

# Corporate Governance Statement

for the year ending  
30 June 2023

---

## Introduction

---

The NZX Limited Main Board Listing Rules require listed companies to disclose whether and to what extent their corporate governance principles materially differ from the NZX Corporate Governance Code. NZ Windfarms Ltd (NWF, NZ Windfarms, the Group, or the Company) has no significant differences from the NZX Corporate Governance Code dated **1 April 2023**.

The following section summarises the key governance and compliance policies and procedures in place. All of NWF's key corporate governance documents, including charters and policies, can be found on the Company's website at [www.nzwindfarms.co.nz](http://www.nzwindfarms.co.nz)

The Company's website and annual report for the financial year ended 30 June 2023 may cross-reference this Corporate Governance Statement. This statement is accurate as at 29 August 2023.

---

## Principle 1: Code of Ethical Behaviour

---

### Recommendation 1.1: Code of Ethics & Conduct

NWF Board members and employees are expected to observe the highest standards of ethical behaviour, and support and encourage policies within NWF that require directors and employees to observe high standards of personal integrity and display honesty in their dealings.

NWF's code of ethics & conduct is a Board approved policy that outlines the minimum expectations of behaviour and its internal reporting procedures for any breaches. The code's primary objective is to help employees to understand the behaviours that NWF expects of them and help to answer any questions, issues or challenges they may face. During the reporting period there were no breaches of the policy.

**Recommendation 1.2: An issuer should have a financial product dealing policy which applies to employees and directors.**

NWF has an Insider Trading and Financial Products Dealing Policy that is reviewed annually by the Board. The policy relates to dealings in the Company's shares and other financial

instruments that are issued from time to time. Its purpose is to ensure that NWF and its directors, employees and contractors comply with the law prohibiting insider trading and that all their dealings in NWF securities are beyond reproach.

---

## Principle 2: Board Composition and Performance

---

**Recommendation 2.1: The Board of an issuer should operate under a written charter which sets out the roles and responsibilities of the board. The Board charter should clearly distinguish and disclose the respective roles and responsibilities of the board and management.**

In accordance with the Company's Constitution, the Board will comprise not less than three Directors. At year-end, the Board comprised four Directors: a non-executive Chair, and three non-executive Directors. All members of the Board are independent Directors.

The Board Charter sets out, in detail, the composition, responsibilities and roles of the Board and directors. The Board reviews its performance against these responsibilities annually. The Board of Directors is elected by the shareholders and is responsible for the corporate governance of the Group. The Board is the final body responsible for decision making within the Group and maintaining the Group's corporate governance and ethical business practices.

The Board has a broad base of knowledge and experience in Health and Safety, Financial, Listed Governance Experience, Energy & Electricity Sector, Climate Change / Sustainability, Iwi Relations, Stakeholder Relations, Wind Farm Operations, Legal, Mergers & Acquisitions, Lending and Capital Markets & Capital Structure, Capital Development, and Executive experience. The details and backgrounds of the directors are detailed on the Company's website and in the Director Profile section of the latest annual report.

The Chair is elected by the Board of Directors and it is his role to manage the Board in the most effective manner and to provide a conduit between the Board and the Chief Executive Officer. The Chair has no significant external commitments that conflict with this role.

The Company maintains an Interests Register and if necessary, conflicts of interest are recorded in the minutes. Procedures for the operation of the Board, including the appointment and

removal of Directors, are governed by the Company's Constitution and the NZX listing rules.

The Board of Directors corporate governance responsibilities include overseeing the management of the Company and Group to ensure proper direction and control of NZ Windfarms' activities. Corporate Governance encompasses the requirement for the Board to discharge such responsibilities, to be accountable to shareholders and other stakeholders for the performance of the Group and to ensure that the Group is compliant with laws and standards.

The Board establishes the corporate objectives of the Group and monitors management's implementation of strategies to achieve the objectives. It is engaged in on-going strategic planning in order to meet the objectives. It provides an oversight of compliance and risk, it measures and monitors management performance and it sets in place the policy framework within which the Group operates. The Directors may seek independent professional advice to assist them in fulfilling their duties.

The Board monitors financial results, comparing them to budgets, annual plans and forecasts, at regular meetings. The Board has delegated components of its powers to subcommittees which are discussed below.

Where appropriate the Board delegates its authority to the Chief Executive Officer for the day-to-day affairs of NZ Windfarms. Formal policies and procedures exist that detail the delegated authorities and parameters that the Chief Executive Officer and in turn, his direct reports, are able to operate within. These delegated authorities are subject to review and approval by the Board annually. The Chief Executive is accountable to the Board for the exercise of, and compliance with, the Delegated Authorities Policy.

**Recommendation 2.2: Every issuer should have a procedure for the nomination and appointment of directors to the board.**

The Board has an established process for selecting suitable candidates for appointment and reappointment to the Board. The Board develops and maintains a skills matrix to identify skill gaps. Proper checks are undertaken (sometimes with input from external parties) and shareholders are provided with key information about a candidate to help in their decision-making on whether to elect or re-elect the candidate(s). A directors independence status is factored into the appointment and reappointment process in accordance with the listing rules.

The rotation of directors is governed by the Company's Constitution and NZX Listing Rules. Any retiring directors are eligible for re-election at the Annual General Meeting.

**Recommendation 2.3: An issuer should enter into written agreements with each newly appointed director establishing the terms of their appointment.**

On appointment, each new director signs a written agreement outlining the terms of their appointment. The agreement covers expected time commitments, the role of the Board, remuneration, independence requirements, disclosure requirements, confidentiality obligations, indemnity and insurance provisions, intellectual property rights and cessation of appointment.

NWF also has written agreements with executives that set out the terms of their employment. The Chief Executive is employed until his or her employment is terminated in accordance with their employment agreement. Under the current employment agreement, the Chief Executive and NWF have mutual rights of termination on the provision of three months' written notice. NWF may also terminate the Chief Executive's employment on the grounds of redundancy or serious misconduct. The Chief Executive may be entitled to receive certain termination payments when his or her employment ends.

**Recommendation 2.4: Every issuer should disclose information about each director in its annual report or on its website, including a profile of experience, length of service, independence and ownership interests and director attendance at board meetings.**

NWF's current director biographies can be found in the latest Annual Report and on the Company's website. NWF director ownership interests can be found in the latest annual report. NWF director independence is discussed below at recommendation 2.8.

**Recommendation 2.5: An issuer should have a written diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving diversity (which, at a minimum, should address gender diversity) and to assess annually both the objectives and the entity's progress in achieving them. The issuer should disclose the policy or a summary of it.**

Under NWF's Diversity Policy, the Board and Management are required to establish measurable objectives for achieving greater diversity and inclusion within the company.

The Board reviews the policy's effectiveness and monitors the Group's progress towards achieving the policy objectives. The Diversity Policy can be found on the Company's website.

At 30 June 2023 there were six (2022: seven) Directors and Officers. The diversity metrics are shown in the table below:

	2023	2022
<b>Total Directors and Officers</b>	<b>6</b>	<b>7</b>
<b><u>Gender Diversity</u></b>		
Directors – female	1	1
Directors – male	3	4
Officers – female	0	0
Officers – male	2	2
<b><u>Residence</u></b>		
Regional	2	3
Main Centre	3	3
Offshore	1	1
<b><u>Age</u></b>		
Under 30	0	0
30 to 50	2	2
Over 50	4	5
<b><u>Tenure</u></b>		
0 – 2 Years	2	3
2 – 5 Years	3	3
Over 5 Years	1	1

**Director attendances at Board and sub-committee meetings during the financial year:**

Director	Board Meetings Attended / Meetings Held	Audit & Risk Committee Meetings Attended / Meetings Held	Repowering Committee Meetings Attended / Meetings Held	Remuneration & Nomination Committee Meetings Attended / Meetings Held
Craig Stobo	8 of 8	3 of 3	2 of 2	1 of 1
Patrick Brockie	8 of 8	3 of 3	2 of 2	1 of 1
Christine Spring	8 of 8	3 of 3	2 of 2	1 of 1
Philip Cory-Wright	8 of 8	3 of 3	2 of 2	1 of 1
Mark Evans*	2 of 2	1 of 1	0 of 0	0 of 0

\* Mark Evans resigned 29 September 2022.

**Board Skills Matrix**

The Board seeks to ensure that it has an appropriate mix of skills, experience and diversity to ensure it is well equipped to navigate the range of issues faced by the company. The Board reviews and evaluates on a regular basis the skill mix required and identifies where gaps exist. The areas of skill and experience the Board considers to be particularly relevant include: Health and Safety, Financial, Listed Governance Experience, Energy & Electricity Sector, Climate Change / Sustainability, Iwi Relations, Stakeholder Relations, Wind Farm Operations, Legal, Mergers & Acquisitions, Lending and Capital Markets & Capital Structure, Capital Development, and Executive experience.

The skills and experience of the directors are set out in the Board's current skills matrix below:

Director	Craig Stobo	Patrick Brockie	Christine Spring	Philip Cory-Wright
Legal	Some experience	Practical and direct experience	Some experience	Some experience
Financial / Accounting	Some experience	Some experience	Some experience	Some experience
Health and Safety	Some experience	Some experience	Some experience	Some experience
Energy & Electricity Sector	Some experience	Some experience	Some experience	Some experience
Windfarm Operations	Some experience	Some experience	Some experience	Some experience
NZX Listed Governance Experience	Some experience	Some experience	Some experience	Some experience
Mergers & Acquisitions	Some experience	Some experience	Some experience	Some experience
Financing	Some experience	Some experience	Some experience	Some experience
Capital Development	Some experience	Some experience	Some experience	Some experience
Stakeholder Relations	Some experience	Some experience	Some experience	Some experience
Iwi Relations	Some experience	Some experience	Some experience	Some experience
Environment / Sustainability	Some experience	Some experience	Some experience	Some experience

**Key:**  High competence  Practical and direct experience  Some experience

**Recommendation 2.6: Directors should undertake appropriate training to remain current on how to best perform their duties as directors of an issuer.**

NWF's directors are expected to understand the company's operations and undertake any necessary continuing professional development to enable them to discharge their duties. This includes:

- on appointment, participating in a robust induction programme coordinated by the Chief Executive;
- attending management presentations and workshops, as appropriate, to gain a broader understanding and knowledge of NWF;
- attending briefings on relevant changes in legislative, regulatory and industry frameworks; and
- attending technical and professional development courses to keep up to date on relevant issues.

Newly appointed directors undertake site visit(s). All Directors have access to Board policies and procedures, the Company Constitution, the Board meeting schedule and Board and Committee charters. During the year all directors and executives undertook a workshop on the electricity sector and the forward electricity price market.

**Recommendation 2.7: The board should have a procedure to regularly assess director, board and committee performance.**

The Chair discusses individual performance with directors, while the Board and Board sub committees self-evaluate their

performance against their charter responsibilities, with a commitment to identifying any opportunities for improvement.

**Recommendation 2.8: A majority of the board should be independent directors.**

Each director is required to provide the Board with all the information it needs to undertake an annual assessment of the director's independence. Furthermore, all Directors are required to immediately advise if any new relationships could interfere with such independence to enable the Board to consider and determine the materiality of the relationship. These relationships are noted in the Interests Register which is updated at each Board meeting. If conflicts of interest exist in any transaction, then a Director must declare their conflict of interest and not exercise their right to vote in respect of such matters.

The Board makes an assessment on the independence of each director after consideration of the listing rules, the NZX Corporate Governance Code, guidance notes and legal advice. It has been determined by the Board that all members of the Board are independent directors.

**Recommendation 2.9: An issuer should have an independent chair of the board.**

The Chair, Craig Stobo is an independent director / chair.

**Recommendation 2.10: The chair and the CEO should be different people.**

The position of Chair and CEO were held by different people during the period. Warren Koia held the position of Chief Executive Officer for the period.

---

**Principle 3: Board Committees**

---

The Board has established standing Committees that focus on specific responsibilities in greater detail than is possible for the Board as a whole. All committee proceedings are reported back to the Board and each operates under a Board approved charter that sets out its delegation and responsibility. The standing sub-committees are Audit & Risk, Remuneration & Nomination, and Repowering subcommittee.

The Health & Safety Committee has been discontinued. This committee focused on improving health and safety and culture across the Company. The Board is satisfied that this has been elevated to an acceptable level allowing the responsibilities previously handled by the committee to be assumed by the Board in its entirety.

**Recommendation 3.1: An issuer's audit committee should operate under a written charter. Membership on the audit committee should be majority independent and comprise solely of non-executive directors of the issuer. The chair of the audit committee should be an independent director and not the chair of the board.**

The Audit and Risk Committee (ARC) at the end of the financial year comprised Patrick Brockie (Chair), Craig Stobo, Christine Spring, and Philip Cory-Wright.

The Audit and Risk Committee is responsible for monitoring the on-going effectiveness of financial and risk management activities. The Committee monitors trends in the Group's risk profile and considers how the business manages or mitigates key risk exposures. It implements risk management through its business processes of planning, budgeting, investment, project analysis and operations management.

The Committee also monitors and oversees the quality of financial reporting and financial management. In order to achieve this the Committee considers accounting and audit issues and makes recommendations to the Board of Directors as required and monitors the role, responsibility and performance of the external auditor. The function of the Audit and Risk Committee is to assist the Board in carrying out its responsibilities under the Companies Act 1993 and the Financial Reporting Act 2013 on matters relating to the Group's accounting practices, policies and controls relevant to the financial position, and to liaise with external auditors on behalf of the Board of Directors.

The Audit and Risk Committee membership and written charter is available on the Company's website.

**Recommendation 3.2: Employees should only attend audit committee meetings at the invitation of the audit committee.**

Under the Audit & Risk Committee Charter, management and the external auditor attend Committee meetings by invitation.

**Recommendation 3.3: An issuer should have a remuneration committee which operates under a written charter (unless this is carried out by the whole board). At least a majority of the remuneration committee should be independent directors. Management should only attend remuneration committee meetings at the invitation of the remuneration committee.**

NWF operates a combined Remuneration and Nomination committee. The Remuneration & Nomination Committee at the end of the financial year comprised Christine Spring (Chair),

Craig Stobo, Patrick Brockie, and Philip Cory-Wright. The Remuneration & Nomination Committee's purpose is to review Directors' fees, the Chief Executive Officer's remuneration package and performance, the policy for remuneration of senior management, ensure the Company has formal and transparent processes for the nomination and appointment of Directors, and to identify any skill gaps to ensure diversity and experience on the Board. These duties form the basis of recommendations to the Board.

This committee has a written charter which is available on the Company's website, it comprises a majority of independent directors. Management and where necessary independent consultants attend at the invitation of the committee. Details of Directors' remuneration is disclosed in the Statutory Information section of the latest Annual Report.

**Recommendation 3.4: An issuer should establish a nomination committee to recommend director appointments to the board (unless this is carried out by the whole board), which should operate under a written charter. At least a majority of the nomination committee should be independent directors.**

See above, the Remuneration & Nomination committee is a combined subcommittee.

**Recommendation 3.5: An issuer should consider whether it is appropriate to have any other board committees as standing board committees. All committees should operate under written charters. An issuer should identify the members of each of its committees, and periodically report member attendance.**

The Repowering Committee at the end of the financial year comprised Philip Cory-Wright (Chair). The committee consists of one independent director. Its primary objective is to provide governance oversight to the consenting and repowering (including Aokautere Extension Project) work programmes of the Te Rere Hau wind farm. The sub-committee operates under a written charter. Management and where necessary independent consultants attend at the invitation of the committee.

**Recommendation 3.6: The board should establish appropriate protocols that set out the procedure to be followed if there is a takeover offer for the issuer including any communication between insiders and the bidder. The board should disclose the scope of independent advisory reports to shareholders. These protocols should include the option of establishing an independent takeover committee, and the likely composition and implementation of an independent takeover committee.**

The board is aware of its obligations in the event of a takeover offer being received. Protocols are codified into a confidential company handbook to guide this process.

Any takeover offer will be treated according to appropriate legislation, NZX rules, takeovers code, regulation, best practice and any other relevant considerations.

The formation of an independent takeover committee will be formed with a mix of independent and non-conflicted directors with M&A, accounting, legal and capital markets experience.

---

## Principle 4: Reporting and Disclosure

---

### **Recommendation 4.1: An issuer's board should have a written continuous disclosure policy.**

NWF has a Continuous Disclosure Policy and it is available on the Company's website. Continuous disclosure obligations in the NZX Limited Main Board Listing Rules require all listed companies to advise the market about any material events and developments as soon as the Company becomes aware of them. The Company complies with these obligations on an ongoing basis.

### **Recommendation 4.2: An issuer should make its code of ethics, board and committee charters and the policies recommended in the NZX Code, together with any other key governance documents, available on its website.**

Key governance documents are available to investors and stakeholders on NWF's website. They include the Code of Ethics and Conduct, Insider Trading and Financial Products Dealing Policy, Health, Safety & Wellness Policy, Continuous Disclosure Policy, Diversity Policy, Remuneration Policy, External Audit Policy, Risk Management Policy, Dividend Policy, the Company's Constitution and Board and Committee Charters.

### **Recommendation 4.3: Financial reporting should be balanced, clear and objective; and**

### **Recommendation 4.4: An issuer should provide non-financial disclosure at least annually, including considering environmental, social sustainability and governance factors and practices. It should explain how operational or no-financial targets are measured. Non-financial reporting should be informative, include forward looking assessments, and align with key strategies and metrics monitored by the board.**

NWF publishes interim and audited full-year financial statements that are prepared in accordance with relevant accounting standards.

NWF's annual report reviews financial, economic and environmental performance for the financial year and is prepared in accordance with GAAP and NZ IFRS.

Material risks are discussed (including how those risks are managed and how non-financial targets are measured) and are also covered in this Corporate Governance Statement (see Principle 6).

In addition to interim and full-year financial statements, NWF regularly publishes investor presentations, including six-monthly result announcements. The Company makes available on its website, real-time unaudited generation data to stakeholders. NWF has elected to voluntarily report on the TCFD framework, TCFD reporting will be provided to shareholders for the first time in October 2023.

---

## Principle 5: Remuneration

---

### **Recommendation 5.1: An issuer should recommend director remuneration to shareholders for approval in a transparent manner. Actual director remuneration should be clearly disclosed in the issuer's annual report.**

Information on NWF's director remuneration can be found in the annual report. It includes a breakdown of remuneration for committee roles. Directors are remunerated by role and committee fees.

To support this decision, the Board sought and considered independent advice from Board Dynamics which reviewed the remuneration of directors of comparable listed companies in

New Zealand. An extract of this report was provided to shareholders via the meeting notice.

### **Recommendation 5.2: An issuer should have a remuneration policy for remuneration of directors and officers, which outlines the relative weightings of remuneration components and relevant performance criteria.**

The Board (on the recommendation of the Remuneration & Nominations Committee) sets NWF's Remuneration Policy. The Remuneration Policy provides the principles for remuneration decision-making, ensuring overall alignment with business needs. The policy can be found on NWF's website. Independent remuneration consultants are utilised every two to three years to ensure wage or salary relativity within the industry. Refer below to the Chief Executives remuneration structure for a description of the incentive schemes. The Chief Executive and members of the Executive team have employment agreements setting out their roles and conditions of employment.

### **Recommendation 5.3: An issuer should disclose the remuneration arrangements in place for the CEO in its annual report. This should include disclosure of the base salary, short term incentives and long-term incentives and the performance criteria used to determine performance based payments.**

The Chief Executive's base salary for FY23 was \$267,750 per annum. His total fixed remuneration was \$276,150 per annum plus 3% KiwiSaver contributions and health and life insurance.

**Short Term Incentive (STI):** The Chief Executive is eligible for STI which for 100% achievement is 25% of the base salary. STI performance is reviewed and awarded after the audited annual accounts are finalised. STI of 22.50% (90/100) was attained resulting in a payment of \$60,244

The STI consisted of 40% Company related KPI's and gateways (EBITDAF and HSE performance metrics), 35% Executive Team KPI's (Fast-Track consent outcome and strategic growth work programmes) and 25% individual metrics (these are primarily leadership metrics and Board related priorities set at the start of the period). The HSE performance metric has a gateway whereby in the event of any serious HSE event no STI (Company, Executive and Individual component) is paid for that period.

**Long Term Incentive (LTI):** The Chief Executive has an LTI which for 100% achievement is 6% of base salary. The LTI is subject to a three year vesting period. No LTI accrual was made this year (2022: zero). LTI performance is calculated annually and accrued (as required) but is only eligible for payment after a three-year period. Any payment is made by way of performance rights (shares).

The LTI is made up of a 50% relative return metric. The relative return metric compares the total return of NWF (capital gain and dividend payments) to a group of NZ listed energy companies over a three year period.

The other 50% is an absolute return metric. This is the total shareholder return of NWF compared to the Company's cost of equity + 1% over a three-year period.

The Chief Executive has certain entitlements for the reimbursement of expenses. These are mostly in relation to travel and expenses and home office costs. The Chief Executive's remuneration package is externally benchmarked by external consultants. This review was undertaken in July 2021 and in July 2022.

**The GM Operations & Development** has the same allocation of STI (25%) and LTI (6%) as a percentage of base salary.

The LTI metrics, and the Company KPI's and Executive Team KPI's are exactly the same as the Chief Executive's. There are tweaks to the individual component of GM Operations & Development KPI's that are specific to his role.

---

## Principle 6: Risk Management

---

**Recommendation 6.1: An issuer should have a risk management framework for its business and the issuer's board should receive and review regular reports. An issuer should report the material risks facing the business and how these are being managed.**

The Audit & Risk Committee has overall responsibility for ensuring that NWF's risk management framework, including policies and procedures, are appropriate and that it identifies, considers, and manages risks. The Audit & Risk Committee reviews the company's risk profile regularly, and receives reports on the operation of risk management policies and procedures.

NWF has a Risk Management Policy, including a Board statement that sets risk appetite and risk tolerance, that guides the risk management framework and the maintenance and monitoring of the Company's risk register. NWF has additional policies, including the Delegation of Authority Policy, Treasury Policy, Electricity Price Hedging Policy and Health, Safety & Wellness Policy, and a Business Continuity Policy which provide a framework for decision-making and risk management.

The Treasury Policy manages interest rate, and foreign exchange risks. The policy approves the use of certain instruments for risk management purposes, and it prohibits any activity that is purely speculative in nature. It also sets out details of authorised treasury counter parties, exposure limits, delegated authorities and internal controls.

The Electricity Price Hedging Policy is designed to ensure volatility in electricity prices received and therefore Company revenue is mitigated over both a short and medium term period. This policy approves the use of certain instruments for risk management purposes, and it prohibits any activity that is purely speculative in nature.

During the year, the Audit & Risk Committee reviewed NWF's Risk Management Policy and risk management framework and is satisfied that they continue to be sound.

Health & Safety risks are managed separately by the Board. This is described further in recommendation 3.5 and 6.2.

### Material Risks:

- Factors affecting long term demand and supply for electricity.
- Closure of New Zealand's Aluminium Smelter located at Tiwai Point, or a significant reduction in its electricity consumption;
- Competitor behaviour resulting in downward pressure on wholesale electricity prices;
- Adverse hydrological conditions;
- A catastrophic event affecting NWF's wind farm, turbines or the national high voltage transmission grid;
- Major workplace injury or fatality;
- Failure of critical equipment or technology at NWF's site;
- Health and safety;
- Legislative and regulatory risk; and
- Information technology security and cyber risk;

**Recommendation 6.2: An issuer should disclose how it manages its health and safety risks and should report on its health and safety risks, performance and management.**

NWF's risk management approach is outlined in Recommendation 6.1. NWF's health, safety & wellness performance is reported in the annual report. The Board receives monthly Health & Safety reports as soon as they are available and it has a standing health, safety and wellness agenda item for each programmed board meeting. The Board drives initiatives including the development of the company's safety framework document, while continually reviewing

reported data to ensure that the company operates in the safest way possible.

The work site has a staff led health and safety committee and meets monthly. This committee represents all staff and is overseen by the Executive team. The culture of the organisation and wellness of the workforce is tested periodically by an anonymous online survey facilitated by an external firm.

Independent external health and safety auditors undertake a review of the company health and safety practices and systems annually. Public safety is independently audited by Telarc. Telarc undertook their last audit in April 2023.

---

## Principle 7: Auditors

---

**Recommendation 7.1: The board should establish a framework for the issuer's relationship with its external auditors.**

The NWF Board has adopted a strict policy to maintain the independence of the company's external auditor, including the rotation of the lead audit partner after a maximum of five years. The requirements of this recommendation are embedded in the Company's Audit & Risk Committee Charter and the External Audit Policy.

The external auditor's firm cannot undertake any non-audit work that could be reasonably regarded as compromising the independence of the external auditor. All non-audit work carried out by the audit firm must be pre-approved by the Audit & Risk Committee.

The Audit & Risk Committee is responsible for making recommendations to the Board on the appointment of NWF's external auditor and their terms of engagement. The external auditor meets with the Audit & Risk Committee, a minimum of twice yearly without management present.

**Recommendation 7.2: The external auditor should attend the issuer's Annual Meeting to answer questions from shareholders in relation to the audit.**

NWF's external auditor attends NWF's annual shareholder meeting. The Chair of the Board announces the auditor's attendance and presence and shareholders can ask questions of the external auditor should they wish.

**Recommendation 7.3: Internal audit functions should be disclosed.**

NWF does not have a dedicated internal audit function due to the relatively small size of the business and team. Internal audit tasks as directed by the Board are undertaken by an independent external party, with no connection to the Company's External Auditor, BDO Auckland.

---

## Principle 8: Shareholder Rights and Relations

---

**Recommendation 8.1: An issuer should have a website where investors and interested stakeholders can access financial and operational information and key corporate governance information about the issuer.**

Key investor information can be found at [www.nzwindfarms.co.nz](http://www.nzwindfarms.co.nz) and on the NZX website. The website has recently been redesigned and is intended to guide users to the most relevant content more quickly and intuitively. In addition, the site has been optimised for mobile devices, so that users can access it on the go.

Annual and Interim six-monthly reports are published in accordance with the requirements of the Companies Act 1993, the Financial Reporting Act 2013 and the NZX Limited Main Board Listing Rules and are communicated on a periodic basis to all shareholders. The Annual Report is audited.

**Recommendation 8.2: An issuer should allow investors the ability to easily communicate with the issuer, including by designing its shareholder meeting arrangements to encourage shareholder participation and by providing the option to receive communications from the issuer electronically.**

Shareholders may direct questions or requests for information to directors through the Chair or to the Chief Executive by emailing [info@nzwindfarms.co.nz](mailto:info@nzwindfarms.co.nz). Requests to receive electronic information can be sent to the same email address. In addition, the share registrar provides a facility for shareholders to receive electronic and hard copy notices to their registered postal or preferred email addresses.

The Annual Shareholders meeting is now available via a webcast service and is held as a hybrid meeting to allow in person and virtual participation by shareholders in the meeting proceedings. This is an alternative method for shareholders to

participate in the meeting and to have their voices heard. A recording of the meeting is also made available on the Company's website shortly after the meeting concludes.

The Company has an investor relations plan and the Chief Executive works through this each year.

**Recommendation 8.3: Quoted equity security holders should have the right to vote on major decisions which may change the nature of the company in which they are invested.**

The Board's policy is to ensure that shareholders are informed of all major and strategic developments affecting the Company's state of affairs. All major disclosures are posted on the Company's website on a timely basis. The Company releases all material information via the NZX website under its continuous disclosure requirements.

**Recommendation 8.4: If seeking additional equity capital, issuers of quoted equity securities should offer further equity securities to existing equity security holders of the same class on a pro-rata basis, and on no less favourable terms, before further equity securities are offered to other investors.**

NWF has not sought additional equity capital but if it does it will consider this recommendation.

**Recommendation 8.5: The board should ensure that the notices of annual or special meetings of quoted equity security holders is posted on the issuer's website as soon as possible and at least 20 working days prior to the meeting.**

NWF's Notice of Meeting for its Annual Meeting of Shareholders is made available on its website, via the NZX website and is either emailed or posted to registered shareholders by the Share Registrar. The last meeting notice was provided to shareholders with more than 20 working days' notice. There were no special meetings held during the last financial year.