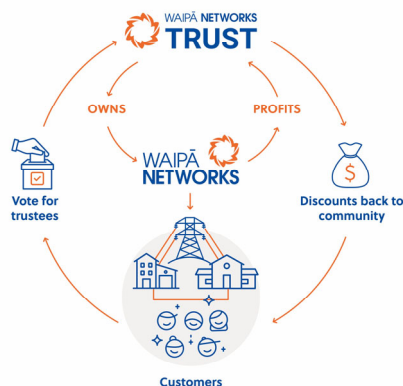




## Objectives

1. To see that Waipā Networks Limited adheres to its intentions and objectives as outlined in the Statement of Corporate Intent.
2. To keep Beneficiaries well informed on the activities of the Trust.



## Annual Plan 2022/2023

The Trust met all its objectives concerning accountability to its Beneficiaries and financial forecasts outlined in the Annual Plan for the 2022-2023 year.

### Your Current Trustees

Sarah Matthews (Chairperson)  
David McLean (Deputy Chairperson)  
Judy Bannon  
Raymond Milner  
Marcus Gower

## Trust Dividend

As provided for in the Statement of Corporate Intent for the period 1 April 2023 to 31 March 2024, the policy on apportioning net profits to be distributed to Shareholders will be determined by the Board of Directors.

In the past, the Trust have not requested ongoing dividends to cover capital requirements, instead opting to retain excess monies within the Company. This has allowed the Company to utilise all surpluses to increase the value of the network and ultimately the Trust's shareholding in the Company. This strategy has been successful but has also resulted in a reduction of other investments held by the Trust, outside of the Company shareholding.

The Trust have decided that it is the right time to reinstate its investment fund up to \$5M to provide for a stable cash flow to offset Trust expenses. During the 2023/24, a one-off dividend of approximately \$2.4M will be paid from Waipā Networks Limited to Waipā Networks Trust.

Going forward, the Trust have requested a yearly dividend allowance to ensure the Trust expenses are fully offset by all investments (including Company shareholding) and that the Trust's Forsyth Barr investment fund is inflation-protected and remains stable, in real terms. This will only result in a dividend when these two measures have not been met by its investments outside of the Company shareholding.



## Trust highlights from 2023

- Additional joint meeting added to discuss strategic matters, prior to the Statement of Corporate Intent process, so Beneficiaries interests can be represented early in the process.
- Within the Statement of Corporate Intent process we added the requirement for growth and inflation adjustments into the discount calculation, to ensure the discounts to our Beneficiaries are maximised.
- Collaboration on energy efficiency projects, such as the Ecobulbs project, delivering 65,000 energy-saving light bulbs to our Beneficiaries.

Launch of a **new Trust website** making information easier to find and more user friendly – visit [www.waipanetworkstrust.co.nz](http://www.waipanetworkstrust.co.nz)

## What's coming up in 2024?

- The Trust will be looking to appoint an additional Director in the 2023/24 year, to fill a vacant position.
- Trustee involvement in the Future Directors programme through the Institute of Directors, which provides people with governance potential, ambition and the opportunity to participate on a board.
- Emphasis on strategic issues coming to the surface:
  - Recent weather events have highlighted the impacts of climate change and the importance of network reliability to our Beneficiaries.
  - Electrification of traditionally fossil-fuelled technology, including electric vehicles, is adding to the future demand for electricity (and further highlighting the importance of network reliability).
  - Growth of the district is contributing to increased demand for electricity in the Waipā. The Company is undertaking significant work on the network to account for the increased demand and to ensure reliability of the network.
- 2024 Elections - every three years customers vote for up to six members for the Trust. The next scheduled Trustee election will be held in October 2024. See more at [www.waipanetworkstrust.co.nz/elections/](http://www.waipanetworkstrust.co.nz/elections/)

## COMPANY PERFORMANCE 2022/23

For the year ended 31 March 2023

The performance of the organisation and achievement of the 2022/23 Key Performance Indicators exceeded our expectations overall and we recognise how significant this achievement was during a period where the costs of building and delivering critical infrastructure were increasing rapidly. Unfortunately, reliability measures were not met due to the impact of extreme weather events on the network.

### Directors of Waipā Networks Ltd

Mike Marr and Mark Stuart retired by rotation. Both offered themselves for re-election and were reappointed by the Trustees to the Board.

The Directors of Waipā Networks Limited were Jonathan Kay (Chairperson), Mike Marr (Deputy Chairperson), Jonathan Cameron, Jennifer Kerr and Mark Stuart.

### Financial Performance of Waipā Networks Ltd

For the year ended 31 March 2023

Financial performance indicators	Target	Actual 2023
Profit before interest expense and tax as a percentage of total assets	3.00%	3.27%
Profit after tax as a percentage of equity	2.60%	2.65%
Discounts paid to customers (\$m)	5.3	6.15
Ratio of equity to total assets	55%	77.23%
<b>Network performance</b>		
SAIDI (average minutes per customer)		
Planned	126.2	86.1
Unplanned	109.3	168.4
SAIFI (average interruptions per customer)		
Planned	0.48	1.15
Unplanned	1.73	1.87
<b>People</b>		
Serious harm injuries	0	0
Reporting of Health & Safety events	10%	21%

## Your Trust in Numbers

**7.2 million shares**  
**(100%)**

in Waipā Networks Limited held by the Trust on your behalf.

**\$187,034,128**

the book value of the 7.2 million shares held by the Trustees at 31 March 2023 based on the shareholders funds value in the Financial Statements of Waipā Networks Ltd.

**\$6,146,738**

was granted to customers in the financial year ended 31 March 2023 in special discounts.

**\$98,761,030**

has been granted in special discounts 1 April 2001 – 31 March 2023.