

Trustees Report 2025/26

The annual review of the Electra Trust presents an opportunity to reflect on the role of the Trust. It's 35 years since the decision was made that Electra, formerly the power board, would be owned by our community of 47,479 Kapiti and Horowhenua electricity consumers. They would be the beneficiaries of a share of profits and Electra would contribute to the community in many other ways. Each year, as Beneficiaries, shareholders in fact, they would be entitled to a discount dependent on the company's performance. Also they would benefit from having a lines company in the region that was immediately responsive to problems to do with weather emergencies, domestic lines faults, the all too regular Car versus Pole on the highways and undisciplined trees. Electra would also provide job opportunities locally. Beneficiaries would have the satisfaction of knowing the money made would stay in the region and not go to faceless off shore owners.

On their behalf a board of Trustees was to be elected from the community and the 6 elected were bound by a trust deed that set out their responsibilities.

The main concern of the Trustees is always to consider what is best for Beneficiaries. However the Trustees do not run the company. Instead their most important responsibility is to appoint the best Board of Directors possible. Your current Trust has been blessed with excellent advice in making these appointments and now have a group of skilled and experienced men and women who bring to us excellent qualifications in law, the energy sector, IT and wide governance experience. In the past couple of years they have set a new strategy that has exited non-core and non-performing investments; chosen a path for Electra that concentrates on core business and appointed an experienced and energetic CEO.

The Trust has the power to remove non performing Directors and takes independent advice as to their fair remuneration and contribution.

Trustees are regularly briefed by the Board and CEO as to what is happening in our region, the politics of the energy sector which is complex and increasingly concerning in terms of price and supply; and most importantly Electra's record in keeping the lights on and the whole network working efficiently. The challenges are obvious as the cost for equipment and skilled lines staff increase, too. For example, the wire that carries the electricity around the network has gone up by 30% in just 6 months and the cost of diesel has doubled.

There is good news, Electra is involved in the O2NL expressway for the next 2-3 years and will benefit from the opportunities presented.

The discount payment has been reviewed and will increase, and consideration is being given to paying it twice a year.

However Trustees do not run the Company from day to day.

Our role is to 'advise and consent'. Each year we send a 'letter of expectation' to the Board and the things we think are important for Beneficiaries are discussed and then form part of the Company's Statement of Corporate Intent, the successful performance (or otherwise) is then reported on through the Company's annual report for all the world to see!

Electra has many priorities: health and safety is most important, lines work can be dangerous and deadly. There is now much more effective, targeted and relevant communication, in all media, with the community. When work has to be done feedback from residents has been invariably positive. In 2027 the Trust conducts a 7-yearly ownership review that gives Beneficiaries the chance to consider the future of Electra. I believe our current model serves us well on many levels as the Company goes from strength to strength.

Sharon Crosbie
CNZM OBE Chair
Electra Trust

The Electra Trust is 100 percent beneficially owned by the 47,479 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

	2026	2025
	\$	\$
Accountancy Fees	3,910	3,726
Annual Report Expenses	2,241	39,635
Audit Fees	9,200	8,855
Bank Charges	41	48
Beneficiaries Meetings	1,256	1,414
Computer Maintenance and Support	370	566
Conference Expenses	1,100	4,016
Corporate Trustee Fees	13,800	8,050
Depreciation	1,035	519
ETNZ Levy	14,322	14,322
General Expenses	-	776
Legal Expenses	-	6,626
Office Expenses	421	445
Secretarial	41,250	40,000
Telephone and Internet	1,102	1,146
Trustee Election Expenses	1,150	35,318
Trustees' Expenses	12,983	12,888
Trustees' Fees	119,000	119,000
Trustees' Insurance	16,779	13,959
	\$239,960	\$311,309

These expenses are covered by a Dividend of \$250,000 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 OF TRUST BENEFICIARIES

Notice is hereby given that the Annual Meeting of Beneficiaries of Electra Trust will be held at the Council Chambers, Horowhenua District Council, Oxford Street, Levin, on Friday, 31 July 2026 Commencing at 12 noon.

ORDINARY BUSINESS

1. Presentation of the following:
 - (a) Annual Report
 - (b) Financial Statements for the year ended 31st March 2026
 - (c) Report of the Auditor
2. To record the election of three Trustees.
3. Report on the operation and Financials of Electra Limited (the Company).
4. To appoint an auditor for the Trust for the year ended 31st March 2027.
 "THAT the Controller and Auditor General or his appointee be appointed as auditor for the Trust."
5. 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."
6. To review and discuss the Code of Practice for the Electra Trust.
7. Report on the Company's compliance with the Statement of Corporate Intent.
8. 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 SECOND ANNUAL BENEFICIARY MEETING OF ELECTRA TRUST HELD AT THE PARAPARAUMU COUNCIL CHAMBERS, 175 RIMU ROAD, PARAPARAUMU ON FRIDAY 25 JULY 2025 AT 12PM

PRESENT

Trustees: S Crosbie (Chair), C Kennett, R Longuet, N Mackay, J Yeoman

Directors: S Armstrong (Chair of Electra Limited), M Bain, J Carmichael, S Houston, L Elwood, R Sutton
Nineteen Beneficiaries and members of Senior Management
Electra Ltd

In attendance: A Robb (Secretary)

Andrew Bailey (Representing Public Trust as Advisory Trustee)

Geoff Douch (Chief Executive of Electra Ltd)

The Chair welcomed everyone to the meeting and introduced the Trustees and Directors.

APOLOGIES

B Duffy

MINUTES

N Mackay, Seconded V Thorby

RESOLVED THAT THE MINUTES OF THE PREVIOUS ANNUAL BENEFICIARY MEETING HELD ON 26 JULY 2024, AS CIRCULATED PREVIOUSLY BE TAKEN AS READ, CONFIRMED AS TRUE AND CORRECT RECORD AND SIGNED BY THE CHAIR. Carried.

TRUST CHAIR PRESENTATION:

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

She made reference to the Annual Review which detailed the expenses of the Trust for the year ended 31 March 2025.

She spoke of the Trust structure and benefits of local ownership, noting as a locally owned trust we are not behold to overseas multinationals with profits disappearing offshore like our neighbouring networks, and that since 1992 consumers have benefitted by over \$230 million in distributions. She pointed out that ownership reviews occur every seven years and that the next is in 2027.

A survey done every year shows that more than 60% of the community are happy with Electra's service overall and over 80% are happy with the reliability of the network.

The chair outlined how the Trustees are voted for by consumers every 2 years, and that anyone who is a customer of the Electra network can stand to be elected; the next election is in 2026. The presentation also explained the roles and responsibilities of the Trustees and Directors.

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

APPOINTMENT OF AUDITOR

The Chair put the motion, seconded by R Longuet.

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

REMUNERATION OF AUDITOR

The Chair put the motion, seconded by C Kennett.

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

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 2025.

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.

REPORT OF ELECTRA TRUST AND FINANCIAL STATEMENTS

The Chair directed the Beneficiaries to the Electra Trust Annual Review brochure which detailed the expenses of the Trust for the year ended 31 March 2025. Copies of the Annual Review were provided at the meeting.

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 welcomed everybody and outlined that he would be covering

- Financial Performance FY25
- Reset of the Company
- What the future holds

Mr Armstrong outlined the investments outside of the core business that the Company has made over the last 15 years, with the plan being to broaden and diversify earnings for Electra to reinvest in the core network and lower the price to consumers.

The reset of the Company strategy has seen the exit of those investments over the past two years, and Quail Ridge Retirement Village was one of those investments. Due to the significant impact on the financial outcome for the current financial year, Mr Armstrong detailed the following; The rationale for the initial investment into Quail Ridge, the financial challenges faced since 2019, the attempts to exit Quail Ridge over 2021-2024 and the eventual sale of Quail Ridge with the resulting financial loss to Electra.

It was outlined that New Zealand's commitment to carbon neutrality by 2050 would place significant demands on Electra through increasing regional infrastructure and consumer electricity requirements. The priority for the business going forward is the huge programme of work that Electra needs to put in place to maintain the safety, reliability and to increase the capacity of the network.

Mr Armstrong emphasised that Electra delivering on energy transformation for its consumer Beneficiaries is the key focus for the business, and that the Company had embarked on a strategy of refocussing on the core business.

Mr Armstrong described the reset and redesign of the organisation around the new strategy, with significant changes to the Board and Management Team.

Mr Armstrong acknowledged the enormous effort of the Electra team to make necessary changes and transform the Company over a relatively short period of time. It has been a tough time for the last few years, but the Company is in good shape and looking ahead.

Mr Douch (CE) gave an informative slide presentation of the Company's activities during the year, which included the following:

- A strategy overview
- Achievements for the year
- Network and Financial performance
- Investment in the Network and Electra's people
- Major projects delivered in the year and key investment projects for the upcoming year.

Slide presentation is available to view on the Trust website: www.electratrust.co.nz.

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

PUBLIC FORUM

The Chair invited questions and comments from the floor.

Question (Kapiti News):

There are 6,000 new homes in Kapiti ready to be built with a big chunk of that happening in a short period, so what is Electra's capacity to cope with that?

Response G Douch:

The Electra CE acknowledged that Electra will have to make some investments in the area and that the challenge is the timing of the developments, when are they going to start, and how fast they will be built. The network has the capacity available from the Transpower Grid and at zone substation level (except Waikanae as noted as needing an additional substation), and that localised cable at street level is where the investment is needed and it is relatively quick and easy for Electra to build.

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

CLOSURE

The meeting closed at 12.45pm.