

Z's corporate governance

Corporate Governance Statement FY19

This corporate governance statement is linked to the [annual report](#) and is also a standalone document available at Z's [investor centre](#). This document demonstrates Z's compliance with the new NZX Corporate Governance Code. It is current as at 31 March 2019 and has been approved by Z's Board. Other information on the board's activity this year and plans for next year can be found in the online report.

Z considers that, during the reporting period, the company materially complied with the NZX Corporate Governance Code.

Principle 1: Code of Ethical Behaviour

"Directors should set high standards of ethical behaviour, model this behaviour and hold management accountable for standards being followed throughout the organisation."

Recommendation 1.1 Code of conduct for Z's people and directors

"The board should document minimum standards of ethical behaviour to which the issuer's directors and employees are expected to adhere (a code of ethics)."

The [Code of Conduct](#) is the cornerstone of expected behaviour and company culture at Z and is published on our [investor centre](#). The code applies to all of Z's people (directors, employees, contractors, and consultants). They are required to read and understand the Code of Conduct and acknowledge that they have done so.

Z reviews the Code of Conduct on a 3-year cycle (or as required) to keep it up to date with employee and stakeholder expectations. The document was last reviewed in January 2019. The Code of Conduct requires Z's people to carry out their roles honestly and diligently and in the best interests of Z, to declare any conflicts of interest, to disclose any gifts over \$200, and to ensure any gifts under that value do not compromise them. It requires Z's people to maintain confidentiality of all of Z's information, including information about our business, customers, and people, and not to use Z's information or assets (including intangible assets) improperly.

The Code of Conduct also provides a range of escalation procedures for reporting ethical breaches, including the assurance of anonymity for whistleblowers, consistent with the Protected Disclosures Act 2000.

All of Z's people are also expected to comply with the [Z Why](#). This document sets out what matters at Z and the 'why we do things around here'. In choosing to work for Z, people commit to the Z Why, which captures the identity, the meaning, values, and beliefs of Z's people individually, and then collectively as an entire firm. This document was updated in 2017.

During the reporting period, Z had no significant fine or monetary sanctions imposed by any government authority and was not made aware that it had broken any material law, and has not identified any non-compliance with environmental laws and/or regulations.

Recommendation 1.2 Financial dealing policy

“An issuer should have a financial product dealing policy which applies to employees and directors.”

Z is committed to the integrity of financial markets and to ensuring compliance with all regulatory market requirements at all times. Z’s [Insider Trading Policy](#) is a critical part of this commitment and of ensuring every member of the Z team is aware of their obligations and legal requirements for trading in Z securities. All of Z’s policies are owned by the board or a board delegate and are regularly reviewed. The Insider Trading Policy was most recently reviewed by the Audit and Risk Committee in February 2018 with the next review scheduled for February 2020.

The policy applies to all of Z’s people, or any of its subsidiaries, who intend to deal in Z’s securities.

Principle 2: Board composition and performance

“To ensure an effective board, there should be a balance of independence, skills, knowledge, experience and perspectives.”

Recommendation 2.1 Board Charter

“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.”

The [Z Board Charter](#) sets out how the board exercises and discharges its powers and responsibilities, including through committees established by the board. The Charter defines and prescribes the relationship between the board, the CEO, and the executive team.

The board has statutory responsibility for the business affairs of Z, including overall responsibility for the strategy, governance, culture, and performance of Z, working with and through the CEO.

Day-to-day management and administration of Z’s affairs is delegated to the CEO by Z’s Delegated Authority Framework. The CEO sub-delegates authority within specified financial and non-financial limits.

This framework is consistent with our philosophy of ‘freedom in a framework’ and describes the purpose of delegations as enabling ‘Z’s employees to carry out business activities efficiently without overly restrictive approval requirements’. Part of Z’s governance philosophy includes preventing unnecessary ‘corporate spread’.

When Z’s people make decisions under a delegated authority, they are authorised to exercise appropriate and informed decision-making within a controlled, accountable, and transparent framework. They must refer to budgets, comply with the law, and meet Z’s objectives throughout the organisation. Z’s governance structure also includes a commitment by all of Z’s people to its policies, stands, values, and business purpose.

Recommendation 2.2 Nominating and appointing directors to the board

“Every issuer should have a procedure for the nomination and appointment of directors to the board.”

Board succession is the responsibility of the People and Culture Committee (PCC), on behalf of the board.

Z uses an external search agency to produce a long list, based on the skills matrix (published in the annual report), consideration of the current and future mix and composition of the board, diversity considerations, and several other factors. The agency then works with the PCC to produce a short list. The potential candidates on the short list are then interviewed by the Chair of the board and the Chairs of the People and Culture Committee and the Audit and Risk Committee. Background checks are conducted on the person’s character, experience, education, criminal record, and bankruptcy history. The prospective director also

undergoes psychometric testing to ensure the appropriate balance of fit and diversity of thought with the existing board. This also assists the Chair to bring the best out of the board as a collective.

The procedure for the nomination and appointment of directors to the board is set out in the [Z Board Charter](#). The Board Charter allows directors to seek independent professional advice at Z's cost.

Recommendation 2.3 Written agreements with each director

"An issuer should enter into written agreements with each newly appointed director establishing the terms of their appointment."

Z's directors enter in to a written agreement establishing the terms of their appointment, including Z's expectations for the role of director.

Recommendation 2.4 Information on directors

"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."

Blair O'Keeffe was appointed by the board on 1 August 2018 and will stand for election by shareholders at the annual shareholder meeting (ASM) in June 2019. A further director search is under way with consideration for what mix best suits the future of Z.

Profiles of each director's experience can be found on the [website](#).

Peter Griffiths Chair – Independent 2 April 2010 (9 years)	Abby Foote Independent 15 May 2013 (5 years 10 months)
Alan Dunn Independent 2 April 2010 (9 years)	Julie Raue Independent 15 February 2016 (3 years, 1 month)
Mark Cross Independent 28 August 2015 (3 years, 7 months)	Stephen Reindler Independent 1 May 2017 (1 year, 10 months)
Blair O'Keeffe Independent 1 August 2018 (7 months)	

Directors' interests in shares and bonds

Directors disclosed the following relevant interests in shares and bonds at 31 March 2019.

Director	Number of shares or bonds in which a relevant interest is held
Peter Griffiths	Z Energy Limited – 85,357 shares
Abby Foote	Z Energy Limited – 26,285 shares
Julia Raue	Z Energy Limited – 10,500 shares
Mark Cross	Z Energy Limited – 8,000 shares
Stephen Reindler	Z Energy Limited – 7,500 shares

Recommendation 2.5 Diversity Policy

“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.”

Z is committed to a culture that promotes and values diversity and inclusion. In FY18, Z’s board adopted a new [Diversity and Inclusion Stand](#) and 3-year implementation plan in support of the [Diversity Policy](#). These set out Z’s diversity philosophy, its practical application, and process for reviewing and measuring progress towards achieving the objectives of the policy.

Based on a continuation of Z’s 3-year workplan, the key priorities for FY20 are gender, Te Ao Māori, and inclusive leadership. During the year, the board engaged in Rainbow Tick training. We also made significant progress on gender pay parity and some progress in gender balance in our operational roles. Z is integrating inclusive leadership capabilities into our broader leadership framework.

Z is yet to reach its diversity targets (in the table below) for the whole organisation and the executive. The aim to reflect the ethnic diversity of New Zealand has not yet been met for Z’s employees.

The numbers reported under Principle 2 relate to Z’s permanent employees only and do not include contractors, consultants, or employees of Z- or Caltex-branded retail sites, who are employed directly by retail operators or employees of Flick Energy Limited.

Gender

Z’s gender composition

	2020 Objective: % Female	Actual % Female
Board	50	29
Executives	50	33.3
Rest of organisation	50	39

These figures were assessed on 31 March 2019.

Below is the gender composition of Z’s permanent employees at 31 March 2019 compared with the previous year.

Female

	FY2019		FY2018	
	#	%	#	%
Leader of self*	137	41	130	42
People leader**	38	34	48	38
Executive	4	33	4	36
Whole organisation	181	39	184	41
Board	2	29	2	33

Male

	FY2019		FY2018	
	#	%	#	%
Leader of self*	200	59	178	58
People leader**	73	66	78	62
Executive	7	70	7	64
Whole organisation	284	61	267	59
Board	5	71	4	67

Percentages are represented as whole numbers.

* Leader of self does not have direct reports.

** People leader has direct reports.

Z's gender-pay ratios

The ratios of female to male average pay for Z's permanent employees at 31 March 2019 are set out below.

	Leader of self %	People leader %	Executive %	Board %
Average base salary woman to man	98	101	70	NA
Average remuneration* woman to man	98	101	67	NA
Directors' fees female to male**	NA	NA	NA	79

* Remuneration comprises a base salary, a short-term incentive (% on top of salary), health insurance, any other allowances, and a long-term incentive for certain senior employees.

** All directors are paid the same base fee, except for the Chair who has a higher base fee. Committee chairs and members are paid an additional fee on top of their base fee.

Age

Z's age composition

The age groups of Z's permanent employees and board at 31 March 2019 are as follows.

	Leader of self %	People leader %	Executive %	Board %
Under 30 years	14	1	0	0
30–50 years	60	76	50	29
Over 50 years	26	23	50	71

Total number and rates of new permanent employee hires and permanent employee turnover by age group and gender.

	New employee		Employee turnover	
	#	%	#	%
Male	37	8	36	8
Female	21	5	27	6
Under 30 years	21	5	9	2
30–50 years	29	6	40	9
Over 50 years	8	2	0	0
Total employees at the end of the period			458	

Ethnicity

Information is collected from permanent employees on which ethnicities they choose to identify with. Reporting fields align with New Zealand census-collection data, although employees are able to select 'other' or choose not to respond.

Z's Diversity and Inclusion Stand includes an aspiration for the mix of Z's people to reflect the diversity of Aotearoa New Zealand.

Compared with the latest New Zealand census data (2013), the proportions of European and Asian people at Z is close to the general population. Z's Māori population is materially lower than the rest of New Zealand, and Z is pursuing several pathways to address this imbalance.

Diversity by ethnicity

The ethnicities of Z's permanent employees and board at 31 March 2019 are set out in the following table.

Employee ethnicity	Leader of self		People leader		Executive		Whole organisation		Board	
	#	%	#	%	#	%	#	%	#	%
NZ European/Pākehā	185	55	81	73	9	90	275	60	6	86
European	38	11	9	8	1	10	48	10	1	14
Asian (including India and Pakistan)	53	16	5	5	0	0	58	13	0	0
Other ethnicity	13	4	1	1	0	0	11	2	0	0
Middle Eastern/ Latin American/African	8	2	1	1	0	0	9	2	0	0
Māori	7	2	4	4	0	0	11	2	0	0
Pacific Islander	4	1	2	1	0	0	6	2	0	0
Information not provided	32	9	8	7	0	0	40	9	0	0
Total	337		111		10		458		7	

Percentages are represented as whole numbers.

Family responsibility

Employees' dependants

The percentage of Z's permanent employees with dependants at 31 March 2019 is as follows.

	Percentage of employees with dependants
Leader of self	49
People leader	66
Executive	100
Whole organisation	54
Board	86

Return-to-work and retention rates after parental leave

All employees who are eligible by law are entitled to parental leave. In FY19, 8 male employees took two weeks' partner leave funded by Z.

The following table shows the return-to-work and retention rates of Z's permanent employees after exercising legal entitlements to primary caregiver parental leave, at 31 March 2019.

	Employees who have taken parental leave in FY19	Employees due to return from parental leave in FY19	Returned to work after leave in FY18	Return-to-work rate	Returned to work after leave prior year	Employed 12 months after return to work from parental leave	Retention rate
Female	22	11	11	100%	7	6	86%
Male	1	0	0		1	1	100%

Education

The highest level of education reached by Z's permanent employees and board at 31 March 2019 is as follows.

	Secondary %	Tertiary %	Post-graduate %	None or unknown %
Leader of self	14	59	15	12
People leader	5	50	31	14
Executive	0	30	70	0
Whole organisation	11	57	20	12
Board	14	43	43	0

Percentages are represented in whole numbers.

Recommendation 2.6 Director training

“Directors should undertake appropriate training to remain current on how to best perform their duties as directors of an issuer.”

Z is committed to the ongoing development of the board. This year, the board engaged in the following (in addition to their individual commitments to ongoing professional development);

- Climate change presentation by member of Interim Climate Change Commission;
- Engagement with political advisors on the (then) new coalition government;
- Safety 2 leadership training;
- Participation in the “Diverse Thinking Capability Audit of New Zealand Board Rooms 2018” by the Superdiversity Institute for Law, Policy and Business;
- Diversity leadership training with Rainbow Tick;
- Health and safety training on psycho-social risk identification and management;
- Shareholder engagement and feedback on Z performance, strategy and risk;
- Presentation by a niche investor in start-ups on how to optimise the relationship between an established corporate and a start-up.

This year the board learning programme also included a deep dive into the future of the industry, travelling to a range of markets to investigate: advanced regulatory settings focused on the future; new entrants to the industry in core and adjacent businesses; consumers and their future needs.

Recommendation 2.7 Performance

“The board should have a procedure to regularly assess director, board and committee performance.”

Z has a procedure to regularly assess the performance of directors, the board, and committees.

Recommendation 2.8 Chair & CEO

“The Chair and the CEO should be different people.”

Z’s [Board Charter](#) states that the Chair is separate from the CEO. Peter Griffiths is currently the Chair of the Board at Z. As announced on 22 February 2019, he will retire from this position in May 2019 and be succeeded by Abby Foote. Mike Bennetts is the CEO at Z.

Principle 3: Board committees

“The board should use committees where this will enhance its effectiveness in key areas, while still retaining board responsibility.”

Recommendation 3.1 Audit committee

“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 not also be the chair of the board.”

Z’s Audit and Risk Committee (ARC) has a written charter and is made up of independent directors. The Chair of the ARC is not the Chair of the Board.

Audit and Risk Committee: (ARC)

Current members: Mark Cross (Chair), Abby Foote, Stephen Reindler

The role of the ARC is defined in the [ARC Charter](#). The ARC governs enterprise risk management, financial management, accounting, audits and reporting. The responsibilities and duties that the board delegates to the ARC are intended to help board members in taking reasonable steps to maintain up-to-date knowledge of enterprise risk management and financial reporting matters relevant to Z.

The ARC provides an independent reporting line for the Risk and Assurance Manager and meets with the Risk and Assurance Manager and external auditors (either together or separately) as the ARC Chair considers appropriate.

The skills and relevant qualifications of each member of the Audit and Risk Committee are available on Z's investor centre and include details of the ARC Chair's accounting and financial background. For more information about auditing and reporting of Z's financial performance, see Principle 4.

Recommendation 3.2 Employees attend audit committee

"Employees should only attend audit committee meetings at the invitation of the audit committee."

Z's employees only attend ARC meetings at the invitation of the Audit and Risk Committee.

Recommendation 3.3 Remuneration committee

"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"

Z's People and Culture Committee (PCC) fulfils the functions of a remuneration committee. Z's PCC operates under a written [PCC Charter](#) and is made up of independent directors. Management only attend PCC meetings at the invitation of the PCC.

People & Culture Committee: (PCC)

Current members: Alan Dunn (Chair), Julia Raue, Blair O'Keeffe

The PCC's role is to ensure that Z's people and culture strategy (organisational design, remuneration strategy, succession planning, and any related strategy or policy) supports and delivers on Z's business plan and strategy. The PCC also oversees Z's commitment to continuously develop a strong and open culture, maintain public transparency on remuneration, and manage other people matters.

The PCC approves performance criteria and remuneration for the CEO and recommends incentive payment or other adjustments to CEO remuneration to the board, taking into account the CEO's performance review with the board. The PCC establishes, develops, and oversees a formal and transparent process for the board to review and evaluate the performance of the board, the committees, and individual directors. It also determines appropriate board remuneration, subject to shareholder approval.

As part of its responsibility for building Z's culture, the PCC guides and oversees diversity and inclusion at Z. This includes making sure the business follows best-practice principles and practices of diversity and inclusion and equal-employment opportunities.

Recommendation 3.4 Nomination committee

"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"

The PCC fulfils the functions of a nomination committee and recommends director appointments to the board.

Recommendation 3.5 Other committees

“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.”

As further detailed under Recommendation 3.6, Z adopted a [Takeover Response Policy](#) in February 2019 which provides that a board committee will be established to deal with any potential takeover proposal.

Z also has a Health, Safety, Security, and Environment Committee (HSSE). All board committees operate under written charters. Membership of committees are reported above and below. Attendance is reported below.

Health, Safety, Security, and Environment Committee: (HSSE)

Current members: Abby Foote (Chair), Alan Dunn, Julia Raue, Peter Griffiths, Mark Cross, and Stephen Reindler, Blair O’Keefe.

The HSSE Committee is a committee of the full board, and operates under a [written charter](#). The HSSE Committee provides a specific governance focus on managing operational HSSE risks, including all risks that could cause harm to people or the environment arising from Z’s operations and activities. The HSSE Committee supports the board in managing the HSSE outcomes of Z’s operational activities.

The HSSE Committee provides direction and engages in HSSE strategy, monitors and engages in the managing operational risks, and monitors HSSE performance and ensures that improvements are developed and implemented.

Attendance at board meetings

Directors attended the following board and committee meetings during the year.

Director	Board meetings	ARC	PCC	HSSE
Total number of meetings held	7	4	4	5
Peter Griffiths	7/7	-	-	4/5
Alan Dunn	7/7	-	4/4	5/5
Abby Foote	7/7	4/4	-	5/5
Mark Cross	7/7	4/4	-	5/5
Julia Raue	7/7	-	4/4	5/5
Stephen Reindler	6/7	3/4	-	4/5
Blair O’Keefe*	4/4	-	2/3	3/3

If a director was not a member of a particular committee at the time of the relevant meetings, ‘-’ has been recorded.

*Blair O’Keefe joined Z’s board on 1 August 2018.

Before every board meeting, the board and executive meet for dinner to discuss business issues in an informal setting.

Recommendation 3.6 Protocols for takeover offer

“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. It 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.”

Z adopted a [Takeover Response Policy](#) in February 2019. This policy sets out the process to be followed if a takeover offer is received and provides that a board committee will be established to deal with the offer. It also details the advisors likely to be required and how these will be appointed. The policy includes a protocol for dealing with any potential conflicts that board members might have.

Z’s [Insider Trading Policy](#) applies to all of Z’s directors, officers, employees, and contractors and sets out the accepted procedure for dealing in Z’s shares and the measures in place to prevent Z’s people from trading

using insider information. Z's people must read the policy before starting at Z and complete regular training on it. Members of the executive provide detailed reminders about the policy when notifying Z's people about blackout periods.

Principle 4: Reporting and disclosure

"The board should demand integrity in financial and non-financial reporting, and in the timeliness and balance of corporate disclosures."

Recommendation 4.1 Continuous disclosure

"An issuer's board should have a written continuous disclosure policy."

The [Market Disclosure Policy](#) helps the board keep Z's investors and markets informed through a clear and balanced approach that communicates both positive and negative news. Consistent with Z's values to 'share everything' and 'be straight up', the board is committed to providing timely, orderly, consistent, accurate, and credible information to the market.

Z's standing Disclosure Committee is ultimately responsible for Z complying with its disclosure obligations. The Committee consists of the Chair, ARC Chair, CEO, CFO, Corporate Communications and Investor Relations Manager, General Counsel and Chief Governance Officer.

The CEO and the executive team are required to provide all material information to the Disclosure Officers. The Disclosure Committee also monitors external markets to issue any corrections if a false market appears to develop.

Recommendation 4.2 Make key documents available

"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."

Z's Code of Conduct, board and committee charters, and other policies recommended in the NZX Code, together with other key governance documents are available on Z's [website](#). This website has been reviewed and updated over the last year based on the recommendations for access and transparency of corporate information for shareholders and other stakeholders in the NZX Corporate Governance Code.

Recommendation 4.3 Financial reporting

Financial reporting should be balanced, clear and objective. An issuer should provide non-financial disclosure at least annually, including considering material exposure to environmental, economic and social sustainability risks and other key risks. It should explain how it plans to manage those risks and how operational or non-financial targets are measured

The ARC plays a central role in Z's commitment to transparent reporting of its financial and non-financial performance. The [ARC Charter](#) clearly defines the roles of the board, the ARC, the executive, and external auditors.

Financial reporting

The executive is responsible for implementing and maintaining appropriate accounting and financial reporting principles, policies, and internal controls designed to ensure compliance with accounting standards and applicable laws and regulations.

Z's external auditor, KPMG, is responsible for planning and carrying out each external audit and review in line with applicable auditing and review standards. They are accountable to shareholders through the ARC and the board respectively. The board retains overall responsibility for financial reporting.

The ARC makes sure that it and the full board are sufficiently informed about good-practice financial reporting and Z's operations to know whether financial reporting is fit for purpose. This means it represents a balanced viewpoint, is factual and complete, and is effectively implemented.

As part of half-yearly CEO and CFO certifications, the ARC reviews Z's risk-management systems and receives quarterly reports relating to risk management from Z's risk and assurance function and management. The certifications provide assurance to the board that Z's financial records have been properly maintained, and that the financial statements comply with generally accepted accounting principles and give a true and fair view of Z's financial position and performance.

Non-financial reporting

Z is committed to transparency at all levels of the organisation, which includes sustainability reporting against the [Global Reporting Initiative](#) (GRI) and the [International Integrated Reporting Council](#) Guidelines. Both frameworks are recognised by the [Sustainable Stock Exchanges Initiative](#). Z also complies with the NZX Environmental, Social and Governance Guidance Note issued on 11 December 2017.

The ARC makes sure that it and the full board are sufficiently informed about good-practice non-financial reporting and Z's operations to know whether reporting is fit for purpose. This means it represents a balanced viewpoint, is factual and complete, and is effectively implemented.

Principle 5: Remuneration

"The remuneration of directors and executives should be transparent, fair and reasonable."

Recommendation 5.1 Director remuneration

"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."

Z has historically conducted an annual review of its non-executive director fees to ensure that the level of fees paid to its Chair and other non-executive directors are aligned with other organisations of similar scale and scope. Where a review indicated the pool should be increased, this was put to a shareholder vote by resolution at the annual shareholders meeting. In response to shareholder feedback, in the future Z will not participate in the market benchmarking surveys as a prime means of setting its director fees. Z intends to formulate a new process for setting director remuneration which it is anticipated will include benchmarking, performance of board and company and a merit-based evaluation component. Z will communicate the outcome of this process each year along with details of the reasoning behind it.

No fee pool increase will be sought at the ASM in June 2019.

Z Energy Limited Director remuneration received in FY19

	Board fees	ARC fees	PCC fees	HSSE fees	Total remuneration
Peter Griffiths Chair, Board of Directors Member, HSSE	\$185,000			\$10,000	\$195,000
Abby Foote Chair, HSSE Member, ARC	\$97,000	\$10,000		\$20,000	\$127,000
Alan Dunn Chair, PCC Member, HSSE	\$97,000		\$20,000	\$10,000	\$127,000
Julia Raue Member, HSSE Member, PCC	\$97,000		\$10,000	\$10,000	\$117,000
Mark Cross Chair, ARC Member, HSSE	\$97,000	\$20,000		\$10,000	\$127,000

	Board fees	ARC fees	PCC fees	HSSE fees	Total remuneration
Stephen Reindler					
Member, ARC	\$97,000	\$10,000		\$10,000	\$117,000
Member, HSSE					
Blair O’Keeffe					
Member, PCC	\$64,666.67		\$6,666.67	\$6,666.67	\$78,000
Member, HSSE					
Total	\$734,666.67	\$40,000	\$36,666.67	\$66,666.67	\$878,000.01

Flick Energy Limited Director remuneration received in FY19

	Board fees	Option Expense**
Marcel Van den Assum		
Chair	\$77,250	\$4,243
Julian Elder	\$13,750	\$2,546
Simon Robertson	\$50,400	\$5,308
Matthew Todd	\$42,000	-
Amelia McCammon	\$42,000	\$10,149
Aaron Snodgrass*	-	-
Lindis Jones	-	-
Total	\$225,400	\$22,246

*Aaron Snodgrass is an alternate director for Matthew Todd

**The share option expense is the amortisation of the fair value at grant date of options issued to directors recorded during the period

Recommendation 5.2 Remuneration policy for directors and officers

“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.”

Z’s remuneration framework and policies are managed by the People and Culture Committee in line with the People and Culture Committee’s charter.

Remuneration of directors

None of the directors is entitled to any remuneration from Z other than directors’ fees and reasonable travel, accommodation, and other expenses incurred in the course of performing duties or exercising powers as directors. No directors are entitled to any retirement benefits.

In addition to directors’ fees, additional fees are paid to the Chair and members for work carried out by directors on various board committees to reflect the additional time involved and responsibilities of these positions.

The current total remuneration pool for Z’s non-executive directors at 31 March 2019 is \$1,200,000 per annum.

Approved director remuneration for FY19

	Position	Fees (per annum)
Board of Directors	Chair	\$185,000
	Non-executive director	\$97,000
Audit and Risk Committee (ARC)	Chair	\$20,000

	Member	\$10,000
People and Culture Committee (PCC)	Chair	\$20,000
	Member	\$10,000
Health, Safety, Security, Environment (HSSE) Committee	Chair	\$20,000
	Member	\$10,000

Remuneration of Z employees including executives

Our remuneration position is to benchmark Total Fixed Remuneration to the upper quartile of the external market. This means that with our Short-Term Incentive (STI), the total rewards we offer are in the top 10 percent of the New Zealand market when people deliver results above plan.

Every permanent Z employee's remuneration package comprises a base salary, an STI component, and health insurance (with Southern Cross) for themselves and their immediate family. Z also makes a 5 percent employer contribution to KiwiSaver. A limited number of senior employees are also invited to participate in a Restricted Share Long-Term Incentive Plan (RSLTIP). All remuneration packages are reviewed annually. Given the company performance rating of below expectations, the bonus eligibility of Z's employees will be half that of FY18. In addition, Z's TSR ranking was below the 50th percentile of a peer group of the NZX50 for the RSLTIP vesting in 31 March 2019, as a result there is no pay-out associated with the RSLTIP.

For further details on key executive remuneration, please see page 56 of the annual report.

Base salary

The base-salary model is informed and adjusted each year based on data from independent remuneration specialists. An employee's base salary is determined from a matrix of their own performance and their current position in the market and reviewed annually.

Short-Term Incentive

Our Short-Term Incentive (STI) model is focused on articulating performance goals, driving for outcomes, differentiating high performance, and rewarding delivery.

STI values are calculated as a percentage of base salary and determined based on the complexity of the roles. Employees' STI payments are determined following a review of the individual's performance and may be paid out at a multiplier of zero to three times an individual's STI target, depending on the company's performance.

Restricted Share Long-Term Incentive Plan

The Restricted Share Long-Term Incentive Plan (RSLTIP) is for the executive and selected senior employees.

The RSLTIP is intended to incentivise selected employees to achieve long-term shareholder returns by ensuring that their incentives are aligned with the interests of shareholders. The RSLTIP does this by providing a proportion of the employee's remuneration on an at-risk basis aligned with the achievement of defined performance targets.

An amount in shares is held on trust for the employee for 3 years. After that time, the shares will be transferred to the employee if they have achieved their defined performance targets and the company achieves its Total Shareholder Return (TSR) targets

The amount of shares granted is calculated as a percentage of the employee's base salary and, depending on the performance of the company, may be multiplied between zero to two times that percentage. The first time this scheme vested was in April 2016.

As a result of changes to the taxing of long term incentive plans, Z is performing a review of its current LTI scheme.

Employee Share Purchase Plan

Z also has an Employee Share Purchase Plan (ESPP) that any permanent employee of Z at the offer date (in December 2016) can choose to participate in. Under the ESPP, employees are invited to buy shares in Z at a discount to the market price. Those shares are then held in trust by Z Energy ESPP Trustee Limited (ESPP Trustee) for employees until they vest at the end of a 3-year period. The ESPP is an IRD-approved DC12 plan.

Under the December 2016 grant, eligible employees could purchase up to 413 shares for a discounted price of 22 percent below the market price. Currently, 207 employees are participating in the 2016 grant of the ESPP.

Evaluating performance

Z's People and Culture Committee reviews and approves annual performance review programmes for executives and draws on external market information when considering remuneration arrangements.

The board is responsible for monitoring the performance of the CEO and the executive team against established objectives.

One hundred percent of all of Z's permanent employees, including management, have undertaken regular performance reviews in FY19.

Z's employee remuneration tables

The data in this section relates to Z and Z Energy 2015 Limited permanent employees only. The total number of corporate employees is 478 (of which 458 are permanent).

312 Z employees (or former employees) received remuneration and other benefits over \$100,000 in their capacity as employees during FY19, as set out in the table below. This includes salary, short- and long-term performance bonuses, settlement payments, and redundancy payments for all permanent employees. This disclosure is based on actual amounts received in the year and differs from the disclosure on Executive Remuneration (see page 56 of the annual report) that reflects performance in FY19, not all of which is received during the current year.

Z notes the high proportion of employees (65%) earning above \$100,000 reflects Z's business model decisions. For example, traditionally lower earning employee roles (like call centre staff) are presently outsourced.

Amount of remuneration	Employees	Amount of remuneration	Employees
\$100,001 to \$110,000	34	\$280,001 to \$290,000	2
\$110,001 to \$120,000	33	\$290,001 to \$300,000	2
\$120,001 to \$130,000	25	\$300,001 to \$310,000	1
\$130,001 to \$140,000	36	\$320,001 to \$330,000	2
\$140,001 to \$150,000	24	\$330,001 to \$340,000	3
\$150,001 to \$160,000	28	\$340,001 to \$350,000	2
\$160,001 to \$170,000	20	\$350,001 to \$360,000	1
\$170,001 to \$180,000	24	\$400,001 to \$410,000	1
\$180,001 to \$190,000	17	\$420,001 to \$430,000	1
\$190,001 to \$200,000	9	\$430,001 to \$440,000	2
\$200,001 to \$210,000	9	\$440,001 to \$450,000	1
\$210,001 to \$220,000	6	\$490,001 to \$500,000	1
\$220,001 to \$230,000	7	\$540,001 to \$550,000	1
\$230,001 to \$240,000	3	\$580,001 to \$590,000	1
\$240,001 to \$250,000	6	\$670,001 to \$680,000	2
\$250,001 to \$260,000	1	\$810,001 to \$820,000	1
\$260,001 to \$270,000	3	\$920,001 to \$930,000	1
\$270,001 to \$280,000	1	\$1,800,001 to \$1,810,000	1

Flick's employee remuneration tables

The data in this table relates to Flick Energy permanent employees only and the figures include all remuneration and benefits.

Amount of remuneration	Employees	Amount of remuneration	Employees
\$100,001 to \$110,000	3	\$220,001 to \$230,000	2
\$110,001 to \$120,000	2	\$240,000 to \$250,000	3
\$120,001 to \$130,000	3	\$330,001 to \$340,000	1
\$130,001 to \$140,000	2		

Recommendation 5.3 CEO remuneration

"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."

Mike Bennetts' employment agreement for his role as CEO began on 1 April 2010.

In FY19, Mike had a base salary of \$819,488 per annum. The base salary is reviewed annually with effect from 1 April each year. In addition to his base salary, Mike may also be paid an annual Short-Term Incentive (STI) payment with an on-target value of 50% of his base salary and a maximum payment of 150% of his base salary. Payment of an STI is at the board's discretion and is assessed in the first quarter of each financial year, based on business performance in the previous financial year. If Mike is made redundant, he will be entitled to a proportional STI-based performance payment up to his departure.

Mike may also be entitled to Restricted Stock Long-Term Incentive (RSLTI) payments calculated against his base salary. Mike's potential entitlements under the 2016 RSLTI would be paid in 2019, based on the company performance against specific financial objectives for each year, relative to the performance of other NZX-listed companies. The maximum payment to which Mike may be entitled under the RSLTI is 100% of his salary.

The values of Mike's STI and RSLTI payments are determined by the People and Culture Committee and recommended to the board for approval. The committee assesses Mike's performance against a range of key performance indicators. For FY19, this is a balanced scorecard that includes health and safety metrics (such as leading and lag indicators), operational performance (such as customer satisfaction), financial results, and delivery of strategic projects. Given the company performance rating of below expectations in FY19, Mike will not be eligible for his STI payment this year. As noted under Recommendation 5.2, there was no pay-out associated with Z's RSLTIP vesting in 31 March 2019. Details of Mike's remuneration and a breakdown of what he earned in FY19, and what performance criteria were achieved to earn that remuneration, are on page 56 of the Annual Report, along with the same details for the Senior Officers of Z.

Principle 6: Risk management

"Directors should have a sound understanding of the key risks faced by the business, and should regularly verify there are appropriate processes to identify and manage these."

Recommendation 6.1 Risk management framework

"An issuer should have a risk management framework for its business and the issuer's board should receive and review regular reports. A framework should also be put in place to manage any existing risks and to report the material risks facing the business and how these are being managed."

Z considers that it has carried out a robust risk assessment programme during the reporting period. Z has developed an overall enterprise Risk and Assurance system, designed to ensure a proactive, consistent, and

systematic approach to managing risk, and ensuring independent and objective views on the design and operational effectiveness of internal controls.

The Risk and Assurance system recognises two principal functions: risk and assurance, and HSSE. Risk and assurance has a primary focus on enterprise and business risk (insurance, and financial risk including core financial controls, treasury, delegated authorities, and suspicious transactions). HSSE has a primary focus on operational and infrastructure risk.

Z's [Risk Management Policy](#) provides clarity on roles and responsibilities for risk and assurance. The board is responsible for the overall effectiveness of the risk management and internal control system, setting enterprise-risk appetite, and annually reviewing enterprise risk.

The Audit and Risk Committee (ARC) is responsible for oversight, monitoring, and reviews. In February each year, it approves and monitors the annual risk and assurance plan on behalf of the board. The review is designed to establish an integrated and forward-looking perspective on the entire risk landscape. It takes in the internal and external environment, changes in the likelihood and consequence ratings of existing risks, and the business-unit risk profiles. The review considers both specific risks and broader linkages between those specific risks.

The CEO is responsible for promoting a culture of proactively managing risks, reporting to the ARC and managing any changes to the rating of enterprise-wide risks. The CFO is responsible for providing a single framework for risk management at Z, consistent with the Risk Management Policy and the board's risk appetite, including facilitating regular reviews and updates to the CEO and the ARC.

This year, the Board also agreed a revised risk appetite statement to provide guidance across the company, including a framework to allow a higher risk appetite for innovation and small scale experimentation but clearly maintaining a zero-risk appetite for health and safety risk.

Recommendation 6.2 Health and safety risks

"An issuer should disclose how it manages its health and safety risks and should report on their health and safety risks, performance and management."

Because of the nature of Z's business, health, safety, security, and environment (HSSE) risks are an area of continuous focus. The HSSE Committee oversees HSSE risk and is responsible for all risks that could cause harm to people or the environment arising from Z's operations and activities.

The committee approves an annual HSSE enterprise plan, receives assurance and performance reports, monitors implementation of ZORM (Z's Operational Risk Management system), and oversees the management of major hazard facilities.

Z discloses its HSSE indicators quarterly to the market in its [quarterly operational data](#). These indicators are: lost time injuries; spills to ground; robberies; fuel quality incidents; process safety incidents; food safety incidents; its total recordable case frequency; and motor vehicle incident frequency.

Principle 7: Auditors

"The board should ensure the quality and independence of the external audit process."

Recommendation 7.1 Establish a framework

"The board should establish a framework for the issuer's relationship with its external auditors."

Z's [External Auditor Independence Policy](#) sets out the work that the external auditor is required to do and specifies the services that the external auditor is not permitted to do. This ensures the ability of the auditor to carry out their role is not impaired and could not be reasonably perceived to be impaired.

All non-audit work that the external auditor performs must be approved by the Chair of the ARC. The approval details what work is to be performed and how auditor independence and objectivity are

maintained. The policy requires that the development of local and overseas practice for other related assurance services be continuously monitored so that Z's policies comply with best practice.

KPMG has been the external auditor of Z and its subsidiaries for 7 years. The tenure and reappointment procedure of the external auditor is detailed in the External Auditor Independence Policy. In line with the external auditor rotation policy and KPMG's policy, Graeme Edwards of KPMG is the engagement partner for Z and has been since the start of FY17.

Z is committed to having financial reports externally audited to meet international accounting standards. External assurance has not been sought over environmental, social, and governance (ESG) reporting.

Recommendation 7.2 External auditor attend Annual Meeting

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

In the past, Z's external auditors have attended the Annual Shareholders' Meeting (ASM), where they have been available to answer shareholders' questions about the audit. Z expects the auditor to attend the 2019 ASM.

Recommendation 7.3 Internal audit

"Internal audit functions should be disclosed."

The Enterprise Risk and Control Committee is a management committee chaired by the Chief Financial Officer (CFO). The committee has oversight of the implementation and operation of Z's enterprise risk management system, and considers general risk and control matters consistent with the board's risk appetite.

Z's Enterprise Risk and Assurance function reviews and reports on the effectiveness of internal control systems and procedures. It has full access to the Audit and Risk Committee. Each year, the Audit and Risk Committee determines the scope and activities of Risk and Assurance.

The Risk and Assurance Manager reports to the Audit and Risk Committee, the executive, and the CEO for functional risk and assurance purposes, and the CFO for other purposes.

Principle 8: Shareholder rights and relations

"The board should respect the rights of shareholders and foster constructive relationships with shareholders that encourage them to engage with the issuer."

Recommendation 8.1 Website

"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."

The [investor section](#) of Z's website contains financial and operational information and key corporate governance information. As noted above, this year Z has worked on its investor centre to provide the information recommended by the NZX in the commentary to Recommendation 8.1.

Recommendation 8.2 Investor communications

"An issuer should allow investors the ability to easily communicate with the issuer, including providing the option to receive communications from the issuer electronically."

Z communicates with shareholders through multiple channels throughout the year: continuous market disclosure, half- and full-year reporting, investor roadshow meetings and an Annual Shareholders' Meeting. (The 2019 ASM will be held on 20 June 2019 at 3.00pm at the Z Shed, 3 Queens Wharf, Wellington, 6140, New Zealand.)

Z provides and advocates for the option for investors to receive communications electronically, to and from both Z and its share registrar. Z's ASM is a hybrid meeting, where shareholders may participate in person,

over the phone, and online. In all paper communications with shareholders, including the Annual Report, Z provides a simple process to opt in to electronic-only communications and recommends this option as part of its sustainability initiatives.

Shareholders can directly access the board at any time through our dedicated email address governance@z.co.nz. Our CEO and CFO also respond directly to shareholder phone calls and emails.

Recommendation 8.3 Shareholder right to vote

“Shareholders should have the right to vote on major decisions which may change the nature of the company in which they are invested in.”

Major decisions that may change the nature of Z’s business are presented as resolutions at the ASM and voted on by shareholders.

Recommendation 8.4 One vote per share

“Each person who invests money in a company should have one vote per share of the company they own equally with other shareholders.”

Z’s shareholders receive one vote per share, which is equal with all other shareholders.

Recommendation 8.5 Notice of Annual Meeting

“The board should ensure that the annual shareholders notice of meeting is posted on the issuer’s website as soon as possible and at least 28 days prior to the meeting.”

Each year, the annual shareholders notice of meeting is sent to shareholders by mail and email at least 28 days before the meeting. The notice is also made available on the [investor section](#) of Z’s website.

Other disclosures required under the Companies Act 1993

Disclosure of directors' interests

Directors disclosed, under section 140(2) of the New Zealand Companies Act 1993, the following interests at 31 March 2019.

Director	Position	Company
Peter Griffiths	Director	Z Energy Limited Z Energy 2015 Limited Great Barrier Airlines Limited Metro Performance Glass Limited
	Shareholder	The New Zealand Refining Company Limited
	Trustee	New Zealand Business and Parliament Trust
Alan Dunn	Director	Z Energy Limited Z Energy 2015 Limited Z Energy LTI Trustee Limited Z Energy ESPP Trustee Limited Burger Fuel Worldwide Limited Nelson Regional Development Agency Limited
	Director	Z Energy Limited Z Energy 2015 Limited Television New Zealand Limited Sanford Limited Freightways Limited
	Member	Museum of New Zealand Te Papa Tongarewa Board
	Shareholder	Air New Zealand Limited New Zealand Oil and Gas Limited
	Director	Z Energy Limited Z Energy 2015 Limited Endzone Commercial Limited Central Economic Development Agency
Blair O'Keeffe	Trustee	Hawkes Bay Rescue Helicopter Trust
	Shareholder	BP Plc
Mark Cross	Director	Z Energy Limited Z Energy 2015 Limited Chorus Limited Superannuation Investments Limited Milford Asset Management Limited MFL Mutual Fund Limited
	Shareholder	Milford Asset Management Limited
Julia Raue	Director	Z Energy Limited Z Energy 2015 Limited The Warehouse Group Limited Jade Software Corporation Limited Television New Zealand Limited Southern Cross Health Society
	Shareholder	Air New Zealand
	Director	Z Energy Limited Z Energy 2015 Limited Yachting New Zealand Pearl Coast Properties Pty Limited Broome Shared Services Pty Limited Broome International Airport Pty Limited Steel & Tube Holdings Limited
	Director	Z Energy Limited Z Energy 2015 Limited Yachting New Zealand Pearl Coast Properties Pty Limited Broome Shared Services Pty Limited Broome International Airport Pty Limited Steel & Tube Holdings Limited

Director	Position	Company
	Chair	Lincoln University/ AgResearch/ Joint Facility Steering Committee Waste Disposal Services (unincorporated joint venture) D & H Steel Construction Limited Clearwater Construction Limited
	Board Member	WorkSafe New Zealand
	Independent Advisor	Massey University / AgResearch Joint Food Science Centre Steering Committee Air New Zealand development at Auckland Airport
	Shareholder	Auckland International Airport Limited Meridian Energy Limited Contact Energy Limited Vector Limited Air New Zealand Limited

Z's subsidiary directors disclosed, under section 140(2) of the New Zealand Companies Act 1993, the following interests at 31 March 2019.

Director	Position	Company
Ben Rodgers	Director	Z Energy LTI Trustee Limited Z Energy ESPP Trustee Limited
	Shareholder	Air New Zealand Limited Fletcher Building Limited Genesis Energy Limited Vector Limited
Marcel Peter Van Den Assum	Director	Flick Energy Limited Guam Nominee Limited Yonix Limited Merlot Aero Limited Education Payroll Limited Wipster Limited
	Member	Angel Association
Matthew Peter Todd	Director	Flick Energy Limited GisVin Limited Gisborne Holdings Limited (and subsidiaries) Eastland Group Limited (and subsidiaries) Matt Todd Holdings Limited
Aaron Peter Snodgrass	Director	Flick Energy Limited Eastland Group Limited (and subsidiaries)
	Director and Shareholder	A P Snodgrass Limited
Simon David Robertson	Director	Flick Energy Limited Balance Agri-Nutrients Limited
	Share option holder	Flick Energy Limited
Nigel Lindis Jones	Director	Flick Energy Limited Refining New Zealand Limited
	Employee	Z Energy Limited
Amelia Jane ("Aimee") McCammon	Director	Flick Energy Limited

Director	Position	Company
	Managing Director	Augusto Group
	Trustee	Arts Foundation of New Zealand
	Advisory Board member	Pic's Peanut Butter
Julian Macdonald Elder	Director	Flick Energy Limited Strada Corporation Limited TRH Services Limited NZWL TRH Limited The Elder Group Limited
	CEO	Scion (formerly NZ Forest Research Institute)

Directors' interests in share transactions

The following directors disclosed an acquisition or disposal of relevant interest in Z's shares or bonds during the year to 31 March 2019:

Director	Number of shares or bonds in which a relevant interest is held
Abby Foote	Z Energy Limited – 12,000 shares
Peter Griffiths	Z Energy Limited – 42,500 shares
Julia Raue	Z Energy Limited – 10,500 shares
Mark Cross	Z Energy Limited – 8,000 shares
Stephen Reindler	Z Energy Limited – 7,500 shares

Senior officers' interests in shares and bonds

The senior officers disclosed the following relevant interests in shares at 31 March 2019.

Executive team members	Interests as registered holder of shares	Z RSLTIP interests	Z ESPP interest
Mike Bennetts	Z Energy Limited – 325,044 (of which 324,258 shares are held by Kammjam Trust)	63,318 shares for the period ending 31 March 2020 69,351 shares for the period ending 31 March 2021	413
Chris Day	Z Energy Limited – 95,198 shares held by CW & CR Day Trust	21,145 shares for the period ending 31 March 2020 23,115 shares for the period ending 31 March 2021	413
Lindis Jones	Z Energy Limited – 102,184 shares	17,800 shares for the period ending 31 March 2020 19,401 shares for the period ending 31 March 2021	413
Mark Forsyth	Z Energy Limited – 44,208 shares held by Forsyth Family Trust)	17,582 shares for the period ending 31 March 2020 19,257 shares for the period ending 31 March 2021	413
David Binnie		16,465 shares for the period ending 31 March 2020 17,946 shares for the period ending 31 March 2021	0
Nicolas Williams	Z Energy Limited – 34,571 shares	15,575 shares for the period ending 31 March 2020 17,143 shares for the period ending 31 March 2021	413

Donations

For the year ended 31 March 2019, Z made donations of \$ 1,315,075.30 (2018: \$901,646). Other than donations by Flick Electric Limited of \$1,055.62, Z's subsidiaries made no donations during the period.

Indemnity and insurance disclosure

As permitted by its constitution, Z has entered into a deed to indemnify its directors and its personnel who serve as directors of related companies for potential liabilities or costs they may incur for acts or omissions in their capacity as directors of Z or its related companies. Z has a Directors' and Officers' Liability Insurance Policy in place. This provides insurance for the liabilities of the directors and employees of Z for acts or omissions in their capacity as directors or employees. Neither the indemnity nor the insurance policies cover dishonest, fraudulent, malicious, or wilful acts or omissions. The directors have disclosed entry into the deed of indemnity and the directors' and officers' liability insurance in its interests register.

Results disclosure

The reporting period for this annual report relates to the 12 months before 31 March 2019. The previous reporting period relates to the 12 months before 31 March 2018.

Dividend disclosure

	Amount per security (cents)	Imputed amounts per security (cents)
FY19 Interim dividend	12.5 cents	4.861 cents
Record date	22 November 2018	
Payment date	11 December 2018	
FY18 Final	21.9 cents	8.517 cents
Record date	17 May 2018	
Payment date	30 May 2018	

Net tangible assets per security

Net tangible assets per security at 31 March 2019: 22 cents (31 March 2018: 9 cents).

Group disclosures – subsidiaries

Subsidiary directors at 31 March 2019.

Person	Subsidiary directorships	Interests
Alan Dunn	Z Energy 2015 Limited	As listed on page 19
	Z Energy ESPP Trustee Limited	As listed on page 19
	Z Energy LTI Trustee Limited	As listed on page 19
Peter Griffiths	Z Energy 2015 Limited	As listed on page 19
Abby Foote	Z Energy 2015 Limited	As listed on page 19
Mark Cross	Z Energy 2015 Limited	As listed on page 19
Julia Raue	Z Energy 2015 Limited	As listed on page 19
Stephen Reindler	Z Energy 2015 Limited	As listed on page 19
Blair O'Keefe	Z Energy 2015 Limited	As listed on page 19
Ben Rodgers	Z Energy ESPP Trustee Limited	As listed on page 20
	Z Energy LTI Trustee Limited	
Julian Macdonald Elder	Flick Energy Limited (up until 31 August 2018)	As listed on page 21
Marcel van den Assum	Flick Energy Limited	As listed on page 20

Person	Subsidiary directorships	Interests
Simon Robertson	Flick Energy Limited	As listed on page 20
Matthew Todd	Flick Energy Limited	As listed on page 20
Aaron Snodgrass	Flick Energy Limited	As listed on page 20
Lindis Jones	Flick Energy Limited	As listed on page 20
Amelia McCammon	Flick Energy Limited	As listed on page 20

Other disclosures

Director remuneration

The directors of Z Energy 2015 Limited, Z Energy ESPP Trustee Limited, and Z Energy LTI Trustee Limited are also directors of Z or an employee of Z and do not receive any remuneration in their capacity as directors of those subsidiary companies.

Subsidiary employees

Neither Z Energy ESPP Trustee Limited nor Z Energy LTI Trustee Limited has any employees.

Details of the employees (or former employees) of Z Energy 2015 Limited who received remuneration and other benefits over \$100,000 in their capacity as employees during FY19 are included in the "Employee remuneration" on page 15.

Details of the employees (or former employees) of Flick Energy Limited who received remuneration and other benefits over \$100,000 in their capacity as employees during FY19

Payments made to an auditor

None of Z Energy 2015 Limited, Z Energy ESPP Trustee Limited, or Z Energy LTI Trustee Limited paid any amounts to an auditor, for audit fees or otherwise, during the period.

Flick Energy Limited paid its auditors (KPMG) a fee of \$35,000 plus disbursements.

Distribution of ordinary shares and shareholders

At 31 March 2019

Size of holding	Number of shareholders	%	Number of shares	%
1–1,000	2,405	23.96	1,549,526	0.39
1,001–5,000	5,373	53.54	13,869,412	3.47
5,001–10,000	1,414	14.09	10,207,599	2.55
10,001–100,000	792	7.89	16,683,096	4.17
100,001 and over	52	0.52	357,690,367	89.42
Totals	10,036	100	400,000,000	100

Distribution of ordinary bonds and bondholders

At 31 March 2019

ZEL 030

Size of holding	Number of bondholders	%	Number of bonds
1–1,000	-	-	0
1,001–5,000	241	11.31	1,205,000
5,001–10,000	598	28.06	5,837,333
10,001–100,000	1,217	57.11	39,853,667
100,001 and over	75	3.52	88,104,000
Totals	2,131	100	135,000,000

ZEL 040

Size of holding	Number of bondholders	%	Number of bonds
1–1,000	-	-	0
1,001–5,000	114	9.69	570,000
5,001–10,000	278	23.62	2,697,000
10,001–100,000	723	61.43	25,626,000
100,001 and over	62	5.26	121,107,000
Totals	1,177	100	150,000,000

ZEL 050

Size of holding	Number of bondholders	%	Number of bonds
1–1,000	-	-	0
1,001–5,000	86	8.23	430,000
5,001–10,000	231	22.16	2,234,000
10,001–100,000	685	65.6	23,614,000
100,001 and over	42	4.01	43,722,000
Totals	1,044	100	70,000,000

ZEL 060

Size of holding	Number of bondholders	%	Number of bonds
1–1,000	-	-	0
1,001–5,000	140	16.66	700,000
5,001–10,000	204	24.29	1,946,000
10,001–100,000	447	53.21	13,785,000
100,001 and over	49	5.84	108,569,000
Totals	840	100	125,000,000

Substantial product holders

According to notices given under the Financial Markets Conduct Act 2013, the following were substantial product holders of the company at 31 March 2019.

Substantial product holders	Number of voting products in substantial holding (ordinary Z shares)	Percentage of shares held at date of notice	Date of notice
Lazard Asset Management LLC	31,515,029	7.88	1/03/2018
Lazard Asset Management Pacific Company	25,108,227	6.28	
Accident Compensation Corporation	21,636,074	5.41	21/06/2018
Investors Mutual Limited	21,593,688	5.40	10/07/2018

The total number of Z ordinary shares on issue at 31 March 2019 was 400,000,000.

Our 20 largest shareholders

At 31 March 2019

Rank	Holder name	Holding	%
1	Lazard Asset Management, L.L.C.	31,515,029	7.88%
2	Lazard Asset Management Pacific Company	25,108,227	6.28%
3	Accident Compensation Corporation	21,636,074	5.41%
4	Investors Mutual Limited	21,593,688	5.40%
5	Private Clients of Forsyth Barr	14,556,153	3.64%
6	Devon Funds Management Limited	12,995,781	3.25%
7	Solaris Investment Management Limited	11,159,969	2.79%
8	Private Clients of FNZ (NZ)	10,994,996	2.75%
9	Craigs Investment Partners Limited	9,681,666	2.42%
10	Perpetual Investment Management Limited	9,459,143	2.36%
11	The Vanguard Group, Inc.	9,457,443	2.36%
12	LSV Asset Management	8,552,717	2.14%
13	Acadian Asset Management LLC	7,926,944	1.98%
14	Vanguard Investments Australia Ltd.	7,609,616	1.90%
15	BlackRock Institutional Trust Company, N.A.	7,389,321	1.85%
16	Guardians of New Zealand Superannuation	7,178,762	1.79%
17	Salt Funds Management Limited	6,384,525	1.60%
18	AllianceBernstein Australia Ltd. (Value)	5,938,637	1.48%
19	Pengana Capital Group Limited	5,800,000	1.45%
20	Nikko Asset Management New Zealand Limited	5,768,867	1.44%

NZX Main Board waivers

Z does not have any waivers from the requirements of the NZX Main Board/Debt Market Listing Rules.