

DRAFT MINUTES FROM THE ANNUAL MEETING OF BENEFICIARIES OF TRUST TAIRĀWHITI

Held on Thursday 15 August 2024 at 5.30pm at Midway Surf Rescue Community Hub, 40 Centennial Marine Drive Gisborne 4010 and livestreamed.

PRESENT:

Trustees: David Battin (Chair), Ron Aitken, Rehette Stoltz, Dr. Warren Williams, Dan Jex-Blake and Nicki Sutherland.

IN ATTENDANCE:

Meeting attendance: The meeting was attended by representatives from Eastland Group Ltd, Trust Tairāwhiti staff and beneficiaries.

QUORUM: The requirements of having 20 beneficiaries present for a quorum was met.

Welcome

1. OPENING KARAKIA/WELCOME

Tā Derek Lardelli opened with a karakia and mihi.

Trust Tairāwhiti CEO Doug Jones acknowledged Tā Derek Lardelli and Lady Rose Gould-Lardelli.

Trust Tairāwhiti chair, David Battin, welcomed all to the AGM and thanked people for attending and noted those attending online.

There was an acknowledgement of beneficiaries and introduction of trustees and thanks to outgoing trustees. The chair also acknowledged Eastland Group directors Matanuku Mahuika (chair), Debbie Birch, Jon Nichols and Jim Quinn as well as Eastland Port CEO Andrew Gaddum and Eastland Generation CEO Alice Pettigrew.

2. APOLOGIES

The following apologies were read, noted and accepted.

John Clarke - Trust Tairāwhiti Trustee

Josh Wharehinga

Colin Alder

Cushla Tangaere-Manuel

Debbie Gregory

Rhonda Tibble

Michael Muir

Leanne Morris

Maria Wynard

David Goldsmith

3. MINUTES

Copies of the Annual Meeting minutes held on Thursday 10 August 2023 have been provided to all attendees online and at the offices of Trust Tairāwhiti.

That the minutes of the Annual Meeting of the Trust held on Thursday 10 August 2023 are taken as circulated be confirmed as a true and correct record.

Moved by Andrew Gaddum

Seconded by Rob Telfer

CARRIED

4. MATTERS ARISING – No matters arising.

5. YEAR IN REVIEW – Presented by David Battin – Trust Tairāwhiti chair

The Trust undertook a review of its strategic plan Te Aka rautaki ki te tau 2029 to ensure alignment with the region's evolving needs. The refreshed plan outlines strategic priorities to enable transformational outcomes, with a focus on enabling others, economic development, tourism, and direct delivery through Trust programmes.

6. TRUST FUND PERFORMANCE

Since its inception, Trust equity has grown from \$20 million to \$556 million, with total assets reaching \$978 million as at 31 March 2024. Over \$158 million has been distributed, invested or delivered to the region. Eastland Group remains the primary asset, contributing significantly to the Trust's financial base and performance.

7. EASTLAND GROUP UPDATE

The chair of Eastland Group Matanuku Mahuika gave a mihi and acknowledged Tā Derek Lardelli along with everyone who had gathered. He also provided a comprehensive update including:

- Transition to a holding company model with a refreshed governance structure.
- Completion of Wharf 7 rebuild (August 2023) and progress on the Twin Berth project.
- Significant milestones in renewable energy: Te Ihi o Te Rā solar farm live (Nov 2023), TOPP2 geothermal project located in Kawerau underway, and new solar initiatives in Tolaga Bay and Wairoa.
- Distribution of \$90 million to the Trust in the past year, largely enabled by the sale of Eastland Network.
- The total value created for the Trust since 2003 was \$549 million with \$211 million distributed.

The chair acknowledged the long-standing contributions of Eastland Group with a special acknowledgement of Matt Todd, who was CEO of Eastland Group for more than 20 years. Mr Todd provided strong leadership and an innovative approach to building robust commercial regional infrastructure businesses and creating shareholder value over the last two decades.

Trust Tairāwhiti chair David Battin on behalf of the board acknowledged Matanuku Mahuika for his dedicated leadership over his five-year tenure as chair of Eastland Group. Throughout his tenure Matanuku provided strategic foresight and guided the organisation through challenges and his contribution was instrumental in strengthening governance.

The chair also acknowledged directors and the wider team at Eastland Group, who have all played an important role in the company's successes. To round out the strategy changes for the Group, the chair was clear on what it would look like going forward through the transition period. The Trust and Group worked jointly over the past 12 months on the new Group structure. The new structure allowed us to focus on the investments we are already committed to in Eastland Port and Eastland Generation, and in time, look at regional investment opportunities that will create value for our region. We look forward to seeing greater efficiencies and performance going forward.

8. TRUST TAIRĀWHITI HIGHLIGHTS

Doug Jones CEO of Trust Tairāwhiti addressed the meeting, having joined the organisation in late November of the previous year. He acknowledged his prior role as Kaihautū at Ngāi Tāmanuhiri and shared his reflections on a year of significant organisational development and strategic implementation.

Doug commended the teams across the Trust for embracing these changes and maintaining strong momentum in delivering impactful work throughout the year.

Economic Development

A key focus of the Trust's Economic Development Agency (EDA) was on business resilience in the wake of Cyclone Gabrielle and the ongoing economic downturn. Through the Regional Business Partner (RBP) programme, support was provided to over 140 businesses, and 51 businesses were supported through Callaghan Innovation.

Direct Investment

The Trust continued to advance innovation and economic diversification through regional investment partnerships. A notable achievement was the opening of the Porou Miere mānuka honey extraction facility in February, a collaborative venture between Nāti Growth, Trust Tairāwhiti, and Whetumatarau B45B. The Trust invested \$550,000 for a 20% shareholding in this initiative, which is aimed at sustainably developing the mānuka sector to benefit local beekeepers, whānau, hapū and iwi.

Regional Tourism

As the Regional Tourism Organisation, the Trust remained focused on promoting Tairāwhiti through destination marketing and local product development. The work was guided by the Tairāwhiti Destination Management Plan (DMP), which was reviewed and updated following Cyclone Gabrielle to reflect new risks and opportunities. A Destination Advisory Group was established with representatives from Council, the port, iwi, and local industry to drive coordinated action.

Cruise Tourism

Cruise tourism emerged as a promising area of growth. In the most recent season, the region welcomed around 12,000 visitors across 20 cruise ship visits, with seven vessels berthing directly at Wharf 7. The Trust is now working with partners to develop a regional cruise strategy to fully leverage this opportunity.

Community Development

This year marked a significant milestone in community investment, with the Trust distributing a record \$12.3 million in funding to 118 community groups and initiatives, the largest allocation since the organisation's inception in 1993. Doug highlighted several initiatives that exemplify the impact of this funding:

- **Ngata Memorial College** received a \$164,000 grant for the refurbishment of its netball courts, transforming them into a multipurpose, all-weather facility. The upgraded space is now being actively used and is viewed as a source of pride and mana for students and the Ngāti Porou hapori.
- **Hikurangi Enterprises** was granted \$123,000 to expand their Lytton Road site and increase capacity for their 'Whare Ora' healthy housing programme. This initiative aims to build up to ten homes at a time and includes a rent-to-own model supported by financial literacy and maintenance education for whānau.
- **Turanga Health**, widely respected for its culturally grounded and community-focused health services, received \$75,000 to support a broad range of initiatives. The organisation continues to play a vital role in closing health equity gaps across Tairāwhiti, particularly for Māori and Pasifika communities.

- **Te Poho-o-Rawiri Marae**, funding contribution was towards supporting the aspirations and development work led by Ngāti Oneone, reflecting our commitment to partnering with iwi and hapū to achieve enduring, community led outcomes. This investment supported a wide-ranging programme encompassing whānau, hapū, iwi, and broader community development initiatives. Ngāti Oneone have demonstrated exceptional leadership and dedication in this space, delivering meaningful projects that include environmental restoration, marae facility enhancements, cultural and community events, and critical post-cyclone resilience and recovery efforts. Their mahi at Te Poho-o-Rawiri embodies the principles of He Rangitapu He Tohu Ora, and we are proud to support their vision for a thriving, connected, and resilient community.

Tairāwhiti Wellbeing Survey

The 2023 Tairāwhiti Wellbeing Survey provided valuable insights into the region's social and economic landscape, capturing a broad cross-section of community perspectives. The results reflected key strengths within the region, including a strong sense of community support and a high level of proficiency in Te Reo Māori, underscoring the importance of cultural identity and connection. At the same time, the survey also brought attention to persistent challenges, particularly in areas such as environmental wellbeing and housing affordability issues that continue to impact quality of life and community resilience across Tairāwhiti.

Doug concluded by acknowledging the dedication of Trust staff and partners, noting the resilience and collective commitment that enabled the Trust to achieve tangible progress across its strategic focus areas.

9. THE YEAR AHEAD

Strategic Priorities and Delivery Framework

The Trust's strategic priorities continue to guide its work across five key areas: enabling communities, mahi kaitiaki (environmental stewardship), fostering innovation, enhancing our place, and preserving the Trust fund. These priority areas are supported by broad and flexible focus areas, intentionally designed to accommodate a wide range of initiatives and community-led projects across the rohe.

As more data and insights emerge from the Tairāwhiti Wellbeing Survey, the Trust aims to take a more targeted approach to economic development initiatives and community funding distributions. This shift will ensure that investment decisions are informed by evidence and aligned with the most pressing needs and opportunities identified by the community.

Delivery and Performance Measures

Under the 'delivery' programme, the Trust has set ambitious performance targets to strengthen regional impact. This includes a revised goal to support a minimum of 200 businesses in building management capability and a 50 percent year-on-year increase in support for Māori businesses. Further measurable targets are in place across research and development (R&D) activity, tourism product development, and increasing cruise passenger visitation.

To ensure transparency and accountability, the Statement of Intent (Sol) outlines these objectives in detail and is publicly available via the Trust's website. Performance against these measures is reported quarterly through the Chief Executive's Open Report to Trustees, with a comprehensive review to be included in the Annual Report at the close of the financial year.

10. MOTIONS put forward by chair David Battin

2023/24 Financial Statements and Annual Report

Proposed Motion:

Trust Tairāwhiti Consolidated Financial Statements and Annual Report for the year ended 31 March 2024 be received and noted.

Moved by Reweti Ropiha

Seconded by Andy Cranston

CARRIED

Appointment of Auditor

Proposed Motion:

In the interest of efficiency and cost-effectiveness, Beneficiaries reappoint Deloitte as Trust Tairāwhiti's auditor for the period from the conclusion of this Annual Meeting until the conclusion of the next Annual Meeting.

Moved by Joe Martin

Seconded by Fiona Evans

CARRIED

Auditor Fee

Proposed Motion:

The remuneration of the Auditor of Trust Tairāwhiti for the period from the conclusion of this Annual Meeting until the conclusion of the next Annual Meeting be fixed by trustees.

Moved by Lyall Evans

Seconded by Andy Cranston

CARRIED

2024/2025 Statement of Intent

An opportunity was provided to ask questions on the annual report. No questions were raised.

Proposed Motion:

That the Statement of Intent for the 2025/2026 year be received and noted.

Moved by Andrew Gaddum

Seconded by Reweti Ropiha

CARRIED

11. GENERAL BUSINESS AND QUESTIONS

Following the formal proceedings of the Annual General Meeting, the floor was open to community questions and feedback.

- Concerns about board representation and low historic distribution to Māori entities.

It was acknowledged that the appointment process had followed established procedures, which were affected by both in-cycle and out-of-cycle departures. It was reiterated that the Councils commitment to ensuring board representation reflects the diversity and needs of the community. The Trust acknowledged the validity of the concerns on distributions to Māori entities, affirming that increasing equity in funding is a key area of focus. It was recognised that historical distribution patterns have not adequately reflected the community and that ongoing efforts were underway to address this.

- Questions on energy affordability, asset cash-out options, and distribution targets.

It was clarified that while Eastland Generation is an energy generator, it does not operate as a retailer and therefore is not in a position to offer price rebates. The pricing of electricity, it was noted, is determined by market supply and demand, a broader systemic issue beyond the direct influence of the Trust.

- Several questions addressed the long-term structure and purpose of the Trust including if the Trust's capital could be used to offset the Council's current debt.

It was explained that the clause was embedded in legislation enacted in the 1990's and altering it would require significant legislative change.

It was clarified that the Trust's funds are not held in liquid form and that its constitution mandates the preservation of capital. Therefore, a financial transfer of this nature would not be feasible. Furthermore, it was emphasised that the Trust's purpose is distinct from that of local government, with a focus on supporting economic development and regional prosperity rather than direct ratepayer relief.

The Trust acknowledged the feedback and indicated that it would consider further ongoing conversations with the relevant authorities.

The Trust also received expressions of appreciation for its continued financial support across the region. Over the past year, a record \$12.3 million was distributed to 118 community groups. In addition, as part of its role as the region's Economic Development Agency, the Trust supported 191 businesses.

12. CLOSE OF MEETING

The chair thanked the Trust kaimahi (staff), the community beneficiaries for their attendance and support and extended an invitation for refreshments. There being no further business, the meeting closed at 7:00pm with a karakia by Tā Derek Lardelli.