

RANGATIRA LIMITED

BOARD CHARTER

1. Purpose of Charter

- 1.1 This Charter sets out the authority, responsibilities, membership and operation of the Board of Rangatira Limited (**Company**), adopting principles of good corporate governance and practice for the Company and its controlled entities (**Group**), that accord with applicable laws.

2. Authority

- 2.1 The Board derives its authority to act from the Constitution of the Company and the laws of New Zealand (including laws in other jurisdictions in which the Company operates).

3. Role of Board

- 3.1 The Board's role is to:
- a) represent shareholders and serve the interests of the Company by overseeing and evaluating the Company's strategies, policies and performance;
 - b) oversee the Company's performance to build sustainable value for shareholders, in accordance with any duties and obligations imposed on the Board by law and the Company's Constitution and within a framework of prudent and effective controls that enable risk to be assessed and managed;
 - c) oversee the Company's values, including the establishment by management of a sound risk management culture;
 - d) ensure that stakeholders are kept informed of the Company's performance and major developments affecting its state of affairs.
- 3.2 In performing its role, the Board should act at all times:
- a) in a manner consistent with the Company's stated purpose and values;

- b) in accordance with the duties and obligations imposed by the Company's Constitution;
- c) in accordance with the duties and obligations imposed by the Company's Constitution and by law;
- d) having due regard to the Company's relationships with stakeholders and the communities and environments in which the Company operates.

4. Board Committees

- 4.1 The Board may from time to time establish committees as it considers necessary or appropriate to assist it in carrying out its responsibilities.
- 4.2 The Board will, as a minimum, establish the following committees and will adopt charters setting out matters relevant to the authority, responsibilities, membership and operation of those committees:
 - a) Audit Committee
 - b) Remuneration Committee.
- 4.3 The Board may also delegate specific functions to sub-committees on an 'as needs' basis. The powers delegated to these committees will be described in Board resolutions.

5. Relationship with management

- 5.1 The Directors may delegate their powers, as they consider appropriate. Ultimate responsibility for strategy and control and oversight of sound and prudent management of the Company rests with the directors.
- 5.2 The Board delegates the management of the Group's day-to-day business and operations to the Chief Executive Officer (**CEO**), subject to the matters specifically reserved to the Board pursuant to paragraph 6.1 and formal delegations of authority approved by the Board.
- 5.3 Management must supply the Board with information in a form, timeframe and quality that will enable the Board to discharge its duties effectively. Directors are entitled to request additional information at any time when they consider it appropriate.

6. Board responsibilities

6.1 Matters that are specifically reserved for the Board or its committees include the following:

- a) appointment of a chair;
- b) selection, appointment, determination of terms and conditions (including remuneration), evaluating the performance of, succession planning, and removal of the CEO;
- c) appointment of directors to fill a vacancy or as additional directors;
- d) establishment of Board committees, their membership and delegated authorities;
- e) determining the Company's dividend policy, and approval of the payment of dividends;
- f) Approval of major capital expenditure, acquisitions and divestitures in excess of authority levels delegated to management, and other major business initiatives;
- g) calling of meetings of shareholders;
- h) appointment or removal of the Group's external auditor (on the recommendation of the Audit Committee);
- i) reviewing and approving (with the guidance of the Audit Committee) the Group's audited annual and half-yearly financial statements and any reports that accompany financial statements;
- j) reviewing and approving (with the guidance of the Audit Committee) the Group's audited annual and half-yearly financial statements and any reports that accompany financial statements.

6.2 In addition to the matters reserved to the Board in accordance with paragraph 6.1, the responsibilities and functions of the Board include:

- a) input into and final approval of management development of corporate strategy, including setting performance objectives, and approving the Group's operating budgets, strategic plan, risk appetite statement, and financial operating plan;
- b) overseeing the Company's operational and financial performance and implementation of strategy and policy;
- c) approving major capital expenditure, acquisitions and divestitures, and other major business initiatives (including matters which may have a material impact on the Group's corporate reputation);
- d) reviewing and approving capital management initiatives, including the issue or cancellation of equity securities in the Company;
- e) with the guidance of the Audit Committee, reviewing and evaluating the performance and independence of the Group's external auditor;
- f) reviewing and undertaking oversight and challenge of the Company's risk management framework and internal compliance and control systems, and reviewing management's implementation of those frameworks and systems in accordance with regulatory requirements. This includes approving the Group's risk appetite statement and risk management strategy (as established by management), and reviewing, and where necessary approving, particular risks or risk management practices beyond the authority of management;
- g) with the guidance of the Remuneration Committee, determining the terms (including remuneration) of individuals report directly to the CEO; reviewing and evaluating their performance; and reviewing and approving their remuneration outcomes;
- h) reviewing and approving, with the guidance of the Remuneration Committee, the remuneration framework including the Remuneration Policy;

- i) reviewing and evaluating, with the guidance of the Remuneration Committee, Board composition, processes and performance; evaluating the performance of the Board, its Committees and individual directors; and reviewing, with a view to ensuring, that the directors and senior management collectively have the full range of skills, diversity, experience and expertise required for effective and prudent management of the Company;
- j) reviewing and approving, with the guidance of the Remuneration Committee, remuneration and other benefits to be paid to non-executive directors, subject to the Board fee pool approved by shareholders in general meeting;
- k) reviewing and approving, corporate governance principles and policies, and providing oversight of governance arrangements;
- l) reviewing and approving other significant Group policies;
- m) reviewing and evaluating the effectiveness of policies and processes established by management relating to workplace health and safety, compliance with laws and the maintenance of high ethical standards;
- n) overseeing and guiding the culture, reputation and standards of conduct of the Group;
- o) performing such other functions as are prescribed by law or are assigned to the Board.

6.3 In carrying out its responsibilities and functions, the Board may delegate any of its powers to a Board committee, a Director, employee or other person subject to ultimate responsibility of the directors under the Companies Act 1993. The Board may also engage external consultants and experts as required.

7. Meetings

7.1 All reasonable actions will be taken to provide all directors with advance notice of Board meetings, even those called at short notice.

7.2 Every possible effort will be made so that papers tabled at a Board meeting will be made available to all directors attending, regardless of location.

- 7.3 If it is not possible to have documents available to all directors, those who do not have the documents may abstain from voting, or the Chair may defer the vote until the papers are available to all members. Any abstention must be indicated to the Chair at the time the matter is being considered and recorded in the Minutes.
- 7.4 If it is not possible to have documents available to all directors, those who do not have the documents may abstain from voting, or the Chairman may defer the vote until the papers are available to all members. Any abstention must be indicated to the Chairman at the time the matter is being considered and recorded in the Minutes.
- 7.5 The Board should regularly meet from time to time without the presence of management.
- 7.6 A quorum will be no less three directors, in accordance with the Company's Constitution.

8. Composition

- 8.1 The Company's Constitution governs the composition of the Board and directors remuneration.
- 8.2 The Company's Constitution governs the regulations and proceedings of the Board.

9. Review

- 9.1 The Board should regularly meet from time to time without the presence of management.

This Charter supersedes any terms of reference previously in force.