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David Kerr: Tēnā koutou katoa everyone, my name is David Kerr and I am currently the Chair of your Board of Directors. I would like to welcome you all to this 20th Annual General Meeting of Ryman Healthcare as a listed company.

Both the Board and the Management Team really enjoy the engagement with yourselves, the shareholders.

Today represents a very significant milestone for us. Those 20 years as a listed company have flown by so I am really delighted that so many of you are able to join us here at Evelyn Page Retirement Village in Orewa here today.

I would also like to thank the residents of the Evelyn Page for welcoming us into their home. So they've been very generous.

So Jill Clark, where's Jill? Can I see Jill? Oh, there's Jill. Jill and her team do a fabulous job here, and this has been a great success as a village. It opened about a decade ago. Thank you Jill for your warm welcome here today, we really appreciate that.

So just looking around I can confirm that we have a quorum present. I would also like to watch - to offer a warm welcome to everyone who is watching on our webcast.

We have a number of motions to approve today. Could I ask that any shareholder who is seconding a motion, could they please clearly state their name for the record.

In accordance with the Company's constitution and the NZX listing rules voting on resolutions will be carried out by way of a poll. Voting on resolutions for this Annual Meeting will be undertaken electronically or on your allocated piece of paper.

Each share held by a shareholder counts as one vote.

The results of that poll will be available on the NZX later today.

So my fellow Directors and myself will vote all discretionary proxies we have received in favour of the resolutions, as set out in the Notice of Meeting.

You should have either an electronic voting card or a piece of paper that has been set up for you when you registered. I'm assuming everybody has exactly that. Is anybody lacking in those options? No, great.

If you put your hand up we will get someone to help. Very good.

So look, we're going to start with some overviews from myself and Gordy. Then you'll hear

from some of our directors as well.

During the meeting there will be time for questions from yourselves as shareholders, or in other words our business owners.

If you have a question just if you hold up your attendance card. If you could wait until someone brings you a microphone so that all of us in the room can hear you, and also people watching on the livestream can also hear.

If you're a member of the media or you're not a shareholder and you have question please talk to us after the meeting. We're very happy to answer any questions you have at that time.

So in addition to the delicious morning tea treats that you're going to have at the end of this meeting we are offering you a chance to tour the village, and also to have your blood pressure checked by the Stroke Foundation. Yes, I might take a break and do that now.

The Foundation has been our charity partner for the past year. In the coming year we will fundraising for the Breast Cancer Foundation, both here in New Zealand and in Australia.

As part of the agreement with the Stroke Foundation we funded the purchase of the Stroke van that you can see outside. Over the past 12 months the van has travelled the length of New Zealand and has taken blood pressure recordings on more than 10,000 people. These recordings are undertaken free of charge of course.

We have agreed to support the van for another three years. We're funding an identical van in Victoria as well. About 1% of the people who have used the van have discovered they had critically high blood pressure and were clearly in danger of either a heart attack or a stroke. So, we know it is truly a lifesaver.

So, help yourself to a check from the Stroke team after the meeting.

We have also arranged a tour of Evelyn Page's Men's Shed for anyone who is interested. They are toy makers and they supply Starship. They have sent toys to Neve, the First Baby, and also to the recent royal arrivals in London.

So, this is a picture of them on the screen now.

As a special treat we have also arranged Blackjack bowler and Commonwealth Games medallist Wendy Jensen who has kindly come along today to provide some bowling lessons for any of you who are interested afterwards. You just need to roll on up to the green after the meeting.

Now before we get into the formalities, I would just like to take an opportunity to introduce the Board and our team.

So, if we start at the far end, Jo Appleyard. Jo Appleyard is a partner with Chapman Tripp. She is a particularly skilled litigator and advocate, specialising the commercial, employment and resource management law.

Her skills are sought after by many of the larger corporates nationally, and her experience in relation to civil disputes is particularly wide and varied as she acts on all manner of commercial issues.

So Jo's been a member of the New Zealand Markets Disciplinary Tribunal since 2011 and is a member of our health and safety subcommittee, our clinical governance subcommittee, and the development and construction subcommittees. Quite busy Jo isn't it really.

Coming towards me next from Jo is Warren Bell. Warren is a very experienced public and private company director. He is currently the Chairman of Hallenstein Glassons who operate both here in New Zealand as well as in Australia.

He is also the Chair of St George's Hospital, which is the largest private hospital in the South Island, and he is a Director of a number of private companies. He is Chair of our audit and financial risk committee, along with being Deputy Chairman.

Then next is George Savvides. George Savvides lives in Melbourne and he has 20 years' experience in the Australian healthcare industry. He was for 14 years the Managing Director of Medibank, Australia's largest health insurer.

This means he's got really wide knowledge of both the systems and the structures that underpin the Australian healthcare sector. He's got extremely good connections with people relevant to this Company, both at state level and at federal level in Australia.

He is the Chairman of NextScience and Deputy Chair of Australian broadcaster SBS and a Director of IAG. George is a Fellow of the Australian Institute of Directors and he Chairs our clinical governance committee.

George has made a huge contribution since joining us five years ago.

Then Claire. Claire Higgins is a professional director and she is a consultant who also has extensive board experience in Australia and New Zealand. She has had extensive experience in senior management roles with BHP and OneSteel. She is based in Melbourne also where she's Chair of REI Superannuation Limited.

Claire Chairs our health and safety committee. You can see that with industry experience at companies such as OneSteel and BHP she has got a great feel and knowledge around health and safety. This health and safety is an area we regard as being very important.

Going to the far end we have Anthony Leighs. So, Anthony joined our Board last year. He is the Managing Director of Leighs Construction, which he founded in 1995. He has built it into a leading commercial construction contractor.

Anthony is a former Chair of the New Zealand Registered Master Builders Association. He Chairs our recently created development and construction subcommittee of the Board and has really added very significant construction expertise to the Board.

Now there is an invisible person, Geoff Cumming. I'm not sure, Geoff, can you hear me?

Geoff Cumming: Yes, I can, thank you.

David Kerr: Thank you Geoff. So Geoff rejoined the Board following the retirement of Kevin Hickman. Geoff can't be with us in person today, but he's joining us via a link from Canada. We can bring him up on the screen if that was required.

He has been a long-term supporter and shareholder in the Company. Geoff is an economist by training, and he's got more than 30 years' experience as a chief executive, director and investor. I think he's served on more than 25 corporate boards in a range of companies.

He is Canada-based, but he is a New Zealand citizen. He is with us in person the vast majority of the time. In fact just yesterday and the day before we had Board meetings and Geoff was there on Skype actively contributing.

So the technology worked, which always amazes me, but it did work. It was very valuable. So his input is really important.

So then I just noticed looking out that Bill Raynor is here. Bill, can you stick your hand up? Thank you Bill, good to see you. Bill's from Grey Power. We've had a long and very supportive relationship with Grey Power over a good many years, and it's good to see you here today Bill.

Then with me of course we have Gordy MacLeod, our Chief Executive, whom many of you will know. Just beyond him Dave Bennett, our Chief Financial Officer.

So the Notice of Meeting has been distributed and accepted as read as in accordance with normal practice.

So are there any apologies that anybody would wish to register? I'll take the silence to

indicate no. So I do not need to move the motion relating to apologies. We don't have any submitted - fine. That's good, so we don't need to move or second that motion.

Moving along, I will just go to the Annual Report. So this document of which we are very proud. We have prepared this using the integrated reporting framework.

This year the title of *All about people* is carefully devised. We know as a Board that if we look after our residents and our staff very well everything else that we hope for as a Company will follow.

So you've heard us talk before that the care we provide must be, in the words of Kevin Hickman our co-founder, good enough for Mum.

It's what the Board and the management team believe is critical, and what makes us, I believe, a success as a company. There's nothing more important, really. It's a core value, and I believe it's one of the reasons we have been successful.

So when you review this annual report, you could say that we are an organically sustainable business. As you know, we only grow organically, we don't grow by acquisition. The report sets out the story of the Company and talks about how we have used the six capitals to create value over time, and you can see those demonstrated on pages 32, 33, these pages here.

So the capitals we report on are people, how we care for them, how we develop and learn, how we create and nurture communities, how we create financial certainty, how we share our knowledge, and how we plan to continue to build our economic assets, and care for the environment.

It also explains in the report how our model works, and how we intend to grow using our resources sustainably and continuing to put care at the heart of everything that we do. We always have, and we're going to continue to do so. As I said before, it's what makes us successful.

I'm going to move that the annual report, and the auditor's report be taken as read. So I'm moving the motion. Could I have a seconder, please?

Thank you very much, sir. Could I just have your name?

Graeme Howard: Graeme Howard.

David Kerr: Graeme Howard, seconded the motion. I'm going to put the motion - all those in favour, please say I.

Multiple speakers: I.

David Kerr: Against. I declare the motion carried. Thank you.

As I mentioned a moment ago, it's 20 years since we listed on the NZX, and you can see the 20th birthday cake over here, that we've had presented to us. I've just re-read recently the prospectus that we launched, and apart from some quite serious ageing changes in this director's picture, not a lot has changed.

[Laughter]

David Kerr: Even with an airbrush. We set up back then to become the preeminent provider and operator of healthcare facilities for older people. The aim was to provide tailored care and integrated villages that meant residents could stay in the village safe in the knowledge that their health needs would be managed to the highest possible standard. You might be interested to know that the share market listing almost didn't happen, in fact, the very first attempt in 1997 to list, did not succeed, and we had to pull the float.

Then two years later, in 1999, almost on the eve of the listing, the Australian backers got cold feet. This is not about Australia, I'm sorry. (They) almost got cold feet and tried to pull the listing at the very last moment, so it's been a remarkable success story, more so than I think anyone involved at the time could've imagined. We were pretty unloved when we listed, the offer was undersubscribed, and almost didn't happen. A lot of people wrote us off, but John and Kevin, and the rest of the team kept on going.

They predicted a bright future for integrated aged care companies, and in the prospectus, they were thinking long-term back then. Their horizon was more than 30 years out, during which, the population aged 65 and over would more than double. So, I suspect the so-called elevator pitch, which is the description of what a company does in the time restraint of an elevator ride, is that we look after older people, and we try to do this better and better every moment.

So while the intentions of the prospectus have not changed, the size and scale of Ryman has. In 1999, when we floated, we had eight villages worth \$53 million, and a little over 1000 residents, and around 530 staff. Today, we have 36 villages, 11,200 residents, and 5500 staff. Our total assets are worth \$6.7 billion, and we have net assets of \$2.2 billion. We raised \$25 million in that hard one IPO, to reinvest in the business, and our market cap at that time was \$135 million. Today, the market cap is well over \$6 billion.

In 1999, Ryman needed capital to grow, which our IPA shareholders really provided to us.

At the time, we thought that the \$25 million investment would give us the impetus to expand into the North Island, and we sure did expand. We now have a total of 23 North Island villages, and another six in the pipeline.

We've continued to focus on our planning being long-term, and our thinking being long-term, and not fallen into the trap of short-term decision-making. However, it's worth spelling out today that at this 20-year mark, what an extraordinary one we have really had over the last two decades.

For those of you brave enough to buy in at the IPO, and who have held on ever since - and I know there are a fair few of you - your shares are worth more than 40 times what you paid when you first invested. As well as that capital growth, you've enjoyed a growing stream of dividends. Since 1999, we've paid out dividends of more than \$800 million, always equal to 50% of the underlying profit.

That ability to return a sustainable profit while continuing to provide the very best of care, proves that profit and purpose are comfortable companions. Today, because of our success, more than one million kiwis have a stake in this Company through KiwiSaver. So our corporate success today will help working people of today build the foundation for a comfortable retirement.

This very significant growth has been funded by our efficient use of the capital that we recycle from the sell-down of our villages. By the continued support of our banks, who have really been long-term partners alongside yourselves, the shareholders. Remarkably, we have not been back to shareholders for more capital than the original \$25 million that was contributed in 1999. That investment has allowed us to provide homes and care for more than 30,000 people over the last 20 years. Not to mention, creating jobs, and fulfilling careers for many more.

I believe we've been a success because we've never lost sight of what we were set up to do, and that's to provide the best of care for older people. We have been blessed with a team of people who have kindness and compassion in their DNA, and have built a wonderful culture of care. We've built superb assets, valued as I said at more than \$6 billion, that will provide care for generations to come. That includes more than 3000, rest home, hospital and dementia-care beds.

That growth in our asset base hasn't happened by chance. By putting aside that 50% of the underlying profit each year, it enables us to reinvest in growth. We built a large quality portfolio of villages, which really are a springboard for the future. It's a legacy of

compounding investment that we believe will continue to deliver into the future.

Of course, we're proud of this. I also have the sense that is just really the beginning. We've come a long way since 1999, but I have the real sense that we're really just starting to get going. It's pretty early days in terms of the aging population. The first of the baby boomers that Kevin and John were gearing up for are now only just entering their seventies. We're expecting them to arrive in large numbers from about 2025 onwards. We see an extraordinary growth potential ahead, a huge potential to continue to evolve our model.

Of course, there's no shortage of competition. To be honest, we feel competition is good for us, but we do enjoy some key competitive advantages. These would include, firstly the quality of our people, and our culture and our commitment to high-quality care and continuous innovation.

The second thing I'd identify would be our fair terms for our residents, including fixed fees and indeed the lowest fees of the bigger players in the market.

Thirdly, our reputation. Our loyal residents and their families, and the high degree of trust they have in us.

Fourthly, our business model and the history of long-term investment, which enables us to build and recycle the capital efficiently, and gives residents and their families the certainty that we will be here for the long haul, and not suddenly evaporate like some operators have done.

We want to build as many Ryman communities in New Zealand and Australia, bringing care, comfort and security wherever we can. We want our team to get home safe each day to their families. We want our staff to love working for us, and to build their careers with us. It's a statement of the obvious possibly, but our staff and management are critical, really, to our success.

The management team in particular, deserve acknowledgement. I've just had a couple of days of Board meeting, and they truly embrace the culture. They are what you might describe as being a real force for good. They love the purpose of what this Company does. They treat the money and the allocation of capital with great caution. It's your money, not theirs. They manage to display the right balance between confidence and paranoia.

By that, I mean they demonstrate the confidence in the business model and the way in which we operate, and the care we provide. But they're also aware and paranoid about the

challenges, such as changes in the economy, changes in the political environment, the risks of a care crisis, the challenges of staying in front of the competitors in the sector. Our social purpose is to meet the need for care for older people. The demand for this is only going to grow as the population changes.

So, to come back to the present, I'd remind you we reported another solid year when we released the annual result back in May. Audited underlying profit rose 11.5% to \$227 million. Reported IFRS profit, which of course includes unrealised valuations, declined 16% to \$326 million. Now, that is actually most easily explained on page 77 of the Annual Report, where you see that the gains that are a result of the re-evaluations of \$185 million in 2018, that's last year, and \$102.4 million in 2019.

You'll recall that the 2018 full year result was boosted by changes to the independent value assumptions, but there were no significant changes to the assumptions in the 2019 year. So, although the value of the investment properties increased, the value increase was not as great as the year before because the changes in the assumptions were not repeated.

The full year dividend, as you will be aware, was lifted to \$0.227 per share, in line with the growth and the underlying profit. Net assets reached \$2.2 billion, up from \$1.94 billion. Importantly, our operating cash flows rose 15% to \$401 million, with cash receipts from residents exceeding \$1 billion for the first time.

That allowed us to invest \$552 million in new and existing villages during the year, up from the earlier year of \$478 million.

The underlying profit of \$227 million reflect how the Company actually has been trading, and it's the way we use - it's the number we use to determine our dividend. The result came within the range that we had set at the half year result, which was between \$223 million and \$238 million, and was in line with the market consensus.

The medium-term target, which I'm sure you are really interested in, continues to be a doubling of our underlying profit every five years. This means we'll be able to increase the underlying profit by approximately 15% each year over the medium-term.

We told our audience at the May full year results, that we fell short of that 15% long-term target for two reasons. Firstly, we took some longer-term strategic decisions to reinvest in the business, which we believe will help performance in the out years. These included a nurse pay settlement that added \$5 million to our wages bill, and this was important as

our nurses are a really critical part of our care package.

Secondly, the re-sales volumes were flat. As you know, it's hard to predict the number of re-sales we get in the short-term. We expect the volumes to grow in the medium-term, in line with the steady portfolio growth that has occurred over recent years. We're very focused on growth, but not just for growth's sake. We're not interested in compromising that core value of putting the resident first. So, we think it was a solid result given the decline in the Melbourne housing market, and a cooling off in the New Zealand market, more particularly maybe in Auckland.

Despite these developments, the villages remained in demand during the year. Occupancy at our established care centres was at 97%. While re-sales were flat, we sold almost all our stock that came up.

We take that as a positive sign that the villages are hitting the mark in terms of what our residents seek.

As at 31 March, we had only 1% of our re-sale stock unsold. The build rate during the year lifted by 42% and we have 20 new villages either in development, or in our land bank. That gives us a great platform for growth in the years ahead, as you can imagine.

We've been keeping a close eye on the housing markets here in Auckland, and also in Melbourne, as you'd expect. The market in Melbourne is showing signs of recovery which is great to see. It's worth noting that the cooling in both markets follows long periods of quite high house price inflation. The fundamentals underpinning both markets are sound, though. New Zealand in particular has a chronic under-supply of housing, which has failed to keep pace with our population growth. This is most acute in Auckland, where we have a large development focus.

So, with respect to the current year, we had a Board meeting, as I mentioned, over the last couple of days. I can advise you today that trading was satisfactory in the first quarter. The development program is weighted towards the second half of the financial year, though.

Look, it's now my pleasure to hand over to Gordon MacLeod to talk to you about the year from his perspective. Thank you very much.

Gordon MacLeod: Hello everybody. Thanks David.

I don't think David's quite right about the prospectus comment, how everyone has changed a lot, because David's like one of those ageless people. If you look at him - if you

look at the photo back from 20 years ago it looks about the same today, I reckon.

David Kerr: Plastic surgery.

Gordon MacLeod: Last time I was here at Evelyn Page was to open the bowling - the new bowling green out there actually, which looks superb. We - when we built it, we built it a bit short, so we had to fix it up, and the village residents were delighted with the change. If there's any bowler - or, actually Tony Rickerby, who is one of the big stalwarts of the bowling community here, it rolls pretty well now, doesn't it?

Gordon MacLeod: Yes, that's good. I'm delighted to be here today at Evelyn Page. It's really the first village where I got my full sense of a Ryman development from start to finish. I joined in January 2007, and in about my first week actually, Kevin Hickman and Simon Challies and I came up, and we had a look at the site that we'd just acquired here. We hadn't paid for it yet, but we were having a look around. Carmel Fisher came up as well. Some of you might remember Carmel was one of the founders of Fisher Funds, and she was interested to see it.

You could just tell, standing on the site, that it would be a beautiful village. Of course, it was the first experience of seeing the vision of our development and design people to take a bare piece of land and then create this - what is a really beautiful setting for today.

So, it was a big purchase for us back then. We actually paid \$20 million for this land back in 2007. So, it was a very big purchase. We were able to afford it because of our business model of recycling capital. The settlement for the land was going to be in June that year, and that was exactly the same time as a whole bunch of independent apartments were being settled moved in on, at Edmund Hillary in our first stage of apartments there.

I remember I was on holiday in Mooloolaba with my family, counting the cash-in from Edmund Hillary, as the payment was made for the land here. That model of recycling capital and being able to work across multiple sites at once has stood with us through to today.

There were a number of battles along the way. Getting consent wasn't easy, and we were also hit by the Global Financial Crisis, or the GFC, partway through. In 2007 - if you think about the history, in 2007 investment bankers would come and see me regularly, and they would say that we should do a share buyback. That was their big idea in 2007, and that we should gear up the balance sheet significantly, because we had a lazy balance sheet apparently. We should buy our own shares back on the market.

We didn't do that. By 2008, they were telling us that we should do some acquisition of other companies on the market, and that would - and then by 2009, by the time the GFC hit, they were telling us that we should do a capital raising. I said to them, we don't need to do a capital raising, because we didn't do the ideas from 2007 and 2008. So, that was a good position to be in.

We also spent a lot of time - we've got a good reputation here in New Zealand now, a really strong reputation. I actually personally spent a lot of time up here on the North Shore during '08 and '09, talking to local lawyers in the North Shore in Auckland. Because people didn't really know particularly who Ryman was. There were a lot of developers who were struggling. There was a Knightsbridge development I think up here, which some of you might be aware of, that was in receivership I think at the time. Lawyers who were signing off on their client contacts, they were worried about things like whether we would be able to build this community centre, or whether we would complete the ongoing build of the village.

All those sorts of battles that sometimes you take for granted today, we never lose sight of the fact of our heritage, of having to fight for our brand and build our reputation. In fact, an Auckland fund manager told me at about the same time, that this would be the very last Auckland development we would do because we would never be able to find any more land in Auckland. But we were able to find a couple of things along the way.

He also said that we'd never be able to sell Evelyn Page down in 2009, 2010, because of the property market. Again, we were able to sell it down really well, and Tony, you were here on the ground at the time. Thank you for the huge amount of work you did during that time, and the team.

The construction team faced a number of challenges, and the village actually set a Ryman record for our largest single concrete pour. It's still urban legend in the Company. It was the largest pour in Auckland since the Sky Tower. In fact, it was bigger than the Sky Tower pour, I think. We haven't stood still since we opened. We've expanded the village centre. We've put in emergency generators, and a Never Alone system for residents. We've retrofitted air conditioning, sorry that we didn't do that in the first place. We only - and we've just recently extended the bowling green as well. So, we just look to keep villages up to date, and invest in them, and make sure that we meet the needs of what we're learning as we go.

Gordon MacLeod: So there have been some true Ryman stars at this village along for the ride, and whilst this isn't a Group comment, it's interesting to get down to a village level to understand how our people development works. So Matt Hutchinson was the project manager, he was responsible for building the village, and then he went on to build Bert Sutcliffe in Birkenhead. Today, he's a regional construction manager, overseeing our William Sanders and Murray Halberg builds.

Paul Sutton did a great job at getting this village started up and running as a village manager, and he's now over in Melbourne as our Victorian operations manager.

Lynn Charlton, she was a village manager here too, she did a magnificent job, and in fact in 2018, won Village Manager of the Year, and she's now doing a great job for us as a regional manager in Auckland, making sure that our newest villages run really smoothly.

So you can kind of see that through the various people involved in the village over time, and that's just a snapshot, that we create career opportunities where people can progress, and we provide great opportunities for our people.

So really in short, Evelyn Page has been a great success story. We were told it wouldn't work, we had to win the community over, and now it's part of the fabric of Orewa, and the centre of life for our residents, and also their families. The care centre here is a place of kindness, and we've got incredibly dedicated staff who work for us.

I remember one afternoon I was here about three or four months ago, there's a lady who visits eight rest homes and hospitals around the Orewa, Red Beach area, and she's been doing that for 10 years. She came and got me, and said to me, I just want to talk to you about your staff, because they're incredible. And to the extent that when her mother needed care, there was no question for her that her mum would come into the special care unit here at Evelyn Page, having seen all the other care facilities.

So it was a great message to me that the staff do an incredible job, and we do the right things.

So in relation to that, people are our scarcest resource, so looking after our people, and making sure that we're developing our next generation of leaders, who can share our values, they're kind of things that I obsess about really. As David mentioned, we're a care company, and a big focus for us in the past two years is making sure that the regard that we have for our team is recognised in their pay.

We've just increased pay again, and the Ryman adult entry age for our villages is now \$20

an hour, which is \$2.30 above the minimum wage. In addition, we've also had increases for our caregivers, as part of the government's equal pay settlement, and last year we increased nurses' base pay to align with the DHB settlement, and we were one of the few people in the aged care sector to do that. So what it means is that we've now lifted our median hourly rate by 33% for our registered nurses, and for our caregivers, over the past two years.

So our formula for success is simple really, it's about happiness. So having happy residents and happy staff members means that shareholders should do well. Our surveys show that, and overall, our residents and our team are actually happier than ever. In fact, our last staff survey results showed an increase in engagement of 50%.

It's a great endorsement, but we are by no means complacent, and when we look at these surveys and stuff, we really focus on what are the frustrations and things that we need to do better.

We've also invested heavily in people development and in training, and also in apprenticeships, particularly in construction, and identifying our leaders of tomorrow, and making sure that they have a really clear future career path with us, where they can really meet their potential. If you think about the stories of Matt and Paul, and Lynn, people like that, they've had wonderful career opportunities with us, and often opportunities that perhaps you wouldn't be able to get anywhere else.

We're also developing the Ryman Academy, to ensure that our leaders get a world-class education, primarily through our Lead Development Program, and through an Advanced Leadership Program with the Melbourne Business School. So we've got great people, but we're going to need plenty more. We hope to double the size of the business roughly every five years, and so finding more great people that share our values is a key part of what we're focusing on.

David talked about the demographics that underpinned Kevin and John's thinking 20 years ago, and it's really interesting that the demographic change has not actually started yet for us. The first baby boomers, based on our average age of entry won't really arrive at our villages until 2025, that's in six years' time. Then that demographic growth continues for four decades. It's the most unprecedented change human history.

So that's what's at the heart (of what we do), and so what we need to do is we need to plan to do things differently and better over time, and that's at the heart of things like Project [Delight], which is focused on improvements to the experience of independent

residents, and also our Digital First Strategy, where we're rolling out more technology of villages.

So for example, for the first time, we've appointed a customer experience role, who is an ex highly successful village manager, so we're really focused on the resident experience. We've also made great progress in raising the standard of our care even higher, 84% of our New Zealand villages now have four-year accreditation from the Ministry of Health, which is really the gold standard of care. The average for our competitors, as you see on the graph there is 40% for larger operators.

On the development front, we've just received consent for our Hobsonville site, which is our newest in Auckland, so well done to the development team, and we're hoping to get started on that just probably in about six months' time or so.

Also hot off the press, we've received Overseas Investment Office approval for our new Riccarton Park site in Christchurch, and the Overseas Investment Office has also granted us a standing consent to purchase 500 hectares of non-sensitive residential land at 20 sites over the next three years in New Zealand, if those sort of opportunities arise. This means we can purchase land without requiring individual approvals, which is a significant achievement by the team.

So all going well with consents and development applications, we are targeting to have work underway on 12 sites in the coming year, and we're about to move into our biggest ever build program.

In total, we have 20 villages in our land bank with more than 7000 beds and units to develop. That's the equivalent of 65% of our current portfolio, so we have an extraordinary platform to meet the demand that we see ahead and we'll just keep on adding to the land bank as opportunities arise. We've got some great opportunities we're looking at right now in New Zealand in Victoria to add to that.

I would just like to let you know that our Chief Operations Officer, Barbara Reynen-Rose (that's her there with Albie, who won the first Kevin Hickman award actually, at our awards this year, had a fantastic recognition for his job). Barbara has signalled her intention to retire later this year.

Barb has made an incredible contribution to Ryman for more than 26 years. She has overseen the setup of 31 care centres, been responsible for thousands of staff and all of our clinical care for all of those years. She has instilled the importance of offering the very

highest standards of care into her team, and they will carry on that mantle because that's the culture that we've built over that time. She's decided that the time has come to spend more time with her husband Laurie, her cocker spaniel Harry and her grandchildren and we wish her all the best. So I'd like to recognise her, please.

In fact, Barb would have been here today but she got the flu, ironically, being involved in care and she can't join us, but Barb, if you're watching, we acknowledge your amazing contribution and I'm sure the shareholders would have loved to have shaken your hand at the end of today. I hope you're well.

We'll be recruiting a new Chief Operations Officer as soon as we can.

I'd like to introduce the rest of the senior team. Dave Bennett is our Chief Financial Officer; he's up here there with me. He's much better than the last CFO; that's what I always say. It's really true too. He's very, very tall as well. Stand up, Dave. Look how tall he is.

[Aside discussion]

He does, yes. Actually, I don't - I actually try and avoid arguments. Yes.

We've got Debbie McClure, who's our Chief Sales and Marketing Officer. Debbie, where are you? Here she is. Hello. There she is. A lot of you probably recognise her. Debbie has done a 27-year tour of duty for Ryman; isn't that incredible? Every year end and every half year when we count the sales and Debbie's counting them in one by one with huge dedication across her team and she also has been instrumental in Melbourne. You've been living there for five years, Debbie? Been living there for five years so it's been a really - played a really big part in spearheading our operations on the ground there.

We've also got Tom Brownrigg. Where's Tom? Here he is, here's Tom. Tom is our Chief Construction Officer; he's our builder. He's been with us for 13 years and it's amazing when you think of sites; when they are at their peak, when they are at their most busiest, you would have, say, 400 to 500 people on site per day across a number of different sites. We're hoping to build across 12 different sites this year, and it's a huge responsibility and we're really grateful for the work that you do, Tom, in overseeing that work. It's not - Auckland is certainly not the easiest market at the moment to work in and requires a lot of dedication and hard work from the team. So, thanks, Tom.

We've also got Nicole Forster. Where's Nicole? She's our Chief People and Technology Officer. She's been with us for eight years, by the way. A huge part of Nicole's focus is on the people side of things to make sure that we've got the development and the education

and the retention strategies to make sure that the culture of the Company and the people that we have are just first-rate and we continue to grow our teams.

Her team have been, and herself, have been really responsible for the leadership development programs that we've been putting in place over the last couple of years. She also has another significant portfolio, which is technology. The technology side of things at Ryman is a lot more complex now than what it used to be a few years ago. We've got thousands of tablet devices installed in resident aged care rooms; we're really focused on our digital strategy, and so Nicole's technology team have been doing a huge amount of work in the last couple of years. So, thanks, Nicole.

We'd also like to introduce to you Jeremy Moore. Where is Jeremy? Jeremy has stepped up as our Acting Chief Development Officer and it's great to see that already we've seen a couple of land purchases come through, a couple of consents, some Overseas Investment Office approvals, so the team is getting off to a great start under your leadership, Jeremy, and we're really enjoying having part of you with the senior team.

The senior team will be around after the meeting, and it would be great for you to have a chat with them because it's really interesting to speak to people who are looking after different parts of the business.

Just finally on the team, we operate a 24/7 business; things go wrong. Sometimes it's quite serious, and so for me to know that I've got a team of people who are just complete dedicated 24/7, I think you can be pretty proud of the sort of people that represent you as shareholders as Ryman.

I would also like to thank you, our shareholders. One of our shareholders and residents, John Harwood - John, could you perhaps stand up? I know it's very embarrassing. John and his wife Marlene - hi, Marlene - were kind enough to let us feature their investment story in our Annual Report.

John has been a resident here at Evelyn Page. As Chief Executive and in previous role as CFO when I come up here, I'd always enjoy catching up with John and getting some feedback on the ground from a visitor and a resident point of view. Last time I popped in to see John, his cat was nicely asleep on his table in the lounge and I disturbed the poor old cat and it ran out the door. That sort of loyalty and the positive impact it's made on your life being here at the village and as a shareholder, it's humbling to hear that and thank you for sharing those stories with us.

People like John tend to worry about the same things that I do. John recently asked me how Ryman was going to - how we were going to keep growing while maintaining the same culture and philosophy. What he said to me was how are you going to make sure you Ryman-ise everybody? That's a great way to look at it: how are we going to make sure we Ryman-ise everyone.

I think that the answer really lies in our prospectus that David mentioned from 20 years ago, and really our story has remained the same. Our intentions haven't altered in 20 years. The faces may change, we'll get bigger, but the fundamentals haven't altered. What it's really about is making sure we pass down those stories from our founders and the people who have really built this Company and share those stories with our people as they come and make sure that they share those same values as well.

I guess we're in a world that is changing faster, I think, than at any other time in history. Probably a lot of people might agree with that, but I think we need to really think about the things that will not change, because some things that we want as human beings I believe will stay the same. That means that the fundamentals for what we need actually won't change at all, because at its core human touch is not some sentimental indulgence, I don't think. It's a biological necessity. That's why what is uniquely Ryman, which I think is doing stuff right and doing things that will be good enough for your mum, is at the core of what we do.

The need for beautifully built communities where people come together, the touch and laughter of a caregiver, the care of a nurse as she checks your blood pressure and holds your wrist and arm and talks about your day, the companionships of new friends and family, all of these things are things that people truly need and I believe they will always need. I see that Ryman can be an ever-increasing force of good in this world and we look after older people like our very own family.

We help older people to be seen with respect and dignity by society; we create jobs and lifetime careers that are filled with purpose and with meaning. We do new things and we get some of them wrong because the doing new things is actually hard. We develop our people to be the very best they can be and to do what is good enough for your mum, your very own family. I believe that if we do those things right, then success will follow for all of us as residents, as staff and as shareholders. Thank you very much. Back to David.

[Applause]

David Kerr: Great presentation Gordy, great presentation. Some of you who were at the

AGM last year might remember that one of the shareholders asked a very pertinent question about what risks did we think about. Thinking about that, I thought it was such a good question that I thought it might be useful for me to invite Warren Bell, our Deputy Chair and chair of the Audit and Financial Risk Committee, to talk about the risks that the committee focus on, just so you are on the same page as what he's thinking about. Thanks, Warren.

Warren Bell: Good morning, everybody. As David said, obviously Ryman is a very busy organisation and Company and faces a whole lot of risks on a number of fronts. I'll just touch on five of the major ones, and none of these will come as a surprise to you. I'll just go through those briefly; I won't take up too much time.

Obviously, you've heard Gordy talk about the number of people we can have on construction sites, up to 400 or 500 people, he said, at one point. He also touched on the number of sites that we will have underway with build programs next year, and I think the number he mentioned was 12. One of the key areas of focus and management of risk for us every day of the week when we get out of bed are all the health and safety related issues around village development, but there's also health and safety issues within existing villages. It's a very key focus for Ryman and the management team and people every day as they get out of bed and go to work. We obviously want everybody to get home safely at the end of the day so that is a really high priority for us which naturally we spend quite a bit of time and focus and have some dedicated resources in this area, in both New Zealand and in Australia.

That was the first one I wanted to touch on. The second one won't surprise you either, and that is really around high-quality clinical care, and the support and the governance role that the health and - the clinical advisory committee monitor the progress of our organisation around that area.

Obviously, we're a care company; we all know that, and we are all aware that we have quite a large number of residents within our villages who can have some very complicated health needs from time to time, so caring for our people is always an area that needs really key management. You would have seen the reference there to Barbara retiring after 26 years

She has been a key driver in making sure that Ryman's performance in that clinical support area is second to none. So that is a really major priority, and that's hardly a surprise either.

The third point, and it was touched on briefly in Gordy's presentation, we're only as good as the people in our organisation. So the quality of our people is right up there. It's always a greatest asset in a care company like ours.

If you don't get that right then obviously that can be a major risk on a number of fronts. So recruiting the right people. Developing them, challenging them, and also making sure that the appropriate staffing levels within the villages are there day in and day out.

So that is an ongoing risk day to day that we have to manage in each of our villages in both countries.

The next one I'll just touch on briefly, and that is the pipeline going forward. You will see that 12 sites are being built on next year, and I think the number up there was 20 sites in the land bank.

So one of the disciplines around running a company like Ryman is to do that journey in an orderly and well-reasoned manner, and make sure that we don't go too fast. That we execute properly and that we get the right quality outcomes at the end.

So it's very easy to say, you should be expanding faster and brighter and going faster in both countries. But we've got to be very careful that our execution is of the quality that we want, and that we don't go too fast so that one of the wheels falls off.

So the last but not least thing I just wanted to touch on, and that really is to make sure that our Ryman residents and patients get an experience which is second to none. That's easily said, but that is a constant area that we work in, on day in and day out. That is really, we want to be the premium brand, I think we all know that.

So that's about really making sure that we are really at the front end of our resident and patient experience, and are the premium performer in our industry sector.

So that was just the five areas that I just wanted to touch on. None of them will be a surprise to you. But the disciplines around making sure that we execute those are really important to the Ryman brand going forward and to what we do day in and day out.

There are obviously a whole host of other risks, so we don't just have five. But they were the ones I just wanted to touch on today. So thank you David and thank you.

David Kerr: Thanks Warren, that's a really helpful summary and I'm sure the shareholders appreciate it.

So look, I now call for any discussion or questions at this stage, including on the Annual

Report or the Notice of Meeting. This is your chance to ask questions. So if you just raise your card and we will get a microphone to you.

As in every other year, we will also be available to mix and mingle after the meeting has formally ended. So if you prefer that forum we will certainly be there too.

So questions.

Graeme Brady, Village Resident: Good morning. My name is [Graeme Brady] and I am a resident of Evelyn Page Village. I have two questions. (1) Is Ryman Healthcare intending to expand beyond the Victoria? (2) Is a listing to be made on the Australian Stock Exchange?

My reason for enquiring is the shocking state of Australian aged care. Briefly, I was in Australia in May and saw an extensive report in The Australian newspaper outlining the serious shortcomings in many of the aged care facilities in New South Wales.

Last week I was in Brisbane and on Saturday the headline on the front page of the Courier-Mail in bold type was, Aged Care Shame File, which is - and that was the Saturday paper heading.

The Editorial went on at length to contrast a shocking happening which occurred some 20 years ago with what is still taking place now. A full page spread lists 16 facilities in Queensland, two of which are public companies, with details of the serious risks to residents. That was the - another age weekend newspaper.

One example is, failed 12 quality standards including clinical care, infection control, behaviour management, staffing and wound care. Staffing levels and skill mix are not sufficient to cater for complex health needs.

The next full page spread details the emergency eviction of 70 residents from Earle Haven at the Gold Coast. The result of a dispute between the wealthy owner and the company contracted to run the facility, which then closed down.

Things have been so bad that a Royal Commission of Inquiry is currently at work.

There is only a handful of aged care companies listed on the Australian Stock Exchange. So there is plenty of scope for a company such as Ryman with its excellent record to do well. Also being named the most trusted brand in the retirement industry for the fifth time.

I speak from first-hand experience, having lived at Evelyn Page Village for eight years. During that period my wife was in the special care dementia unit for three years. I spent

time with her every morning and afternoon and never had the slightest concern about her treatment or that of the other residents.

The newspaper pages are, I will leave down at the counter at the back for anyone who wants more information.

Just finally, my wife, as I said, had been in special care. Her last month was spent in the hospital. When she died that morning the news went upstairs to the special care unit. The staff there came down one at a time to give me a big hug. I really appreciated that no end. Thank you.

Gordon MacLeod: Thank you Graeme. It's very humbling to hear of your experience. So it's been a bit shocking reading some of the revelations from the Royal Commission actually.

I think that mistakes can happen in care. We provided seven million hours of care per annum and it is a human endeavour. Put up your hands if you've never made a mistake. No-one - oh, John. None today so far, yes.

So it is a difficult business. But we pride ourselves on doing everything we possibly can to get it right. I guess what David talked about, the sort of decisions that we make which, yes, do hit our profits in the short-term.

Things like paying our registered nurses at the rate that nurses should be paid for aged care, which is the same as the District Health Board public hospital nurses. Doing that without government funding to the tune of \$5 million this year.

That sort of thing is really crucial for providing good care. Because without that what the general aged care sector has seen is an exodus of registered nurses into public hospitals. So Graeme, you would have had continuity of the caregiving and nursing staff no doubt....

Graeme Brady, Village Resident: Yes, that was so important.

Gordon MacLeod: ...during your experience, and it was really important for you and your family.

It's very difficult to achieve that unless you invest in people. That's what we do with training and pay and that sort of thing.

So look it does create, without criticising the operators in Australia, which would be very impertinent of me to do so. I do believe that there is a very strong opportunity for us in the Australian market because we do have a very strong care philosophy.

It's interesting that the unions in Australia did university research and global research as to what sort of staffing ratios should be required in aged care. In fact our staffing ratios exceeded, were greater than, what the Australian Nursing Federation recommended.

So that gives us comfort that we've got our staffing right. We seek to pay well and have good conditions for our people. You see that in New Zealand where 84% of our care facilities have four-year certification or more.

So taking that into the Victorian environment we mustn't be complacent, we mustn't be anything other than just humble about what we bring into the market. But I think that we have a wonderful opportunity in that market to provide great care to Victorians.

I think the question that leads on from that Graeme, that you asked was, might we go somewhere else outside of Victoria? The answer to that is, yes. The reason is that there will be other opportunities for us in Australia.

Probably the next one shouldn't be the Northern Territory though, that's probably a bit far away. Or Western Australia, it's a bit of a long plane right. But there's very large opportunities across the Eastern Seaboard of Australia.

But what we are really focused on right now is making sure that we have a very solid base in Victoria and that we do that really well. Sort of similar to what Warren said, that the wheels don't fall off by trying to do too much too quick.

So really get it right, build our teams there. That, yes, we've got a great opportunity in Victoria actually and beyond. David, you wanted to speak to the listing?

David Kerr: Oh, yes, so Graeme, we have indeed from time to time discussed dual listing on the Australian Stock Exchange. We have been fascinated at the cost of that, it's rather a lot of money we find to spend to just dual list.

We seem to have a pretty good international base of investors in the Company being New Zealand listed. So our focus has not been on progressing that to date.

As you rightly point out, the care tragedies that have been so well-publicised in Australia have done no good to share markets over there in terms of the care provider. So look, it's not something we're actively pursuing at the moment.

So look, it's not something we're actively pursuing at the moment.

Graeme Brady, Village Resident: Thank you.

Gordon MacLeod: Thank you very much, Graeme, for those questions.

David Kerr: Good questions. Thank you. Dave, just across here.

Ian Rae: (Devonport Peninsula Precinct Society, Chair) I'm Ian Rae of Ngataranga Peninsula, and Chair of Devonport Peninsula Precincts Society. In June 2017, the Society reached an agreement with Ryman in the Environment Court, on the form of the new William Sanders Retirement Village in Devonport. That agreement was reached after 421 public submissions to a commissioner's hearing on the proposed development, and considerable expense and effort by the community. I'd like to ask, what has Ryman learnt from that particular development proceeding?

David Kerr: Look, thank you for the question, a really good question. It was a really valuable learning experience. I think that we have learnt to be - as I say to my grandchildren - using our listening ears, and listened more carefully to the community. We've also established a group within the Company who consult very early, before we get anything - I don't mean the word set in concrete - but before we get any plans set, we like to consult early and actively now. That's an ongoing activity with people with that responsibility.

So I can assure you it was a good learning experience for us, I suspect it wasn't such a good experience for yourselves, but we are much more attentive, I can assure you.

Iain Rae: (Devonport Peninsula Precinct Society, Chair) Yes, I can assure you, there are positive outcomes for the community as well. One of the learnings for our Society was that we see that there should be a collaborative construction, a collaboration early on with the public, if they should so desire, in large developments which affect them. To that end, another member of the Society, and myself, are standing for the Local Board in the forthcoming Local Board elections.

As a supplementary question, I'd like to ask what learnings from the Devonport experience Ryman is applying to its new proposed development in Karori, Wellington, where likewise, there are similar cultural and heritage issues on the site, and likewise, there is strong advocacy from the architect industry about the proposed reuse and lifetime cycle of reusing sustainably existing institutional buildings.

Gordon MacLeod: So what we're, Iain, is we are actively engaging with council, with the local community, by having drop-in days with Heritage New Zealand as well, and also with a number of local politicians and local councillors. So we're getting a good read from them. We've also had correspondence from, as you say, some of the architects as well.

As you can imagine, there's a range of use, a very wide range of use, and we also have to take into account safety issues as well, for the sort of building that we do build, whereby it's vital for a very seismically active area like Wellington, that we take into account safety measures for a 24/7 elderly care centre versus what we can achieve from a heritage point of view.

We've also engaged a very well-respected heritage architect to make sure that we get advice, and really his buy in for thoughts that we have, and we continue to work through and show plans to people as we can. So it's one of those situations where it's a dialogue. We'll be showing what we think, the rationale for that, the overlay of any safety concerns we might have for heritage buildings.

For people who don't know, it's a 1970s university concrete construction. We will just work it through until we get to a position where we can build what will be an amazing village for Karori. Ideally, with everyone feeling that they've been at least heard, and we've worked through the process, okay.

Just Iain, while you're there. I want to thank you for keeping involved with us, because sometimes after an experience like that, like you came to the [Karakia] when we set up the site, to lease the site, for the safety of our staff, and you came to the naming of the village. I want to thank you for the - it's a difficult process, but it hasn't stopped you remaining engaged with us. So I appreciate that.

David Kerr: The community is welcoming the new residents too, with open arms, so thank you.

Gordon MacLeod: Yes, thanks Iain.

Neil Anderson: (Shareholder) My name's Neil [Anderson], I'm a shareholder. First of all, I wanted to say - I don't want to be critical, I want to be actually positive about what the Company's doing because I think the Company is moving in a very good direction, but there are always ways to improve.

One of the things that is quite interesting, and some people here may have heard me at other shareholders meetings banging on about making sure there is gender equality on Boards. I'm afraid, this Board needs to move better in that direction, and my question is, what are you doing about that. When I look at your annual report and your executive team, and your medical advisory team, you have more than 50% female participation and gender equality in the people that are running the business for you, who are managing the

business for you, but your Board doesn't reflect that. So, that's one question.

I also want to raise the question about staff safety. You talked about it quite a lot in both the Chair's report and the Chief Executive's report, and I think you say you want the staff to go home safely. Well, unfortunately in the care sector, there has been an increasing level of ACC claims for care workers for things like bad backs, for several issues that there are. I know this company is trying to do something. I'm aware from the fact that you actually do engage closely with the unions that are involved, E Tu and the nurses' union, in trying to do that. There is at the moment a move to try and get a new safe staff - safe staffing guide for the care industry.

My question is, what is Ryman doing - because actually you're doing quite well at it, but what are you doing to make sure that the care industry does do that in a better way, and has a better, safe staffing guide?

Finally, in your annual report, you talk about training staff. You talk about apprenticeships and doing staff training. But it's mostly in the construction side that you talk in your annual report, and it doesn't make it clear what you're doing to bring through young people into the care industry, because that's vital.

There is - if you have a look at what's happening in the demographic of New Zealand in the care industry, it's actually - you're bringing in immigrant workers to make the industry work well. I don't have a problem with that. I don't have a problem, but I do think that we need to be doing better as New Zealand, in educating and teaching, and bringing through young people from the community here into the care industry.

That's my third question; what are you doing about that?

Neil Anderson: (Shareholder) I just want to say, I'm positive about what the Company is doing. I'm not negative. But I want to see that it does it better.

David Kerr: Look, those are great questions. Maybe if I take the first one, which is around gender equality, and Gordon and I will merge on the second and third points.

The question of gender equality is something I'm going to talk about very shortly around governance changes and our plans at the Board level. I can really only assure you that we are acutely aware of the inequality at the Board, and are in the process of addressing that. I can't give you a specific person just at this moment, but I will talk to that point very shortly. That's a good question.

The second one was around health and safety of care staff, was that - yes.

Gordon MacLeod: Yes, I'll pick that up. With our care staff, exactly right, one of the most frequent injuries for care staff would be manual handling injuries. What we did, was we actually introduced a programme which built on there - so, ACC have got guidelines on safe handling of aged care residents. What we did, was we took that - those guidelines, and then we applied our own expert knowledge to it. We came up with a thing we called Ryman Moves.

Ryman Moves is a - really a bespoke manual handling training for all of our staff nationally. It's supported by physiotherapists at each village, so that people get good induction training and training on it. There are champions within each care floor in relation to it.

We have really good videos for each individual move. We make sure that the equipment is right. When we do - if someone does suffer an injury, then what we do is we record that injury and we try and make sure we learn lessons from it, and that people get - if someone, for example, used a hoist in a way that wasn't as good as it could have been, then that's a training opportunity to help that person out.

I'm pleased to say that generally within our aged care business, the number of handling-related injuries overall is actually declining. That's a result of Ryman Moves. I'm really pleased with the result of the work that the team have done on that, and particularly making it Ryman-specific, you know? Instead of using ACC material, it kind of makes it feel more in the family. There's a few - so, there's a few staff that are stars of the training video, using slip sheets and hoists and all sorts of things.

The second one was in relation to...

David Kerr: Can I just interrupt you, Gordon?

Gordon MacLeod: Yes.

David Kerr: Just on that same point, so we have a health and safety subcommittee, and just so you're aware, the injuries are recorded and notified to the health and safety subcommittee, where a number of the Board members sit. In fact, it was Monday, would you like to speak to that at all, Claire?

Claire Higgins: Yes, so we had a health and safety committee meeting on Tuesday, and there we receive separately the construction incidents information, and near misses as well. We also receive the operations data. We are acutely aware we have a historic record of where - what parts of the body are being injured.

The other point that I wanted to make, is we've also recently established some staff safety

forums. Rather than it being a top-down approach to health and safety, it gives us the opportunity to hear from the staff both in construction and in operations, about the things that are concerning them with regards to occupational health and safety.

Gordon MacLeod: Then in relation to training, yes, you're right, a big focus for apprenticeships last year was in relation to construction. The construction industry in New Zealand should not have let go of apprenticeship schemes all those years ago. Big mistake. Big mistake. Anyway, we are where we are.

So, rather than waiting for industry to deal with it, or the government, we're developing our own apprenticeship schemes. We've got a number of apprenticeships working for us around the country now. In fact, Iain thinking about in Narrow Neck, Devonport, some of the guys there for their apprenticeship they had to use Linea - you know, Linea board, for a thing. We don't actually have any Linea board at the village we're doing. So, what we decided to do was build some little school play huts out of Linea board, and they were delivered to the local school. That was part of their apprenticeship sign-off program, part of the Ryman construction team doing that. So, that's been really successful around apprenticeships for construction.

We're also doing apprenticeships for chefs, for example in our kitchens. Because that's a really high - obviously a really difficult area, requires a lot of specialty and training. As you may know, we cook fresh on site. At lunch times there's a choice of three fresh-cooked meals. So, the - and the quality of our presentation is really important. So, we've got apprenticeship schemes coming through in that.

In relation to the caregiver point that you make, what we do is we actually get out to - we're getting out to more schools, because caregiving and being involved in aged care is a tremendous career opportunity for people. I can't think of another career which has more future growth, has a greater purpose really, and has an opportunity to do good and be successful, and have career progression.

We've got people who are village managers who started off as a caregiver, or a service department co-ordinator. Helping to de-mystify - it's sort of de-mystifying the media stuff on aged care. It's unfortunate that most of the media stories about aged care are really negative, because it sort of maybe puts younger people off. It's our obligation to overcome that, get out to schools, talk to people and help them understanding it's actually a great career option.

Neil Anderson: (Shareholder) Thank you.

Bob Stevens: (Shareholder) Good morning. [Bob Stevens], shareholder. My question is on competition. Some - or one in particular that I know of, company, is advertising that there will be no - that the owner will get the capital gain. Your comments on that?

Then where the share market is your - what's happening with your shares these days? Have you any comments on that, please?

David Kerr: Yes, I could deal with that.

Gordon MacLeod: Shall I do the second one, around the share market?

David Kerr: You will all be aware that the share market has had a lift just recently, but look to be really brutally honest, we don't focus on the share price. We focus on doing the job, and that's pretty much the focus of the Board. If we do the job correctly, and do the job well, then the share price will look after itself.

So, people asked me recently, before the lift in the market, what's wrong? What's wrong? It was the same business as a year ago, and as today. So, our focus is very much on delivering really well.

The share market is - improved in Australia quite clearly. Partly the election, people feel a bit more confident with the change of government. Interest rates, cash rate's dropped, hasn't it? That's been a bit of a stimulus. I think that there's a general feeling of optimism in Australia, and that's driven the share price along. I think also some international buying is evident. So, we observe it, but we don't look at it minute by minute, and fret about it.

Bob Stevens: (Shareholder) Yes.

Gordon MacLeod: It's not done too bad. It's - two years ago it was \$8, and it's \$13 today. That's \$5. That's \$2.5 billion increase. It does absolutely go through period of volatility and flatness, and it can be rather difficult to predict some weeks. You think, why has it gone down \$0.50? We've actually been doing really well this week, but no one - anyway. That's just the vagaries of it. You've got to look at it over a period of time, right?

David Kerr: Twenty years ago, it was \$0.27 equivalent.

Gordon MacLeod: Yes. Yes. In relation to the competition, you're probably referring to an operation in Tauranga, perhaps, who has talked about having no capital gain for a new development there. Is that the one?

Bob Stevens: (Shareholder) No, I'm talking about in Drury.

Gordon MacLeod: In Drury, is it? Okay. What I find is a common thread for - and look, I'm

loathe to criticise them, because I take the high road - is that they tend to not provide care, or invest in the care - the quantity of the care services that we do. So, here at Evelyn Page for example, we've got a 120-bed care facility, secure dementia, rest home, hospital. [Graham] has spoken to the tremendous and very powerful impact that has on the lives of our residents when that care is required.

So, the no capital gain, really largely apartment-style developments, or townhouse-style developments, which also attract a deferred management fee. They may have no capital gain, but I'm not sure what the value proposition is for entering into one. Because our business model is that what's really important is that to the best of our ability, that we look after people for as long as we possibly can as their care changes. I'm not sure that those business models are able to do the same thing.

So, I guess it's just a choice.

Joeri Sels: (Shareholder Representative) Hello, ladies and gentlemen. My name is Joeri Sels. I am not a shareholder, however I am here on behalf of a larger and relatively new shareholder from Germany.

I am a shareholder representative.

The name - who has bought a 1% stake in the Company. The name of the shareholder is Investmentaktiengesellschaft fuer langfristige Investoren. So, apologise that's a terribly long name, and most investment bankers in Germany will call it simply [Langfrist].

So, the man behind Langfrist is Norman Rentrop. He's a very prominent man in Germany, and he's known as a publisher, as author, and as investor.

The company is Bonn based, it's the former capital of Germany. They are so-called value investors. For them, they are thinking in really long-term, sometimes 10 or 20 years. For them, the understandability, and the sustainability of the product or service is very important, and they will emphasise the integrity, the significance of the integrity and the quality of the management.

So I myself, am here because I have advised Langfrist for more than 10 years, back in the '90s when I was working in Germany as sale-side analyst, and some eight years ago I emigrated from Germany to New Zealand with my family.

To cut a long story short, on behalf of Langfrist, I would like to thank the Board and the management for the excellent performance achieved in '19 and needless to say, it is hoped that you will be able to proceed to focus on the long-term, on the value-accretive long-term objectives rather than looking into the short-term things. So, a thousand thanks from

Langfrist in Bonn.

David Kerr: Thank you, Joeri; those are very kind words. Look, the faces will change but we hope that the culture and the intent of this Company will never change.

Colin Upchurch: (Shareholder) Good morning. My name is [Colin Upchurch], shareholder. Following on from some of the questions we've had, I'm afraid this is going to seem perhaps a little bit dry. Firstly, congratulations to the Board. I'm pretty pleased with the way this Company has been going over the many years that I've been a shareholder, so congratulations for that. Financials to me look pretty good and the balance sheet is pretty strong, so those are all things that I like.

Just one little dry, rather technical question, quite small in terms of dollar impact, but I just always like to understand. One thing I'd just like a bit of feedback on: intangible assets.

I see in the balance sheet we've had an increase of \$7 million-odd in the year and I note that we've had amortisations of nearly \$3 million so to me in rough terms that means you've spent \$10 million in the year on intangible assets, and I don't know what they are. Perhaps you could just give me a bit of background what they are and what the write-off scenario is, because I don't like intangibles being around for longer than is good practice.

David Kerr: Thanks, Colin. I think that sounds like a perfect question for Dave Bennett, the Chief Financial Officer.

David Bennett: Thanks, David. Thanks, Colin. The intangible asset is primarily related to our myRyman development that we've been doing. You would have heard us talk in the past about the template-based application that we have developed, which has actually also driven changes to our care model and how we develop care. So, it's primarily related to that and it's just been amortised out over an estimated life of between seven to 10 years.

The additions this year have just been further enhancements to that as we've brought more and more development to the system. We continue to invest in that. We've seen myRyman as a real advantage for us in that it's world-leading. We looked at what we could buy off the shelf and there was nothing available that did what we wanted, so we decided to develop our own system and the returns that that has delivered to us from a clinical aspect have just been amazing in terms of the data that we're now getting and the analysis we can do with that data.

Colin Upchurch: (Shareholder) Thank you. That's pretty clear. A supplementary question

then if this is so goddamn good, when does it go to market as a subsidiary company and what sort of returns are you projecting?

Gordon MacLeod: It's interesting, Colin, because our Chief People and Technology Officer, Nicole, asked the same question of us yesterday: would we like to as a Board think about commercialising it. So, that's a potential. That is a potential - but maybe not, but it is a potential.

Gordon MacLeod: It could be regarded as a really important point of difference and competitive advantage so it's just those things that have to be balanced here.

David Bennett: We wouldn't be too keen to sell it to competitors though.

David Kerr: Is there another question? Oh, madam.

Unidentified Female Participant: (Shareholder) Good morning, everybody. I'm sorry I was late this morning, but I drove down through a pea souper from [Pine Lake]. I have never spoken before at a meeting of this kind and I am very proud to be a shareholder of Ryman.

It's not exactly a question, it's a comment, because just yesterday I was speaking with somebody who said that they have a friend who have been looking for somewhere to retire. She is an ex-nurse and she had looked everywhere around our city, and her comment is I would invest in Ryman but I wouldn't live there. That is because as a nurse she feels that the quality of the care in the actual care facility areas and the hospital are possibly not as good as we actually have seen elsewhere.

I think it's wonderful to feel that we are all shareholders in a Company that is doing remarkably well and we all look forward to our dividends, but I would like to think that the - I know you've said on and off that your emphasis is on caregiving, but this was just an off-the-cuff comment that picked up just yesterday and had no intention of saying anything at all today.

I thought it was just a little wake-up call to think if the Company is doing so well, maybe there is a need to invest more in the actual basic care and hospital treatment for people who are not in these wonderful units that you can buy your own and people who can live independently. Please make sure you're taking care of the ones who really need the care. I think that was what she probably meant and why should would invest in Ryman but not live within a Ryman village. It's just a wee bit of a criticism, I suppose. Thank you.

Gordon MacLeod: Thank you for that comment. It's obviously disappointing to hear

because we have throughout the country, all the villages that I go to, I guess the best endorsement that I ever see is that we have staff members who have family members in our care centres. We have residents, like Graeme who have their husbands or wives in our care centres, and they provide a greater level of scrutiny about what we do than any regulator could ever do. I know visiting Evelyn Page just this morning I've caught up with probably five or six different residents who have their husbands or wives in our care centre and I can tell you they were glowing in relation to how the staff have been looking after them.

If you look at the data, when the industry average for larger providers is to only have 40% of care facilities with four-year certification, but we have 84%, that shows the clinical quality. The staff rosters that we have in terms of staffing of our care centres, we actually staff above what the Australian unions recommend, which is unheard of really in the sector. We've invested a considerable amount of money in myRyman to ensure that we have real-time care available in people's rooms without all the paper-based systems and that we get great data and specifics about each individual resident and that's making great progress.

Then to recognise the great work that our staff do for caregivers and nurses in particular, for both to have received 33% pay increases over the last two years, I think rightly reflects their contribution. So, very, very saddened to hear that comment and perhaps it's hard to have 100% fans, but we'd love to talk with her at any point to perhaps allay her fears.

David Kerr: If I could just add, I as a general practitioner visit care facilities and I always feel comfortable. I know I'm going to be biased; I feel really comfortable about the level of care we provide. We've gotten now to the stage where our medications advisory committee can identify the medications that our older residents in care are receiving and is now providing advice to general practitioners saying is this still needed, could we reduce that.

In our clinical advisory committee we monitor very closely how long people are on what are called psychotropic medicines, which are the ones that settle people down. We are drilling down to very high levels of detail to try and ensure that the care that's provided in the villages, not only by our staff but by the visiting doctors is at the right standards. I think that big efforts are being made.

Graham Howard: (Shareholder) Hi. My name is [Graham Howard]. I'm not only a shareholder but I'm also a resident here and have been here for the last 9.5 years. In

relation to the comment there, I've visited the rest home, the hospital and also dementia upstairs and on every occasion without exception the staff have been absolutely fantastic. When we have functions down here in the centre here, they bring the care from the rest home and from the hospital down to the functions here and the quality of the staff is just really outstanding. I can't praise them enough. Since Jill has been here, it's absolutely fantastic. I give her top praise as the village manager.

You made mention of capital gains. When we came in here, we were aware of capital gains. From my - or my wife and myself, we were quite happy that we didn't get the capital gains in view of what Ryman's provide. When we go up there or down there, we can't take the capital gains with us and the families are quite happy in their own environment at the moment, so for what you, Ryman's provide for us is again outstanding. I wish to congratulate you, the Board and the staff and particularly Jill Clark here; she's outstanding for us. Thank you.

Tony Mitchell: (Shareholder) Thank you. Tony Mitchell, the Chair of the New Zealand Shareholders Association. Firstly, I would like to congratulate you on 2019 and the very good report, well-written and again, a very good read. It was thoroughly enjoyable.

I have a couple of questions and actually, the first one is related to the risk area. It's to the Board, and look, I know that it's not easy for boards but you do have a lot of responsibility. I was very encouraged to hear about the health and safety area with regards to the measurement and also the form of checking that you're doing directly with the forum. That will certainly make sure that whilst management might be confident, they're also a little bit paranoid as well and making sure that they're rooting out what else might be at risk.

The three risk areas that I'm going to ask for the Board to consider are around the staff, the health and safety and also the suppliers. Because the pressure that's on boards these days is not just to delegate through to management to ask the questions of the employees or with the suppliers, but as you know, you do have to go and figure out how else - check the checker, basically.

My question for the health and safety is what else are you doing to make sure from a board level, with your Board workplan, that you are checking that the processes are continuously being refreshed and reviewed, outside of asking management at a Board meeting. That would be the first one. I think you've covered off the metrics very, very well and engaging the staff, so pushing management to the side and engaging directly, I

commend you for that.

The second one was around the risk that was highlighted in the Annual Report regarding staff. Staff is the biggest risk area, as I read it in the report. I was very pleased to see all the activities that are going on but no doubt whilst there's confidence, there's also still paranoia. What is the Board doing to make sure that you are measuring that risk and also checking that what has management said being done will be done to resolve the staff risk.

The third one on risk, and I thought you did a superb job with covering most of the dimensions that boards are asked to look at. They've got to deliver for the residents, their customers. They've got to deliver for their employees. They've got to deliver for the environment and also socially. But also, we're seeing in the UK now that you also have to make sure you're delivering for suppliers so organisations are treating all suppliers fairly and building long-term relationships.

So that's now in UK law, and I know that Rob Everett from the FMA is considering that here in New Zealand. So my question for the Board is, how are you measuring the long-term relationships with suppliers? I accept that there is vertical integration, which again, is a great thing, so you've got control over a lot of that supply chain, but those organisations will still need to be able to use suppliers as well.

So again, that is to the Board. My role is to make sure that the Board is asking the right questions in the right way, and looking after the shareholders' investment in that. So the risk for staff health and safety, and suppliers. Thank you.

David Kerr: Look, thank you, Tony, for the question. So maybe if I could pass to Claire, as the chair of our health and safety subcommittee of the Board, first of all.

Claire Higgins: (Health and Safety Subcommittee of the Board, Chair) Thanks, David. Thanks Tony, that's a very good question, and maybe I can just talk a little bit more about the broader approach that we take to health and safety from the Board level.

So we certainly have our committee, and we receive the regular reports from the team regarding the statistics, as you've said. We also have a close look at any significant incidents, so we look at the approach that management have taken to understanding what the causes are, and what the corrective actions are. We have a program of initiatives that we monitor at that committee.

Sitting on top of that, I think as you say, how do you, as a director, feel the approach to health and safety within the organisation? We've done a couple of things there. Gordy and

the team ran a very successful Safer Together Forum last year, where several of the Board members attended, that was a full day - I'm just trying to remember whether it was a couple of days, but it was a full day, but it was packed full of activities.

So that gave us the opportunity to chat with people throughout the organisation, so not only were there the leaders from the organisation, but there were representatives from all the contractors at that Safer Together Forum as well. So the opportunity to engage with the contractors directly was really helpful.

The other thing that we're particularly doing, and we're continually trying to enhance this process, is having a program for the directors to visit the sites. So not only the villages operationally, but the construction sites. So for example, last week I spent a day going to the three Australian sites that were either under construction, or as a village. So went both into the construction side of things, not with Tom, but actually with the project manager on site, and had the opportunity to engage with the spotters or the safety representatives, or even just some of the contractors.

This week I actually came to New Zealand a week earlier, and I visited all the New Zealand sites. So both villages, and in New Zealand, where we have the rebuild of the Figaro building at Malvina Major. So on that site, donned the safety boots and the gear, and went out into the Figaro building with the project manager.

So what we're trying to do is actually as a team of not just the management team, but the Board, is actually have some visibility on the sites, but also go out to the sites, not escorted by the executive team, but with an opportunity to engage at all levels of the organisation.

David Kerr: Thank you, Claire. Tony, I think the second one was around staff. So we have obviously a very active recruitment program, and one of the reports that we always have from management is actually on people capability. So the Board have been encouraging management to keep that very active, and to actually encourage more training opportunities, and for that end, we're developing what we're calling the Ryman Academy.

Now, at this time, it's probably more a virtual academy than a physical space, but this is a way of us demonstrating to our staff that this is a career opportunity, and that you may grow your skills and competencies by staying with this Company.

We also undertake on a regular basis, and have reported direct to the Board, net promoter scores, which is an assessment of how much you're engaged in the Company. I can advise

that the net promotor score for our staff is in excess of 50%, which is unusually high. The net promotor score is quite a complex tool, and 50% doesn't sound very much, but I can assure you that internationally, that's a score of which we can be very proud.

We undertake - each of us, we have a schedule where each of the directors visit villages, much as Claire described around health and safety. I visit villages not with a health and safety lens on, more so, how's it going, talking to residents, talking to staff. So we actually have to tick off what we're doing to contribute to that independent bank of knowledge. So it is quite an active thing for the Board.

Now, I think the third one was suppliers. So we have a direct report to the Board from our procurement team. In fact, that was yesterday, was our procurement team reporting to us. We see quite a bit of the subcontractors and contractors on sites, obviously, when we visit, but also, we have some long-standing relationships, which if I saw those changing, I would be concerned about.

An example would be Sydenham Joinery in Christchurch, who have done our kitchens forever, and those sorts of relationships are reported to us by the procurement team. I gather that they open around 14 new contracts a month, but they also close down a similar amount. So we rely upon paying on time, having good long-standing relationships where we agree the quality, and we don't bicker about the price unusually.

So I think that it's a very strong procurement program. I should, when I talk about that, identify that Philip Mealings, who is our Chief Procurement Officer, has been with the Company 20 years at least, and has been a beaver on the shareholder's behalf I can assure you. He works at this 24 hours a day. So we enjoy having presentations from him and getting to enquire directly of him. Does that answer your question adequately?

Gordon MacLeod: The other thing we do with suppliers is we pay them on the 20th every month. We don't late pay. Even though we're a big company and we're paying - our monthly payment runs are often \$40 million. So you could have a few invoices that don't get through and we'll process them the next day or the day after. We're not like a big corporate that goes, well, tough, you're going to have to wait. We will do it. That's why we engender loyalty like you wouldn't believe, because we're probably the best payer that any of our suppliers deal with. So we might drive a hard bargain, but they'll never get payment debt terms than with us and we pride ourselves on that.

The other thing is when the directors visit villages and construction sites, if there's any concerns they'll come back to me or the right people with their concerns. Like Claire went

to a site last week and got some feedback from a village manager that she felt would be good for me to know, and we've been able to action that. So they're not just a royal walkaround where everyone is hello, hello, Claire, director, and then tell them all the good stuff. We want people to just speak straight and that's why we don't want it to be a chaperoned visit. Also, if people do give some negative feedback about what we're doing, we take it on board and we celebrate the fact we've got the opportunity to fix something.

David Kerr: About a year ago, Kevin Hickman, one of our founders, visited a village in Christchurch and he came away absolutely indignant. I was speaking to him and I said, what's the problem, Kev? He said, there's a carpet tile in the front area that's got a stain on it. So we quickly got that carpet tile replaced. So we want these villages to feel wow, we want them to feel good. Because these villages are not villages, they're people's homes. So we have that obligation and we embrace the obligation. Are there any other questions?

Jill Gregson: (Shareholder) Hello, my name is Jill Gregson and I am a shareholder with Ryman and also an employee with Ryman. I am a regional sales manager with Ryman Healthcare. I have my parents in a Ryman village, my in-laws in a Ryman village, I've had three aunts and two uncles in a Ryman village. So all the family. I've got a very big family. I just wanted to say that, in my role as a regional manager, I go around to all the villages - well, several villages in the north and through the care centres and through the independent living. My parents and my in-laws certainly wouldn't be there if I didn't think that it was good enough for mum. I'd just like to say that I'm very proud to be a shareholder and a Ryman employee and to have my parents getting the care that they're getting in a Ryman village.

We have needed care for them. My parents have actually lived in two Ryman villages, one in Whangarei and now they're in Logan Campbell in Auckland. In both places we have needed to call on the staff for care at different times and it has been absolutely outstanding. So I just wanted to put that out there, to say thank you to Ryman for the care for all of my family. Thank you.

David Kerr: Thank you, Jill. I can assure you, we didn't ask - I didn't know she was going to say that.

David Kerr: John.

John Boscowan: (Shareholder) My name's [John Boscowan], I'm a shareholder. I'm not a

staff member. I wasn't expecting to say this and I'm only saying it because the microphone was immediately behind me. My mother is a resident of Ryman Grace Joel. She was in a serviced apartment for four years. She's been in the care centre for the last nine months. Like others here this morning, I can't speak more highly of the care that she's had. I'm very, very, grateful to you, Gordon, and for your staff, thank you very much.

Gordon MacLeod: Thanks, John.

David Kerr: I think we're done? Right. So, you'll be aware that the NZX listing rules have been amended following a review that the NZX undertook in 2018. The new listing rules came into effect on 1 January 2019 with a six-month transitional period, and so they have applied to Ryman since 1 July. A class waiver was also issued by the NZX, providing that issuers may defer updating their constitution to comply with the new NZX listing rules, provided they do so at the next annual meeting, which for us is now, following transition to the new listing rules.

So, therefore, we're seeking shareholder approval to amend Ryman's constitution in order to comply with the new NZX listing rules. So I now move that the amendments to Ryman's constitution be approved with effect from the close of this meeting. Do I have a seconder for that motion? Thank you very much, sir.

Ken Hooper: (Shareholder) Ken Hooper, shareholder.

David Kerr: Ken Hooper. Thank you. If you could please mark your voting cards in the way you wish to vote, ticking either a for or against or an abstain in the appropriate place on the voting card. Then before we move on to the next phase of the meeting, I'd just like to bring you up to date with some of the discussions that the Board have been having most recently. The whole issue of Board succession planning and appropriate skillset of the Board table and independence have been a live discussion for us, both at the Board table and at the Governance Nominations and Remuneration Subcommittee of the Board.

So some commentators or analysts and shareholders have expressed concern about lengthy tenure, on the basis that it threatens independence that a longstanding director might have. As a consequence, that the director might not be exercising his or her duty to represent all of you, the shareholders or business owners. A consequence of this could be that the testing of management's decisions also is not as robust as it might need to be.

So there are reasons why one looks to refresh the Board from time to time. On the other

hand, you could argue that a director with longer tenure has deep knowledge of all the different facets of a company and, as a consequence, has continued value. So it's very difficult to assess how independent a director is if you're not in the room to see the interactions that go on between the Board and management. But the Board has turned its attention to that question of independence of directors. I'll leave one of the other Board members to comment on my personal situation, but there are two other members' situations that I think could be explained a little more fully. Firstly, there's Geoff. Geoff, are you able to hear me?

Geoffrey Cumming: Yes, I am.

David Kerr. Thank you. Geoff has a very significant shareholding in the Company. He's held this for many years and I can absolutely assure you that his interaction at the Board table, between the directors and between the Board and management, displays all that one would want in the way of independence. However, because of his extensive shareholding, one might be concerned that he would not exercise his duty on behalf of all shareholders. So I don't believe this to be the case at all. But in order that there can be no misconception, you'll note that he's been regarded as not being independent.

Now, Jo Appleyard, as I mentioned earlier, is an extremely valuable source of advice at the Board table. She's a partner in Chapman Tripp. Chapman Tripp provide legal services to Ryman, but of course Jo herself doesn't provide any legal services to Ryman. We have clear protocols in place with Chapman Tripp to ensure that Ryman can obtain impartial legal advice from Chapman Tripp, or from any other firm that Ryman chooses. However, the concern might be that she would profit from any interaction that her firm has with Ryman Healthcare. So I can advise that the size of the fees paid to Chapman Tripp by this Company identifies it to be only a small percentage of the legal fees received by the firm. For these reasons, we regard her as being independent. I can also advise that in terms of her interactions and advice at the Board table, she behaves in an exemplary way.

If I turn my attention to the second issue, which is of Board composition and succession planning. For some time we've been attentive to getting the right skills around the table that are critical for the Company's continued growth and development. As a Company, we don't go for high-flying names, I'm sorry, colleagues. We focus more on diversity and skill. To that end, we appointed Anthony who's proven himself to be absolutely invaluable, bringing the perspective of an experienced building and property development company owner.

We recently undertook a skills matrix process of the whole Board, which identified that the appointment of the next director should, and could, come from people capability, talent management, people development area and it would be of the female gender. We've started this process of seeking out such a person and we'd anticipate an appointment will be made before too long. George Savvides and I spent some quite extensive time in Melbourne last week interviewing a number of possible people.

We've also been having discussion about succession planning for the Board members. While I can't yet advise that we have a conclusion to that discussion, I can advise that we haven't lost sight of the importance of the discussion, and that you can be confident that that whole area is very much work in progress.

So if we turn our attention to the election of directors. In accordance with the Company's constitution and the new NZX main board listing rule 2.7.1, Anthony Leighs, having been appointed by the Board, retires from office. He is eligible to seek election. Anthony has offered himself for election. So maybe, Anthony, if you could introduce yourself now.

[Applause]

Anthony Leighs: Good morning, everyone, and thank you, David, and thank you for those kind words earlier. Can I just say how incredible excited and proud I am to have been invited to be part of Ryman. I haven't been in the market looking for directorships. I'm at a stage of my career where that hasn't been a priority. I can say that there would not be another company in New Zealand that I would have accepted an invitation to join a board from at this time. But Ryman, the combination of the values, the principles, the success to date, and probably more so the calibre of the people, both on this Board and the senior management team that I interact with, have driven me to be attracted to this Company and to be really quite thrilled to be invited to be involved.

There's no doubt about it in my mind, Ryman is a care business, which we've talked about, but a very significant element of the Company's future success is going to be on its ability to deliver the bricks and mortar, so to speak, across a growing trans-Tasman build program. I'm confident in my potential capacity as a director that I can make a positive contribution to the achievement of our business goals in that regard.

So just a little bit about me. I was trained as a - I did a management cadetship at Downers in the late eighties and early nineties, back in the day when Downers had a very heavy involvement in vertical construction in New Zealand. I was extraordinarily lucky on two fronts. One, my training, I started with the business, started with Downers, at the start of

1988. That was a period post the '87 stock market crash and, for the four years that I was there, probably one of the toughest environments for a construction business in some ways in the history of New Zealand.

One might argue now that the last few years are just as tough, but also the senior management team very much took me under their wing and I didn't really receive the cadetship training that most of the young project managers did. I received an exceptional level of training in how to run a construction business.

I then established Leighs Construction in the mid-nineties. It was a start-up business. We employed two people on day one and I was one of them and we've since, over the course of a bit over 25 years, built Leighs Construction to be one of New Zealand's leading and most trusted and probably most successful privately-owned commercial construction companies.

Leighs builds social infrastructure throughout New Zealand, we build schools, universities, hospitals, prisons, research laboratories and commercial buildings. We also build offshore for the New Zealand Government. We do a range of work that we are the first and only company to ever build for the New Zealand Government on the Antarctic continent.

As a business Leighs is a little bit different to your average builder and I believe that the background that I have there and the background, as David alluded earlier too, chairing Master Builders for a long period of time and being involved at an industry governance level, I've got some good skills to help Ryman achieve its goals.

Just in closing I'd just touch on the Development and Construction Subcommittee. Since being part of the Board since late last year I have chaired the inaugural Development and Construction Board Subcommittee. This committee has the primary aim of enhancing the quality of the Company's development and construction performance. There's a wide range of areas that we focus on, but the key of those being, is to ensure that the design, consent and construction delivers upon the Company's business plan goals to ensure that innovation and progress that improves the resident experience of living in Ryman villages through design and built form is enhanced.

Also, to ensure that the Ryman model of recycling capital is met on every village development. I think it's great that that subcommittee has been formed and I am thrilled to have been asked to chair it.

There's absolutely no doubt in my mind that Ryman has a hugely successful future ahead

of it. Significant value is going to be developed and as I noted earlier, I'm incredibly proud and very excited to be part of it. Thank you.

David Kerr: Thank you Anthony. I am delighted to move that Anthony be elected a Director of the Company. Do I have a seconder? Thank you, sir.

Alan Pearce: (Shareholder) [Alan Pearce].

David Kerr: Alan Pearce, thank you very much. Could you please mark your voting cards in the way that you wish to vote by ticking for, against or abstain in the appropriate place on the voting card. I hope I'm not rushing you but I know that I'm standing between yourselves and morning tea.

In accordance with the Company's constitution under the new NZX Main Board Listing Rules, George Savvides and myself retire after having held office for three years. We offer ourselves for re-election at today's meeting. So George, would you like to address the Shareholders?

George Savvides: Thank you David. Good morning everyone. Well, I joined the Ryman Board in 2013, so about to move into our seventh year and it's been absolutely a privilege to be able to serve the Board and the Shareholders in this role. I am a member of the Audit Committee and also a member of the [Nom and Rem] Committee and I also chair the Clinical Governance Committee of the Board.

Some of the work that we have undertaken at the committee. Gordy has already spoken about our amazing accreditation level, a four-year accreditation, 84% of our New Zealand villages. Just a standout and we monitor the progressive renewal of those accreditations at the Committee. We monitor the resident wellbeing with some key measures. We are concerned about infection, we are concerned about falls, we monitor the satisfaction around food and laundry services. As more villages get added onto our resident scale and footprint we continue with that complexity as well with more people to monitor.

We are concerned about complaints. We investigate them. We look at resident satisfaction surveys and also the next of kin, making sure that they're happy with the way mum and dad are being looked after. We also monitor the significant implementation of the myRyman system which is a standout piece of technology that makes a paperless environment much more focused around caring for residents.

One of the significant pieces of work in the last year has been the work on the dementia review investigation that we have undertaken with an international expert visiting our

villages and providing very important feedback for our continuous improvement in that area.

I want to thank Shareholders for the opportunity that I have had to be able to serve on the Board and I am happy to offer myself up for re-election. Thank you.

David Kerr: Thank you George. I have pleasure in moving that George Savvides be re-elected a Director of the Company. Do I have a seconder for that motion? Thank you very much.

Unidentified Female Shareholder: Seconded.

David Kerr: Thanks. So, would you kindly mark your voting cards for, against or abstain in the appropriate place? Now look, I'd like to just maybe hand over to George at this point as the Chair or a member of our Governance Nominations and Remuneration Committee. Thank you.

George Savvides: Thank you David. Before David talks about his own re-election I just wanted to outline the Board's view of David's independence. David has been a Director since 1995 and has been the Chair since 1999. The Board considered David's tenure as a Director when determining his independence under the NZX Listing Rules. David every year offers his resignation from the role of Chair to the Board and invites the Board to discuss his candidature while he is absent from that particular part of the meeting.

We have once again unanimously resolved to reappoint him as Chair of our Board. We are satisfied that David's length of service does not compromise his independence as a Director. It is our view he continues to bring independent judgment to the role and he acts in Ryman's best interests in a manner that is unaffected by his tenure. His contribution as Chairman of the Board is deeply appreciated by all the members of the Board. Thank you, David.

David Kerr: Thank you George. Look, I'm tired of me so you must be absolutely exhausted of me by this stage, but just to - so those of you who don't know my background. I am a general practitioner, general medical practitioner and I have been qualified now for about 45 years, which frightens me every time I think about it.

I guess my whole life has been spent working enmeshed in families and people. General practice is partly about providing medical care, making a diagnosis and pills and tests and all that sort of stuff, but it's also about helping navigate their way through life. I love what this Company does and I have since I first made contact with it in around 1994.

As a Company we help older citizens and often vulnerable older citizens navigate their way through their older years. So, you can see that my personal north star and the Company's purpose are closely aligned with the Company's purpose being it's got to be good enough for mum. The other thing that really appeals to me about this Company is that we make things, of course, but more importantly we have an impact on people and many people in addition to our residents.

It's pretty wonderful to talk to members of our staff about their roles and how that has impacted on their lives, to talk with the subcontractors like the joinery company I mentioned a short time ago, who make the kitchens and of course there are many, many subcontractors who have been loyal to this Company as we are loyal to them. Then there are the young people on the places when I visit construction sites, young apprentices, who start at apprentices, acquire skills, capability and they get going through their adult lives. It's great to see that.

Like many of you, as Shareholders, I have enjoyed the evolution of this Company from quite small beginnings. While you might note that I've got several other Board commitments, everyone understands that this is my primary responsibility. This is where I'll always come first. So, you could say I'm committed both in terms of responsibility and purpose and I'm really very fortunate to have a group of engaged skilled Directors at the Ryman table who feel similarly. I see my responsibility as partly just to be the oil that makes the Board work as effectively as possible, but also to put in my two pennies worth from time to time based on many years of navigation of life and things like that, so look, I offer myself for re-election. Thank you.

George Savvides: Thank you David. I move that David Kerr be re-elected a Director of the Company. Do I have a seconder? Thank you.

Seconded.

George Savvides: Thank you very much. Could you please mark your voting cards for, against of abstain on your voting device? Thank you very much. Back to David.

David Kerr: Thank you George. Look, before I declare the meeting closed, I'd just like to thank you all for your attendance and your support of Ryman. We have always had an incredibly supportive loyal family of Shareholders and we appreciate your support greatly.

George Savvides: David, there's one more resolution.

David Kerr: There's one more resolution. Oh, the auditors. Oh, how could I forget?

David Kerr: How could I forget? I can see our auditor sitting in the audience. Paul is having a quick panic. Right, I also retreat. Okay, I now move that the auditors - the Directors be authorised - the auditors fixing the auditor's remuneration, I don't think so - no, I now move that the Directors be authorised to fix the auditor's remuneration for the ensuring year. Do I have a seconder for that motion? Thank you very much John. Could you please mark your card for, against or abstain in the usual place?

So look, thank you very much for your attendance. We really do appreciate it. We enjoy the AGM, we enjoy the face to face contact and we enjoy the mingling before and after, so you can be confident we are going to have AGMs with this sort of interaction going forward. So incredibly grateful to your support. We appreciate it greatly. We have got morning tea for you, a birthday cake and we are looking forward to having some further chat. Thank you very much.

End of Transcript