

## BOARD CHARTER

### PURPOSE

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

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

The Board is focussed on Ryman complying with applicable laws, and adhering to codes, rules and standards, where applicable.

### ROLE AND RESPONSIBILITIES OF THE BOARD

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

Having regard to its role, the Board's key responsibilities are to:

- determine that Ryman's goals are clearly established and that strategies are in place for achieving those goals;
- determine that policies are established for strengthening the performance of Ryman;
- determine the performance of management is monitored and maintained;
- appoint the group chief executive and set the terms of the group chief executive's employment contract;
- decide on whatever steps are necessary to protect Ryman's financial position and meet its debts and other obligations when they fall due;
- determine that Ryman's financial statements are true and fair and otherwise conform with law;
- determine that Ryman adheres to high standards of ethics and corporate behaviour;

- determine that Ryman adheres to legal and compliance obligations in respect of health and safety;
- determine that Ryman has appropriate processes and systems in place to assess and manage climate related risk and to comply with its climate disclosure obligations;
- determine that Ryman is adopting policies, practices, and procedures that result in Ryman meeting societal and shareholders' expectations with respect to sustainability, environmental, social, financial and governance standards.

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

## BOARD COMPOSITION

The Constitution requires that the Board must comprise at least three members. A quorum for Board meetings is three directors.

The Board has agreed that a majority of directors must meet the independent requirements set out below.

For a director to be deemed independent the following will be considered:

- The director's tenure should not impede their capacity to act in Ryman's best interests.
- The Board must determine that the director lacks any material relationship and this determination must be disclosed in the annual report.
- The Board will consider the guidance provided in the NZX Corporate Governance Code to assess whether there is any reason a director would not be considered independent.

The Governance and Nominations Committee recommends the nomination of directors to the Board based on their qualities and experience.

## BOARD PROCEDURES

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

Board discussions will be open and constructive, recognising that genuinely held differences of opinion can, in such circumstances, bring greater clarity and lead to better decisions. The chair will, nevertheless, seek a consensus of the Board but may, where considered necessary, call for a vote.

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

Board members are expected to strictly observe the provisions of the Companies Act applicable to the use and confidentiality of Ryman information.

## CHAIR

Each year, at the meeting following the Annual Meeting of shareholders, the Board will appoint from among the members a chair. The chair must be an independent director.

The chair is responsible for representing the Board to shareholders.

The chair is responsible for the integrity and effectiveness of the governance process of the Board. The chair will act as facilitator at meetings of the Board to ensure that appropriate discussion takes place and that relevant opinions among members is forthcoming so that discussions result in logical outcomes.

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

## BOARD COMMITTEES

Board committees will be formed only when it is efficient or necessary to facilitate decision-making. Board committees analyse policies, strategies, and proposals within their remit and offer recommendations to the Board.

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

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

The current committees of the Board are the Audit, Finance and Risk Committee, the Clinical Governance Committee, the Governance and Nominations Committee, and the People, Safety and Remuneration Committee. Individual terms of reference exists for each Committee which will be reviewed annually by the Board. The Board may create other committees with delegated authority to deal with specific issues on behalf of the Board.

Committee chairs and members are appointed by the Board.

In addition, the Board has approved terms of reference for an Independent Directors Committee. The Independent Directors Committee will be constituted in the event that a notice of takeover is received by Ryman, or in the event that a scheme of arrangement is considered with a potential merger party.

## **ROLE OF COMPANY SECRETARY**

The company secretary is appointed and is accountable to the Board, via the chair, on all governance matters. The company secretary plays a significant role in monitoring compliance with Board policy and procedures.

## **INDEPENDENT PROFESSIONAL ADVICE**

Any director is entitled to obtain independent professional advice relating to the affairs of Ryman or responsibilities as a director.

If a director considers such advice is necessary the member shall first discuss it with the chair.

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

## **EVALUATIONS**

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

## INDEMNITIES AND INSURANCE

Ryman will provide directors with an indemnity and will pay the premiums for insurance cover whilst acting in their capacity as directors to the level agreed by the Board.

## POSITION OF GROUP CHIEF EXECUTIVE

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

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

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

## MANAGEMENT DELEGATIONS

The group chief executive is expected to act within all specific authorities delegated to the chief executive by the Board.

The group chief executive is expected to act within commonly accepted good business practice and professional ethics.

The group chief executive is expected to take into account the health, safety, environmental and political consequences of any activity or decision and the effect on long-term shareholder value.

## REVIEW

This charter is reviewed and approved annually by the Board.