

Chairs presentation AGM – 28 July 2023

Tena Koutou Katoa, Good Afternoon everyone

Thank you, Sharon for the opportunity to present with The Electra Chief Executive Neil Simmonds, the Annual Report for the Electra Group for the year ended 31 March 2023.

The Annual Report process is an opportunity to reflect on and record the activities and performance of the Group over the preceding twelve months, and while its something that is required of us, I think it's a great opportunity to record the history of the Group and to recall the achievements and progress made.

In 2022/2023 Electra has continued its Mission to enhance the Horowhenua / Kāpiti Coast community and its regional development through the provision of 21st Century infrastructure and new technologies, and its Purpose, in Empowering your Future

Providing outstanding service and creating value for our consumers and owners is what drives our business.

I am pleased to say that continued focus on high standards of customer service again saw outstanding results in our annual Customer Survey. Once again Mother Nature made her presence felt with significant weather events at both ends of our region during the year, and once again our teams stepped forward to restore power to homes and businesses in trying conditions. Our teams do us proud everyday, but they are especially appreciated in times of need, when the lights go out unexpectedly at all times of the day and night, when accidents occur, and when the weather wreaks havoc. And while our outage statistics were impacted by a number of external events this year the Company's performance still stands out against the industry and our peers.

You will see from the Annual report that after providing a price discount of over \$5m including GST to all eligible consumers, paid as a credit to their electricity accounts earlier this year, the Group ended the financial year with an after tax profit of \$5.3m. Electra's network assets were also independently revalued at year end with an uplift of around \$43m being added to the asset value and equity of the Group and after an independent review during the year, a restructure of the ownership of the Quail Ridge investment was undertaken resulting in Electra owning 100% of the ordinary shares.

Across all strategic pillars, the business has its eye firmly on the future. Electra and all electricity distribution businesses play a critical role in enabling the decarbonisation ambitions of New Zealand. We are entering (if not already in) transformational times. There is positivity around the growth expectations for our region, both north, south and in the middle; large developments are underway or being planned and we are sure to see more activity as a result of Transmission Gully and other roading improvements that make living and doing business in Horowhenua Kapiti more attractive.

Alongside this is the electrification of transport and industry, the spread of solar generation and battery storage and the introduction of distributed energy resource management systems. This expected growth is forecast to double the electricity load on Electra's network by 2041. This growth will require careful planning, and forecasting, access to data, innovation and thinking differently, collaboration and leadership, and significant investment. Ensuring Electra's network is fit for purpose and ready for what is coming is, and will be, the focus of the organisation's Asset Management Plan and the centre of the Group strategy which is to be updated and refreshed in the coming months.

As always, our priority is to deliver a safe and reliable electricity supply to everyone connected to our network, with the flexibility and capacity to meet both current and future demand and needs.

Electra's success like all businesses, relies on its people; their skills and knowledge and more so their attitude and application to the purpose of the organisation. I want to thank everyone, in all parts of our business for their continuing dedication and commitment to Electra and our region. Today is my last day as a Director of Electra, as it is for Chris Dyhrberg – both of us joining the Board together nine years ago, and the Company will farewell Neil, our Chief Executive who also finishes in a week's time. I want to thank the Directors, Trustees and Senior Leaders I have worked with in that time, all of whom have always had the interests of this Company, its owners and this region at the heart of all decisions, and who have supported me as Chair in the past four years. I thank Neil for his tireless efforts over that same period, as I said in the annual report, the company has benefited from his deep industry knowledge and expertise and we wish him well in what comes next.

I congratulate the incoming Chair Steve Armstrong and wish everyone all the best for the exciting future ahead.

Thank you.