

Board Charter

Introduction

This Charter outlines the roles and responsibilities of the Board of National Infrastructure Funding and Financing Limited (the **Company**). It is to be read in conjunction with the constitution of the Company.

Role of the Board

The role of the Board is to effectively represent and promote the interest of the Company with the intent of achieving the Company's purpose (as set out in clause 3.1 of the Company's constitution).

The Board will direct, and supervise the management of, the business and affairs of the Company including:

- (a) being actively engaged in directing and approving the strategic planning of the Company and monitoring management's implementation of the strategies having regard to the continued ability of the Company to respond to change;
- (b) appointing and, if necessary, removing the Chief Executive Officer;
- (c) reviewing and approving the financial policies and the operating budget, and monitoring financial performance and integrity of reporting;
- (d) setting delegated authority levels for the Chief Executive Officer;
- (e) overseeing the Company's compliance with all legal, regulatory, ethical and other external requirements, including workplace health and safety and employee wellbeing; and
- (f) setting the Company's risk appetite and overseeing its risk management framework and strategies.

Relationship with Shareholders

The Company is a Schedule 4A company under the Public Finance Act 1989 with the Company's shares held in equal portions by the Minister of Finance and Minister of Infrastructure (Shareholding Ministers).

The Board will ensure that the Company's Shareholding Ministers and responsible Ministers (as applicable) are kept informed on a "no surprises" basis, including of any material or significant events, transactions, and other issues that may:

- (a) be contentious
- (b) positively or negatively affect the performance of the entity
- (c) affect the delivery of a key service or project, or
- (d) attract positive or negative public interest

Board procedures

The conduct of members will be consistent with their duties and responsibilities to the Company and, indirectly, to shareholders. The Board will comply with the Code of Conduct for Directors of Schedule 4A Companies issued by the Public Service Commissioner and attached to this Board Charter.

Board discussions will be open and constructive, recognising that differences of opinion can bring greater clarity and lead to better decisions. The chair will seek consensus in the board but may, where considered necessary, call

for a vote. All discussions and their record will remain confidential unless there is a specific direction from the Board to the contrary, or disclosure is required by law.

The Board will meet at least six times a year or more often as required. At each normal meeting, the Company's interests register will be updated as necessary and the Board will consider:

- (a) a report from the Chief Executive Officer, including financial reports;
- (b) reports on activities from the Company's individual business units;
- (c) specific proposals for capital and non-budgeted expenditure; and
- (d) major strategic issues and opportunities for the Company.

In addition, at intervals of not more than one year the Board will:

- (a) review the Company's goals and company targets;
- (b) review strategies and operating plans for achieving the goals;
- (c) approve the Strategic Issues Letter and Statement of Performance Expectations, with the Statement of Intent being reviewed every three years;
- (d) approve annual financial statements and reports to Shareholding Ministers;
- (e) approve the annual report;
- (f) review and approve the Company's audit requirements;
- (g) undertake an external Board evaluation biennially;
- (h) review the Chief Executive Officer's performance and remuneration;
- (i) review director and officers insurance covers; and
- (j) ensure that the Audit and Risk Committee reviews risk assessment policies, compliance and reports to the Board.

Chair and Deputy Chair

The Shareholding Ministers will appoint the Chairperson and may appoint a Deputy Chairperson.

Board committees

Board committees will observe the same rules of conduct and procedure as the Board unless the Board determines otherwise.

The Board has two standing committees, being Audit and Risk and Remuneration. Other committees may be formed for specific purposes and disbanded as required.

The Audit and Risk Committee Charter applies to the Audit and Risk Committee.

The Remuneration Committee Charter applies to the Remuneration Committee.

Board composition and induction

The composition of the Board will be such as to enable it to effectively discharge its duties to the Shareholding Ministers. The number of Directors may not be fewer than three nor more than seven, and are appointed by the Shareholding Ministers, on advice from Treasury.

All Directors will participate in an induction programme on appointment.

Remuneration

Director's fees are set by the Shareholding Ministers, subject to approval by Cabinet.

Conflicts of Interest

The Company's Conflicts of Interests policy applies to Directors.

Board Evaluation

The Board will undertake biennial individual and collective external assessments of its performance. In accordance with the Owners Expectation Manual, board evaluations should ideally be conducted by an independent person or group.

Health and Safety

Board members are committed to providing leadership and direction for the health and safety management of the Company, by exercising "due diligence" as required by the Health and Safety at Work Act 2015 and as set out in the Board's Health and Safety Policy and supporting materials.

Indemnities and insurance

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

Relationship with management

The Board will link the Company's governance and management functions through the Chief Executive Officer. All Board authority conferred on management is delegated through the Chief Executive Officer so that the authority and accountability of management is considered to be the authority and accountability of the Chief Executive Officer so far as the Board is concerned.

Between Board meetings the Chairperson will maintain an informal link between the Board and the Chief Executive Officer.

The Board expects the Chief Executive Officer to 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 Chief Executive Officer will ensure that all employees are working in an empowering, and supportive environment.

Version Control

Version	Date	Author	Description
1	November 2024	Kate Broadhurst	Board approval of Board Charter

ATTACHMENT: CODE OF CONDUCT FOR THE DIRECTORS OF PUBLIC FINANCE ACT 1989 SCHEDULE 4A COMPANIES

Code of Conduct

For the Directors of Public Finance Act 1989 Schedule 4A Companies



Te Kawa Mataaho
Public Service Commission

Public Finance Act 1989 Schedule 4A companies are an important part of the public sector and must have the trust and confidence of the Government and New Zealanders.

ACTING IN THE SPIRIT OF SERVICE

Boards oversee the operations and performance of Public Finance Act 1989 Schedule 4A companies. A key requirement of our role is to act with the highest levels of integrity and professional and personal standards.

RESPONSIBILITIES UNDER THIS CODE

PERSONAL INTEGRITY

We are honest and open

We act with honesty and with high standards of professional and personal integrity.

We are truthful and open. We speak up in board meetings on decisions or advice that may be detrimental to the public interest.

We are fair

We deal with people fairly, impartially, promptly, sensitively and to the best of our ability.

We do not act in a way that unjustifiably favours or discriminates against particular individuals or interests. We help create an environment where diverse perspectives and backgrounds are encouraged and valued. We treat other directors and staff employed by the company with courtesy and respect.

We speak up

We report unethical behaviour when we see it. We treat all concerns raised by others seriously.

We support the company to have clear policies and procedures in place that help expose serious threats to the public interest, and encourage open organisation cultures where all staff feel safe speaking up.

PROFESSIONAL CONDUCT

We use our positions properly

When acting as a director, we do not pursue our own interests at the expense of the company's interests.

We do not misuse official or company resources for personal gain or for political purposes. We behave in a way that reflects well on the reputation of the company and do not do anything to harm that reputation.

We never seek gifts, hospitality or favours for ourselves, members of our families or other close associates. We inform the Chair or other proper authority, or otherwise follow our company's procedures, in relation to any offers of gifts or hospitality. We ensure that, where a gift or hospitality is accepted, it is recorded in a register as required under the company's procedures.

Issued by the Public Service Commissioner under section 17(3) of the Public Service Act 2020

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1989 Schedule 4A Companies



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IMPLEMENTATION

This Code sets out minimum standards of integrity and conduct. The board should put in place a charter or governance manual to guide its governance activities, which includes ethics provisions for directors as appropriate, to support these standards and suit the company's particular circumstances.

This Code should be read in conjunction with the duties of directors as set out in the Companies Act 1993 and other applicable legislation. This code does not override any statutory provisions including those in the Companies Act 1993, the Public Finance Act 1989, the Public Service Act 2020 and the Crown Entities Act 2004.

We use information properly

We use information we gain in the course of our duties only for its intended purpose and never to obtain an advantage for ourselves or others or to cause detriment to the company.

We are well informed about privacy, official information and protected disclosures legislation. We fully comply with company procedures and only disclose official or company information and documents when required to do so by law, in the legitimate course of duty or when proper authority has been given.

We are politically impartial

We act in a politically impartial manner. Irrespective of our political interests, we conduct ourselves in a way that enables us to act effectively under current and future governments. We do not make political statements or engage in political activity in relation to the functions of the company.

When acting in our private capacity, we avoid any political activity that could jeopardise our ability to perform our role or which could erode the public's trust in the company. We discuss with the Chair any proposal to make political comment or to undertake any significant political activity.

We use care, diligence and skill

We carry out our work with care, diligence and skill.

We give proper consideration to matters and seek and consider all relevant information.

ACTING LAWFULLY

We meet our statutory and administrative requirements

We understand and act in accordance with all statutory and administrative requirements relevant to our roles.

We play a full and active role in the work of the board and fulfil all our duties responsibly. We respect the principle of collective decision-making and corporate responsibility. This means once the board has made a decision, we support it. We follow board protocols for public comment.

We identify and manage conflicts of interest

We identify, disclose, manage and regularly review all interests.

We become familiar with, and follow, all conflicts of interest requirements, including those of the board, the company, and all statutory and professional requirements.