

# Sustainability Committee Charter

## Constitution

The Napier Port Holdings Limited (**Napier Port**) Sustainability Committee (the **Committee**) shall be a committee of the board of directors of Napier Port (the **Directors** and the **Board**) established by resolution of the Board.

## Purpose and objectives

The purpose of the Committee is to identify and consider relevant environmental, social, and governance (**ESG**) matters (**ESG matters**) to provide strategic guidance and feedback to the Board and management on Napier Port's ESG related strategies, policies, frameworks, initiatives, performance and reporting.

The objectives of the Committee are to:

- oversee the development of Napier Port's ESG strategy and ESG workplan and monitor progress;
- make recommendations and report to the Board on material ESG matters requiring governance decisions;
- act as a formal forum for free and open communication between the Board and management with respect to ESG matters;
- facilitate a common and aligned Board understanding of what is within the scope of the term ESG matters;
- ensure an appropriate framework is maintained for the management of ESG related risks; and
- oversee and review ESG reporting processes, including relevant internal controls and external review and audit processes.

This Charter outlines the Committee's authority, duties, responsibilities and relationship with the Board. Overall governance responsibility sits with the Board and the Board has delegated certain functions and responsibilities to the Committee for which the Committee is responsible. The Committee does not have the authority to take actions or make decisions on behalf of the Board unless expressly authorised to do so in this Charter. The Committee will make recommendations to the Board as set out in this Charter. The Committee acknowledges that the Audit and Risk Management Committee, Remuneration and Nomination Committee, and the Health & Safety Committee also assist the Board in meeting

its ESG responsibilities.

The Committee will ensure that this Charter appears on Napier Port's website.

## Membership

Members of the Committee shall comprise solely of Directors of Napier Port appointed by the Board.

The number of members of the Committee shall be not fewer than three.

The Board shall appoint a Chair from the members of the Committee.

All Directors may attend the Committee meetings at their discretion.

Each member of the Committee will be identified in the Napier Port annual report.

The membership of the Committee shall be reviewed annually by the Board and confirmed after the first Board meeting after the annual meeting each year.

## Responsibilities and duties

The specific responsibilities of the Committee are to:

- understand material ESG matters relevant to Napier Port based on internal and external stakeholder engagement;
- review and monitor key trends, issues, regulatory matters in relation to ESG and report these to the Board;
- ensure the integration of ESG considerations into business planning and strategy, risk management, key policies, processes and culture;
- review and recommend to the Board for approval Napier Port's ESG Strategy, policies, frameworks, and initiatives;
- review and recommend to the Board for approval the ESG objectives, targets, performance indicators and monitor and report on these to the Board;
- review the effectiveness of Napier Port's policies and initiatives on environmental and social responsibility;
- review and monitor ESG related risk assessments and the effectiveness of the related risk management processes; and

- review and recommend to the Board for approval the ESG elements of Napier Port's external reporting (including annual and interim reporting).

In addition, the Committee shall examine any other matters expressly delegated to it by the Board.

## Secretarial / meetings

The Committee shall meet three times a year or more frequently if circumstances require it.

Reasonable notice of meetings and the business to be conducted shall be given to the members of the Committee, all other members of the Board, the Chief Executive Officer, the Chief Financial Officer, the General Manager Assets and Infrastructure, and any relevant external parties determined by the Committee Chair from time to time.

A quorum of members of the Committee shall be two. No business may be transacted at a meeting of the Committee unless a quorum is present.

The Committee may ask members of management or others to attend meetings to provide necessary and relevant information. Other than as required in a secretarial capacity, members of management shall not attend meetings of the Committee unless they have been invited by the Committee.

Minutes of all meetings shall be kept and approved by the Committee in a timely manner. Committee documents including minutes, management papers and other relevant material will be released to all members of the Board, including Directors who are not members of the Committee, and to such other persons as the Board directs.

Following each meeting of the Committee, the Committee Chair will report to the Board on any matter that should be brought to the Board's attention and on any recommendation.

The secretary of the Committee shall be appointed by the Board.

## Authority

The Committee is delegated the authority by the Board to:

- discharge the purpose and objectives, responsibilities and duties set out in this Charter;
- investigate any other activity within its functions and responsibilities detailed in this Charter or as authorised by the Board;
- seek any information or assistance it requires from any employee of the Napier Port Group and all employees will be directed to co-operate with any request made by the

Committee; and

- obtain outside legal or other independent professional advice as required, and arrange for the attendance of such persons at meetings who have prepared such information or advice, with associated costs to be paid by Napier Port,

in each case to the extent the Committee deems necessary to carry out its functions and responsibilities.

The Committee shall have such other powers as may from time to time be expressly delegated to the Committee by the Board.

## Review of the Committee

The Committee shall undertake an annual self-review of its objectives, responsibilities, and performance having regard to:

- the purpose, objectives, duties and responsibilities of the Committee as set out in this Charter; and
- best practice corporate governance standards including but not limited to the NZX Corporate Governance Code 2020 and the Guidance Note *NZX ESG Guidance* published by NZX dated 10 December 2020, or in each case its current equivalent (as applicable).

Such objectives, responsibilities, and Committee performance shall also be reviewed by the Board.

## Review of the Charter

The Board shall review this Charter annually.