

Trustees Report 2024/25

In the past year we have been buffeted by change and it's not over yet! Everywhere it's been a good news/bad news scenario. So here's some good news to start:

Electra has worked hard in the past year to put in place a purposeful and far-sighted strategic plan for the next decade and beyond. Poorly performing investments have been exited. The company's IT and cybersecurity systems have been reviewed and improved. Staff roles, training and safety have been enhanced. Ideas for working smarter and more efficiently have been encouraged. Plans are in place to consolidate the company's various properties and develop a much needed new depot and office complex in Levin.

Once again Electra is in the top group of lines companies for reliability and minimal outage times. This is despite challenging weather events and maintenance schedules. We can be assured that on every count the beneficiaries who own Electra - that's 47,000+ consumers in Kapiti-Horowhenua - are the first priority for trustees, directors and the company.

Despite this positivity there are real challenges ahead: they include potential tariffs for capital equipment and a negative vibe that surrounds the electricity sector here. Times are tough, the cost of living is no joke, there is pressure to continue decarbonisation and to electrify. At the same time we're told there isn't enough clean energy anyway and it gets more and more expensive. People are rightly concerned about climate

change and erratic weather patterns. Politically there seem to be moves afoot to review the whole sector but when and how we don't know.

Electra has reluctantly increased line charges to cover higher operating costs and the need to invest over \$280m in the network over the next decade for growth and asset replacement. The Electra website will give you a detailed and comprehensive explanation of distribution cost increases, a full report of the past year and future plans: www.electra.co.nz/our-company/disclosures

The fact that the community owns Electra and it works for everyone here - not offshore owners and shareholders - is a great advantage. When something does go wrong you know who to call and they will be there, which is why the company continues to enjoy such an enormous amount of goodwill. The priority is always security and reliability. The trustees, on your behalf, want to ensure the company builds on this despite the challenges ahead.

Finally trustees would like to thank Lindsay Burnell for his many years of service as a trustee and particularly for his work back in 1992 when he was part of the group that had the vision to hold on to our local power company for our long term benefit. His was a massive contribution and he is missed. In his place we welcome Corey Kennett and appreciate his valuable insights.

Sharon Crosbie
CNZM OBE Chair
Electra Trust

The Electra Trust is 100 percent beneficially owned by the 47,082 electricity consumers currently connected to the Electra network through Kāpiti and Horowhenua ("Beneficiaries").

The six elected Trustees of the Electra Trust hold the shares of Electra Limited ("Company") for the benefit of the Beneficiaries, ensure the terms of the Trust Deed are complied with, and the benefits of that shareholding are distributed to the Beneficiaries in the form of an annual price discount.

The Trustees appoint and monitor the performance of the Company's Directors. The Company is responsible for operating the lines network (including lines, transformers and substations).

For more information about the Electra Trust please visit: www.electratrust.co.nz

Where the Electra Network fits



Generation

Contact Energy, Meridian, Genesis, Mercury, Mighty River Power



Transmission

Transpower



Distribution

Electra



Energy Retail

Contact Energy, Meridian, Genesis, Nova, Mercury, Electric Kiwi & Others

The Annual Report of Electra Trust, including the audited Financial Statements, is available on request from: Electra Ltd, Cnr Bristol & Exeter Streets, Levin. Or telephone 06 368 8406 (Secretary). Or online at: www.electratrust.co.nz

OVERVIEW OF ELECTRA TRUST'S EXPENSES

	2025	2024
	\$	\$
Accountancy Fees	3,726	3,588
Annual Report Expenses	39,635	37,775
Audit Fees	8,855	8,510
Bank Charges	48	44
Beneficiaries Meetings	1,414	774
Conference Expenses	4,016	1,587
Corporate Trustee Fees	8,050	8,050
Depreciation	519	822
Director Appointment	-	47,540
ETNZ Levy	14,322	14,322
General Expenses	1,342	1,446
Legal Expenses	6,626	4,083
Office Expenses	445	421
Secretarial	40,000	36,250
Telephone and Internet	1,146	1,202
Trustee Election Expenses	35,318	18,103
Trustees' Expenses	12,888	13,028
Trustees' Fees	119,000	95,917
Trustees' Insurance	13,959	13,297
	\$311,309	\$306,759

These expenses are covered by a Dividend of \$330,000 received from Electra Limited.

Details of the discount are contained in the Electra Annual Report.

DIRECTORY

TRUSTEES

Sharon Crosbie (Chair) CNZM OBE
Brendan Duffy ONZM JP
Russell Longuet BE(elec)
Neil Mackay BCA
John Yeoman BBS ACA FCG
Corey Kennett GradDip BusStuds
MinstD

SECRETARY

Anne Robb, Levin

ADVISORY TRUSTEE

Public Trust, Wellington

AUDITOR

Deloitte, Wellington,
on behalf of the
Controller and Auditor
General

SOLICITORS

C S Law, Levin

NOTICE OF ANNUAL MEETING

Notice is hereby given that the Annual Meeting of Beneficiaries of Electra Trust will be held at the Council Chambers, Kapiti Coast, 175 Rimu Road, Paraparaumu, on Friday, 25 July 2025 commencing at 12 noon.

ORDINARY BUSINESS

- Presentation of the following:
 - Annual Report
 - Financial Statements for the year ended 31st March 2025
 - Report of the Auditor
- Report on the operation and Financials of Electra Limited (the Company).
- To appoint an auditor for the Trust for the year ended 31st March 2026.
"THAT the Controller and Auditor General or his appointee be appointed as auditor for the Trust."
- Authorise the Trustees to fix the remuneration of the Auditor of the Trust.
"THAT the Trustees be authorised to fix the remuneration of the Auditor of the Trust."
- To review and discuss the Code of Practice for the Electra Trust.
- Report on the Company's compliance with the Statement of Corporate Intent.
- General Business

By the order of the Trustees - Anne Robb, Trust Secretary - Levin



YOUR ELECTRA TRUSTEES

Sharon Crosbie (Chair) Manakau - Corey Kennett Levin - Brendan Duffy Levin - Russell Longuet Otaki - Neil Mackay Paraparaumu - John Yeoman Paraparaumu

**MINUTES OF THE THIRTY FIRST ANNUAL BENEFICIARY MEETING OF ELECTRA TRUST HELD AT THE COUNCIL CHAMBERS,
HOROWHENUA DISTRICT COUNCIL, OXFORD STREET, LEVIN ON FRIDAY 26 JULY 2024 AT 12PM**

PRESENT

Trustees: S Crosbie (Chair), L Burnell, B Duffy, R Longuet, N Mackay, J Yeoman
Directors: S Armstrong (Chair of Electra Limited), M Bain, J Carmichael, S Houston, L Ellwood, R Sutton
Five other Beneficiaries
In attendance: A Robb (Secretary)
Andrew Bailey (Representing Public Trust as Advisory Trustee)
Geoff Douch (Chief Executive of Electra Ltd)
Members of Senior Management Electra Ltd (15)
The Chair welcomed everyone to the meeting and introduced the Trustees and Directors.
The Chair advised Beneficiaries that voting papers were available if they had not already voted by post or on-line.

APOLOGIES

Nil

MINUTES

RESOLVED THAT THE MINUTES OF THE PREVIOUS ANNUAL BENEFICIARY MEETING HELD ON 28 JULY 2023, AS CIRCULATED PREVIOUSLY BE TAKEN AS READ, CONFIRMED AS TRUE AND CORRECT RECORD AND SIGNED BY THE CHAIR. Carried.

TRUST CHAIR PRESENTATION:

The Chair introduced the Directors of Electra Limited and Trustees of Electra Trust.

She outlined the positive direction of the Company, noting the growth of the region and the challenges the Company has ahead with the delivery of electricity, and a need for greater sustainability and conservation.

She expressed her respect and interest in the strategic directional change that the new Chief Executive and Board were working on and noted that it will make a difference to next year's report.

ANNUAL REPORT OF ELECTRA TRUST AND FINANCIAL STATEMENTS

The Chair presented the 2024 Annual Report.

The Chair put the motion, seconded by B Duffy.

RESOLVED THAT THE ANNUAL REPORT AND FINANCIAL STATEMENTS OF THE TRUST FOR THE YEAR ENDED 31 MARCH 2024 BE ADOPTED.

The Chair declared that 2,436 votes for the motion and 43 against carried the motion.

ELECTION OF TRUSTEES

The Chair stated that in accordance with the Trust Deed, L Burnell, J Yeoman and N Mackay have retired by rotation.

L Burnell has chosen not to put himself forward for re-election. J Yeoman and N Mackay, being eligible have been nominated for re-election.

The Secretary read the returning officer Warwick Lampp's report on the Trustee Election results and advised that the successful candidates from the 2024 Trustee Election were John Yeoman, Neil Mackay and Corey Kennett. She declared John Yeoman, Neil Mackay and Corey Kennett to be elected Trustees under the terms of the Trust Deed of Electra Trust.

TRUSTEE REMUNERATION

The Chair put the motion, seconded by N Mackay.

RESOLVED THAT THE REMUNERATION OF THE TRUSTEES BE INCREASED BY \$23,082.50 AND THEREFORE THE REMUNERATION FOR THE 12 MONTHS ENDING 31ST MARCH 2024 BE AN AMOUNT OF \$119,000.00, SUCH SUM TO BE DIVIDED AMONGST THE SIX TRUSTEES IN SUCH PROPORTIONS AND IN SUCH MANNER AS THEY MAY AGREE.

The Chair declared that 1,754 votes for the motion and 734 against carried the motion.

Note: *The Trustees are seeking independent oversight of any future increases in fees.*

APPOINTMENT OF AUDITOR

The Chair put the motion, seconded by J Yeoman.

RESOLVED THAT THE CONTROLLER AND AUDITOR GENERAL, OR HIS APPOINTEE, BE APPOINTED AS AUDITOR FOR THE TRUST.

The Chair declared that 2,431 votes for the motion and 53 against carried the motion.

REMUNERATION OF AUDITOR

The Chair put the motion, seconded by R Longuet.

RESOLVED THAT THE TRUSTEES BE AUTHORISED TO FIX THE REMUNERATION OF THE AUDITOR OF THE TRUST.

The Chair declared that 2,311 votes for the motion and 153 against carried the motion.

CHANGES TO THE TRUST DEED

The Chair put the motion, seconded by J Yeoman.

RESOLVED THAT THE TRUSTEES ARE AUTHORISED TO MAKE CHANGES TO THE TRUST DEED.

The Chair declared that 2,184 votes for the motion and 250 against carried the motion.

CODE OF PRACTICE

The Chair asked the Advisory Trustee representative Andrew Bailey to read the Public Trust's Annual Report to the Beneficiaries. This report confirmed that to the best of the Public Trust's knowledge, based on the information provided by the Trustees, that they had complied with their obligations under the Trust Deed and the Code of Practice in all significant respects during the year ended 31 March 2024.

STATEMENT OF CORPORATE INTENT

The Chair reported that the Trustees had reviewed and monitored the Statement of Corporate Intent of the Company and that Trustees believed the Company had adhered to the document.

DIRECTION TO THE TRUSTEES AS TO ADOPTION OF THE ANNUAL REPORT AND FINANCIAL STATEMENTS OF ELECTRA LIMITED

The Trust Chair invited Electra Chair Mr Steve Armstrong, and CE of Electra Limited Mr Geoff Douch, to present the Annual Report of the Company.

Mr Armstrong introduced himself, advising that he took on the role as Chair in August 2023.

He outlined the challenges that Electra faces in meeting New Zealand's objective to be net zero by 2050.

He advised that the last 12 months has been about making significant changes in the business to ensure that Electra can deliver on that goal, and ensuring that the Trustees, Board, and Management Team are aligned and focused on getting this "energy transformation" right.

Mr Armstrong emphasised the changes to the business have centred on ensuring the focus is 100% on the core electricity business, freeing capital to be available for investment in the core network, building skillsets and capability in the business.

He made reference to the Annual Report and the Company result. He confirmed that close to \$6m in discounts has been paid out to the 47,000 Beneficiaries this year and pointed out that over the last 30 years the business had returned more than \$220m to Beneficiaries.

Mr Armstrong confirmed Electra's reliability and service continues to be better than similar sized regional electricity companies.

Mr Armstrong acknowledged the experience, knowledge and capability of the 5 new Directors and CE, all recently appointed, and thanked them for their support and contribution.

His presentation can be viewed on the Trust website www.electratrust.co.nz.

Mr Douch introduced himself as the newly appointed Chief Executive which he took on in late November 2023. He reiterated the challenges the Company had endured over the past year and acknowledged his role, and main objective was to deliver the Company reset strategy going forward.

Mr Douch presented a slide display highlighting the core business activities over the last 12 months and the strategic direction and reset of the Company for the next 12 months.

Slide presentation is available to view on trust website www.electratrust.co.nz.

The Chair thanked Mr Steve Armstrong and Mr Geoff Douch for their presentations.

The Chair put the motion, seconded by L Burnell.

RESOLVED THAT THE MEETING DIRECTS THE TRUSTEES TO ADOPT THE ANNUAL REPORT AND FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH 2024.

The Chair declared that 2,436 votes for the motion and 42 against carried the motion.

DIRECTION TO THE TRUSTEES AS TO AUTHORISING THE PAYMENT OF A DIVIDEND

The Chair put the motion, seconded by B Duffy.

This dividend covered the expenses of Electra Trust.

RESOLVED THAT A DIVIDEND OF \$330,000 BE APPROVED.

The Chair declared that 2,378 votes for the motion and 103 against carried the motion.

DIRECTION TO THE TRUSTEES AS TO AUTHORISING DIRECTORS TO FIX THE REMUNERATION OF THE AUDITOR OF THE COMPANY

The Chair put the motion, seconded by N McKay.

The Chair declared that 2,340 votes for the motion and 144 against carried the motion

RESOLVED THAT THE DIRECTORS BE AUTHORISED TO FIX THE REMUNERATION OF THE AUDITOR OF THE COMPANY.

PUBLIC FORUM

The Chair invited questions and comments from the floor.

Question:

Why is Electra no longer a shareholder of Horowhenua Developments Ltd?

Response S Armstrong:

The Electra Chair answered that if Electra remained a shareholder they would be required to commit further Capital. This Capital was better spent towards delivering the decarbonisation of the network in line with the Companies investment priorities. It was therefore no longer appropriate to stay in that business.

Question:

Why has Quail Ridge not yet sold?

Response S Armstrong:

The Electra Chair advised that the Company had entered into this investment in 2019 and that they were now very focused on exiting the investment. The challenges of a property market downturn, higher interest rates and the uncertainty in the retirement sector, had resulted in a delayed sale. The Chair confirmed there would be no further capital invested in this business.

Question:

How much is Electra investing in upgrading its network?

Response S Armstrong:

Mr Armstrong referred to the slide presentation which outlined the current and forecasted costs of the network upgrade.

Question:

What are the statistics regarding women compared to men employed by Electra?

Response G Douch:

Mr Douch referred to the Annual Report which shows 80% of staff are male, 19% are female and 1% not specified. Mr Douch confirmed that the Company is working to expand its gender diversity, in particular females into the trade industry. Electra like many infrastructure industries, has had a generational challenge of being able to attract females into the workforce, particularly in trade roles. Mr Douch confirmed this is an industry wide problem which Electra are tackling.

There being no further questions the Chair declared the meeting closed and thanked everyone for their attendance.

CLOSURE

The meeting closed at 12.58pm.

