



Ernst & Young Limited
2 Takutai Square
Britomart
Auckland 1010
PO Box 2146 Auckland 1140

Tel: +64 9 377 4790
Fax: +64 9 309 8137
ey.com/nz

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Independent Limited Assurance Report to the Directors and Management of Oceania Healthcare Limited

Assurance Conclusion

Based on our limited assurance procedures described below, nothing has come to our attention that causes us to believe that Oceania Healthcare Limited's ('OHL') Sustainable Finance Framework, associated Sustainability Performance Targets and baseline Key Performance Indicators in relation to the OHL's proposed Sustainability-Linked Loan (the 'Subject Matter'), do not meet, in all material respects, the requirements of the Asia-Pacific Loan Market Association's *Sustainability-Linked Loan Principles (March 2022)*, (the 'Criteria').

Other Matters

A custom measure has been developed to measure KPI 3: Care Resident Wellbeing. As such, significant professional judgement from Ernst & Young Limited ('EY') was required to determine that the ISAE 3000 criteria were met, in particular that the measure is complete, relevant and understandable. Our opinion is not modified in respect to this matter.

Scope

Ernst & Young Limited ('EY') has performed a limited assurance engagement in relation to OHL's Sustainable Finance Framework (the 'Framework'), Lender Presentation, Target Matrix, Syndicated Facility Agreement and Sustainability-Linked Loan Agreement (the 'SLL Documentation'), associated Sustainability Performance Targets ('SPTs') and baseline Key Performance Indicators ('Baseline KPIs') in relation to the proposed Sustainability-Linked Loan with a syndicate of lenders with ANZ Bank New Zealand Limited ('ANZ') as sustainability coordinator, in order to conclude that nothing has come to our attention that the Framework, SLL Documentation, associated SPTs and Baseline KPIs do not meet, in all material respects, the requirements of the Criteria.

Subject Matter and Criteria

The subject matter for this limited assurance engagement is the documentation associated with OHL's SLL with ANZ as sustainability coordinator. Specifically, the following disclosures from the Framework and SLL Documentation are included in the Subject Matter:

- ▶ Selection of KPIs, target setting, loan characteristics, reporting and verification.
- ▶ Baseline KPIs and SPTs from OHL's SLL Documentation.

The criteria applied is the Asia-Pacific Loan Market Association's *Sustainability-Linked Loan Principles (March 2022)* and the definitions of the KPIs as specified in the SLL Documentation.

Management Responsibility

The management of OHL is responsible for the collection, and presentation of the Subject Matter in accordance with the Criteria and for maintaining adequate records and internal controls that are designed to support assertions made in the SLL Documentation and Framework.

Assurance Practitioner's Responsibility

EY's responsibility is to express a limited assurance conclusion on the noted subject matter as defined above. We are also responsible for maintaining our independence and confirm that we have met the requirements of APES 110 *Code of Ethics for Professional Accountants* including independence and have the required competencies and experience to conduct this assurance engagement.

Level of Assurance

A limited assurance engagement consists of making enquiries and applying analytical, and other evidence-gathering procedures sufficient for us to obtain a meaningful level of assurance as the basis for providing a negative form of conclusion. The procedures performed depend on the assurance practitioner's judgement including the risk of material misstatement of the specific activity data, whether due to fraud or error. While we considered the effectiveness of Management's internal controls when determining the nature and extent of our procedures, these procedures were not designed to provide assurance on internal controls. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Our Approach

We conducted our procedures in accordance with the *Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (New Zealand)* ('ISAE 3000 (NZ)') and the terms of reference for this engagement as agreed with OHL on 18 March 2022.

The procedures we performed were based on our professional judgement and included, but were not limited to, the following:

- ▶ Reviewing the policies and procedures established by OHL related to the Framework and/or SLL



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- Documentation to assess whether they were aligned to the requirements detailed in the Criteria
- ▶ Interviewing selected OHL personnel to understand key issues related to OHL's selected KPIs and SPTs and relevant policies and procedures
 - ▶ Assessing the materiality and relevance of the KPIs included in the Framework and SLL Documentation
 - ▶ Considering the measurability of and the ability to quantify and assess the KPIs on a consistent basis
 - ▶ Checking the accuracy of reported Baseline KPIs back to source data
 - ▶ Comparing the SPTs against historical performance, peer targets and science-based scenarios to check they are clearly articulated across a specified timeline, and are consistent with leading practice
 - ▶ Considering whether the loan characteristics have stated variability for performance against the SPTs
 - ▶ Understanding the systems planned to be in place to support the reporting requirements stipulated in the SLL Documentation
 - ▶ Seeking management representation on key assertions.

Pip Best
EY New Zealand Climate Change and Sustainability
Services Partner
Ernst & Young Limited
22 June 2022

Limitations on scope

There are inherent limitations in performing assurance - for example, assurance engagements are based on selective testing of the information being examined - and it is possible that fraud, error, or non-compliance may occur and not be detected. There are additional inherent risks associated with assurance over non-financial information including reporting against standards which require information to be assured against source data compiled using definitions and estimation methods that are developed by the reporting entity. Finally, adherence to ISAE 3000 (NZ) and the Criteria is subjective and will be interpreted differently by different stakeholder groups.

Our assurance was limited to the Subject Matter and did not include statutory financial statements. Our assurance is limited to policies, procedures and SPTs in place as of 22 June 2022, ahead of the issuance of OHL's Sustainability-Linked Loan.

Independence

We confirm that EY has complied with all professional regulations relating to independence in relation to this engagement. EY has stringent policies and procedures in place to ensure independence requirements are addressed and monitored on a timely basis.

Use of Report

Our responsibility in performing our assurance activities is to the Directors and Management of OHL only, and in accordance with the terms of reference for this engagement, as agreed with OHL. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organisation. Any reliance that any such third party may place on the Subject Matter is entirely at its own risk. No statement is made as to whether the Criteria are appropriate for any third-party purpose.