

BOARD CHARTER

1. Purpose

- (a) Metlifecare Limited ("Metlifecare", "the Company") is a dual listed retirement village company. Established in 1984, the Company has a proven track record of successfully owning and managing retirement villages in New Zealand.
- (b) The Board of directors of Metlifecare ("the Board") is responsible for promoting the success of Metlifecare and its subsidiaries ("the Metlifecare Group") in its role as one of the leading retirement village operators in New Zealand in a way which ensures that the interests of shareholders and stakeholders are promoted and protected.
- (c) This Charter establishes the framework within which the Board will govern the Metlifecare Group and provides guidance for the effective oversight of the Company by the Board on behalf of its shareholders, employees and other material stakeholders.
- (d) The Charter should be read in conjunction with the constitution and the NZX Listing Rules.
- (e) The Board aims to achieve high standards of governance. The Charter which has been established to promote a culture that ensures commitment to and compliance with essential governance principles is at the heart of Metlifecare's business practices.

2. Role and Objectives

- (a) The primary role of the Board is to create long term value for shareholders by providing strategic guidance for Metlifecare and its related companies and effective oversight of the Chief Executive Officer and senior executive team. The Board is accountable to its shareholders for the Company's performance. In carrying out its responsibilities, the Board collectively, and each member of the Board individually, will act honestly, fairly, diligently, in accordance with applicable laws and in what they believe to be the best interests of the Company and its shareholders.

- (b) The Board subscribes to the following governance principles:
- directors will observe and foster high ethical standards;
 - a balance of independence, skills, knowledge, experience, and perspectives among directors will assist the Board to work effectively;
 - use of committees will enhance the Board’s effectiveness in key areas while retaining Board responsibility;
 - integrity both in financial reporting and in the timeliness and balance of disclosures on the Company’s affairs is essential;
 - remuneration of directors and executives should be transparent, fair, and reasonable;
 - verification that the entity has appropriate processes that identify and manage potential and relevant risks will be undertaken regularly;
 - quality and independence in the external audit process is critical;
 - fostering constructive relationships with shareholders and stakeholders will encourage them to engage with Metlifecare; and
 - fostering a corporate culture which embraces diversity ensures a stronger Company.

3. Responsibilities

- (a) The Board is responsible for:
- supervising and directing the management of the business and affairs of the Metlifecare Group;
 - setting the objectives and strategic direction of the Metlifecare Group and monitoring management's performance against those benchmarks within that framework;
 - ensuring there are adequate resources available to meet Metlifecare Group objectives and responsibilities;
 - appointing and removing the Chief Executive Officer, determining conditions of employment, and monitoring performance against established objectives;
 - approving senior executive appointments and remuneration (via Chief Executive Officer’s recommendations);
 - overseeing succession and development plans for the Chief Executive Officer and senior executive team;
 - establishing and reviewing employment and remuneration practices to ensure that talented and motivated staff are recruited and retained across the Metlifecare Group;

- approving and monitoring financial reporting and capital and other management systems;
 - ensuring that adequate risk management procedures exist to identify and manage business risks, protect Metlifecare’s assets and to minimise the possibility of the Company operating beyond legal or regulatory requirements or beyond acceptable risk parameters as determined by the Board;
 - leading health and safety in the organisation including governance, delivery, monitoring and review of Metlifecare’s Health and Safety policies and their implementation;
 - governance and oversight of the well-being of Metlifecare’s residents and staff;
 - governance and oversight of the Company’s provision of care services to residents and of clinical risk;
 - reporting to shareholders;
 - setting Metlifecare’s capital structure and capital management policies including dividend policy;
 - ensuring that the Metlifecare Group has appropriate corporate governance structures in place including standards of ethical behaviour;
 - appointing directors to the Board, as recommended by the Nominations & Corporate Governance Committee and for filling vacancies on the Board between annual meetings of shareholders; and
 - ensuring that the Board is and remains appropriately skilled to meet the changing needs of Metlifecare.
- (b) The Board has delegated authority for the day to day management of the operations and administration of the Metlifecare Group to the Chief Executive Officer.
- (c) The Board has delegated certain of its powers to committees and may establish new committees as it sees appropriate in order to fulfill its responsibilities.

4. Membership and Term

- (a) The Board will be structured to ensure that, as a collective group, it has the appropriate mix of skills, experience, knowledge, diversity and perspective to fulfill its purpose and responsibilities.

- (b) Membership, rotation and retirement will be determined in accordance with the constitution and the NZX Listing Rules.
- (c) The Board will assess the independence of directors on their appointment and at least annually thereafter. Any change in independence will be disclosed to the NZX and ASX. Independence will be determined in accordance with the NZX Listing Rules' definition.
- (d) The Board is responsible for identifying and appointing directors to the Board through a Nominations & Corporate Governance Committee. The Board may appoint directors to fill casual vacancies.
- (e) The Board has not adopted a tenure policy.

5. Chair

- (a) A Board Chair will be appointed from among the members. The Chair will be a non-executive director.
- (b) The Chair will chair all meetings of the Board at which he or she is present. Should the Chair be absent from a meeting, the members of the Board present at the meeting have authority to choose one of their number to chair that particular meeting.
- (c) The Chair is responsible for:
 - leading and managing the Board in its duties to the Metlifecare Group and ensuring the integrity and effectiveness of governance processes of the Board;
 - managing the Board's interaction with the Chief Executive Officer over operational matters and providing clear guidance regarding expected outcomes;
 - facilitating effective discussions at Board meetings;
 - ensuring directors are advised promptly regarding any matter about which the Board should be aware;

- ensuring there are processes and procedures in place to evaluate the performance of the Board, its committees and individual directors; and
- ensuring effective communication with shareholders.

6. Chief Executive Officer

- (a) The Chief Executive Officer is responsible for:
- implementation of objectives and strategic direction set by the Board;
 - policy direction of the operations of the Metlifecare Group;
 - the efficient and effective day to day operation of the Metlifecare Group;
 - ensuring directors are provided with accurate and clear information in a timely manner to promote effective decision-making by the Board; and
 - ensuring all material matters affecting the Metlifecare Group are brought to the Board's attention in a timely manner.
- (b) It is expected that the Chief Executive Officer will sub-delegate a number of functions to members of the senior executive team.

7. Conflicts and Restriction on Activities

- (a) Directors may not sit on the board of, or have a material commercial association with, a company that may give rise to a conflict with the interests of Metlifecare.
- (b) The Chair will not be Metlifecare's Chief Executive Officer.
- (c) Directors will minimise the possibility of any conflicts by restricting involvement in any businesses that would be likely to lead to a conflict of interest. Directors must disclose to the Company any actual or potential conflicts of interest which may exist or be thought to exist as soon as they become aware of the issue and take any necessary and reasonable measures to try to resolve the conflict.
- (d) The Board may, by written resolution, require that a director be excluded from a certain matter or matters if it determines that the director has a conflict of interest.

- (e) An entry in the interests register to the effect that a director may have an interest in a matter must be disclosed to the Board. A director who is interested in a matter may not (except in relation to indemnities and insurance for directors and employees) vote in relation to that matter but may:
- attend a meeting of directors at which a matter relating to the transaction arises, and be included among the directors present at the meeting for the purpose of a quorum;
 - sign a document relating to the transaction on behalf of the Company; and
 - do anything else as a director in relation to the transaction, as if he or she were not interested in the transaction.
- (f) The Chief Executive Officer may not sit on the Board of, or have a material commercial association with, another issuer listed on the NZX or ASX.
- (g) Restrictions on directors' and employees' dealings in securities are set out in Metlifecare's Trading Policy.
- (h) All formal Board communications with external parties shall be made by the Chair or the Chief Executive Officer unless specifically authorised by the Chair or by the Board.

8. Directors

- (a) The conduct of directors will be consistent with their duties and responsibilities to the Company and to its owners. Directors are expected to comply with their legal duties and obligations when discharging their responsibilities as directors. Broadly these include:
- acting in good faith and in the best interests of the Company;
 - acting with care and diligence and for proper purpose;
 - avoiding conflicts of interest or managing them appropriately, including filing declarations of interest with the Board Secretary and keeping them current; and
 - refraining from making improper use of information gained as a Metlifecare director and from taking improper advantage of the director appointment.

- (b) Each director will receive a letter of appointment setting out the key terms and conditions of their appointment, including details of the director's key responsibilities and duties (as applicable).
- (c) Metlifecare's constitution and the NZX Listing Rules contain the procedures for the appointment and removal of directors.
- (d) Without limiting directors' right to express their views freely in discussions/meetings with other directors and to freely exercise their voting rights as directors, once decisions have been made by the Board all directors are expected to support the letter and spirit of those decisions outside the Board.
- (e) Directors will keep confidential all information including all Board information, discussions, deliberations and decisions that are not publicly known. Obligations under this clause will continue after he or she has ceased to be a Metlifecare director.
- (f) Directors may access such information and seek such independent advice as they individually or collectively consider necessary to fulfill their responsibilities and permit independent judgment in decision-making.
- (g) Directors may:
 - have access to members of the senior executive team, via the Chief Executive Officer, at any time to request relevant additional information or seek explanations;
 - have access to internal and external auditors without management present, to seek explanations or additional information; and
 - with prior notification to the Chair, seek professional advice at Metlifecare's expense to assist in carrying out their duties and responsibilities.
- (h) The directors' remuneration is paid in the form of directors' fees. Additional fees are paid to the Chair, Committee members and Chairs of Committees to reflect the additional responsibilities of these roles. The total fee pool available to be paid to directors is subject to shareholder approval.

- (i) Directors are encouraged to undertake appropriate training to remain current on how to best perform their duties as directors of Metlifecare.
- (j) Metlifecare has directors and officers liability insurance in place and has indemnified the directors of Metlifecare and its subsidiaries.
- (k) The Board will ensure that new directors receive an induction programme to introduce them to the Company's management and businesses and enable them to acquire relevant industry knowledge.

9. Secretary

The Company Secretary will be the secretary of the Board. The Board Secretary is responsible for the co-ordination of all Board business including meeting scheduling, agendas, distribution of Board papers, minutes, statutory filings, market disclosures and other communications with stock exchanges and regulatory bodies. The Board Secretary, in conjunction with the Chief Executive Officer, shall endeavour to convey all NZX-related and other relevant material to directors on a timely basis.

10. Procedures

- (a) Proceedings of all meetings will be in accordance with Metlifecare's constitution and otherwise as determined by the Board Chair or relevant Board Committee.
- (b) The Board will normally hold at least six regular meetings each year and additional strategy meetings. Additional meetings are held at such other times as may be necessary to address particular matters. Notice of Board meeting dates, times and locations will be prepared by the Board Secretary. Any director, or the Board Secretary at the request of a director, may convene a meeting of the Board by giving the required written notice.

- (c) The Chair is responsible, in consultation with the Chief Executive Officer and Board Secretary, for the conduct of all Board meetings. The agenda for each Board meeting will be determined by the Chair in consultation with the Chief Executive Officer and the Board Secretary, with each director being entitled to suggest agenda items. The standing items for each full meeting will include:
- approval of minutes of the previous meeting;
 - actions arising;
 - updating of the register of directors' interests;
 - a report from the Chief Executive Officer/senior executive team;
 - specific papers or proposals requiring Board approval as required by the delegations policy; and
 - matters requiring public disclosure under the Company's continuous disclosure obligations.
- (d) The Chief Executive Officer and Chief Financial Officer will attend relevant parts of Board meetings at the invitation of the Board. Other members of the senior executive team may also be invited to attend relevant parts of Board meetings.
- (e) The Chair may require any director or other attendee to leave a meeting at any time.
- (f) Minutes will be taken of all Board and Committee meetings. All discussions and the record of the meeting will remain confidential unless there is a specific direction from the Board or disclosure is required by law. Subject to any legal or regulatory requirements, the Board will decide the manner, timing and method of publication of its decisions.
- (g) Executives and the Company's external auditors and other advisers are available upon request to provide input to Board discussions.
- (h) Reports and presentations from members of the senior executive team on the Company's business and operations will be incorporated into the Board meeting schedule on a regular basis.

- (i) The Board regularly meets without management present for open discussion on any Metlifecare issue. The Board may also at its option take such an opportunity either on request or prior to or at end of meetings. This allows the Board to determine its priorities for the meeting to follow and to discuss matters which are not appropriate to be discussed in the presence of management. In general, matters of strategic importance should not be discussed without the presence of the Chief Executive Officer.
- (j) Open and constructive discussion is encouraged at all Board and Committee meetings to ensure decisions are made that benefit from the diverse range of skills, knowledge and experience of directors.
- (k) Each director is expected to fully participate in meeting discussions, having read all Board and briefing papers provided. The papers will be provided sufficiently in advance of the meeting to allow adequate reading time. The content, presentation, quantum and delivery of papers to directors for each meeting will be in accordance with guidelines by the Board from time to time.
- (l) Management shall use its best endeavours to report to the Board in an efficient, effective and timely manner in the form as determined from time to time by the Board.
- (m) The Board will at least annually:
 - review and approve the Company’s strategic plan;
 - review the operational plans and implementation programme for achieving the strategic plan;
 - approve the annual budget;
 - approve the interim and annual financial statements;
 - approve the interim and annual reports;
 - consider and, if approved, declare the payment of any dividends;
 - review the Board composition, structure and succession;
 - review the charters of, performance of, necessity for and composition of Board Committees;
 - consider the Company’s audit requirements;

- undertake Board performance evaluations (and individual director evaluations biennially);
 - review directors' remuneration;
 - review the Chief Executive Officer's performance and remuneration;
 - review the senior executive team's remuneration (via Chief Executive Officer's recommendations);
 - review company-wide remuneration policies and incentive schemes;
 - review the Company's risk appetite, risk assessment policies and controls, insurance covers and compliance with legal and regulatory requirements;
 - review the Company's major policies; and
 - set the Board's work plan for the following 12 months.
- (n) An annual schedule enables all directors to visit some of the Company's villages.

11. Review of Charter

The Board will review this Charter annually to ensure it remains consistent with the Board's objectives and responsibilities.

12. Publication

This Board Charter is available on the Company's website, www.metlifecare.co.nz.