

Delegations Policy

Document Owner:
Chief Executive Officer

Contributors:
General Counsel

Document History:

Version	Date	Changes/Modifications	Approved By	Status
3.0	12 June 2012	Annual Review by Board and change to Schedule 1 Authorities to Implement Risk Acceptance Process	Board	Final
3A	31 July 2012	Change to Authorities in light of Investment team restructure and Strategic Tilting Policy Annual Review 12 June 2012	Board	Final
3B	31 October 2012	Schedule 1a Authorised Signatory changes to reflect staff and Board changes	Board	Final
4	19 June 2014	Second yearly review, update for RAP	Board	Final
4A	31 July 2014	Schedule 1a Authorised Signatory and Authorised Trader changes to reflect staff changes; update Direct Investment Policy Authorities resulting from change to Policy.	Board	Final
5	15 April 2015	Update Externally Managed Investments Policy and Portfolio Completion and Internally Managed Securities Policy Authorities resulting from change to policies; updates to Schedule 1 (Authorised Signatories; Guardians Bank Account Signatories; Proper Instructions and Trade Confirmation Signatories) to reflect staff changes.	Board	Final
5A	29 April 2015	Update Schedule 1 (Authorised Signatories; Guardians Bank Account Signatories; Proper Instructions and Trade Confirmation Signatories) to reflect staff changes.	CEO	Final
6	29 April 2015	Update Communications and Travel and Expenditure Authorities resulting from changes to the Communications Policy.	Board	Final
6A	17 Nov 2015	Update Schedules 1 and 1A to reflect staff and position title changes.	Board / CEO	Final
7	2 Dec 2015	Updates in light of changes under the New Zealand Superannuation Retirement and Income Amendment Act 2015.	Board	Final
8	24 Feb 2016	Updating the signatories for the Guardians' bank account, and updates to some titles.	Board	Final
8A	30 Mar 2016	Update Schedule 1A (Authorised Dealers).	CEO	Final
9	14 April 2016	Update as a result of changes to the Investment Risk Allocation Policy	Board	Final
9A	4 July 2016	Update Schedule 1A to reflect change in Board membership, and change to Proper Instructions and Trade Confirmation Signatories.	CEO	Final
10	21 June 2016	Update to reflect changes in reporting frequency for material changes to policies, and changes to Risk Management Policy.	Board	Final

Version	Date	Changes/Modifications	Approved By	Status
11	15 Dec 2016	Updates to allow CEO to further delegate some items that were originally delegated to the CEO on condition that they could not be further delegated.	Board	Final
11A	24 March 2017	Update to Schedule 1A (Proper Instruction).	CEO	Final
12	6 April 2017	Addition of a new delegation relating to a Securities Lending Investment Manager and minor consequential changes for the securities lending programme	Board / CEO	Final
12A	18 May 2017	Update to Schedule 1A (Proper Instruction and Authorised Signatories).	CEO	Final
12B	19/06/2017	Update to Schedule 1A (Proper Instruction and Authorised Signatories).	Board	Final
12C	04/08/2017	Update to Schedule 1A (Proper Instruction and Authorised Signatories).	CEO	Final
12D	28/08/2017	Update to Schedule 1A - Proper Instruction and Authorised Signatories, and Nominees for Fund Subsidiaries Bank Account Signatories	CEO	Final
12E	11 Oct 2017	Update to Schedule 1A (Proper Instruction and Authorised Signatories, and Authorised Dealers).	CEO	Final
13	24 Nov 2017	Update to Schedule 1 (Bank Account Delegations) and Schedule 1A (Guardians Bank Account Signatories, and Proper Instruction and Authorised Signatories).	Board	Final
13A	7 Dec 2017	Update to Schedule 1A (Authorised Signatories).	CEO	Final
13B	24 Jan 2018	Update to Schedule 1A (Authorised Signatories).	CEO	Final
13C	20 Mar 2018	Update to Schedule 1A (Authorised Signatories, Bank Account Signatories, and Fund Outside Custodian Environment Bank Account Signatories)	CEO	Final
13D	12 Apr 2018	Update to Schedule 1A (Authorised Signatories, and Fund Outside Custodian Environment Bank Account Signatories)	CEO	Final
13E	23 April 2018	Update to Schedule 1A (Authorised Signatories), and updates to staff titles	CEO	Final
13F	08 May 2018	Update to Schedule 1A (Authorised Signatories, and Bank Account Signatories).	CEO	Final
13G	11 Jun 2018	Update to Schedule 1 as a result of Investment Risk Allocation Policy review.	Board / CEO	Final
14	19 Jun 2018	Changes as a result of the Investment Risk Allocation Biennial Policy Review	Board / CEO	Final
14A	9 Aug 2018	Update to Schedule 1A (Proper Instructions and Trade Confirmation Signatories).	CEO	Final
14B	31 Aug 2018	Update to Schedule 1A (Proper Instructions and Trade Confirmation Signatories).	CEO	Final
14C	05 Nov 2018	Update to Schedule 1A (Authorised Signatories).	CEO	Final
14D	24 Dec 2018	Update to Schedule 1A (Authorised Signatories).	CEO	Final
14E	07 Mar 2019	Update to Schedule 1A (Authorised Signatories).	CEO	Final
14F	18 Jun 2019	Update to Schedule 1A (Authorised Signatories).	CEO	Final
14G	28 Jun 2019	Update to Schedule 1A (Authorised Signatories).	CEO	Final

15	6 Aug 2019	Updates as a result of updates to Risk Management Policy	Board	Final
16	6 Aug 2019	Updates as a result of updates to Investment Risk Allocation Policy	Board	Final
16A	1 Nov 2019	Update to Schedule 1A (Authorised Signatories).	CEO	Final
16B	1 Dec 2019	Update to Schedule 1A (Authorised Signatories).	CEO	Final
16C	29 January 2020	Update to Schedule 1A (Authorised Signatories).	CEO	Final
16D	17 Feb 2020	Update to Schedule 1A (Authorised Signatories).	CEO	Final
17	2 Mar 2020	Updates to reflect the Venture Capital Fund Act 2019	Board / CEO	Final
17A	25 Mar 2020	Update to Schedule 1A (Authorised Dealers).	CEO	Final
17B	17 Apr 2020	Update to Schedule 1A (Authorised Signatories).	CEO	Final
17C	4 May 2020	Update to Schedule 1A (Authorised Dealers).	CEO	Final
17D	16 Sept 2020	Update to Schedule 1A (Authorised Signatories).	CEO	Final
17E	25 Sept 2020	Update to Schedule 1A (Authorised Signatories, and Bank Account Signatories).	CEO	Final
18	26 Nov 2020	Updates Schedules 1 and 1A (Fund Outside Custodian Environment Bank Account Signatories)	Board	Final
18A	21 Dec 2020	Updates to Schedule 1A (Authorised Signatories, Bank Signatories, and Part B Authorised Signatories)	CEO	Final
19	18 Feb 2021	Updates to Schedule 1 (Matters Reserved to the Board, Board Committees and Chief Executive) and Schedule 1A (Fund Outside Custodian Environment Bank Account Signatories)	Board / CEO	Final
19A	01 Apr 2021	Update to Schedule 1A (Authorised Signatories, and Bank Account Signatories).	CEO	Final
19B	21 Apr 2021	Update to Schedule 1A (Authorised Signatories) and Part B (Authorised Signatories).	CEO	Final
19C	24 May 2021	Update to Schedule 1A (Authorised Dealers).	CEO	Final
19D	21 Jun 2021	Update to Schedule 1A (Authorised Signatories).	CEO	Final
20	24 Jun 2021	Updates to reflect changes to Leadership Team structure	Board	Final
21	5 Aug 2021	Updates to Schedule 1 and 1A (Bank Account Signatories).	Board	Final
21A	17 Dec 2021	Update to Schedule 1A (Authorised Signatories).	CEO	Final
21B	22 Dec 2021	Update to Schedule 1A (Authorised Signatories).	GM - CS / GM - FIO	Final
22	23 Feb 2022	Update to reflect changes to Corporate Strategy and minor change to delegation IR8b(2)	Board	Final
22A	28 Feb 2022	Update to Schedule 1A (Authorised Signatories)	CEO	Final
22B	1 Mar 2022	Update to Schedule 1A (Authorised Dealers)	CEO	Final
22C	9 Mar 2022	Update to Schedule 1A (Part B Authorised Signatories)	CEO	Final
22D	9 May 2022	Update to Schedule 1A (Authorised Signatories) – Acting General Counsel role change and (Part B Authorised Signatories)	CEO	Final

22E	12 May 2022	Update to Schedule 1A (Part B Authorised Signatories)	CEO	Final
22F	16 May 2022	Update to Schedule 1A (Part B Authorised Signatories)	CEO	Final
22G	23 Mar 2022	Update to Schedule 1A (Part B Authorised Signatories)	CEO	Final
22H	28 Jun 2022	Update to Schedule 1A (Authorised Dealers)	CEO	Final
22I	8 Sep 2022	Update to Schedule 1A (Authorised Signatories) and changes to reflect role title change from GM Finance & Investment Operations to GM Strategy & Shared Services	Board/CEO	Final
23	18 Oct 2022	Update to Schedule 1A (Authorised Signatories)	CEO	Final
23A	9 November 2022	Update to Schedule 1A (Authorised Signatories)	CEO	Final
24	6 September 2023	Update to Schedule 1A (Authorised Signatories)	CEO	Final
25	6 November 2023	Update to Schedule 1A (Authorised Dealers)	CEO	Final
26	12 January 2024	Update to Schedule 1A (Authorised Signatories)	CEO	Final
27	9 February 2024	Update to Schedule 1A (Authorised Signatories)	CEO	Final
28	12 March 2024	Update to Schedule 1A (Authorised Signatories)	CEO	Final
29	4 April 2024	Update to Schedule 1A (Bank Account Signatories)	Board	Final
30	9 July 2024	Update to Schedule 1A (Authorised Signatories)	CEO	Final
31	19 July 2024	Update to Schedule 1A (Authorised Dealers)	CEO	Final
32	15 August 2024	Update to Schedule 1A (Authorised Signatories)	CEO	Final
33	22 August 20-24	Update to reflect introduction of s59 legislation	Board	Final
34	17 September 2024	Update to Schedule 1A (Authorised Signatories)	CEO	Final

Contents

1	Background	6
2	Objective	6
3	Definitions	6
4	Scope	6
5	Authority for the Board to Delegate and Limits on Authority	7
6	General Conditions on Delegations and Sub Delegations	7
7	Matters Reserved to the Board, Board Committees and Chief Executive ...	7
8	Authority for Chief Executive and Sub-delegates	8
9	Reporting	9
10	Legislative Compliance	9
11	Control Section	10
	Schedules	11
	Schedule 1 - Matters Reserved to the Board, Board Committees and Chief Executive	15
	Schedule 1a – Authorised Signatories, Attorneys under Guardians and Subsidiaries Powers of Attorneys, Bank Signatories and Part B Authorised Signatories	48
	Schedule 2 – General Conditions of Delegation and Sub Delegation	54
	Schedule 3 – Reporting Framework	57
	Schedule 4 – Authority for the Board to Delegate and Limits on Authority	58
	Schedule 5 – Legislative Compliance	59

1 Background

- 1.1 The Board is responsible for all aspects of the operation of the Guardians. In order to allow the Guardians to function effectively and efficiently the Board is able to delegate to management certain functions and powers within prescribed limits.

2 Objective

- 2.1 The objective of this policy is to provide a framework within which the Board delegates its functions and powers to enable the Chief Executive and others to conduct the day to day affairs of the Guardians.

3 Definitions

- 3.1 To aid with interpretation of this policy there is a Glossary of Terms, which defines all investment and technical terms used in the Guardians policy documents. In this policy the first instance of any such defined term is highlighted in bold. References to other documents are italicised.

4 Scope

- 4.1 This policy covers:

- Authority for the Board to delegate and limits on authority.
- General conditions relating to delegations and sub delegations.
- Those matters reserved to the Board
- Those matters delegated to Board Committees, the Chief Executive or another person on the condition they are not delegated.
- The Board's delegation of certain functions and powers to the Chief Executive.
- The Board's authorising of the Chief Executive to sub-delegate functions and powers that have been delegated to the Chief Executive.
- Application of the delegations policy to the Guardians' subsidiaries.

- 4.2 This policy does not cover delegations to:

- **IMA Managers and Securities Lending Investment Managers**
- **Custodians**

Delegations to IMA Managers, Securities Lending Investment Managers and Custodians are set out in the terms of appointment of the IMA Manager, Securities Lending Investment Manager or Custodian.

- 4.3 From time to time the Board will delegate functions and/or powers not anticipated in this policy. These will be recorded in the minutes of meetings and written resolutions of the Board.
- 4.4 This policy applies to each Crown entity subsidiary (CE subsidiary) of the Guardians, and its board of directors, as if each of the subsidiaries was the Guardians and the board of directors of each subsidiary was the Board.
- 4.5 This policy should be read in conjunction with our other policies.
- 4.6 Where there is any conflict, relating to matters of delegations or authorities, with the Guardians' other policies, this policy prevails.

5 Authority for the Board to Delegate and Limits on Authority

5.1 The Board is subject to the following key restrictions:

- The Board may only delegate¹ to:
 - Board members and Board Committees.
 - The Chief Executive and other employees or office holders.
 - CE subsidiaries of the Guardians.
 - Persons appointed to undertake investment of the VCF
 - Custodians.
 - An entity that is formed or controlled by the Guardians for the purpose of holding, facilitating, or managing the investments of the Fund (**Holding Vehicle**) and VCF iand VCF investment vehicles (**VIVs**).
 - Other people approved by the Minister of Finance.
- The Board may not delegate the general power of delegation.

5.2 The source of authority for the Board to delegate and legal restrictions on that authority and the powers of the Guardians are set out in detail in Schedule 4.

6 General Conditions on Delegations and Sub Delegations

6.1 The Board will from time to time set general conditions that apply to the exercise of all delegations or sub delegations and that must be complied with at all times.

6.2 The general conditions that apply to all delegations and sub delegations are set out in Schedule 2.

7 Matters Reserved to the Board, Board Committees and Chief Executive

7.1 There are certain functions and powers that, either owing to law or its judgement, the Board:

- reserves to itself; or
- delegates to a Board Committee; or
- delegates to the Chief Executive or another person on the condition that they may not sub delegate.

7.2 Schedule 1 sets out those functions and powers that the Board reserves to itself, the Chief Executive or another person.

7.3 Schedule 1 includes reference to the Board and the Chief Executive approving certain Board members and employees to sign documentation. A list of these Authorised Signatories, Attorneys, and Bank Authorised Signatories, must be maintained in Schedule 1a.

¹ Section 73 of the Crown Entities Act

8 Authority for Chief Executive and Sub-delegates

8.1 Except to the extent they are:

- reserved to the Board under this policy or at law;
- specifically delegated to a person or a committee under this policy or other board resolution,

the Board delegates to the Chief Executive the following functions and powers:

- decision-making and management contemplated by the Board-approved Strategic Plan;
- management of the Board approved annual budget;
- decision-making and management as contemplated by the *Statement of Investment Policies, Standards and Procedures for the VCF and/or Fund including the Sustainable Investment Framework*;
- risk management as set out in the *Risk Management Policy*
- the management of people and culture es as set out in the *People & Culture Policy*
- communications about the Guardians, the Fund, and the VCF as set out in the *Communications Policy*
- procurement and outsourcing for the Guardians or the Guardians as manager and administrator of the Fund and the VCF, as described in the *Procurement and Outsourcing Policy*
- management of travel and sensitive expenditure as set out in the *Travel and Expenditure Policy*;
- decision making and management of investment risk allocation under the *Investment Risk Allocation Policy*;
- decisions to invest and management of investments, including the appointment and management of managers under the *Direct & Externally Managed Investment Policy*;
- decision making and implementation associated with the strategic tilting under the *Strategic Tilting Policy*;
- decision making and management of portfolio completion and internally managed investments as set out in the *Portfolio Completion and Internally Managed Investments Policy*; and
- functions and powers that are necessary or ancillary to the functions and powers that are set out above.

8.2 Other than where the Board has specified that the Chief Executive or another person must exercise those functions and powers the Board authorises the Chief Executive to sub delegate those functions and powers with any conditions the Chief Executive thinks appropriate.

-
- 8.3 The Board will maintain oversight of and responsibility for the operations of the Guardians. The Board will monitor the performance of functions and the exercise of powers delegated to the Chief Executive or another person to whom it delegates.
- 8.4 Sub delegation by a delegate will not absolve or replace the responsibility of the delegator.

9 Reporting

- 9.1 In addition to the specific reports set out in Schedule 1 the Chief Executive must:
- inform the Chair as soon as practicable of any material matters affecting the Guardians, Fund, VCF or Board;
 - inform the Chair as soon as practicable of any matters the Minister should be informed of under the 'no surprises' approach set out under the Letter of Expectation from the Minister of Finance;
 - report on general business, operational matters and any other matters required by the Board at each Board meeting.
- 9.2 The Chief Executive will recommend proposed material changes to the following Schedules to the Board for their consideration and, if agreed, approval:
- Schedule 1: Matters Reserved to the Board, Board Committees and Chief Executive.
 - Schedule 2: General Conditions of Delegation and Sub Delegation
 - Schedule 3: Reporting Framework
- 9.3 The Chief Executive must report to the Board, for their information, material changes to the following schedules of this policy:
- Schedule 1a: Authorised Signatories, Attorneys under Guardians and Subsidiaries Powers of Attorneys, Bank Signatories and Part B Authorised Signatories
 - Schedule 4: Authority for the Board to Delegate and Limits on Authority
 - Schedule 5: Legislative Compliance
- 9.4 An outline of the current reporting framework, including any reporting to management committees, must be maintained in Schedule 3.

10 Legislative Compliance

- 10.1 The Board and the employees of the Guardians will ensure that all the Guardians' activities under this policy comply with the Guardians' legislative obligations and give effect to the Guardians' legislative compliance framework.
- 10.2 A list of legislation that potentially impacts on the activities under this policy, together with a brief description of how the legislation relates to the activity, must be maintained in Schedule 5.

11 Control Section

Approved this 6th day of April 2017 and amended 21 January 2020 and 22 August 2024

Chief Executive Officer

Board Chair

Schedules

Contents to Schedule 1

Type of Delegation	Ref
Communications Policy Authorities	
1. Communications Policy	C1
2. Core Reporting and Government Relationships	C2
3. Release of Information - OIA, PQs and Regular	C3
4. Sponsorship and Donations	C4
5. Representing the Guardians - non investment bodies	C5
Delegations - Financial Delegations	
1. Financial Authority Operating Expenditure <i>Outside</i> Budget Excluding Due Diligence Costs	FA1
2. Financial Authority Operating Expenditure <i>Within</i> Budget Excluding Due Diligence Costs	FA2
3. Financial Authority Operating Expenditure <i>Within</i> Budget - Due Diligence Costs	FA3
4. Financial Authority - Capital Expenditure Outside Budget	FA4
5. Financial Authority - Capital Expenditure Within Budget	FA5
Delegations - Non Financial Delegations	
1. Non Financial Authority (e.g. Confidentiality Agreements)	NFA1
Delegations - Financial Controls and Payments	
1. Proper Instruction (PI), Standard Settlement Instructions (SI), Payment Controls and Fund Outside Custodian Environment Bank Account and Money Markets Account Operating Frameworks	FC1
2. Accounts Payable Process	FC2
3. Statutory Payments eg. IRD, ACC	FC3
4. Bank Accounts	FC4
Delegations - Governance Core	
1 Core Strategic Documents - Strategic Planning, Budgets and Annual Reporting	G1
2. Board's Own - Board Committees and Board Charter	G2
3. Delegations Policy	G3
4. Insurance	G4
5. Litigation and Privilege	G5
6. Attorneys, Authorised Signatories, DTCC Signatories, Company Seal	G6

Type of Delegation	Ref
7. Subsidiaries of the Guardians and Directors of the Subsidiaries	G7
8. Glossary of Terms used in Policy	G8
Direct Investment Policy Authorities	
1. Direct Investment Policy	DI1
2. Directors on Direct Investee Company Boards etc.	DI2
3. Decisions relating to Direct Investments	DI3
Externally Managed Investments Policy Authorities	
1. Externally Managed Investments Policy	EM1
2. Representation on bodies associated with Investments e.g. Advisory Committees	EM2
3. Decisions relating to IMA Managers	EM3
4. Decisions relating to CIVs Collective Investment Vehicles	EM4
5. Decisions relating to Securities Lending Investment Managers	EM5
People & Culture Policy Authorities	
1. People & Culture Policy	HR1
2. Employment Terms and Positions	HR2
Investment Risk Allocation Policy Authorities	
1. Investment Risk Allocation Policy	IR1
2. Asset classes and Benchmarks	IR2
3. Reference Portfolio	IR3
4. Value Adding Strategies and Opportunities	IR4
5. Proxies for Asset Classes	IR5
6. Constraints on Investment Risk	IR6
7. Liquidity	IR7
8. Risk Budget	IR8
Portfolio Completion & Internally Managed Securities Policy Authorities	

Type of Delegation	Ref
1. Portfolio Completion & Internally Managed Securities Policy	PC1
2. Rebalancing the Fund / Portfolio Completion	PC2
3. Intern Investments Mandates	PC3
4. Approved Products	PC4
5. Counterparties and Non Master Custodians	PC5
6. Portfolio Completion Agents and Clearing Houses	PC6
7. Direct Transaction Management	PC7
8. Minimum Liquidity Requirements MRL	PC8
Procurement and Outsourcing Policy Authorities	
1. Procurement and Outsourcing Policy	PO1
2. Master Custodian	PO2
3. Procurement and Outsourcing	PO3
Risk Management Policy Authorities	
1. Risk Management Policy	RM1
2. Risk Statement and Risk Limits	RM2
3. Internal Audit Plan	RM3
4. Government Information and Technology Security	RM4
5. Acceptance of Risks	RM5
Statement of Investment Policies, Statements and Procedures Including Responsible Investment Framework Authorities	
1. Statement of Investment Policies, Standards and Procedures	SP1
2. Divestment and Exclusions	SP2
3. Voting	SP3
4. Engagement	SP4
Strategic Tiltng Policy Authorities	

Type of Delegation	Ref
1. Strategic Tilting Policy	ST1
2. Strategic Tilting Positions	ST2
Travel and Expenditure Policy Authorities	
1. Travel and Expenditure Policy	TE1

Schedule 1 - Matters Reserved to the Board, Board Committees and Chief Executive

All monetary amounts referred to in this schedule are GST exclusive and denominated in New Zealand Dollars

Ref	Decision. I can (What do you want the Guardians or its subsidiaries to do?)	Authority (Who can make this decision) The person to whom a delegate reports to also has the authority	Signing documents (Who can sign legal documents associated with the decision?)	Reporting	Additional Conditions/Notes The legal team will arrange the signing of all legal documents.
C Communications Policy Authorities					
C1 Communications Policy					
C1a(1)	Approve <i>Communications Policy</i>	Reserved to Board	N/A		
C1b(1)	Approve Schedule 9 (Reporting Framework)	Reserved to Board	N/A		
C1c(2)	Approve Schedules 1 (Responsibilities), 2 (External Communications Issues), 3 (Relationship with Government), 4 (Responding to Official Information Act Requests), 5 (Information Management), Schedule 6 (Website Intranet & Extranet), 7 (Dealing with media enquiries and speaking invitations), 8 (Sponsorship process), and 10 (Legislative	Reserved to Chief Executive	N/A	Report annually to the Board and Risk Committee following the decision to make any material changes and under the no surprises protocol. Relevant Government stakeholders advised as a	Consult with Leadership Team

Schedule 1 - Matters Reserved to the Board, Board Committees and Chief Executive

All monetary amounts referred to in this schedule are GST exclusive and denominated in New Zealand Dollars

	Compliance).			courtesy of changes to schedule 3 of the <i>Communications Policy</i> .	
C2 Core Reporting and Government Relationships					
C2b(1CH)	Approve quarterly Ministerial Reports and other official correspondence with Minister, Treasury on matters relevant to the Board	Reserved to Chairperson	N/A		
C2c(1)	Approve the Guardians agreeing to a change to the Ministerial policy statement in respect of the VCF that includes a direction to which the Guardians' agreement is required under section 23 of the VCF Act.	Reserved to Board	Chief Investment Officer		
C3 Release of Information - OIA, PQs and Regular					
C4 Sponsorship					
C4a(1)	Approve sponsorship where the sponsorship amount is <u>outside</u> the Annual Budget for sponsorship or the sponsorship financial commitment is for a period of more than one year	Reserved to Board	Chief Executive		
C4b(2)	Approve sponsorship where the sponsorship amount is <u>within</u> the Annual Budget for	Reserved to Chief Executive	Chief Executive	Report annually to the Board and under the no surprises	

Schedule 1 - Matters Reserved to the Board, Board Committees and Chief Executive

All monetary amounts referred to in this schedule are GST exclusive and denominated in New Zealand Dollars

	sponsorship and the sponsorship financial commitment is for one year or less			protocol on sponsorship requests received and of their outcome.	
C5 Representing the Guardians - non Investment bodies excluding those under the sections titled <i>Externally Managed Investments Policy Authorities</i> or <i>Direct Investments Policy Authorities</i>.					
C5a(1)	Approve Board member to represent the Guardians on external bodies that are not associated with a particular Fund or VCF investment	Reserved to Board	Board Member	Report Six monthly to the Board and under the no surprises protocol of all external committees or bodies on which the Guardians is represented, and membership of all external organisations.	Refer DI2 and EM2 for Fund or VCF Investment related appointments (e.g. Directors, Advisory Committee) and G7 for Guardians subsidiaries.
C5b(1)CH	Approve Chief Executive to represent the Guardians on external bodies that are not associated with a particular Fund or VCF investment	Reserved to Chairperson	Board Member	To next regular Board meeting following decision. Report Six monthly to the Board and under the no surprises protocol of all external committees or bodies on which the Guardians is represented, and membership of all	Refer DI2 and EM2 for Fund or VCF Investment related appointments (e.g. Directors, Advisory Committee) and G7 for Guardians subsidiaries.

Schedule 1 - Matters Reserved to the Board, Board Committees and Chief Executive

All monetary amounts referred to in this schedule are GST exclusive and denominated in New Zealand Dollars

				external organisations.	
C5c(2)	Approve employees other than the Chief Executive to represent the Guardians on external bodies that are not associated with a particular Fund or VCF investment	Reserved to Chief Executive	Chief Executive	Report to next regular Leadership Team meeting following decision. Report Six monthly to the Board and under the no surprises protocol of all external committees or bodies on which the Guardians is represented, and membership of all external organisations.	Refer DI2 and EM2 for Fund or VCF Investment related appointments (e.g. Directors, Advisory Committee) and G7 for Guardians subsidiaries.
Contracting and Delegated Financial Authorities excluding contracts and expenditure with External Managers, Master Custodians, Portfolio Completion Agents and Counterparties					
FA1. Financial Authority Operating Expenditure Outside Budget Excluding Due Diligence Costs					
FA1a(1)	Authorise operating expenditure (excluding Due Diligence Costs) where total Operating Expenditure is <u>outside</u> the Annual Budget and the financial commitment is for a term of one year or less and the item is \$250,000 or more:	Reserved to Board	Chief Executive		Consult with General Manager Strategy and Shared Services. <u>See FA3 for Due Diligence Costs</u>
FA1b(2)	Authorise operating expenditure (excluding Due Diligence Costs) where total Operating Expenditure is <u>outside</u> the Annual Budget and	Reserved to Chief Executive	Chief Executive	Advise Chairperson Immediately. Report to Board at next	Consult with General Manager Strategy and Shared Services. <u>See FA3 for Due Diligence</u>

Schedule 1 - Matters Reserved to the Board, Board Committees and Chief Executive

All monetary amounts referred to in this schedule are GST exclusive and denominated in New Zealand Dollars

	the financial commitment is for a term of one year or less and the item is less than \$250,000:			regular Board meeting	<u>Costs</u>
FA1c(1)	Authorise operating expenditure (excluding Due Diligence Costs) with a financial commitment period of 1 year to 3 years inclusive where the total financial commitment is more than the term of the contract times the amount included in the Annual Budget for the first year of the term.	Reserved to Board	Chief Executive	N/A	<u>See FA3 for Due Diligence Costs</u>
FA1d(1)	Authorise operating expenditure (excluding Due Diligence Costs) with a financial commitment period of more than 3 years.	Reserved to Board	Chief Executive	N/A	<u>See FA3 for Due Diligence Costs</u>
FA2. Financial Authority Operating Expenditure <i>Within</i> Budget Excluding Due Diligence Costs					
FA2a(2)	Authorise operating expenditure (excluding Due Diligence Costs) where the term of the financial commitment is one year or less and total Operating Expenditure is within the Annual Budget .	Reserved to Chief Executive	Authorised Signatory		<u>See FA3 for Due Diligence Costs</u>
FA2b(2)	Authorise operating expenditure excluding Due Diligence Costs with a financial commitment period 1 year to 3 years inclusive where the total financial commitment is no more than the term of the contract times the amount included in the Annual Budget for the first year of the term.	Reserved to Chief Executive	Chief Executive		<u>See FA3 for Due Diligence Costs</u>

FA3. Financial Authority Operating Expenditure <i>Within</i> Budget - Due Diligence Costs					
FA3a(2)	Authorise expenditure of Due Diligence Costs where the term of the financial commitment is one year or less and total operating expenditure is within the Annual Budget and the Due Diligence Costs are more than the lesser of \$1 million or 1% of the value of the capital to be invested.	Reserved to Chief Executive	Authorised Signatory	Report at least annually to the Board on the actual expenditure Incurred on Due Diligence Costs .	<p>Cumulative Due Diligence Costs each financial year are to be no more than \$10 million including those costs Incurred by IMA Managers on behalf of the Guardians.</p> <p>Due Diligence Costs may only be expended after the Chief Executive has recommended that Stage 2 of the Investment Process applies</p>
FA4. Financial Authority - Capital Expenditure - Outside Budget					
FA4a(1)	Authorise capital expenditure where total capital expenditure is <u>outside</u> the Annual Budget , the financial commitment term is 1 year or less and \$100,000 or more per item.	Reserved to Board	Chief Executive		Consult with General Manager Strategy and Shared Services.
FA4b(2)	Authorise capital expenditure where total capital expenditure is <u>outside</u> the Annual Budget , the financial commitment terms is 1 year or less and less than \$100,000 per item.	Reserved to Chief Executive	Chief Executive	<p>Advise Chairperson Immediately.</p> <p>Report to Board at next regular Board meeting.</p>	Consult with General Manager Strategy and Shared Services.
FA4c(1)	Authorise capital expenditure with a financial commitment period of more than 3 years.	Reserved to Board	Chief Executive		Consult with General Manager Strategy and Shared Services
FA4d(1)	Authorise capital expenditure with a financial commitment period of 1 year to 3 years inclusive where the total financial commitment is <u>more than</u> the term of the contract times the amount	Reserved to Board	Chief Executive		Consult with General Manager Strategy and Shared Services.

	included in the Annual Budget for the first year of the term.				
FA5. Financial Authority - Capital Expenditure - Within Budget					
FA5a(2)	Authorise expenditure where total Capital Expenditure is <u>within</u> the Annual Budget and is \$250,000 or more per item	Reserved to Chief Executive	Chief Executive		Consult with General Manager Strategy and Shared Services.
FA5b(2)	Authorise expenditure where total Capital Expenditure is <u>within</u> the Annual Budget and: (a) the term of the financial commitment is 1 year to 3 years inclusive; and (b) the total financial commitment is no more than the term of the contract times the amount included in the Annual Budget for the first year of the term.	Reserved to Chief Executive	Chief Executive		Consult with General Manager Strategy and Shared Services.
NF – Delegations – Non Financial Authorities					
NFA 1. Non Financial Authority (e.g. Confidentiality Agreements)					
FC Delegations - Financial Controls and Payments					
FC1 – Proper Instruction (PI), Standard Settlement Instructions (SI), Payment Controls and Fund Outside Custodian Environment Bank Account and Money markets Account Operating Frameworks					
FC1a(2)	Approval of Proper Instruction, SSI, Accounts Payable Control and Fund Outside Custodian Environment Bank Account and Money Markets Account Operating Frameworks	Reserved to Chief Executive	N/A	At the next regular meeting of the Audit & Risk Committee	Prior consultation with Audit & Risk Committee is required unless the proposed changes to Frameworks maintain or exceed the level of controls prior to change.

FC1b(2)	Approval of Part B Authorised Signatories.	Reserved to Chief Executive	Authorised Signatory	At the next regular meeting of the Audit & Risk Committee	List of Part B Authorised Signatories is to be maintained in a schedule to the Delegations Policy
FC2 Accounts Payable Process					
FC3 Statutory Payments eg. IRD and ACC					
FC4 Bank Accounts					
FC4a(1)	Opening or closing a Bank Account of the Guardians (in its own capacity) or altering signing authorities (except to remove a signatory) for such Bank Account excluding CE subsidiary Bank Accounts.	Reserved to Board	Board Member	Advise Board when the action has been implemented at regular board meeting following decision.	List of Bank Authorised Signatories to be maintained in a schedule to the <i>Delegations Policy</i> Refer to G7(f) for CE subsidiary Bank Accounts. In consultation with the General Manager Strategy and Shared Services
FC4(b)(2)	Opening or closing Bank Accounts or altering signing authorities for Fund Bank Accounts under the terms of appointment with the Master Custodian.	Under Proper Instruction, SSI Payment Control, Fund Outside Custodian Environment Bank Account and Money Markets Account Operating Frameworks in the <i>Risk Management Policy</i> .	Under Proper Instruction, SSI, Payment Control and Fund Outside Custodian Environment Bank Account and Money Markets Account Operating		Opening of Fund Bank Accounts within the Master Custodian environment is governed by the Proper Instruction, SSI, Payment Control and Fund Outside Custodian Environment Bank Account and Money Markets

			Frameworks.		Account Operating Frameworks and not this Delegations Policy.
FC4c(1)	Opening or closing Fund Bank Accounts or altering signing authorities for Fund Bank Accounts not covered in FC4(b)(2) (Fund Bank Accounts under Master Custodian Agreement).	Reserved to Board	Authorised Signatories (one or two as required by bank).	Advise Board when the action has been implemented at regular board meeting following decision	List of Bank Authorised Signatories to be maintained in a schedule to the <i>Delegations Policy</i> In consultation with the General Manager Strategy and Shared Services.
FC4d(1)	Opening or closing VCF Bank Accounts or altering signing authorities for VCF Bank Accounts (except to remove a signatory).	Reserved to Board	Authorised Signatories (one or two as required by bank).	Advise Board when the action has been implemented at regular board meeting following decision	List of Bank Authorised Signatories to be maintained in a schedule to the <i>Delegations Policy</i> In consultation with the General Manager Strategy and Shared Services.
G Delegations - Governance Core Authorities					
G1 Core Strategic Documents - Strategic Planning, Budgets and Annual Reporting					
G1a(1)	Approve Strategic Plan	Reserved to Board	N/A		
G1b(1)	Approve Annual Budget	Reserved to Board	N/A		
G1c(1)	Approve Statement of Intent	Reserved to Board	Two board members		
G1d(1)	Approve Statement of Performance Expectations	Reserved to Board	Two board members		

G1e(1)	Approve Annual Report including Statement of Performance and Statement of Responsibility	Reserved to Board	As required by law and auditor		After review of financial statements of Guardians, Fund and VCF by Audit & Risk Committee
G2 Board's Own - Board Committees and Board Charter					
G2a(1)	Establish Board Committees and their terms of reference.	Reserved to Board	N/A		
G2b(1)	Approve Board Charter Including Code of Conduct and Securities Trading Procedure for Board	Reserved to Board	N/A		
G3 Delegations Policy					
G3a(1)	Approve Delegations Policy	Reserved to Board			
G3b(1)	Approve Schedules 1 (Authority for the Board to Delegate and Limits on Authority), 2 (General Conditions of Delegation and Sub Delegation), 3 Matters Reserved to the Board, Board committees and Chief Executive)	Reserved to Board			
G3c(1)	Approve the following in Schedule 1a (Authorised Signatories, Attorneys, Bank Signatories): <ul style="list-style-type: none"> Guardians Bank Account Signatories Fund (Outside Custodian Environment) Bank Account Signatories 	Reserved to Board Reserved to Board			

	<ul style="list-style-type: none"> VCF Bank Account Signatories 	Reserved to Board			
G3c(2)	<p>Approve the following in Schedule 1a:</p> <ul style="list-style-type: none"> Part A Authorised Signatories for the Guardians Attorneys for the Guardians and subsidiaries 	Reserved to Chief Executive		Report six monthly to the Board and under the no surprises protocol.	
G3c(3)	<p>Approve the following in Schedule 1a:</p> <ul style="list-style-type: none"> Part B Authorised Signatories: Authorised Signatories for subsidiaries (excluding Attorneys) subsidiary Bank Account Signatories 	Reserved to Chief Executive		Report six monthly to the Audit & Risk Committee and Risk Committee and under the no surprises protocol.	
G4 Insurance					
G4a(1)	Arrange, renew, terminate or permit to lapse D&O or similar insurance policy and related indemnities for the benefit of, Board members	Reserved to Board	Authorised Signatory		
G4b(1CH)	Arrange, renew, terminate or permit to lapse D&O or similar insurance policy and related indemnities for the benefit of the Chief Executive.	Reserved to Board Chairperson	Authorised Signatory	At the next regular meeting of the Board	
G4c(2)	Arrange, renew, terminate or permit to lapse D&O or similar insurance policy and related indemnities for the benefit of an employee or any other person.	The Chief Executive may only sub delegate this decision to the Chief Investment Officer	Authorised Signatory	At the next regular meeting of the Board	

G5 Litigation and Privilege					
G5a(1)	Institute, terminate or settle any litigation or claim other than actions by or against shareholders in securities forming or having formed part of the portfolio under a listed mandate	Reserved to Board	As determined by Board		
G6 Attorneys, Authorised Signatories, DTCC Signatories, Company Seal					
G6a(1)	Appointment of attorneys to execute deeds and other legal documentation	The Chief Executive may only sub delegate this decision to the Chief Investment Officer	1 or two Authorised Signatories or Attorneys as legally required	Report six monthly to the Board and under the no surprises protocol.	Powers of Attorney may be in documents under the <i>Externally Managed Investments Policy</i>
G6b(1)	Appointment of a person as an Authorised Signatory of the Guardians	The Chief Executive may only sub delegate this decision to the Chief Investment Officer	N/A	Report six monthly to the Board and under the no surprises protocol.	List of Authorised Signatories to be maintained in a schedule to the <i>Delegations Policy</i> See G7 for Authorised Signatories of Subsidiaries.
G7. Subsidiaries of the Guardians and Directors of the Subsidiaries					
G7a(1)	Establishment of a CE subsidiary of the Guardians	Reserved to Board	Authorised Signatory	Notify the Minister prior to incorporation as required by Crown Entities Act.	
G7b(1CH)	Approving the appointment of the Chief Executive as a director of a CE subsidiary	Reserved to Chairperson	Authorised Signatory	Report to the Board at the next regular Board meeting.	This allows the Chairperson to approve the Chief Executive as a director of CE subsidiaries like NZSF Private Equity
G7c(2)	Approving the appointment of staff (other than	Chief Executive	Authorised Signatory	Report six monthly to the	This allows the Chief

	the Chief Executive) as directors of a CE subsidiary			Board and under the no surprises protocol.	Executive to change directors of CE subsidiaries like NZSF Private Equity
G7(d)(1)	Granting Power of Attorney of a CE subsidiary	The Chief Executive may only sub delegate this decision to the Chief Investment Officer	Attorney or as required by law	Report six monthly to the Board and under the no surprises protocol.	
G7(e)(1CH)	Appointment of the Chief Executive as an Authorised Signatory of a CE subsidiary	Reserved to Chairperson		Report at the next regular Board meeting.	List of Authorised Signatories to be maintained in a schedule to the <i>Delegations Policy</i>
G7f(2)	Appointment of a person (other than the Chief Executive) as an Authorised Signatory of a CE subsidiary	The Chief Executive may only sub delegate this decision to the Chief Investment Officer		Report six monthly to the Board and under the no surprises protocol.	List of Authorised Signatories to be maintained in a schedule to the <i>Delegations Policy</i>
G7g(1CH)	Altering signing authorities where the Chief Executive would be a signatory of a CE subsidiary.	Reserved to Chairperson		Report at the next regular Board meeting.	List of Bank Authorised Signatories to be maintained in a schedule to the <i>Delegations Policy</i> Consult with the General Manager Strategy and Shared Services
G7h(2)	Altering signing authorities (other than the Chief Executive) for a CE subsidiary	The Chief Executive may only sub delegate this decision to the Chief Investment Officer		Report six monthly to the Board and under the no surprises protocol.	List of Bank Authorised Signatories to be maintained in a schedule to the <i>Delegations Policy</i> Consult with the General Manager Strategy and Shared Services

G7A. Holding vehicles and VIVs					
G7Aa(1)	Establishment and disestablishment of a Holding Vehicle or VIV	The Chief Executive may only sub delegate this decision to the General Counsel	Authorised Signatory	Report six monthly to the Board (including the nature and purpose of the Holding Vehicle or VIV and under the no surprises protocol	
G7Ab(1)	Delegation of functions and powers to a Holding Vehicle or VIV.	The Chief Executive may only sub delegate this decision to the Chief Investment Officer	Authorised Signatory	Report six monthly to the Board and under the no surprises protocol	
G7Ac(1CH)	Approving the appointment of the Chief Executive to external boards, committees or similar bodies associated with a Holding Vehicle or VIV.	Reserved to Chairperson	Authorised Signatory	Report six monthly to the Board and under the no surprises protocol. Report at the next regular Investment Committee meeting	
G7Ad(2)	Approving the appointment of an employee (other than the Chief Executive) to external boards, committees or similar bodies associated with a Holding Vehicle or VIV.	Can't be sub-delegated below an Investment Head Of	Authorised Signatory	Report six monthly to the Board and under the no surprises protocol. Report at the next regular Investment Committee meeting	
G7Ae(2)	Approving the appointment of an external candidate to external boards, committees or similar bodies associated with Holding Vehicle or VIV.	Can't be sub-delegated below an Investment Head Of	Authorised Signatory	Report six monthly to the Board and under the no surprises protocol. Report at the next regular Investment Committee meeting	

G8. Glossary of Terms used In Policy					
GA8a(1)	Approval of the Glossary of Terms used in the <i>Delegations Policy</i>	Reserved to Chief Executive	N/A		
Direct Investment Policy Authorities					
DI1. Direct Investment Policy					
DI1a(1)	Approve <i>Direct Investment Policy</i> and Schedules 4 (Director Appointment and Monitoring) and 6 (Reporting Framework)	Reserved to Board	N/A		
DI1b(2)	Approve Schedules 1 (Responsibilities), 2 (Due Diligence Investment Case), 3 (Due Diligence Implementation), 5 (Monitoring Framework) and 7 (Legislative Compliance)	Reserved to Chief Executive	N/A	Report annually to the Board and Risk Committee following the decision to make any material changes and under the no surprises protocol.	On the recommendation of the Investment Committee.
DI2. Directors on Direct Investee Company Boards etc.					
DI2a(1CH)	Appoint (and the terms of such appointment) the Chief Executive to represent the Guardians on committees, boards or similar bodies associated with a Direct Investment .	Reserved to Chairperson	Authorised Signatory	Report six monthly to the Board and under the no surprises protocol. Report at the next regular Investment Committee meeting following the	Conditional upon compliance with the Director Appointment and Monitoring framework in the <i>Direct & Externally Managed Investment Policy Procedures</i> including the Board being consulted as part

				decision.	of the reference check process on external directors and the General Counsel having arranged insurance and indemnities.
DI2b(1)	Appoint (and the terms of such appointment) a person (other than the Chief Executive) to represent the Guardians on committees, boards or similar bodies associated with a Direct Investment.	The Chief Executive may only sub delegate this decision to the Chief Investment Officer	Authorised Signatory	Report six monthly to the Board and under the no surprises protocol. Report at the next regular Investment Committee meeting following the decision.	Conditional upon compliance with the Director Appointment and Monitoring framework in the <i>Direct Investment Policy</i> including the Board being consulted as part of the reference check process on external directors and the General Counsel having arranged insurance and indemnities.
DI3. Decisions relating to Direct Investments					
DI4. Decisions related to Direct Control Investments					
DI4a(1)	Approval of a transaction, or series of transactions, as a result of which the Guardians directly or indirectly (for the Fund) acquires control of an entity (including a State Owned Enterprise) through the acquisition of shares, assets, or rights from the New Zealand Government.	Reserved to Board			The Board will evaluate the proposed transaction at a strategic risk level including any arrangements proposed to mitigate those risks. Management is responsible for the overall investment case, general risk (not associated with control) and terms of the proposed transaction.

<p>DI4b(1)</p>	<p>Approval of a transaction, or series of transactions, as a result of which the Guardians directly or indirectly (for the Fund) acquires control of an entity which operates a critical national business. For these purposes, a critical national business comprises:</p> <ul style="list-style-type: none"> • ports <i>[Explanatory note: currently defined as the port company at Auckland, Bluff, Port Chalmers, Gisborne, Lyttelton, Napier, Nelson, Picton, Port Taranaki, Tauranga, Timaru, Wellington, Westport, or Whangarei]</i> • airports <i>[Explanatory note: currently defined as Auckland International airport, Wellington International airport, Christchurch International airport and the primary airport at Bay of Islands, Blenheim, Dunedin, Gisborne, Hamilton, Hokitika, Invercargill, Napier, Nelson, New Plymouth, Palmerston North, Queenstown, Rotorua, Tauranga, Wanganui, Westport, Whakatane, or Whangarei]</i> • electricity generation, distribution, metering or aggregation <i>[Explanatory note: currently defined as a generator with a total capacity exceeding 250MW or provider of</i> 	<p>Reserved to Board</p>			<p>The Board will evaluate the proposed transaction at a strategic risk level including any arrangements proposed to mitigate those risks. Management is responsible for the overall investment case, general risk (not associated with control) and terms of the proposed transaction.</p>
-----------------------	---	---------------------------------	--	--	---

	<p><i>electricity lines services]</i></p> <ul style="list-style-type: none"> • drinking water, waste water or storm water infrastructure <p><i>[Explanatory note: currently defined as businesses that (i) provide large drinking-water supply or a medium drinking-water supply (as defined in section 69G of the Health Act 1956) (ii) provide a waste water or sewerage network that services 5,000 or more people, or (iii) dispose of sewage or storm water for 5,000 or more people]</i></p> <ul style="list-style-type: none"> • a registered bank or provider of financial market infrastructure <p><i>[Explanatory note: currently defined as (i) registered banks with asset value of \$80b and (ii) multi-lateral clearing systems (e.g. payment systems, central securities depositories, settlement systems, central counterparties and trade repositories) which have been designated as systemically important. For example, NZ Clear, NZCDC, ASXCF]</i></p> <ul style="list-style-type: none"> • media business, <p><i>[Explanatory note: currently defined as businesses where (i) all or a significant part of the business involves generation or aggregation of content, and (ii) the business has a significant impact on</i></p>				
--	---	--	--	--	--

	<p><i>the plurality of content available to the public or a section of the public.]</i></p> <p>in each case meeting the requirements for a "strategically important business" under the Overseas Investment Act 2005 and associated regulations.</p>				
EM Externally Managed Investments Policy Authorities					
EM1 Externally Managed Investments Policy					
EM1a(1)	Approve <i>Externally Managed Investments Policy</i>	Reserved to Board	N/A		
EM1b(1)	Approve Schedule 6 (Reporting Framework)	Reserved to Board	N/A		
EM1c(2)	Approve Schedules 1 (Responsibilities), 2 (Active-Decision Framework), 3 (Conviction and Monitoring Framework), 4 (Investment Manager Fees), 5 (New Investment Implementation Framework), and 7 (Legislative Compliance)	Reserved to Chief Executive	N/A	Report annually to the Board and Risk Committee following the decision to make any material changes and under the no surprises protocol.	On the recommendation of the Investment Committee.
EM2. Representation on bodies associated with investments, e.g. Advisory Committees under the Externally Managed Investments Policy					
EM2a(1CH)	Appoint the Chief Executive as a representative on external committees or bodies associated with an investment under the <i>Externally Managed Investments Policy</i> .	Reserved to Chairperson	Authorised Signatory	Report to the next regular meeting of the Investment Committee following the decision. 6 monthly reporting to the Board of all external committees or bodies on which the Guardians is represented and under the	Refer to C5 for non investment related appointments and G7 for Guardians CE subsidiary appointments.

				no surprises protocol.	
EM2b(2)	Appoint any employee other than the Chief Executive as the representative on external committees or bodies associated with an investment under the <i>Externally Managed Investments Policy</i> .	The Chief Executive may only sub delegate this decision to the Chief Investment Officer	Authorised Signatory	Report to the next regular meeting of the Investment Committee following the decision 6 monthly reporting to the Board of all external committees or bodies on which the Guardians is represented and under the no surprises protocol.	Refer to C5 for non investment related appointments and G7 for Guardians CE subsidiary appointments.
EM3 Decisions relating to IMA Managers					
EM3a(1)	Approve the appointment of an IMA Manager and the key terms and conditions of that appointment.	Can't be sub-delegated below an Investment Head Of	Authorised Signatory	Report six monthly to the Board and under the no surprises protocol. List of all incumbent managers to be included in Annual Report.	On the recommendation of the Investment Committee if the decision falls within one of the criteria specified in Schedule 10B of the Investment Risk Allocation Policy
EM4 Decisions relating to CIVs Collective Investment Vehicles					
EM4a(1)	Exercise a right to terminate the appointment of NZVIF to undertake the investment of the VCF.	Reserved to Board	Authorised Signatory		

EM5 Decisions relating to Securities Lending Investment Managers					
EM5a(1)	Approve the appointment (and termination) of a Securities Lending Investment Manager and the key terms and conditions of that appointment.	Chief Executive (with ability to sub-delegate to GM Portfolio Completion)	Authorised Signatory	Report six monthly to the Investment Committee as part of the PC Access Point Review and report six monthly to the Board and under the no surprises protocol. List of all Incumbent managers to be included in Annual Report.	On the recommendation of the Investment Committee
HR People & Culture Policy Authorities					
HR1 People & Culture Policy					
HR1a(1)	Approve <i>People & Culture Policy</i>	Reserved to Board	N/A		
HR1b(1)	Approve Schedule 10 (Reporting Framework)	Reserved to Board	N/A		
HR1c(2)	Approval of Schedules 1 (Responsibilities) 2 (Recruitment and Selection Methodology), 3 (Code of Conduct for Employees and Securities Trading Procedure), 4 (Code of Conduct for Contractors etc.), 5 (Performance Review and Development Process), 6 (Leave Entitlements), 7 (Health and Safety Process), 8 (Termination of Employment Process), 9 (Disciplinary and Dispute Resolutions Process), and 11 (Legislative Compliance)	Reserved to Chief Executive	N/A	Report annually to the Risk Committee and People and Culture Committee following the decision to make any material changes and under the no surprises protocol.	

HR2 – Employment Terms and Positions					
HR2a(1)	Chief Executive appointment, terms of employment, performance and remuneration	Reserved to Board	A Board Member		In consultation with People and Culture Committee
HR2b(2)	Appointment, terms of employment, performance, termination and remuneration of Direct Reports .	Reserved to Chief Executive	Chief Executive		Approval of Chairperson required. Oversight of terms of employment, performance, termination and remuneration, by People and Culture Committee
HR2d(2)	Approve the creation of new positions. Note HR2b In respect of Direct Reports and HR2(g) In respect of the Head of Internal Audit.	Reserved to Chief Executive	N/A		
HR2e(2)	Approve settlement of employment disputes involving compensation. Note HR2b In respect of Direct Reports and HR2f In respect of the Head of Internal Audit.	Reserved to Chief Executive	Chief Executive	To next regular Board meeting following decision	Subject to Delegated Financial Authorities
HR2f(1AC)	Dismissal of Head of Internal Audit	Chairperson of Audit & Risk Committee	Chief Executive	To next regular Board meeting following decision	Chairperson of Audit & Risk Committee to be consulted on any disciplinary action against the Head of Internal Audit

HR2g(1AC)	Head of Internal Audit appointment, terms of employment, performance and remuneration	Chairperson of Audit & Risk Committee and Chief Executive (jointly)	Chief Executive		Chairperson of Audit & Risk Committee to be consulted on any disciplinary action against the Head of Internal Audit
IR Investment Risk Allocation Policy Authorities					
IR1 Investment Risk Allocation Policy					
IR1a(1)	Approve <i>Investment Risk Allocation Policy</i>	Reserved to Board	N/A		
IR1b(1)	Approve Schedules 2 (Asset classes and Benchmarks), 3 (Reference Portfolio), 5 (Strategies), 6 Part A (Proxy System), 7 (Constraints), 8 (Reporting Framework) and 10 Part A (Total Risk Budget)	Reserved to Board	N/A		On the recommendation of the Investment Committee prior to submitting to the Board.
IR1c(2)	Approve Schedules 1 (Responsibilities), 4 (Processes), 5 (Opportunities), 6 Part B (Proxy System Description), 9 (Legislative Compliance) and 10 Part B (Investments requiring Investment Committee Endorsement)	Reserved to Chief Executive	N/A	Report annually to the Board and Risk Committee following the decision to make any material changes and under the no surprises protocol.	

IR2 Asset classes and Benchmarks					
IR2a(1)	Approve the asset classes of the Reference Portfolio.	Reserved to Board	N/A		Contained In Schedule 2 of the <i>Investment Risk Allocation Policy</i> .
IR2b(1)	Approve the benchmarks for asset classes and Value Adding Strategies	Reserved to Board			Contained In Schedule 2 of the <i>Investment Risk Allocation Policy</i>
IR3 Reference Portfolio					
IR3a(1)	Decide the Reference Portfolio.	Reserved to Board	N/A		Contained In Schedule 3 of the <i>Investment Risk Allocation Policy</i> .
IR4 Value Adding Strategies and Opportunities					
IR4a(1)	Decide the Value Adding Strategies.	Reserved to Board	N/A		Contained in Schedule 5 of the <i>Investment Risk Allocation Policy</i> .
IR4b(2)	Decide the Opportunities.	The Chief Executive may only sub delegate this decision to the Chief Investment Officer	N/A	Report to the next regular meeting of the Board following the decision	On the recommendation of the Investment Committee Contained in Schedule 5 of the <i>Investment Risk Allocation Policy</i>
IR5 Proxies					
IR5a(1)	Decide the Proxy Categories and the growth and Income weights.	Reserved to Board	N/A	None required	Contained In Schedule 6 (Part A) of the <i>Investment Risk</i>

					<i>Allocation Policy</i>
IR5a(3)	For an approved Opportunity, decide which Proxy Category classification is appropriate based on its risk characteristics.	Can't be delegated below Head of Asset Allocation	N/A	Report to the next scheduled Board meeting.	On the recommendation of the Investment Committee. Contained In Schedule 6 (Part A) of the Investment Risk Allocation Policy
IR5b(2)	Decide the proxy for an access point or for an Opportunity where the standard proxy system is not used.	Can't be delegated below Head of Asset Allocation	N/A	The Board will receive a report on any departures from the standard proxy system every six months.	On the recommendation of the Head of Asset Allocation
IR5c(1)	Decide the proxy for an access point or for an Opportunity from within the band allowed by the Proxy Category for that Opportunity under the standard proxy system.	Can't be delegated below Head of Asset Allocation	N/A	None required	On the recommendation of Head of Asset Allocation.
IR6 Constraints on Investment Risk					
IR6a(1)	Decide the capital, risk and concentration constraints to manage investment risk within the Fund.	Reserved to Board	N/A		Contained in Schedule 7 of the <i>Investment Risk Allocation Policy</i>
IR6b(1)	Approve constraints within individual Internal Investment Mandate	Reserved to Chief Executive	N/A		On the recommendation of the Investment Committee
IR7 Liquidity					
IR7a(2)	Decide on the asset types that qualify as liquidity for the purposes of calculating minimum liquidity	The Chief Executive may only sub delegate this decision to the	N/A	Report to the next regular meeting of the Board and Risk Committee following the	On the recommendation of the Investment Committee

	under the Liquidity Replenishment System	Chief Investment Officer		decision	
IR7b(2)	Decide which Fund Investments to sell if the EMV is below 3 EMV.	The Chief Executive may only sub delegate this decision to the Chief Investment Officer	N/A	Report to the next regular meeting of the Board and Risk Committee following the decision	On the recommendation of the Investment Committee
IR8 Risk Budget					
IR8a(1)	Decide the Fund Total Active Risk Budget	Board	N/A		On the recommendation of the Investment Committee prior to submitting to the Board. Contained in Schedule 10 (Part A) of the <i>Investment Risk Allocation Policy</i>
IR8b(2)	Decide the Opportunity Groupings and the portion of the Fund Total Active Risk Budget to be assigned to each	The Chief Executive may only sub delegate this decision to the Chief Investment Officer			On the recommendation of the Investment Committee.
IR8c(2)	Decide criteria that trigger a requirement that the Investment Committee recommend the investment decision prior to the decision being made.	Reserved to Chief Executive		Report to the next regular Board meeting.	On the recommendation of the Investment Committee. Criteria to be contained in Schedule 10 (Part B) of the <i>Investment Risk Allocation Policy</i>

PC Portfolio Completion & Internally Managed Securities Policy Authorities					
PC1 Portfolio Completion & Internally Managed Securities Policy					
PC1a(1)	Approve <i>Portfolio Completion & Internally Managed Securities</i> policy	Reserved to Board	N/A		
PC1b(1)	Approve changes to Schedules, 3 (Thresholds for Portfolio Rebalancing), 6 (Counterparty Selection etc.), 6A (Counterparty Exposure Limits and Calculation), and 9 (Reporting Framework)	Reserved to Board	N/A		On the recommendation of the Investment Committee prior to submitting to the Board.
PC1c(2)	Approve changes to Schedules 1 (Responsibilities), 2 (Portfolio Completion), 4 (Approved Internal Investment Mandates), 5 (New Product Approval Framework), 6B (Counterparty Creditworthiness Monitor), 7 (Authorised Dealers and Controls), 8 (Funding, Rebalancing, etc.), and 10 (Legislative Compliance)	Reserved to Chief Executive	N/A	Report annually to the Board and Risk Committee following the decision to make any material changes and under the no surprises protocol.	On the recommendation of the Investment Committee.
PC1d(2)	Approval of exception to the Unrated and non-Investment Grade Counterparties to Direct Transactions in the NZ listed securities limit in Table 6.3 Special Conditions of Schedule 6A (Counterparty Exposure Limits and Calculation) of the PCIMS Policy.	The Chief Executive may only sub delegate this decision to the GM Strategy & Shared Services	N/A	-	In order to implement a specific transaction approved under other authorities in the Delegations Policy,

PC2 Rebalancing the Fund/ Portfolio Completion					
PC2b(1)	Allow the Fund to deviate from rebalancing thresholds specified in Schedule 3 of the <i>Portfolio Completion and Internally Managed Securities Policy</i> for more than 4 weeks.	Reserved to Board	N/A		Only in exceptional circumstances – see Schedule 2 of the <i>Portfolio Completion and Internally Managed Securities Policy</i>
PC3 Internal Investment Mandates					
PC3a(2)	Approve all terms of an Internal Investment Mandate .	Reserved to Chief Executive	N/A		On the recommendation of the Investment Committee
PC4 Approved Products					
PC5 Counterparties and Non Master Custodians					
PC5d(1)	Approve Non Master Custodians and the key terms and conditions of their appointment.	The Chief Executive may only sub delegate this decision to the GM Strategy & Shared Services	Authorised Signatory	Report six monthly to the Board and under the no surprises protocol.	
PC6 Portfolio Completion Agents and Clearing Houses					
PC7 Direct Transaction Management					
PC7a(2)	Approve an employee as an Authorised Dealer or remove their Authorised Dealer status	Reserved to Chief Executive	Authorised Signatory	At the regular Investment Committee meeting following the decision.	Authorised Dealer status is automatically terminated upon the termination of employment of an Authorised Dealer. The Chief Executive may not approve themselves as an Authorised Dealer.
PC8 Minimum Liquidity Requirements MLR					

PO Procurement and Outsourcing Policy Authorities					
PO Procurement and Outsourcing Policy					
PO1a(1)	Approve <i>Procurement and Outsourcing Policy</i>	Reserved to Board	N/A		
PO1b(1)	Approve Schedule 6 (Reporting framework)	Reserved to Board	N/A		
PO1c(2)	Approve Schedules 1 (Responsibilities), 2 (Procurement framework), 3 (Major Suppliers), 4 (Outsourcing framework), 5 (Outsourced activities) and 7 (Legislative Compliance)	Reserved to Chief Executive	N/A	Report annually to the Board and Risk Committee following the decision to make any material changes and under the no surprises protocol.	
PO2 Master Custodian					
PO2a(1)	Appointment or termination of Master Custodian and key terms and conditions of appointment.	Reserved to Board	Authorised Signatory.		Business Case required for Master Custodian.
PO3 Procurement and Outsourcing					
PO3a(1)	Approve outsourcing business case	Reserved to Board	N/A		
RM Risk Management Policy Authorities					
RM1 Risk Management Policy					
RM1a(1)	Approve <i>Risk Management Policy</i>	Reserved to Board	N/A		
RM1b(1)	Approve schedules 2 (Risk Appetite Statement) 3 (Risk Management Framework), 4 (Risk Assessment Framework), 5 (Internal Audit Process) and 12 (Reporting Framework) of policy	Reserved to Board	N/A		
RM1c(2)	Approve schedules 1 (Responsibilities), 3a	Reserved to Chief Executive	N/A	Report annually to the Board	On the recommendation of

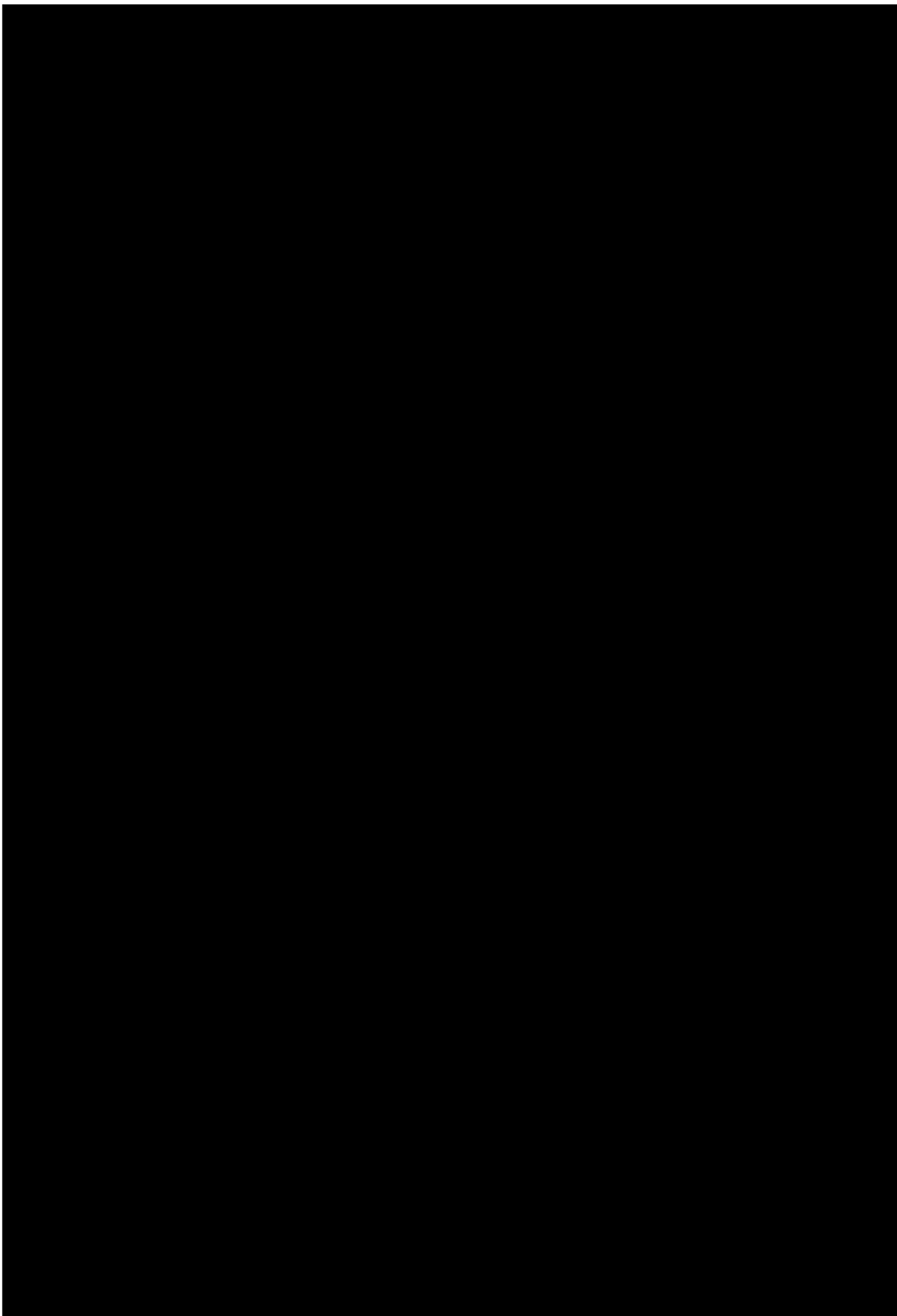
	(Proper Instruction Framework), 3b (SSI, Payment), 3c (Foreign Bank Control Framework), 6 (Strategic Risk), 7 (Fraud Risk Framework), 8 (Taxation Management Framework), 9 (Learning Opportunities Process), 10 (Business Continuity Management/IT Standards), 11 (Model Oversight Process), and 12 (Legislative and Regulatory Risk) of policy			and Risk Committee following the decision to make any material changes and under the no surprises protocol.	the Risk Committee
RM2 Risk Appetite Statement and Risk Limits					
RM2a(1)	Approve Risk Appetite Statement and Risk Limits	Reserved to Board	N/A	Report to the Board against the limits set in the Risk Appetite Statement at each regular Board meeting	
RM3 Internal Audit Plan					
RM3a(1)AC	Approve the internal audit plan	Reserved to Audit & Risk Committee	N/A		
RM4 Government Information and Technology Security					
RM4a(2)	Approve material deviations from key controls recommended by New Zealand Information Security Manual (NZISM)	Reserved to Chief Executive	N/A		On the recommendation of the Risk Committee.
RM5 Acceptance of Risks					
RM5a(1)	Acceptance of "Severe" or "Terminal" Risks as defined in the <i>Risk Management Policy</i>	Reserved to Board	N/A	N/A	The risk must be recorded in the Business Unit Risk

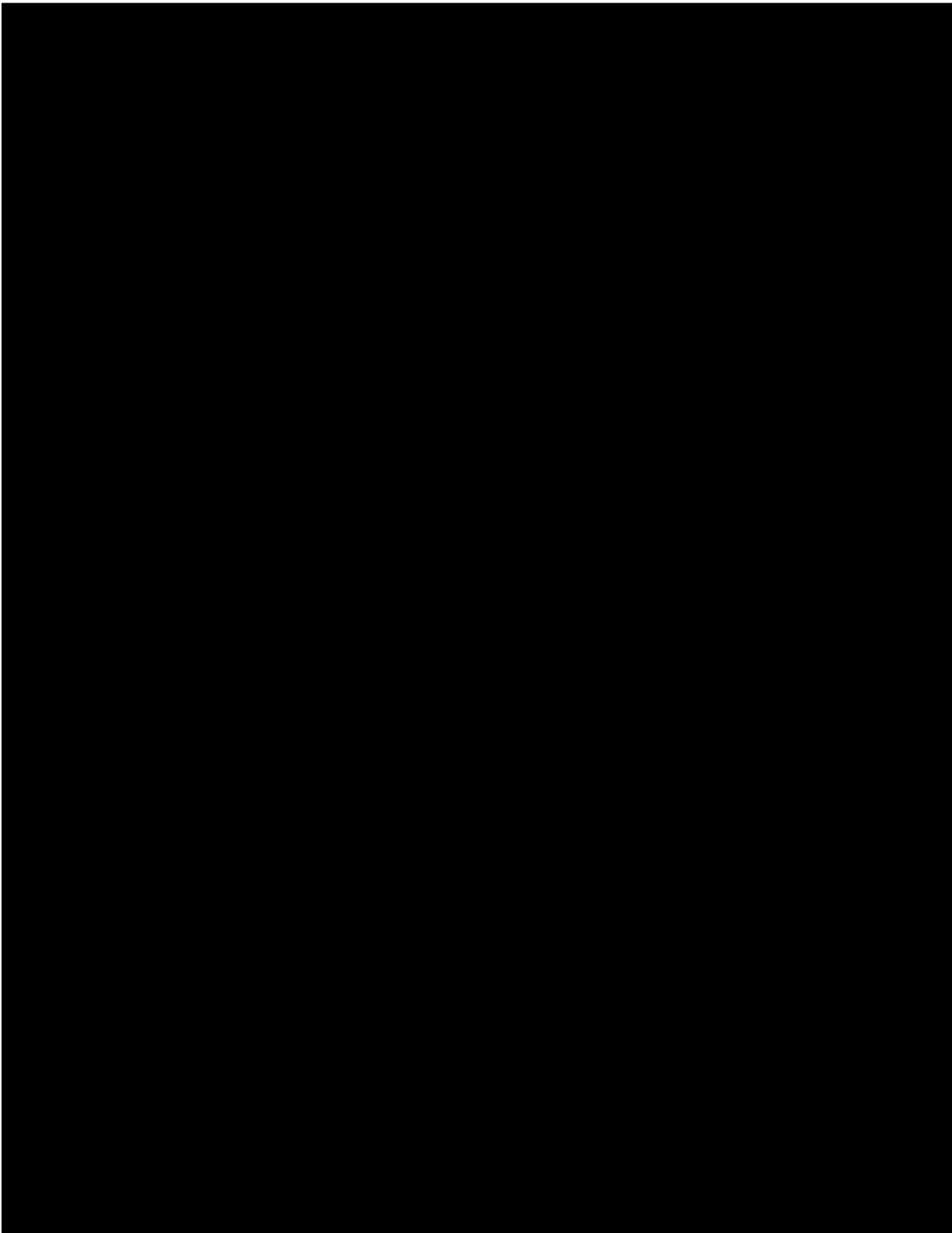
					Register by the Risk Owner
RM5b(2)	Acceptance of "High: or Moderate" Risks as defined in the <i>Risk Management Policy</i>	Chief Executive may sub-delegate this authority only to the Direct Report who is the owner of the relevant Risk and only on the condition the authority cannot be further delegated.	N/A	To the Risk Committee and Board meeting (High Risk only) following acceptance in accordance with the Risk Record review timetable.	The risk must be recorded in the Risk Record and Business Unit Risk Register
SP Statement of Investment Policies, Standards and Procedures Including Responsible Investment Framework Authorities					
SP1 Statement of Investment Policies, Standards and Procedures					
SP1a(1)	Approval of <i>Statement of Investment Policies, Standards and Procedures</i> for the Fund or VCF	Reserved to Board	N/A	In the case of the Fund, the Minister must be given prior notice of any material changes to policy as a condition of section 50 Minister's Approvals	
SP2 Divestment and Exclusions					
SP2a(1)	Approve the divestment and exclusion of categories of investments other than sovereign securities covered by SP2b.	Reserved to Board	N/A	On the recommendation of the Investment Committee prior to submission to the Board	
SP3 Voting					
SP4 Engagement					
Strategic Tilting Policy Authorities					
ST1 Strategic Tilting Policy					
ST1a(1)	Approve <i>Strategic Tilting Policy</i>	Reserved to Board	N/A		On the recommendation of the Investment Committee prior to submission to the Board.

ST1b(1)	Approve schedules 3 (Reporting) of policy	Reserved to Board	N/A		On the recommendation of the Investment Committee prior to submission to the Board.
ST1c(2)	Approve schedules 1 (Responsibilities) and 2 (Framework) of policy	Reserved to Chief Executive	N/A	Report annually to the Board following the decision to make any material changes and under the no surprises protocol.	On the recommendation of the Investment Committee.
ST2 Strategic Tilting Positions					
ST2a(2)	To set strategic tilting positions as outlined in Schedule 2 of the <i>Strategic Tilting Policy</i>	The Chief Executive may only sub delegate this decision to the Chief Investment Officer, Head of Asset Allocation and Manager, Strategic Tilting.	N/A	Strategic Tilting Update at each regular Board meeting. Strategic Tilting Report at least monthly to the Investment Committee	On the recommendation of the Investment Committee. Minimum Information requirements for the Strategic Tilting Update and Report are in Schedule 3 (Reporting Framework) of the <i>Strategic Tilting Policy</i> .
TE Travel and Expenditure Policy Authorities					
TE1 Travel and Expenditure Policy					
TE1a(1)	Approve <i>Travel and Expenditure Policy</i>	Reserved to Board	N/A		
TE1b(1)	Approve changes to Schedule 4 (Reporting Framework)	Reserved to Board	N/A		
TE1c(2)	Approve changes to Schedules 1 (Responsibilities), 2 (Travel Expenditure), 3	Reserved to Chief Executive	N/A	Report annually to the Board and the Leadership Team	

	(Sensitive Expenditure), and 5 (Legislative Compliance)			following the decision to make any material changes, and under the no surprises protocol.	
TE1d(1)	Approve donation of \$3,000 or over per annum	Reserved to Board	Chief Executive	Report to next regular Leadership Team meeting following decision. Report six monthly to the Board and under the no surprises protocol.	
TE1d(2)	Approve donation of Under \$3,000 per annum	Reserved to Chief Executive	Chief Executive	Report to next regular Leadership Team meeting following decision. Report annually to the Board and under the no surprises protocol.	

Approved by the Board 11 July 2011 and amended 12 August 2011, 19 October 2011, 12 September 2011, 6 December 2011, 3 April 2012, 12 June 2012 (Annual Review), 31 July 2012, 19 June 2014, 21 April 2015, 22 October 2015, 24 February 2016, 21 June 2016, 6 April 2017, 24 November 2017, 19 June 2018, 6 August 2019, 21 January 2020, 26 February 2020, 26 November 2020, 18 February 2021, 24 June 2021, 5 August 2021, 23 February 2022 and 22 August 2024







Approved by the Chief Executive 13 June 2011 and amended in light of Board, Team and Part B Authorised Signatories changes.

Schedule 2 – General Conditions of Delegation and Sub Delegation

1 Compliance with laws, other policies and Board directions

Laws and Policies

- 1.1 Every performance of a function or exercise of a power shall be in accordance with all relevant laws, other Guardians' policies (unless such policy is in conflict with this one) and Board directions or restrictions.

Conflicts of Interest

- 1.2 Delegates and sub-delegates must consider whether they have a conflict of interest in any matter before they exercise any function or power associated with that matter. The Code of Conduct provides more information about the obligations of employees and Board members on this matter.

In furtherance of employment and objectives

- 1.3 Delegates and sub-delegates must exercise powers and perform functions delegated to them only in the furtherance of the delegate or sub delegate's employment and the objectives and functions of the Guardians. The Strategic Plan provides the vision, values and direction of the Guardians approved by the Board. Delegates and sub-delegates should consider carefully whether they are acting within their delegated authority if they propose to perform a function or exercise a power not contemplated by the Strategic Plan.

Priority of specific resolutions over this policy

- 1.4 Where there is a conflict between the provisions of this policy and a resolution of the Board delegating specific functions or powers to a delegate or delegates, the resolution conferring specific functions or powers applies.

2 Revocation of delegations and sub delegations

- 2.1 A delegation may be revoked at any time by resolution of the Board and written notice to the delegate and a sub-delegation may be revoked by written notice of the delegate to the sub- delegate.
- 2.2 A person's authority is automatically revoked upon termination of his or her employment with the Guardians or membership of the Board.

3 Acting Chief Executive and others

Acting Office Holders

- 3.1 Functions or powers delegated to the holder of a specified office or class of office, including the office of the Chief Executive, may be performed or exercised by a person acting in that office.

Pre-approval of Acting Chief Executive

- 3.2 At times because the Chief Executive is absent it will be necessary to appoint an acting Chief Executive.
- 3.3 The Board approves each **Direct Report** to be an acting Chief Executive where:

-
- The Chief Executive is absent and has chosen an acting Chief Executive; and
 - The Chief Executive has notified the Direct Report and the Chair, in writing, prior to the Chief Executive's absence.

3.4 In any other case where the Chief Executive is incapacitated, absent or otherwise unable to discharge his or her responsibilities, the Chair will determine the acting Chief Executive.

Other Office Holders

3.5 In all other cases the relevant manager of the person who is incapacitated, absent or otherwise unable to discharge his or her responsibilities will determine who may act in the capacity of the absent holder of delegated authority.

Record of acting office holders

3.6 The Chief Executive or other relevant manager shall advise the General Counsel when a person is appointed in an acting capacity and the General Counsel shall maintain a record of these persons.

4 Authority levels are in NZD

4.1 All authority levels are in NZD and are expressed exclusive of GST. Employees are authorised to spend in the foreign currency equivalent up to their limit converted at the exchange rate on the day the commitment is made.

5 Responsibility for exercising delegation

5.1 The delegated authority is exercised at the point where the employee enters into a commitment or accepts a risk that has actual or potential financial or non financial implications for the Guardians. It is possible to do this before a legal contract is signed.

5.2 It is the employee's responsibility to ensure his or her delegated authority is not exceeded.

5.3 A breach of a delegated authority may constitute serious misconduct and may result in disciplinary actions as detailed in the People & Culture Policy.

6 Record of decision

6.1 Material decisions taken under delegated authority by employees must be recorded so that the basis for making the decision can be clearly understood. Written records may include email, fax or through minutes of meetings.

7 Legal Contracts

7.1 Unless the Chief Executive determines otherwise (e.g. employment contracts), all employees must utilise the Document Execution Procedure appended to the Risk Management Policy before signing any legal documentation.

8 Register of Sub Delegations

8.1 A register of all sub-delegations must be maintained by the General Counsel and may be inspected by the Board at any time.

9 Delegations to Board Committees

The Board utilises board committees. Any delegations that the Board considers the committee may need should be included in the committee Terms of Reference or other document (including this policy) approved by the Board.

Approved by the Board 13 June 2011

Schedule 3 – Reporting Framework

Schedule 2 sets out reporting requirements in relation to the specific delegated authorities that are not to be sub delegated. In addition each of the Guardians other policies contains reporting requirements specific to those policies. The following reporting requirements are in addition to those.

Report	Reporting frequency required and to whom	Minimum information required
Significant matters affecting Guardians, Fund, VCF or Board (No Surprises)	Reported as soon as practicable to Board Chairperson	<ul style="list-style-type: none">• Relevant details
Chief Executive Report	To each Board meeting	<ul style="list-style-type: none">• General business• Operational matters;• Communications and correspondence;• Anything else required by the Board;
Breach of this policy	If material: Immediately to Leadership Team and Board Otherwise: to subsequent LT and AC meetings	<ul style="list-style-type: none">• Relevant details;• Remedial actions taken.
Material changes to Schedules of this policy	Annually to Risk Committee and under the 'no surprises' protocol.	<ul style="list-style-type: none">• Details of change and reasons for change.

Approved by the Board 13 June 2011, and amended 21 June 2016 and 21 January 2020

Schedule 4 – Authority for the Board to Delegate and Limits on Authority

Authority to delegate

The Board may delegate any of the function or powers of the Guardians or the Board, by written notice or resolution to any of the following:

- a member or members;¹
- the Chief Executive or any other employee(s) or office holder(s) of the Guardians¹;
- a committee² of the Board¹ ;
- any other person approved by the Minister of Finance¹;
- any class of persons listed in the above points¹;
- a subsidiary of the Guardians²;
- an IMA Manager or Securities Lending Investment Manager appointed under section 62 of the New Zealand Superannuation and Retirement Act 2001³ (NZSA);
- a person appointed to undertake the investment of any part of the VCF under section 29 of the Venture Capital Fund Act 2019³ (VCF Act);
- a Custodian³;
- an entity that is formed or controlled by the Guardians for the purpose of holding, facilitating or managing investments of the Fund³; or
- a VCF investment vehicle formed or controlled under section 25 of the VCF Act³

A delegate may, unless the delegation provides otherwise, perform the function or exercise the power in the same manner, subject to the same restrictions, and with the same effect as if the delegate were the Guardians or the Board⁴. A delegate may sub delegate the function or power only with the prior written consent of the Board; and subject to the same restrictions, and with the same effect, as if the sub delegate were the delegate⁵.

Legal prohibition on delegating some functions and authorities

The following authorities and functions are prohibited by law from being delegated:

- General power of delegation⁶.
- Approval of the Annual Report⁷ for the Guardians, the Fund and the VCF

For subsidiaries of the Guardians, those matters set out in schedule 2 of the Companies Act: These are set out in schedule 5 (Legislative Compliance) of this policy.

Approved by the Chief Executive 13 June 2011, amended 22 October 2015, 6 April 2017, 21 January 2020 and 22 August 2024

² Appointed under clause 14 of Schedule 5 CEA and clauses 23 and 24 of Schedule 3 to the NZSA.

³ Clause 39 of Schedule 3 to the NZSA. The Guardians must specify the powers and rights of persons appointed as an IMA Manager, Securities Lending Investment Manager, VCF investment manager or Custodian (including the extent of those persons' powers to delegate any of those powers and rights); sections 62 and 63 NZSA and sections 29 and 30 VCF Act.

⁴ Section 74(1)(a) Crown Entities Act

⁵ Section 74(1)(b) Crown Entities Act

⁶ Section 73(4) of the Crown Entities Act

⁷ Section 151(3), section 68 NZSA and section 41 of the VCF Act

Schedule 5 – Legislative Compliance

The summary of New Zealand legislation set out below does not purport to be comprehensive or to provide legal advice. If you require any advice on these matters please contact the legal team.

When undertaking any activity under this policy, legislative considerations must be taken into account and complied with. The following legislation is not an exhaustive list as every activity will have legislation governing the activity and this may be different depending on the particular jurisdiction relevant to the activity.

We need to consider the legislation below carefully as some compliance requirements are triggered right at the start of a transaction even before we engage in negotiations with other parties.

When entering into any form of written documentation including informal “non binding” heads of agreement it is essential that a legal review of the documentation is carried out to ensure that documents do not contravene and we have correctly contemplated the Acts referred to below.

Our governing legislation

- Crown Entities Act 2004
- New Zealand Superannuation and Retirement Income Act 2001
- Venture Capital Fund Act 2019
- Public Audit Act 2001
- Public Finance Act 1989
- State Sector Act 1988
- Companies Act 1993 (Subsidiaries)

Restrictions on the Guardians activities

The Guardians may do anything authorised by the Crown Entities Act, NZSA and VCF Act. The Guardians may also do anything that a natural person of full age and capacity may do except as provided for in the Crown Entities Act, NZSA, VCF Act or other law. The following are restrictions on the Guardians’ activities and powers:

Matters in respect of the Fund Requiring Minister Approval or Prohibited

These prohibitions relate to where the Guardians are acting in respect of the Fund.

No Borrowing in respect of Fund:

(a) The Guardians must not:

- (i) borrow money (in respect of the Fund);
- (ii) mortgage any real or personal property of the Fund, whether present or future, as security, or

-
- (iii) hold any financial instrument that places or may place a liability or a contingent liability on the Fund or the Crown without the Minister's prior approval⁸. These restrictions cover any share (or other equity instrument), bond (or other debt security), interest in a collective investment vehicle (such as a trust, partnership or joint venture), or derivative that imposes, or may impose, a liability or contingent liability. They do not apply to investment management, custody or other services agreements.

Matters in respect of the VCF Requiring Minister Approval or Prohibited

These prohibitions relate to where the Guardians are acting in respect of the VCF.

No Borrowing in respect of VCF:

- (a) The Guardians must not:
 - (i) borrow money (in respect of the VCF);
 - (ii) mortgage or charge any real or personal property of the VCF, whether present or future, as security; or
 - (iii) hold any financial instrument that places or may place a liability or a contingent liability on the VCF or the Crown without the Minister's prior approval⁹. These restrictions cover any share (or other equity instrument), bond (or other debt security), interest in a collective investment vehicle (such as a trust, partnership or joint venture), or derivative that imposes, or may impose, a liability or contingent liability. They do not apply to investment management, custody or other services agreements.

Matters in respect of the Guardians Requiring Minister Approval or Prohibited

The Crown Entities Act sets out certain restrictions and prohibitions on certain matters in respect of the Guardians:

- (a) The Guardians or its subsidiaries must not acquire shares in a company, other than a subsidiary formed in accordance with the Crown Entities Act, that gives the Guardians or its subsidiaries substantial influence in or over the company or acquire an interest in any partnership, joint venture or other association of persons or an interest in a company other than its shares except with prior notice to the Minister and in compliance with section 100 of the Crown Entities Act.
- (b) The Guardians and the Subsidiaries must obtain the approval of the Minister to acquire securities other than those specified in s161 of the Crown Entities Act (which includes a deposit with a NZ registered bank in NZ dollars).
- (c) The Guardians and the Subsidiaries must not borrow other than in accordance with the approval of the Minister under section 160 of the Crown Entities Act¹⁰.

⁸ Section 50 NZSA. Minister's approval has been obtained for certain transactions. Refer General Counsel

⁹ Section 15 VCF Act. Minister's approval has been obtained for certain transactions. Refer General Counsel

¹⁰ Section 162 Crown Entities Act

-
- (d) The Guardians and the Subsidiaries must not give a guarantee or indemnity other than with the approval of the Minister under section 160 of the Crown Entities Act.¹¹
 - (e) The Guardians and the Subsidiaries must not enter into a derivative transaction or amend the terms of those other than with the approval of the Minister under section 160 of the Crown Entities Act.¹²

The matters referred to in the section above titled "Matters in respect of the Guardians Requiring Minister Approval or Prohibited" are governed by sections 100 and 160 to 164 of the Crown Entities Act. Section 49(3) of the NZSA provides that sections 100 and 160 to 164 of the Crown Entities Act do not apply to the Guardians in relation to the Fund, and section 14 of the VCF Act provides the same in relation to the VCF.

However, those sections will apply to the Guardians in its own capacity. The Guardians activities in its own capacity are primarily concerned with the employment of staff, leasing of office accommodation and associated matters. It would be unusual for the Guardians to undertake any action in its personal capacity that would warrant the application of section 160 to 164 (e.g. borrowing, providing guarantees and derivative transactions) of the Crown Entities Act. However, "borrowing" for the purposes of section 162 of the Crown Entities Act includes "hire purchase agreements" and "finance lease arrangements" and advice should be sought to establish whether these require Minister's consent. In addition, the inclusion of indemnities in agreements such as office leases will need to be considered carefully and with reference to Minister's approvals relevant to Crown Entities generally.

Delegations in respect of Companies

As noted in Schedule 1 (Authority for the Board to Delegate and Limits on Authority) for New Zealand subsidiaries of the Guardians, those matters set out in schedule 2 of the Companies Act must not be delegated. These matters are:

- (a) Section 23(1)(c) (which relates to the change of company names);
- (b) Section 42 (which relates to the issue of shares);
- (c) Section 44 (which relates to shareholder approval to the issue of shares);
- (d) Section 47 (which relates to the consideration for the issue of shares);
- (da) section 49 (which relates to the consideration for the issue of options and convertible financial products);
- (e) Section 52 (which relates to distributions);
- (f) Section 54 (which relates to the issue of shares in lieu of dividends);
- (g) Section 55 (which relates to shareholder discounts);
- (h) Section 60 (which relates to offers to acquire shares);
- (i) Section 61 (which relates to special offers to acquire shares);
- (j) Section 63 (which relates to stock exchange acquisitions subject to prior notice to shareholders);

¹¹ Section 163 Crown Entities Act

¹² Section 164 Crown Entities Act

-
- (k) Section 65 (which relates to stock exchange acquisitions not subject to prior notice to shareholders);
 - (l) Section 69 (which relates to the redemption of shares at the option of a company);
 - (m) Section 71 (which relates to special redemptions of shares);
 - (n) Section 76 (which relates to the provision of financial assistance);
 - (o) Section 78 (which relates to special financial assistance);
 - (p) Section 80 (which relates to financial assistance not exceeding 5 percent of shareholders' funds);
 - (q) Section 84(4) (which relates to the transfer of shares);
 - (r) Section 187 (which relates to a change of registered office);
 - (s) Section 193 (which relates to a change of address for service);
 - (t) Section 221 (which relates to the manner of approving an amalgamation proposal);
 - (u) Section 222 (which relates to short form amalgamations).

Approved by the Chief Executive 13 June 2011, and amended 22 October 2015, 20 January 2020 and 22 August 2024