

"Nobody
reads
annual
reports
anyway."

Investor activism
is driving change.



Change starts with
clear communication.

"<IR> presents a huge opportunity for communication specialists.

Organisations need to tell the story of how they create value over time — and it needs to resonate with a broad audience."

Elizabeth Prescott
International Integrated Reporting Council

Integrated reporting
uses concise storytelling.





Integrated reporting is
driven by integrated thinking.

Integrated reporting goes beyond the financial capital.

Financial Manufactured Intellectual Human Social Natural



We create value over time through six capitals

Everything we do is the result of integrated thinking and planning.

1

LOOKING AFTER PEOPLE

Our first concern is the care, companionship, quality of life, and security of our residents. It is our privilege to care for people at a critical time of their life.

Our culture is to look after and support each other. We value kindness, health, and wellbeing.

Our people are our greatest resource. We want them to get home safe each day, and to go home knowing they've made a difference to the lives of our residents.

We want our people to be well trained and guided by strong leadership. We want them to work at Ryman for their entire career.

We develop our talent internally and build our inhouse capability. Constantly getting better at what we do means we can be nimble as we continue to grow.

2

CREATING AND NURTURING COMMUNITIES

Each time we build a Ryman village, we establish a new community dedicated to meeting an important and growing social need – the care of older people.

We make it possible for older people to move into a lifestyle that directly benefits them. They enjoy security, companionship, and social connectedness.

In turn, the wider community benefits from the long-term sustainable jobs we create, and the release of family homes for new owners.

Our residents, and their families, benefit from knowing their future is assured with us.

3

CREATING FINANCIAL CERTAINTY

Our business model creates a high level of financial certainty for residents and shareholders.

Our contracts are fair and easy to understand. Residents, and their families, have the certainty of knowing that our management fee is capped at one of the lowest rates in the sector, and that their weekly fee is fixed.

We create financial certainty for our sub-contractors and suppliers by building long-term and sustainable partnerships with them, and by paying on time.

For shareholders, we've provided a steady pay-out and delivered consistent growth for 20 years. We distribute 50 percent of our underlying profit to our shareholders and invest the other 50 percent for future growth.

4

SHARING OUR KNOWLEDGE

Our integrated thinking achieves the best possible outcomes for our residents. Everyone at Ryman is encouraged to share their ideas with others in different areas of the business.

We value clear communication and train our people to communicate in plain language.

We invest heavily in innovative technology that enables us to improve the resident experience and to share what we learn for the good of all older people.

Our constant focus on learning and improving raises our expectations of what we can achieve. Our achievements raise the standard of what older people should expect at a retirement village.

5

CONTINUING TO BUILD OUR ASSETS

When Ryman Healthcare listed on the NZX 20 years ago in 1999, \$25 million in capital was raised from its first investors. Since then, the model has evolved to generate more than \$6.6 billion worth of assets.

We have returned \$800 million worth of dividends to shareholders and we've never had to raise fresh capital.

We continue to recycle the cash investment in each village and establish recurring revenue streams that will grow over time.

6

CARING FOR THE ENVIRONMENT

Retirement villages offer a low impact and sustainable way to house a community of people with similar needs.

Building our villages using energy-efficient designs and reducing waste are the best ways to ensure the sustainability of our business over time.

As a Certified Emissions Measurement And Reduction Scheme (CEMARS®) company, we're measuring the impact we make on the environment.

As well as reducing our energy use and our waste streams, we aim to work only with suppliers and contractors who share our sustainability values.

Putting residents first benefits all our stakeholders

Ryman's stakeholders include residents and their families, team members, neighbours and local communities, investors, funders, suppliers, and our sponsorship partners.

Identifying material issues

We identify material issues through regular communications with our residents and their families, our team members, and other stakeholders in New Zealand, Victoria, and around the world. We collate the information and assess its effect on our ability to create value over time.

THE RYMAN STORY

Finding the perfect business

In 1983, Kevin Hickman walked into a fire-damaged old villa to investigate how the fire had started. The building was a resthome, and Kevin didn't like what he saw.

"There were four people to a room with shared toilets down the corridor. The people running the resthome were nice and did a good job in as much as they were expected to. But to me, it was crazy. The standards were so poor. But that's how resthomes were in those days."

It started Kevin thinking about what the standards should be. "I thought, what would I want for Mum? I'd want a single room with an ensuite, for a start."



Both were natural entrepreneurs and together they made a formidable combination

Kevin and his business partner, accountant John Ryder, had met a few years earlier. Kevin had left the police to set up his own private investigation business and needed an accountant. Kevin says the partnership worked because they had complementary skills. He thinks he and John would have been successful on their own, but nowhere near as successful as they were together.

The pair were already on the look-out for a business opportunity. "The perfect business," Kevin says, "had to combine residential property – because it's a good long-term investment and the banks always like to lend on property – and a strong cash flow."

After Kevin's experience with the fire-damaged resthome, they knew they'd found what they were looking for. It was a great business idea and they could improve the way older people lived and how they were cared for. It was a business they could feel good about and believe in completely.

They soon found a block of 14 two-bedroom flats on River Road in Christchurch, which they would convert into their first resthome. But they didn't have much capital.

"The vendor accepted a part payment and agreed that we could repay the remaining amount at an 8 percent interest rate," says Kevin.



Our business model revolves around care

We design villages to meet the needs of our residents. It starts with finding the right site, developing a village and a community, recycling cash, and reinvesting in the next village.

Our development and design teams design the village and work through the consenting process. Our construction team builds the village, our sales team sells it down, and the operations team runs it.

1

The development team identifies and buys a site close to good amenities in an established residential area that needs quality aged care and independent living.

2

The development and community relations teams gather feedback from the community and our internal teams to form the plan submitted for resource consent.

3

The construction team begins work on the new village and the sales, marketing, and community relations teams begin work to attract residents.

4

The operations team recruits village staff and begins day-to-day operations at the village. Independent residents move in, closely followed by serviced-apartment and care residents.

5

The village grows until it is fully built and occupied, and becomes fully operational. The capital that residents pay when they move in is recycled to buy the next site, and the cycle begins again.

What was our process?



How would you describe your business model?

.....

Describe the circumstances that you are operating in.

.....

How do you contribute to the wider community?

.....

You've talked about opportunities. What are the risks ahead?

We look after older people.

It's got to be
good enough for Mum.

If we get our resident
experience right, the financial
results take care of themselves.

Our business model is unique.

We're all enormously driven.

A huge growth in demand lies ahead.

We're investing in the future.

We need to do more, environmentally.

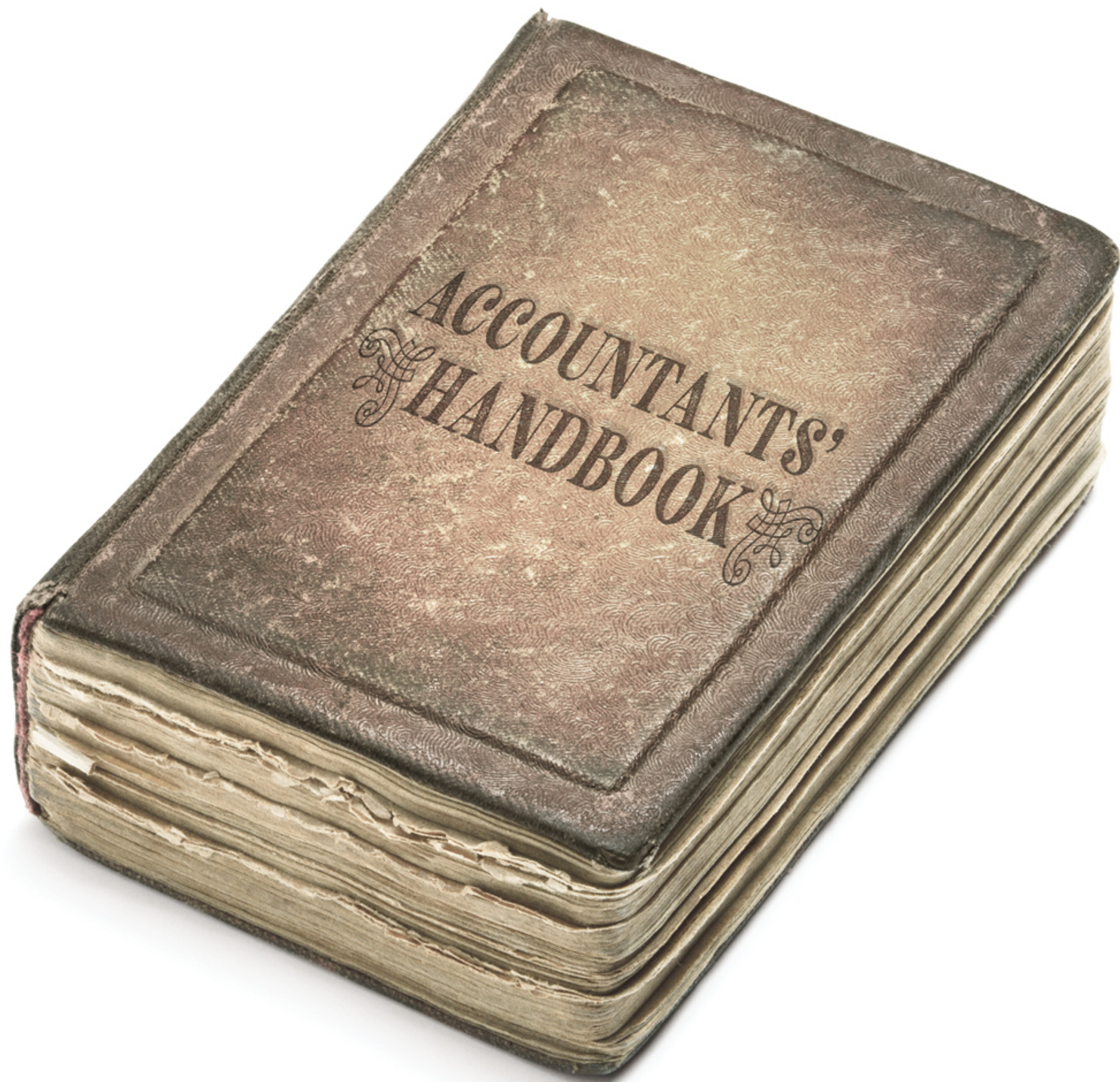
Strong corporate governance
supports the company.



The voice
emerges
from the
process.

..... *PUSH*
..... *FOR*
..... *CHANGE*

Nico



specifically, in relation to..
by virtue of.. for the purpose of..
in a manner that is not materially
impeded by this factor..
for this purpose, notwithstanding
this position..
had regard to (among other matters)

A horizontal strip of yellow paper with irregular, torn edges is centered on a solid yellow background. The paper has a slightly textured appearance. On the paper, the text "What were the results?" is written in a bold, black, sans-serif font.

What were the results?

We created a
sales document
by not creating
a sales document.

<IR> inspires trust.

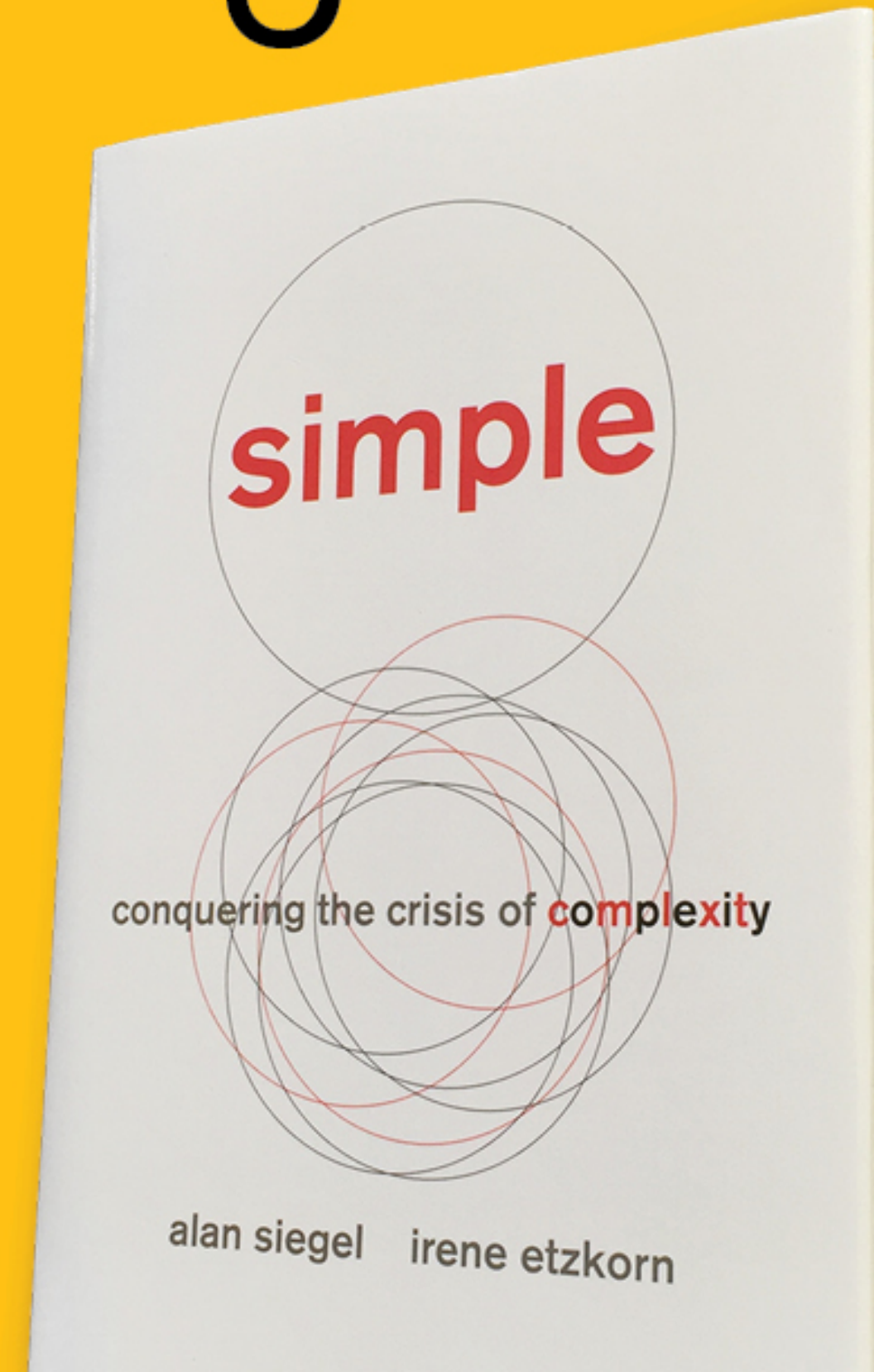


We built capability.



“Beautifully done, a delight to read.”

Irene Etzkorn
Chief Clarity Officer
Siegelvision



Change business. Change the world.

