

**MINUTES OF THE 2021 PUBLIC MEETING
OF THE HAWKE'S BAY POWER CONSUMERS' TRUST
HELD ON THURSDAY 22 JULY 2021 AT 3.00PM
AT THE HAVELOCK NORTH FUNCTION CENTRE**

PRESENT: D Kirton (Chair), B Arnott, D Pearson, K Westwood, J Farnworth and S Dine (Secretary). The meeting was attended by Phil Hocquard, Lucy Ellwood, Christine Spring, Rob Wheater, Brendan Hall and Dan Druzianic, Directors of Unison Networks Limited, members of the Unison Senior Management Team together with two members of the public.

APOLOGIES: The following apologies were received:
John Huggins, Noel Alderton and Ken Gilligan.

MINUTES: The Minutes of the meeting held on 24 July 2020 were confirmed as a true and correct record.

P Hocquard/C Spring

CHAIR'S REPORT:

D Kirton presented her Chair report on the activities of the Trust during the year, highlighting the following:

- Trust elections were held in 2020 with D Kirton and B Arnott being re-elected and D Pearson, K Westwood and J Farnworth newly elected.
- The Trustees had monitored the performance of Unison Networks during the year, taking the opportunity to meet with Directors and management to discuss matters of strategic importance.
- The Trustees had recently worked through the Statement of Corporate Intent and agreed on the direction of the business and financial budget for the coming year.
- The Trust received a dividend of \$15.8m in August 2020 and distributed this to over 60,000 consumer owners, each with a payment of \$230.00.
- The Trustees have signed up 67% of consumers for the direct crediting of the distribution payment.
- The Trust contributed \$287,971 to home insulation projects enabling over 500 houses to be insulated.
- Unison Networks has had a successful year in 2021 despite the challenges of the covid pandemic and the Commerce Commission's reset of capital meaning another dividend will be paid later this year.

Looking ahead to the current financial year Mrs Kirton made the following comments:

The Trust has received notice of a \$15.8m dividend from Unison and will be making a \$230 distribution payment to all consumers. This payment will bring the total direct financial benefit consumers have had from the Trust ownership since 1999 to around \$219m. The Trust is undertaking a rigorous advertising campaign in an attempt to sign up the remaining 33% of consumers for the direct credit system. Mrs Kirton acknowledged the work of Danny Gough and his team at Unison for the work they have done in making this a successful initiative.

The Trustees have recently undertaken a public consultation procedure to extend the current election term to four years so as to avoid coinciding with local body or national elections.

Mrs Kirton thanked the Directors of Unison and the management for their commitment to the Company and a special thanks to Sarah Lawrence the Executive Assistant to Chief Executive Ken Sutherland. She thanked the Unison Chairman Phil Hocquard for his availability to meet with the Trust, her fellow Trustees, the Trust Secretary Stephen Dine and his staff at BWR.

Mrs Kirton then moved her report be adopted and this was seconded by D Pearson.

FINANCIAL STATEMENTS:

D Kirton then moved that the Financial Statements for the year ending 31 March 2021 as tabled were adopted. This was so resolved.

P Hocquard/C Spring

APPOINTMENT OF AUDITOR:

D Kirton advised that it was the Trustees' recommendation that an Auditor not be appointed by the meeting in which case one will be appointed by the Auditor General. This was so resolved.

D Pearson/D Scott

GENERAL BUSINESS:

Mr David Scott then presented a proposal to the meeting whereby 85% of the shares in Unison would be allocated to eligible beneficiaries and application would be made to list the shares of the NZ Stock Exchange thereby providing a market for them to be bought and sold. The remaining 15% of shares would be sold with proceeds given to local existing charities to alleviate poverty in Hawke's Bay in areas of health, welfare and education. He proposed that a transition committee would be appointed to carry this out and when completed the Trust would be wound up. He believed the value of the Company was in excess of \$600m so calculated each consumer would receive \$4,000 worth of shares and around \$100m be available for local charities. All power account holders would have the opportunity of voting on the proposal. D Kirton responded by saying that there already exists an ownership review process whereby proposals such as the one promoted by Mr Scott are able to be considered. Discussion was then held around this proposal with it being determined that the ownership review that will take place in early 2023 is the appropriate time for it to be considered.

Patrick Sullivan then queried the performance of the subsidiary companies to which Ken Sutherland responded that all subsidiaries were challenged with the Covid pandemic but all traded satisfactorily. He believed the prospects for the Indonesian subsidiary are promising and that ETEL and RPS switchgear are performing well. It was noted that the subsidiaries add to the Company profitability and therefore contribute to the consumer dividend payment. K Sutherland also noted that the subsidiaries are all closely aligned to the power company business.

David Scott then made comment that the AGM Notice was not on the Trust website.

There being no further business the meeting concluded at 3.35pm.

Minutes were confirmed 27th day of July 2022



Chairman