

**MINUTES OF MEETING OF HAWKE'S BAY POWER CONSUMERS' TRUST
TO ANNOUNCE THE OWNERSHIP REVIEW DECISION
HELD ON FRIDAY 17 NOVEMBER 2023 AT EAST PIER HOTEL AT 2.00PM**

PRESENT: D Kirton (Chair), J Farnworth, B Arnott, D Pearson, K Westwood and S Dine (Secretary) and Unison Directors P Hocquard and B O'Keeffe, R Wheater and D Druzianic. The meeting was also attended by 19 members of the public.

D Kirton welcomed everyone to the meeting and advised that Trustees would make their final deliberations on the ownership review and resolve their decision. She advised that as required by the Trust Deed the Unison Directors were in attendance and the Trustees would take into account the Directors views, the views of the public and then make a decision as to whether they:

1. Retain the shares in the Trust; or
2. Dispose of a portion of the shares and retain the remainder in the Trust; or
3. Dispose of all the shares.

D Kirton reviewed the process that has taken place advising that the Trustees had sought a Directors Report from the Unison Directors which unanimously supported retention of Trust ownership. She applauded her fellow Trustees for the exceptional contributions they had made to the review, their consideration of all options and their skills and experience to arrive at the best possible outcome. D Kirton advised that 198 submissions had been received and thanked all submitters for their participation. She acknowledged the unintended administration error leading to a breach of privacy of submitters and confirmed the Trustees will thoroughly review the process for the next review. D Kirton then clarified some erroneous statements made by the Free the Funds Group particularly around the Chapman Tripp opinion which was provided to a different Trust. D Kirton then invited her fellow Trustees to present their thoughts.

J Farnworth reflected on his institutional knowledge working in the industry in the early 1990's in the Lower North Island. He reflected on the impact on consumers in the Tararua District who had sold in 1993 compared to Scanpower consumers who retained ownership. He also reflected on the lack of willingness of privately owned EDB's to invest in assets that improved continuity of supply. J Farnworth referred to the information disclosure compendium that rates all the electricity distribution businesses noting the Unison compares extremely well with all the companies included. He noted of the 200 submissions received they were evenly distributed between the status quo or a wish to sell and that Free the Funds claimed to have 400 members only represents .6% of total consumers. J Farnworth noted that he had considered the PWC

Report and Directors recommendations and based on everything presented to him he could not recommend a change to the current business model. His recommendation therefore was that the Company continue in Trust ownership.

K Westwood then spoke advising she had considered the Directors Report noting they were unanimous in their support of the current model. She did note that alternate forms of ownership may need to be considered if circumstances change but believed it was clear that this is not currently required. She advised that she had considered all written submissions and those that spoke at the previous meeting acknowledging that some consumers have a different view and that these views should be taken seriously. K Westwood stated that she believed Unison was an essential service that is efficient and productive and that ownership should remain as the status quo.

D Pearson then noted that he had also considered the recommendations from the Directors, the PWC report and the submissions that were received. He stated that of the submissions that were heard many good points were made particularly around some of the processes. He thanked submitters for taking the time to do so. He made comment that Unison was well managed and governed and is achieving good capital growth. He advised that the Trustees discussed the adequacy of the dividend in the context of the current trading conditions and Unison capital requirements. He considered that the intergenerational retention of ownership featured strongly in the submissions and for the status quo to remain with the emphasis on public good and regional economic benefits. As a result he fully supported the unanimous recommendation from Directors for the ownership to remain with the Hawke's Bay Power Consumers Trust.

B Arnott then spoke believing that the PWC report, The Directors recommendation and the submissions led her to a view on the big picture. She referred to the review process being oblique and many submitters being uncomfortable with it. She believed that the ownership review should take place when there was a need as opposed to the five years set out in the Trust Deed. B Arnott believed that the Trust ownership allowed the Company to focus on operating excellence initiatives rather than primarily stakeholder returns. While she understood that the money would be welcomed by some people she believed she had to consider all consumers as a collective and based on the evidence put before her she is aligned with the Directors and our community of consumers that the shares should be retained by the Trust.

D Kirton then thanked the Trustees for their thoughts, which she fully supported, and then asked if anyone was prepared to put a motion for one of the three options. K Westwood proposed that the shares in Unison Network retain in the ownership of the Hawke's Bay Power Consumers Trust. The motion was seconded by J Farnworth and unanimously agreed by all Trustees.

