

**31 January 2020**

### **Director succession plans and nominations for Shareholder Director**

MTF Finance was founded as a co-operative company and maintains many elements of the cooperative model, including its governance structures. MTF Finance considers strong corporate governance to be critical for achieving the best outcomes for its shareholders, originators, customers, staff and the wider community.

A long-term board succession plan is vital to ensure the board achieves these outcomes. The board has regular and open discussions about succession planning. Those conversations include discussion about the skills, diversity and experience needed to ensure a high level of professional governance required to guide a successful financial services company.

Ahead of the annual shareholder meeting in Dunedin on 19 March 2020, the board would like to share the plan with our shareholders. The board looks forward to discussing this issue further with shareholders at the annual meeting.

### **Independent Directors**

Scott Creahan, who has served on the MTF Finance board since 2013, has announced his intention to retire from the board as an Independent Director.

Scott's retirement will enable the board to facilitate a managed succession of the current Chair, Stephen Higgs. After fourteen years as a director and eight as Chair, Stephen has advised his intention to retire from the MTF Finance board. The timetable will be flexible to ensure the needs of MTF Finance are fully met, but it is envisaged that he will retire no later than the end of 2021.

The board will now begin the search for a new Independent Director with the skills and attributes necessary to step into the role of Chair once Stephen vacates the position. Sheffield, an independent governance recruitment specialist, has been appointed to assist in the search and the board intend to complete the process by mid- 2020. A second Independent Director will be appointed nearer to Stephen's retirement in 2021.

### **Shareholder Directors**

Brent Robertson will retire by rotation at the annual shareholders meeting in March 2020 and has chosen not to offer himself for re-election. Brent has been a Shareholder Director since 2011.

The board believe that it is important to preserve continuity around the board table as much as possible during this year of transition. In accordance with the Company constitution the board have determined that the rotation for 2020 will consist of one Shareholder Director, the two-director retirement cycle being in 2021.

Nominations for the vacant Shareholder Director position will close on Thursday 20<sup>th</sup> February. Information for prospective candidates, including the Shareholder Director's roles and responsibilities, how to make a nomination, and the assessment process for nominees, is available on the company website [www.mtf.co.nz](http://www.mtf.co.nz).

**Acknowledgements**

The board wishes to acknowledge the contribution of both directors retiring in the next few months. Brent and Scott have been instrumental in helping lead MTF Finance through periods of significant change and disruption. Both have made strong contributions to the board in differing capacities and the board and management wish Brent and Scott well for the future.

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