

Governance Disclosure

PTL's Board of Directors is accountable to its shareholders the Taranaki Regional Council on how it runs the business, manage risks, reviews and improves performance and delivers on its promise as set out in the Statement of Corporate Intent.

In discharging its duties, PTL's Board of Directors is committed to high standards of corporate governance and has adopted the following governance objectives:

1. To lay solid foundations for management and oversight;
2. To structure itself to add value through its composition, size and commitment;
3. To promote ethical and responsible decision-making and act ethically and responsibly;
4. To safeguard the integrity of its corporate reporting;
5. To respect the rights of its Shareholder;
6. To recognise and manage risk;
7. To remunerate fairly and responsibly;
8. To ensure that PTL acts as a good corporate citizen; and
9. To promote a Company culture that embraces diversity and inclusion.

The Board conduct, responsibilities and commitments are guided by its Board Charter and key Company Policies.

PTL's Directors are appointed by the Shareholder and the role of the Board is to effectively represent and promote the interests of the Company considering the interests of all stakeholders with a view to adding long-term value to the Company. Having regard to its role the Board directs and supervises the management of the business and affairs of the Company.

In accordance with its Board Charter, Board committees are formed when it is efficient or necessary to facilitate efficient decision-making. Each Board Committee has a written charter approved by the Board. The members of each Board Committee are appointed by the Board based upon the needs of the Company, relevant legislative and other requirements and the skills and experience of the individual Directors. The role, function, charter, performance and membership of each Committee are reviewed by the Board on an annual basis.

The Board has two standing Committees: The Audit and Risk Committee (ARC) and the Health, Safety and Environmental Governance Committee (HSEGC) which was reconstituted in April 2021.

The primary objective of the ARC is to assist the Board in discharging its responsibility to exercise due care, diligence and skill in all matters related to overseeing the accounting, reporting, audit, compliance, and risks of the Company.

The members of the ARC are Kathy Meads (Chair), Peter Dryden, Charlotte Littlewood and Richard Krogh (ex officio).

The primary objective of the HSEGC is to assist the Board in exercising its due diligence over health, safety and environmental matters.

The members of the HSEGC are Charlotte Littlewood (Chair), Graeme Marshall and Richard Krogh.

Emerging Directors

PTL's Board strongly believes in promoting diversity of leadership and developing governance talent in Taranaki. The Emerging Director programme enables talented executives with the opportunity to gain valuable experience by sitting at the board table for one year. PTL's emerging directors participate in real discussions but do not have a role in the Board's decision making.

PTL's Board considers that an Emerging Director offers real value to the Company. While Emerging Directors receive mentoring, advice, and practical insight into the boardroom, PTL gets a new perspective and expertise on emerging issues like sustainability and social media.

Marie Collins has been a PTL Emerging Director during the 2021 financial year.

Attendance at Board Meetings

Directors attended the following Board and committee meetings during the year:

Director	Full Board Meetings*	Audit and Risk Committee*	Health, Safety and Environmental Governance Committee
<i>Meetings held</i>	7	5	1
Richard Krogh	7	4	1
Kathy Meads	7	5	
David MacLeod	6		
Peter Dryden	7	4	
Graeme Marshall	7		1
Charlotte Littlewood	7	5	1

* 2 Board Meetings and 2 ARC Meetings were limited agenda meetings.

Director Remuneration

At the 2020 Annual Meeting the Shareholder approved a total Director's fee pool of \$322,875.

During the year ended 30 June 2021, the Board allocated the Directors fee pool as follows:

Annual Fee Structure	Financial Year 2021
Chair	\$83,500
Committee Chair	\$53,375
Director	\$46,500

Directors' remuneration in respect of the years ended 30 June 2021 and 30 June 2020 paid by the Company were as follows:

Annual Fee Structure	Financial Year 2021	Financial Year 2020
Richard Krogh	\$83,500	\$77,125
Kathy Meads	\$53,375	\$53,375
Peter Dryden	\$46,500	\$55,750
David MacLeod	\$46,500	\$46,500
Graeme Marshall	\$46,500	\$49,365
Charlotte Littlewood	\$46,500	\$46,500
	\$322,875	\$328,615

Interests Register

The Company maintains an Interests Register in which the Directors declared interests are recorded. The Directors of the Company have declared interests in the following identified entities as at 30 June 2021.

Director	Interest	Entity
Richard Krogh	Chair	Top Energy Limited and subsidiaries
	Chair	PKW Farms GP Limited
	Chair	Ngawha Generation Limited
	Director	First Gas Group of Companies
	Director	Gas Services NZ Group of Companies
	Director and Consultant	Energia Limited
Peter Dryden	Director	Headingly Holdings (NZ) Ltd
	Director	TIL Logistics Group Limited ¹
	Director	TIL Transport Investments Limited
	Director	Aquafortus Technologies Limited
	Director	B.G.I Nominees
	Shareholder	Matau Forests
Kathy Meads	Director/Chair ARC	Enable Services Limited
	Director/Chair ARC	Enable Networks Limited
	Director/Chair ARC	NZPM Limited
	Director/Chair Audit and Finance Committee	Transpower New Zealand Limited
	Director/Chair ARC	Shipowners Mutual Protection and Indemnity Association (Luxembourg)
	Director/Chair ARC	Magic Memories Group Holdings Limited
	Director/Shareholder	Kathy Meads Limited
	Trustee	Christchurch Symphony

Director	Interest	Entity
David MacLeod	Chair	Taranaki Regional Council
	Director/Shareholder	AJ Greaves Electrical Limited
	Director/Shareholder	Matau Technologies Limited
	Director	Predator Fee 2050 Ltd
	Member	Mana Rangatira Governance Group, Bio-Heritage National Science Challenge
	Member	Māori Economic Development Advisor Board (MBIE)
	Member	PKW Incorporation
	Director/Shareholder	Waimate Investment Properties Limited
Graeme Marshall	Vice Chair	Kiwi Vine Health
	Co-Chair	Tauranga Moana Biosecurity Capital
	Chair	Mount Industrial Air Quality Working Party
	Shareholder	Port of Tauranga Limited
Charlotte Littlewood	Councillor and Chair of Policy and Planning Committee	Taranaki Regional Council
	Co-Chair	Taranaki Regional Skills Leadership Group
	Director	WITT Limited
	Trustee	Taranaki Trails Trust
	Trustee	Pukeiti Trust Fund

¹ Renamed MOVE Logistics Group Limited on 4 August 2021.

Insurance

The Company has arranged Directors' and Officers' liability insurance cover for \$30 million to indemnify the Directors against the loss as a result of actions undertaken by them as Directors provided, they operate within the law.

The Company has also arranged separate insurance cover for \$5 million for Directors' defence costs in the event any claim against Directors as a result of actions undertaken by them as Directors provided, they operate within the law.

In addition, the Company has indemnified Directors for claims made against them to the extent possible in accordance with the Companies Act and the Company's Constitution.