

# NEW ZEALAND BUSINESS COMMITTEE CHARTER

## 1 INTRODUCTION

- 1.1 This Charter sets out the operating guidelines for the New Zealand Business Committee (“**Committee**”) of Tilt Renewables Limited (“**Tilt Renewables**”).
- 1.2 The Committee is a duly constituted Committee of the Board (“**Board**”) of Tilt Renewables, established by a resolution of the full Board dated 8 July 2019.
- 1.3 The Committee has an ongoing role and purpose in supporting the Board’s governance of Tilt Renewables. As such it can only be dis-established through a resolution of the full Board.
- 1.4 No additional fees are to be paid to the members of this Committee.

## 2 ROLE AND PURPOSE

- 2.1 The Committee assists the Board of Tilt Renewables to manage potential and actual conflicts of interest inherent when the Board includes members whom are Conflicted Directors (as defined in paragraph 3.5 below)<sup>1</sup>.
- 2.2 The Committee is responsible for all matters that are required for the efficient governance of the operational and development business of Tilt Renewable within the New Zealand electricity market. The Committee provides a governance structure<sup>2</sup>, and has appropriate delegated authority, for all members of the Committee to apply their skills and views to Tilt Renewables’ New Zealand operational performance, strategy development, advancement of New Zealand projects to FID status, including off-take agreements and associated negotiations.

## 3 COMMITTEE MEMBERSHIP AND MEETINGS

- 3.1 The following requirements apply to the Committee in respect of its membership:
- 3.2 The Committee members will be all Directors who are not Conflicted Directors. For the avoidance of doubt, Conflicted Directors are not eligible for appointment to the Committee.

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<sup>1</sup> Tilt Renewables’ Code of Ethics (clause 4.1(g)) provides that “No Board member or employee shall ... serve on the Board of Directors of a competitor of the Company or Group or act in any other capacity for a competitor of the Company or Group without the consent of the Company.”

<sup>2</sup> The Committee is part of a suite of protocols intended to assist Conflicted Director in respect of their conflict of interest by avoiding them receiving, or being present at any meeting that discusses, actual or potentially commercially sensitive information. Other protocols include confidentiality undertakings requiring the conflicted director to explicitly agree that they will not pass on any Tilt Renewables information (beyond that publicly released by Tilt Renewables) to any director, employee, contractor or advisor of the organisation of which they are an employee or director, and similarly provide for Tilt Renewables not to receive any confidential information about that conflicted director’s organisation from the conflicted director.

- 3.3 The Chair of the Committee (“**Chair**”) will be the Chair of the Board, unless that person is a Conflicted Director, in which case the Board will appoint the Chair from the Committee members.
- 3.4 At least three members of the Committee will be required for a quorum.
- 3.5 **Conflicted Directors** are those Directors whom the Board determines to be actually or potentially conflicted due to their roles as either a Director or Employee of an organisation which is:
- a) A competitor of Tilt Renewables in New Zealand
  - b) A competitor of an actual (or potential) Tilt Renewables PPA counterparty<sup>3</sup>
  - c) An actual (or potential) customer of Tilt Renewables’ key suppliers, including those who tender for Australian or New Zealand projects and those providing wind generation equipment and/or long term O&M services in either Australia or New Zealand.<sup>4</sup>

## 4 COMMITTEE PROCEDURES

- 4.1 The Committee will comply with the following procedures:
- 4.2 Meeting Attendees:
- a) The CEO, CFO and Company Secretary and the Executive General Managers of the Renewables Development and Trading and Operations are expected to attend all Committee meetings. Other staff or advisors may attend the Committee meetings upon invitation.
  - b) Conflicted Directors are not entitled to attend meetings of the Committee.
- 4.3 Meeting Agendas:
- a) The Company Secretary will prepare Committee meeting agendas in consultation with the Chair.
- 4.4 Meeting Minutes:
- a) The Company Secretary will ensure accurate minutes are taken and provided to all Directors except Conflicted Directors.
  - b) Approved minutes of Committee meetings will be included in the following Board meeting’s papers but will be redacted from the Board papers available to Conflicted Directors.
- 4.5 Meeting Frequency:
- a) The Committee will meet on an as required basis, including as requested by the Board, but it is anticipated that it will meet shortly prior to each scheduled Board meeting.

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<sup>3</sup> To ensure that New Zealand PPA counterparties and potential counterparties are comfortable to engage with Tilt Renewables

<sup>4</sup> Recognising that Tilt Renewables has confidentiality commitments with suppliers who tender for Tilt Renewables projects and to successful turbine and long-term O&M suppliers important to Tilt Renewables to secure the best possible terms and conditions

- 4.6 Committee Review:
- a) The Board may review the Committee's Charter, effectiveness and membership on an as-needed basis, but with a cadence of no more than every two years.

## **5 POWERS AND AUTHORITIES**

- 5.1 The Committee is specifically authorised by the Board to perform activities and make decisions within the scope of this Charter and for which it has authority as noted in each area of its responsibilities.
- 5.2 The Committee may also undertake any other activities referred to it by the Board.
- 5.3 From the time to time the Committee may require external specialist advice. It is authorised to engage suitable consultants and subject matter experts to provide objective advice.

## **6 RESPONSIBILITIES**

Without limiting the generality of the foregoing, the specific responsibilities of the Committee include:

- 6.1 *Governance of the Operational and Development components of the New Zealand business*
- a) Provide input to and guide management in the development of the strategy for Tilt Renewables' New Zealand business, including project development and operational assets.
  - b) Review the strategy against the competitive positioning and known strategies of other market participants with the objective of leveraging Tilt Renewables' competitive positioning in the New Zealand marketplace as both a developer and operator of renewable energy generation assets.
  - c) Approve the strategy for the New Zealand business.
- 6.2 *Governance of the operational assets in New Zealand*
- a) Review operating performance including availability, production and significant asset issues
  - b) Review financial results to EBITDA level
  - c) Approve the annual operating and development budget
  - d) Approve any financial statements required to be prepared for New Zealand operational assets
  - e) Recommend to the Board the acceptance of the performance reports of the operational business, with information to support this recommendation limited to results that are released publicly.

6.3 *Governance of the Advancement of New Zealand Projects to FID Status*

- a) Guide and monitor management in the advancing of New Zealand projects to FID status.
- b) Recommend to the Board New Zealand project FID's, with the information to the Board in support of the Committee's recommendation limited to the EPC, PPA and revenue details consistent with the level of information to be released to the market.

6.4 *Governance of the PPA Arrangements for New Zealand Generation*

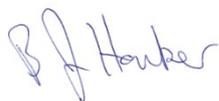
- a) Guide and monitor management in PPA processes and proposed outcomes for New Zealand generation.
- b) Recommend to the Board PPA's for New Zealand generation, with the information to the Board in support of the Committee's recommendation limited to the PPA and revenue details consistent with the level of information to be released to the market.

6.5 *Other*

- a) Undertake such other activities as requested by the Board.

**7 MONITORING**

- 7.1 To assist the Board, including the Conflicted Directors, to monitor the performance of the Committee, the Committee will report to the Board at each Board meeting or at any other time as requested by the Board as to the exercise of the powers of the Committee.



Signed Board Chair: \_\_\_\_\_

Date : 8 July 2019