

DEVELOPMENT COMMITTEE CHARTER

1. PURPOSE

The objectives of the Development Committee ("**Committee**") of Oceania Healthcare Limited ("**Oceania**") are to:

- (a) Provide advice to the Board on proposals relating to major property acquisitions and construction developments, remediation, refurbishment and long-term maintenance works, design of new buildings and to provide advice on planning and development processes;
- (b) Support management to develop and implement strategies to achieve Oceania's development and construction objectives in line with best practice;
- (c) Assist Oceania maintain appropriate risk management strategies to identify, mitigate and manage development and construction risks;
- (d) Maintain a good understanding of, and confidence in, Oceania's frameworks, systems, processes and personnel required to effectively manage Oceania's development and construction activities including the assessment and realisation of opportunities and the application of appropriate risk management; and
- (e) Work with management to identify areas for improvement and innovation in construction and development practices.

2. MEMBERSHIP

The Committee will consist of at least two members appointed by the Board. The Board will appoint the Chairperson of the Committee. The Chairperson of the Committee shall not be the Chairperson of the Board. All other directors have standing invitations to attend meetings of the Committee.

The Committee must have at least one member who is deemed to have adequate skills and experience in the construction and/or development industry (although, where this member ceases to be a member of the Board, it is acknowledged that the Committee may not have a member with a construction and/or development industry background for a short period while a replacement is found).

The Board may appoint one member, who is not a director, to the Committee. This member must have skills and experience in the construction and/or development industry. The appointment of any member of the Committee who is not a director shall be for a period of not more than one year, at which time such appointment shall be reviewed by the Board.

3. SECRETARIAL AND MEETINGS

The Chief Executive Officer, General Manager Property and the General Counsel & Company Secretary have standing invitations to attend all committee meetings. The Committee may have in attendance such other members of management as it considers necessary to provide appropriate information and explanations.



The General Counsel & Company Secretary, or any other Oceania employee as may be nominated by the Chief Executive Officer and approved by the Chairperson of the Committee, shall act as Secretary to the Committee. The Secretary to the Committee will prepare the agenda in consultation with the Chairperson and circulate draft minutes within five working days of each meeting. Committee papers will be available to members electronically not less than four working days before the meeting. Minutes of Committee meetings will be included in the following Board meeting's paper.

The quorum shall be two members of the Committee. Meetings can be held through video or telephone conferencing.

The Committee shall meet as required, with a minimum of two meetings held per year, at a place and time as determined by the Committee. Meetings shall be held on the same day as a scheduled Board meeting, either before or after the Board meeting.

Meetings can be held in person, by telephone, or by video conference.

Oceania shall identify the members of the Committee each year in its annual report.

4. RESPONSIBILITIES

The Committee does not take actions or make decisions on behalf of the Board unless specifically mandated. The Board has delegated certain functions to the Committee which is responsible for:

Developments

- (a) Reviewing (and recommending to the Board) development plans and business cases for new developments prepared by management;
- (b) Reviewing (and recommending to the Board) development feasibilities and programmes;
- (c) Reviewing each new development against the business case provided to the Board and reporting the results of each such review to the Board;
- (d) Considering the appropriateness of health and safety policies and management systems of tenderers for each new development, prior to the appointment of the head contractor for each development;
- (e) Reviewing the construction procurement model for locations outside the Auckland area (when appropriate);
- (f) Considering the effectiveness of the processes and frameworks used by Oceania to assess a development opportunity to ensure they are robust and appropriate. Such processes include the due diligence activities undertaken, geotechnical assessments, consenting strategy and risks, and the assessment (and mitigation) of market opportunities, the competitive environment and the financial impacts of the acquisition;
- (g) Considering whether the key business risks relating to development and construction activities are appropriately and routinely considered. For development, those risks include the appropriateness of the property's location, consenting risks being balanced with likely commercial returns and general economic and market conditions being favourable. For construction, the risks include quality and timetabling pressures, sub-



contractor performance/non-performance, loss of key personnel and matters of health and safety;

- (h) Monitoring the application of the processes outlined in paragraphs (e) and (f) above and, where appropriate, subjecting processes to review (which may be an external review) and/or making recommendations;

Acquisitions and divestments

- (i) Reviewing (and recommending to the Board) business cases for land or property acquisitions proposed by management including price, terms and structure;
- (j) Reviewing (and recommending to the Board) business cases for land or property divestments proposed by management, including price, terms and structure;
- (k) Reviewing (and recommending to the Board) any other land or property acquisition or divestment related matters that arise from time to time;

Compliance

- (l) Overseeing Oceania's systems and processes to ensure compliance with legal and statutory issues associated with development, land acquisitions, land divestments and ownership of Oceania's assets as they arise, and report on such matters as required to the Board;
- (m) Addressing any other compliance related matters associated with development, land acquisitions and land divestments and ownership of Oceania's assets that may arise;

General

- (n) Working with management and the Board to identify and implement new initiatives as appropriate;
- (o) Monitoring sales and the various incentives and initiatives that are required to achieve the targeted sales volumes and overall returns from developments;
- (p) Providing oversight and recommendations, as appropriate, to ensure best practice principles of construction management are being followed and implemented;
- (q) Monitoring national and international trends and initiatives in construction, contractual arrangements and risk management to stay abreast with emerging developments;
- (r) Assessing emerging opportunities for productivity and value-enhancing improvements and risk mitigation in development and construction;
- (s) Regularly reporting to the Board about Committee activities and issues that arise with respect to the integrity and robustness of Oceania's development and construction activities and culture and Oceania's compliance with legal or regulatory requirements; and
- (t) Reviewing and reporting high risks in the development and/or construction areas of Oceania to the Board.



5. AUTHORITY

The Committee will make recommendations to the Board on all matters requiring a decision. The Committee does not have the power or authority to make a decision in the Board's name or on its behalf.

The Committee is authorised by the Board, at Oceania's expense, to procure such services and engage such consultants or specialists and other outside sources/advisers of information and advice, as it considers necessary for carrying out its responsibilities.

The Committee is directly responsible and accountable to the Board for the exercise of its responsibilities.

6. REPORTING

After each Committee meeting the Chairperson will report the Committee's findings and recommendations to the next Board meeting.

The minutes of all Committee meetings will be circulated to members of the Board. Extracts from the minutes will be made available to such other persons as the Board directs, as may be necessary to enable them to properly carry out their functions.

7. REVIEW

This Charter was reviewed by the Board in September 2020 and will be reviewed annually.

