



# BOARD CHARTER

ADOPTED 5 OCTOBER 2009

# THE WEST COAST VISION<sup>1</sup>

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A growing, prospering and sustainable West Coast economy

## DEVELOPMENT WEST COAST'S MISSION STATEMENT

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To help create an environment for sustainable investment, development and employment so the West Coast becomes a wealthy, growing, vibrant and learning region.

## DEVELOPMENT WEST COAST'S VALUES

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DWC has incorporated these values and attributes in its policies, processes, investments, operations and decision making:

- Exhibit good judgement to enhance permanence and continuity to achieve its intergenerational role
- Have a broad perspective, understanding and interaction with the Region
- Undertake effective dialogue, debate and communication at all levels
- Build regional capability
- Show leadership and vision
- Be proactive
- Take sufficient risks to generate sustainable innovation in a supportive environment
- Be equitable and consistent in dealings with customers
- Strive for systemic, sustainable solutions
- Recognise the roles and contributions of individuals and organisations
- Not only do things right, but do the right things by prioritising our actions.
- Demonstrate social and environmental responsibility

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<sup>1</sup> These sections are taken from the DWC Annual Report 2008

## 1. INTRODUCTION

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DWC was established as a charitable trust to benefit the community of the present and future inhabitants of the West Coast region. The DWC fund can be used to:

- promote sustainable employment opportunities in the West Coast region; and
- generate sustainable economic benefits for the West Coast region; and
- support projects (other than infrastructure that is normally the responsibility of local authorities or central government), if those projects promote sustainable employment or generate sustainable economic benefits.

The Trust's Charter recognises explicitly that the Trust is a commercial entity within a charitable structure, and is not a political body.

DWC is in practice a commercial trust with a democratic and political element. The three elements below reflect this:

- Three of the seven trustees are elected based on local authority boundaries, and another is appointed by the region's local authorities. The Trust is partially representative of the people of the region, and must therefore be in some way responsible to the community that elects it. That element is implicitly recognised in the Trust deed, which includes a general requirement for the Trust to operate with transparency and accountability
- The organisation is established as a trust. Trustees have very specific legal responsibilities under the Trust deed and general law to act in the best interests of the beneficiaries of the Trust. These responsibilities are often referred to as fiduciary duties and impose high standards of conduct, diligence, and probity on trustees
- The Trust is set up to make commercial investment decisions. The nature of its activity means that, in many respects, it is operating similarly to a venture capital fund. It operates in a commercial environment that sometimes involves access to commercially sensitive and confidential material and a significant measure of risk-taking.

The Charter also recognises the Trust's role in the West Coast community and its social responsibility to the community.

The material in this introduction sets the overall framework for the Charter.

## 2. THE PURPOSE OF THE CHARTER

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The DWC Charter is a charter for the governance of the Trust. It is also a code of conduct for Trustees. As such it is intended to foster constructive working relationships amongst the Board members and to produce clarity on the role of the Board and the relationship between the Board and Management. The intent and content of this Charter should permeate through the organisation.

AS A CHARTER FOR THE GOVERNANCE OF DWC IT COVERS THE FOLLOWING TOPICS:

- Meeting procedures
- The Trust's approach to communications and dissemination of information
- Transparency
- Conflicts of Interest
- Breaches of the Charter

- Relationships with staff, community and Advisory Board
- Review of the Charter
- Publication of the Charter

AS A CODE OF CONDUCT FOR TRUSTEES IT COVERS:

- Expected standards of behaviour
- Duties as regard confidentiality

The Charter is intended to supplement the Deed of Trust and the general law relating to the duties of Trustees.

### 3. THE BOARD'S GOVERNANCE STRATEGY

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The Deed of Trust requires DWC to conduct its affairs in a manner that is transparent and accountable to the people of the West Coast region.

The Board aims to meet that object through a strategy of:

- implementing best practice in governance, applying accepted principles in the New Zealand corporate and public sectors as far as they are applicable;
- applying recognised practices of corporate social responsibility; and
- seeking continuous improvement in the governance process.<sup>2</sup>

#### 3.1. GOVERNANCE PRINCIPLES

The corporate governance principles published by the Securities Commission establish the basis for best practice in New Zealand.<sup>3</sup> The Principles are intended to contribute to high standards of corporate governance in New Zealand entities. This will be achieved when directors and trustees implement the Principles through their structures, processes, and actions, and demonstrate this in their public reporting and disclosure.

The Principles can be generally applied to the governance of entities that have economic impact in New Zealand or are accountable, in various ways, to the public, although not all are directly applicable to an organisation such as DWC. The Principles which apply directly to DWC are as follows:

1. Trustees should observe and foster high ethical standards.
2. The Board should use committees where this would enhance its effectiveness in key areas while retaining Trust responsibility.
3. Trustees should demand integrity both in financial reporting and in the timeliness and balance of disclosures on entity affairs.
4. Trustees should regularly verify that the entity has appropriate processes that identify and manage potential and relevant risks.
5. Trustees should ensure the quality and independence of the external audit process.

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<sup>2</sup> See clause 1.3.1 of the 2007-2012 Strategic Plan.

<sup>3</sup> Securities Commission, *Corporate Governance in New Zealand, Principles and Guidelines* (2004). See the elaborated principles in the Appendices.

6. Trustees should respect the interests of stakeholders within the context of the entity's ownership type and its fundamental purpose.

A fuller statement of each Principle can be found in the Appendices.

### 3.2. CORPORATE SOCIAL RESPONSIBILITY

DWC occupies an important position in the communities of the West Coast. The Board is committed to integrating socially responsible business practices into its governance and operations, by:

- conducting its business in an ethical manner that has regard to the expectations of the communities it serves;
- being a good employer;
- taking a leadership position in community investment and social issues, subject always to the requirements of the Deed of Trust; and
- being accountable for the impact of its activities on social and environmental outcomes.<sup>4</sup>

## 4. DWC'S GOVERNANCE PROCESSES

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### 4.1. BOARD MEMBERSHIP AND TERM

The DWC Trust Deed deals with questions of membership and the term of Trustees.

The DWC Board consists only of non-executive directors, two whom are independent. That is, no member of the Board may be a member of the paid staff of the organisation.

The names of Trustees, and the basis of their appointment, must be disclosed in the annual report.

The Board carries out an induction programme for new members, and expects members to continue their professional development during their term.

### 4.2. CHAIRMAN AND DEPUTY CHAIRMAN

Each year the Board, at the first meeting after the Annual Public Meeting, will appoint from among the Members a Chairman and a Deputy Chairman.

The Chairman is responsible for representing the Board, and ensuring the integrity and effectiveness of the Board's governance processes.

The Deputy Chairman will deputise for the Chairman in his or her absence or at his or her request.

### 4.3. BOARD MEETINGS AND BOARD COMMITTEES

The DWC Board conducts its business primarily through meetings of the Board. These meetings will be open and constructive and run according to good meeting practice. The particulars of meeting conduct are in Appendix 1.

The Board will also conduct some of its responsibilities, including the monitoring of risk, through Board committees. The role of DWC's committees is to facilitate distribution of the Board's workload, and to recommend and report to the Board. Board committees will only speak or act for the Board when so authorised, and the authority conferred on a Board committee will not derogate from the authority delegated to the CEO.

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<sup>4</sup> Derived from the European Union Commission definition of corporate social responsibility, and the CSR framework for State-Owned Enterprises in New Zealand (2007).

Board committees will observe the same rules of conduct and procedure as the Board unless the Board determines otherwise.

The committees of DWC's Board are:

- Finance and Audit
- Remuneration
- Investment

#### 4.4. ROLE OF THE BOARD

The Board of DWC has two broad roles, conformance and performance:

##### 4.4.1. **CONFORMANCE: (TO CONFORM WITH OR EXCEED ALL LEGAL REQUIREMENTS)**

The Board will:

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###### Monitor the Trust Deed

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1. ensure compliance with the Deed in all DWC's investment and distribution activities
2. promote a consistent understanding of the Deed by Trustees, the Advisory Body, DWC's investment advisers

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###### Comply with Trustees' responsibilities

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3. collectively, ensure that Trustees act in accordance with the Trust Deed
4. comply with all applicable laws

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###### Conform with Best Practice in Corporate Governance

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5. ensure the organisation has appropriate corporate governance structures in place, including standards of ethical behaviour and promoting a culture of corporate social responsibility
6. establish such committees, policies and procedures as will facilitate the more effective discharge of the Board's roles and responsibilities

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###### Carry out all Financial Responsibilities

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7. monitor the financial performance of DWC in conformance with the Trust Deed
8. ensure compliance with financial reporting and audit requirements

##### 4.4.2. **PERFORMANCE (TO ASSIST THE ORGANISATION TO PERFORM TO ITS BEST POTENTIAL)**

The Board will:

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###### Strategy and Policy

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1. endorse the Trust's vision/mission and ensure that it is embedded into the organisation's operations
2. approve the CEO's plans and policies and review them regularly
3. monitor the performance of management

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### Risk Management

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4. ensure an up-to-date and effective risk profile and management strategy
5. monitor critical risks

The Board, while meeting its responsibilities, is mindful of the organisation's mission and the objects of the organisation as embodied in Trust Deed.

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### Transparency and Accountability, giving effect to Clause 4.2 of Deed

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1. be responsible for the overall performance of the organisation
2. ensure that DWC has good processes and structures, and can be seen to be doing things correctly
3. be transparent in its dealings in order to increase the ease with which an outsider is able to make meaningful analysis of the Trust's actions, its economic fundamentals, and the non-financial aspects pertinent to the business
4. undertake regular evaluation through the Chairman of DWC of each trustee's performance, the Chairman in turn to be evaluated by the Board as a whole.
5. review the CEO's performance and remuneration, and undertake succession planning for the CEO
6. report the organisation's outcomes to stakeholders

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### Public Relations

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1. jointly and severally represent DWC and participate in activities designed to enhance the Trust's reputation
2. project a strong and positive image to the community at large
3. promote the vision
4. facilitate inclusiveness and cohesion of DWC by individual behaviour both inside and outside the Boardroom
5. do nothing collectively to bring the Board into disrepute
6. speak with one voice regarding Trust decisions

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### Conflicts of interest

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Trustees must be free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with their ability to act in the best interests of the organisation. When a conflict arises, it must be declared.

## 4.5. ROLE OF THE CEO AND MANAGEMENT

The roles of the DWC Board and Management are strictly separated. DWC has delegated the authority for the operations and administration of the organisation to the Chief Executive Officer (CEO). Matters of governance, or arising from governance, are matters for the Board and not the management or staff.

The CEO is responsible for:

1. developing strategy and policy for consideration of the Board
2. policy direction of the operations of the organisation
3. the efficient and effective operation of the organisation

4. bringing material and other relevant matters to the attention of DWC in an accurate and timely manner.

While the CEO is not a member of the Board of the Trustees, he/she has an important role in the governance of the organisation as a whole.

The Chairman is responsible for maintaining regular dialogue with the CEO over all operational matters, and will consult with other Trustees promptly over any matter that gives him or her cause for major concern.

#### 4.6. DWC'S ADVISORY BODY

The Advisory Body is appointed under clause 6 of the Trust Deed, and its duties are set out in clause 8.

The Advisory Body is responsible for advising the Board on distributions and related matters. Although the Body has no governance responsibilities, the Board recognises the importance of:

- appointing suitably qualified members to the Body;
- servicing the requirements of the Body in a professional manner; and
- fostering an open, constructive relationship between the Body and the Board and a shared understanding of DWC's business vision and strategies.

## 5. BOARD CULTURE AND PRACTICE

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DWC actively seeks to have an 'engaged and inclusive culture' which is characterised by mutual respect, candour and a willingness to challenge and be challenged.

### 5.1. CONDUCT OF MEETINGS

Board discussions will be open and constructive, recognising that genuinely-held differences of opinion can, in such circumstances, bring greater clarity and lead to better decisions. The Chairman will seek a consensus in the Board, but may, where considered necessary, call for a vote. Details of recommended meeting processes are in the appendix.

These include:

- Agenda structure
- Voting
- Teleconferences
- Minutes

### 5.2. BOARD BEHAVIOURAL NORMS

The following norms have been adopted to ensure good governance:

- Trustees will demonstrate individual and collective leadership
- Trustees will be honest, constructive and respectful in the way they engage with each other at Trust meetings
- Trustees will work together to build DWC's credibility, and not engage in any activity which impugns the credibility of a member or of DWC as a whole
- Trustees will be ready to ask questions, and willing to challenge and be challenged
- Trustees will actively seek out other Trustees' views and contributions

- Trustees will spend appropriate time on important issues, while being committed to the efficient conduct of the Board.

### 5.3. BELIEFS

Beliefs that the Trustees share are:

- “If I don’t come prepared, I will be embarrassed.”
- “If I don’t actively participate, I won’t be fulfilling my responsibility.”
- “I’ll earn the respect of fellow Trust members by making valuable contributions and taking responsibility for what I do.”
- “If I can’t carry my load, or if over a sustained period of time I can’t agree with what’s going on, I should resign.”

### 5.4. VALUES

Values that the Trustees share are:

- the Board serves the organisation by actively participating in governance
- Board members are collectively accountable for what goes on at the organisation
- the Board is responsible for maintaining the organisation’s stature in the community
- Board members respect each others’ opinion, even if it is not necessarily agreed with.

## 6. DEALING WITH INFORMATION

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DWC has an obligation to conduct its affairs in a manner that is transparent and accountable to the people of the West Coast region. Dealing appropriately with information is a key component of this obligation.

- The Board takes a broad and strategic approach to the management of its information, which recognises:
- The inherent confidentiality of certain types of information generated or held by DWC, and the need for DWC to function on a commercial basis and as a unit.
- The desirability that information that is not otherwise confidential will be accessible, subject to practical considerations and cost.
- That regular and proactive disclosure of information by DWC to the people of the West Coast region is in the interests of the Trust, and promotes both transparency and accountability.
- The need for policies, systems and procedures to ensure that information is managed and communicated in an appropriate and consistent manner.

### 6.1. BASIC PRINCIPLES

The following principles underlie DWC’s approach to the management of its information.

- The Trust is a commercial entity within a charitable structure. The Trustees must operate as a commercial board, not as a political council.
- The Trust is not a political body. Its decisions-making processes must be (and in the Trust Deed are) modelled on sound business governance.
- The Trust Deed provision for transparency and accountability requires the Trust to act as a unit. It does not authorise any Trustee to act alone, but rather requires each Trustee to act through the Trust

4. Each Trustee is bound by an obligation of confidentiality. Any failure by a Trustee to maintain confidentiality would be a serious breach of duty. Repeated or persistent breaches could be the basis for an application to remove a Trustee.
5. Reporting on activities of the Trust to the West Coast, including Councils, is solely for the Trust to communicate. This is to be done in such ways as the Trust may determine. If the Trust has not determined on a policy or process, then under the Deed it is a Trust-to-Council and Trust-to-community process.
6. Some Trustees are appointed and others are elected. This does not make any Trustee a representative of the entity or district which appointed him or her. The duty of all Trustees is to the Trust. The Trust may determine how to manage its relationship with each stakeholder.
7. The Trust recognises the need to communicate openly with constituents and community.

## 6.2. MANAGING CONFIDENTIAL INFORMATION

### 6.2.1. PRINCIPLES FOR DETERMINING CONFIDENTIALITY:

The following information is confidential:

1. Information supplied to DWC, where a duty of confidentiality is owed by DWC to the supplier of information.
2. The positions taken by Trustees during the deliberations of the Board
3. The reasons why the Trustees decide to make or decline distributions from the Trust Fund.
4. Information about individuals that is protected by the Privacy Act.
5. Information that is legally privileged.
6. Interim or draft information held by the Board until the Board is satisfied that the information is accurate by audit or otherwise.
7. information in respect of which the Trustees are satisfied that publication would be injurious to the objects and purposes of the Trust.

### 6.2.2. CONFIDENTIALITY WILL USUALLY ATTACH TO:

1. Applications for funding and schedules of inquiries.
2. Staff issues.
3. Interim (not audited) financial reports.
4. Sections of a CEO's report taken under confidence.
5. Internal or special audit reports.
6. Audit management reports.
7. Correspondence which relates to matters described as confidential.
8. Monitoring of clients.
9. Deliberations of Trustees in respect of all matters described under this principle.

DWC's Trustees, when acting as such, owe their paramount duty to act in the Trust's best interests, even if they may have been appointed to DWC by a particular organisation or interest group.

Therefore, if a Trustee ever encounters a conflict between the best interests of DWC and the interests or wishes of the organisation which appoints him or her, he or she must put the interests of DWC first.

#### 6.2.3. MANAGEMENT AND STAFF:

1. Must respect the Principles for Determining Confidentiality, and the inherent confidentiality of certain types of information.
2. Recognise the ultimate authority of the Board to determine what information is, or is not, confidential.
3. Must act at all times within the bounds of their delegated authority when communicating information externally to DWC.

### 6.3. DISSEMINATION OF INFORMATION

The Board will use a number of means for the dissemination of information to promote transparency and accountability.

1. Within 48 hours of the conclusion of each monthly Board meeting the Chairman will issue a public report which will reflect the business of the Board at the meeting.
2. Any Trustee can disseminate to any person information relating to the affairs of DWC which has already been made available to the public.
3. DWC will use its website, its Annual Report, and the Annual Public Meeting as forms of disclosure of information and engagement with the community.
4. Subject to the availability of resources, the Board will use other forms of active engagement with the community, for example by visits and 'mini-forums' in individual communities. This will include arrangements, to the extent thought necessary, for regular reporting to the local authorities on the Trust's activities.

Subject to the clauses above, no Trustee should disseminate information relating to DWC except to other Board Members and the CEO unless that is expressly authorised by the Board or reasonably necessary to disclose an existing or contemplated breach of trust.

From time to time, individuals or organisations will approach Trustees for advice or comment on issues that are topical or are relevant to particular interests of individuals or groups within the community. When responding to those approaches, Trustees should seek appropriate advice from the Chief Executive or staff before commenting on operational matters or issues that call for particular technical or legal expertise, including when responding to emails.

### 6.4. SECURITY OF INFORMATION

Management is responsible for ensuring the necessary policies, systems and procedures are in place to protect the confidentiality of DWC's information.

Information will be held securely, and will be disposed of when it is no longer required for the purpose for which it may lawfully and reasonably be used.

## 7. GOVERNANCE RELATIONSHIPS

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### 7.1. RELATIONSHIPS WITH STAFF

The effective performance of DWC requires a high level of co-operation, professionalism and mutual respect between Trustees and staff. To ensure that the level of co-operation and trust is maintained, Trustees will:

1. recognise that the Chief Executive is the employer (on behalf of DWC) of all employees, and as such only the Chief Executive may hire, dismiss, instruct or censure an employee
2. make themselves aware of DWC's obligations as an employer, and observe those requirements at all times
3. treat all employees with courtesy and respect (including the avoidance of aggressive, offensive or abusive conduct towards employees)
4. observe any guidelines that the Chief Executive puts in place regarding contact with employees
5. not do anything which compromises, or could be seen as compromising, the impartiality of an employee
6. avoid publicly criticising any employee in any way, but especially in ways that reflect on the competence and integrity of the employee
7. raise concerns about employees only with the Chairman and Chief Executive, and concerns about the Chief Executive only with the Chairman or Deputy Chairman
8. recognise that individual staff will have particular expertise or experience, and that it is appropriate to refer to them for advice.

Trustees should be aware that failure to observe this portion of the Charter may compromise DWC's obligations to act as a good employer and may expose it to civil litigation and audit sanctions.

## 8. STATUS OF THE CHARTER

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The Board adopted the Charter on xx October 2009, and will review it annually to ensure it remains consistent with the Trust's objectives and responsibilities.

### 8.1. DEALING WITH BREACHES OF THE CHARTER

Where a complaint is made that a Trustee has breached the Charter the Chairman may choose to discuss the matter with the Board as a whole, or establish a subcommittee to investigate the complaint<sup>5</sup>. In the latter case the Trustee complained about should not be a member of the committee. Any decision by a committee or the Board must be unanimous.<sup>6</sup>

1. Possible courses of action may include:
2. passing a resolution of censure about the breach
3. a letter to the Trustee
4. a request (made either privately or publicly) or requirement for an apology
5. a vote of no confidence in the Trustee

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<sup>5</sup> These actions are taken from the Auditor General's 'Local Authority Codes of Conduct' 2006

<sup>6</sup> This is a specific departure from Schedule 4, Section 6 of the Deed, which requires majority decisions

6. suspension or removal of the Trustee from committees or other bodies to which they have been appointed
7. dismissal from a position as Chairman or Deputy Chairman
8. an invitation for the Trustee to consider resigning from the Board.

## 8.2. PUBLICATION OF THE CHARTER

Key features of the charter are to be outlined in the Trust's Annual Report.

A copy of the charter is available at the Trust's website - [www.dwc.org.nz](http://www.dwc.org.nz)

## APPENDICES

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# Appendix 1

## GOVERNANCE DETAILS

### 1. CONDUCT OF MEETINGS<sup>7</sup>

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Board discussions will be open and constructive, recognising that genuinely-held differences of opinion can, in such circumstances, bring greater clarity and lead to better decisions. The Chairman will seek a consensus in the Board but may, where considered necessary, call for a vote.

### 2. AGENDA STRUCTURE

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The agendas of DWC will be structured to enable sufficient time for substantive business, while still enabling important governance matters to be considered and discussed.

Agenda items must be to the Board Secretary ten days prior to the meeting to enable the agenda and supporting documentation to be distributed 7 days before the meeting.

Time will be allocated for each group of agenda items, and will be enforced with a view to keeping the overall length of meetings reasonable, and sufficient time being given to each item of business having regard to its importance.

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#### Order of business

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The general order of business will be as follows:

1. Formalities (apologies, minutes, matters arising)
2. Executive reports.
3. Management agenda items: These will be accompanied by a brief paper and recommendations as to the action required of the Board.
4. Distributions, Community Distributions, Regional Development
5. Policy Review items
6. Governance matters
7. General business

Extra agenda items may be added after the Agenda is set only by a majority resolution of those present, in accordance with the Deed, and must be of such an urgent nature that they could not have been added in due time.

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#### Agenda item presentation

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The Agenda will say, in respect of each item, whether there is a management recommendation or whether the item is “for discussion”.

An item that is “for discussion” will be accompanied by a brief paper indicating the reason for the item being placed on the agenda. This will enable Trustees to prepare for the item and focus their contributions appropriately.

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<sup>7</sup> See the Interim Meeting Protocol, merged into the Policy Manual May 2009

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#### Agenda items with a management recommendation

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1. If an agenda item has a management recommendation, the Chairman will call for a motion that the item be received and opened for discussion.
2. If the motion is not carried, the meeting will move to the next agenda item.
3. Once open for discussion, each Trustee will be given an opportunity to place their view on the table. Trustees may use this time to state their reasons for voting for or against the motion. The Chairman will ensure that equal time is given to each Trustee, and that contributions are kept concise and to the point.
4. It is expected that if a Trustee's view has already been expressed by another Trustee, that view will not be repeated.
5. Irrelevant comments will be ruled out of order.
6. The mover of the motion will have a right of reply.
7. The Chairman will seek a consensus in the Board. If no consensus is apparent, the Chairman must call for a motion on the recommendation
8. The motion will be put to the vote.
9. Once the vote has been taken and recorded, the agenda item is finished.

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#### Agenda items that are for discussion

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1. If an agenda item is for discussion the Chairman will call for a resolution for the item to be received and opened for discussion. Once opened for discussion, the Trustee who raised the item will have an opportunity to present the issues to the meeting.
2. If there is no resolution to discuss the item, it will lie on the table.
3. Once open for discussion, each Trustee will be given an opportunity to place their view on the table, in the same manner as for items which have a management recommendation. The same procedure will follow in respect of the right of reply, the seeking of consensus, voting, and closure.

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#### Items from Matters Arising or Under Action

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A resolution will be required to:

1. hear a matter under urgency at the current meeting; or
2. request the matter be placed on the agenda for a subsequent meeting.

### 3. VOTING

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The underlying principle in Board deliberations is one of consensus.

During discussion the Chairman will invite a contribution from each Trustee until he/she feels that a broad consensus has been reached and that he/she is able to sum up a conclusion with which the majority of the board agrees and with which others can feel at least reasonably comfortable. The decision will be recorded without either a mover or a seconder.

In the event that this is not possible, and in the knowledge that a premature vote will leave issues unresolved, the Chairman will, in the first instance, use an adjournment to allow further thought to be given and to seek a consensus. In the event where this is impracticable or undesirable, then a majority vote will decide the issue. If a Trustee considers it necessary to do so as a matter of principle, they may request their vote be recorded, together with a brief rationale for their dissenting vote. This should happen only in extraordinary circumstances.

All Board decisions are binding on all Trustees. Minority Trustees will be bound by the decisions of the majority and act in the best interest of the Board and the Trust. If a decision needs to be revisited then it can be put on a future agenda in the normal manner. As with other items requiring a decision, it will be accompanied by a brief rationale for its inclusion.

#### 4. TELECONFERENCES <sup>8</sup>

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Teleconferences will be called for matters that have to be deferred from Board meetings, or arise between meetings. Except where urgency otherwise requires, the Secretary will:

- give all trustees up to 48 hours notice of the Chairman's intention to call an urgent meeting, or a notice received from Trustees requesting a meeting; and
- provide an indicative date and time for the meeting.

The sole purpose of that notice is to ascertain Trustees' availability on the date and time indicated.

1. The Secretary will keep a schedule of Trustees' regular commitments which might affect their availability for teleconference meetings. Trustees should update that information regularly. A Trustee is not obliged to disclose the nature of another commitment.
2. The Chairman will, to the greatest extent possible, take account of the schedule when deciding the date and time of a meeting.
3. Trustees will respond promptly to the notice and will make best endeavours to be available at the time indicated, taking account of the nature of any other commitment. If a Trustee indicates a difficulty in respect of an indicative date and time for a meeting, the Chairman will take account of that indication and endeavour to fix a time that is convenient for all Trustees, taking account also of the availability of other Trustees and the nature and urgency of the items of business needing to be discussed.
4. The Chairman's decision on the date and time of the meeting will be final.
5. The matters for discussion at a teleconference meeting will be issued together with a notice of the meeting, in accordance with the Trust Deed.
6. A Trustee may give notice to the Chairman of an intention to raise an additional item. The addition of the item must be agreed by resolution at the meeting, in accordance with the Trust's meeting procedures, on the basis that it is not possible or desirable for the item to be held over until the next regular meeting.
7. Management will use best endeavours to distribute papers for Trustee consideration as soon as possible before a meeting. Papers must be distributed within forty eight hours of the meeting, unless there are extraordinary circumstances.
8. Management will keep Trustees informed of when they may expect to receive papers, or of any delays or difficulties in compiling information.
9. Additional papers may be distributed within the forty eight hour period before a meeting if there is a need to update Trustees on developments.
10. Notice of a teleconference meeting must be given to all Trustees, even if a Trustee has a known conflict of interest in respect of an item to be considered.
11. In accordance with the Trust Deed, a quorum of four Trustees must exist for a meeting to commence. Once a meeting has commenced, a Trustee must withdraw from the meeting before consideration of an item for which he or she is conflicted. In that event, the quorum will reduce accordingly under Schedule 4, clause 10 of the Trust Deed.

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<sup>8</sup> See the Board document: Policy and Procedures for Calling Teleconference Meetings,

## 5. MINUTES

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The Trust Deed requires minutes to be kept of all meetings and the decisions made. The minutes of Board meetings are the minutes of the whole Board. They represent a record of what the Board has done, and not what individual members of it have done. The purpose of recording discussion is to provide reasons for decisions, guidance to management, and points for future reference, rather than to record individual trustees' contributions to a debate.

The following principles and practices are applied to the minutes of all meetings of DWC's Board and its committees:

1. The minutes should be accurate and objective and provide both trustees and management with a valid record of what occurred, including resolutions passed, and the action to be taken.
2. Minutes that are over-elaborate are more open to inaccurate wording or emphasis, while those that simply record the topics discussed and decisions taken are just as valid but do not carry the same risks.
3. A Trustee may ask that a vote be recorded against a motion where necessary to protect the trustee's position, together with a brief rationale for their dissenting vote. Trustees should be conscious of the possibility of external scrutiny, particularly in legal proceedings.
4. Minutes of all meetings are circulated to Trustees, approved at the subsequent meeting, and signed by the Chairman of the meeting.
5. Resolutions, once passed, are recorded in a Resolutions Register.