



WAIPĀ NETWORKS TRUST

Annual Plan

1 April 2024 – 31 March 2025



1. Annual General Meeting

- To be held on Friday 23 August 2024;
- To consider and adopt the Chairperson's Annual Report on the operations of the Trust during the year ended 31 March 2024;
- To consider and adopt the Financial Statements of the Trust for the financial year ended 31 March 2024;
- To consider and adopt the Annual Plan of the Trust for the 2024/2025 year;
- To report on the performance of Waipā Networks Limited for the year ended 31 March 2024;
- Beneficiaries to appoint the auditor of the Trust for the 2024/2025 year;
- To decide on the remuneration of Trustees for the 2024/2025 year.

2. Appointment of Directors of Waipā Networks Limited

- Conducted as required by the Trust Deed and the Constitution of Waipā Networks Limited.

3. Review of performance of Directors considering the Statement of Corporate Intent for the 2023/2024 year

- Review of performance and comment is included in the Chairperson's Annual Report to Beneficiaries.

4. Statement of Corporate Intent of Waipā Networks Limited for the year ending 31 March 2025 and two succeeding years

- Make comments to the Directors of Waipā Networks Limited on the draft copy of the Statement of Corporate Intent prepared by the Company;
- If need be, require appropriate modifications to the Statement of Corporate Intent;
- Make completed Statement of Corporate Intent available to the Connected Consumers.

5. Trust Finances

	2023 – 2024 Actual \$	2024 – 2025 Budget \$
Cash Flows from operating activities		
Interest income / investment income	3,452,731	220,000
Dividend from Waipā Networks Ltd	2,363,000	201,000
Other Revenue	0	0
Payments to suppliers and employees	(296,298)	(367,982)
	<u>5,519,433</u>	<u>53,018</u>
Cash Flows from investing activities		
Purchase of Property, Plant and Equipment	0	0
Loan to Waipā Networks Ltd	2,899,764	0
Forsyth Barr investment	(5,200,000)	(52,904)
	<u>(2,300,236)</u>	<u>0</u>
Net increase / (decrease) in cash held	3,219,197	114
Cash and cash equivalents at 1 April	<u>52,466</u>	<u>47,028</u>
Cash and cash equivalents at 31 March	<u>47,028</u>	<u>100,046</u>

6. Dividends

The policy on apportioning net profits to be distributed to Shareholders will be determined by the Board of Directors from time to time in accordance with future results and considering circumstances, particularly future capital requirements.

No dividend payment will be made without the approval of the Trust (shareholders).

The Trust have requested a yearly dividend be paid, only in years where the Trust's expenses and inflation-proofing of the investment fund are not covered by investment income. This ensures that the Trust's investment fund is inflation-proofed and remains stable, in real terms.

For the 2024/25 year the dividend requested was \$201,000. This includes covering the cost of the 2024 Trustee Election.

7. Discounts

The Trust have continued to ensure that customer discounts paid by the Company will maintain their value by increasing in line with network growth and inflation.

Connected Consumers will continue to receive a discount on their line charges during the year to 31 March 2025. The level of discounts is forecast to be approximately \$5.4M.

In prior years the discount has included the loss rental rebates received from Transpower but from 1 April 2023 the loss rental rebates are required to be distributed to the retailer as opposed to the connected customer. Actual discounts will vary as these are calculated based on the posted discount rate per tariff.

8. Review of Waipā Networks Limited Reports and Accounts

Two reviews are to be conducted by the Trust, one in June and the other in December 2024.

9. Voluntary Guidelines

Guidelines for Access to Information by Beneficiaries can be obtained from the Trust website.

10. Objectives for the year

To see that Waipā Networks Limited adheres to its strategic objectives as outlined in the Statement of Corporate Intent:

Purpose

Together, we power our community's success

Focus

In the coming year, we will continue to focus our efforts on four key areas with an emphasis on improving business performance and establishing a strong foundation for network growth. Our focus areas remain: performance; community; growth and sustainability. Our purpose and values will guide our work in each area. More than anything else, we will be driven by our customers and our wider community.

- We will better *understand* our customers.
- We will better *enable* our customers.
- We will better *support* our customers.



PERFORMANCE

We're committed to providing a safe, reliable and cost-effective network.

This means improving the efficiency of our business, increased investment in our network and continuing to strengthen our safety culture.

The health, safety and wellbeing of our staff and community remains a key priority. We will focus on managing those critical risks that have the greatest potential to cause harm, while providing our staff with the leadership skills and tools to keep themselves and others safe.

Our investment in core IT systems and technology will continue, focusing on systems that will support our network operation into the future while improving customer experience.

Over the next year we will continue to evolve the business into one that will support our region's decarbonisation journey through enabling electrification. We will grow both our capability and capacity to deliver large projects through investing in people, process, and new partnerships.

Our long-term plans must reflect the needs of our growing community and their increased dependence on electricity.



GROWTH

We're one of Aotearoa New Zealand's fastest growing electricity distribution businesses, and we anticipate continued growth over the next year.

Our commitment to building a network that will meet future demand is evident in this year's capital programme which is the largest in our history. This will continue to shape our future strategy and the services we deliver.

Key projects are focused on increasing network resilience, capacity and security of supply. We are working with Transpower to complete the construction of a new sub-station in early 2025 which will support Cambridge growth well into the future. In Te Awamutu we will continue a programme of replacing aging assets while we plan the future network architecture for the area.

As a customer-owned organisation, we will continue to explore new ways to benefit our community while growing the value of the business.



COMMUNITY

Customers and our communities are at the very heart of our business.

As Aotearoa New Zealand moves toward a zero-carbon future, it is important that all parts of our community benefit from this energy transition.

Our future network will be shaped by our customers and it is vital we engage with all of them to ensure we make sound investment decisions. To achieve this we will actively build stronger relationships across our communities – with social organisations, local businesses, mana whenua, key decision makers and sector partners.

Key partnerships with Cambridge Community House, Kainga Aroha and Ko Wai Au enable us to work with organisations that provide critical social services, while our partnerships with the Cambridge and Te Awamutu Chambers of Commerce help us to connect with our business community.

Our sponsorship programme will continue to support organisations, projects and activities in the community that focus on education, energy hardship, and sustainability.

We will also build on the success we achieved last year delivering over 500 in-home energy assessments – an initiative that provided an estimated annual energy savings of \$350,000. Additionally, we will continue to support those in energy hardship with winter warmer packages.



SUSTAINABILITY

We will continue our sustainability programme, acknowledging that this is a continuing journey.

Being sustainable means being socially responsible, acting ethically, respecting mana whenua and protecting the environment and communities we serve and live in.

Fuel consumption is our primary source of controllable emissions, so reducing this aspect of our environmental footprint is our top priority for the coming year.

This year we'll focus on reducing our environmental footprint while considering the social and cultural impacts of our actions. We'll establish benchmarks and targets to reduce water, waste and electricity consumption and develop a sustainability strategy that combines external stakeholder feedback with the findings of our environmental audit.

To achieve this, we'll implement a systematic improvement plan that embraces Te Ao Māori principles and integrates them into our business practices and culture.

By focusing on these areas we'll enhance our business resilience and promote social equity.