



Tower Limited

Board Renewal Policy

May 2024

Document Information

Policy Name	Tower Limited Board Renewal Policy
Policy Type	Board Policy
Policy Preparer	Senior Corporate Governance Counsel
Policy Owner	Tower Limited Board
Policy applies to	Tower Limited and subsidiaries to which non-Executive directors are required to be appointed
Version Number	1.0
Approver	Tower Limited Board
Date of Approval	May 2023
Effective From	May 2023
Date of Next Review	May 2025
Policies replaced by this document	Nil

Document History

Version	Date	Changes	Reason for change	Author	Date Approved
1.0	May 2023	New Policy	New Policy	Arna Neems	
1.1	May 2024		Minor Updates	Arna Neems	27 May 2024

1. Purpose

- 1.1 The purpose of Tower Limited’s Board Renewal Policy (**Policy**) is to ensure that the Tower Limited Board (**Board**) has members with the range of skills, experience, expertise and perspectives required to provide effective oversight and prudent management of the Company.

2. Application

- 2.1 This Policy applies to the Board and to subsidiary boards where a Non-Executive Director is required to be appointed.

3. Related Documents

- 3.1 Tower Limited must comply with NZX Listing Rules, its Constitution, and the NZX Corporate Governance Code.

4. Authority

- 4.1 The Board authorises the People, Remuneration and Appointments Committee (**PRAC**) to:
- a. recommend persons for nomination for appointment to the Board, or to fill a casual vacancy as required;
 - b. monitor the rotation of Directors as required by the NZX Listing Rules and Company Constitution;
 - c. recommend candidates for election as Board and Committee Chairs;
 - d. at its discretion, complete exit interviews with retiring directors to inform its processes around succession planning;
 - e. review and make recommendations on succession planning for the Board and the role of Chair of the Board; and
 - f. regularly review Board composition, Director independence and tenure and recommend changes that the Committee considers desirable to the size and composition of the Board to ensure an appropriate balance of institutional knowledge and fresh thinking and challenge.
- 4.2 When considering an appointment to, or composition of, the Board and its Committees, the PRAC will consider the:
- a. size and diversity of the existing Board;
 - b. independence of existing directors, including tenure;
 - c. Board Skills Matrix and most recent Board Evaluation;
 - d. strategy of the Company, and the environment in which it operates, including having regard to economic, regulatory and social factors; and

- e. any other factor which may influence the way in which the Board works together effectively.

4.3 In addition to the consideration of the matters described above, the PRAC will seek candidates:

- a. with appropriate skillsets with reference to the Board Skills Matrix;
- b. with the time available to properly fulfil the role of a member of the Board;
- c. with outstanding capability, who have held senior commercial roles, preferably with experience in listed companies;
- d. with outstanding personal integrity;
- e. with the ability to work constructively with existing directors in the best interests of all stakeholders;
- f. who will meet the relevant fit and proper criteria for licensed insurers;
- g. who are independent where required to meet the relevant regulatory requirements for Board composition; and
- h. who will contribute to the range of diversity of background, experience and approach required for a high performing Board.

4.4 The PRAC may engage reputable external advisers at Tower's expense to assist with the identification and assessment of potential candidates and will recommend to the Board an appropriate selection process, which may include one or more interviews with either a group of Directors or all Directors.

5. Tenure and Succession

- 5.1 The Board will regularly review the tenure of its members to ensure an appropriate balance of institutional knowledge and fresh thinking and challenge.
- 5.2 The Board will undertake succession planning as required to ensure both the development and retention of existing board members, and a smooth transition in the event of either a planned or unexpected retirement of a Director.

6. Review

- 6.1 This Policy will be reviewed every two years, or at any other time that the Board considers necessary.