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

Assurance Conclusion

Based on our procedures and evidence obtained, nothing has come to our attention that causes us to believe that Oceania Healthcare Limited's ('Oceania') sustainability performance for the 12-month period ended 31 March 2024 set out in column 'KPI Year 2' within the Compliance Certificate (the 'Subject Matter'), is not reported and presented, in all material respects, in accordance with the Criteria defined below.

Scope

We have been engaged by Oceania to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on Oceania's sustainability performance for the 12-month period ended 31 March 2024 ('the Subject Matter'), as disclosed in column 'KPI Year 2' within Oceania's Sustainably-Linked Loan Compliance Certificate, against the Key Performance Indicators ('KPIs') definitions detailed in Sustainability Linked Loan terms of agreement with various banks ('the SLL Terms') (the 'Criteria').

The relevant KPIs are as follows:

- ▶ KPI 1: Greenhouse gas ('GHG') emissions (Scope 1 and 2 market-based)
 - The existence of an SBTi approved Scope 1 and 2 (market-based) GHG emissions reduction target
 - GHG emissions reduction from FY22 baseline (percentage)
- ▶ KPI 2: Construction waste diverted from landfill:
 - Diversion rate for Auckland (percentage)
 - Diversion rate for Regional (percentage)
- ▶ KPI 3: Care Resident Wellbeing (percentage)

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Compliance Certificate, and accordingly, we do not express a conclusion on this information.

Criteria applied by Oceania

In preparing the Subject Matter, Oceania applied the KPI definitions and boundaries as set out in Oceania's SLL Terms (as attached in Appendix A).

Oceania's responsibilities

Oceania's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

Our engagement was conducted in accordance with the *International Standard for Assurance Engagements: Assurance Engagements Other than Audits or Reviews of Historical Financial Information* ('ISAE (NZ) 3000') and the terms of reference for this engagement as agreed with Oceania on 15 December 2023. Those standards require that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards)* (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Professional and Ethical Standard 3, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



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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.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

The GHG quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of GHGs. Additionally, GHG procedures are subject to estimation (or measurement) uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge.

A limited assurance engagement consisted of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information, and applying analytical and other relevant procedures.

Our procedures included:

- ▶ Conducting interviews with personnel to understand the business.

- ▶ Identifying and testing assumptions supporting the calculations.
- ▶ Testing the accuracy of calculations and aggregations.
- ▶ Comparing year on year activity-based greenhouse gas emissions and energy data where possible.
- ▶ Conducting analytics and assessing assumptions for reasonableness
- ▶ Checking reporting boundaries to test for completeness
- ▶ Assessing the appropriateness of the presentation of disclosures.
- ▶ Seeking management representation on key assertions.

We also performed such other procedures as we considered necessary in the circumstances.

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 Loan Market Association's *Sustainability Linked Loan Principles (February 2023)* 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.

Restricted use

This report is intended solely for the information and use of Oceania and in accordance with the terms of reference for this engagement as agreed with Oceania on 15 December 2023. It is not intended to be and should not be used by anyone other than those specified parties.

Pip Best

Partner, Climate Change and Sustainability Services
Ernst & Young Limited
23 May 2024