

# Central Plains Water Limited (CPWL)

## Aspiring Directors Development Programme

### Programme Purpose

The Aspiring Directors Development Programme (ADP) has been created to develop a diverse pool of people who will have greater knowledge and understanding of the key requirements for good governance. With development, participants will become credible candidates for positions on the board of CPWL (or any other community or cooperative board).

John Palmer, an independent HR Consultant, will lead and manage the ADP at “arm’s length” from the board of CPWL.

### Benefit to Shareholders

CPWL has a relatively small pool of potential “wet” directors from our shareholder base. There is a need to ensure that we optimise the candidate pool. There are current shareholders who may feel they lack relevant experience or specific skills to be a director, yet are very informed, and committed to the future of our sector. Further, they may bring other current relevant skills and attributes that can be utilised for the benefit of CPWL.

This programme aims to provide CPWL shareholders with a wider pool of quality candidates from which to elect directors. The ADP will also contribute to your wider community as the development will allow participants to better contribute on community boards.

### Who should Apply?

The ADP is intended for CPWL shareholders (or certain family members who qualify under \*clause 19.2 and 19.3 of CPWL's constitution as a ‘wet’ shareholder), who are passionate about the future of agriculture, and would like to contribute to the company's strategic direction. You may or may not have some governance involvement in community organisations and would like to develop your governance skills, as well as your leadership and commercial skills, in a structured way.

### What the ADP Programme is looking for in Candidates

The target group for the ADP comprises shareholders who have interest in and motivation for a governance role in CPWL or similar organisations. Whilst previous experience in a governance role is advantageous, it is not essential, and a broad interest in the business and a particular area of expertise will be of value. In addition to these factors, the skills and attributes listed on the attached “Directors Competencies” document are sought.

### Programme Overview

The initial programme will comprise two intakes, one each in 2020 and 2022, with the second intake completing training in 2024. The programme will run over two years, comprising Module One and Module Two, and will commence in July 2020 with up to four people. The second intake will not start until the first intake’s Programme has been completed, to ensure there will be a maximum of 4 people on the programme at any one time.

Depending on the success of the programme, it will be altered or extended as appropriate.

### Outcomes for Participants:

By the end of the programme you will have had the opportunity to:

- increase your knowledge and practice of governance subjects,
- enhance your leadership skills and competency,
- achieve greater insight into your own and others personality styles and how to use these to constructively effect change,
- improve your capacity for critical and reflective thinking in governance situations,

- have participated in real, interactive situations where competence can be developed and demonstrated,
- have established a network of peers,
- develop a personal plan for your governance future.

### Module One (Year 1)

The focus in year one will be on growing your skills and knowledge in the areas where we have identified gaps against our desired governance competencies.

Because the CPWL programme will be run on a much smaller scale than some of those currently existing for larger organisations like Fonterra, Farmlands, Silver Fern Farms, we will not have set courses that must be attended. Rather an individual, tailored, course of actions and training will be agreed with each participant as appropriate to your needs. This could include financial literacy, legal and fiduciary knowledge, emotional intelligence, and network broadening.

Membership of IOD will be reimbursed by CPWL and you will be expected to participate at local meetings to develop your network and skills.

There will be a quarterly review with John Palmer to monitor progress and provide feedback and he will also be available on-call if you have immediate questions or proposals.

### Module Two (Year 2)

In year two you will be encouraged to apply your skills to projects and observe real governance situations, as well as to develop your profile in the community.

You will be supported to attend board meetings as an observer. These may be CPWL or other relevant business boards. It is likely that you will be given specific projects to research and will provide a report back to the board of CPWL.

### Selection Process:

<b>March 2020</b>	An invitation will be issued for candidates to apply. Candidate applications to be received by no later than 31 March 2020.
<b>April 2020</b>	John Palmer will select an initial shortlist of applicants from the applications received. This process will include psychometric testing and a one on one interview.
<b>May 2020</b>	John Palmer will recommend a shortlist of up to 6 candidates for selection by a panel comprising Mark Pizey, General Manager CPWL, a non-shareholder CPWL director, and an independent person (yet to be confirmed). Successful candidates will be notified, and development planning commences.
<b>June 2020</b>	Individual development plans and goals agreed.
<b>July 2020</b>	Programme formally starts.

Those CPWL shareholders or eligible family members who wish to take up this opportunity or require further information should contact John Palmer at [js.palmer@xtra.co.nz](mailto:js.palmer@xtra.co.nz)

## Director Competencies

**Strategic Thinking** – the ability to understand, contribute to and critique a business strategy;

**Legal** – ability to carry out the board’s responsibility to oversee compliance with numerous laws and an understanding an individual director’s legal duties and responsibilities;

**Risk management** – experience in managing areas of risk to an enterprise and an ability to foresee risk potential in the political, legal, business environment;

**Managing people and achieving change** – including experience as a manager of people in a relevant sector and of implementing change projects;

**Industry knowledge** – experience in and an understanding of similar enterprises or sector and the environment in which it operates, its opportunities and threats.

**Integrity** – to fulfil a director’s governance duties and responsibilities, putting the organisation’s interests before personal interests, acting ethically;

**Curiosity and courage** – having the curiosity to ask questions and the courage to persist in asking or to challenge management and fellow board members where necessary whilst recognising the validity of other perspectives;

**Interpersonal skills** – ability to work well in a group, listen well, be tactful but able to communicate a point of view clearly and frankly whilst respecting other perspectives;

**Genuine interest** – in the long-term success of the enterprise; in the concerns of shareholders.

**Instinct and Acumen** – good business nous; ability to get to the crux of an issue quickly and to identify new business opportunities.

**An active contributor** – willingness to participate in debate and on subcommittees; to interact with shareholders beyond the boardroom; to do the research and come prepared to meetings.

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\* **Constitution of CPWL**

19.2 **Wet Shareholder Directors:** After the Operational Date at least one half of the Directors, or if their number is not a multiple of 2, then the number one greater than one half, shall be a:

- (a) Wet Shareholder;
- (b) holder of not less than 25% of the voting shares in a company which is a Wet Shareholder;
- (c) person who is an active participant in farming on the Central Plains and is a trustee or primary beneficiary of a trust which is a Wet Shareholder; or
- (d) person who is an active participant in farming on the Central Plains and is a trustee or primary beneficiary of a trust which holds not less than 25% of the voting shares in a company which is a Wet Shareholder.

19.3 **Board to determine:** The Board must identify which Directors it has determined, in its view, to be Wet Shareholder Directors. It is the responsibility of the Company to make the necessary arrangements to require its Directors to provide sufficient information to the Board to make this determination. If a Director or person seeking nomination or election as a Director does not provide sufficient information for the Board to make this determination the Board is entitled to draw the conclusion that that Director does not or that person would not qualify as a Wet Shareholder Director.