

Treasury and Exchequer Ministerial Decision Report

ANDIUM HOMES LIMITED – RE-APPOINTMENT OF NON-EXECUTIVE DIRECTOR ACTING AS THE GUARANTOR’S APPOINTEE

1. Purpose of Report

To enable the Minister for Treasury and Resources, as Guarantor, to consider re-appointing a Non-Executive Director at Andium Homes Limited (the “Company”) in accordance with the Articles of Association, who also acts as the Guarantor’s Appointee.

2. Background

The Memorandum of Understanding between the Company and the Guarantor, at Schedule 2 paragraph 3.1, requires the Company to adhere to the Principles of Good Governance in the 2018 UK Corporate Governance Code (the “Code”) or any successor document that is incorporated into the listing rules of the UK Listing Authority. Principle J of the Code provides that a board should maintain an effective succession plan for board and senior management, senior management in this context meaning the first layer of management below board level, including the company secretary.

Article 18 of the Company’s Articles of Association provides that the Board comprise a maximum of 9 Directors at any one point as follows:-

- A minimum of 4 and a maximum of 5 Directors shall be Independent Directors (one of whom shall be the Guarantor’s Appointee and the Chairman);
- A minimum of 1 and a maximum of 2 Directors shall be Tenant Directors;
- The Chief Executive of the Company; and
- The Finance Director of the Company.

Article 23 of the Memorandum and Articles of Association of the Company provides that Non-Executive Directors may be re-appointed for three-year durations but shall not be permitted to hold office for more than nine years in total.

The Chair of the Company wrote to the Guarantor on 6 February 2024 (the “Letter”) to request that an existing Non-Executive Director, Jason Laity, be reappointed to the board for a second three-year term through to 15 April 2027. The Letter appears in the **Appendix**.

3. Re-appointment

The Andium Chair has expressed his wish that the Jason Laity is reappointed to the Board as a Non-Executive Director, who also acts as the Senior Independent Director (“SID”), as he continues to make valued contributions to both the operation of the Board and the Company’s activities and to facilitate effective succession planning. As the SID, Mr Laity also acts as the Guarantor’s Appointee.

Accordingly, it is proposed that Jason Laity is re-appointed for a further fixed term of three years with effect from 15 April 2024 and to remain as the SID of the Board and the Guarantor's Appointee.

4. Recommendation

The Minister for Treasury and Resources is recommended to approve the Company's request to re-appoint Jason Laity as a Non-Executive Director for a further fixed term of three years, in accordance with the Articles of Association.

5. Reason for Decision

Article 18 of the Articles of Association of the Company provides that the Board shall comprise a maximum of 9 Directors at any one point as follows:

- A minimum of 4 and a maximum of 5 Directors shall be Independent Directors (one of whom shall be the Guarantor's Appointee and the Chairman);
- A minimum of 1 and a maximum of 2 Directors shall be Tenant Directors;
- The Chief Executive of the Company; and
- The Finance Director of the Company.

Article 23 of the Articles of Association of the Company provides that Non-Executive Directors may be re-appointed for three-year durations but shall not be permitted to hold office for more than nine years in total.

This re-appointment is required to ensure the Director in question continues to make a valued contribution to the work of the Company and to the successful operation of the Board and its Committees.

6. Resource Implications

There are no financial and/or manpower implications for the States arising from this decision.

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APPENDIX

Letter dated 6 February 2024 from the Chair of Andium Homes Limited