

**NATIONAL
INFRASTRUCTURE**
FUNDING AND FINANCING

NATIONAL INFRASTRUCTURE
FUNDING AND FINANCING LIMITED

STATEMENT OF INTENT

1 MARCH 2025 – 30 JUNE 2029

February 2025
Presented to the House of Representatives
pursuant to the Crown Entities Act 2004

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1: INTRODUCTION

This Statement of Intent (SOI) is submitted by the Board of Directors of National Infrastructure Funding and Financing Limited (the Company), pursuant to the Crown Entities Act 2004 and sets out the Company's strategic objectives and intentions from 1 March 2025 to 30 June 2029.

The Company, previously known as Crown Fibre Holdings Limited and subsequently Crown Infrastructure Partners Limited (CIP) until it was recently repurposed as the National Infrastructure Funding and Financing on 1 December 2024, is a Schedule 4A company under the Public Finance Act 1989 and supports the implementation of the Government's infrastructure funding and financing objectives. The information provided in this SOI is for the Company (which may also be referred to as the Parent Company), and its controlled subsidiaries (the Group).

Initially formed in 2009, the Company successfully implemented the Ultra-Fast Broadband (UFB) programme. The UFB programme was the largest jointly funded public and private infrastructure project in Aotearoa New Zealand, which was delivered on-time, under budget, and exceeded all expectations on use, uptake, and benefits.

The Company now supports the private sector, central and local government, Non-Government Organisations (NGO) and iwi by funding, financing and delivering a broad range of infrastructure, including a focus on:

- **Infrastructure Funds:** the management of various funds including:
 - Infrastructure Reference Group (IRG) Fund;
 - Cyclone Recovery Funds; and
 - Rural and Marae Drinking Water Funds.
- **Infrastructure Funding and Financing Act 2020 (IFF Act):** to raise private capital to fund public infrastructure and support housing growth;
- **Corporate Finance:** advisory support to Government; and
- **Connectivity:** funding and overseeing the delivery of connectivity infrastructure including Rural Broadband, Rural Mobile, Marae Digital Connectivity and the Emergency Services' Public Safety Network.

The Company is also responsible for performing the following functions:

- **Private Capital:** partnering with Government agencies on infrastructure involving private financing, including specialised expertise in public-private partnerships; and
- **Investor Shopfront:** acting as the Crown's "shopfront" to facilitate private sector investment in public infrastructure, including receiving and assessing market-led proposals.

The Company is responsible for the statements contained in this document, including the appropriateness of the underlying assumptions.



Mark Binns, Chair
26 February 2025



Alan Dent, Director
26 February 2025

2: THE COMPANY PURPOSE, OBJECTIVES AND PRIORITIES

PURPOSE

“Our purpose is to partner with the private sector, iwi, and central and local government to fund, finance and deliver infrastructure to improve the lives of New Zealanders.”

Hanga Ngātahi – Building Together

STRATEGIC OBJECTIVES

Partner on private financing for public infrastructure: Enable Government infrastructure agencies to access private capital to fund and finance public infrastructure

Infrastructure funding and financing: Infrastructure owners can utilise the IFF tool to fund and finance eligible infrastructure

Connect investors to public infrastructure opportunities: Infrastructure investors and providers are connected to New Zealand infrastructure investment opportunities

Corporate finance advisory: The Government is expertly advised on the use of private capital for public infrastructure

Manage Infrastructure funds: For priority infrastructure that achieves Government priorities

Improve connectivity: Access to broadband, mobile and radio connectivity across New Zealand is improved

STRATEGIC PRIORITIES

Provide specialist advice, capability and expertise to support agencies to deliver PPPs and other public infrastructure projects financed by forms of private capital.

Implement and facilitate funding and financing of infrastructure in accordance with the IFF Act 2020.

- Act as the Government’s lead to facilitate private capital investment into public infrastructure
- Serve as a single point of contact for investors on inbound market-led (or unsolicited) proposals for the Crown.

Provide corporate finance advice to government agencies to inform and/or implement government infrastructure policy as required.

- **Infrastructure Reference Group Fund** – provide funding and oversight on the delivery of projects approved by Government for IRG funding to support construction, employment and economic activity.
- **Rural Drinking Water Funds** – deliver safe drinking water to kāinga and other water supplier sites in rural New Zealand through the provision of water treatment plants.
- **Cyclone Recovery Funds** – provide funding and oversight of councils in their response to the North Island weather events, including funding 50% of the purchase of Category 3 Properties,* construction of flood protection infrastructure to protect Category 2 Properties,* and repair of regional and local transport links.

- **Rural Broadband** – enable rural households and businesses to receive improved broadband capacity or coverage.
- **Rural Mobile** – improve the availability of mobile services to support safety on state highways and regional roads, enhance visitor experience at great walks/cycleways/track-ends and key tourist destinations, and provide mobile coverage to settlements, which do not currently have coverage from any mobile operator.
- **Public Safety Network** – act as delivery oversight partner together with NZ Police for the Public Safety Network in the delivery of radio and mobile network infrastructure.

* Category 2 properties are properties with catastrophic risk to life requiring property specific or community level risk mitigation projects to protect against flooding. Category 3 properties are properties with catastrophic risk to life which cannot be protected and subject to voluntary buyout.

3: OPERATING ENVIRONMENT

The repurposing of CIP to the Company on 1 December 2024 is part of a long-term strategy to consolidate and improve the Government’s public infrastructure investment capability and systems.

Significant amounts of private capital from domestic and international sources are necessary for New Zealand to address the infrastructure deficit, modernise and grow its infrastructure base to build a more resilient and productive economy, add to national prosperity and secure international competitiveness. Achieving this requires strengthening the Government’s investment, private capital, funding and financing capability, improving coordination within and across different levels of government, and streamlining the process for private capital investment.

The Company plays a key and complementary role in New Zealand’s infrastructure system to support public infrastructure investment and capability with its various functions. This includes administering and monitoring central government infrastructure funds and acting as the New Zealand Government’s investor shopfront and centre of expertise on the funding and financing of New Zealand public infrastructure involving private capital.

With high public interest in the infrastructure that the Company supports, funds, and finances, the Company ensures public and Government reporting and assurance functions at the Company promote transparency, trust and confidence, that infrastructure investments are achieving policy objectives, and that a high standard of accountability in funds administration is maintained.



Wellington Sludge Minimisation Facility - IFF Programme

4: THE NATURE AND SCOPE OF THE COMPANY

The Company delivers Government funding and financing to infrastructure projects and programmes, often through partner organisations who own or manage the assets. The Company partners with government agencies, local authorities, iwi, non-government organisations and the private sector to ensure Government funding and private capital financing promotes national priorities.

The Company is the government’s centre of expertise for privately financed public infrastructure and alternative procurement models, including public-private partnerships (PPPs), and advises government agencies in the accessing and utilisation of private capital to promote public objectives. The Company is the mandated partner for government agencies on projects and programmes using private capital.

The Company provides a single point of contact, or “shopfront”, for current and potential public infrastructure investors in New Zealand. The Company receives and evaluates market-led (unsolicited) proposals, promotes public infrastructure investment opportunities in New Zealand and connects private and non-government parties to applicable public infrastructure investment opportunities.

In addition to overarching functions, the Company provides corporate finance and project delivery advice and support to government as required. The Company’s operations span over six Strategic Objectives:

Partner on private financing for public infrastructure

Government agencies are mandated to partner with the Company on all significant infrastructure projects and programmes that could involve private financing. Its role includes:

- Advising on governance, procurement options, commercial and financing structures and risk allocation, analysis, market engagement;
- Providing commercial and financial advisory and other support to assist projects that are underway (which could include providing advice in relation to a proposed project or providing services to assist with the delivery of a project); and
- Active project team roles in business case preparation, tender preparation, interactives and evaluation, commercial/financial negotiations, contract close as well as governance oversight.

Infrastructure Funding and Financing

The Company works with relevant government agencies, local authorities, developers and debt providers to finance and fund public infrastructure utilising the Infrastructure Funding and Financing Act 2020 (IFF Act). The Company raises private debt capital, provides equity investment and facilitates applicants through the IFF Act process.

Connect investors to public infrastructure opportunities

The Company acts as an investor “shopfront” to:

- serve as a single point of contact for investors submitting market-led proposals for innovative investment solutions;
- provide advice and support the evaluation of any market-led proposals;
- promote potential New Zealand infrastructure opportunities to investors and infrastructure operators;
- make the process for private investment in public infrastructure more transparent, consistent, and efficient for private and non-government parties; and
- connect private and non-government parties to applicable public infrastructure investment opportunities.

Corporate finance advisory

The Company provides corporate finance advice to Government departments and agencies to inform and support the implementation of Government infrastructure policy and the procurement of complex infrastructure projects and other service-enabling infrastructure. The Company provides specialised advice on funding structures, financial modelling, feasibility studies for business case development, investment strategy, monitoring and reporting.

Manage Infrastructure Funds

The Company oversees and manages several infrastructure funds established by Government to support the development of infrastructure in New Zealand, addressing specific infrastructure needs based on Government policies and priorities. The Company administers these funds through the establishment of contracts and funding arrangements (including any



Highgate Bridge, Milldale, Auckland - IFF Programme

co-funding from recipients or other sources), reports on performance of the funds, monitors risk, and provides support and/or intervention when necessary. Infrastructure funds include community, transport, housing, water, and environmental (including flood mitigation and carbon reduction) infrastructure.

Improve Connectivity

The Company has been supporting the Government’s connectivity infrastructure policies and priorities since 2010. Having successfully completed the Ultra-Fast Broadband programme in 2022, the Company is currently delivering a number of programmes with partners across the telecommunication sector for rural broadband, rural mobile, marae connectivity, and the Public Safety Network¹ as determined by the Government.

Government establishment of Strategic Priorities

Within the Company’s six Strategic Objectives, Government periodically issues policy mandates requesting the Company to undertake particular Strategic Priorities based on the Government’s current policies and priorities. Over the period of the SOI, some Strategic Priorities will end, others will be added, and some may be modified.

Government decides on any new Strategic Priority through a process that meets the Government’s policy and priority outcomes. Government, on advice from officials, decides if the Company will be the delivery agency for the new Strategic Priority and establishes a fiscal envelope. Subject to decisions, the Government issues a policy mandate to the Company to consider. On the basis the Company accepts the policy mandate, funding (where required) and other arrangements (such as monitoring, reporting requirements, and outcomes) are established and the Company then commences implementation.

Additional Strategic Priorities could involve new infrastructure funds, the modification of the purpose of an existing infrastructure fund, additional infrastructure focuses, a wider range of corporate finance advice, project delivery support and advice, and potential broadening of funding and financing tools to support private capital investment into public infrastructure.

As changes to Strategic Priorities occur, they will be reflected in the Company’s annual Statement of Performance Expectations. Any significant changes to the six Strategic Objectives or scope of the Company’s activities would lead to an update of the Company’s SOI.

5: HOW NEW ZEALANDERS WILL BENEFIT FROM THE COMPANY’S STRATEGIC PRIORITIES

All of the Company’s current strategic priorities have a high public benefit element where many New Zealanders, iwi, hapū, whānau and businesses will benefit as follows:

Private financing of public infrastructure projects: will benefit New Zealanders by supporting partner Government agencies to realise greater value for money and improved delivery from public infrastructure investment by using alternative private financing and structures, including public-private partnerships.

Infrastructure Funding and Financing: will benefit New Zealanders by enabling infrastructure to be funded for communities which previously could not be funded, improving land availability for housing, and city/regional wide benefits such as improving transport outcomes, water treatment or waste infrastructure improvements, climate resilience, and community infrastructure with beneficiaries bearing the cost of this infrastructure.

Connect Investors to Public Infrastructure Opportunities: will benefit New Zealanders by securing and growing domestic and international private investment to increase New Zealand public infrastructure.

Market-led Proposals: will benefit New Zealanders by providing a clear, consistent and transparent process for evaluating market-led (unsolicited) proposals which encourages private sector involvement and innovation in public infrastructure funding, financing and delivery. Successful proposals will deliver value for money for the public and provide services which would not otherwise be available.

Corporate Finance Advisory: will benefit New Zealanders by providing corporate finance advice and commercial support to facilitate private financing of public infrastructure which improves the quality and affordability of infrastructure services.

Infrastructure Reference Group: will benefit New Zealanders throughout the country by providing new community facilities such as sports and recreation centres, community facilities, social housing, increased land supply for housing, improved transport links, social infrastructure, and increased tertiary education facilities, whilst supporting construction employment.

Rural Drinking Water: will benefit New Zealanders by providing safe drinking water infrastructure for marae, kōhanga reo, and papakāinga and other private rural water suppliers that are not connected to a town supply, and will provide training to maintain water treatment to the Taumata Arowai drinking water standards.

Cyclone Recovery: will benefit New Zealanders by reducing intolerable risk to life and increasing the insurability of residential properties in weather impacted regions across New Zealand and restoring regional and local transport links for communities and commerce. The Cyclone Recovery programme will also provide funding to councils to support flood resilience infrastructure in the most severely impacted regions.

Rural Broadband: will benefit New Zealanders by ensuring that rural areas in New Zealand will have access to improved broadband connectivity. The programme will also benefit those who have experienced congestion or no service due to capacity constraints.

Rural Mobile: will benefit New Zealanders by improving the availability of mobile services to support safety on state highways, at key tourist destinations, regional council roads with high accident rates, great walks and cycleways, track-ends, and settlements which do not currently have coverage from any mobile operator. This will improve access to emergency services, emergency civil defence cell broadcast alerts, improved navigation, provide enhanced coverage for emergency services and other benefits to those in rural New Zealand.

Public Safety Network: will benefit New Zealanders by providing the most up to date, secure, resilient communications capability and coverage for emergency service agencies to better serve and improve wellbeing for members of the public.

1. The Public Safety Network (PSN) is a nationwide Land Mobile Radio and Priority Mobile Networks for emergency services, being Police, Fire and Ambulance. For further information, see page 12.



Puketapu Bridge, Hastings District Council
- Cyclone Recovery Programme

6: HOW THE COMPANY WILL DELIVER ON KEY OBJECTIVES

6.1 HOW THE COMPANY WILL ACHIEVE ITS STRATEGIC OBJECTIVES

The Company intends to manage its functions and operations to achieve strategic objectives by:

- conducting due diligence where necessary into infrastructure funding proposals;
- where required, conducting competitive market procurement for infrastructure proposals that meet agreed Government outcomes;
- conducting procurement that takes into account Government's social and sustainable procurement outcomes;
- contracting with infrastructure delivery partners for Government funding, any co-funding and infrastructure outcomes as agreed with Government;
- where the infrastructure investment requires private capital, conduct that financing through non-recourse Special Purpose Vehicles (SPVs) on a market competitive basis to match the cash durations of the underlying infrastructure investment;
- where final Government approval is required, progressing those approvals after consultation with the relevant portfolio agencies and The Treasury;
- where any changes to existing policy settings may be necessary to achieve infrastructure outcomes, highlighting these to the relevant policy portfolio agency and provide support in respect to any policy setting changes;
- providing corporate finance advice on funding and financing of infrastructure;
- monitoring infrastructure investment delivery cost and scope risks, and where risks are increasing or not mitigated, seek appropriate actions from infrastructure delivery partners to remedy these;
- developing databases and reporting systems to monitor all programmes;
- supporting infrastructure delivery partners to ensure targets and outcomes are achieved by providing subject matter expertise on projects involving private financing and alternative procurement models, including public-private partnerships;

- monitoring any investment in infrastructure partners where those funds are to be returned to the Crown;
- actively monitoring and managing infrastructure partners through regular insight reporting to ensure targets are achieved; and
- providing regular progress reporting on all programmes to Government and, where determined by Government, to the public.

6.2 GOVERNMENT AND SOCIAL OUTCOME DELIVERY

The Company intends to manage its functions and operations to deliver Government and social outcomes by:

- monitoring health and safety performance by infrastructure delivery partners across all relevant programmes, and ensuring the Company's own staff/contractors have a safe working environment and do not suffer any harm;
- continuing to work with the relevant Government officials as its work programmes progress and advise of any material changes to such programmes. The Company is mindful of consulting with officials when it raises various matters or options with Ministers which require policy consideration;
- continuing to support and encourage diversity, inclusion, and gender balance in the workplace and in leadership;
- managing the Company so as to avoid waste, increase efficiency, and reduce future costs;
- establishing and implementing climate reduction and sustainability initiatives for the Company, and working with infrastructure partners to encourage them to develop sustainable initiatives;
- identifying any opportunities to exit investments earlier to improve recycling of funds into other Government initiatives, and notifying Ministers of these opportunities; and
- updating forecasts to Government of any surplus capital throughout the SOI period.

7: MEASUREMENT OF THE COMPANY’S STRATEGIC PRIORITIES

The framework for establishing annual Company performance targets and measures through to 2029 for assessing performance against the Company’s strategic objectives, as well as financial and operational efficiency, is set out below. Targets for each specific year are set annually in the Company’s Statement of Performance Expectations and performance against these measures is reported on in the Company’s Annual Report.

Achieving the various strategic objectives within the fiscal envelope is the Company’s key accountability – in particular, ensuring that infrastructure for each programme is deployed on time and in line with the Government’s policy requirements.

7.1 PRIVATE FINANCING OF PUBLIC INFRASTRUCTURE

The Company provides commercial, procurement and corporate finance advice and support to government agencies.

Specific measures which will be developed each year for the Private Financing of Public Infrastructure strategic priority will include:

- support to lead agencies on potential use of private finance in the delivery of public infrastructure.

7.2 INFRASTRUCTURE FUNDING AND FINANCING

The Company utilises the IFF Act (2020) to finance and fund infrastructure by levying beneficiaries of that infrastructure. The Company’s role includes facilitation and execution of transactions, raising finance (debt) on capital markets, establishing, investing in and operating special purpose vehicles, and working with officials on the ongoing development of alternative models.

Specific measures which will be developed each year for the Infrastructure Funding and Financing strategic priority will include:

- progress towards transaction close or advancement of IFF funded projects in any particular year.

The Company will continue to maintain a pipeline of projects for infrastructure which are suitable for being funded by IFF.

7.3 CONNECT INVESTORS TO PUBLIC INFRASTRUCTURE OPPORTUNITIES

Significant amounts of private capital from domestic and international sources will be necessary for New Zealand to modernise and grow its infrastructure base to build a more resilient economy, add to national prosperity and secure international competitiveness. Achieving this requires strengthening the Government’s investment capability, improving coordination within and across different levels of government, and streamlining the process for proponents. The Company attracts international and domestic capital to New Zealand and makes it simpler to invest in New Zealand public infrastructure.

Specific measures which will be developed each year for the Connect Investors to Public Infrastructure Opportunities strategic priority will include:

- number of relationships identified, established and maintained with senior debt panel providers;
- number of domestic and international investors identified and engaged; and
- amount of private capital secured in any particular year.

7.4 MARKET LED PROPOSALS

The New Zealand Government believes it should be easier to innovate, invest in and grow the economy. Market-led proposals can help to stimulate innovation and provide new solutions to community needs. The Company receives Market-led Proposals on behalf of the Government, supports the process for considering proposals and provides a single point of contact for parties interested in investing in New Zealand public infrastructure.

Specific measures which will be developed each year for the Market-led Proposals strategic priority will include:

- initially, establishment of processes and capability to process and evaluate proposals; and
- thereafter, the number of Market-led Proposals received and assessed.

7.5 CORPORATE FINANCE ADVISORY

To facilitate private and alternative financing of public infrastructure, the Government regularly seeks advice on appropriate structures, models, policies and strategies across programmes and sectors. The Company maintains the corporate finance expertise necessary to advise Government and responds to Government requests.

Corporate finance is identified as a strategic priority but is not classified as a reportable output as it is advisory.

7.6 INFRASTRUCTURE REFERENCE GROUP

The Infrastructure Reference Group (IRG) Fund comprised 220 approved infrastructure projects being managed by various Government agencies, with 11 directly overseen by the Company.² Additionally, the Company monitors the overall programme.

Specific measures which will be developed each year for the Infrastructure Reference Group strategic objective will include:

- the Company projects advanced during the year, measured by amount of Government funding invested versus total Government funding approved for projects; and
- overall number of the Company IRG projects completed that year.

7.7 RURAL DRINKING WATER

The Rural Drinking Water Funds provide safe drinking water solutions to kāinga and not-for-profit rural water suppliers in areas of lower deprivation. The Company manages and funds the implementation of the Rural and Marae Drinking Water Funds.

Specific measures which will be developed each year for the Rural Drinking Water strategic objective will include:

- number of kāinga and other rural water treatment plants installed; and
- number of kāinga and other rural sites satisfied with installation.

2. As at the 1 March 2025 commencement of this Statement of Intent.

7.8 CYCLONE RECOVERY

Following highly destructive weather events in 2023, most notably the Auckland Anniversary Weekend floods and Cyclone Gabrielle, the Government established funds to assist affected regions. Funding will be provided to support identified councils in the recovery of critical infrastructure, including transport and flood protection, and to assist in the buyout of flood affected properties.

Specific measures which will be developed each year for the Cyclone Recovery strategic priority will include:

- **For Regional/Local Transport:**
 - the number of Regional/Local Transport repair/reinstatement projects commenced and completed during the year.
- **For Category 2 Flood Mitigation:**
 - the number of Category 2 Flood Mitigation projects commenced and completed during the year.
- **For Flood Resilience Fund:**
 - the proportion of Flood Resilience projects completed during the year measured by funding invested.
- **For Category 3 Property Buy Outs:**
 - number of Category 3 property purchases funded during the year.

7.9 RURAL BROADBAND

The Rural Broadband programme enables rural households and businesses to receive terrestrial broadband either for the first time or to receive enhanced broadband coverage where prior terrestrial services offered download speeds less than 10Mbps, or in some cases, no service.

Specific measures which will be developed each year for the Rural Broadband strategic objective will include:

- number of rural households and businesses receiving a new or improved broadband service; and
- number of rural households and businesses receiving upgraded broadband capacity.

7.10 RURAL MOBILE

While urban and other highly populated areas of New Zealand are able to be commercially provided with mobile telecommunications services, the needs of locations with lower population density and complex geography have not been able to be serviced by the mobile network operators. This includes isolated homes, businesses and communities, as well as the infrastructure which connects them.

Specific measures which will be developed each year for the Rural Mobile strategic objective will include:

- number of tourist locations covered;
- completed coverage of state highways and regional or local roads; and
- settlements which gain new mobile voice coverage.

7.11 PUBLIC SAFETY NETWORK

The Company is the telecommunications infrastructure procurement partner to NZ Police for the Public Safety Network’s (PSN) Critical Communications Network. The Company has partnered with the Next Generation Critical Communications Group of NZ Police as an infrastructure delivery oversight partner. The PSN comprises two major infrastructure elements:

- upgrades to the One.nz and Spark mobile networks to provide roaming and service priority/pre-emption/quality of service (Priority Mobile) for the emergency services agencies with measures based on service releases; and
- a new digital P25 Land Mobile Radio (LMR) network. Specific measures will be based on the number of regions completed.

7.12 FINANCIAL AND OPERATIONAL EFFICIENCY

Each year, the Company Board will plan the future resourcing levels of the Company and consult with its shareholding Ministers and relevant portfolio Ministers, depending on:

- progress made towards achieving the various strategic objectives of the Company;

- the performance of infrastructure partners in meeting their obligations under the Company contracts;
- any new initiatives or expansion of existing initiatives; and
- the degree to which Crown investment is actively monitored, based on the current level of risk and the level of support the Government requires.

Over the next four years, the Company will continue to ensure operational expenditure is appropriate for the scale and scope of activities as set by Government and will work with Treasury officials on related matters where appropriate. The Company may also determine that some functions are no longer required or can be performed more effectively by other Government agencies.

Details of the Company’s forecasts and financial statements are provided in its SPE for the current and upcoming fiscal years. The Company also expects to maintain its operational efficiency over time.

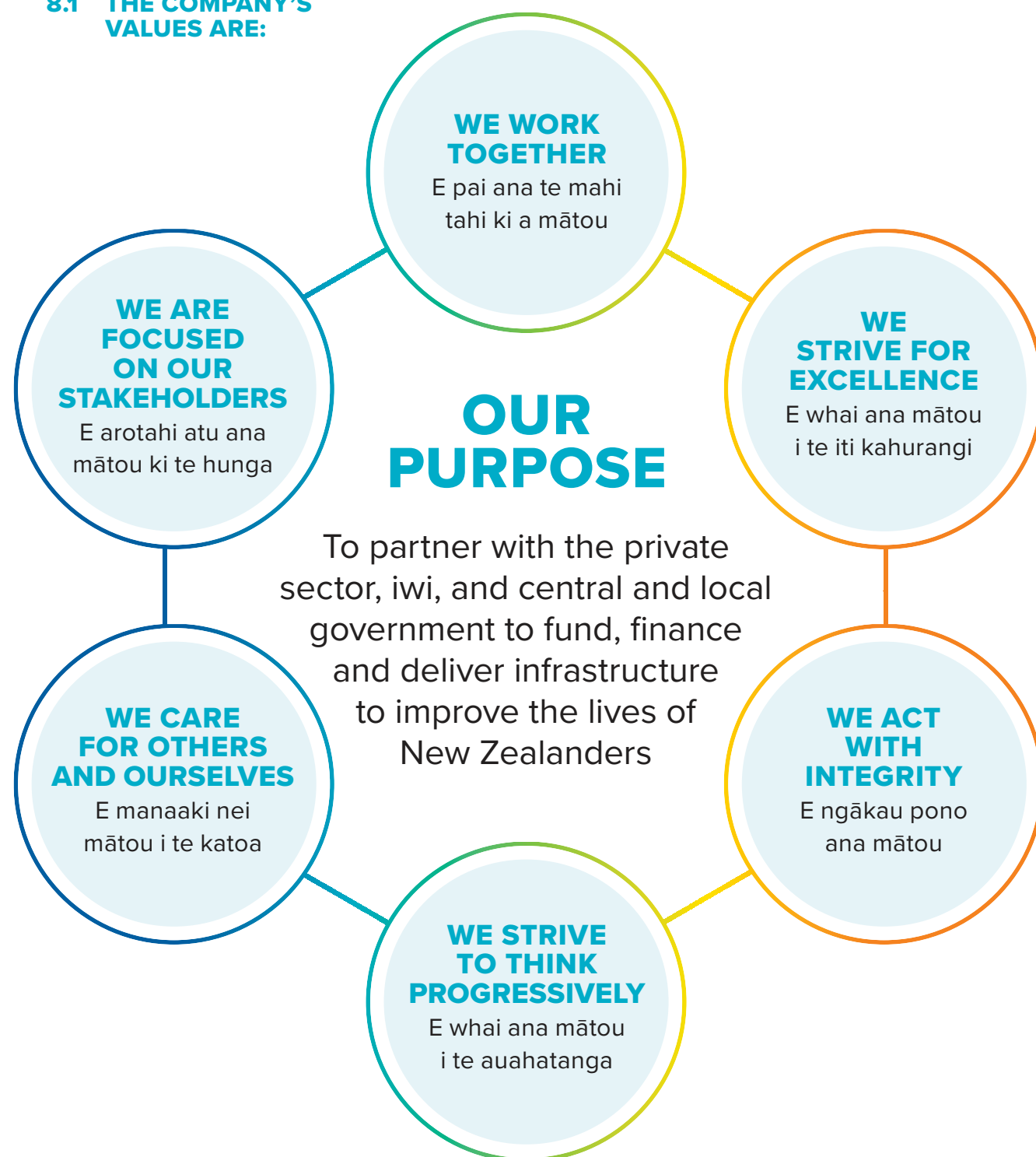
The ratio of operational costs to its annual investment infrastructure and infrastructure investments being overseen is expected to remain at or below 5% over this SOI period.



Lindis Pass, RCG - Rural Broadband Programme

8: ORGANISATIONAL HEALTH AND CAPABILITY

8.1 THE COMPANY'S VALUES ARE:



8.2 HEALTH AND SAFETY

The Company will ensure that it complies with its obligations under the Health and Safety at Work Act 2015. The Company is committed to the wellbeing, health and safety of its employees, its contractors, and the community.

The Company will continue to encourage its partners to achieve zero serious harm injuries and will benchmark those partners' performance against key industry safety measures, such as the Total Recorded Injury Frequency Rate (TRIFR). The Company will report its health and safety outcomes each year in its annual report.

8.3 CAPABILITY DEVELOPMENT

The Company supports its staff to achieve its strategic objectives and purpose by:

- focusing on capability development to align the available skills with current organisational and Government outcome requirements;
- focusing on collaboration and staff engagement across the company; and
- maintaining employee wellbeing.

The Company will focus on developing additional capability for new responsibilities over the term of this SOL, including:

- complex alternative procurement and public-private-partnership expertise;
- commercial expertise;
- corporate finance and legal expertise; and
- probity procurement expertise.

The Company will continue to develop and maintain the following core capabilities:

- delivery oversight and monitoring expertise;
- database and reporting expertise;
- engineering expertise in the various areas of infrastructure focus;
- facilitation expertise in IFF;
- stakeholder, Government relationship, and communications expertise; and
- financial management, analysis, settlements, cashflow management, and reporting expertise.

8.4 ENSURING THE COMPANY IS A GOOD EMPLOYER

The successful achievement of the Company's strategic objectives depends on adequate strong workforce capability in a number of areas, including those relating to technical, commercial, financial, and investment expertise. It is important that the Company retains skilled staff, is a good employer, and offers an attractive place to work, consistent with the Government Workforce Policy Statement.

The Company employment policies incorporate progressive employment practices that help create an inclusive working environment that fosters high performance, encourages diversity, and sustains high employee engagement and wellbeing. Being open to, and respecting diverse perspectives and thinking is essential to the Company's success and is reflected in the Company's organisational values.

The Company has a specific EEO (Equal Employment Opportunity), Diversity and Inclusion policy focused on creating an environment which attracts and retains a diverse workforce through inclusive workplace practices and encouraging and supporting the full participation of staff. This is reflected in the Company's workforce where 45% staff are from a non-NZ European background. The Company will report each year in its annual report results of its staff engagement survey.

8.5 RISK MANAGEMENT

The Company operates with a rigorous approach to risk management, which includes maintaining a regularly updated register of risks to the delivery of its strategic objectives, managing these through an agreed management process, and receiving oversight from the Board's Audit and Risk Committee as described in Section 9.3.

8.6 CLIMATE CHANGE

The Company's operations do not directly have a significant emissions impact as the company is office-based and does not own any assets which generate carbon emissions. The Company's main area to manage in this regard is emissions generated by staff and contractor travel and the Company seeks to offset the emissions when procuring travel services and where possible, use virtual meetings instead of travel.

A number of the Company’s major infrastructure programmes will and are having an impact in respect of climate change reduction. The investment in connectivity infrastructure will enable working and learning from home, decreasing transport emissions. The rural network will enable widespread ‘internet of things’ and make it easier, for example (as noted by the Climate Change Commission), to access the information farmers need to measure and monitor emissions and will support precision agriculture approaches.

Focus areas for the Company include supporting our partners in sustainable construction principles, investing in renewable energy, reducing transport emissions, and supporting methane reduction.

The Company-led projects that align with these themes include:

- **Sustainable construction principles:** funded projects include The Kind Foundation Christchurch; Auckland City Mission; Youth Hub; University of Auckland; Otago Polytechnic He Toki Kai Te Rika.

- **Renewable energy:** funding in electric ferries; Rural Broadband funding for solar panels on radio towers.
- **Reducing transport emissions:** funding in electric ferries; busways and multi-modal transport infrastructure; cycleways.
- **Supporting methane reduction:** funding for the Wellington City Council Sludge Minimisation Facility, and funding for the New Plymouth City Council Sludge Minimisation Facility.
- **Supporting climate adaptation:** funding flood protection projects including stop bank enhancements and river resilience.

8.7 PROCUREMENT

The Company follows Government Procurement Rules and also maintains the highest levels of probity. The Company will seek to implement new areas of socially responsible procurement as set out in procurement guidance, including a focus on iwi businesses, where possible, recognising that the Company’s partners conduct all material procurement.



Yarrow Stadium - IRG Programme



Queenstown Research and Innovation Centre,
Queenstown - IRG Programme

9: GOVERNANCE

9.1 ORGANISATIONAL FORM

Incorporated in 2009 under the Companies Act 1993, the Company is a Crown-owned company, listed under Schedule 4A of the Public Finance Act 1989 and subject to the Crown Entities Act 2004, the Official Information Act 1982 and the Ombudsmen Act 1975.

Its shareholders are the Minister of Finance and the Minister for Infrastructure, who each hold 50% of the issued share capital. As it aims to provide services to the public rather than make a financial return, the Company has designated itself a public benefit entity.

9.2 BOARD OF DIRECTORS

Following its established policy of strategic planning, sound procedures, and regulatory compliance, the Board is committed to a high standard of corporate governance in guiding and monitoring the business.

Responsibility for the Company’s operation and administration lies with the Chief Executive, who is accountable to the Board, which is currently made up of five non-executive Directors appointed by shareholding Ministers, following Cabinet approval.

9.3 BOARD COMMITTEES

To help Directors carry out their duties and fulfil their responsibilities, the Board has two standing committees. These are the:

- **Audit and Risk Committee**, which provides recommendations, counsel and information on accounting, reporting, risk management, in depth health and safety, and responsibilities under legislation. Its Terms of Reference also cover the role of internal audit; and
- **Remuneration Committee**, which provides advice and recommendations on remuneration and human resources policies for the Company.

9.4 CONSULTATION WITH MINISTERS

The Company expects to continue regular liaison with key officials and to engage with shareholding Ministers and the relevant portfolio Ministers as required. In particular, the Company will consult with its shareholding Ministers and the portfolio Ministers on any matters involving Government policy and any substantial matter not contemplated in this SOI or the annual SPE.

9.5 CROWN ENTITIES ACT REQUIREMENTS

The Company is subject to various sections of the Crown Entities Act, including the following:

- section 100 requires the Company to provide shareholding Ministers with advance notice of its intended investments during each financial year;
- section 133 requires the Board to supply to its responsible Ministers any information relating to its operations or performance as requested by Ministers;
- section 134 details good reasons for refusing to supply such information;
- sections 139 and 150 require preparation of an SOI and Annual Report;
- sections 149C and 149E require the Company to table an SPE outlining its reportable outputs and the intended achievement of each output;
- sections 154–156 relate to the preparation of the annual financial statements;
- section 158 relates to bank accounts; and
- sections 161 to 164 relate to financial restrictions. With certain exemptions specified in the Company’s Constitution.

9.6 OTHER STATUTORY REQUIREMENTS

Under the Public Audit Act 2001, the Controller and Auditor-General is the auditor of the Company.

10: COMPANY POLICIES

10.1 DISTRIBUTION POLICIES

As set out in the constitution, the Board may, if it is satisfied on reasonable grounds that the Company will satisfy the Solvency Test in accordance with the Companies Act 1993 immediately after the Distribution, authorise a Distribution by the Company to Shareholders of any amount, and to any Shareholders as it thinks fit in the form of share capital returns or reinvest such capital into infrastructure on the direction of Shareholding Ministers.

10.2 ACQUISITION POLICIES

The Company, as part of its infrastructure funding initiatives, will be making investments in equity, quasi-equity, and debt securities. Such investments are actively monitored, and the Company approaches such investments prudently to mitigate any risk of loss, recognising that some investments are driven

by Government policy outcomes and hence may have greater financial risk in which case these are highlighted to Government. The Company would not make any acquisitions outside its scope and normal course of business without explicit Government approval.

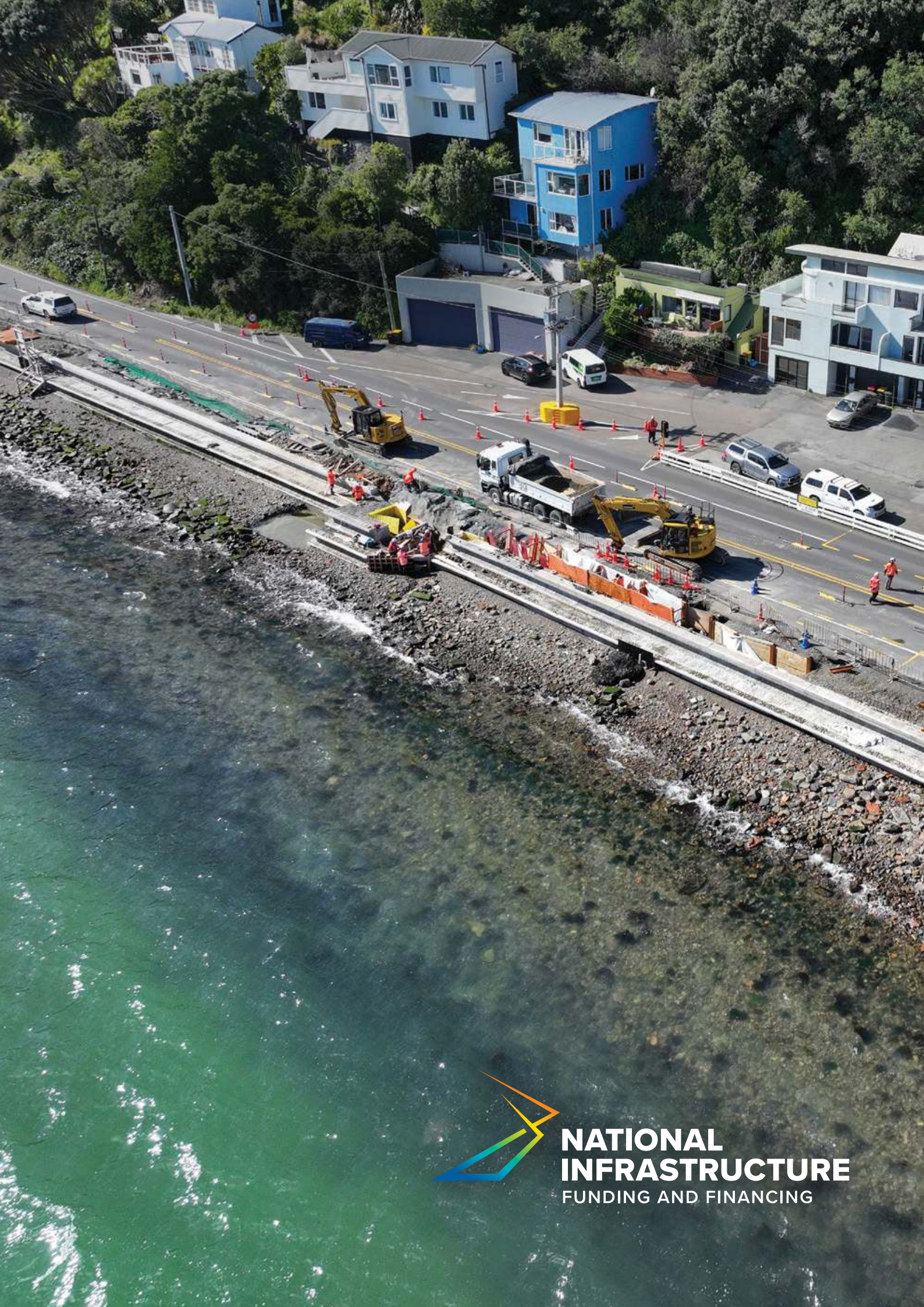
10.3 FINANCING

The Company (through subsidiaries) will raise debt and equity from capital markets for IFF related projects, which will be securitised against the revenue streams from such infrastructure. This financing and any interest rate SWAPS will always be non-recourse to the Parent Company and will not be guaranteed by the Crown or the Parent Company. Any exceptions to this will likely be through the Government Support Package as part of the IFF framework and would be explicitly agreed to by the Crown.



Naenae Pool, Lower Hutt - IRG Programme





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