

# Governance



# Governance

## Corporate Governance

'Committed to operating effectively and transparently'

### Our Board

#### Roles and responsibilities

The Board is responsible for setting Manawa Energy's overall strategy and direction and determining our approach to risk. Our Board is committed to ensuring that Manawa Energy operates responsibly, ethically and complies with our legal obligations and company values. The Board operates to a charter that sets out its roles and responsibilities.

#### Board composition

The Board is made up of six directors who represent a range of unique skill sets, experience and perspectives. A short biography of each director is in the **Board of Directors** section and also on our **website**.

We comply with the NZX Listing Rule requirement to have at least two independent directors. The Board has determined that Joanna Breare and Sheridan Broadbent are independent directors based on the factors set out in the NZX Corporate Governance Code.

The remainder of our directors are non-independent: Paul Ridley-Smith, Kevin Baker and Deion Campbell are non-independent due to their association with Infratil. Michael Smith is not independent because he has been appointed to the Board by TECT Holdings Limited (exercising its right to appoint a director under Manawa Energy's constitution).

The composition of our Board is not aligned with Recommendation 2.8 of the NZX Corporate Governance Code because the majority of the Board is not independent. This reflects that we are an Infratil subsidiary and TECT Holdings Limited's right to appoint a director under our constitution.

Recommendation 2.9 of the NZX Corporate Governance Code is that an issuer should have an independent Chair of the Board or, if the Chair is not independent, the Chair and the Chief Executive Officer should be different people. Manawa Energy is compliant with Recommendation 2.9 as our Chair and Chief Executive Officer are different people.

#### Board performance

The Governance and Nomination Committee monitors director training, including external training undertaken by each director.

We support continuous education and fund external training for directors on relevant issues. A fund has been created for directors' training, which can be used by individual directors (with the Chair's approval) where the training will benefit both Manawa Energy and the director.

In October 2022, several directors (accompanied by members of the management team) went on a Board study tour to Italy, Denmark and the USA to glean insights and connect with other companies at the forefront of renewable energy development and technology.

The Governance and Nomination Committee is planning to undertake a comprehensive Board governance and performance review in mid 2023. This will be externally facilitated.

## Board committees

There are four standing Board committees that provide expert advice and support the Board on specific issues. The **Board and committee charters** are available on our website.

Committee	Purpose	Members	Notes
<b>Audit and Risk</b>	The Audit and Risk Committee's role is to oversee and assist the Board in the conduct of its responsibilities of ensuring accurate financial reporting and responsible risk management.	<ul style="list-style-type: none"> <li>› Kevin Baker (Chair)</li> <li>› Sheridan Broadbent</li> <li>› Joanna Breare</li> </ul>	The Chair of our Audit and Risk Committee is a non-independent director. Recommendation 3.1 of the NZX Corporate Governance Code suggests that the Chair of the audit committee should be an independent director. The Board considers Kevin Baker's appointment appropriate given the current composition of the Board.
<b>Governance and Nominations</b>	The Governance and Nominations Committee's role is to assist the Company with ensuring the company has good corporate governance and that the Board has an appropriate balance of skills, experience, knowledge, judgement and diversity.	<ul style="list-style-type: none"> <li>› Sheridan Broadbent (Chair)</li> <li>› Deion Campbell</li> <li>› Paul Ridley-Smith</li> <li>› Michael Smith</li> </ul>	We have not adopted Recommendation 3.4 of the NZX Corporate Governance Code, which suggests that a majority of this committee should be independent directors. The Board considers the committee members are appropriate given the current composition of the Board.
<b>People and Remuneration</b>	The People and Remuneration Committee assists the company to establish coherent people and remuneration strategies, policies and practices.	<ul style="list-style-type: none"> <li>› Joanna Breare (Chair)</li> <li>› Paul Ridley-Smith</li> <li>› Michael Smith</li> </ul>	We have not adopted Recommendation 3.3 of the NZX Corporate Governance Code, which suggests that a majority of this committee should be independent directors. The Board considers the committee membership appropriate given the current composition of the Board.
<b>Independent Directors</b>	A standing Independent Directors Committee has been established to consider matters from time to time when a conflict arises.	<ul style="list-style-type: none"> <li>› Sheridan Broadbent (Chair)</li> <li>› Joanna Breare</li> </ul>	The standing members of the Independent Directors Committee are Manawa Energy's independent directors. Additional directors can be invited to join to consider specific conflict matters where that director does not have a conflict or interest in relation to the matter.

## Corporate policies

We have a comprehensive suite of corporate policies that set our expectations of our people, address key risks, and provide guidance as to how business operations are managed, reported on and overseen. Our **Corporate Governance Statement** includes information about our policies and how they operate.

There are several key risk policies that guide Manawa Energy as a generation-focused development and operations business. These include the policies for generation asset management, dam safety, energy trading, and cybersecurity.

Our policies are regularly reviewed and approved by the management team or the Board (as appropriate). Several of our policies are on **our website**.

## Code of Ethics

Our **Code of Ethics** sets out the standard of behaviour that we expect from our Board and our people. It guides our people to perform their roles in a way that is consistent with our values, strategic objectives and legal obligations. The Code of Ethics sits alongside our **Protected Disclosures (Whistleblowing)** and **Financial Product Dealing (Insider Trading)** policies, which were both updated this financial year. Copies of these documents are available on our website.

We made minor changes to our Code of Ethics to reflect our new corporate identity as Manawa Energy. We added a section on our values, a section on delegated financial authority, and adjusted our gifting policy to be more practical in application while retaining close control and transparency.

## Diversity and inclusion

Our **Diversity and Inclusion Policy** is available on our website. We are committed to eliminating barriers and providing a workplace environment that promotes diversity and inclusion. We endeavour to ensure our workplaces are free of discrimination and other unlawful behaviours. This intent is explained in full in our Diversity and Inclusion Policy. Throughout the year, the Board has reviewed progress on the initiatives set out in our Diversity and Inclusion Policy designed to work towards our goal of increased

diversity and inclusion. This area will have a renewed focus because there is significant opportunity to improve our diversity statistics. You can read about our progress and current performance in **Working towards diversity and inclusion**.

### Reporting and disclosure

We have a Continuous Disclosure Policy to ensure that all of our shareholders have the same prompt access to material information about the company and its prospects.

### Managing risk and audit

We are committed to ensuring that our Enterprise Risk Management framework supports the company's existing operations and that it informs the decisions we take to achieve our future aspirations.

To ensure risks are managed appropriately we are guided by the Risk and Assurance Policy as well as other related policies and guidelines. Risks are assessed based on consequences and likelihood. We consider the potential for a range of impacts including financial, reputation and business disruption when assessing risk.

We provide our Audit and Risk Committee and full Board with regular risk and risk treatment reporting. Both strategic and operational risks are assessed and reported on. Key risks that the Audit and Risk Committee and Board continue to monitor include:

- > Risks associated with a challenging economic environment – including the impact of sustained inflation
- > Risks arising from more frequent or significant weather events, including potential for outage or revenue impacts
- > Cybersecurity breach risk on our networks or systems.

The Audit and Risk Committee and the Board also receive reporting and consider emerging risks.

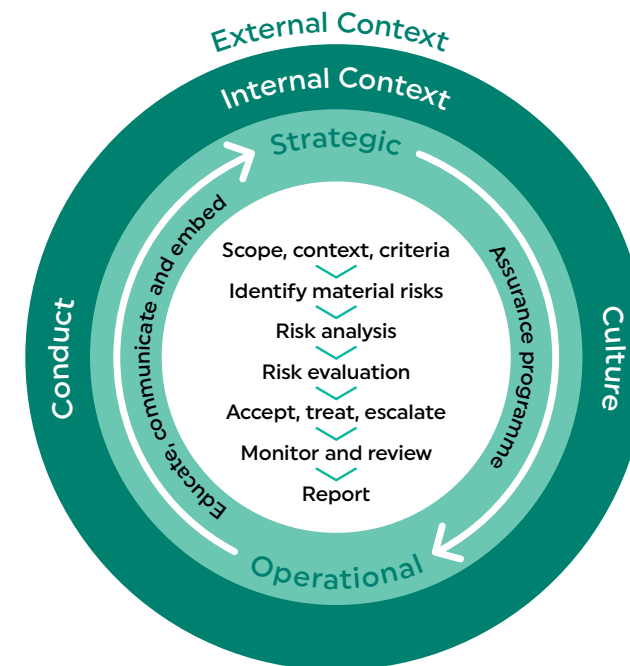
### Risk authorities, responsibilities and accountabilities



### Internal audit

We have an internal audit programme which reports to the Audit and Risk Committee. Internal audit operates independently from the Board and reports to the Audit and Risk Committee. The internal audit programme is designed to address key risks and controls across the business.

### Risk management framework



### External auditor

The Board has engaged KPMG to act as external auditor.

Following a formal request for proposal process, the Board appointed KPMG as the company's external auditor for the financial year ending 31 March 2023. KPMG replaced PricewaterhouseCoopers who had previously been the company's external auditor and provided invaluable support during the sale of the Trustpower mass market retail business.

## Remuneration

'Attract and retain the best people'

### Director remuneration

The total directors' fee pool is \$840,000 per year. The value of the pool was approved by shareholders at the 2018 shareholder meeting based on the company having seven directors. The company currently has six directors, so the annual amount of directors' fees is \$710,000 based on the following remuneration structure.

### Directors' fees

The following fee structure was in place for the full financial year.

Position	Current annual fee \$
Chair	180,000
Director	95,000
Chair Audit and Risk Committee	20,000
Member Audit and Risk Committee	–
Chair People and Remuneration Committee	15,000
Member People and Remuneration Committee	–
Member People and Remuneration Committee	15,000
Member Governance and Nominations Committee	–
Chair Manawa Energy Insurance Limited	5,000
<b>Total fee payable</b>	<b>710,000</b>

	Base Fee \$	Audit and Risk Committee Chair \$	People and Remuneration Committee Chair \$	Governance and Nominations Committee Chair \$	Manawa Energy Insurance Limited Chair \$	Total Remuneration FY23 \$
Kevin Baker	95,000	20,000	–	–	–	115,000
Joanna Breare	95,000	–	15,000	–	5,000	115,000
Sheridan Broadbent	95,000	–	–	15,000	–	110,000
Deion Campbell	59,375	–	–	–	–	59,375
Peter Coman	35,625	–	–	–	–	35,625
Paul Ridley-Smith	180,000	–	–	–	–	180,000
Michael Smith	95,000	–	–	–	–	95,000
	<b>655,000</b>	<b>20,000</b>	<b>15,000</b>	<b>15,000</b>	<b>5,000</b>	<b>710,000</b>

The amount paid to directors of subsidiaries is shown in the table below. Note that directors fees paid to Manawa Energy employees were paid to Manawa Energy – they were not paid to individual directors.

Subsidiary	Non-executive directors	Total remuneration (director) \$	Total remuneration (consulting services) \$
King Country Energy Limited	Kevin Palmer	43,750	7,800**
	Phil Wiltshire	8,750*	
	Catherine Thompson	6,250*	
	Peter Calderwood	18,750	39,457**
	Robert Buchanan	12,500*	
	Robert Carter	36,250	
Maungatapere 2021 Limited	Nigel Arkell	5,250	

\* Paid to Manawa Energy.

\*\* Relates only to the period when Kevin and Peter were directors.

### Other payments made to directors

Manawa Energy purchased ANZ Renewables Limited from its former shareholders, including Deion Campbell, for \$780,000. ANZ Renewables Limited is involved in the development of a number of renewable energy projects in Aotearoa New Zealand.

### Number of meetings held/attended for the year ended 31 March 2023

Director	Board meeting	Audit and Risk Committee	People and Remuneration Committee	Governance and Nominations Committee	Independent Directors Committee	Comments
<b>Total meetings held</b>	<b>11</b>	<b>4</b>	<b>5</b>	<b>2</b>	<b>3</b>	
Peter Coman	2	–	–	–	–	Director resigned effective 20 July 2022
Kevin Baker	11	4	–	–	–	
Paul Ridley-Smith	11	3	5	2	–	
Michael Smith	9	1	4	2	3	
Joanna Breare	11	4	5	1	3	
Sheridan Broadbent	11	4	1	2	3	
Deion Campbell	7	1	–	2	–	Director appointed 20 July 2022

## Chief Executive remuneration

	Payment for FY23	Payment for FY22
Total fixed remuneration	\$861,354	\$900,920
Short-term incentive	To be determined in July 2023	\$111,563
Long-term incentive	To be determined in July 2023	\$135,163
<b>Total</b>		<b>\$1,147,646</b>

The total remuneration paid to David Prentice for his role as Chief Executive in FY23 was as follows:

- > fixed remuneration comprising of a base salary of \$850,000 per annum, plus KiwiSaver at 3 percent;
- > a long-term incentive of 25 percent of base salary (see the details in **Long-term incentives**); and
- > a short-term incentive of 20 percent of base salary based on the KPIs set out below.

Note that the Board will determine the outcome of the Chief Executive's performance in relation to FY23 in June 2023 and any resulting short-term incentive will be paid in July 2023 and disclosed in next year's Integrated Report.

The remuneration of the Chief Executive will next be reviewed in April 2024.

### Chief Executive short-term incentive (STI)

The STI is a discretionary scheme based on the achievement of KPIs, and the maximum potential amount that can be paid is 20 percent of base salary. The STI calculation is based on achievement in relation to 'shared company KPIs' (30 percent) and 'individual KPIs' linked to the delivery of Manawa Energy's strategic goals.

The 'shared company KPIs' are:

Focus area	Weighting	'Acceptable' result	'Stretch' result
Health and safety: Medical treatment injuries + lost time injuries	40%	6 (25% reduction from FY22)	5 (37.5% reduction from FY22)
Financial: EBITDAF (from continuing operations)	40%	\$148.7m	\$163.6m (forecast + 10%)
Employee experience: Engagement	20%	61% (up 5% from baseline survey of 56%)	65%+ (up at least 9% from baseline survey of 56%)

The Chief Executive's individual KPIs include but are not limited to:

- > **Leadership:** Setting up the company with a fit-for-purpose structure, inspiring the Manawa Energy team to deliver on the vision of the organisation and showing how it will get there, and role modelling key behaviours;
- > **New generation:** Driving the development of a range of solar and wind development options;
- > **Operational excellence:** Continuous improvement of Board and governance processes, reviewing risk systems, and establishing business performance practices;
- > **Culture and capability:** Establishing the culture of Manawa Energy including articulating the purpose, designing values and creating a line of sight for all employees to the company strategy.

## Employee remuneration approach

Our people are core to the delivery of strong performance for our stakeholders. During FY23 we introduced a new remuneration framework designed to be competitive, affordable, and to attract and retain skilled people.

Our approach to remuneration will be coupled with our new performance framework in FY24 to ensure strategic business performance and long-term value are connected.

We are guided by the principles that remuneration practice should:

- > reward the outcomes and behaviours underpinned by the values that are linked to our strategy and core business activity;
- > attract and retain people who deliver on the company's goals;
- > pay fairly within the New Zealand market;
- > acknowledge that performance is motivated by more than pay;
- > have transparent and well-understood processes; and
- > provide flexibility within a framework.

The Board is supported by a People and Remuneration Committee to assist it in developing and implementing its remuneration philosophy. The **Committee Charter** and **Executive Remuneration Policy** is on our website.

There are two elements to employee remuneration; fixed remuneration and variable remuneration.

### Fixed remuneration

Fixed remuneration is determined based on the role responsibilities, individual performance and experience, and available market remuneration data.

## Variable remuneration

Variable remuneration comprises short-term incentives (paid in cash) and long-term incentives (paid in shares).

### Short-term incentives (STIs)

The STIs for FY23 are based on employee performance (70 percent) and company performance (30 percent). Employee performance is measured against key performance objectives linked to how an individual delivers relevant strategic and operational activity.

Company performance is based on three areas:

- › Financial, based on our EBITDAF (from continuing operations) for FY23;
- › Health and safety – Medical Treatment Injury (MTI) and Lost Time Injuries (LTIs); and
- › Employee engagement.

The Board approves the management team's balanced scorecard objectives, company financial performance targets and outcomes on an annual basis. The Board retains the right to adjust any STI at its discretion and may choose not to pay STI payments.

### Long-term incentives (LTIs)

The long-term incentive is based on Manawa Energy's relative and absolute shareholder return over a three-year period. Eligible employees are issued a notional share parcel equivalent in value to the share price at the start of the scheme. Employees generally receive parcels of notional shares at the Board's discretion depending on seniority.

The LTI structure was amended in 2021 and Manawa Energy has one tranche live under the previous scheme.

Under the previous LTI scheme, no payment is made unless Manawa Energy's total shareholder return (TSR) is in the top half of all NZX50 companies, and the TSR is greater than 0 percent over the three-year period.

Half of the value of the notional share parcel is paid if Manawa Energy is at the 50th percentile, and 100 percent of the notional share parcel is payable if Manawa Energy's TSR is at or above the 80th percentile, with intermediate calculation on a straight-line basis.

The LTI is settled in cash, and employees required to use the 'net after tax' proceeds to acquire Manawa Energy shares. The Board retains an overall discretion as to the structure of the LTI and the quantum of LTI issued each year.

The updated LTI continues to include the same payment gate as the previous scheme, but payment is now split 50/50 between 'relative TSR' and 'absolute TSR' performance as follow:

- › **Relative TSR:** 50 percent of the value of the notional share parcel is paid if Manawa Energy is at the 50th percentile of all NZX50 companies, and 100 percent of the notional share parcel payable if Manawa Energy TSR is at or above the 80th percentile of all NZX50 companies.
- › **Absolute TSR:** 50 percent of the value of the notional share parcel is paid if Manawa Energy has a TSR of 24.23 percent over the three year period. And 100 percent of the notional share parcel is payable if Manawa Energy's TSR is 48.47 percent or greater over the three year period. The absolute TSR thresholds are set for each tranche at the time of issue and may vary year on year.

Both relative and absolute TSR have intermediate calculations on a straight-line basis.

## Remuneration at or above \$100,000

During the financial year the number of employees or former employees (including employees holding office as directors of subsidiaries) who received remuneration and other benefits in their capacity as employees of Manawa Energy and its subsidiaries that was or exceeded \$100,000 is shown in the table on the following page.

The value of remuneration benefits analysed includes:

- › fixed remuneration including allowance/overtime payments
- › employer KiwiSaver contributions or superannuation allowance payments
- › short-term cash incentives relating to FY22 performance but paid in FY23
- › the value of equity-based long-term incentives paid during FY23
- › redundancy and other payments made on termination of employment.

The figures do not include amounts paid post 31 March 2023 that relate to the financial year ended 31 March 2023.

Further details of the remuneration of the Chief Executive can be found in [Chief Executive remuneration](#).



Salary band	Continuing employees	Discontinued employees	Total
\$100,000 to \$109,999	27	1	28
\$110,000 to \$119,999	19	2	21
\$120,000 to \$129,999	20	–	20
\$130,000 to \$139,999	14	–	14
\$140,000 to \$149,999	17	–	17
\$150,000 to \$159,999	15	–	15
\$160,000 to \$169,999	4	1	5
\$170,000 to \$179,999	4	5	9
\$190,000 to \$199,999	6	1	7
\$200,000 to \$209,999	4	1	5
\$210,000 to \$219,999	1	–	1
\$220,000 to \$229,999	1	1	2
\$230,000 to \$239,999	–	1	1
\$250,000 to \$259,999	1	–	1
\$260,000 to \$269,999	2	–	2
\$270,000 to \$279,999	1	–	1
\$310,000 to \$319,999	1	–	1
\$340,000 to \$349,999	1	–	1
\$400,000 to \$409,999	1	1	2
\$500,000 to \$509,999	1	–	1
\$510,000 to \$519,999	1	–	1
\$650,000 to \$659,999	1	–	1
\$730,000 to \$739,999	1	–	1
\$1,130,000 to \$1,139,999	1	–	1
<b>Total</b>	<b>144</b>	<b>14</b>	<b>158</b>

## Statutory disclosures

### Directors of Manawa Energy Limited and subsidiaries

The following people held office as directors of Manawa Energy Limited as at 31 March 2023. During the year there were two changes to the directors of Manawa Energy Limited: Deion Campbell was appointed as a director in July 2022 and Peter Coman ceased to be a director in July 2022.

Company Name	Directors
Manawa Energy Limited	Paul Ridley-Smith, Kevin Baker, Joanna Breare, Sheridan Broadbent, Deion Campbell and Michael Smith

The following table lists Manawa Energy's subsidiaries and the people who held office as directors as at 31 March 2023.

Company	Director	Further information
ANZ Renewables Limited	David James Prentice	Manawa Energy Limited acquired ANZ Renewables in September 2022.  David Prentice was appointed as a director on 29 September 2022.
King Country Energy Holdings Limited	David James Prentice	No changes.
King Country Energy Limited	Catherine Anne Fleetwood Thompson Phillip Gary Wiltshire	Catherine Thompson was appointed as a director on 1 January 2023.  Phillip Wiltshire was appointed as a director on 1 February 2023.  Kevin Palmer ceased to be a director on 31 January 2022.  Robert Buchanan was appointed as a director on 1 September 2022 and ceased to be a director on 31 December 2022.  Peter Calderwood ceased to be a director on 31 August 2022.
Manawa Energy Metering Limited	David James Prentice	No changes.
Manawa Energy Generation Limited	David James Prentice	No changes.
Manawa Energy Insurance Limited	David James Prentice Joanna Breare	No changes.
Maungatapere 2021 Limited	Nigel Richard Arkell	Nigel Arkell is the sole director and shareholder of Maungatapere 2021 Limited. Nigel Arkell holds the shares in Maungatapere 2021 Limited on trust for Manawa Energy Limited.

## Disclosure of interests by directors

In accordance with section 140 of the Companies Act, the following table lists the general disclosures of interest by directors of Manawa Energy Limited and its subsidiaries as at 31 March 2023.

Manawa Energy Limited		
Director	Interest	Entity
Paul Ridley-Smith	Director	Arvida Group Limited
	Shareholder	Morrison & Co Group Limited Partnership
	Employee	HRL Morrison & Co Limited
Kevin Baker	Shareholder	Infratil Limited
	Director	Infratil Infrastructure Property Limited
	Director and Shareholder	Fenn Lanes Consultants Limited
Joanna Breare	Shareholder	Morrison & Co Group Limited Partnership
	Consultant	Morrison & Co
	Shareholder	Infratil Limited
Joanna Breare	Chair	Venture Taranaki Trust
Sheridan Broadbent	Director	Spark New Zealand Limited
	Director	Pipeline and Civil Group
	Deputy Chair	New Zealand Business Leaders' Health and Safety Forum
Deion Campbell	Shareholder	Infratil Limited
	Employee	HRL Morrison & Co Limited
	Director	Transgrid P/L (Australia)
Deion Campbell	Director/Shareholder	Birkam Group Limited
	Director/Shareholder	Kaimai Wind Holding Limited
	Director/Shareholder	Birkam Consulting Limited

### Manawa Energy Limited Cont.

Director	Interest	Entity
Michael Smtih	Chair	Custodial Services Limited
	Chair	Craigs Investment Partners Superannuation Management Limited
	Chair	First Mortgage Managers Limited
	Chair	Golf New Zealand Inc
	Chair	Pathology Associates Limited
	Director	Genera Limited

### Disclosure of interest by directors of Manawa Energy subsidiaries\*

David James Prentice	Chief Executive	Manawa Energy Limited
Catherine Anne Fleetwood Thompson	GM Regulatory and Risk	Manawa Energy Limited
	Director	RDR Limited
	Director	Electricity Retailers Association of NZ
Phillip Gary Wiltshire	GM Corporate Services	Manawa Energy Limited

\* To the extent not disclosed above.

## Information used by directors

No director of the company or a subsidiary issued a notice requesting to use information received in his or her capacity as a director that would not otherwise be available to the director.

## Indemnity and insurance of directors and executives

In accordance with section 162 of the Companies Act and the terms of its constitution, we have continued to indemnify and insure Manawa Energy's directors and officers against potential liability or costs they might incur for actions or omissions in their capacity as directors, except to the extent prohibited by law.

King Country Energy Limited has entered into deeds of indemnity with directors and certain employees and has put in place insurance for these individuals.

## Interests in Manawa Energy securities

As at 31 March 2023, Manawa Energy Limited directors had the following relevant interests in Manawa Energy securities.

Director	Class of Security	Interests in Manawa Energy Limited		Interests in associated companies
		Number held at 31 March 2023	Number held at 31 March 2022	Number held at 31 March 2023
Kevin Baker	Ordinary shares	-	-	518,935
	Bonds	240,000	-	940,000
Sheridan Broadbent	Ordinary shares	2,804	2,804	5,727
Paul Ridley-Smith	Ordinary shares	-	-	77,711
	Bonds	-	-	609,500
Joanna Breare	Ordinary shares	-	-	-
Deion Campbell	Ordinary shares	-	-	-
Michael Smith	Ordinary shares	-	-	-

## Securities dealings of directors

During the year, we were advised of the following securities dealings by directors of Manawa Energy Limited and its subsidiaries.

Director	Date of Dealing	Nature of Transaction	Consideration per share/bond	Number of shares/bonds involved
Kevin Baker	15 June 2022	Acquisition of Infracore bonds through market issue (IFT 320)	\$1.00	65,000
Kevin Baker	9 September 2022	Acquisition of Manawa Energy bonds through market issue (MNW 190)	\$1.00	240,000

## Security holder information

### Substantial security holders

As at 31 March 2023, Manawa Energy had 312,973,000 shares on issue.

The Company's register of substantial security holders recorded the following information as at 31 March 2023.

Security Holder	Class of security	Number
Infratil Limited	Shares	159,997,249
TECT Holdings Limited	Shares	83,878,838

### Spread of holders as at 31 March 2023

Shares	Holders	%	Shares	%
1 to 999	1,729	14.8	805,407	0.3
1,000 to 1,999	1,901	16.3	2,329,731	0.7
2,000 to 4,999	6,339	54.3	15,575,138	5.0
5,000 to 9,999	985	8.5	6,445,318	2.1
10,000 to 49,999	613	5.3	10,538,084	3.4
50,000 to 99,999	43	0.4	2,799,962	0.9
100,000 to 499,999	22	0.2	4,509,271	1.4
500,000 to 999,999	7	0.1	4,916,793	1.6
1,000,000 plus	13	0.1	265,053,296	84.6
<b>Total</b>	<b>11,652</b>	<b>100.0</b>	<b>312,973,000</b>	<b>100.0</b>

Senior bonds	Holders	%	Senior bonds	%
5,000 to 9,999	268	12.2	1,542,000	0.4
10,000 to 49,999	1,570	71.2	32,237,000	8.6
50,000 to 99,999	218	9.9	14,180,000	3.8
100,000 to 499,999	118	5.4	19,346,000	5.2
500,000 to 999,999	8	0.4	5,151,000	1.4
1,000,000 plus	20	0.0	302,544,000	80.6
<b>Total</b>	<b>2,202</b>	<b>100.0</b>	<b>375,000,000</b>	<b>100.0</b>

Shares	Holders	%	Shares	%
New Zealand	11,347	97.3	306,865,538	98.1
Australia	197	1.7	5,051,822	1.6
United Kingdom	32	0.3	69,429	0.0
United States of America	18	0.2	721,923	0.2
Other	58	0.5	264,288	0.1
<b>Total</b>	<b>11,652</b>	<b>100.0</b>	<b>312,973,000</b>	<b>100.0</b>

Senior bonds	Holders	%	Senior bonds	%
New Zealand	2,189	99.4	364,235,000	97.2
Australia	6	0.3	10,574,000	2.8
United States of America	3	0.1	120,000	0.0
Other	4	0.2	71,000	0.0
<b>Total</b>	<b>2,202</b>	<b>100.0</b>	<b>375,000,000</b>	<b>100.0</b>

### Credit rating

Manawa Energy Limited does not currently have an external credit rating.

### NZX listings/waivers

The Company's shares are listed on the NZSX and its senior bonds are listed on the NZDX. There were no waivers granted by NZX or relied on by Manawa Energy in the 12 months preceding 31 March 2023.

### NZX disciplinary action

There has been no action taken by NZX in relation to Manawa Energy under Listing Rule 9.9.3.

**Largest shareholders as at 31 March 2023**

Rank	Holder name	Shares	%
1	Infratil Limited	159,997,249	51.1
2	TECT Holdings Limited	83,878,838	26.8
3	Hobson Wealth Custodian Limited (Resident Cash Account)	4,317,060	1.4
4	Custodial Services Limited	3,416,620	1.1
5	HSBC Nominees A/C NZ Superannuation Fund Nominees Limited	2,560,309	0.8
6	BNP Paribas Nominees (NZ) Limited	2,340,781	0.7
7	Citibank Nominees (New Zealand) Limited	2,231,333	0.7
8	New Zealand Depository Nominee Limited	2,120,324	0.7
9	Accident Compensation Corporation	1,790,153	0.6
10	Public Trust Class 10 Nominees Limited	1,236,888	0.4
11	Generate Kiwisaver Public Trust Nominees Limited	1,163,741	0.4
12	JBWere (NZ) Nominees Limited	936,546	0.3
13	HSBC Nominees (New Zealand) Limited	821,825	0.3
14	Simplicity Nominees Limited	810,562	0.3
15	FNZ Custodians Limited	729,359	0.2
16	Clyde Parker Holland & Rena Holland	596,000	0.2
17	Hobson Wealth Custodian Limited (Equities DTA Account)	516,701	0.2
18	TEA Custodians Limited Client Property Trust Account	505,800	0.2
19	Forsyth Barr Custodians Limited	466,853	0.1
20	Masfen Securities Limited	337,912	0.1
	<b>Total</b>	<b>270,774,854</b>	<b>86.6</b>

**Largest bondholders as at 31 March 2023**

Rank	Holder name	Senior bonds	%
1	Custodial Services Limited	104,598,000	27.9
2	Forsyth Barr Custodians Limited (1-Custody)	80,548,000	21.5
3	FNZ Custodians Limited	29,625,000	7.9
4	Hobson Wealth Custodian Limited (Resident Cash Account)	27,157,000	7.2
5	JBWere (NZ) Nominees Limited	9,294,000	2.5
6	HSBC Nominees (New Zealand) Limited	7,664,000	2.0
7	Commonwealth Bank Of Australia	6,671,000	1.8
8	Forsyth Barr Custodians Limited (Account 1 E)	6,387,000	1.7
9	TEA Custodians Limited Client Property Trust Account	5,387,000	1.4
10	Investment Custodial Services Limited	4,507,000	1.2
11	Generate Kiwisaver Public Trust Nominees Limited	4,000,000	1.1
12	Citibank Nominees (New Zealand) Limited	3,094,000	0.8
13	Forsyth Barr Custodians Limited (A/C 1)	2,367,000	0.6
14	Mint Nominees Limited	2,158,000	0.6
15	FNZ Custodians Limited (DTA Non Resident A/C)	1,775,000	0.5
16	Adminis Custodial Nominees Limited	1,701,000	0.5
17	MMC Limited	1,650,000	0.4
18	Hobson Wealth Custodian Limited (Equities DTA Account)	1,502,000	0.4
19	ANZ Custodial Services New Zealand Limited	1,299,000	0.3
20	Pathfinder Caresaver	1,160,000	0.3
	<b>Total</b>	<b>302,544,000</b>	<b>80.6</b>

## Auditor fees

Please see **Note 27** of the financial statements.

## Donations

Manawa Energy Limited donated \$20,000 to the Red Cross New Zealand Disaster Fund that was established following Cyclone Gabrielle. This does not include the \$280,000 provided to environment funds or trusts, educational scholarships and community group sponsorships.

## NZX Corporate Governance Code

Manawa Energy Limited has complied with the recommendations of the NZX Corporation Governance Code, except where noted in this report, or in our **Corporate Governance Statement**.

We did not comply with recommendation 8.5 of the NZX Corporate Governance Code in respect of the timeframe for sending the Notice of Meeting for the 2022 ASM to shareholders. This was due to unexpected issues that delayed our ability to finalise the meeting agenda. We did comply with the timeframe for sending the Notice of Meeting set out in the Companies Act.

Our Corporate Governance Statement and other governance policies and procedures are available on our **website**. The Corporate Governance Statement set out in more detail our compliance with the NZX Corporate Governance code and is current as at 15 May 2023.

## Sustainability disclosures

### Aotearoa New Zealand Climate-related Disclosures (NZ CS 1)

We have aligned this index with the Aotearoa New Zealand Climate-related Disclosures Standard (NZ CS 1). Our work has been aligned with the TCFD framework to date and there are additional disclosures required under the Aotearoa New Zealand standard. We are working towards full compliance with these additional requirements.

NZ CS 1 Disclosure	Paragraph reference	Page
<b>Governance</b>		
Identity of governance body	7(a)	Not disclosed
Governance body's oversight	7(b), 8(a) to (d)	<b>Board committees</b> pg 46 <b>Managing risk and audit</b> pg 47
Management's role	7(c), 9(a) to (c)	<b>Managing risk and audit</b> pg 47
<b>Strategy</b>		
Current impacts	11(a), 12(a) to (c)	Not disclosed
Scenario analysis	11(b), 13	Not disclosed
Risks and opportunities	11(c), 14(a) to (c)	<b>Building a climate-resilient business</b> pg 33
Anticipated impacts	11(d), 15(a) to (d)	<b>Building a climate-resilient business</b> pg 33
Transition planning	11(e), 16(a) to (c)	<b>Building a climate-resilient business</b> pg 33
<b>Risk Management</b>		
Processes	18(a), 19(a) to (e)	<b>Managing risk and audit</b> pg 47
Integration	18(b)	<b>Building a climate-resilient business</b> pg 33
<b>Metrics and Targets</b>		
Metric categories	21(a), 22(a) to (h)	<b>Building a climate-resilient business</b> pg 33
GHG emissions	22(a), 24(a) to (d)	<b>Greenhouse gas emissions</b> pg 58
Industry-based metrics	21(b)	Not disclosed
Other KPIs	21(c)	Not disclosed
Targets	21(d), 23(a) to (e)	Not disclosed

## Greenhouse gas emissions

Greenhouse gas (GHG) emissions were measured for the Manawa Energy business across FY23. We calculate our emissions using the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. Our emissions are classified under the following scopes:

- **Scope 1 direct GHG emissions** – emissions from sources that are owned or controlled by our business, e.g. our vehicle fleet or generation.
- **Scope 2 indirect GHG emissions** – emissions from our purchased/used electricity consumed by our business, e.g. our electricity use.
- **Scope 3 indirect GHG emissions** – emissions from sources our business uses but does not own or control, e.g. travel.

The emission reporting for FY23 covers Scope 1 and 2 GHG emissions, and some Scope 3 emissions including business travel, water supply and wastewater treatment, waste, and transmission and distribution losses. Waste data is included for Kumara, Matahina, Kaimai, Mangorei plus our Taupō office.

Scope 3 emissions not captured in this year's reporting, and which may be material to Manawa Energy's business, include purchased goods and services, purchased electricity, upstream transportation of major capital items, employee commuting, downstream leased assets and waste data for sites not named above.

FY23 has been set as a new base year as Manawa Energy operates a materially different business model to the previous Trustpower branded business. In the next year, Manawa Energy will improve its data collection methods, explore and expand its Scope 3 data reporting, and further refine its data set. An emissions reduction plan will then be developed, including reduction targets.

As FY23 is a new base year, no comparison has been made with previous years. However, it is important to note the influence that the Bream Bay diesel peaking plant can, and will, have on Manawa Energy's Scope 1 emissions. Bream Bay provides fast-start power generation for times when New Zealand's electricity supply is weak due to low inflows or wind.

Over the last five years Bream Bay emitted on average approximately 3,500 tCO<sub>2</sub>e per year, and peaked at approximately 5,700 tCO<sub>2</sub>e in FY21. This was when New Zealand was experiencing major gas supply issues and low diesel prices. By comparison, emissions from the Bream Bay plant over FY23 were 127 tCO<sub>2</sub>e, a mere fraction compared to recent years. This was due to a combination of high diesel prices, machine outages and removal of the peak pricing signal.

This demonstrates that the running of the Bream Bay plant adjusts to underlying market dynamics (i.e. electricity demand and supply) and the associated GHG emissions will follow suit. Corresponding market prices encourage this form of generation to ensure the supply of power is secure and uninterrupted. Manawa Energy considers that fast start thermal generation will continue, in at least the short term, to play an important role in supporting New Zealand's energy transition to a renewable future.

A new head office is currently under construction in Tauranga. In the meantime, Manawa Energy is sub-leasing office space for Tauranga-based employees. As the sublease is temporary, emissions associated with office waste, electricity use, and other incidental emissions sources have not been reported. Sustainability considerations have been factored into the new building. Emissions associated with head office operation will be reported once the new building is in use.

## FY23 Greenhouse gas emissions

	Emissions Source	tCO <sub>2</sub> e
<b>Scope 1 – direct emissions</b>	Stationary Combustion (Bream Bay)	127
	Mobile Combustion (vehicle fleet)	699
	Refrigerant gases (SF6)	8
<b>Total Scope 1</b>		<b>834</b>
<b>Scope 2 – indirect emissions</b>	Purchased Electricity (location based)	395
<b>Total Scope 2</b>		<b>395</b>
<b>Scope 3 – indirect emissions</b>	Transmission and Distribution losses (electricity and gas)	36
	Water and Wastewater (per capita)	12
	Waste (general)	8
	Travel (domestic and international air travel, taxis/rental cars, hotel accommodation)	457
<b>Total Scope 3</b>		<b>513</b>
<b>Total of all scopes</b>		<b>1,742</b>