

Our climate governance

This page outlines how Powerco governs, oversees and manages climate-related risks and opportunities across the business. Our approach aligns with our [Climate Change Policy](#) and is integrated into our wider governance, risk and asset management frameworks.

Our Board's oversight of climate-related risks and opportunities

Our [Board of Directors](#) provides strategic guidance and oversight of risk management across the business. This includes approving the company's strategy and annual business plan, as well as overseeing Powerco's environmental, social and governance (ESG) strategies and targets, including those relating to climate change.

Decisions are made from an informed perspective, and our Board ensures it has access to the right level of expertise to provide oversight of climate-related risks and opportunities as outlined in our [Governance Statement](#). The Board meets at least quarterly, and all committees generally meet quarterly, or as required.

Powerco has four formal Board subcommittees that assist the Board with discharging its climate governance responsibilities and provide robust strategic guidance. Board oversight includes, but is not limited to, the following:

- The [Regulatory and Asset Management Committee](#) assists the Board with oversight and approval of asset management and investment decisions for consistency with, and to support our climate-related disclosures.
- The [Audit and Risk Committee](#) assists the Board in exercising due care, diligence, and skill in relation to climate-related risks and opportunities, including mitigation plans and related disclosure information. The annual audited Greenhouse Gas Emissions Inventory Report and the appropriateness of assurance of the climate disclosures are both reviewed by this committee.
- The [Treasury Committee](#) monitors our financial performance and compliance with policies, including overseeing our sustainable finance framework.
- The [Human Resources and Remuneration Committee](#) periodically reviews the effectiveness of remuneration policies, which include requirements for all our team to have a sustainable business measure. At least annually, the committee reviews the remuneration package of the Chief Executive and the Executive Leadership Team, considering and recommending to the Board any performance bonus to be paid in accordance with performance measures, including those relating to climate risks and opportunities.

Our leadership's role in managing climate-related risks and opportunities

Our [Executive Leadership Team](#) drives our strategic direction and leads our business to deliver the company's strategy and annual business plan, including the assessment and management of climate-related risks and opportunities.

Monthly reporting (and more in-depth quarterly reporting) is provided by our leadership team to the Board and relevant subcommittees with progress against the business plan for all key risks, opportunities, and metrics, including those pertaining to climate-related risks and opportunities.

- The [Executive Leadership Team](#) meets weekly and oversees, reviews and makes decisions on our strategic and business priority areas relating to climate risks and opportunities.
- The [Chief Financial Officer](#) is responsible for the approval of the disclosure of our climate-related financial impacts.
- The [Asset Management Steering Committee](#) monitors the successful execution of our strategic priorities relating to climate change in the gas and electricity asset management plans.
- The [Senior Leadership Team](#) oversees the delivery of our strategic priorities relating to climate-related risks and opportunities. For example, this includes the identification and implementation of specific emissions reduction opportunities.

ESG targets (some of which include climate-related metrics) form part of the in-year, short-term, and long-term performance metrics for all executives. The long-term incentive structure includes a consistent 25% of the total incentive, based on achievement against ESG targets. Specifically, 10% is linked to climate-related measures.