



KiwiRail 



Briefing to Incoming Shareholding Ministers 2017





Sleeper replacement team working at Waimiha

Rt Hon Winston Peters
Minister of State Owned Enterprises
Parliament Buildings
Wellington 6011

Dear Minister

Welcome to your role as a Shareholding Minister for KiwiRail.

This document aims to set out a condensed, high-level strategic overview of KiwiRail – who we are and what we do. We have included an embargoed, annexed copy of our soon-to-be-published Integrated Annual Report, which sets out KiwiRail's activities, challenges and overall performance in more detail.

We look forward to continuing the conversation in coming weeks and working productively together in the months to come.

Yours sincerely



Trevor D Janes, Chairman



Peter Reidy, Chief Executive



The first freight train to travel on the Picton-Christchurch rail line since the Kaikoura earthquake

Who we are

With a proud operating history of 154 years, KiwiRail is a nationwide business encompassing rail, shipping and property activities. Our rail network provides critical infrastructure to connect communities, businesses and New Zealand's exporters to the world, ensuring resilience for the land transport supply chain while our between-island ferry services are the State Highway One across Cook Strait.

The KiwiRail Group is comprised of KiwiRail Holdings Limited and its subsidiaries KiwiRail Limited and Clifford Bay Limited. The Group has a 25% interest in Metrobox Limited, a joint venture with the Port of Tauranga and Specialised Container Services Limited, for a container repair and storage facility at Southdown, Auckland. KiwiRail is currently in the process of exiting this joint venture.

KiwiRail also manages 18,000 hectares of rail network land on behalf of the New Zealand Railways Corporation. The sole purpose of the New Zealand Railways Corporation is to retain railway land and to make it available for use by KiwiRail for commercial benefit.

KiwiRail reports to its Shareholding Ministers, who are the Minister for State Owned Enterprises and the Minister of Finance, and works closely with the Minister of Transport as and when appropriate. The KiwiRail Board of Directors is appointed by Shareholding Ministers, and is accountable to those Ministers for the overall performance of KiwiRail.

KiwiRail is required to invest \$300-\$450m of capital per annum to maintain safe, fit-for-purpose rail and tourist infrastructure which meets New Zealand's need for a resilient freight and tourism rail transport system. Network capital expenditure is targeted at addressing areas of asset decline, mitigating safety risk, and ensuring efficient on-going functioning of the critical rail network.

Historically, KiwiRail has received around \$200-\$250m per annum from the Crown to support the capital requirements. The remainder of the capital programme is funded from KiwiRail's own sources (operating profits and asset sale proceeds).

KiwiRail:

- Helps to drive New Zealand's export growth
- Provides resilience to the national transport system
- Reduces New Zealand's carbon footprint
- Provides efficient freight flows to ports
- Reduces our customers' supply chain costs
- Reduces congestion and makes roads safer
- Showcases New Zealand to the world through our tourism experiences

KiwiRail's assets comprise:

- 3,500 kilometres of track
- 1,322 bridges
- 244 mainline locomotives
- 4,578 wagons
- 98 tunnels
- Three Interislander ferries, two owned and one leased
- Approximately 3,400 staff
- Replacement value of assets totals \$17.9 billion



Catherine Baker,
Scenic Customer Services Manager



Jesse Meadows, Track Maintainer

Our vision

Trusted Kiwi-owned logistics partner growing New Zealand.

Our purpose

We move people and freight.

What we do

- We move around 18 million tonnes of freight and enable more than 32 million low-carbon commuter journeys each year
- We employ approximately 3,400 New Zealanders in 50 towns and cities
- We carry around 16% of New Zealand's total freight task (tonnes-km)
- We transport around 25% of New Zealand's exports
- We help make our customers competitive by reliably and sustainably connecting them to New Zealand and the world
- We invest in a future-focused, integrated transport system that takes more than a million trucks off the road each year
- We connect communities around the country and across Cook Strait
- We operate, maintain and improve 3,500 km of operational track network nationwide
- We offer the most carbon-efficient movement of freight with 66% fewer emissions per tonne of freight by rail compared to road
- Each year, KiwiRail's train control operations manage the movement of around:
 - 80,000 freight trains
 - 4,000 inter-city passenger trains
 - 120,000 suburban passenger services in Wellington
 - 190,000 suburban passenger services in Auckland

Key business services

Freight

Providing rail freight services across New Zealand, enabling the efficient transportation of around 18 million tonnes of freight around the country.

Interislander

Operating ferry passenger and freight services on the Cook Strait, linking road and rail networks between Auckland and Christchurch. One of the three Interislander ferries operated by KiwiRail is rail capable.

Rail Network Access

Controlling train operations across the country from National Network Train Control in Wellington, KiwiRail enables more than 32 million low-carbon commuter journeys each year. KiwiRail also operates the Capital Connection commuter service between Palmerston North and Wellington.

Tourism

Operating The Great Journeys of New Zealand's long distance passenger train and ferry passenger experiences, the Coastal Pacific (Picton – Christchurch), TranzAlpine (Christchurch – Greymouth), Northern Explorer (Auckland – Wellington) and the Interislander ferries.

Infrastructure and Engineering

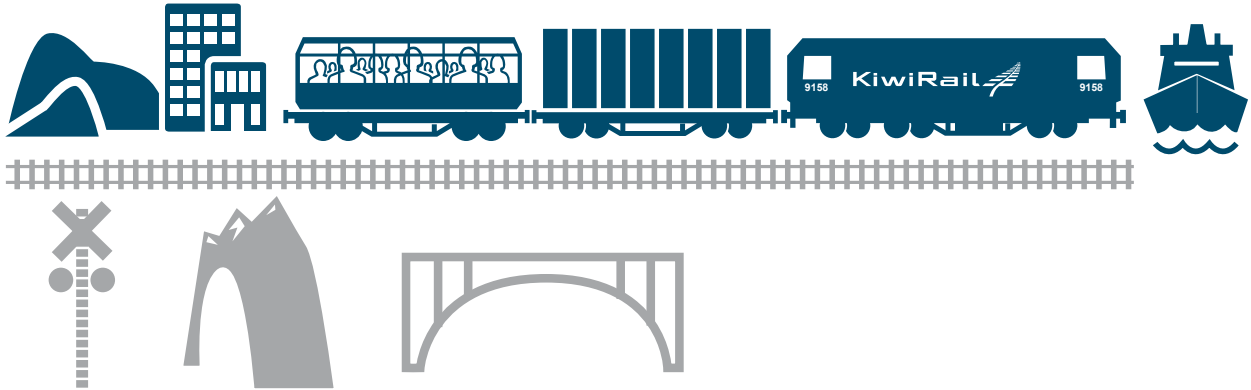
Maintaining and improving New Zealand's 3,500km of rail network, KiwiRail also services locomotives and rolling stock at workshops throughout New Zealand.

Property

Managing 18,000 hectares of land on behalf of the New Zealand Railways Corporation. There are more than 1,500 property assets and more than 8,000 third party interests in KiwiRail's land.

How we do it

Above rail



Below rail

Rail is a critical infrastructure network, comparable to electricity, water and roading, with a number of complexities that need to be tightly managed as one system to ensure the best possible outcome for customers.

Like many rail networks around the world, KiwiRail operates an integrated model with responsibility for both the above rail operations and the below rail network. This approach is consistent with the majority of freight rail organisations and many metro train operations globally, which operate as interconnected vertically integrated businesses.

The integrated model is designed to facilitate an efficient,

co-ordinated approach to design, planning, operation and maintenance, with a primary focus on meeting the needs of customers. This model also reflects the fact that railways are interconnected systems, where there are benefits to the networks and operations teams working closely together.

Funding from the Crown provides much needed capital to address areas of asset decline, to mitigate safety risk including risk of structural failure, and to ensure efficient ongoing functioning of the critical rail network. KiwiRail has an ongoing highest priority focus on sustaining a Zero Harm environment. Our capital requirements are critical in addressing asset decline and meeting health and safety requirements for staff, customers and the public.



Work on the Main North Line after the November 2016 earthquake

History

Purchase: 2008 - 2010

On 1 July 2008 the Government purchased Toll New Zealand's rail and ferry businesses, but not the rail network's infrastructure as this was already owned by the Crown. KiwiRail became responsible for national rail services, some Cook Strait ferry services, and rail infrastructure when it became a single entity on 1 October 2008.

Turnaround Plan: 2010 - 2013

The KiwiRail Turnaround Plan, which was endorsed by the Government in 2010, was a strategic plan enacted with the aim of making the business self-sustaining by 2021. It set ambitious growth targets for KiwiRail based on maintaining a connected supply chain network and achieving significant revenue growth, particularly in KiwiRail's Freight business unit. Turnaround objectives included:

- Increase revenue and freight volumes
- Improve Import/Export market share
- Improve service delivery
- Upgrade of wagon and locomotive fleets
- Improve interisland ferry capacity
- Increase long distance passenger business growth

In the first three years of the Turnaround Plan the Government contributed \$750 million, with a further \$94 million in 2013/14 and \$198 million in 2014/15. However, the Plan suffered a series of set-backs as a result of the Global Financial Crisis, the Christchurch earthquakes, rapid reduction in coal prices and problems with the Interislander's Aratere ferry and new DL locomotives. This impacted on the business' revenue and costs and the

delivery of service for key customers. By 2013 it was clear that KiwiRail was not in a position to deliver a sustainable rail business without Crown funding within the expected timeframe and the Plan came to an end.

In 2013 a Treasury independent review found that KiwiRail had made substantial progress but the Turnaround Plan was characterised by overly optimistic revenue assumptions, inadequate progress in some areas and the impact of unexpected 'one-off' factors such as the Global Financial Crisis. Treasury's review also recommended that key stakeholders develop a multi-year funding programme for KiwiRail.

Commercial Review: 2014 - 2016

In 2014 KiwiRail undertook a commercial review of the business to examine the economics of each rail corridor and service, to provide a range of future options for the network. The high-level Review confirmed that, as with many railway organisations around the world, New Zealand's freight task may never be large enough for KiwiRail to be fully self-sustaining, that it was difficult for KiwiRail to increase revenue from commodity-based sectors and there are challenges in improving productivity given the company's historically inflexible agreements. The Review also underlined the challenges that KiwiRail faced in reconfiguring its operations, noting the historical under-investment in the network.

After considering the range of options from the Review, the Government committed \$400 million in funding in 2014 - 2016 but indicated that KiwiRail must continue to drive significant efficiency and productivity improvements. In FY17 KiwiRail achieved productivity and efficiency gains of \$18 million, building on \$27 million of savings made in FY16.

Our performance

KiwiRail has a focussed plan to lift commercial, cultural and customer outcomes with key strategies to simplify the business, standardise our asset platforms and invest in our people.

By 2016 KiwiRail had achieved the following against the 2010 objectives of the Turnaround Plan:

- Increase revenue and freight volumes - 14% increase in freight volume and 19% increase in domestic freight

- Improve Import/Export market share - 69% increase in import and export volume
- Increase key customer engagement - 45% increase in revenue from dairy movements
- Increase long distance passenger business growth - \$9m EBITDA with strong growth projections
- Upgrade of wagon and locomotive fleets - 1,300 wagons and 48 new locomotives introduced; average fleet age decreasing, currently at 30 years (down from 38 years).

Performance highlights past two years

Safety

- In 2016 there was a 39% reduction in Lost Time Injury Frequency Rate and 33% reduction in Total Recordable Injury Frequency Rate
- 2017 saw a 15% reduction in total injuries and a 45% reduction in Total Recordable Injury Frequency Rate over the last three years

Customer

- Improved On-Time Performance (OTP) to 91% for our customers, assisted by reducing temporary speed restrictions by 46% on the North Island Main Trunk line.
- KiwiRail's work with customers following the November 2016 Kaikoura earthquake won the 2017 Rail Excellence Award at the Australasian Rail Industry Awards

Culture

- KiwiRail has implemented a High Performance High Engagement (HPHE) programme of work with our union partners, to bring frontline solutions to business issues. Air New Zealand is the only other New Zealand organisation to implement the programme
- In 2017, KiwiRail's annual staff survey saw a 66% improvement in engagement across the organisation
- Over the last two years 450 frontline staff have completed the Back to Basics programme which is designed to develop the foundation skills of our people

Commercial

- Productivity savings of \$27 million and \$18 million achieved in 2016 and 2017
- In 2017 KiwiRail exceeded its underlying operating surplus SCI target for the second year running

Kaikoura Earthquake and Midland Line Fire: 2016 - 2017

On 14 November 2016, a 7.8 magnitude earthquake struck Kaikoura just after midnight, resulting in the need for the biggest rail rebuild since WWII. At the heart of Kaikoura, where the effects of the earthquake were most

devastating, the land rose up by 1.5 metres resulting in 750 separate worksites, more than 90 slips, and damage to 21 tunnels and nine bridges between Christchurch and Picton. As a result, the Main North Line closed to freight services.

Before the earthquake KiwiRail was set for a significant year. On-Time Performance had risen by 22% in the four months of FY17, rail tourism numbers were up 12% and KiwiRail was heading into peak season having reduced speed restrictions by 45 minutes on the North Island Main Trunk Line and with the highest wagon availability in years.

After the earthquake, customers required immediate action. To enable freight flows between the islands, KiwiRail established two new freight options – a freight hub at Blenheim ensured the smooth transfer of freight from rail to road at the top of the South Island, and NZ Connect, KiwiRail's first coastal shipping service, integrated road and rail links between Auckland and Lyttelton.

The Great Journeys of New Zealand's rail services were impacted first by the earthquake and then by the Midland Line fire in February 2017. The earthquake resulted in the cancellation of the Coastal Pacific for the remainder of the 2017 season and the 300 ha fire on the line between Christchurch and Greymouth saw the TranzAlpine suspended for six weeks. Despite the negative impact of the fire and earthquake, demand for Great Journeys experiences remains high and the business remains confident that the growth seen before the Kaikoura earthquake is sustainable in the longer term.

The earthquake had widespread revenue and cost impacts for KiwiRail as freight flows around New Zealand changed, along with the effects on passenger services on the Interislander ferries and rail tourism journeys. This resulted in a financial impact of \$40 million, made up predominantly of domestic freight revenue loss as the Main North Line closed, plus some effect from falls in bulk freight such as steel and gas.

Just 10 months after the earthquake the Main North Line reopened for restricted, freight-only services although severe rain events in early spring have caused disruption which will impact earnings in FY18. KiwiRail continues to work closely with NZ Transport Agency (NZTA) and its other partners in the NCTIR alliance to get the Main North Line back to full freight capacity.



TranzAlpine crossing the Waimakariri Bridge

Economic value of rail

Rail freight delivers a range of benefits to New Zealand which are not recognised when undertaking traditional return on investment analysis of expenditure on the rail network. These benefits include a range of positive outcomes that would not be possible without rail and are considered to be items that would incur costs for other parties in the absence of rail freight. These represent the value of rail, rather than a narrow view of the cost of rail.

Understanding the true value of rail to New Zealand is crucial for better planning and investment when considering New Zealand's land transport needs.

In 2016 NZTA commissioned Ernst & Young (EY) to complete a review of the wider benefits of rail to inform and assist in discussions on the value that a national rail network brings to New Zealand.

The review incorporated the views of multiple stakeholders, including; NZTA, KiwiRail, Ministry of Transport (MOT), Treasury, Auckland Transport, and Greater Wellington Regional Council (GWRC). This study has calculated the total Value of Rail to be approximately \$1.54b to \$1.48b, an annual value which includes net benefits from congestion time delays, safety, maintenance and emissions.

The approach that was taken by EY was to model the effects on the roading network if there was no rail network – i.e. what would be the potential economic cost to New Zealand from no rail network. Where possible, EY aligned with existing accepted transportation models used by Auckland Transport and GWRC, and the NZTA Economic Evaluation Manual.

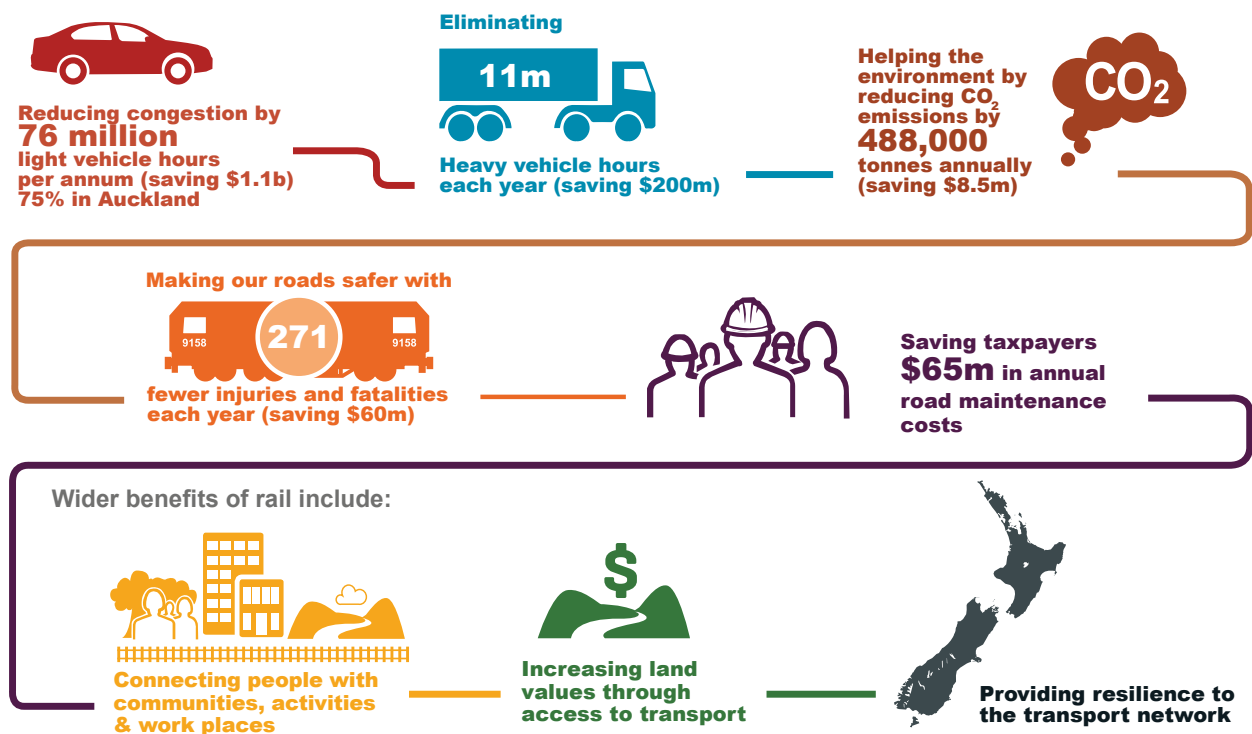
The study was purposely conservative, with only a small range of benefits quantified, and calculations at lower end estimates. The range of quantitative benefits considered included congestion, safety, maintenance and emissions. In addition the ACC average lifetime cost of a serious road crash injury is estimated at around \$3.6m.

Other benefits considered but not quantified included connectivity (the ability to connect people to work, activities and other people), land use and value uplifts (residential land in close proximity to train stations experiences an uplift), and resilience (rail provides a level of redundancy for the overall transport system when roads are disrupted by events such as natural disaster).

This type of study reflects similar, publicly available reviews on the value of rail conducted overseas including in Scotland, Australia and the wider United Kingdom.

The economic value of rail

Rail provides benefits for New Zealand through reduced congestion, CO₂ emissions, safety incidents and road maintenance costs



All figures are per annum, and a comparative static analysis has been used.

Our priorities

Our customers

KiwiRail plays an integral role in the New Zealand economy, where exports account for around 30% of Gross Domestic Product. Each year we move 18 million tonnes of freight on our rail services and our ferries carry up to \$20 billion in freight value for export or distribution around New Zealand. KiwiRail's rail network transports almost 25% of New Zealand's exports and 36% - 40% of our total revenue has significant exposure to the risks and uncertainties within the global economy.

KiwiRail currently carries 16% of New Zealand's total freight task, which is expected to grow by 48% to 2042. Dairy is expected to increase by 60% over that period and the volume of export logs is expected to increase by 74% over the next five years. Much of the overall growth, however, will be short haul with limited opportunities in bulk freight for rail both in New Zealand and globally. KiwiRail's growth will come from increases in Import/Export freight, forestry and increasing containerisation of domestic freight supported by an intermodal growth strategy.

Developing innovative solutions for customers will be key to meeting demand and KiwiRail's solution-focused approach highlights how we work with key customers such as Fonterra, enabling the easy and efficient transportation

of its products to 20 world markets. We operate dedicated rail services to and from the dairy plants and invest in upgrades and new rail infrastructure along key routes, such as the siding at Pahiatua which can accommodate up to 2.5 million litres of milk per day.

In recent years, we have seen strong growth in the Import/Export sector and from our port partnerships, through our ability to aggregate and move large volumes of freight at speed.

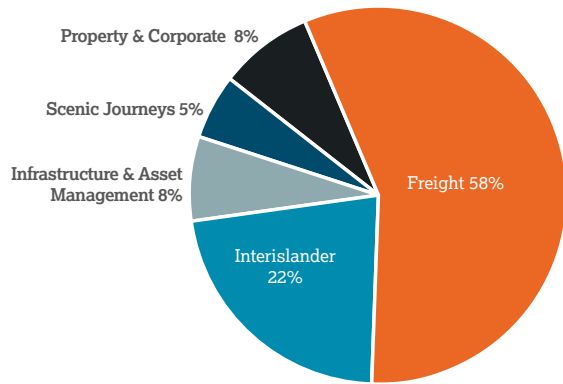
To support the growth of New Zealand businesses, KiwiRail has collaborated with its port partners to service intermodal hubs across New Zealand, bringing significant benefits to the country and helping KiwiRail contribute to business growth.

Intermodal freight hubs, which enable freight to be collected and stored in large quantities before being transported to ships, are also changing the flow of global freight volumes and have become a vital logistical component for New Zealand's ports following the introduction of "big ships" to New Zealand last year.

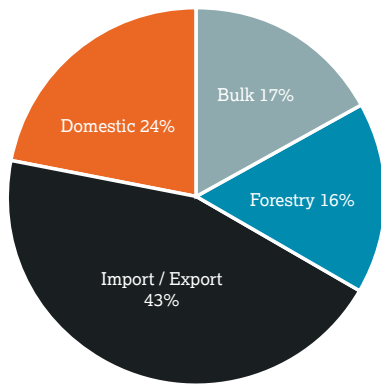
KiwiRail's solution-focused approach with customers gained international recognition in the aftermath of the Kaikoura earthquake, winning the Rail Excellence Award at the Australasian Rail Industry Awards 2017.

Withheld under s9(2)(b)(ii) of the Official Information Act

Total External Revenue

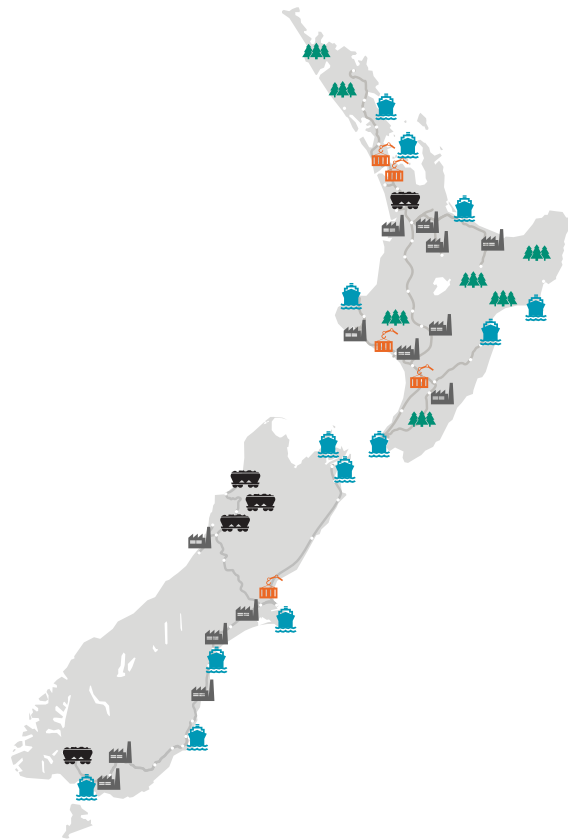







Freight Trading Revenue by Sector



The charts above show the source of KiwiRail's revenue, and a breakdown of KiwiRail's freight revenue by sector. In terms of freight revenue, it is worth noting that the non-commodity driven activities are where we can have the greatest degree of influence on our market share as these activities are less susceptible to price movements caused by external factors.

Key Sector Locations



-  Ports
-  Inland Ports / Freight Hubs
-  Coal
-  Major Forestry
-  Major Dairy / Meat / Manufacturing Plants



DX loco approaching the new loco wash in Christchurch

Our people

KiwiRail is one of New Zealand's largest employers with approximately 3,400 people in 50 towns and cities across the country, 76% of whom are union members. We share a long and proud history with our people, many of whom are the third or fourth generation of their family to work in rail.

KiwiRail is committed to being an inclusive and diverse workplace with a workforce fit for the future needs of our industry. Currently, our legacy workforce comprises of just 15% women and our average worker age is 46 which could lead to a skills deficit in the next decade as a number of our skilled workers retire.

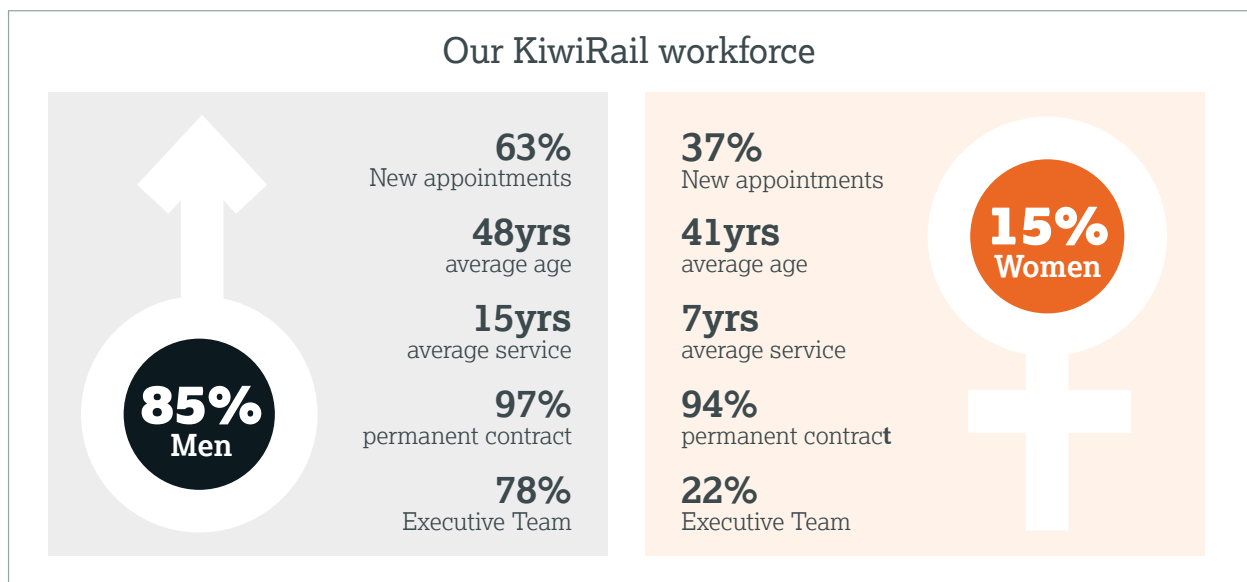
KiwiRail is developing a Diversity and Inclusiveness Strategy to establish initiatives that will lift the profile and number of women in the workplace. We are

also implementing a KiwiRail graduate programme, which will focus on recruitment and retention of a younger workforce.

In recent years we have developed an HPHE programme of work with our union partners which bring frontline workers together with management to solve challenging issues in the business. HPHE empowers frontline staff to find solutions to the challenges facing the business.

KiwiRail is one of only two New Zealand businesses to implement the programme, the other being Air New Zealand.

HPHE raises productivity, improves safety, engages employees and strengthens customer commitment through enhanced performance and more effective processes.



Health and Safety

KiwiRail's first priority is the safety of its people, contractors and members of the public using the rail corridor. KiwiRail's people culture is underpinned by our commitment to Zero Harm, which keeps our people healthy and safe, and our business and the environment sustainable. A Zero Harm leadership approach is being implemented across the organisation, from the frontline to the Executive Team and Board.

KiwiRail has achieved significant reductions in its Total Recordable Injury Frequency Rate (TRIFR) and Lost Time Injury Frequency Rate (LTIFR). Over the past three years TRIFR decreased by 45% and in the past 12 months there was a 15% reduction in total injuries and a 3% reduction in the TRIFR, building on the reductions in the previous two years.

KiwiRail invests in initiatives that boost engagement and encourage ownership of health and safety matters. Health and Safety Action Teams (HSAT) engage with frontline staff to facilitate a strong safety culture at local places of work and KiwiRail's leaders are encouraged to place Zero Harm at the forefront of day-to-day work activities.

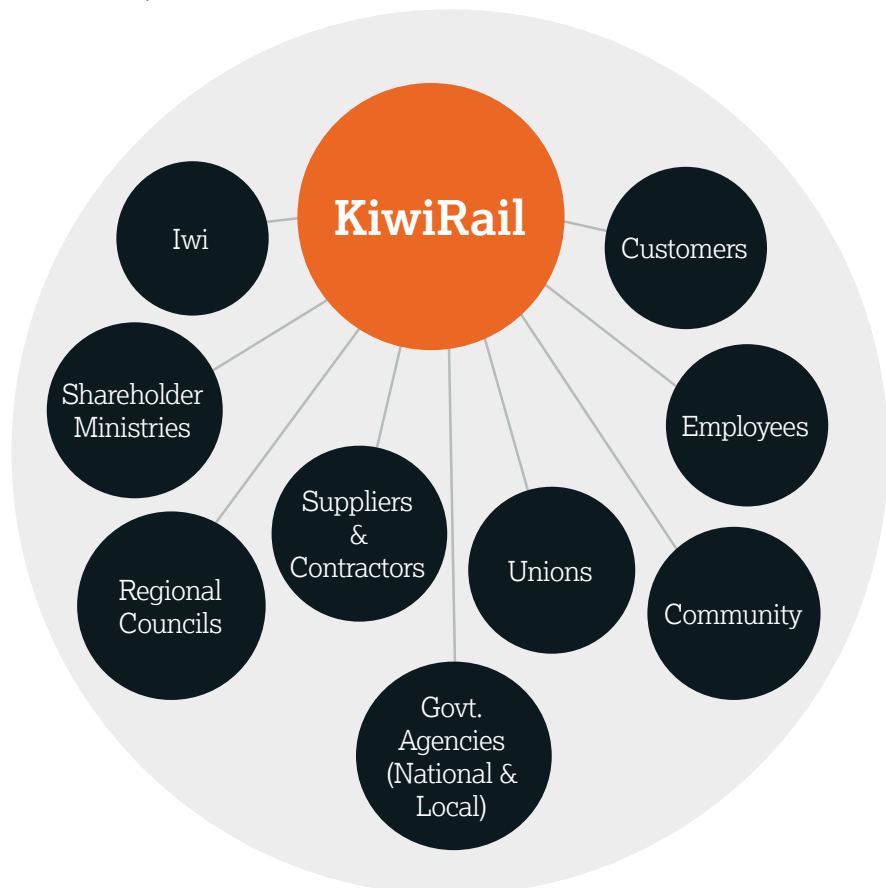
Along with customers, partners, train operators, communities and our people, KiwiRail also works closely with other Government and local government agencies, including Treasury, Ministry of Transport, Auckland Transport and the NZTA. We also consult with a number of local and regional councils, mayors and iwi on an ongoing basis.

We work proactively with the communities in which KiwiRail operates, building partnerships with local leaders and agencies to arrange community focused events such as the annual Safe Kids Day in Ngaruawahia, Rail Safety Week and events that commemorate New Zealand's rich rail history including this year's centennial ceremony for Victoria Cross recipient and railwayman Leslie Andrew.

KiwiRail is also the key sponsor of TrackSAFE NZ, a charitable trust that raises awareness about rail safety and ways to keep safe around tracks and trains. Rail Safety Week, a nationwide campaign, is planned and coordinated by KiwiRail in close association with TrackSAFE NZ and key stakeholders including New Zealand Police, NZ Transport Agency, Auckland Transport, Transdev and Greater Wellington Regional Council.

Stakeholder relationships

With operations stretching across freight, passenger and property businesses, our daily interactions and stakeholder strategies determine the strength of our relationships.



Sustainability

Committed to decreasing our impact on the environment, KiwiRail is taking advantage of the use of rail as a naturally energy efficient mode of transport, including its ability to reduce air pollution and congestion by taking more than one million truck trips off New Zealand roads each year. Our tourism and passenger services are also reducing the number of cars on roads.

Every tonne of freight delivered by rail results in 66% fewer carbon emissions than that delivered by road, enabling our customers to reach their sustainability targets while supporting New Zealand's commitment to carbon reduction. In the past year KiwiRail's fuel efficiency scheme DAS (the Driver Advisory Programme), enabled the saving of 5.7 million litres of diesel. A similar fuel efficiency programme is being developed for our Interislander fleet.

KiwiRail is in a partnership with the Energy Efficiency and Conservation Authority (EECA) to achieve energy savings of 20 gigawatt hours (GWh) across the business by 2020, and is in the process of developing a business-wide Energy Management plan. That plan includes internal initiatives such as the targeted recycling and repurposing of building materials such as sleepers and rail, minimising the quantity of end of life materials being sent to landfill, as well as overall workplace efficiencies.

Earthquake recovery

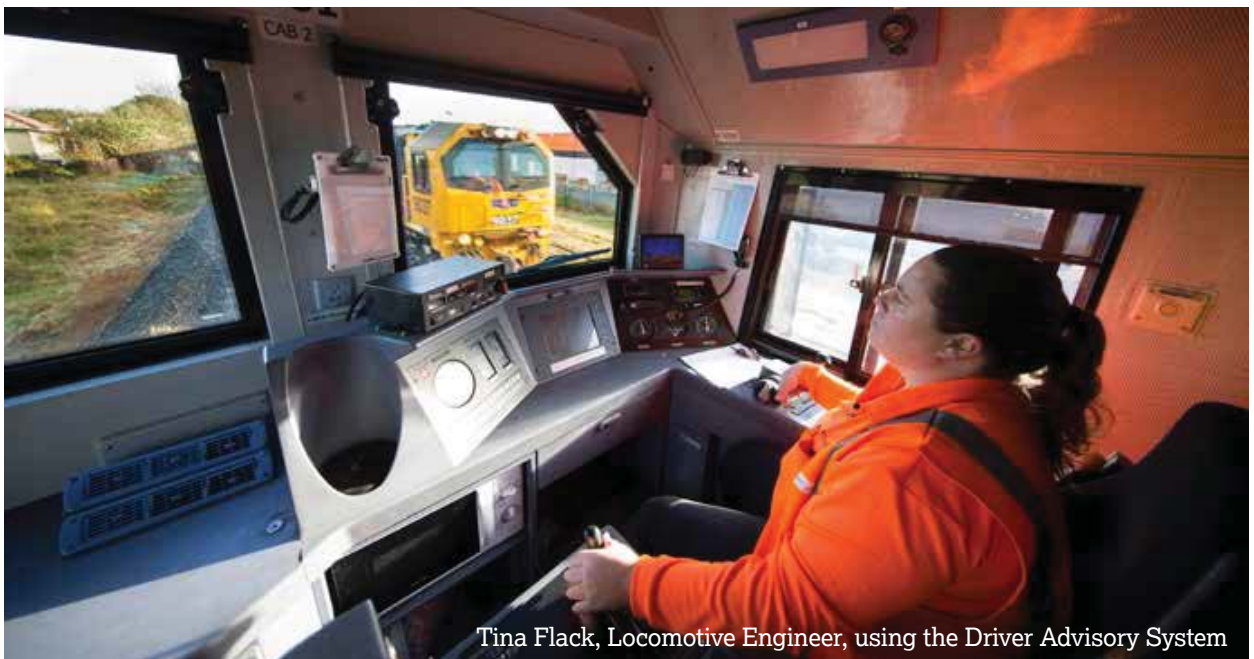
KiwiRail and the NCTIR alliance have worked hard to deliver an early, but limited, reopening of the Main North Line for freight trains to connect Picton with Christchurch. Repair work will continue to progress throughout FY18 to ensure that full freight services and the Coastal Pacific passenger service return to the line in a timely manner.



Logan Kahui, Locomotive Service Person



Dayna Smith, Crew Leader



Tina Flack, Locomotive Engineer, using the Driver Advisory System

Challenges

The changing nature of how global freight is moved and distributed, and the increasing number of rail commuters in our cities, is requiring KiwiRail to innovate and evolve the way we move large volumes of freight and numbers of people reliably, sustainably and at speed.

Strategic challenges currently facing KiwiRail include:

- Digital disruption including big data, smart data, artificial intelligence, and automation
 - North Island population growth, resulting in increased demand for commuter services
 - Shifts in international freight flows
 - Volatile international commodity markets
 - Environmental and sustainability issues
 - Completing the reinstatement of the earthquake impacted Main North Line to full capacity for customers
 - Ageing rolling stock which impacts on the reliability of our services
- Alignment with unions on strategic priorities to drive productivity
 - Shareholder alignment on rail policy and funding mechanisms
 - Competitively servicing the market and providing resilience across the Cook Strait
 - Building risk based systems and worker participation to deliver a step change for health and safety performance
 - Attracting and retaining talent in a competitive market, to mitigate KiwiRail's ageing workforce
 - Growing use of passenger rail
 - Crucial to meeting these challenges is a long term funding profile to support longer term decision making on simplifying the business, standardising our assets and investing in our people to support our growth strategies.



Skyla Phillips, Cabin Attendant

Opportunities

- Domestic freight market modal share growth
- New freight sectors penetration e.g. fuel transportation
- Shape inland hubs/IMEX ports to grow volume
- Maximising property lease revenue and divesting non-rail required land
- HPHE with unions to drive productivity improvements
- Regional commuter rail services such as Auckland to Hamilton
- Common user terminal approach for Cook Strait ferries
- Auckland Network Integrated Operating Model
- Highlighting KiwiRail's sustainability story and contribution to regional economies

What will success look like?

Reliable

- Trusted by customers, shareholders and public
- Meeting our customer promise
- Empowering our people to succeed

Sustainable

- Reducing heavy vehicle impact resulting in lower emissions and less congestion
- Creating long term viability

Valuable

- Helping our customers to grow New Zealand
- Bettering New Zealand transport resilience
- Appropriate long term Crown investment



Aratere in the Sounds

Governance

The KiwiRail Board



Trevor D Janes
Chairman



Dame Paula Rebstock
Deputy Chair



John Leuchars
Director



Guy Royal
Director



Paul Harper
Director



Mike Pohio
Director



John Dennehy
Director



Bob Major
Director



Susan McCormack
Director

Trevor D Janes
Chairman

Trevor Janes joined the Board in November 2016 as Chairman.

Trevor brings an extensive background in investment banking and finance. He is currently Chairman of Abano Healthcare, Certus Solutions, The International Development Commercial Advisory Panel of MFAT, the Tokelau International Trust Fund and Transport Investments Ltd. He is also Deputy Chair and Investment Committee Chair of the Accident Compensation Corporation (ACC). Trevor is a member of the NZ Markets Disciplinary Tribunal and the Postal Network Access Committee. He is a Chartered Fellow of the Institute of Directors, and a Fellow of both the NZ Institute of Financial Professionals and Chartered Accountants of Australia and New Zealand.

Dame Paula Rebstock
Deputy Chair

Dame Paula Rebstock joined the Board in 2009.

Dame Paula is an Auckland based economist and company director and brings an extensive governance background to KiwiRail. She is Chair of the Board of the Accident Compensation Corporation. Dame Paula is also Chair of the Insurance and Financial Services Commission, a Director of Auckland Transport, and a Trustee of the W.A. Stevenson Trust. She is a member of the University of Auckland Business School Advisory Board and Chair of the Vulnerable Children's Board.

John Leuchars
Director

John Leuchars joined the Board in 2010.

John is a professional company director and civil engineer. He brings significant experience in senior management of international consulting for engineering companies. John also has governance experience in a number of large engineering consultancy firms and not-for-profit organisations, and is a Fellow of the Institution of Professional Engineers New Zealand.

Guy Royal
Director

Guy Royal joined the Board in 2013.

Guy has more than 20 years' experience in private equity and commercial and corporate law, in New Zealand, Hong Kong, Vietnam and the United Kingdom. He is Managing Director of Tuia Group, a professional advisory firm with offices in New Zealand and overseas. Guy has sat (and continues to sit) on the Boards of a number of private and public-sector businesses including Crown Forest Rental Trust, Film and Literature Review Board and New Zealand Fast Forward Fund Limited.

Paul Harper
Director

Paul Harper joined the Board in May 2016.

He brings experience in directorships and senior management roles across the transport and infrastructure sectors. Paul is Chairman of Netlogix Ltd and a Director of Health Alliance Ltd. His varied roles have included Marine Engineer, shore-based shipping company management in Norway, Scotland, Brazil and Australia, Group General Manager of the Interisland Line, and establishment CEO of Carter Holt Harvey and Lodestar. He is also a chartered member of the Institute of Directors and a member of the Chartered Institute of Logistics and Transport.

Mike Pohio
Director

Mike Pohio joined the Board in May 2016.

Mike is a Hamilton-based director. Mike currently holds directorships on the boards of Panuku Development Auckland, NIWA, OSPRI and Te Atiawa Iwi Holdings. He is also Chairman of BNZ Partners, Waikato Region. His Executive career includes CEO of Tainui Group Holdings (TGH) for eight years and senior executive roles for companies including Port of Tauranga, Fonterra, NZ Dairy Group and Elders Pastoral. His governance background includes six years as a shareholder and director of NZL Group Ltd, seven years on the Transpower Board and a Ministerial appointment to the University of Waikato Council. Mike holds an MBA from IMD, Lausanne and an FCA from the Chartered Accountants Australia & New Zealand.

John Dennehy
Director

John Dennehy joined the Board in May 2017.

John brings with him a valuable background in financial services focusing on international transport and infrastructure, including rail, shipping, road and aviation in the private and state-owned sectors. John has served on a number of Boards in New Zealand and in the United Kingdom, and is currently Chair of the Mercer Group Ltd.

Bob Major
Director

Bob Major joined the Board in May 2017.

Bob brings valuable governance experience to the Board. He has spent many years working in the dairy industry, including the New Zealand Dairy Research Institute, New Zealand Dairy Board and on the senior leadership team of Fonterra. His previous roles include a former director of Sealord Group and Barker Fruit Processors, a current director of Westland Milk Products and BioVittoria Ltd and Chair of Gibb Holdings (Nelson) Ltd.

Susan McCormack
Director

Susan McCormack joined the Board in May 2017.

A partner at Mortlock McCormack Law, Sue specialises in corporate and commercial law. She is the Pro-Chancellor of the University of Canterbury and has previously been a director of the Lyttelton Port Company Limited, the New Zealand Symphony Orchestra and the Public Trust.

Where a date for appointment to the Board precedes 1 January 2013, it is a reference to the date that the Director was appointed to the Board of the New Zealand Railways Corporation (NZRC), the former parent of the Group. Following a restructure of the Crown's rail interests in 2012/13 in which the majority of NZRC's rail assets and liabilities were vested in KiwiRail Holdings Limited, the then Directors of NZRC were appointed to the Board of KiwiRail Holdings Limited as the new parent company for the Group.

The KiwiRail Executive Team



Peter Reidy
Chief Executive



Kate Jorgensen
Chief Financial Officer



Todd Moyle
Group General Manager
Network Services



Rob McAlpine
Group General Manager Operations



Alan Piper
Group General Manager Sales and
Commercial



David Gordon
Group General Manager Asset
Management and Investment



Andrew Norton
Group General Manager
Human Resources



Katie McMahon
Group General Manager Zero Harm



Roy Sullivan
Group General Manager Rolling Stock
Asset Services

Peter Reidy
Chief Executive

Peter joined KiwiRail as Chief Executive in March 2014.

He brings to KiwiRail a successful track record of building and leading service and infrastructure-based businesses in the logistics, energy, building products and asset management sectors in New Zealand, Australia, Asia and the United Kingdom. Prior to KiwiRail, Peter held a number of senior leadership roles with Downer Group, Fletcher Building, Todd Energy and Freightways.

Kate Jorgensen
Chief Financial Officer

Kate joined KiwiRail in March 2015.

She is a strategic CFO who partners with the business to drive results. Prior to KiwiRail, Kate worked for Fletcher Building for six years, where she held several senior commercial roles, including Divisional CFO for Heavy Building Products and Divisional CFO for the Infrastructure Products Division.

Todd Moyle
Group General Manager
Network Services

Todd joined KiwiRail in February 2007.

He is responsible for leading the maintenance, renewal and upgrade of the KiwiRail's infrastructure network. Todd has held a number of roles within KiwiRail including Southern Development Manager, Southern Region Infrastructure Manager and Project Interface Manager for the Auckland Metro upgrade. Prior to KiwiRail, Todd worked on a number of projects for London Underground as well as consultancy and project roles across the Pulp and Paper sector in New Zealand. Todd has a Bachelor of Mechanical Engineering with First Class Honours.

Rob McAlpine
Group General Manager Operations

Rob joined KiwiRail in October 2016.

Rob brings to KiwiRail more than 30 years of operational and strategic experience in the rail sector, and is responsible for the logistics and operations of our freight and Interislander services. Prior to KiwiRail, Rob was Global Freight Rail Director at AECOM. He also worked for QR National in Australia as General Manager Operations and then Group General Manager Intermodal and Regional Freight.

Alan Piper
Group General Manager Sales
and Commercial

Alan joined KiwiRail in September 2013.

He is responsible for the freight, commercial vehicles and passenger revenue portfolios. This includes marketing, pricing and sales planning to improve margin and revenue. Alan previously worked in freight and logistics sales and general management roles with CourierPost and Pace Couriers, and had a successful 20-year career with the Bank of New Zealand in retail banking and branch strategy.

David Gordon
Group General Manager Asset
Management and Investment

David joined KiwiRail in 2007.

His first role was as Project Director on the Wellington Regional Rail Programme. In his current role, David is responsible for asset and risk management systems, network control, property, Metro and national development projects.

Andrew Norton
Group General Manager
Human Resources

Andrew joined KiwiRail in June 2014.

He brings extensive experience in Human Resources and Industrial Relations, in both large public and commercial organisations. Andrew has an in-depth understanding of Industrial Relations, strong engagement skills with front line engineering and customer service teams, and experience in developing Executive leadership in large organisations. He previously held high-level roles with Public Service Association (PSA) NZ, Auckland District Health Board and worked as Downer Australia's Executive General Manager Human Resources.

Katie McMahon
Group General Manager Zero Harm

Katie joined KiwiRail in June 2017.

She is responsible for leading KiwiRail's health and safety strategy programme. Katie has worked in the rail industry for more than 10 years and has significant leadership experience in leading risk management and health and safety practices for large rail businesses. Katie began her career in the Australian Army and prior to KiwiRail, she was Manager Safety, Health and Environment for Aurizon's Queensland operations.

Roy Sullivan
Group General Manager Rolling Stock
Asset Services

Roy joined KiwiRail in April 2016.

He brings more than 30 years rolling stock asset maintenance and manufacturing experience. Roy is responsible for specialist teams in fleet mechanical engineering, locomotive and wagon assets and field maintenance service. His portfolio also oversees KiwiRail's workshops and the procurement of new assets. Prior to KiwiRail, Roy held roles with United Kingdom - based Alstom Transport and Downer Rail Australia.