member shall first discuss it with the chair and, having done so, shall be free to proceed.

Subject to the prior approval of the chair, the cost of the advice will be reimbursed by the company, but the member will ensure, so far as is practicable, that the cost is reasonable.

## **BOARD AND MEMBER EVALUATIONS**

The board will, each year, critically evaluate its own performance, and its own processes and procedures to ensure that they are not unduly complex and are designed to assist the board in effectively fulfilling its role.

## **INDEMNITIES AND INSURANCE**

The company will provide members with an indemnity and will pay the premiums for insurance cover whilst acting in their capacities as members to the level agreed by the board.

## **POSITION OF GROUP CHIEF EXECUTIVE**

The board will link the company's governance and management functions through the group chief executive.

All board authority conferred on management is delegated through the group chief executive so that the authority and accountability of management is considered to be the authority and accountability of the group chief executive so far as the board is concerned.

Between board meetings the chair maintains an informal link between the board and the group chief executive, expects to be kept informed by the group chief executive on all important matters, and is available to the group chief executive to provide counsel and advice where appropriate.

Only decisions of the board acting as a body are binding on the group chief executive. Decisions or instructions of individual members, officers or committees are not binding except in those instances where specific authorisation is given by the board.

## **MANAGEMENT LIMITATIONS**

The group chief executive is expected to act within all specific authorities delegated to him or her by the board.

The group chief executive is expected to not cause or permit any practice, activity or decision that is contrary to commonly accepted good business practice or professional ethics.

The group chief executive is expected to not cause or permit any action without taking into account the health, safety, environmental and political consequences and their effect on long-term shareholder value.

In managing the company, the group chief executive is expected to not cause or permit any action that is likely to result in the company becoming financially embarrassed.

The group chief executive is expected to not permit employees and other parties working for the company to be subjected to treatment or conditions that are undignified, inequitable, unfair or unsafe.

The group chief executive is expected to not cause or permit payments to be made or rewards given unless they are in return for contributions towards the purpose of the business and are proportional to the extent that the contribution in question has furthered such purposes.