

The role of governance in Health and Safety

EEA CONFERENCE

22 October 2016



Agenda

- ✓ Director's responsibilities
- ✓ Principles of good governance
- ✓ Conducting due diligence
- ✓ Adding value



Companies Act 1993

“... reaffirms the value of the
company
as a means of achieving economic
and social benefits
through the aggregation of capital
for productive purposes,
the spreading of economic risk, and
the taking of business risks...”

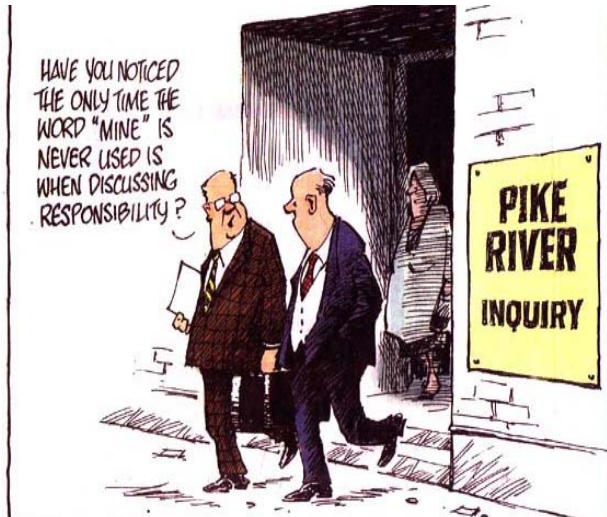


An obligation to all stakeholders





An outrage leading to a cultural shift



PIKE RIVER COAL

5



IOD's four pillars

- 1) Determining purpose
- 2) An effective governance culture
- 3) Holding to account
- 4) Effective compliance



Institute of
Directors



Adding value



Conducting due diligence

- ✓ Management reports
- ✓ Independent audits
 - ✓ Health and safety system
 - ✓ Safety culture maturity
 - ✓ Process audits
 - ✓ Deep dive audits





Practical due diligence

- ✓ Observe work in action
- ✓ Talk to workers
 - ✓ On-site
 - ✓ In the boardroom
- ✓ Meet contractors
 - ✓ And their workers
- ✓ Check the risk appetite



Attention-grabbing headlines

- ☐ Taking out insurance against fines is “unlawful and of no effect” (\$29)
 - ☐ Can insure for defence and reparations
- ☐ The court can assess a person’s financial capacity and ability to pay – for the purpose of increasing the fine (\$151(2g))



Getting ahead of the game



Questions?



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