

**Board Charter and Code of Conduct**  
(The Charter)

CONFIDENTIAL

<b>Approved by</b>	NZPHO (Holding) Limited: Establishment Board
<b>Date of approval</b>	18 February 2026
<b>Latest date for review</b>	28 February 2027

## **1. INTRODUCTION**

- 1.1 The Board Charter and Code of Conduct (The Charter) must be read in conjunction with the Constitution of The New Zealand Primary Health Organisation Limited (thePHO).
- 1.2 In line with thePHO's Constitution, the day-to-day Governance of thePHO is delegated by its shareholder, NZPHO (Holding) Limited, to thePHO Board.
- 1.3 This Board Charter and Code of Conduct has been approved by NZPHO (Holding) Limited to guide members of thePHO's Board and to help nurture an environment where integrity and accountability are key.
- 1.4 No code, policy or requirement can anticipate every situation that might arise and Directors are expected to comply with the spirit and the letter of these documents as well as all applicable laws and regulations.
- 1.5 Directors are encouraged to bring questions or concerns around any aspect of this Charter and Code of Conduct or its application to the attention of the NZPHO (Holding) Limited Board. The Board will, however, not permit a waiver of any part of the Charter for any Director.

## **2. CONSTITUTION**

- 2.1 In respect of the Board, thePHO's Constitution specifically sets out its rules, accountability and how its business should be conducted. (Annex A).
- 2.2 It should be noted that the Constitution may be updated from time-to-time and the exact wording should be checked against the latest version. The wording of the Constitution will always take priority over the Charter.

## **3. ROLES AND RESPONSIBILITIES**

- 3.1 In line with the governance arrangements set out in thePHO's Constitution, the Board is responsible for overseeing the operation of thePHO to deliver the strategic priorities set from time-to-time by thePHO's shareholder(s) in pursuit of the following Charitable Purposes (again subject to change and the wording of the Constitution will take priority at any time):

- a to improve the health of the population of New Zealand and promote high-quality, sustainable, accessible and equitable patient care;*
- b develop strategic relationships with national & regional health agencies (including but not limited to Health New Zealand Te Whatu Ora, professional bodies, other PHOs, local authorities, service providers and others) to:*
  - i support the productivity and efficiency of the New Zealand health and disability system;*
  - ii support the development and delivery of the New Zealand Health Plan;*
  - iii facilitate coordination and integration between the primary healthcare sector, the rest of the health sector and other associated sectors including housing, education, employment and social welfare; and*

- iv influence and promote legislation, regulations and policy for the accomplishment of these objectives;*
- c identify and fulfil specific areas of primary health care need;*
- d commission high-quality, sustainable, accessible and equitable primary health services;*
- e promote and support the sustainability, viability and innovation of service providers in order to ensure the continuity of locally accessible and high-quality, patient-centric care;*
- f to carry out such other charitable purpose within New Zealand as the directors shall determine from time to time; and*
- g to do anything necessary or desirable in pursuit of the above objects*

3.2 In the fulfilment of the above overarching responsibility, thePHO Board’s detailed responsibilities will include:

- a. Governing thePHO, including its control, accountability, decision-making and compliance procedures.
- b. Ensuring that thePHO’s goals are clearly established, and that strategies are in place for achieving them.
- c. Establishing policies for strengthening the performance of thePHO.
- d. Establishing performance criteria for thePHO and monitoring its performance accordingly.
- e. Appointing the Chief Executive (or equivalent position), setting the terms of the Chief Executive’s employment or contract arrangements, monitoring and managing the Chief Executive’s performance and, where necessary, terminating the Chief Executive’s appointment.
- f. Adopting appropriate procedures to oversee compliance with all applicable laws, regulations, codes and accounting standards.
- g. Safeguarding the reputation of thePHO and thePHO’s brand.
- h. Approving thePHO’s relevant strategy, business plans and policies.
- i. Ensuring thePHO engages effectively with its stakeholders including its members, sector partners, health sector leaders, politicians, relevant academics etc.

#### **4. CODE OF CONDUCT**

4.1 Each Director will conduct themselves in accordance with this Charter, their legal duties and other obligations, which include the following:

- a. Directors must act honestly and in good faith in what the Director believes to be the best interests of thePHO (where there is any doubt, the advice of the Chair, full Board or Chief Executive should be prospectively sought).
- b. Directors must carry out their duties in a lawful manner and use reasonable endeavours to ensure that thePHO carries out its business in accordance with applicable laws and with a high standard of professional and commercial integrity.
- c. Directors must act in accordance with their fiduciary duties and exercise any powers for proper purposes. They should comply with the spirit as well as the letter of the law, mindful that in addition to purely legal requirements the proper discharge of their duties as directors requires high ethical and moral standards of behaviour.

- d. Directors must avoid conflicts of interest, and where these do arise, proactively and prospectively declare (via the register maintained by the Chief Executive) and manage them in accordance with legal requirements and the intent and content of this Charter. If a known conflict exists, the Chair and Chief Executive will take all reasonable steps to assist in its effective and transparent management. The affected Director may need to excuse themselves from discussion and should not vote on matters in which they have an interest.
  - e. Directors will not take for themselves any opportunity discovered through the use of thePHO's property, information or position, or use thePHO's property, information or position for personal gain.
  - f. Directors will not accept gifts or personal benefits of any value from external parties if that could be perceived as compromising or influencing any decision by the Director or thePHO.
  - g. Directors will maintain and protect the confidentiality of information of or held by thePHO, except where disclosure is required by law or a relevant regulatory body or the information is otherwise in the public domain.
  - h. Directors will act constructively and with good intent towards one another at all times.
- 4.2 Directors will refer any individual requests for advice from member general practices or the media to the Chair or Chief Executive unless delegated authority or agreement has been given in advance with regards the enquiry received.
- 4.3 The Board will maintain a list of attributes that all Directors must demonstrate. These will include:
- a. **Good judgement:** Sound judgement enhances decision-making, contributing to overall board effectiveness.
  - b. **Independent Judgment:** You must be able to think for yourself and challenge ideas in a positive way. This ensures good governance.
  - c. **Communication skills:** Listening well and speaking clearly are vital for boardroom talks. Clear and concise communication fosters transparency and open dialogue within the board and with external stakeholders.
  - d. **Active contribution:** Active participation is key, bringing diverse perspectives to discussions.
  - e. **Collaboration:** Working well with other directors and the management team is essential for success.
  - f. **Confidence:** Confidence inspires trust and credibility, enabling effective decision-making and communication.
  - g. **Honesty and integrity:** Fundamental for maintaining trust and ensuring ethical business practices.
  - h. **Intellectual curiosity:** A thirst for knowledge contributes to informed decision-making.
  - i. **Discipline:** Adherence to ethical standards and fulfilling responsibilities diligently.
  - j. **Genuine interest:** A genuine interest in the company's well-being demonstrates a passion for its success.

- 4.4 The Board will support thePHO's shareholder(s) to review the skills and diversity represented by Directors, both periodically and in the event of a vacancy or anticipated vacancy, and will look to ensure that the composition and mix of those skills remains appropriate without detracting from the democratic election process (e.g. using its power to co-opt).
- 4.5 The Board may also consider requesting specific expertise be made available to the Board in an advisory capacity rather than as additional co-opted Board members.
- 4.6 All Directors are independent of management and should be free from any business or other relationship which could materially interfere with the exercise of their independent judgment, except where otherwise declared and effectively managed by the Board.
- 4.7 Directors will advise the Chair at the first opportunity of any intention to retire from the Board or to not stand for another term as a Director, and the Chair will advise the Chief Executive. Elected Directors who retire at the end of their term will advise the Chair of an intention to seek re-appointment as early as possible.

## **5. BOARD PROCEDURES**

- 5.1 The Board will be disciplined in carrying out its role, with the emphasis on strategic issues and policy. Directors will make proper use of their authority and will demonstrate appropriate decorum when representing thePHO, always acting within any limitations imposed by the Board on their activities.
- 5.2 Meetings of the Board (and any associated sub-committees) shall be by a mixture of virtual, videoconference, teleconference and face-to-face. The frequency of meetings shall be as required to ensure the effective governance of thePHO.
- 5.3 The Board has sole authority over its agenda and exercises this through the Chair. Any Director may, through the Chair or Chief Executive, request the addition of an item to the agenda. The agenda will be set by the Chair in consultation with the Chief Executive.
- 5.4 Written minutes of each meeting are prepared, circulated confidentially in draft and presented for approval at the next normal meeting of the Board. In addition, an official record of papers and presentations submitted to the Board is kept and can be made available to Directors upon request.
- 5.5 Directors will use all reasonable endeavours to prepare thoroughly for, and to attend, all Board meetings. Directors are expected to participate fully, frankly and constructively (including being fully visible & engaged for virtual meetings with cameras switched on) in Board discussions and other activities and to bring the benefit of their particular knowledge, skills and abilities to the Board on behalf of thePHO rather than for self-interest. Directors unable to attend a meeting should advise the Chair as soon as possible.
- 5.6 Directors commit to the collective, group decision-making processes of the Board. Board discussions will be open and constructive, recognising that genuinely-held differences of opinion can bring greater clarity and lead to better decisions.

- 5.7 Once decisions have been made by the Board, all Directors are expected to support the letter and spirit of those decisions outside the Board.
- 5.8 Directors will keep confidential all Board information, discussions, deliberations and decisions that are not publicly known. Directors' obligations of confidentiality continue after they have ceased to be Directors.

## **6. THE CHAIR**

- 6.1 The Chair is appointed by thePHO's shareholder(s). The Chair holds office in accordance with thePHO's Constitution.
- 6.2 The Chair is responsible for leading the Board and ensuring that it is operating to the highest governance standards, including encouraging a culture of openness and debate to foster a high performing and collegial team of Directors that operates effectively.
- 6.3 In leading the Board, the Chair will focus on ensuring strategic issues and member views are regularly reviewed, clearly understood and underpin the work of the Board, facilitating the relationship between the Board and the Chief Executive, and ensuring the provision of accurate, timely and clear information.
- 6.4 The Chair will ensure there are processes and procedures in place to evaluate the performance of the Board and individual Directors, including the Chair. The Chair will provide advice and mentoring to Directors, and is encouraged to provide frank but constructive feedback where the Chair considers this necessary to ensure the proper performance of the Board or to address any performance or other issues involving an individual Director or as between Directors or any non-conformance with this Charter.
- 6.5 The Chair has authority to act and speak for the Board between its meetings, including engaging with the media and Chief Executive. The Chair will report to the Board as appropriate on decisions and actions taken between meetings of the Board.

## **7. RELATIONSHIP WITH MANAGEMENT**

- 7.1 The Chief Executive will be the primary point of accountability and link between the Board and operational management functions.
- 7.2 All Board authority conferred on management is delegated through the Chief Executive. The Chief Executive is accountable to the Board for the authority that is delegated and for the performance of thePHO. The Chief Executive works in a constructive partnership with the Board.
- 7.3 The Chief Executive reports to the Board directly at Board meetings and in written updates and through the Chair. The Board recognises that, while the Chief Executive is not a Director, the Chief Executive must have full access to the Board and to fully engage in Board discussions in a frank, open and constructive dialogue with directors.

- 7.4 The Board may from time to time meet without management attendance, where this is appropriate.
- 7.5 Directors are entitled to have access, at all reasonable times, to all relevant information and to management. In the normal course, this access will be directed through the Chief Executive.

## **8. EVALUATION AND COMPENSATION**

- 8.1 The Board will periodically evaluate its own performance, and its own processes and procedures to ensure that they assist the Board in effectively fulfilling its role and meeting its duties. This may be carried out with the assistance of an independent, suitably qualified external party.
- 8.2 The Chair will ensure that a regular programme of peer review of individual Directors occurs. Feedback from senior management will be incorporated into these processes as appropriate.
- 8.3 Except for thePHO Chair, Directors will be remunerated for their attendance and participation in Board-specific meetings arranged by thePHO (e.g. Board meetings, Committee meetings and AGM).
- 8.4 Directors will be remunerated at the following rates for attendance at PHO Board meetings and Committee meetings:
- Meetings held by videoconference or teleconference - \$200 per hour (or part thereof).
  - Face-to-face meetings - \$800 per half day (up to 4 hours) or \$1600 per full day.
- 8.5 The above expenses are intended to be inclusive of all required pre-reading and preparation in advance of the meeting – for which separate expenses are not claimable.
- 8.6 Reasonable travel and accommodation expenses will also be covered for face-to-face meetings where the meeting is for the specific purpose of thePHO's Board or Committee. Such travel and accommodation should be arranged through thePHO's office/Chief Executive in advance to ensure appropriate value for money considerations are applied.
- 8.7 Directors are to certify the appropriateness of any expenses claimed, and where any uncertainty as to their validity exists the Chair shall approve or decline the expense claim.
- 8.8 The Chair shall be remunerated under separate agreement with thePHO's shareholder(s). Such remuneration shall cover ALL the responsibilities and commitments of the Chair including, but not limited to, Board meetings, Committee meetings, liaison with and performance management of the Chief Executive, media engagement, engagement with HNZ and other stakeholders. The Chair may however also claim all reasonable travel, accommodation and out-of-pocket expenses.
- 8.9 Directors are expected to keep themselves abreast of changes and trends in the industry, businesses and environment in which thePHO operates, and to keep abreast of general changes and trends in economic, political, social and legal environments.
- 8.10 The Board reports to shareholder(s) through the Annual Report and at the Annual Meeting.

**9. INDEMNITIES AND INSURANCE**

- 9.1 thePHO indemnifies Directors through professional Directors and Officers (D&O) insurance while acting in their capacities as Directors, to the extent permitted by New Zealand legislation.

**Extract from thePHO's Constitution**

**7 Board of Directors**

**7.1 Composition of the Board**

The Board will consist of no more than 11 and no less than 7 Directors.

**7.2 Wholly owned subsidiary**

If the Company is a wholly owned subsidiary, a Director may, when exercising powers or performing duties as a Director, act in a manner which he or she believes is in the best interests of the Company's holding company even though it may not be in the best interests of the Company.

**7.3 Appointment of Directors**

The Directors of the Company may be appointed or reappointed from time to time either by ordinary resolution or by notice in writing to the Company signed by the Holding Company.

**7.4 Removal of Directors**

Each Director will hold office subject to the provisions of this Constitution and may at any time be removed from office by an ordinary resolution of the Holding Company or by notice in writing to the Company signed by the Holding Company, provided that the total number of Directors does not at any time fall below the minimum number or above the maximum number fixed by clause 7.1.

**7.5 Appointment of Directors need not be voted on individually**

Notwithstanding Section 155(1) (which relates to the requirements of a resolution to appoint a Director), the Shareholders may vote on a resolution to appoint a Director if the resolution is a single resolution for the appointment of two or more persons as Directors and it shall not be necessary for a separate resolution that it be so voted on to have first been passed without a vote being cast against it.

**7.6 Term of office**

Subject to clause 7.4, unless an earlier date is specified in a notice given by the Holding Company under clause 7.3, Directors appointed or reappointed under clause 7.3 will retire from office on the third anniversary of their appointment or reappointment but will be eligible for re-appointment by the Holding Company in accordance with clause 7.3.

**7.7 Director ceasing to hold office**

The office of Director is vacated if the person holding that office:

- a resigns in accordance with clause 7.8;
- b is removed from office in accordance with the Act or clause 7.4 of this Constitution;
- c becomes disqualified from being a Director pursuant to Section 151 (which relates to qualifications of Directors); or
- d retires in accordance with clause 7.6.

## 7.8 Resignation procedure

A Director may resign office by signing a written notice of resignation and delivering it:

- a to the address for service of the Company, which notice is effective when it is received at that address or at a later time specified in the notice;
- b by email to any other Director or officer of the Company at the usual email address at which such person is routinely contactable, which notice is effective when the email transmission is deemed to have been dispatched in accordance with Part 4 of the Contract and Commercial Law Act 2017 or at a later time specified in the notice.

## 7.9 Meetings of the Board

Schedule 1 of this Constitution applies at meetings of the Board.

## 7.10 Special advisors

The Board may at any time appoint any number of non-voting special advisors, for a maximum renewable term of 3 years, to engage with all, or part of Board proceedings as required. Such special advisors may include those with specific professional expertise or an appropriate representation mandate.

## 8 Remuneration of Directors

The Board may only exercise the power conferred by section 161(1) of the Act to authorise any payment or other benefit of the kind referred to in that section with the approval of the Holding Company.

## Constitution Schedule 1

### 1 Chairperson

- 1.1 The Holding Company will appoint a Director as chairperson of the Board.
- 1.2 The Director appointed as chairperson will hold that office until he or she dies or resigns or the Holding Company appoints a chairperson in his or her place.
- 1.3 If no chairperson is elected, or if at a meeting of the Board the chairperson is not present within 15 minutes after a quorum is present, the Directors present may choose one of their number to be chairperson of the meeting.

### 2 Notice of meeting

- 2.1 A Director or if requested by a Director to do so, an employee of the Company, may convene a meeting of the Board.
- 2.2 Not less than 3 days' notice of a meeting of the Board must be given to every Director who is in New Zealand. The notice must include the date, time, and place of the meeting. The notice need not be in writing.
- 2.3 An irregularity in the notice of a meeting is waived if all Directors entitled to receive notice of the meeting attend the meeting without protest as to the irregularity or if all Directors entitled to receive notice of the meeting agree to the waiver.
- 2.4 A meeting of the Board in respect of which less than 3 days' notice has been given may be held if all Directors who are in New Zealand have agreed to the meeting being held at short notice.

### **3 Methods of holding meeting**

- 3.1 A meeting of the Board may be held by a number of the Directors who constitute a quorum, either:
- a being assembled together at the place, date, and time appointed for the meeting; or
  - b by means of audio, or audio and visual, communication by which all directors participating can simultaneously hear each other throughout the meeting.

### **4 Quorum**

- 4.1 A quorum for a meeting of the Board is a majority of the Directors (50% + 1).
- 4.2 No business may be transacted at a meeting of Directors if a quorum is not present.
- 4.3 If notice of a meeting of the Board has been properly given under paragraph 2 of this Schedule and a quorum is not present within 30 minutes after the time appointed for the meeting any Director may by not less than 2 days' notice to every Director who is in New Zealand convene a further meeting of the Board. If at that further meeting a quorum is not present within 30 minutes after the time appointed for the meeting any Director present shall constitute a quorum for that meeting.

### **5 Voting**

- 5.1 Every Director has one vote.
- 5.2 The chairperson does not have a casting vote.
- 5.3 A resolution of the Board is passed if it is agreed to by all Directors present without dissent or if a majority of the votes cast on it are in favour of it.
- 5.4 Any Director who abstains from voting shall not be deemed to have voted for or against the proposal or issue being voted on, and accordingly shall not be required to execute any director's certificates required under the Act.

### **6 Minutes**

- 6.1 The Board must ensure that minutes are kept of all proceedings at meetings of the Board.
- 6.2 Minutes that have been signed correct by the chairperson of the meeting, or by the chairperson of the next meeting, are prima facie evidence of the proceedings.
- 6.3 A copy of any written resolution under paragraph 7.1 of this Schedule shall be entered in the minute book of board proceedings.

### **7 Unanimous resolution**

- 7.1 A resolution in writing, signed or assented to by all Directors then entitled to receive notice of a Board meeting, is as valid and effective as if it had been passed at a meeting of the Board duly convened and held.
- 7.2 Subject to paragraph 7.3 of this Schedule, a resolution in writing, signed or assented to by a majority of the Directors then entitled to receive notice of a Board meeting is as valid and effective as if it had been passed at a meeting of the Board duly convened and held.
- 7.3 If a written resolution is signed or assented to under paragraph 7.2 of this Schedule the chairperson shall certify on the resolution that all of the Directors entitled to receive notice of a Board meeting were given written notice of the proposed resolution no later than the

Working Day prior to the date the resolution was signed or assented by the majority of Directors.

- 7.4 A resolution in writing for the purposes of paragraphs 7.1 or 7.2 of this Schedule may be executed in any number of counterparts (including by scanned PDF counterpart or other like electronic copy), each of which shall be deemed an original, but all of which together shall constitute the same instrument.

## **8 Committee**

- 8.1 The proceedings of committees of Directors shall be governed by this Schedule with all necessary modifications.

## **9 Other proceedings**

- 9.1 Except as provided in this Schedule, the Board may regulate its own procedure.