



TRUST 
HORIZON

2021
COMMUNITY UPDATE



Supporting growth and prosperity in the Eastern Bay since 1994

Trust Horizon is a local Charitable Trust representing Whakatāne, Ōpōtiki, Kawerau, and Kaingaroa Village. Its six trustees are responsible for ensuring the Trust's funds and investments go back into the community, where they can help create long-lasting benefits for the Eastern Bay's energy consumers.

This year, Trust Horizon has continued its work to drive the region forward, and bring prosperity and wellbeing to its people. We look forward to increasing our contribution to the rohe, well into the future.



Investing in
Our Community



Our Mission

Transformational investing in our community.



Our Vision

Enabling pride, prosperity, and people.



Community Pride

Everything we do is for the benefit of our people. We seek out opportunities to build a stronger and better connected community, and take our responsibility for the region's wellbeing seriously.



Energy Education & Engagement

We facilitate new ideas, enable new opportunities and understanding, and create growth. We strive to drive people and businesses forward, and bring positive change to the Eastern Bay.



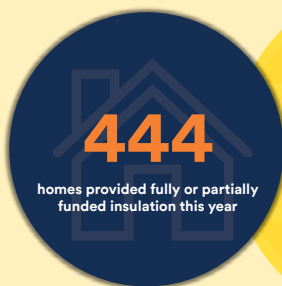
Prosperous Communities

We want to see the Eastern Bay grow, its people thrive, and our environment flourish. We see each investment we make as an investment in the region's future success.



Healthy homes EBOP

This year, Trust Horizon provided the Retrofit Insulation Programme with a \$400,000 grant – bringing the Trust’s total contribution over 23 years to more than \$11 million. Delivered by Brighter (formerly Smart Energy Solutions), the insulation scheme continues to play a key role in improving health outcomes and reducing energy demand in the community.



“Because of the Trust’s support, Brighter can go out and give Eastern Bay residents 100% funded insulation. That’s an amazing thing to be able to bring to local whanau.”

- Lisa Chater, Brighter

Eastern Bay Energy Wellbeing Programme

A \$250,000 grant is helping launch a new energy wellbeing programme in the Eastern Bay. The programme was created by Sustainability Options, and is co-funded by Trust Horizon, BayTrust and the government. It provides community workshops, energy education, and funding for small home repairs – like broken windows – which can have a big impact on a home’s energy efficiency.



“With the Trust’s support, we hope the programme will run long-term, and empower more and more families to improve their health and wellbeing through energy education.”

- Nik Gregg, Sustainability Options



LED Lighting Project

In 2020, Trust Horizon partnered with Horizon Energy Group (HEG) and the Energy Efficiency and Conservation Authority (EECA) to provide free Ecobulbs to the community. Every home in the Eastern Bay received a voucher for five free Ecobulb LED lights, which have the potential to save the average home \$940 on their power bill over the next decade.

“EECA sees a huge advantage to consumers and the country if LEDs became the norm and we’re keen to see the shift to this proven energy-saving technology as soon as possible.”

- Andrew Caseley, EECA



House of Science Kits

House of Science’s resource kits include a range of hands-on experiments, designed to inspire an interest in science for children in years 1 to 8. This year, Trust Horizon sponsored two ‘Electric Futures’ kits – which have reached as many as 1800 children. With the Trust’s support Horizon Networks also provided funding for 5,000 activity books, with 2,500 books shared with local school communities to date.

“We celebrate Trust Horizon’s support of the House of Science in the Eastern Bay. Ensuring kits on renewable energy topics are circulated means exciting and encouraging future scientists, industry technicians, and sustainability advocates – all of which are critical in this time of climate action.”

- Dr Ryan Morrison,
Eastbay REAP CEO

30 yrs

Ecobulbs last up to 30 years

\$940

The average home can save up to \$940 on power over 10 years

1800

children reached

2,500

books shared with local schools

Rebuilding Through Adversity

The Chairman and Trust Manager's Report

Across the second half of 2020 and the first six months of 2021, the effects of COVID-19 have continued to ripple through our local economy. This has had a particularly tangible impact on some of our most vulnerable communities, and has highlighted the inequities that still exist.

Trust Horizon's funding priority has been to support the community through this challenging time. Throughout 2020 and 2021, Horizon Energy Group (HEG) – our core investment – continued to operate. HEG was able to provide essential services through the COVID-related lockdowns, and played a key role in keeping the country's hospitals, food suppliers, and industrial processes operational. This shone a light on the company's value as a leading infrastructure services provider.

Supporting meaningful and purposeful change.

Faced with the uncertainty of COVID-19, many businesses – including our own investments – made the decision to conserve cash. This limited the amount of funding available to the Trust this year. However, through strong partnerships with community, iwi, other funders, and local, regional and national government, Trust Horizon has been able to ensure those limited funds can create a great impact.

From our long-standing support of the Retrofit insulation programme, to the delivery of over 65,000 free energy efficient LED light bulbs to the community, to launching the 20 Degrees programme in the Eastern Bay, our energy has been focused on energy-related projects that bring lasting benefits to the region.

This year also saw the Trust's new impact investing strategy continue its upwards trajectory. Our investment in Whakatōhea Mussels Ōpōtiki Limited, alongside shareholders and government, has been a catalyst for growth in local employment opportunities – and has led to the creation of an exciting new aquaculture industry for the Eastern Bay.

Changes in Governance & Management

In mid-2021, Trust Horizon trustee Don Lewell retired from the Board after more than a decade on the team. For a majority of his time with the Trust, Don held the role of Chairman. In his tenure, he oversaw the Trust's transition into a Charity, and the strategically critical and highly beneficial purchase of 100% of Horizon Energy Group. We would like to acknowledge Don, and thank him for his contribution and leadership of the Trust over the years. In May, David Glover stepped into Don's shoes as our newest appointed trustee. His extensive governance, marketing, and educational experience make him a valuable addition to the team, and we wish him a warm welcome.

The coming year will bring more changes to the Board table, with our biennial elections for the Whakatāne and Kaingaroa Districts set for August and

September. This is an opportunity for the local community to have their say, and we encourage all eligible Eastern Bay residents to cast their vote.

After six years with Trust Horizon, including managing the rebrand and new strategy, Trust Manager Rawinia Kamau left to pursue regional development opportunities in August 2020. Derek Caudwell joined the team in January 2021 as new Trust Manager, having previously held senior management roles at HEG.

Last year, the Trust rebranded from Eastern Bay Energy Trust to Trust Horizon. Our new name and new look was created to reflect our new direction, vision, and mission. This year, the new brand has continued to build momentum – with the redevelopment of educational material, and Te Reo versions now available.

The strategy for the year ahead.

Transformational investing takes strong leadership and clear direction, and in the coming year we plan to continue to deliver both. The conservative approach taken by HEG last year is forecast to give the Trust a boost in this year's available funds, which we look forward to putting towards high-impact investments and local community grants.

In support of our vision to enable pride, prosperity and people, the Trust has sponsored the new Sustainability Excellence Award at the Horizon Energy Group Business Excellence Awards. By celebrating those who are embodying the circular economy and sustainable practices, we hope to inspire even more local businesses to look to a more sustainable future.

Looking inwards, the Trust has joined the Sustainable Business Network; a social enterprise seeking to transform New Zealand's leading ideas in climate, waste, and water into action. We are also looking to align our investing and grant-making towards a more sustainable and low-carbon economy here in the Eastern Bay of Plenty.

In the year to come, our focus will be on using the Trust's funds to expand opportunities to recycle capital, and bring benefits to the community through energy-related projects. We look forward to partnering with further like-minded organisations and iwi. So we can have an even greater impact on the community, and enable local pride, prosperity, and people.

Aaron Milne
Chairman

Derek Caudwell
Trust Manager

Top: Aaron Milne - Chairman | Bottom: Derek Caudwell & Rawinia Kamau - Trust Manager



Whakatōhea Mussels

The Trust's investment in Ōpōtiki's Whakatōhea Mussels is a great example of our focus on impact investing. The funds have enabled the expansion of the sea farm, purchase of a new harvesting vessel, and constructing a land-based processing plant. Through direct employment and establishing a wider aquaculture industry in the Eastern Bay, the investment has the potential to bring long-lasting benefits to the community.

**\$1.5
million**

invested by Trust Horizon

200

jobs created in Ōpōtiki





KUKUTAI

OPEN OCEAN

MHZ 126649

KEEP CLEAR
30M

HYDROGRAPHIC SURVEILLANCE

The Trust's Investment Strategy



Trust Horizon's investment portfolio includes \$165 million in net assets, all held on behalf of – and for the benefit of – the Eastern Bay of Plenty District. Horizon Energy Group is the largest investment in the Trust's portfolio. The company continues to grow from strength to strength, offering employment opportunities locally and across New Zealand.

Aside from its investment in HEG, the Trust has allocated up to 20% of its portfolio to local impact investments – including Whakatōhea Mussels and OTK orchards. Further investments will be made in companies, organisations, and funds who share the Trust's intention to generate positive social or environmental impacts, as well as financial returns. The remainder will be allocated to a diversified and liquid fund portfolio.

Trust Horizon – Investing in our Community

Impact Granting



Purpose: Enabling community groups to build stronger, healthier and better connected communities.

Value: individual grants from between \$1k to \$500k.

Impact Investing



Purpose: Enabling the economy to grow, providing local jobs and employment.

Value: individual investments from over \$100k.

Lifetime Grants to the Value of
\$41,600,000



Homes



School



Marae



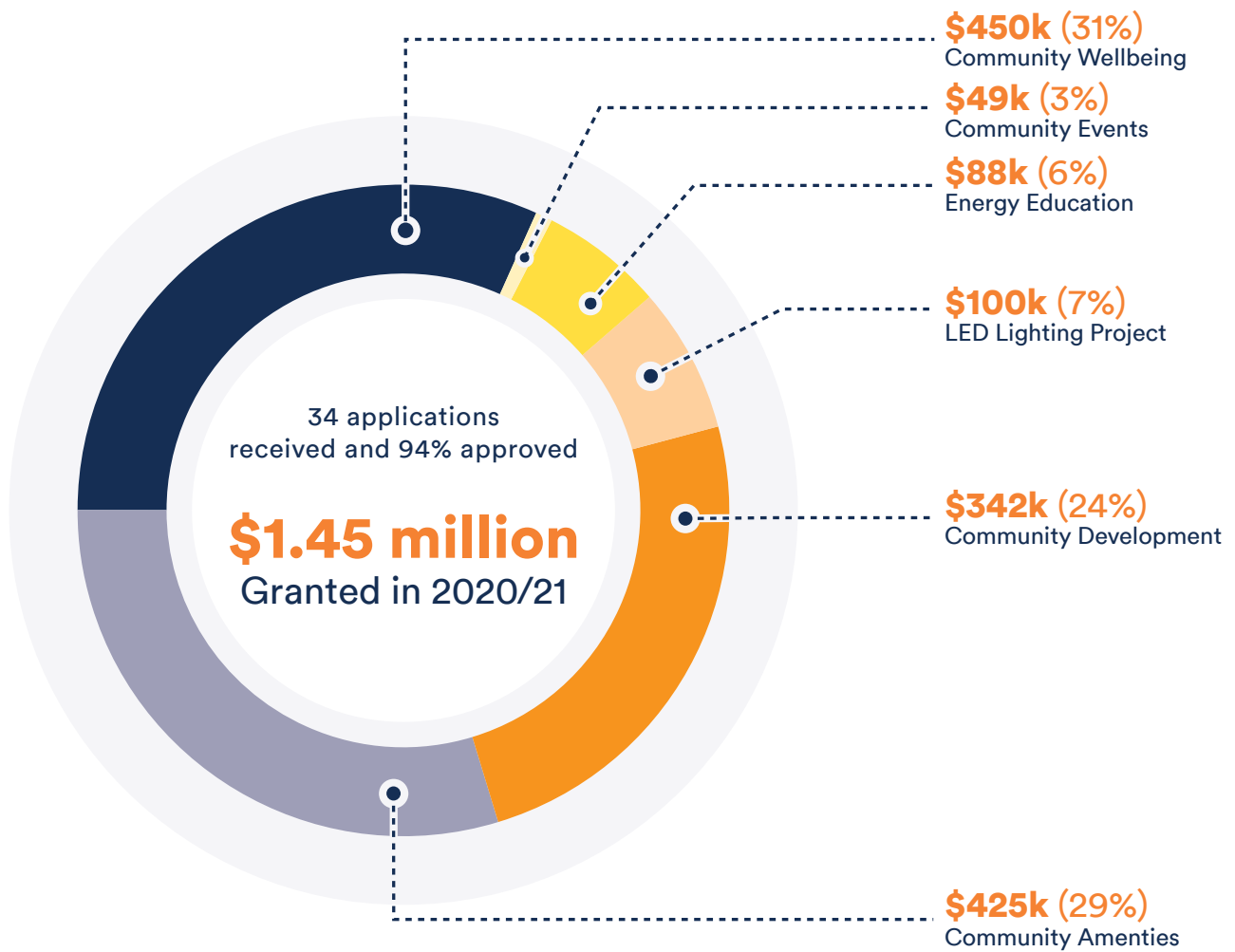
Sports Clubs



Community Groups

(distributed back into the community to insulate houses, support schools, sports clubs, marae and other community groups)

Grants for 2020/21



Investment Totals 2020/21





Te Tāhuhu o Te Rangi Project

The Trust has provided a \$225,000 grant to cover the electrical component of the Te Tāhuhu o Te Rangi project, which will see a brand new Technology and Research Centre built in the heart of Ōpōtiki. Due for completion in September 2021, the centre aims to create a range of new learning opportunities for Ōpōtiki residents.

Improving digital literacy

Enabling technical connectivity

“Funding from Trust Horizon has helped realise our long-standing ambition of building Te Tāhuhu o Te Rangi. This incredible new facility will be a new heart in the town centre – an economic and business hub, an arts and cultural hub, and a place for community to meet, learn and connect.”

- Lyn Riesterer, Ōpōtiki Mayor

Kawerau Skatepark

Kawerau District Council’s Skatepark’s existing floodlight poles and luminaries were badly degraded and in need of repairs, creating visibility and safety issues. Trust Horizon provided the funding needed to install additional lighting, which also allowed the park’s CCTV system to be reinstated. With the new lighting in place, the community can continue to use the skatepark and basketball court safely, day or night.



“Funding from Trust Horizon provides much more than light for our rangatahi – it provides an opportunity for friendships to bond and the freedom of spontaneous fun on the basketball court and adjacent skatepark. The revamped lighting offers a great place for rangatahi to enjoy healthy exercise any time. Kawerau District Council is thankful for the ongoing investment by Trust Horizon in our community.”

- Kawerau District Council

Creating safer community spaces

Whakatāne Aquatic Centre Pool Cover

Trust Horizon contributed \$400,000 to the all-weather pool cover enclosure at the Whakatāne Aquatic Centre. The cover opens up the use of the outdoor pool year-round, helping the facility cater to the region's ever-growing population. The gas heating system was also upgraded to an electric heat pump – bringing significant environmental and cost benefits.

"In a town that's surrounded by water, to have a fun and sun-safe environment for kids and adults to learn to swim all year round is incredible."

- Andrew Smith, Whakatāne District Council

Room for
50-100
more swimmers nightly at winter

6

lanes now available all year



Caring for the
community's
health and
wellbeing

Paroa Rugby Club

Trust Horizon approved a \$100,000 grant to go towards various facility upgrades for the Paroa Rugby & Sports Club, including a new gymnasium and changing rooms. Along with helping cater to a growing member base, the upgrades will also play a key role in the Club's new strategic direction; a strong emphasis on the community's health and wellbeing.

"I take my hat off to Trust Horizon for the great job they do for our community. We feel very fortunate to receive this funding to help us empower our Rangatahi and look after our Kaumata."

- Jimmy McLean, Paroa Rugby & Sports Club



Business
Excellence
Awards 2021



In association with the Eastern Bay Chamber of Commerce

The Business Sustainability Award

At this year's Horizon Energy Group Business Excellence Awards, the Trust sponsored the creation of the Trust Horizon Sustainability Award. The award is aimed at applicants who have incorporated sustainability into their long-term strategy, and brings together two of the Trust's biggest interests; the future of energy, and the future of the community.

“Sustainability is something every business should be looking at, so we're very grateful to the Trust for making this award possible.”

- Lucy Devany, Eastern Bay Chamber of Commerce

Whakatāne
District
Council

announced the winner

The Council reduced their carbon
footprint by

15%





Community Development Grant Recipient
Edgecumbe Volunteer Fire Brigade 2020-21



HEG
Horizon Energy Group

An update from Horizon Energy Group

Stronger As One *Kia kotahi ai tātou*

With strong regional roots and an agile organisational structure, Horizon Energy Group's purpose-driven business units are well placed to support our customers' recovery in a post-COVID world. We are proud of our heritage, which spans over 85 years in the creation, management, and operation of infrastructure.

As an intergenerational business, our owners – Trust Horizon – are focused on ensuring that all returns derived from the operation of the Group are reinvested back into the very community that has supported its growth and development.

Over the years, we have diversified our services, and today the Group comprises a portfolio of specialised service providers that touch every part of the economy. These service providers are renowned for innovation, quality, and 24/7 support – underpinned by the trust that our customers have bestowed on us. Together, we are stronger as one.

Kia kotahi ai tātou artwork

The koru has become a ubiquitous symbol that reflects our unique culture here in Aotearoa. It symbolises new life, growth, and strength, and as the fern unfurls, it remains connected to its original point.

Thus, the koru is a good representation of who we are as a Group. We are agile and continuously striving to improve, grow, and learn – all the while remaining deeply connected to our history, community, and stakeholders.



kia kotahi ai tātou



Key Networks Projects

Improving network reliability

Horizon Network's 33kV Te Rahu North and Central are configured as a dual circuit on the same structure. This configuration poses the risk of losing both circuits in case of a single event. This project will split Te Rahu North and Te Rahu Central into separate structures, improving system resilience and reliability. The project will also separate Te Rahu South from Whakatāne Board Mill (WBM) South 33kV feeders, providing increased network reliability. The project is slated for completion by October 2021.

Enabling future growth in the Ōpōtiki district

Horizon is planning to establish a 33kV supply to Ōpōtiki township by mid-2025, to enable existing and future growth of the region. This project involves acquiring the Transpower-owned 11/50kV step-up transformer that supplies Te Kaha from Waiotahi. The transformer, currently designated as Waiotahi T5, will be moved from Transpower's Waiotahi GXP and recommissioned at Horizon's Ōpōtiki Substation to supply Te Kaha. The relocation of this transformer will allow an additional feeder to supply the Ōpōtiki Substation, which Horizon plans to operate at 33kV in the future.





Reducing the risk of unplanned outages

Horizon Networks has developed a multi-year programme aiming at improving reliability of supply to the Te Kaha region.

In 2018, Horizon Networks completed its acquisition of the 66km Te Kaha 50kV line, supplying the Te Kaha region. The 50kV line transverses through very rugged terrain and is prone to coastal (salt air) corrosion.

In 2019-2020, new sectionalised steel poles were developed, and will be used to replace the existing poles – which are in poor condition.

The standard design provides significant improvements in constructability and flexibility, and is more efficient than conventional concrete poles. In 2020-2021, Horizon Networks replaced six poles and three crossarms. The 2021-2022 works programme will see Horizon Networks replace five poles and four crossarms, to reduce the risk of unplanned outages for Te Kaha customers. This work is expected to be completed by March 2022.

Re-development of Asset Management Plan

Horizon Networks has been on a journey to enhance the presentation of the information and investment plans in its Asset Management Plan – embodying the spirit of continuous improvement.

Last year's AMP presented Horizon's risk-based approach towards investment optimisation. AMP 2022-2023 redevelopment is setting out to address areas of interest for our shareholder, community, and customers – such as Horizon's approach towards climate change, decarbonisation, new consumer technologies (solar, batteries and electric vehicles), and large-scale industrial electrification.

Optimising network investment

Horizon Networks has made improvements to its asset management practices and managing network risks. Improvements were made to fleet investment models, which allowed Horizon Networks to transition from an age-based fleet management approach to a risk-based approach.

To achieve better efficiencies, Horizon Networks has also adopted a new approach in managing pole top assets – which allows investment optimisations in pole and pole hardware replacement programmes.



Introducing David Glover

Our newest Trustee

In May 2021, David Glover joined Trust Horizon as our newest appointed trustee. David fills the role left behind by Don Lewell, who departed the Trust this year after more than a decade on the Board.

David brings more than 30 years of senior executive experience to the Trust. After a successful career in international marketing, David shifted into the education sector as CEO of a number of private and government-owned businesses. His broad governance experience across an equally broad range of industries makes him a valuable addition to the team.

As a trustee, David is excited to play a role in bringing Trust Horizon's strategic focus on impact investing to life. He looks forward to getting to know the Eastern Bay's communities, and helping create positive and lasting change.

"It will be great to be at the heart of an organisation that's so important to the region, and has such a positive impact on the community through financial support and activities. I look forward to contributing to a strong and experienced team of Trustees."

- David Glover



Trustee Elections 2021

Have your say

Of Trust Horizon's six trustees, two are appointed, and four are elected by the community. This year, there'll be an election for the two trustees who will represent the Trust's beneficiaries in the Whakatāne District Council/Kaingaroa Village area.

These two trustees will be responsible for administering the Trust under the terms of the Trust Deed and Trustee law, and enabling the Trust to create transformational change in the community.

When and how to cast your vote

To be eligible to vote for a trustee, you need to be a Horizon Energy electricity network consumer within the Whakatāne District Council/Kaingaroa Village area.

There are several ways you can cast your vote:

- Voting online (using the unique voter credentials shown on your voting paper)
- Posting your completed voting documents back to the electoral officer using the freepost envelope included in your voting pack
- Hand-delivering your completed voting paper to a ballot box at the Trust Horizon office.

Voting papers will be posted to eligible consumers from Friday 10th September, 2021.

Voting closes

12 noon Friday 1st October, 2021.

The results will be announced later that day.

2020-2021

Another year of creating lasting change in the community

Community Wellbeing	Community distribution	Retrofit insulation Warmer Kiwi Homes 2020-21 Programme	\$200,000	
	Community distribution	Support for Energy Education in Communities Pilot Programme	\$250,000	
Energy Education	Community distribution	Energy Education Programme 2020-21	\$50,000	
	Community distribution	Taster Course 2020	\$30,000	
	Community distribution	Science kits	\$7,500	
LED Lighting	Community distribution	Community distribution of LED bulbs	\$100,000	
Community Amenities	Kawerau District Council	i-Site carpark lighting upgrade	\$25,000	
	Kawerau District Council	Ruatahi Marae lighting upgrade	\$30,000	
	Kawerau District Council	Skate park lighting	\$60,000	
	Ōpōtiki District Council	Te Tāhuhu o Te Rangi - Library rebuild	\$225,000	
	Ōpōtiki District Council	Christmas lighting	\$15,000	
	Whakatāne District Council	Eivers Park Te Teko sportsfield lighting	\$65,000	
	Whakatāne District Council	Skate park lighting	\$4,875	
Community Development	Central Kids Apanui Kindergarten	LED lighting upgrade	\$2,448	
	Central Kids Strathmore Kindergarten	Heat pumps installation	\$6,314	
	Edgcumbe Volunteer Fire Brigade	Kitchen appliances, dryer, air conditioning, lighting, security camera system	\$30,265	
	Have a Heart Charitable Trust	Wiring and electrical supply, security, washing machine, dryer	\$9,332	
	Kawerau Bowling Club Inc	LED lighting upgrade and dishwasher	\$10,434	
	Kutarere Marae	Heat pump installation	\$9,478	
	Ōhope Bowling Club	Heat pump replacement	\$10,000	
	Ōhope Chartered Club	New café kitchen appliances	\$36,000	
	Ōmarumutu Marae	Electrical wiring upgrade	\$10,000	
	St John Ōpōtiki	CCTV security system	\$1,510	
	Tauranga Community Housing Trust	Switchboard upgrades and heat pumps installation - social housing project	\$100,000	
	Whakatāne Anglican Methodist Parish	Refurbishment of Church lounge	\$10,000	
	Whakatāne Baptist Church	Safety lighting and general LED lighting upgrade	\$15,727	
	Whakatāne Citizens Advice Bureau	Heating, rewiring, lighting	\$10,000	
	Whakatāne Indoor Bowls Association (Inc)	Ceiling insulation, ceiling grid mounted LED lighting and radiant heating	\$70,313	
	Whakatāne Presbyterian Church	Two commercial dishwashers, stove, extractor fan	\$9,907	
	Community Events	Bluelight Edgcumbe	Edgcumbe Christmas in the Park sound system hire	\$5,000
		Bluelight Matata	Matata Christmas in the Park sound system hire	\$5,000
		Kawerau District Council	Kawerau Christmas in the Park audio visual system hire	\$5,000
		Kawerau District Council	King of the Mountain sound system hire	\$5,000
Life Education Trust EBOP		Dancing for Life Education sound system hire	\$3,000	
Ōpōtiki District Council		Lantern Festival, Eastern Bay AgFest, Food Festival, Movie Night sound system hire	\$10,000	
Whakatāne Christmas in the Park		Whakatāne Christmas in the Park sound system hire	\$5,000	
Whakatāne Community Arts Council		Jazz in the Park sound system hire	\$3,000	
Whakatāne District Council		West End Wiggle after party sound and lighting system hire	\$2,870	
Whakatāne RSA		Anzac Day Dawn Service sound and lighting system hire	\$5,000	

Public Invitation to Meeting of Trustees

28th October, 10-11am

Each year, after signing off the annual accounts, Trust Horizon's trustees hold a meeting open to the Eastern Bay's general public. This is the community's opportunity to provide feedback on business plans, audited accounts, annual reports, and other matters.

If you have any questions or feedback you'd like the trustees to cover – or if you wish to attend or speak at this year's meeting – **please email reception@truthorizon.co.nz in advance.**

Directory of Contacts

Trust Office

Trust Manager Derek Caudwell
Trust Secretary Allison Windley
Location 5 Richardson Street, Whakatāne
Postal PO Box 567, Whakatāne 3158
Phone 07 307 0893
Email reception@truthorizon.org.nz

Elected Trustees

Aaron Milne 021 053 0557
(Chairman)
David Bulley 027 291 0297
(Deputy Chairman)
Kevin Hennessy 027 625 9379
Edwina O'Brien 021 0831 3757

Appointed Trustees

Merrin Stables 027 446 0127
David Glover 021 630 579

Treasurer

Paul Wills 07 308 7155
(Arrow Accountants)

Financial Statements

A copy of the Trust's audited accounts is available on our website: www.truthorizon.org.nz



Investing in
Our Community

 0800 323 800
 trusthorizon.org.nz