



08 February 2017

Chris Laidlaw
Chair
Greater Wellington Regional Council
P O Box 11 646
Wellington 6142

Dear Chris

Port Investments Limited – Recovery Plan for CentrePort Limited

I am writing you to inform you of the steps Port Investments Limited (PIL) has taken in regard to CentrePort Limited (CPL) developing a Port Recovery Plan.

Following a briefing between Our Board, and CPL's CEO and Board Chair on 14 December 2016, our Board wrote to the Chair of CPL on 21 December to set out PIL's expectations in relation to their draft Statement of Corporate Intent (SCI).

I have extracted below a section from our letter of expectation which addresses the request for a recovery plan.

"It is our expectation that you will develop a Recovery Plan.

We view it as important that the Port's recovery consider opportunities to enhance capability and resilience, rather than simply reinstate what is damaged. The plan will both address the issues arising from the earthquake as well as how the Port can best meet the needs of the region, including the commercial property portfolio strategic development.

Our Council, as the ultimate shareholder of WRC Holdings Limited and Port Investments Limited, is participating in a region wide recovery programme. The Council, along with other parties, expect your commitment to work together to develop a recovery framework for the port.

We expect you to engage with us from an early stage in your thinking about strategic issues and the possible repositioning of the Port for the future, including the future of the commercial property portfolio.

We see the learnings from the recent events as being an opportunity to improve on and further developing resilience planning.”

Our letter also stressed the need for regular communication and PIL’s involvement in major strategic discussions and that the direction set by the recovery plan meets with shareholder approval. We have also emphasised the expectation that CPL work further develop an open transparent relationship with our Board, the broader stakeholders, including Wellington City Council, the Government and the community.

The draft SCI which we expect to receive from CPL on 15 February 2017 is anticipated to address our request. A final SCI is due by 31 May 2017, which we anticipate will further address the topic of recovery plan development and associated performance targets, should the draft SCI not fully meet expectations, due to either the difficulty or time constraints CPL has had preparing the draft SCI, or shareholder dissatisfaction.

Yours sincerely

A handwritten signature in black ink, appearing to read 'S. Sharif', with a large, sweeping flourish at the end.

Samantha Sharif
Chair
Port Investments Limited