



# Ferry Holdings Limited

## Board Charter

### May 2025

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#### Introduction

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#### Charter's purpose

This Board Charter sets out the authority, responsibilities, membership and operation of the Board of Directors of Ferry Holdings Limited (**Ferry Holdings / Company**). It is to be read in conjunction with the Company's constitution and relevant corporate policies.

#### Review of the Charter

The Board reviews this Charter annually, or at such other interval as agreed, to ensure it remains consistent with the Board's objectives and responsibilities.

#### Incorporation

Ferry Holdings is a Crown-owned company with a Board of Directors appointed by the Crown through its current shareholding Ministers of Rail, Finance and Transport.

Ferry Holdings was incorporated on 5 March 2025 under the Companies Act 1993. Ferry Holdings is listed in Schedule 4A of the Public Finance Act 1989.

The purpose of the Company is set out in its constitution:

*"[3.1] The purpose of the Company is to run a procurement process, with the intended outcome being to successfully purchase and manage contract delivery of a preferred option for delivering a resilient, safe and reliable ferry service, and associated workstreams such as engagement with KiwiRail Holdings Limited, the ports on either side of Cook Strait and other stakeholders, in order to support a safe, reliable and commercially viable ferry service for carriage of passengers, vehicles and freight between the North and South Islands.."*

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#### Governance framework

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## Governance framework

The Board operates under the Treasury's "Owner's Expectations" Manual<sup>1</sup> which sets out the shareholding Ministers' expectations of the Board, including the reporting, accountability and financial governance expectations. The Company's performance is monitored by the Treasury.

The Board's duties, functions, and powers are governed by the Companies Act 1993, Ferry Holdings' Constitution, the Crown Entities Act 2004, the Company's Statement of Intent, Statement of Performance Expectations and the Shareholders' Letter of Expectations.

The Crown Entities Act imposes the obligation on the Board to ensure that the Company operates in a manner consistent with its objectives, functions and Statement of Intent.

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## Conduct of directors

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### Director responsibilities

The primary responsibility of directors is to exercise their business judgement to act in what they believe to be the best interests of Ferry Holdings. In discharging that obligation, directors should be entitled to rely on the honesty and integrity of Ferry Holdings' management and its external advisors and auditors.

### Core values and Code of Conduct

Each of the directors individually, and the Board collectively, are fully committed to high standards of corporate governance.

Directors will observe high standards of ethical and moral behaviour expected by the Public Service Commissioner in the following publications:

- [Standards of Integrity & Conduct and Conduct](#)
- [Code of Conduct For the Directors of Public Finance Act 1989 Schedule 4A Companies.](#)

### Political neutrality

Directors will act in a politically impartial manner and conduct themselves in a way that enables them to act effectively under current and future governments. This includes not making political statements, engaging in political activity in relation to the functions of Ferry Holdings, or acting in ways that places Ministers or entities they are responsible for in a position of embarrassment.

### Conflicts of interest

The Board expects its members, both individually and collectively, to act ethically and in a manner consistent with the core values of the business and its Code of Conduct. Each director will minimise the possibility of any conflict of interest with Ferry Holdings by restricting involvement in other businesses that would be likely to lead to a conflict of interest.

Where conflicts of interest do arise, directors will excuse themselves from the relevant discussions and will not exercise their right to vote in respect of such matters (but may participate to the extent permitted under the Company's Constitution at clause 10, 'Interested Directors'). Any conflicts will be disclosed and reported in

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<sup>1</sup> <https://www.treasury.govt.nz/publications/guide/owners-expectations#foreword>

accordance with the Company's policy on conflicts of interest, and in accordance with the shareholding Ministers' expectations for the Company.

### **Confidentiality of information**

Directors are expected to strictly observe the Privacy Act 2020 and Companies Act 1993 provisions applicable to the use and confidentiality of organisational and individual information.

### **Director compensation and reimbursement**

The directors' remuneration is paid in the form of directors' fees. The total fees available to be paid to directors is set by the Shareholder Ministers.

The Company meets the cost of:

- directors' travel directly associated with attendance at Board and committee meetings, any Board trips and Board business.
- any justified costs associated with a director's attendance at functions where the director is representing the Company.
- any costs directly associated with the director's performance of his or her role, and associated training.

Directors should not personally make or receive any gifts, koha or donations in relation to their role as directors of Ferry Holdings and should comply with the Company's policy on sensitive expenditure.

### **Indemnities and insurance**

Ferry Holdings provides directors with, and pays the premiums for, indemnity and insurance cover while acting in their capacity as directors, to the fullest extent permitted by the Companies Act.

### **Provision of professional services**

Directors must not provide business or professional services to Ferry Holdings.

### **Director induction and education**

The Board ensures that all new directors are appropriately introduced to key managers and the business of Ferry Holdings. All such directors receive an information pack, which includes the Ferry Holdings Constitution, this Charter, recent Annual Reports and other relevant Company information.

It is expected that all directors continuously educate themselves to ensure that they may appropriately and effectively perform their duties. When appropriate, briefings from key executives and industry experts are arranged.

### **Independent advice**

Directors may, with the prior approval of the Chair, engage professional advisors at the Company's expense to advise or assist them in carrying out their responsibilities.

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## *Operation of the Board*

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### **Size of the Board**

The Constitution allows no more than nine directors at any one time. The number of directors is determined by the shareholding Ministers.

## **Selection of directors**

All directors are appointed by the shareholding Ministers in a process managed by the Treasury. The Chair and Deputy Chair are also appointed by the shareholding Ministers.

## **Independence of directors**

All directors are appointed as independent directors.

## **Role of the Board**

The role of the Board is to effectively represent and promote the interests of the Company with the intent of achieving the Company's purpose.

The Board will direct and supervise the management of the Company's affairs by:

- Charting the Company's direction and strategies
- Appointing and removing the Chief Executive and setting the terms and conditions of their employment
- Leading the values and behaviours expected of the Company to deliver on its purpose and strategic objectives
- Monitoring the Company's financial performance and taking whatever steps are necessary to protect its financial position
- Setting the Company's risk appetite statement and overseeing its risk management framework and strategies
- Overseeing the Company's compliance with all legal, regulatory, ethical, and other external requirements including workplace health and safety and employee wellbeing.

## **The role of the Chair**

The Chair's role is to:

- manage the Board effectively and provide effective leadership in formulating strategic direction
- foster a constructive governance culture and apply appropriate governance principles among directors and with management
- make sure the Board is well informed and effective and that the directors, individually and as a group, have the opportunity to air differences, explore views and generate the collective views and wisdom necessary for the proper operation of the Board and Ferry Holdings
- ensure that there are processes and procedures in place to evaluate the performance of the Board, its committees and individual directors
- act as a link between the Board and the Chief Executive.

## **Board meetings**

The Board meets monthly, and otherwise as necessary to deal with any urgent matters. The Constitution governs the regulation of meetings and proceedings of the Board. Directors should spend the appropriate time and meet as frequently as necessary, to properly discharge their responsibilities.

To enable appropriate review of Board materials, directors are sent materials in advance of Board meetings in electronic format. The content, presentation and delivery of papers to directors for each meeting, is in accordance with guidelines agreed to by the Board.

The Chair and Chief Executive may from time-to-time invite employees and advisors to attend Board meetings whenever deemed appropriate.

Minutes of Board meetings are circulated to all directors and approved by the Board or committee at the subsequent meeting.

### **Company Secretary**

The Company Secretary is the secretary to the Board. All directors have access to the Company Secretary.

### **Relationship with Ministers**

The Board will act in accordance with the shareholding Ministers' initial expectations for Ferry Holdings that have been communicated to directors. This includes providing the shareholding Ministers and Treasury officials with monthly progress updates until the contracts for port infrastructure and new ferries are in place, and quarterly updates thereafter.

The Board will also act in accordance with the Crown's enduring Letter of Expectations, which outlines the Crown's expectation of fiscal control, maintenance of trust and confidence, accountability and performance, including 'no surprises' updates to Ministers and monitoring departments.

### **Chief Executive evaluation**

The Board conducts an annual review of the Chief Executive's performance to ensure that they are providing the best leadership for the Company in the long and short term.

### **Management delegation**

The Board delegates to the Chief Executive the responsibility for implementing the Board-agreed strategy and for managing the day-to-day operations of the Company. The Board is responsible for monitoring this delegation.

### **Board and member evaluations**

Independent Board evaluations will ideally take place biennially unless there have been significant changes to Board composition or when commercial imperatives demand full Board attention. Self-assessments of Board performance are expected in between biennial independent Board evaluations to assess performance to date and ensure the Board is well positioned for future challenges. Independent Board evaluation and self-assessment results will be shared with the Treasury to contribute to its advice on Board composition.

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## *Committees*

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### **Board committees**

The Board may establish and disestablish committees as it sees appropriate to handle work delegated by the Board and to make recommendations to the Board. These committees are comprised of directors appointed by the Board, and the Board appoints the Chair of each committee under formal terms of reference specifying the role and responsibility of each committee and its delegated authorities.

### **Review of Committees**

The committees undertake an annual review of their objectives and activities.

The objectives and activities of the committees may also be reviewed by the Board, relevant management team members and by any other parties that the Board deems appropriate.