



AUSTRALIAN REGISTERED PROVIDER BOARD CHARTER

1. Board Responsibilities

1.1 Role of the Board

Summerset Care (Australia) Pty Limited (**Company**) is a Registered Provider of funded aged care under the *Aged Care Act 2024* (Cth). The role of the Australian Registered Provider Board (**ARPB**) of the Company is to effectively govern the Company's operations ensuring delivery of quality funded aged care services in accordance with the *Aged Care Act 2024* (Cth) and all related standards, rules and legislation (**Aged Care Legislation**).

The Company is a wholly owned subsidiary of Summerset Group Holdings Limited (**SGHL**). The Company and SGHL have established a corporate decision-making framework which sets out the responsibilities of the SGHL board and the ARPB with respect to the operation of the Company and the delivery of funded aged care services in Australia (**Corporate Decision-Making Framework**).

Having regard to its role, the Company's constitution and the Corporate Decision-Making Framework, the ARPB will direct and supervise the management of the business and operating affairs of the Company. Specific responsibilities of the ARPB (for which it may take advice from Board Committees) include:

- overseeing all aspects of the Company's business and operations, including the delivery of quality aged care services, in compliance with the Company's constitution, the Corporate Decision-Making Framework, the Aged Care Legislation and all other legal requirements
- accountability for the delivery of all funded aged care services by the Company
- partnering with residents to set priorities and strategic direction for the way their funded aged care services are provided
- leading a culture of quality, safety and inclusion that supports the provision of quality aged care services by focusing on continuous improvement, embracing diversity and prioritising the safety, health and wellbeing of aged care workers and residents
- monitoring the provision of quality aged care services in accordance with the Aged Care Legislation
- monitoring investment in priority areas to deliver quality aged care services
- monitoring and considering complaints and feedback data to improve the quality of aged care services
- monitoring the implementation and effectiveness of the Company's clinical governance framework
- ensuring processes are in place to continuously improve the safety and quality of clinical care services delivered to residents
- approving the annual budget and any major capital expenditure outside of the limits set by the Delegated Authority Policy

- overseeing the Company's strategy, policies and processes in relation to financial, prudential, investment and liquidity matters in accordance with the Aged Care Legislation
- approving the Company's financial reporting (including ensuring that any financial statements are true and fair and otherwise conform with law)
- approving the amount, nature and timing of any dividends to be paid
- ensuring that the Company adheres to high standards of ethics and corporate behaviour
- overseeing the management of risks and ensuring that the Company has appropriate risk management and regulatory compliance policies in place
- ensuring the Company has appropriate corporate governance policies and practices in place, and
- receiving and responding to the Quality Care Advisory Body (QCAB) and Customer Advisory Body (CAB) advice and recommendations.

1.2 Decision Making

The ARPB has the authority to make decisions in relation to the responsibilities set out in clause 1.1 which relate to the delivery of funded aged care services by the Company and the Company's compliance with the *Aged Care Act 2024* (Cth).

Where appropriate and having regard to the Company's Constitution and the Corporate Decision-Making Framework, the ARPB may make decisions subject to the approval of SGHL. However, in all circumstances, the Company, and the ARPB, must comply with the *Aged Care Act 2024* (Cth) with respect to the ARPB's obligations to maintain oversight, accountability and responsibility for the delivery of funded aged care services by the Company.

2. Delegations to Management

- 2.1 In the normal course of events, day-to-day management of the Company's business operations will be in the hands of Management. Relevant members of Management will be deemed, and will have relevant duties as, responsible persons under the *Aged Care Act 2024* (Cth).
- 2.2 The ARPB maintains a formal Delegated Authority Policy, which clearly defines the responsibilities that are delegated to Management and those retained by the ARPB. These delegated authorities are subject to review every two years.
- 2.3 The Chief Executive Officer (**CEO**) is accountable to the ARPB for the exercise of, and compliance with, the delegations.

3. Board Committees

- 3.1 The ARPB may from time to time establish appropriate Committees to advise and make recommendations to assist it by focusing on specific responsibilities in greater detail than is possible for the ARPB as a whole.

There are currently four standing Committees:

- (i) Clinical Governance Committee
- (ii) Audit & Risk Committee
- (iii) People & Culture Committee

(iv) Development & Construction Committee

3.2 The ARPB will also from time to time, and otherwise in accordance with the Company's Constitution, establish a Consumer Advisory Body or Bodies and Quality Care Advisory Body in accordance with the *Aged Care Act 2024* (Cth) and consider reports from those bodies in accordance with the *Aged Care Act 2024* (Cth).

3.3 Each Committee has a written charter, approved by the ARPB and reviewed on a regular basis, setting out its purpose, responsibilities, composition, and the manner in which the Committee is to operate.

3.4 Each Committee may only exercise the powers conferred on the Committee by the ARPB.

4. Board Composition and Director Appointment

4.1 Composition & Appointment

The ARPB will be comprised of all directors appointed to the board of SGHL, except to the extent that this would breach any legal requirement, in which case SGHL will determine the appointment of directors to the ARPB in accordance with the Company's constitution and all applicable laws.

There must be a minimum of three Directors, of whom:

- the majority must be independent, non-executive Directors; and
- at least one Director must have experience in the provision of clinical care; and
- at least one Director must ordinarily reside in Australia.

4.2 Induction and Insurance

All new directors will undertake an induction programme which will include any training required to assist them in understanding and fulfilling their duties and responsibilities under the Aged Care Legislation.

Directors will continue to be provided with relevant training in order to gain an understanding of their obligations, and the obligations of the Company, under the *Aged Care Act 2024* (Cth) and to gain an understanding of the funded aged care services delivered by the Company.

The Company will provide Directors with and will pay the premiums for (or arrange payment by a related entity), indemnity and insurance cover while acting in their capacities as Directors, to the fullest extent permitted by law.

5. Board and Director Evaluations

The ARPB will, each year, through the People & Culture Committee, critically evaluate its own performance and the performance of individual Directors and Committees.

6. Board Chair, Chief Executive Officer & Company Secretary

Board Chair

The Chair of the SGHL Board will be appointed as Chair of the ARPB, except where this would breach any legal requirement, in which case SGHL will determine the appointment of the Chair of the ARPB in accordance with all legal requirements.

The Chair's responsibilities include:

- chairing ARPB meetings
- leading the ARPB, facilitating the effective contribution of all ARPB members and promoting constructive and respectful relations between the ARPB and Management, and
- maintaining regular dialogue with the Chief Executive Officer over key matters affecting the Company and consulting with the remainder of the ARPB promptly over any matters of concern.

Chief Executive Officer

The Chief Executive Officer is expected to manage the Company in accordance with the strategy, business plans and policies approved by the ARPB to achieve the Company's corporate objectives, goals and targets.

Between meetings, the Chair maintains an informal link between the ARPB and the Chief Executive Officer, expects to be kept informed by the Chief Executive Officer on all important matters, and is available to the Chief Executive Officer to provide counsel and advice where appropriate.

Only decisions of the ARPB are binding on the Chief Executive Officer. Decisions or instructions of individual Directors, officers or Committees are not binding except in those instances where specific authorisation is given by the ARPB.

Company Secretary

The Company Secretary is responsible for ensuring that ARPB procedures are followed, that the applicable rules and regulations for the conduct of the affairs of the ARPB are complied with, and for all matters associated with the maintenance of the ARPB or otherwise required for its efficient operation.

All Directors, particularly the Chair, have access to the advice and services of the Company Secretary for the purposes of the ARPB's affairs and the business.

7. Board Meetings and Procedures

The conduct of Directors will be consistent with their duties and responsibilities to the Company and, indirectly, to shareholders. The ARPB will be disciplined in carrying out its role, with the emphasis on strategic issues and policy. Directors will always act within any limitations imposed by the ARPB on its activities.

Board meetings will be held in accordance with the Company's constitution. Directors will use their best endeavours to attend ARPB meetings and to prepare thoroughly. Directors are expected to participate fully, frankly and constructively in ARPB discussions and other activities and to bring the benefit of their particular knowledge, skills and abilities to the ARPB table. Directors who are unable to attend a meeting will advise the Chair at the earliest date possible.

The ARPB has sole authority over its agenda and exercises this through the Chair. Any Director may, through the Chair, request the addition of an item to the agenda. The agenda will be set by the Chair in consultation with the Chief Executive Officer.

Directors are entitled to have access, at all reasonable times, to all relevant Company information and to Management.

All Directors and other attendees at ARPB meetings are required to keep all information presented or discussed at ARPB meetings confidential and only use and disclose this information in the proper discharge of their duties to the Company.

8. Conflicts of Interest

Directors are required to take all reasonable steps to avoid actual, potential or perceived conflicts of interests.

Because a conflict of interest (actual or perceived) may be created, Directors should not, generally, provide business or professional services of an ongoing nature to the Company.

Despite the general rule, the Company may:

- for the purpose of a special assignment, engage the services of any Director having special expertise in the particular field; or
- engage the services of another Director of a Director's organisation,
- provided the terms of engagement are competitive, are clearly recorded and all legal requirements for disclosure of the engagement are properly observed.

Directors may accept other board appointments so long as the appointment is not in conflict with the business of the Company and does not detrimentally affect the Director's performance as a Director. All other appointments must first be discussed with the Chair before being accepted.

Directors must be cognisant of their duty to act in good faith in the best interests of the Company. The Company's constitution does not permit Directors to act in good faith in the best interests of SGHL. In the event that a conflict of interest arises due to an ARPB member's directorship of SGHL, the conflict must be discussed with the ARPB and appropriate protocols put in place to ensure the ARPB acts in good faith in the best interests of the Company.

Examples of protocols which may be put in place, include:

- Directors seeking external professional advice in their capacity as Directors of the Company in accordance with clause 9 to ensure that they are acting and making decisions in compliance with the *Aged Care Act 2024* (Cth) and all other relevant Australian laws;
- if appropriate, protocols which reflect the procedures in the *Corporations Act 2001* (Cth) dealing with material conflicts of interest or material personal interests; and
- ensuring that, in making decisions relating to the Company, that Directors maintain independence in considering any information or data, act solely in their capacity as Directors of the Company and make and record any decisions separate to their role as a director of SGHL and otherwise in accordance with this Charter, the Company's Constitution and the Corporate Decision-Making Framework.

9. Independent Professional Advice

The ARPB may, at the Company's expense, obtain any external professional advice needed in order to carry out its responsibilities.

Individual Directors may also, with the Chair's prior consent, obtain their own external professional advice in connection with their role as Director at the Company's expense.