

# Board Charter

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## INTRODUCTION

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This Charter outlines the expectations of the Board and its relationship with the Chief Executive (CE).

It will be reviewed annually.

A Governance Roadmap detailing Board responsibilities and relationships is appended to this Charter.

## COMPANY PURPOSE

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The purpose of Ōtākaro Limited (**Company**) is to add value to the delivery of Anchor Projects, and to divest and manage Anchor Project assets and Crown Land in a manner that balances good commercial outcomes against the Crown's regeneration objectives, and supports the Crown's exit over time on favourable terms.

The Company may also assist the Government with other roles or projects as requested by Shareholding Ministers.

## GOVERNANCE PROCESSES

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The role of the Board is to effectively represent and promote the interests of the Company with the intent of achieving the Company's purpose.

The Board will direct and supervise the management of the affairs of the Company by:

- Ensuring that the Company goals are clearly defined, and strategies are in place for achieving them.
- Appointing the CE and setting the terms and conditions of the CE's employment.
- Taking whatever steps are necessary to protect the Company's financial position.
- Ensuring the Company adheres to high standards of ethics and corporate behaviour.
- Ensuring the Company has appropriate risk management and regulatory compliance strategies in place.

## THE BOARD'S RELATIONSHIP WITH ITS SHAREHOLDER

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The Company is 100% owned by the Crown and ownership rights are exercised through two Shareholding Ministers, the Minister of Finance and the Minister for Land Information.

The Board will familiarise itself with issues of concern to the Shareholder and ensure Ministers are kept well informed on a 'no surprises' basis.

## BOARD PROCEDURES

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The Board will carry out its role with an emphasis on strategic issues and policy.

Board discussions will be open and constructive.

Wherever possible the Board will operate transparently and 'Board only' sessions will be restricted to items that are commercially sensitive and/or required to be confidential to the Board.

Decisions will be by consensus. The Chairperson may, if necessary, call for a vote.

The Board will meet monthly (except January) or more often if required. In ordinary circumstances, up to two meetings a year may be held via video. To the extent possible Board members are expected to attend other meetings in person. In exceptional circumstances members may attend these via phone/video. Alternate Board members are not accepted.

At each meeting the Board will consider:

- An update of members' interests.
- The CE's Report including an update on health and safety and all areas of operational activity including financial reports.
- All areas of high risk to the Company.
- Specific proposals for capex or non-budgeted expenditure.
- Major strategic issues and opportunities for the Company.

At intervals of not more than one year the Board will:

- Review the Company's goals.
- Review strategies and operating plans for achieving the goals.
- Approve the Statement of Intent, Statement of Performance Expectations and the Business Plan.
- Approve the annual budget.
- Approve annual Financial Statements and reports to the Shareholder.
- Approve the Annual Report.
- Approve the audit requirements.
- Undertake a Board evaluation.
- Review the CE's performance and remuneration.
- Review risk assessment policies, compliance and insurance.

## **CHAIRPERSON AND DEPUTY CHAIRPERSON**

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The Responsible Minister will appoint the Chairperson and may appoint a Deputy Chairperson.

## **BOARD COMPOSITION**

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- The composition of the Board will be such as to enable it to effectively discharge its duties to the Shareholder.
- Each member will act in accordance with their fiduciary responsibilities.
- Members will declare, avoid or manage any conflicts of interest.
- Treasury manages the process to appoint directors on behalf of the Ministers.
- On appointment members will participate in an induction programme.
- The Board shall appoint an Audit and Risk Subcommittee that will meet quarterly.

## **BOARD REMUNERATION**

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Directors' fees are set by the Ministers, subject to Cabinet approval.

## **PROVISION OF PROFESSIONAL SERVICES BY BOARD MEMBERS**

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Board members should not provide external business or professional services to the Company without the specific authority of the Chairperson in writing.

## **OTHER BOARD APPOINTMENTS**

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Board members may have other roles where they do not create a conflict of interest.

## **PROFESSIONAL DEVELOPMENT**

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Board members are expected to undergo regular professional development, which will be reimbursed by the Company within prescribed limits.

## **BOARD EVALUATION**

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The Board will undertake annual individual and collective assessments of its performance.

## **HEALTH AND SAFETY**

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The Board will provide leadership and direction for health and safety management for the Company and, in this way, provide leadership across the sector.

## **INDEMNITIES AND INSURANCE**

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The Company will provide members with paid indemnity and insurance cover, in accordance with its Constitution.

## **COMPANY SECRETARY**

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A Company Secretary will be appointed by the Board on the recommendation of the CE. The Company Secretary will ensure the Company's procedures and legal requirements are complied with.

## BOARD/MANAGEMENT RELATIONSHIP

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- The Board will link the Company's governance and management functions through the CE.
- All Board authority conferred on Management is delegated through the CE.
- The CE is responsible for all employees.
- Between Board meetings the Chairperson will maintain a regular, informal link between the Board and the CE.
- The CE, in association with the Chairperson, is accountable for the achievement of the Company's goals.
- The CE will act within all specific authorities as delegated by the Board, including the efficient management of risk, the welfare of all staff and the protection of the Company's resources.
- The CE will ensure that all employees are working in a flexible, empowering and supportive environment.

## GOVERNANCE MAP

