

Governance Update

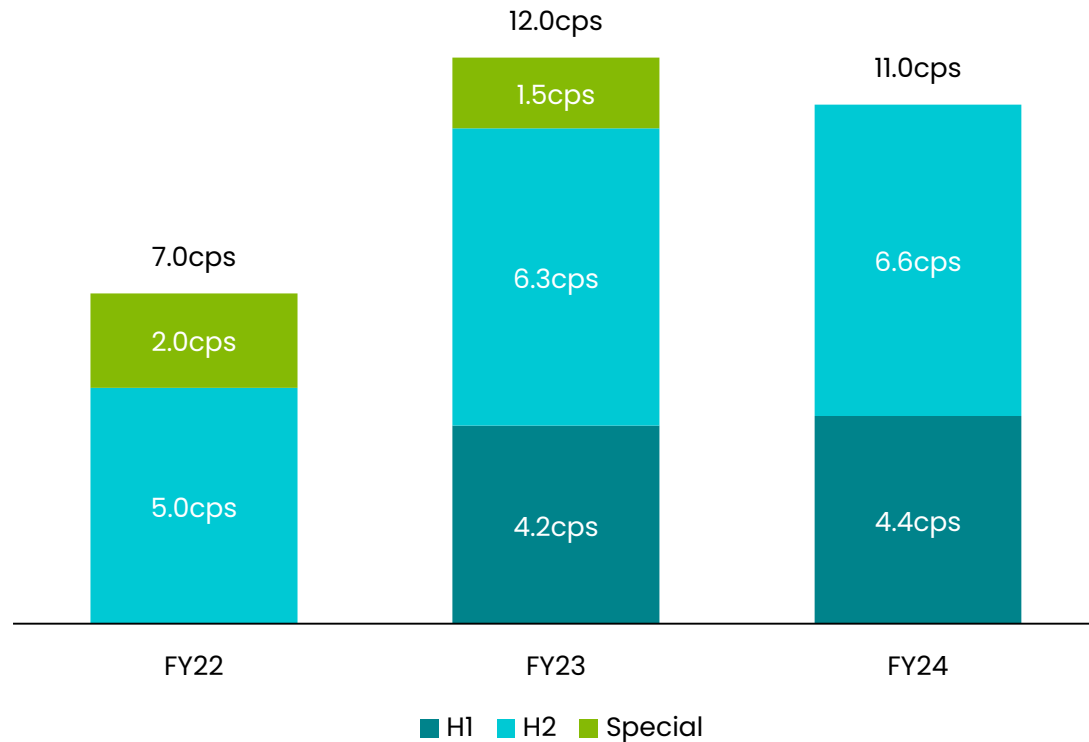
April 2025



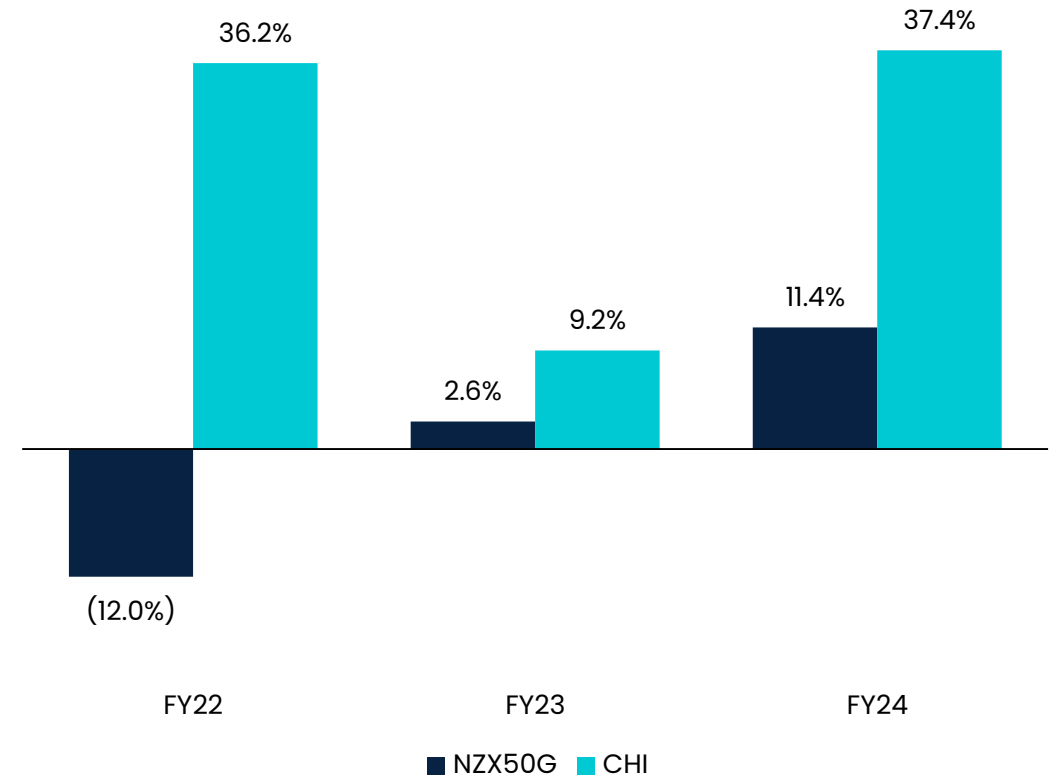


Channel continues to outperform the NZX50

Dividends



Total Shareholder Return (CHI versus NZX50)^{1,2}



- 2024 delivered a dividend yield of 5.9%, a free cash flow yield of 8.3% and a Total Shareholder Return of 37.4%
- Channel is now a 100% independent energy infrastructure company, following Ampol's exit from its Channel shareholding in March 2025

1. FY22 TSR calculated from date of CHI conversion 1 April 2022, FY23 and FY24 TSR calculated from the 31 December share price

2. Excludes value of rights taken up or renounced in Channel's November 2024 equity raise and excludes the FY24 final dividend of 6.6 cents per share paid in March 2025



Board refresh now complete



James Miller

Board Chair, Independent Director

Appointed: November 2018

Chair from July 2022

Board Committees: Audit & Finance,
People & Culture



Andrew Brewer

Non-Independent Director

Appointed: December 2023

Board Committees: Health, Safety,
Environment & Operations (Chair
from 23 May 2025).



Angela Bull

Independent Director

Appointed: October 2024

Board Committees: People
& Culture



Andrew Holmes

Independent Director

Appointed: April 2022

Board Committees: Health, Safety,
Environment & Operations, People
& Culture (Chair from 23 May
2025)



Anna Molloy

Independent Director

Appointed: April 2022

Board Committees: Audit and Finance
(Chair), People & Culture



Felicity Underhill

Independent Director

Appointed: March 2024

Board Committees: Audit &
Finance, Health, Safety,
Environment & Operations



Deep experience
in fuel terminals, oil and gas, fuel
supply chain, and energy sectors



Independence
5/6
directors up from 4/7 in 2019



**Equal gender
representation**
3/6
Directors female
























Average tenure
2.4 years



Strong and capable Board with the right skill set

- The Board refresh (signalled when shareholders voted on the refinery closure and conversion to an import terminal) is now complete with a smaller, more efficient Board with a mix of skills and experience aligned with the Company strategy
- Long-standing directors Paul Zealand and Vanessa Stoddart will retire at the May Annual Shareholders' Meeting after nearly 9 and 11 years on the Board respectively, bringing the Board to six members
- Three new directors in the last 15 months including:
 - **Andrew Brewer:** has held leadership roles for large-scale downstream refining and terminal operations in Australia, New Zealand and Canada. Previously served as Chief Operating Officer at Refining NZ during the company's Strategic Review.
 - **Felicity Underhill:** following an early career at Shell, joined Origin Energy where she transitioned into the green energy sector. In recent roles with Fortescue, accountable for developing a portfolio of renewable energy and green hydrogen production projects across Australia and New Zealand.
 - **Angela Bull:** Current governance roles include Property for Industry, Vital Healthcare Property Trust, Fulton Hogan, Foodstuffs South Island, Bayleys Real Estate and Trustee of St Cuthbert's College. Angela was previously the Chief Executive of Tramco Group and prior to this, General Manager Property Development for Foodstuffs North Island.

COMPETENCY	CURRENT BOARD
Public company and strategic experience	     
Regulatory policy and stakeholder management, including customer and shareholder relations	     
Risk management including process and workplace safety and quality assurance processes	     
Financial Management & Reporting	     
(New Zealand) fuel industry, new energy and energy transition experience and asset management	     
Industrial/commercial property development and management	     
Human Resource Management	     

-  **Awareness:** Has a general awareness of relevant issues associated with the competency (having regard to the competency description)
-  **Knowledge:** Has a deeper knowledge, understanding and some experience in the subject matter of the competency
-  **Expert:** Has professional qualifications or career experience such that the director has recognized expertise in the subject matter of the competency



Experienced and Proven Leadership Team



Rob Buchanan
Chief Executive Officer



Alexa Preston
Chief Financial Officer



Jack Stewart
GM Operations



Chris Bougen
General Counsel and
Company Secretary



Peter van Cingel
Business Development Manager



Steve Levell
GM Independent Petroleum
Laboratory (IPL)



Strategy on a page

OUR VISION

World-class energy infrastructure company

OUR PURPOSE

Delivering resilient infrastructure solutions to meet changing fuel and energy needs

OUR STRATEGIC PRIORITIES

World-Class Operator	High Performance Culture	Grow from the Core	Support Energy Transition	Disciplined Capital Management	Good Neighbour, Good Citizen
<ul style="list-style-type: none">Strong safety systems and cultureResilient infrastructureLong-term asset managementCustomer focused	<ul style="list-style-type: none">People and capability developmentFuture focusedContinuous ImprovementAdaptive	<ul style="list-style-type: none">Brownfield opportunities at Marsden PointConsolidator of fuels infrastructureSupply chain optimisation for our customers	<ul style="list-style-type: none">Repurposing Marsden PointSupport transition of aviation to lower carbon fuelsMarsden Point Energy Precinct Concept	<ul style="list-style-type: none">Target credit metrics consistent with a BBB+ shadow credit ratingDeliver above WACC returnsCost managementStable dividends	<ul style="list-style-type: none">Reducing environmental impactsCommunity engagement and iwi relationsJust transitionTransparency and disclosure
New Zealand's Infrastructure Partner of Choice		Grow Through Supporting the Energy Transition		More Sustainable Future	



Significant progress in 2024

Zero

Tier 1 and Tier 2
process safety
incident



**Strong
financial
result** in line with
guidance



Three
new
storage
contracts
signed



**Scope 3 emissions reported
for first time**
tCO₂e **963** Total Scope 1 & 2
emissions in FY24.

**Successful bank
refinance and
capital raise**
lowers WACC and positions
company to deliver future
growth

**Proven track
record**

Of delivery of
capital project
safely, on time and on
budget

36%
of workforce
Female (2023:32%)

**Marsden Point Energy
Precinct Concept**

Channel supporting the energy transition
through potential lower-carbon future fuels
manufacture and biorefinery at the
Marsden Point site

Significant future growth opportunities

Fuel Security Study concluded

- Cabinet set to consider further options for fuel resilience in New Zealand, including an increase in diesel Minimum Stockholding Obligations from 21 to 28 days (additional ~70 million litres of on-shore storage), but not including reopening an oil refinery

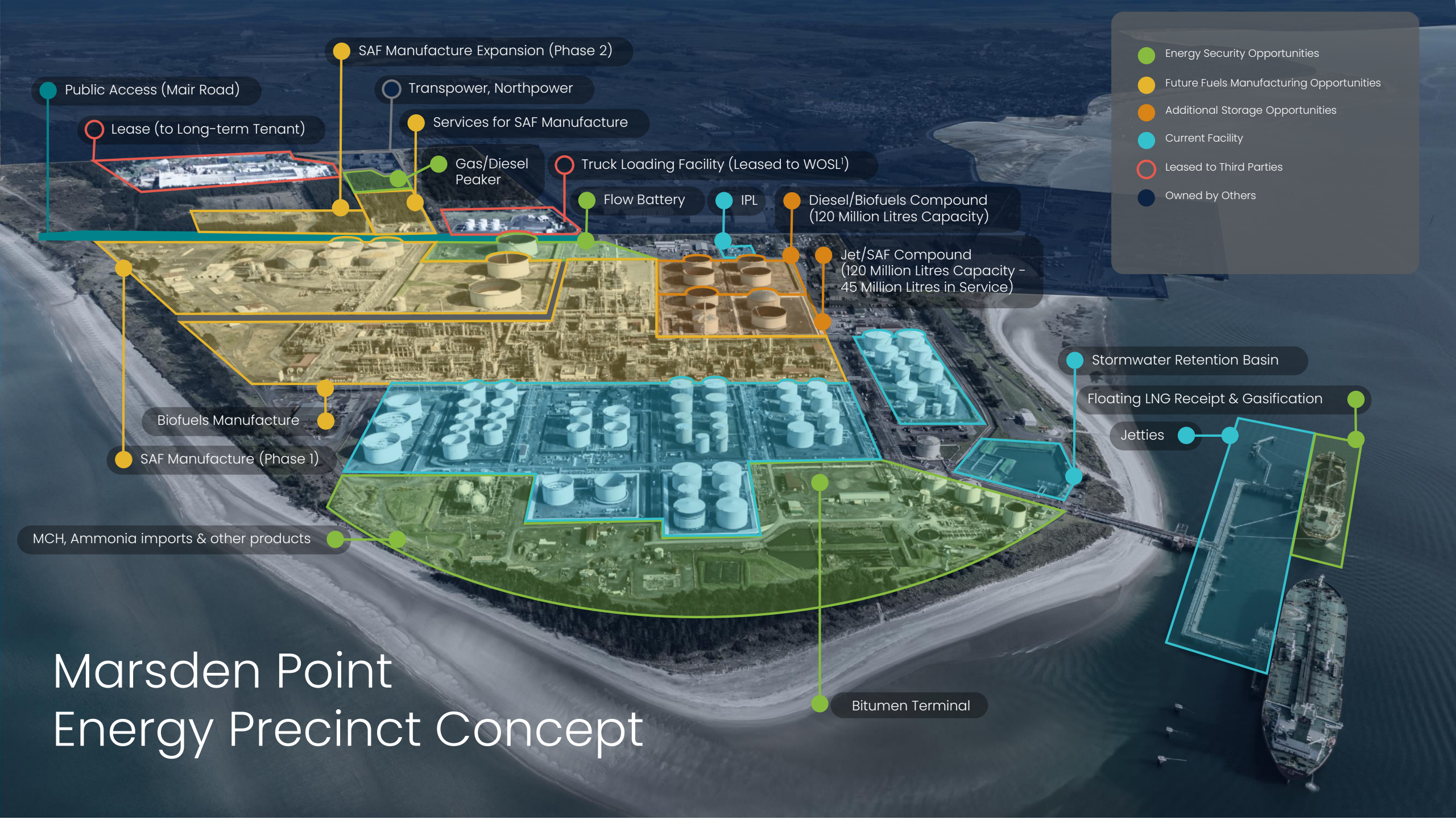
Marsden Point Energy Precinct

- Government is considering Marsden Point Energy Precinct as a potential Special Economic Zone
- Already making meaningful progress towards development of the Energy Precinct with three growth projects committed in 2024 and active investigation of a biorefinery at Marsden Point underway
- Precinct supports fuel resilience, supports job creation and economic growth. PwC estimates the Energy Precinct could generate ~\$3.3 billion of GDP and 20,000 FTE jobs, over the 10-15 year construction phase and, once fully operational, ~\$290 million annually in GDP and ~1,150 FTE jobs

Other growth and energy resilience opportunities

- Potential diesel peaking electricity generation under investigation, reflecting the significant advantage of investment already made in diesel infrastructure at Marsden Point. Channel has no intention to take electricity market risk
- Channel remains committed to pursuing the acquisition of terminal assets outside Marsden Point





- Energy Security Opportunities
- Future Fuels Manufacturing Opportunities
- Additional Storage Opportunities
- Current Facility
- Leased to Third Parties
- Owned by Others

Marsden Point Energy Precinct Concept



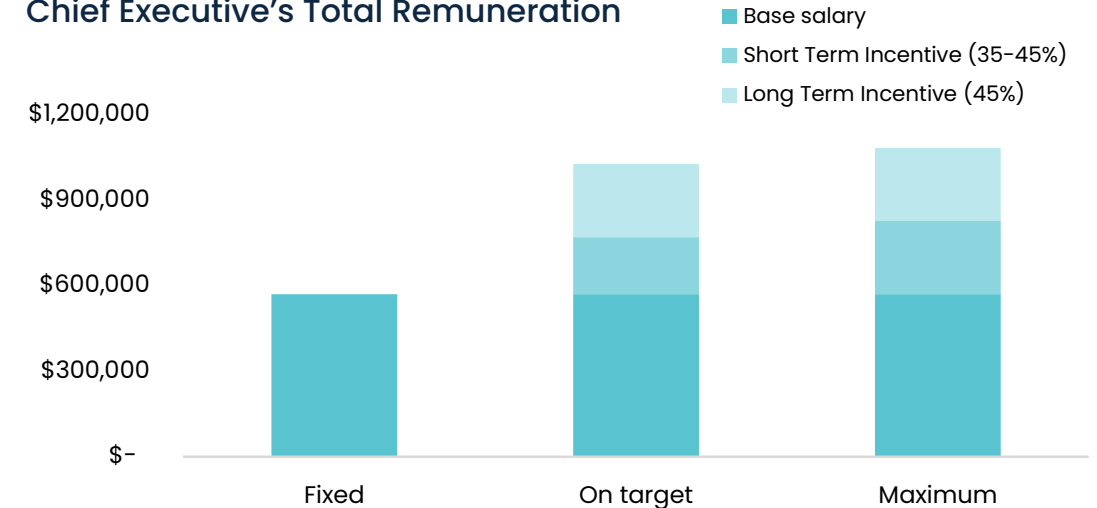
CEO Remuneration

CEO Remuneration

- Increased disclosure in 2024 Annual Report on CEO Remuneration (including more detail on short-term incentive KPIs, % of short-term incentive earned and paid in FY24, LTI vesting conditions)
- High portion of pay at risk and an appropriate weighting of short and long-term incentives
- \$500k initial share rights granted in 2023 that are tenure based in nature and due to vest in January 2028 (subject achievement of minimum performance and no workplace death occurring in 5-year vesting period).
- Short-term incentive: 50% on delivery against Company Scorecard and 50% on individual Scorecard which is aligned to strategy (outlined below)

KPI CATEGORY			WEIGHTING
Delivery against Company scorecard	Strategic Pillar	Key Performance Metric	50%
	NZ Infrastructure Partner of Choice	Safety engagements and performance Customer satisfaction	
	Grow through supporting the Energy Transition	New contracted revenue originated during the year	
	More Sustainable Future	EBITDA and Normalised Free Cash Flow performance against budget Key environmental metrics	
Delivery against CEO scorecard	Strategic Pillar	Key Performance Metric	50%
	World Class Operator	Terminal performance and onsite health and safety compliance	
	High performance culture	Workforce engagement	
	Grow from the core	Progress prioritised growth opportunities	
	Support energy transition	Delivery of a plan for the repurposing of Marsden Point through the Energy Precinct	
	Disciplined capital management	Performance against budget EBITDA and free cash flow targets against budget and market guidance Delivery of shadow BBB+ credit metrics Relationships with investors and lenders	
	Good neighbour, good citizen	Government engagement Performance against key environmental KPIs	

Chief Executive's Total Remuneration



Long-Term incentive

- CEO entitled to an annual award of LTI share rights equivalent to 45% of base salary from the end of year 1 of employment
- Vesting is subject to: (a) remaining a Channel employee during 3-year vesting period. (b) performance conditions, comprising (as to 50%) an absolute TSR comparator based on Channel's cost of equity, and (as to 50%) a relative TSR comparator based on Channel's TSR exceeding a selected NZX50 comparator group; (c) no workplace deaths occur during the 3-year vesting period, where Channel Infrastructure is found to be responsible for such deaths



Director Remuneration

- The current director fee pool, approved by shareholders in 2023 is \$927,000
- In 2024, the nine directors were paid a total of \$920,716
- Following the completion of the Board refresh establishing a smaller, more efficient Board, the fee schedule has been adjusted
 - People & Culture Committee meetings will be simplified to two meetings and a separate Nominations Committee established (comprising Board (James Miller), Audit and Finance Committee (Anna Molloy) and People and Culture Committee (Andrew Holmes) Chairs
 - Fee schedule now includes ad hoc director fees, for Due Diligence (M&A or Capital Raise) or Takeover Response Committee (if convened)

Role	Fee Schedule (post-May ASM)
Base director fee	\$98,000
Board Chair	\$196,000
Audit and Finance Committee Chair	\$25,000
Health, Safety, Environment and Operations Committee Chair	\$25,000
People and Culture Committee Chair	\$12,000
Audit and Finance Committee member	\$10,000
Health, Safety, Environment and Operations Committee member	\$8,000
People and Culture Committee member	\$5,000
Nominations Committee	No fees payable
Ad hoc committee fee	\$350/h, \$2700 full day



Current proposed ASM resolutions endorsed by the Board

Resolution 1

That Directors be authorised to fix the fees and expenses of Ernst & Young as auditors to the Company for the financial year ending 31 December 2025

Resolution 2

That Ms. Angela Bull, who retires in accordance with clause 8.8 of the Constitution, be elected as a Director of the Company

Resolution 3

That Mr. Andrew Holmes, who retires by rotation in accordance with clause 8.9 of the Constitution, be re-elected as a Director of the Company

Resolution 4

That Mr. James Miller, who retires by rotation in accordance with clause 8.9 of the Constitution, be re-elected as a Director of the Company

Resolution 5

That Ms. Anna Molloy, who retires by rotation in accordance with clause 8.9 of the Constitution, be re-elected as a Director of the Company



Appendix





2024 measures of delivery and 2025 targets

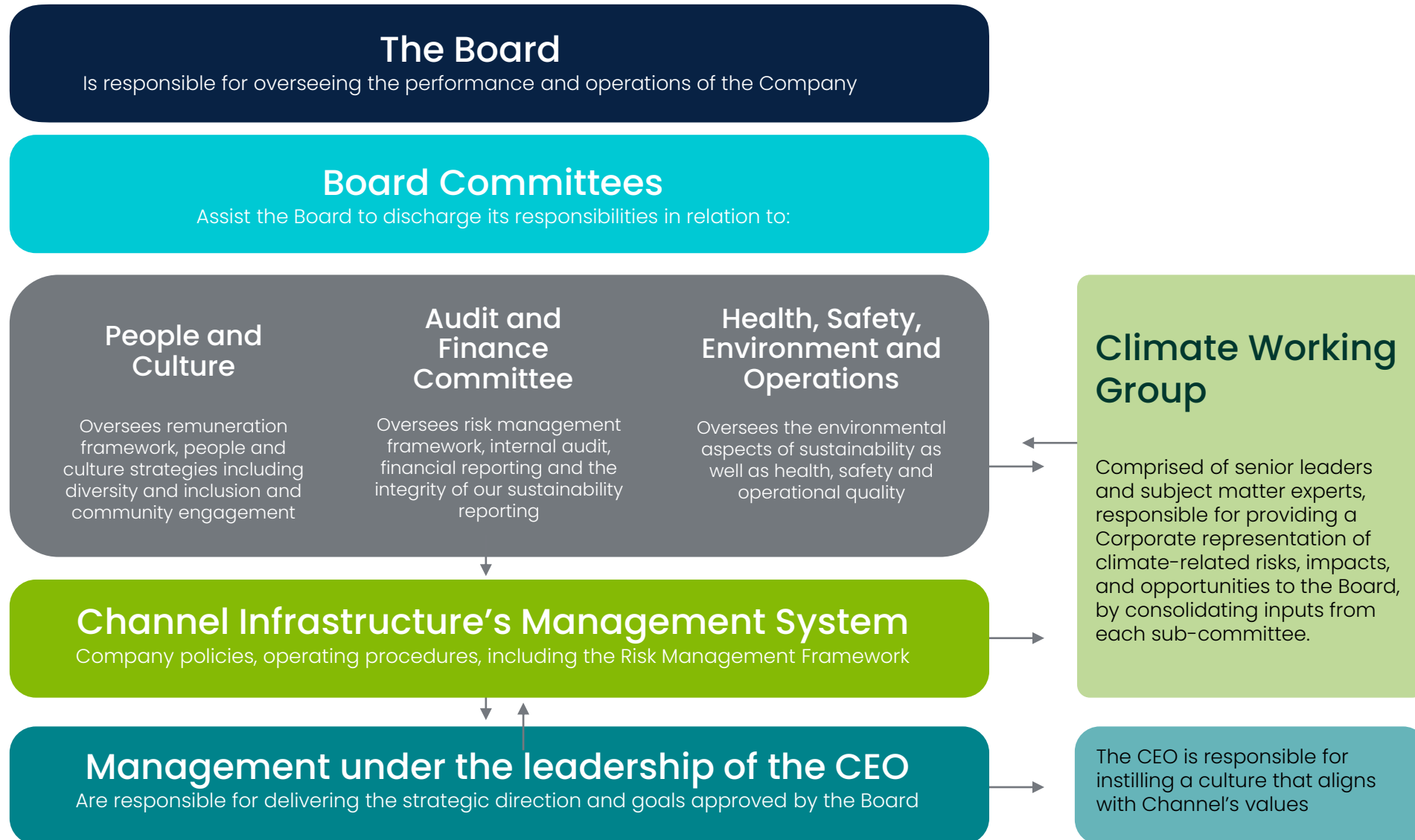
STRATEGIC PILLAR		MEASURE	2024 TARGET	2024 ACHIEVED	2025 TARGET
New Zealand's infrastructure partner of choice	Safely home, every day	Lost Time Injuries	Zero	Zero ✓	Zero
	Diverse and engaged team	Lift in employee engagement score	+4 percentage points	+5 percentage points ✓	Maintain
	Reliable infrastructure	Pipeline availability	>98%	>98% ✓	>98%
Grow through supporting the energy transition	Net zero Scope 1 & 2 emissions	Reduce Scope 1 & 2 emissions	50% lower ¹	>50% lower ¹ ✓	70% lower ¹
	Supply resilience	Contracted new storage volume	+10%	>10% ✓	-
		Contracted new revenues including through contracted storage and potential lease revenues	n/a	n/a	+10% ²
More sustainable future	Protect our environment	Tier 1 or 2 process safety incidents	Zero	Zero ✓	Zero
	Financial discipline	Deliver plan and meet EBITDA guidance	\$91-\$95m	\$95m ✓	\$89-94m
	Meaningful relationships	Customer assessment of Channel performance based on customer survey against key performance criteria	+10%	+9.3%	+5%

1. Lower than the 2023 baseline of 4,036 tCO₂e

2. On FY24



Corporate Governance Framework



OUR VISION, PURPOSE AND VALUES

World-class energy infrastructure company

Delivering resilient infrastructure solutions to meet changing fuel and energy needs

A more sustainable future

We are committed to caring for our people, the environment and the community in which we operate, focusing on sustainable practices to improve environmental, social and governance performance, delivering for all stakeholders.

One Team

Innovation

Honesty

Care

ESG PILLAR, OBJECTIVES, AND SDG ALIGNMENT

Environment

Protect the environment in which we operate

Reduce our carbon footprint and build resilience to climate change risks

Responsibly contribute to achieving NZ's decarbonisation goals



People & Community

Everyone "safely home, everyday"

Be a good neighbour and corporate citizen, including contributing to regional development

Partner with local iwi, mana whenua and community in impactful ways

Attract, support, and maintain a diverse workforce and a healthy working culture



Governance & Finance

Open and transparent reporting

Disciplined capital management

Support our customers to provide a resilient fuel and energy supply chain for New Zealand

Operate our critical infrastructure safely and reliably



MATERIAL ISSUES

Climate Change

Land, waste & water

Health, safety & wellbeing

Iwi & community partnerships

Equity, diversity & inclusion

Infrastructure resilience and security of supply

Asset & lifecycle management

Transparency & Financial discipline



Sustainability targets

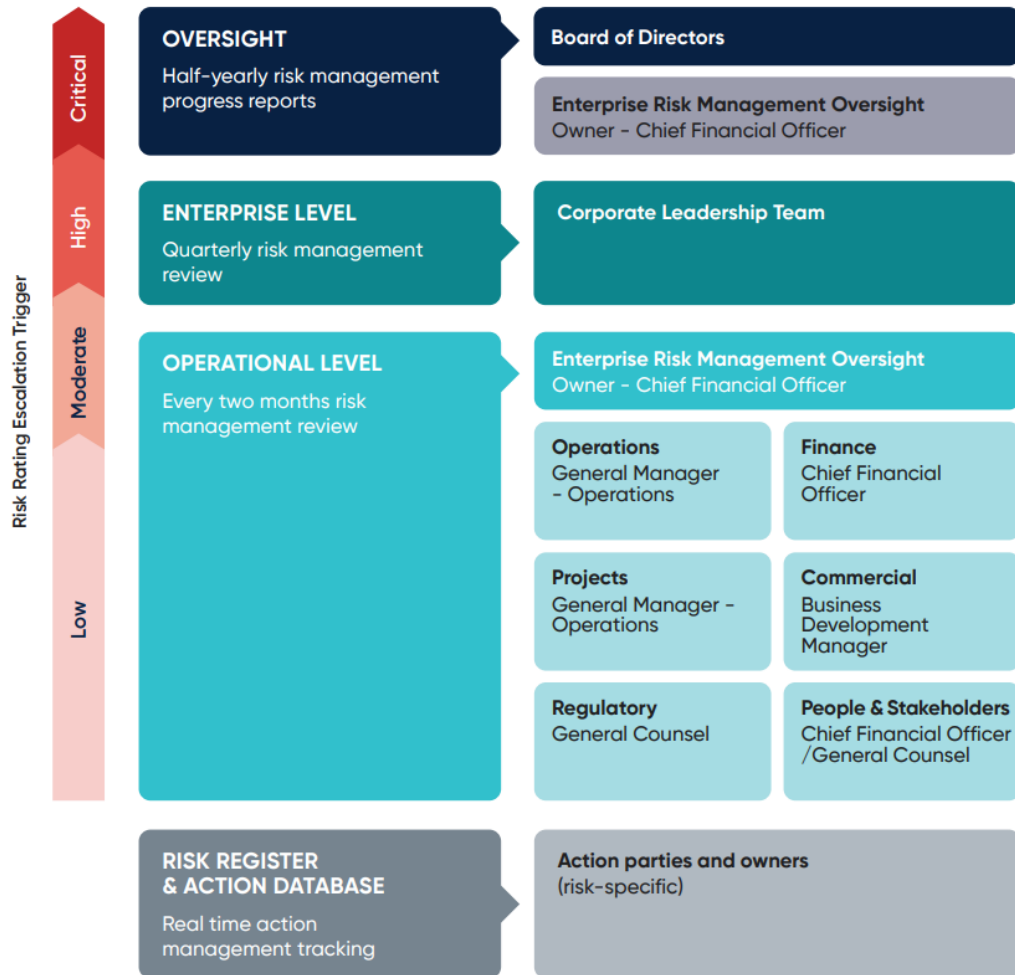
Focus Area	Target	Progress to date
Gender Representation	At least 40/40/20 gender representation	<p>Channel's Marsden Point facility is a High Hazard Facility, with appointments based on merit</p> <p>Females represented 47% of all new recruitment in 2024</p> <p>Refocused talent search process ensuring diverse talent seen on both sides of the interview table</p>
Net Zero	Net Zero Scope 1 and 2 emissions by 2030	<p>Scope 1 and 2 emissions have reduced to 963 tCO₂e</p> <p>Decommissioning of crude oil storage tanks and sludge handling unit, projects currently underway</p> <p>Renewable electricity purchased from 1 Jan-24 via Energy Attribute Certificates (EAC's)</p>
Legacy hydrocarbon plume	10% reduction in legacy hydrocarbon plume over 5 years from 2024	<p>151 groundwater wells monitored onsite, including two hydrocarbon recovery wells</p> <p>Funding provided for the ongoing operation of the containment system and groundwater recovery program</p>





Risk Framework

RISK MANAGEMENT GOVERNANCE, REVIEW AND ESCALATION



THREE LINES OF DEFERENCE MODEL

