

SOUTHERN CROSS HEALTHCARE GROUP PLC

TERMS OF REFERENCE OF THE EXECUTIVE COMMITTEE

Executive Committee: Terms of Reference

(as approved by the Board of Directors of Southern Cross Healthcare Group PLC (the "Company") on 9th July 2009

1. The Executive Committee is a sub-committee of the Board, whose purpose is to assist the Group Chief Executive ("CEO") in the effective discharge of his duties including delivering the annual business plan, implementing strategic plans and successfully delivering the Group's strategic objectives, having regard to the interests of all Stakeholders including shareholders, employees, customers and suppliers.
2. In addition to the Executive Directors the Committee shall comprise the Group Financial Controller, Group Operations Directors and Group HR Director and such others as are deemed appropriate from time to time, to be selected by the CEO. The Board must from time to time review the composition of the Executive Committee.
3. If any member of the Executive Committee is unable to act for any reason, the chairman of the Executive Committee may appoint any other employee of the Company to act as his alternate.
4. The chairman of the Executive Committee shall be the Group Chief Executive. In the absence of the chairman of the Executive Committee, the remaining members present shall elect one of their number to chair the meeting.
5. The Company secretary is the secretary of the Executive Committee.
6. The quorum for meetings of the Executive Committee is two of its members.
7. No one other than a Committee member is entitled to attend meetings of the Executive Committee but others may attend by invitation.
8. Meetings of the Executive Committee are to be held at monthly intervals up to ten times a year. Any of the Committee members may request a meeting of the Executive Committee if he or she considers it necessary, to be arranged by the secretary.
9. The Executive Committee is authorised by the Board:
 - 9.1 to support the CEO in the performance of his duties and all employees are directed to cooperate with the Committee in fulfilment of its objectives.
 - 9.2 to disclose any matter relating to these terms of reference that is (or is deemed to be) significant, to the Board or Audit Committee of the Company.
 - 9.3 to obtain such legal or other independent professional advice as it deems necessary to fulfill its responsibilities;
 - 9.4 to secure the attendance of other persons at its meetings if it considers this necessary;
10. The general duties of the Executive Committee are:

- 10.1 to promote and maintain the values of the Group and in particular to ensure that quality objectives are being targeted and obtained;
- 10.2 to implement Board strategy;
- 10.3 to review the stewardship of the Group;
- 10.4 to review reports on the financial and operational and safety performance of the Group;
- 10.5 to manage the Group's capital and cash resources.
11. The specific duties are:
 - 11.1 to monitor performance in all areas and drive through improvements in efficiency, quality, and profitability;
 - 11.2 to monitor marketing communications and improve delivery of brand awareness, service differentiation and corporate communications;
 - 11.3 to consider development issues including acquisitions, disposals, property investments and divestments;
 - 11.4 to monitor and influence strategic development and business planning processes;
 - 11.5 to develop and implement capital and cash management strategies;
 - 11.6 to direct organisational change as required by corporate activity or in pursuit of strategic objectives;
 - 11.7 to oversee senior appointments, succession planning and senior staff development;
 - 11.8 to agree salaries of senior staff, accept those specifically reserved to the Remuneration Committee;
 - 11.9 to consider business risk and direct proportionate action to mitigate risk;
 - 11.10 to foster relationships with stakeholders;
 - 11.11 to refer to the Board any matters which require to be addressed by a full meeting of the Board;
 - 11.12 to keep under review its own performance, constitution and terms of reference;
 - 11.13 to consider other matters as referred to the Executive Committee by the Board or determined by the CEO;
 - 11.14 to report to the Board on the work of the Committee; and
 - 11.15 to report any significant issues that arise between Board meetings to the Company Chairman.
12. The secretary must send the minutes of meetings of the Executive Committee to all members of the Executive Committee and, once agreed, to all other members of the Board.

