

Waitaki Power Trust

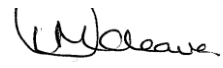
100% Shareholder of Network Waitaki Limited



Trustee Tenure Policy

Waitaki Power Trust

Name of Policy	Trustee Tenure Policy
Effective Date	09/08/2023

	Designation	Signature
Written By:	Jock Webster/Doreen Cleave	 
Approved By:	Trustees	
Resolution:	WPT13/111	

Approval Date:	12/08/2026
Revision Authority:	All amendments must be approved by Trustees
Revision Frequency:	Three years
Review Date:	August 2029

Document Revision:	Description of Change:	Prepared by:	Date:	Resolution:
Version 1	Internal Policy	J. Webster	09/08/2023	WPT13/117
Version 2	Revision: Pg 3 Amended to 4 terms and added criteria for assessment.	H. Fortune	12/08/2026	WPT14/128

Trustee Summary (Quick Reference)

- **Term length:** 3 years
 - **Maximum tenure:** 4 consecutive terms (12 years)
 - **After 4 terms:** Trustee should normally stand down
 - **Extensions:** Only in exceptional circumstances and require formal Board review and approval
 - **Cooling-off period:** 1 full term before reappointment (unless exceptional circumstances apply)
 - **Beyond 12 years:** Subject to enhanced independence review
 - **Decision factors for retention/extension:** Skills needed, performance, independence, and succession planning
 - **Documentation:** Any extension must be formally approved and recorded with justification in Board minutes
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1. Purpose

The purpose of this policy is to promote effective governance through appropriate Trustee tenure, balancing continuity, institutional knowledge, and renewal. The policy encourages Trustees to regularly assess their contribution and supports the introduction of new perspectives, diverse skills, and fresh ideas to strengthen decision-making.

The composition of the Board, including the mix of skills, experience, and tenure, is a significant determinant of the Trust's effectiveness.

2. Scope

This policy applies to all appointed and/or elected Trustees of the Waitaki Power Trust.

3. Definitions

For the purposes of this policy:

- **Term:** A period of three (3) years from the date of appointment or election, unless otherwise defined by the Trust Deed.
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4. Policy Statement

4.1 Tenure Limits

Trustees may serve a maximum of four (4) consecutive terms (normally twelve (12) years in total).

4.2 Exceptions to Tenure Limits

In particular circumstances, a Trustee may serve beyond four consecutive terms. Such circumstances may include:

- Retention of critical skills or expertise not otherwise available
- Leadership continuity during periods of significant organisational change
- Preservation of essential institutional knowledge

Extensions beyond four consecutive terms are intended to be rare.

4.3 Formal Review Process

Where a Trustee seeks to continue beyond four consecutive terms, the Board must undertake a formal review, which will include:

- Assessment of the Trustee's performance and contribution
- Evaluation against the Trust's current and future skills matrix
- Consideration of Board succession planning
- Assessment of independence and objectivity

Any decision to extend tenure must be:

- Approved by the Board
 - Fully documented, including clear justification
 - Recorded in the official minutes
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5. Independence and Effectiveness

Extended tenure may impact both actual and perceived independence. Trustees serving beyond nine (12) years will be subject to enhanced scrutiny regarding independence and ongoing effectiveness.

Trustees are expected to actively consider the value they continue to bring to the Trust throughout their tenure.

6. Board Skills and Composition

The Board will maintain a skills matrix to identify the capabilities required for effective governance. Trustee tenure decisions, including reappointments and extensions, will be made having regard to this matrix to ensure alignment with the Trust's strategic direction and future needs.

7. Cooling-Off Period

A Trustee who has served four consecutive terms should stand down for at least one (1) full term before being eligible for reappointment, unless exceptional circumstances apply.

8. Alignment with Subsidiary Governance

To ensure consistency in governance practices, this policy aligns with the approach applied to directors of Network Waitaki Limited, which also limits service to four consecutive terms.

9. Compliance with Governing Documents

This policy operates subject to the provisions of the Trust Deed and any applicable legislation. Where there is any inconsistency, the Trust Deed prevails.

10. Transitional Arrangements

Trustees who have already exceeded the tenure guideline at the time of adoption of this policy may complete their current term. Any further service will be subject to the provisions of this policy.

11. Review of Policy

This policy will be reviewed every three (3) years or earlier if required, to ensure it remains aligned with governance best practice.

12. Approval and Revision

All amendments to this policy must be approved by the Board of Trustees and recorded by formal resolution.
