

## **1.4. CODE OF ETHICS AND PROPER PRACTICE**

The Board is committed to ethical conduct in all areas of its responsibilities and authority.

Accordingly,

Members of the Board as individuals will:

1. act honestly and in good faith at all times in the best interests of NZRS and its shareholder
2. carry out their duties in a lawful and business-like manner and ensure that NZRS carries out its business likewise
3. avoid conflicts of interests in as far as this is possible and, where such conflicts arise, will act within the terms of the Board's Conflict of Interests policy as set out in this document in 1.7
4. attend Board meetings and devote sufficient time to preparation for Board meetings to allow for full and appropriate participation in the Board's decision making
5. observe the confidentiality of non-public information acquired by them in their role as Board members, and not disclose information that might be harmful to NZRS
6. interact with the Board and staff in a positive and constructive manner
7. be loyal to the collective nature of the Board, abiding by Board decisions once reached
8. not do anything that in any way denigrates NZRS or harms its image.

Members of the Board as a whole will:

1. monitor the performance of management and NZRS, ensuring that appropriate monitoring and reporting systems are in place and utilised to provide accurate and timely information to the Board
2. ensure that there is an appropriate separation of duties and responsibilities between itself and Chief Executive and that no one has unfettered powers of decision making
3. ensure that the independent views of Board members are given due consideration and weight in arriving at decisions
4. ensure that the Shareholder is provided with an accurate and balanced view of NZRS's performance including both financial and service provision
5. regularly review its own performance as the basis for its own development and quality assurance
6. carry out its meetings in such a manner as to ensure fair and full participation of all Board members
7. ensure that NZRS's assets are protected via a suitable risk management strategy

### **1.7. CONFLICT OF INTERESTS**

The Board places importance on making clear any existing or potential conflicts of interest for its members and the Chief Executive.

Accordingly,

1. Any business or personal matter which is, or could be, a conflict of interest involving the individual and his/role and relationship with NZRS, must be declared and registered in the Conflicts of Interest Register
2. The Register will be presented to the Board and formally received at each meeting
3. Where a conflict of interest is identified and/or registered, the Board member concerned shall not vote on that issue and may only with unanimous agreement participate in any Board discussion on that topic
4. The Chairman must take whatever steps are necessary to ensure that any conflict is managed in an appropriate manner according to this policy
5. Individual Board members, aware of a real or potential conflict of interest of another Board member, have a responsibility to bring this to the notice of the Board.
6. No Board member may be contracted or otherwise employed by NZRS or receive any remuneration other than their director's fees, except if the Board appoints by resolution a Board member to stand in for the Chief Executive.

Examples of such conflicts of interest are:

- When a Board member, or his/her immediate family or business interests, stands to gain financially from any business dealings, programmes or services of NZRS
- When a Board member him or herself offers a professional service to NZRS
- When a Board member stands to gain personally or professionally from any insider knowledge if that knowledge is used to his or her personal or professional advantage
- Where a Board member is on another body that may have competing or conflicting interests or where knowledge of NZRS views or information might unduly favour the member's other appointment/organisation.