ELECTRA TRUST

MINUTES OF THE THIRTY THIRD ANNUAL BENEFICIARY MEETING OF ELECTRA TRUST
HELD AT THE HOROWHENUA COUNCIL CHAMBERS, OXFORD STREET, LEVIN
ON FRIDAY 31 JULY 2026
AT 12 PM

PRESENT

Trustees: S Crosbie (Chair), B Duffy, R Longuet, N Mackay, J Yeoman
Directors: M Bain (Chair of Electra Limited), J Carmichael, S Houston, L Elwood, K Sherry, R Sutton.
Eighteen beneficiaries and members of Senior Management Electra Ltd
In attendance: I Fenwick (Acting Secretary)
Tim Fabling (Representing Public Trust as Advisory Trustee)
Geoff Douch (Chief Executive of Electra Ltd)

Required quorum. The quorum is 20 shareholders. Quorum has been achieved.

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

APOLOGIES

C Kennett

MINUTES

J Yeoman, Seconded R Longuet

RESOLVED THAT THE MINUTES OF THE PREVIOUS ANNUAL BENEFICIARY MEETING HELD ON 25 JULY 2025, AS CIRCULATED PREVIOUSLY BE TAKEN AS READ, CONFIRMED AS TRUE AND CORRECT RECORD AND SIGNED BY THE CHAIR. Carried.

There were no matters arising from the minutes.

TRUST CHAIR PRESENTATION:

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

The Chair presented the Trust Annual Review, reaffirming the purpose of the Trust and its role in representing beneficiaries as shareholders of Electra. It was noted that the community ownership model has operated for 35 years, ensuring that profits remain within the region, supporting reliable electricity services, local employment, training opportunities, and community benefit.

The meeting was advised that the Trustees' primary role is governance rather than operational management. Trustees are responsible for appointing and overseeing the Board of Directors, who in turn appoint the Chief Executive Officer. The Chair acknowledged the current board for its diverse expertise in governance, law, the energy sector, and information technology, and for its focus on strengthening Electra's core business operations.

Trustees continue to receive regular updates from the Board and Chief Executive Officer regarding company performance, industry developments, electricity pricing, and security of supply challenges. It was further noted that Electra is expected to benefit from opportunities arising from the Ōtaki to North of Levin (O2NL) Expressway project over the next several years.

The Chair advised that the consumer discount payment had been reviewed and will increase, with consideration being given to introducing biannual payments. Health and safety remain Electra's highest operational priority, particularly in relation to network and line work activities. Improved community engagement and communications were acknowledged, with positive feedback received from residents regarding network maintenance and upgrade works.

Looking ahead, beneficiaries were reminded that the Trust's seven-year ownership review will be undertaken in 2027, providing an opportunity to consider the future ownership structure of Electra. The Chair expressed confidence that the current ownership model continues to serve beneficiaries and the wider community effectively.

APPOINTMENT OF AUDITOR

The Chair put the motion, seconded by B Duffy.

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

Carried.

ELECTION OF TRUSTEES

The Chair stated that in accordance with the Trust Deed, S Crosbie, B Duffy and R Longuet have retired by rotation. They all chose to put themselves forward for re-election.

The acting Secretary read the returning officer Warwick Lampp’s report on the Trustee Election results and advised that the successful candidates from the 2026 Trustee Election were Sharon Crosbie, Brendan Duffy and Russell Longuet. He declared Sharon Crosbie, Brendan Duffy and Russell Longuet to be elected Trustees under the terms of the Trust Deed of Electra Trust.

REMUNERATION OF AUDITOR

The Chair put the motion, seconded by J Yeoman.

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

Carried.

OWNERSHIP REVIEW 2027

The Chair put the motion, seconded by B Duffy
RESOLVED THAT THE TRUSTEES SHALL PROCURE A REVIEW OF THE OWNERSHIP STRUCTURE OF ELECTRA LIMITED IN ACCORDANCE WITH THE PROCEDURE SET OUT IN CLAUSE 4.1 TO 4.5 OF THE ELECTRA TRUST DEED.

Carried.

The Chair reaffirmed the Trustees commitment to transparency throughout the ownership review process. The meeting was advised that public meetings would be held to ensure beneficiaries receive independent report and sufficient information before voting on any proposed ownership changes.

CODE OF PRACTICE

The Chair asked the Advisory Trustee representative, Tim Fabling, 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 2026.

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 Trust Chair invited Electra Chair Mr Murray Bain, and CE of Electra Limited Mr Geoff Douch, to present the Annual Report of the Company.

FINANCIAL PERFORMANCE AND STRATEGIC DIRECTION

The CE and Board reported that a strategic reset programme had been completed, resulting in Electra being fully focused on its core purpose of providing a safe, reliable, and affordable electricity distribution service to the Kapiti and Horowhenua communities.

Key financial highlights for the year included:

- Net profit after tax of approximately $6.6 million.
- Strengthening of the company's balance sheet and cash flow position.
- Adoption of a revised financial strategy to balance ongoing network investment with customer affordability.
- Increase in the consumer discount target from $5.2 million (incl GST) to $10.5 million (incl GST) for the coming year.
- Distribution of $6.3 million (incl GST) to customers during the year.
- Confirmation that, over more than 33 years of trust ownership, more than $240 million has been returned to the local community.

Network Performance, Storm Response and Resilience

The meeting noted that two significant weather events in December and February had a substantial impact on the overhead electricity network.

- Approximately 1,367 storm repair jobs were completed, including 742 repairs in December and 625 repairs in February.
- The year-end outage performance measure increased to 325 minutes, compared with the target of 98 minutes.
- Excluding the impact of the major storms, network performance remained close to target levels.

The Board acknowledged the following investments made during the year:

- $19.9 million in network capital expenditure for asset replacement and renewals.
- $8.8 million in network operations and maintenance.

- $3.3 million in fleet and property investments.

The CE emphasised the importance of continued investment to improve network resilience and maintain reliable service delivery in the face of increasingly challenging external conditions.

Asset Management and Capital Projects

The Company presented the 10-Year Asset Management Plan, which outlines approximately $300 million of capital investment over the next decade, including $78 million allocated for maintenance activities.

Key projects completed or underway include:

- Installation of a new circuit to Paraparaumu Beach, including a new cable along Kapiti Road.
- Extensive pole, conductor and transformer renewal programmes.
- Replacement of approximately 2 kilometres of overhead line infrastructure in Tokomaru.
- Line relocation works associated with the O2NL Expressway project.
- Establishing a new zone substation near Peka Peka.
- Upgrades at the Foxton and Paekākāriki substations.

The Board reiterated its commitment to prioritising asset replacement and renewal, maintaining safety standards, supporting growth where necessary, and ensuring investments deliver value while maintaining affordability for consumers.

Customer Benefits and Community Engagement

The meeting heard that Electra continued to prioritise local ownership benefits through customer discounts and local procurement.

Key achievements included:

- More than $7.2 million spent with local suppliers during the year.
- Continued support for community programmes including Young Spark programme, Careers Expo participation, STEM Awards, and technical engineering scholarships.
- Sponsorship of community wellbeing programmes such as Healthy Homes and Warm-Up initiatives.
- Participation in approximately 18 local events aimed at educating consumers, promoting energy efficiency, and strengthening community engagement.

Sustainability, Solar Energy and Electric Vehicles

The Board reported ongoing progress in sustainability initiatives, including:

- Maintenance of Toitū environmental certification.
- Focus on reducing carbon emissions.
- Waste minimisation and diversion programmes.

Solar generation initiatives included:

- Increasing the export limit for residential solar connections from 5kW to 10kW.
- Reducing application approval times to less than three days, compared with up to ten days previously.
- Continued growth in both the number and capacity of solar installations across the network.

The Board also noted increasing electric vehicle (EV) adoption despite policy uncertainty. Most EV charging currently occurs at residential properties, and Electra continues to monitor charging trends and incorporate EV demand into network planning to support future growth and avoid peak-load impacts.

The CE outlined the following priorities for the year ahead:

Short-Term Priorities

- Restore and progress the network works programme following storm-related disruptions.
- Maintain high standards of safety and reliability.
- Deliver planned renewals and substation projects.

Medium to Long-Term Priorities

- Implement the 10-Year Asset Management Plan and associated $300 million investment programme.
- Balance network reliability and safety requirements with customer affordability.
- Pursue operational efficiencies and standardisation opportunities with peer electricity networks.
- Prepare the network for continued growth in solar generation and electric vehicle uptake.

The slide presentation can be viewed on the Electra Trust website www.electratrust.co.nz.

PUBLIC FORUM

The Chair invited questions and comments from the floor.

As no questions were raised, the Chair thanked everyone for attending and declared the meeting closed.

CLOSURE The meeting closed at 12.41pm