Shareholder Representative Forum

MEETING PACK

for

Shareholder Representative Forum

Monday, 23 November 2026

3:00 pm (NZDT)

Held at:

Via Teams

Generated: 2026-11-11 09:10:49

Microsoft Teams meeting
Join: https://teams.microsoft.com/meet/425267910735798?p=MUuwXrn6KjUNfAs3ld

Meeting ID: 425 267 910 735 798

Passcode: HM2eC392

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AGENDA

SHAREHOLDER REPRESENTATIVE FORUM

Name:	Shareholder Representative Forum
Date:	Monday, 23 November 2026
Time:	3:00 pm to 4:30 pm (NZDT)
Location:	Via Teams,
Committee Members:	Don McLeod (Committee Chair), Mayor Ash Tanner, Mayor Gary Petley, Mayor John Funnell, John Robertson, Mayor Mike Pettit, Mayor Rodney Dow, Mayor Toby Adams
Attendees:	Allie Stevens, Marcos Pelenur

1. Meeting Administration

1.1 Welcome and Open meeting

3:00 pm (5 min)

Don McLeod

For Noting

1) Chairs Welcome

2) Karakia

3) Apologies

4) Quorum present

As a matter of practicality, meetings of the SRF may be scheduled to cover matters that involve decision making and matters that do not. For pragmatic reasons, if a meeting has one item at the agenda that relates to decision making, then the entire meeting will be treated as a 'meeting' and will be publicised and open to the public unless there are valid reasons to exclude the public.

Items 2.2 - 2.4 below requires the SRF to make a decision and so this meeting is to be considered as being within LGOIMA.

2. In Public Meeting

2.1 Forum Chair Report

3:05 pm (10 min)

Don McLeod

For Noting

To provide an update to the Forum on business matters.

Supporting Documents:

2.1.a	SRF Chair Report November 2026.docx	6

2.2 Statement of Expectations

3:15 pm (15 min)

Don McLeod

For Decision

For Approval

1.1. That the Shareholders' Representative Forum (**SRF**) approve the Statement of Expectations (**SoE**) for Waikato Waters Limited (**WWL**) (included at Attachment A) by passing the following resolution on 23 November 2026:

*The shareholders in Waikato Waters Limited (the **Company**) hereby:*

*(a) **RESOLVE** pursuant to section 224 of the Local Government (Water Services) Act 2025 and clause 11.3(e)(ii) of Schedule 2 of the Shareholders' Agreement, that the same statement of expectations be approved and adopted as the combined statement of expectations of the shareholders but with no expiry date stated*

*(b) **NOTE** that the approved statement of expectations will be provided to the Company immediately following the passing of this resolution.*

Supporting Documents:

2.2.a	2.2 Approval of Statement of Expectations Final.docx	8
2.2.b	Statement of Expectations - Final Draft for SRF approval 231126.pdf	11

2.3 Annual General Meeting - Resolution in Lieu

3:30 pm (15 min)

Don McLeod

For Decision

For Decision to pass a resolution relating to the Company AGM.

Recommendation:

I. The Shareholder Representative Forum (**SRF**), acting on behalf of the shareholders of Waikato Waters Limited (the **Company**), pass a shareholder resolution in the form of Appendix 1 to this paper (**Resolution**).

II. Each SRF Representative consents to their signature being applied to the Resolution.

Supporting Documents:

2.3.a	2.3 Resolution in Lieu of AGM.docx	20

2.4 Significance and Engagement Policy

3:45 pm (15 min)

Don McLeod, Marcos Pelenur

For Discussion

For discussion and approval. Waikato Waters Chief Executive Marcos Pelenur attending to speak to the paper.

That the Forum

I. **RECEIVES** the attached draft SEP as presented to the Waikato Waters Board in November 2026 (Attachment One)

II. **RECEIVES** the Consultation Summary Report (Attachment Two)

III. **SEEKS** approval of the SEP from their respective councils with a view to sharing any feedback with the SRF in advance of the January 2027 SRF meeting (and noting that a number of councils have already provided feedback through the consultation process)

IV. **SEEKS** delegated authority from their respective councils for the SRF Representative to be able to agree the final form SEP at the SRF meeting in January 2027. The form of a resolution is attached in Attachment Three for each council to consider.

V. **APPROVE** a shareholder resolution in the form included at Attachment Four at the January 2027 SRF meeting, after discussion and agreement between the SRF Representatives on the SEP.

Supporting Documents:

2.4.a	Significance and Engagement Policy (1).docx	22
2.4.b	Updated Significance and Engagement Policy.docx	25
2.4.c	Consultation Summary Report.docx	33
2.4.d	Form of Council Resolution.docx	39
2.4.e	Form of SRF Resolution.docx	40

2.5 Correspondence

Don McLeod

For Noting

Noting of correspondence received.

Supporting Documents:

2.5.a	Waikato_Waters_October_SRF_Update (1).pdf	42
2.5.b	281026 Letter to SRF Chair re timeline of activities (1).pdf	44
2.5.c	021126 Letter to SRF re SoE.pdf	47

3. Administrative Business

3.1 Minutes and Notes from previous meetings for noting

Supporting Documents:

3.1.a	25 August 20226 Meeting minutes For approval.pdf	49
3.1.b	23 Jul 2026 Minutes in Review Shareholder Representative Forum for Approval (1).docx	51

3.2 Any other business

4:00 pm (10 min)

Don McLeod

For Discussion

The Chair to call for any other items of business for discussion.

4. Close Meeting

4.1 Close the meeting

Next meeting: No date for the next meeting has been set.

SRF Chairs Report

This period has seen the joining of Matamata Piako District Council into the Waikato Waters entity. I understand that this transition has largely been positive and speaking with the Chair the Board is confident about the transitioning of the two remaining Councils in 2027.

This month also saw the adoption of a Statement of Expectation that provides the Board with the focus the Shareholders would like the Board to have in the work ahead. This SoE was provided to the Board for consideration, and we received a response from the Chair and Board asking that the Shareholders consider not stipulating a review date.

The Water Services Strategy (WSS) is on the cusp of progressing and adoption is planned for 1 July 2027. The SoE influences the Boards thinking and focus of the WSS and attached correspondence from the Chair outlines the need for certainty in the SoE to ensure confidence in the WSS preparation and direction.

My understanding from the SRF meeting we held to discuss the form and content of the SoE was that any review was likely focussed on some detail as opposed to any broad strategic changes. In addition, the SRF has formal authority to review the SoE under certain circumstances and it is suggested that not including a review date doesn't' remove or diminish a review opportunity, where it's warranted. Nor does a review on format etc. This meeting provides the opportunity to formally adopt the SoE, and a proposed resolution has been provided for the SRF to consider.

During this period, the Board recruited a Chief Executive who is now in place, and he has been introducing himself to the CE's and the Chairs updates (October and November) outlines a wide range of work that is under way.

I would like to acknowledge the hard work that has been undertaken over the last 12 months by all parties to have arrived at what appears to be a good place.

As always progress and resolution of different perspectives is best achieved though respectful and collaborative relationships. This is particularly the case with six Councils willingness to form Waikato Waters and demonstrate, to the rest of the sector, that it can be done.

As Chair I would like to thank the SRF members and Board Chair Elena for a willingness to discuss issues where there are various perspectives, the positive manner that has been shown to resolving and differences as they arise and the maintenance on a focus on making the establishment of this company a success for the customers we serve.

SRF Budget

In the establishment of the SRF and WWL it was suggested that a budget be provided to the SRF to allow the Forum to seek independent advice where an issue is significant and

the SRF feels that it's important to seek independent advice in helping it to come to a decision.

The status of the budget is shown below.

1/07/2026 - 30/06/2027

Posting Date	Description	Reporting Currency Amount	Transaction Amount	Annual Budget amount
19/10/2026	Chair Fee (June - Sept)	4,000.00	4,000.00	$150,000.00
1/09/2026	Incorrect coding	-570.27	-570.27	
1/09/2026	Incorrect coding	3.50	3.5	
1/09/2026	Council WWL Establishment dinner 22/07	566.77	566.77	
31/08/2026	Incorrect coding credited above	570.27	570.27	
17/08/2026	Director Recruitment	25,000.00	25,000.00	
1/07/2026	Mystery Creek 23 July Room Hire	773.95	773.95	
	Total	30,344.22		$119,655.78

Approval of the Statement of Expectations

Submitted by Don McLeod
Independent Chair, Shareholder Representative Forum

1. Recommendation

1.1. That the Shareholders' Representative Forum (**SRF**) approve the Statement of Expectations (**SoE**) for Waikato Waters Limited (**WWL**) (included at Attachment A) by passing the following resolution on 23 November 2026:

*The shareholders in Waikato Waters Limited (the **Company**) hereby:*

*(a) **RESOLVE** pursuant to section 224 of the Local Government (Water Services) Act 2025 and clause 11.3(e)(ii) of Schedule 2 of the Shareholders' Agreement, that the same statement of expectations be approved and adopted as the combined statement of expectations of the shareholders but with no expiry date stated*

*(b) **NOTE** that the approved statement of expectations will be provided to the Company immediately following the passing of this resolution.*

2.1. Reference is made to the paper presented to the SRF for its meeting on 21 September 2026, which was subsequently cancelled.

2.2. Following on from that meeting, the SRF Chair issued a letter to the Chair of the Company dated 19 October 2026 informing the Company of the approval of an SoE for the period up to 30 June 2027.

2.3. The Company responded to that letter on 2 November 2026 informing the SRF that the adoption of an SoE that does not have an expiry date cast in stone on 30 June 2027 is important. The letter is included in full at attachment (Attachment One)

2.4. As noted in the letter, the Board proposes that the SRF adopt the current SoE, relating to the period of at least 10 years, on the basis that it will remain in place for the three-year duration of the WSS. An SoE expiry date before the first WSS comes into force i.e. before 1 July 2027 limits the Board's ability to rely on the current SoE to make efficient long-term decisions.

2.5. The SRF Chair and Deputy Chair agree with the matters stated in the letter of 2 November and recommend the SRF passing a resolution in the form set out above.

2.6. Next steps for the SRF will be to ensure that the process for completing a SoE is reconfirmed among shareholders, built into shareholders' governance calendars and assurance given to the Board that it will receive a valid combined SoE at least 6 months before each water services strategy that the Board prepares under the Local Government (Water Services) Act.

Waikato Waters

Don McLeod
Chair
Shareholder Representative Forum
Waikato Waters Limited

2 November 2026

Statement of Expectations

Dear Don

Thank you for your letter dated 19 October 2026.

We are pleased that the Shareholder Representative Forum (**SRF**) has unanimously agreed the version of the Statement of Expectations (**SoE**) previously endorsed by the Board of Waikato Waters Limited (**Board**).

We appreciate this is a matter for the SRF, and maintaining a positive working relationship is important to us. It is important the SoE does not have an expiry date cast in stone on 30 June 2027 but is an enduring document that has the ability for minor amendment only. The Board is investing significant time and resource in developing Waikato Waters' first Water Services Strategy (**WSS**), which must respond to the SoE and takes effect on 1 July 2027.

In the Board's view, an enduring SoE remains consistent with the legislative framework, and supports Waikato Waters' ability to meet its statutory obligations and objectives and gives management sufficient clarity to progress the WSS.

The Local Government (Water Services) Act 2025 (**LGWSA**) sets out a cycle of planning, performance and reporting that anticipates an SoE relating to a period of at least 10 years and remaining in place for around three years. Within-cycle amendments, while not expressly prohibited, are not anticipated. Departing from that cycle by design creates unnecessary uncertainty for Waikato Waters' planning, which relies on the SoE.

A WSS is a formal and public statement of the activities that will be carried out over the next 10 years to achieve the statutory objectives of Waikato Waters and the matters set out in an SoE. A SoE expiry date before the first WSS comes into force, i.e. before 1 July 2027, limits the Board's ability to rely on the current SoE to make efficient long-term decisions.

We are receptive to minor amendments of the SoE that do not change the substantive document or detract from the development of the Water Services Strategy. However, any amendments that are significant will require public consultation and may be likely to have substantial resourcing implications.

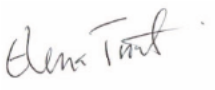
The Board proposes that the SRF:

- adopt the current SoE, relating to a period of at least 10 years, on the basis that it will remain in place for the three-year duration of the WSS; and
- continue to consider its approach to future SoEs, including with independent advice where useful.

This would give the Board the certainty of direction the LGWSA anticipates, while leaving the SRF free to consider how shareholder needs should be reflected in any new SoE.

We would welcome the opportunity to discuss this and look forward to your response.

Yours sincerely



Elena Trout

Chair, Board of Waikato Waters Limited

Waikato Waters

STATEMENT OF EXPECTATIONS

Final for Approval

Pre-amble

This Statement of Expectations is the fundamental accountability document for Waikato Waters Ltd (WWL), a commercially disciplined water services company owned by its Shareholding Councils. It is not a guide, operational handbook or procedural manual. Rather, it establishes the basis on which the Shareholders may hold the Company to account; records the expectations, responsibilities and commitments of each party; and defines the framework through which the relationship, performance, decision-making and shared interests will be governed and managed.

The Shareholding Councils, the Board and management have distinct and complementary responsibilities, and each contributes to WWL's success within its respective mandate. The Shareholding Councils exercise ownership responsibilities by articulating strategic expectations, exercising rights reserved to Shareholders under the Shareholders' Agreement and monitoring performance. The Board governs WWL, exercises independent judgement and oversees management. Management leads and manages the business within the authority delegated by the Board. These roles are to be carried out through respectful, constructive engagement and an acknowledgement of the expertise, statutory obligations and decision-making authority of each party.

WWL must have operational freedom to manage people, assets, systems, investment delivery, customers, procurement, pricing implementation and risk within the law, the Shareholders' Agreement, approved plans, funding settings and applicable shareholder approvals.

Accordingly, this Statement provides a durable framework for mutual accountability, constructive engagement and timely decision-making. It respects the governance and operational responsibilities of the Board and management while ensuring Shareholders receive the information and assurance needed to discharge their ownership responsibilities.

Waikato Waters operates in a highly regulated environment and has significant compliance obligations including for natural resource protection and drinking water safety. Waikato Waters is also subject to economic regulation under the *Commerce Act 1986*. This regulatory framework operates in the interests of the environment and consumers.

The Statement of Expectations cannot contradict the legal obligations of the Directors under company law, nor the regulatory requirements of the Commerce Commission and the covenant requirements of the New Zealand Local Government Funding Authority.

Final for Approval

Waikato Waters

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Waikato Waters

Statement of Expectations

1. This Statement is the fundamental expression of the Shareholders' expectations for WWL and the primary reference point for accountability between the Shareholders and the Company. It is not a guide to day-to-day operations. It establishes the basis for assessing and holding the Company to account, defines the principal responsibilities and commitments of the Shareholders and the Company, and sets out how their relationship, performance, decisions and shared interests will be governed so that WWL can operate as a financially sustainable, customer-focused and commercially disciplined water services company.

2. Shareholding Councils will act collectively through the Shareholder Representative Forum (SRF) and the reserved-matters framework set out in the Shareholders' Agreement.

Term and Review

3. This Statement applies from 1 July 2026 to 30 June 2036 and is subject to any review, approval or replacement requirements in legislation. It may also be reviewed following a material ownership, funding, scope or obligations change.

Commercial Focus

4. WWL's core task is to operate a professional water utility with accountability for customers, assets, service performance, compliance, revenue, investment delivery, debt and long-term financial sustainability.

Shareholder and Company Relationship

5. The relationship between the Shareholders and the Company is founded on mutual respect, good faith, clarity of mandate and shared accountability for agreed outcomes. Each party recognises the legitimate responsibilities and expertise of the others. Shareholders articulate ownership expectations and exercise reserved rights; the Board governs WWL, applies independent judgement and oversees management; and management leads and manages the business under the Board's authority.

6. The parties acknowledge that clear ownership oversight and appropriate commercial and operational independence are mutually reinforcing. WWL requires sufficient freedom to deliver safe, reliable, compliant and efficient services, while Shareholders require timely information and assurance to discharge their ownership responsibilities. Consistent with the respective mandates of the parties, operational decisions—including individual projects, procurement and staffing—are matters for the Board and management unless Shareholder involvement is required by law, the Shareholders' Agreement, approved plans or an applicable council decision.

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7. The operating principles are:
    a. Shareholders speak through agreed shareholder channels, principally the SRF, within the SRF's mandate its Terms of Reference
    b. WWL and the Shareholders maintain a mutual no-surprises approach on material ownership, financial, service, regulatory and reputational matters, supported by timely formal reporting and appropriate informal engagement.
    c. Shareholders focus on outcomes, efficiency, performance, risk and reserved matters, not operational inputs.
    d. Reporting is concise, exception-based and decision-useful.
    e. Disputes are escalated quickly through the processes in the Shareholders' Agreement, so delivery is not delayed.
    f. Where WWL becomes aware that an approved strategy, plan, performance target or material Shareholder expectation cannot, or is unlikely to, be delivered in full or within the agreed timeframe, it will advise the Shareholders at the earliest reasonable opportunity. The advice will state clearly what is not expected to be achieved and why; explain the causes, assumptions and likely consequences; identify material risks, dependencies and trade-offs; quantify the variance where practicable; and set out proposed mitigation, recovery actions, decisions required, revised timeframes and any recommended amendment to the relevant expectation or plan. Subsequent reporting will track the agreed response and progress until the matter is resolved or a revised expectation is approved.
    g. The parties agree and maintain clear points of contact, escalation pathways and communication protocols. Informal engagement should enable early discussion and resolution, while decisions, material commitments and matters requiring assurance are recorded and progressed through the appropriate formal channels.
8. Unless a matter is reserved to shareholders, required by law, required by the Shareholders' Agreement, or is a material departure from approved plans, it is for WWL's Board and management to decide and implement.

Establishment Expectations

9. During establishment (being until 1 July 2027), WWL is expected to:
    a) complete the transfer of people, assets, liabilities, contracts, consents, obligations and systems from Shareholders in accordance with respective transfer agreements without service disruption;
    b) adopt a transparent investment prioritisation framework that balances risk, growth, compliance, asset condition and service levels;
    c) build direct customer, billing, revenue, collections and communication capability (with date of effect to be confirmed with Councils in accordance with the terms of their respective post-completion services agreement);
    d) develop transparent pricing that supports financial sustainability;

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e) establish effective working relationships with iwi, hapū, regulators, customers and Shareholders;
f) use shared services only where efficient, transitional or commercially justified; and
g) operate within approved budgets, manage cashflow and debt prudently, and protect long-term service resilience.

Enduring Expectations

10. WWL must meet all statutory, regulatory, Treaty settlement, environmental, public health, employment, financial and governance obligations. Compliance is a baseline requirement, not a basis for shareholders to manage operations.

Strategic Direction and Priority Expectations

11. Shareholders' strategic priorities are:
    a. safe establishment and seamless transfer of water services;
    b. financially sustainable, customer-focused and reliable services;
    c. commercial benefits from scale, including reduced duplication, stronger capability, better procurement, improved asset intelligence and disciplined capital delivery;
    d. public health, environmental and regulatory compliance; and
    e. capital investment aligned with growth, resilience and the Investment Prioritisation Framework.

Performance Expectations

12. Waikato Waters is committed to supporting its obligations to deliver to customers, compliance with regulatory demands and shareholder aspirations by establishing policy, procedures, systems and reporting mechanisms that demonstrate its commitment to these outcomes and to one of continuous improvement

13. WWL will maintain a performance framework that enables Shareholders to assess whether their expectations and approved strategic outcomes are being met and to hold the Company to account on an informed basis. The framework will provide clear, balanced and decision-useful visibility of service, financial, compliance, customer, asset, workforce, efficiency, transition and strategic delivery performance, without unnecessarily duplicating Board reporting and consistently with the Shareholders' and Transfer Agreements.

14. Performance requirements and reporting will be reviewed periodically with Shareholders to confirm that they remain sufficient to address Shareholder expectations, provide meaningful assurance and support timely consideration where performance, strategy or delivery is at risk. Reporting will distinguish matters requiring Shareholder decision or attention, including material exceptions, from operational matters for the Board and management. It will also provide transparent explanation whenever current strategy or

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approved plans cannot be delivered as intended, including the reasons, implications, available options, corrective action and any proposed resetting of expectations.

15. Reporting should show:
    a) performance against agreed shareholder expectations and approved plans;
    b) material exceptions, risks, dependencies and trade-offs, including a transparent explanation of any approved strategy, plan, target or Shareholder expectation that cannot be delivered as intended, the reasons for the variance, its consequences, corrective actions, revised outlook and any matter requiring Shareholder decision; and
    c) evidence that WWL is improving efficiency, customer outcomes, asset performance, compliance and financial sustainability.

Resource Management and Land-use Planning

16. In resource management and land-use planning, WWL acts as the specialist water utility. Councils retain statutory planning and regulatory roles. WWL provides technical input, identifies network constraints, advises on infrastructure implications and protects the integrity of water services investment and operations. The shared interests' arrangements between each Council and WWL are as set out in Schedule 3 of their respective transfer agreements (as may be amended by agreement from time to time).

Statutory Obligations and Relationships with Iwi and Hapū

17. WWL must meet all applicable statutory, regulatory, Treaty settlement, joint management, environmental, public health, financial and governance obligations across its service area.
18. Nothing in this Statement changes or reduces existing commitments owed by any Shareholding Council to iwi, hapū or other parties, including commitments under Treaty settlement arrangements, joint management agreements or Te Ture Whaimana.
19. WWL should build practical and respectful working relationships with iwi and hapū, regulators, customers and Shareholders in a way that supports its role as a water services utility and its statutory and contractual obligations.

Reporting

19. Until 1 July 2027, WWL will report every two months to the SRF on transfer readiness, service continuity, critical risks, financial position, customer readiness and matters requiring shareholder attention.
20. From 1 July 2027, WWL will report quarterly to the SRF on performance, exceptions, strategic risks, shareholder matters and material progress against approved plans.

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21. SRF meetings should focus on shareholder-level matters: performance, financial sustainability, major projects by exception, material risks, regulatory issues, customer outcomes and reserved matters.
22. Six-monthly reporting should cover capital delivery by exception, compliance, financial outlook, critical risks, material stakeholder relationships and transition progress.
23. Operational engagement between WWL and council officers should support agreed interfaces, statutory processes, emergency management, development planning, shared services, transfer obligations and material no-surprises matters. The parties will use those informal channels constructively for early awareness and coordination, while ensuring that approvals, directions and material commitments are made only through the authorised formal channels and do not create unintended approval rights.
24. Individual council briefings should be by exception or agreed annual programme and must not duplicate SRF reporting or direct company operations.

Final for Approval

Waikato Waters Limited Shareholders'Resolution in Lieu of AGM

Submitted by Don McLeod
Independent Chair, Shareholder Representative Forum

Recommendations

I. The Shareholder Representative Forum (**SRF**), acting on behalf of the shareholders of Waikato Waters Limited (the **Company**), pass a shareholder resolution in the form of Appendix 1 to this paper (**Resolution**).

II. Each SRF Representative consents to their signature being applied to the Resolution.

1. Context

1.1. Under Company Law legislation, the Company is to hold an annual shareholders' meeting unless everything required to be done at that meeting is done by written resolution or otherwise.

1.2. As Waikato Waters' balance date is 30 June, and it was incorporated in July 2025, the AGM must be held by 31 December 2026.

1.3. There are two options available under legislation to ensure compliance:

a. Option A – hold the AGM in person/online: the Board calls and holds a meeting of shareholders in accordance with Schedule 1 of the Constitution; or

b. Option B – resolution in lieu: a written resolution is passed by not less than 75% of the shareholders entitled to vote, who together hold not less than 75% of the votes and the form is as per the Resolution.

1.4. Key activity underway by or for the Company includes confirmation of the Statement of Expectations by the SRF, approval of the Significance and Engagement Policy by shareholders and delivery of the first Water Services Strategy by the Company to the SRF. Each of these matters are being addressed through agreed processes and are not matters to be addressed at an AGM.

1.5. The formal business of an AGM is generally limited to matters such as:

a) an introduction of the new Directors and Chief Executive (if appropriate);
b) a presentation of the Water Services Annual Report (including the audit report)
c) an update on the transfers completed and the two remaining transfers

1.6. In light of the meetings that have been held to date, and the periodic updates by the Company to the SRF, it is the view of the SRF Chair and SRF Deputy Chair that the above matters have been addressed and a further in-person/online AGM is not required.

2. Next Steps

1.7. Given that Hauraki District Council and Ōtorohanga District Council hold non-voting Stage 1 Shares, it is not necessary that they sign the resolution in respect of the annual meeting. However, in keeping with the preference for all

decisions to be made by consensus wherever possible. The preferred approach is for all Forum members to sign the resolution.

SHAREHOLDER RESOLUTION

WAIKATO WATERS LIMITED
("Company")

RESOLUTION IN LIEU OF ANNUAL MEETING
(section 122 of the Companies Act 1993)

RESOLVED in accordance with section 122 of the Companies Act 1993, in lieu of an annual meeting of the Company, that:

1. the requirements and provisions for an annual meeting of shareholders of the Company be waived and replaced with this resolution pursuant to section 122(4) of the Companies Act 1993;

2. the annual report of the Company is hereby approved and accepted; and

3. there are no other matters required to be considered or approved at an annual meeting of the Company.

DATED: **2026**

SIGNED:

HAURAKI DISTRICT COUNCIL by:

Signature of authorised signatory

Mayor Toby Adams
Name of authorised signatory

SOUTH WAIKATO DISTRICT COUNCIL by:

Signature of authorised signatory

Mayor Gary Petley
Name of authorised signatory

WAIPĀ DISTRICT COUNCIL by:

Signature of authorised signatory

Mayor Mike Pettit
Name of authorised signatory

WAITOMO DISTRICT COUNCIL by:

Signature of authorised signatory

Mayor John Robertson
Name of authorised signatory

MATAMATA-PIAKO DISTRICT COUNCIL by:

Signature of authorised signatory

Mayor Ash Tanner
Name of authorised signatory

ŌTOROHANGA DISTRICT COUNCIL by:

Signature of authorised signatory

Mayor Rodney Dow
Name of authorised signatory

Significance & Engagement Policy

Submitted by: Marcos Pelenur
Chief Executive, Waikato Waters

1. Purpose

To seek Shareholder Representative Forum endorsement of the draft Significance and Engagement Policy for referral to shareholder councils for review and approval.

2. Recommendations

That the Forum

I. **RECEIVES** the attached draft SEP as approved by Waikato Waters Board in November 2026 subject to shareholder approval (Attachment One)

II. **RECEIVES** the Consultation Summary Report (Attachment Two)

III. **SEEKS** feedback and approval of the SEP from their respective councils on this SEP with a view to sharing this with the SRF in advance of the January 2027 SRF meeting (and noting that a number of councils have already provided feedback through the consultation process)

IV. **SEEKS** delegated authority from their respective councils for the SRF representative to be able to agree the final form SEP at the SRF meeting in January 2027. The form of a resolution is attached in Attachment Three for each council to consider.

V. **APPROVE** a shareholder resolution in the form included at Attachment Four at the January 2027 SRF meeting, after discussion and agreement between the SRF Representatives on the SEP.

3. Key Messages

I. Shareholder approval of the SEP is a legal requirement. In preparation for this, the draft SEP was released for consultation in early October, and it closed on 30 October 2026. The SEP has been updated because of this.

II. It has since been confirmed that the SRF does not hold delegated authority to approve the SEP on behalf of shareholders.

III. Five of Waikato Waters' six shareholder councils provided submissions, resulting in several amendments that have strengthened the final policy.

IV. To note, councils have a related obligation in relation to amending their SEPs to suit their role as a shareholder in a water organisation, removing matters that are no longer needed. The Waikato Waters team is happy to work with council officers on this.

4. Next steps

I. Once approved, the SEP will take effect on the date the Board adopts it following shareholder approval. We expect this to be mid to late February 2027.

II. The SEP has been prepared with the transfer of the remaining two councils in mind, and it is not anticipated amendment will be required.

5. Appendices

I. Attachment One – Draft Significance and Engagement Policy
II. Attachment Two – Consultation Summary Report
III. Attachment Three – Form of Resolution - Council
IV. Attachment Four – Form of Resolution - Forum

Appendix A – Updated Significance and Engagement Policy

Purpose

As a council-controlled organisation committed to the delivery of safe and reliable water services, we put forward proposals and make decisions that can affect public health, environmental outcomes and community wellbeing. The purpose of this policy is to ensure we engage externally on our proposals and decisions in a manner that is proportionate to their significance.

We recognise that effective engagement leads to better decision-making. Customers, communities, shareholder councils, iwi, hapū, other Māori organisations and stakeholders often have valuable insights into local conditions, service needs, and future aspirations. Meaningful engagement helps us to understand these perspectives and, where appropriate, incorporate them into our decision-making.

Through this process, engagement helps to build trust, improve understanding, and strengthen relationships with the communities we serve.

This policy has been developed in accordance with the Local Government (Water Services) Act 2025 (the Act) and sets out:

- our general approach to determining the significance of proposals and decisions
- our criteria and procedures for determining the significance of proposals and decisions
- our general approach to engaging communities, iwi and shareholder councils
- when we lead engagement and when it is undertaken by our shareholder councils
- how we will respond to community preferences regarding engagement on decisions, including the forms of engagement that may be preferred.

The purpose of the policy, as set out in s.35(3) of the Act, is to:

- enable us, along with our shareholder councils, customers, communities, iwi, hapū, other Māori organisations and stakeholders, to identify the degree of significance attached to issues, proposals, water services infrastructure, decisions and activities
- enable us to develop a flexible and locally appropriate approach to engagement which recognises and accommodates the preferences and expectations of our customers, communities, iwi, hapū, other Māori organisations and stakeholders
- provide clarity about how, when and by whom people can expect to be engaged on decisions
- inform us at the start of the decision-making process about the extent of engagement required, who will be involved, and the method of engagement.

Scope

This policy applies to proposals and decisions made by Waikato Waters that may affect customers, communities, shareholder councils, iwi, hapū, Māori organisations, water services infrastructure, environmental outcomes, or public health and wellbeing.

Not every decision requires engagement. Engagement may be limited or not undertaken where decisions:

- are routine and operational in nature
- are required urgently in response to an emergency

- are necessary to meet statutory obligations
- relate to matters where recent engagement has already provided a clear understanding of community views.

We will not generally undertake public engagement on matters that are commercially sensitive, subject to legal confidentiality obligations, or relate to active procurement or contractual negotiations. Where appropriate, we will provide information about those decisions once those constraints no longer apply.

In all circumstances, we will act consistently with our statutory obligations, good governance practices and commercial responsibilities.

Who leads engagement

Waikato Waters will lead engagement on proposals and decisions that fall within our statutory functions as a water services organisation. Where required, we will inform or seek approval or obtain decisions from our shareholder councils through the Shareholder Representative Forum.

Our shareholder councils will lead engagement on matters for which legislation places decision-making or consultation responsibilities on territorial authorities. Shareholder councils retain statutory planning and regulatory responsibilities, including resource management, consenting and land-use planning functions. Waikato Waters operates as a specialist water utility.

The lead agency is responsible for assessing significance, determining the appropriate level of engagement, undertaking engagement activities, considering feedback and making decisions.

Where Waikato Waters is the lead agency and a proposal or decision is expected to have a material impact on a shareholder council district, we will engage with the affected council throughout the process.

Assessing significance

Significance is a measure of the importance of a proposal or decision and the extent of its likely consequences. Assessing significance helps determine:

- the level of analysis required
- governance oversight requirements
- shareholder councils' involvement
- engagement expectations
- reporting requirements.

Significance is not determined solely by financial value; therefore, we have not set financial thresholds. A proposal may be significant because of its impact on customers, communities, iwi and hapū, shareholder councils, public health, infrastructure, environmental outcomes or our long-term strategic objectives.

The greater the significance of a proposal or decision, the greater the degree of engagement that is likely to be required.

Framework for assessing significance

The table below establishes the criteria used by Waikato Waters to determine the significance of a proposal or decision compared against current conditions.

Criterion	Low significance		High significance
Infrastructure	Minor impacts on a small number of infrastructure assets with no material effect on performance or value.		Major impacts on critical infrastructure assets or a substantial part of the water services network.
Communities*	Minor impact on one or more communities.		Significant impact on one or more communities.
Level of service	Minor changes to service levels with limited customer impact.		Significant changes to agreed service levels, customer outcomes, or regulatory performance requirements.
Financial sustainability	Low-cost impact that can be accommodated within existing budgets.		Significant impact on long-term financial sustainability, affordability, borrowing levels, or customer charges.
Environment	Minor and localised environmental effects that can be readily managed.	**Spectrum** ⟷	Significant, widespread, long-term/intergenerational, or irreversible environmental effects.
Public health	Minimal impact on public health or wellbeing.		Significant actual or potential impact on public health, drinking water safety, or wellbeing.
Māori	Limited impact on Māori interests or relationships with water.		Significant impact on Māori rights, interests, values, cultural outcomes, or relationships with water.
Treaty of Waitangi and Te Ture Whaimana o Te Awa o Waikato	Minimal relevance to Treaty obligations or Te Ture Whaimana.		Directly affects Treaty settlement obligations, co-governance arrangements, statutory obligations, or Te Ture Whaimana.
Public interest	Likely to generate some interest among affected communities, stakeholders, or elected representatives.		Likely to generate substantial public interest, widespread concern, political attention, or national media coverage.

**Refer to the local significance section below.*

Overall significance will be determined having regard to the highest-rated criterion, the number of criteria affected, and the cumulative nature of impacts. A proposal may be assessed as highly significant where a single criterion identifies a high impact or where multiple impacts combine to create a material overall effect. No single factor is determinative, and judgement will be applied based on the circumstances of each proposal or decision.

Local, regional and cross-boundary significance

When assessing significance, we will consider local, regional and cross-boundary impacts. A proposal or decision may have limited significance across the Waikato Waters area as a whole but be highly significant to a particular district, town, neighbourhood, catchment, iwi, hapū or customer group.

We will also consider whether a proposal or decision has material implications beyond the Waikato Waters service area, including impacts on neighbouring local authorities and water organisations.

Where local impacts are significant, a higher level of engagement may be appropriate regardless of the overall significance of the proposal.

Where a proposal or decision may have material cross-boundary impacts, we will engage with affected neighbouring local authorities, water organisations, strategic growth partners and infrastructure providers, as appropriate.

Additional statutory requirements

Strategic water services assets

We will comply with all statutory requirements concerning strategic water services assets, including any requirements to consult where ownership or control of a strategic asset may be transferred, received or otherwise materially affected.

Broadly, under the Act, strategic water services assets are defined as assets that are necessary for us to:

- meet our regulatory requirements, or
- maintain our capacity to achieve the outcomes set out in the Water Services Strategy.

We consider water supply networks and wastewater networks to be strategic water services assets.

In general, each network constitutes the strategic asset, rather than the individual components within it. However, a component within a network may constitute a strategic asset if it is integral to the operation of the network. For example, a water treatment plant that supplies an entire network.

Contracts

When assessing whether a proposed contract is significant, we will consider:

- the significance criteria in this policy
- the value of the contract relative to our revenue and expenditure
- whether the contract would create a public-private partnership arrangement
- the impact of the contract on our ability to meet statutory obligations.

A contract will not be considered low significance simply because it implements an approved strategy, programme or investment decision.

Where a contract is determined to be significant, consultation will be undertaken in accordance with the requirements of the Act.

Joint water service provider arrangements

Proposed joint water service provider arrangements will be assessed using the significance criteria in this policy.

Where a joint arrangement is determined to be significant, consultation will be undertaken in accordance with the requirements of the Act.

Engagement principles

We will apply the following engagement principles:

- **early:** where practicable, before key decisions have been finalised
- **genuine:** where there is a real opportunity for feedback to influence outcomes

- **transparent:** with clear information about the decision, its purpose and any constraints
- **inclusive:** involving those most affected by a proposal
- **proportionate:** matched to the significance of the matter.

Shareholder council engagement

We recognise the important role of shareholder councils as the owners of Waikato Waters and as democratic representatives of their communities.

We will engage with shareholder councils where a proposal or decision may materially affect their district, strategic interests, planning assumptions, service levels, financial interests or community outcomes.

The extent and timing of engagement will reflect the significance of the proposal and the likely impact on the affected council or councils.

Nothing in this policy limits the statutory responsibilities of either Waikato Waters or our shareholders.

Iwi engagement

We acknowledge the enduring relationship of mana whenua with water bodies and taonga within our area of operation. In giving effect to Te Ture Whaimana o Te Awa o Waikato, we are committed to working in genuine partnership with mana whenua, guided by Te Tiriti o Waitangi.

As a newly established water services organisation, we are developing relationships with 21 iwi and establishing an enduring engagement framework that provides a shared understanding of how Waikato Waters and iwi will engage with one another into the future.

To support this objective, we are:

- building relationships with iwi throughout our area of operation
- supporting engagement between our Chair and iwi chairs
- supporting engagement between our Chief Executive and iwi chief executives
- participating in matters of strategic importance to iwi, including matters relating to Te Ture Whaimana and river settlement arrangements
- improving staff capability in relation to Treaty obligations, Te Ture Whaimana and the statutory arrangements that apply across our region
- working with iwi representatives to develop future engagement arrangements.

At the outset of a proposal or decision, we will identify any iwi, hapū or Māori organisations whose interests may be affected. Where Māori interests may be affected, we will consider matters including cultural values, environmental outcomes, Māori aspirations, Treaty settlement obligations, Te Ture Whaimana, impacts on taonga, impacts on waterways, intergenerational effects, and any existing agreements or commitments that apply.

Where Māori interests may be materially affected, engagement will occur early enough to help inform the development of options, the assessment of alternatives and decision-making. Engagement undertaken under this policy complements, but does not replace, any statutory requirements, Treaty settlement obligations, agreements, protocols or relationship arrangements that apply to a particular proposal or decision.

Where a proposal may materially affect Treaty settlement obligations, Te Ture Whaimana, statutory acknowledgements, existing agreements, or the interests of an affected iwi or

hapū, Waikato Waters may undertake direct engagement regardless of the overall significance rating assigned to the proposal.

Engagement framework

Community engagement is a two-way process that helps us to understand community views and enables communities to understand proposals, decisions, and their potential impacts. The level of engagement undertaken will generally reflect the significance of the proposal or decision. In general, the more significant an issue, the greater the level of engagement. Different levels of engagement may be appropriate at different stages of the decision-making process and for different stakeholders.

We recognise that communities have different interests, expectations and preferences for engagement. The methods used will depend on the significance of the proposal or decision, who may be affected, and the extent to which community input can influence the outcome. We may choose to undertake a higher level of engagement where this is considered appropriate, having regard to available resources and the circumstances of the proposal or decision.

When undertaking engagement, we will communicate:

- the purpose of the engagement
- which aspects of the proposal are open to influence
- any legislative, regulatory, financial, or operational constraints
- how feedback will be considered
- the next steps in the decision-making process.

Spectrum of engagement

	Low significance		High significance
Purpose	**Inform**	**Spectrum** Inform and seek feedback where appropriate	**Consult**
Community expectation	People will be informed of decisions.		People will have the opportunity to participate in formal consultation.
Likely characteristics	Decisions that: • have limited financial impacts • result in minimal changes to levels of service • are consistent with existing policies, plans, or standards • generate little public interest		Decisions that: • have significant financial impacts • result in major changes to levels of service or infrastructure • represent a substantial departure from existing policies, plans, or standards • generate significant public interest • may have long-term impacts on communities, the environment, or taonga
Typical engagement methods	Website updates, newsletters, public notices, and direct communication with affected parties.		**Further additional** engagement methods include public consultation, public meetings, targeted engagement with affected communities and stakeholder groups, and continued engagement with affected iwi, hapū, and shareholder councils.

Reporting back

For high significance matters where consultation is undertaken, we will prepare a consultation summary report that summarises:

- engagement undertaken
- key themes raised
- how feedback informed the final decision
- the reasons for the final decision.

Where Māori interests are materially affected, reporting will also explain how relevant Treaty settlement obligations, Te Ture Whaimana and Māori perspectives were considered.

We may provide feedback summaries for other engagement activities where appropriate.

Roles and responsibilities

Role	Responsibility
Shareholder councils	Approves this policy.
Board	Recommends policy for shareholder councils' approval and provides governance oversight of implementation.
Executive Leadership Team	Accountable for implementing policy and ensuring appropriate systems and processes are in place.
Managers and people leaders	Ensure proposals and decisions are assessed and managed in accordance with this policy.
Staff	Comply with this policy and associated procedures.
Governance team	Maintains policy documentation and supports significance assessment and engagement reporting.

Policy review

This policy will be reviewed every three years.

It may be reviewed earlier in response to legislative change, organisational change, implementation experience, or identified improvement opportunities.

Appendix B – Consultation Summary Report

Significance and Engagement Policy

Consultation summary report

November 2026

Introduction

We consulted on our proposed Significance and Engagement Policy from 5 October to 30 October 2026.

The purpose of the consultation was to seek feedback from customers, communities, iwi, hapū, stakeholder organisations, local authorities and shareholder councils on how we should assess the significance of proposals and decisions and determine the appropriate level of engagement.

The Significance and Engagement Policy is required under the Local Government (Water Services) Act 2025 and will provide the framework for how we engage with communities and stakeholders on proposals and decisions that may affect them.

This report summarises:

- how we consulted on the proposed policy
- who provided feedback
- the key themes raised through consultation
- how we responded to the feedback received.

Following consultation, we prepared an updated policy that is now subject to review and approval by our shareholder councils.

How we consulted

Consultation on the proposed Significance and Engagement Policy was undertaken between 5 October and 30 October 2026.

Feedback could be provided through an online submission form, a printable submission form, email, or written submission.

To promote the consultation and encourage participation, we:

- invited iwi to a hui (two attended)
- advertised the consultation in local newspapers throughout our service area
- ran a Facebook advertising campaign
- provided printed and digital posters to shareholder councils for display in libraries, service centres and other public locations
- directly emailed stakeholders and key partners

- held an evening webinar
- issued a media release to local newspapers across the region
- published the proposed policy, supporting information, online submission form and printable submission form on our website.

Who we heard from

We received 13 submissions.

Submitter group	Number of submissions
Shareholder councils	5
Other local authorities	1
Iwi organisations	2
Members of the public	5
Total	**13**

Submissions were received from:

- Waitomo District Council
- Waipā District Council
- Hauraki District Council
- Matamata-Piako District Council
- South Waikato District Council
- Hamilton City Council
- Waikato-Tainui
- Te Arawa River Iwi Trust
- members of the public.

Overall, submitters supported the intent and direction of the proposed policy. Most submissions supported the policy subject to amendments that would strengthen the significance framework, improve clarity regarding engagement responsibilities, and strengthen recognition of local government and iwi interests.

What we heard and how we responded

1. Significance assessment framework

Many submitters supported the proposed significance framework but sought greater clarity regarding how significance would be assessed in practice. Feedback focused on consistency, transparency, and how an overall significance rating would be determined where different criteria receive different ratings.

Our response

We strengthened the policy by introducing a detailed significance assessment framework that describes low and high significance across a range of criteria, acknowledging there is a spectrum of significance.

We also added guidance explaining that overall significance will be determined having regard to:

- the highest-rated criterion
- the number of criteria affected
- the cumulative nature of impacts.

The revised policy confirms that no single factor is determinative and that professional judgement must be applied based on the circumstances of each proposal or decision.

2. Local, regional and cross-boundary significance

Several shareholder councils noted that a proposal may have limited significance at a regional level but be highly significant to a particular district, town, community, catchment, iwi or customer group. Hamilton City Council also sought greater recognition of cross-boundary impacts, particularly where infrastructure systems, growth planning, environmental outcomes or service capacity extend beyond our service area.

Our response

We introduced a new section titled *Local, regional and cross-boundary significance*.

The revised policy now:

- recognises that significance may differ between communities
- requires consideration of local, regional and cross-boundary impacts
- recognises that proposals may have implications beyond our service area
- provides for engagement with affected neighbouring local authorities, water organisations, strategic growth partners and infrastructure providers where material cross-boundary impacts may arise.

3. Shareholder council engagement

A consistent theme from shareholder council submissions was the need for greater clarity regarding the respective roles of Waikato Waters and shareholder councils when engagement is undertaken. Submitters sought stronger recognition of shareholder council interests and clearer expectations regarding council involvement in significant decisions.

Our response

We introduced dedicated sections clarifying:

- who leads engagement
- the respective roles of Waikato Waters and shareholder councils
- circumstances where shareholder councils will be engaged
- expectations regarding engagement where proposals materially affect individual districts or council interests.

We also strengthened the recognition of shareholder councils throughout the policy.

4. Māori interests and iwi engagement

Feedback from iwi organisations, shareholder councils and other submitters supported the inclusion of Māori interests within the policy but sought stronger provisions regarding:

- identification of affected iwi and hapū
- early engagement
- Treaty settlement obligations
- direct engagement with iwi
- how Māori interests would influence significance assessments and decision-making.

Our response

We substantially strengthened the iwi engagement section.

The revised policy now:

- recognises mana whenua relationships with water
- acknowledges Te Tiriti o Waitangi
- requires identification of affected iwi, hapū and Māori organisations
- supports early engagement where Māori interests may be materially affected
- recognises Treaty settlement obligations and existing agreements
- provides for direct engagement where Māori interests, settlement arrangements or statutory obligations may be affected
- how iwi feedback would be documented and reported back.

5. Te Ture Whaimana o Te Awa o Waikato

Submitters, particularly iwi organisations, highlighted the importance of strengthening recognition of Te Ture Whaimana within significance assessments, engagement processes and decision-making. Feedback sought greater certainty regarding how Te Ture Whaimana, Treaty settlement obligations and river iwi interests would be identified, considered and reflected in significance assessments and decision-making.

Our response

The revised policy includes:

- a dedicated significance criterion relating to Treaty of Waitangi obligations and Te Ture Whaimana
- stronger references to Te Ture Whaimana throughout the policy
- specific references to Te Ture Whaimana within significance assessment and iwi engagement provisions.

6. Reporting back and transparency

Several submitters sought stronger commitments regarding reporting back to participants following consultation and engagement activities, including greater transparency regarding how feedback influenced final decisions.

Our response

We strengthened the reporting provisions by introducing a dedicated reporting back section.

The revised policy now commits us to preparing consultation summary reports for high significance matters where consultation is undertaken. The policy also allows us to provide feedback summaries for other engagement activities where appropriate.

7. Significant contracts and predetermined classifications

A number of submitters expressed concern that examples included in 'Attachment 1' to the proposed policy could be interpreted as automatically assigning particular proposals, contracts, projects or other activities to low significance categories without considering their actual impacts.

Our response

We removed the attachment. Typically, we would not assess the significance of contracts. Instead, we would assess the significance of the work to which they relate (e.g. the construction of a treatment plant).

Matters not incorporated

While many recommendations were incorporated into the updated policy, not all suggestions were adopted.

In particular, the revised policy does not:

- establish financial thresholds for determining significance
- adopt the International Association for Public Participation (IAP2) spectrum
- include a numerical or weighted scoring methodology.
- We carefully considered these recommendations. Ultimately, we concluded that a principles-based framework supported by professional judgement would provide greater flexibility and be better suited to the diverse range of decisions we make.

Implementation review

Following consultation, the updated policy was reviewed by the teams responsible for implementing it. This review led to further refinements to improve its practical application.

Conclusion

The consultation demonstrated broad support for the purpose and direction of the proposed Significance and Engagement Policy.

Feedback received from shareholder councils, local authorities, iwi organisations and members of the public resulted in a number of amendments that strengthen the policy and provide greater clarity regarding significance assessment, engagement responsibilities, local and cross-boundary impacts, iwi engagement, Te Ture Whaimana, and reporting back on engagement outcomes.

We have prepared an updated policy following consultation. The policy is now subject to review and approval by our shareholder councils. Subject to shareholder approval, we will

publish the adopted policy, this consultation summary report, and the consultation feedback and response schedule on our website.

Thank you

We would like to thank everyone who took the time to provide feedback on our proposed Significance and Engagement Policy.

We appreciate the thoughtful and constructive submissions received from shareholder councils, local authorities, iwi organisations, stakeholders and members of the public. The feedback provided has helped us strengthen the policy and ensure it better reflects the expectations, interests and priorities of the communities we serve.

Form of council resolution

That the Council:

1. receives the draft SEP as endorsed by the Board of Waikato Waters for release to shareholders for approval;
2. notes that Waikato Waters must obtain its shareholders' approval of its Significance and Engagement Policy under section 37(3)(b) of the Local Government (Water Services) Act 2025 (Act);
3. notes that the Council must amend its own significance and engagement policy under section 34 of the Act, and that this will be progressed having regard to the final policy;
4. provides the following feedback on the draft Significance and Engagement Policy [version and date]: [feedback, or no feedback];
5. delegates to its Shareholder Representative Forum representative authority to:
   (a) work through the feedback received from shareholder councils;
   (b) agree a consolidated set of shareholder comments on the proposed policy; and
   (c) approve the final Significance and Engagement Policy on behalf of the Council, including by signing a shareholder resolution; and
6. notes that this delegation applies only to the first Significance and Engagement Policy and ends when that policy is approved.

Form of proposed shareholder resolution (to be signed by SRF representatives at the January 2027 SRF meeting)

SHAREHOLDER RESOLUTION

WAIKATO WATERS LIMITED
("Company")

RESOLUTION APPROVING SIGNIFICANCE AND ENGAGEMENT POLICY
(section 122 of the Companies Act 1993 and section 37(3)(b) of the Local Government (Water Services) Act 2025)

RESOLVED in accordance with section 122 of the Companies Act 1993 that:

1. the shareholders approve the Company's Significance and Engagement Policy in the form attached to this resolution, for the purposes of section 37(3)(b) of the Local Government (Water Services) Act 2025;
2. the shareholders record that the policy reflects the consolidated shareholder comments agreed by the SRF representatives at the Shareholder Representative Forum meeting on [date]; and
3. each person signing this resolution for a shareholder does so under the authority delegated by that shareholder's council, by resolution dated [date] or under an existing delegation.

DATED: 2027

SIGNED:

HAURAKI DISTRICT COUNCIL by:

Signature of authorised signatory

Name of authorised signatory

SOUTH WAIKATO DISTRICT COUNCIL by:

Signature of authorised signatory

Name of authorised signatory

WAIPĀ DISTRICT COUNCIL by:

Signature of authorised signatory

Name of authorised signatory

WAITOMO DISTRICT COUNCIL by:

Signature of authorised signatory

Name of authorised signatory

MATAMATA-PIAKO DISTRICT COUNCIL by:

Signature of authorised signatory

Name of authorised signatory

ŌTOROHANGA DISTRICT COUNCIL by:

Signature of authorised signatory

Name of authorised signatory

Postal: PO Box 144, Waikato Mail Centre 3204
Physical: Level 4, BNZ building, 354 Victoria Street, Hamilton 3204

Waikato Waters

BOARD UPDATE TO SHAREHOLDERS

October 2026

Tēnā koutou shareholders,

The Board held its October meeting last week and reviewed progress across the organisation following the transfer of Matamata-Piako District Council's (MPDC) water services into Waikato Waters on 1 October.

The Board was pleased with the smooth transition. Staff who transferred from MPDC have settled in well, reflecting both their professionalism and the support provided by colleagues who joined Waikato Waters during the establishment phase on 1 July.

The Board also welcomed Chief Executive Marcos Pelenur, who started during the month. Marcos has made a deliberate effort to spend time with staff across several Waikato Waters locations, listening to their experiences, understanding local challenges, and building relationships. This visible leadership sends a strong signal about the organisational culture we are actively fostering, one that values connection, accountability, and service to our communities.

Pace of change

A significant number of recommendations and approval requests were brought before the Board this month, reflecting the pace at which the executive team and wider organisation are driving change. At this meeting, we were joined by one of our new directors, Barry Harris. John Bridgeman was unable to attend due to a previous commitment overseas.

The Board approved management implementing a flexible funding strategy to support higher long-term borrowing costs. We also approved the new Water Restrictions Policy and endorsed the Drought Management Plan. These decisions are particularly important given current long-range seasonal forecasts and the El Niño weather pattern, which increase the likelihood of dry conditions over the coming summer period.

In addition, the Board endorsed a comprehensive assurance programme of work to identify the most material and time-critical matters that need addressing across the operations and infrastructure functions, and to support the creation of a staged action plan.

For further information on these items, please refer to our Board papers.

Improvements to the safety and reliability of our water services

Both the vision established by shareholder councils and the objectives set out in the Local Government (Water Services) Act require Waikato Waters to improve the safety, reliability, resilience, and sustainability of water services.

While significant challenges remain, the Board is encouraged by the progress being made in the organisation's first months of operation.

- **Taumata Arowai compliance improvements:**
  - Both section 110 notices issued by Taumata Arowai for Te Kūiti and Tīrau have been closed. Drinking Water Safety Plans and Source Water Risk Management Plans have been completed for both supplies, bringing them into compliance with Taumata Arowai requirements. In addition, Waitomo achieved full drinking water quality compliance across all four of its schemes during August.
- **Additional water supply capacity ahead of summer**

- Work to strengthen water supply resilience in Waipā continues to deliver results. The Parallel Road Water Treatment Plant added an additional three megalitres per day of supply capacity during September, while the Alpha Street Water Treatment Plant was brought online ahead of schedule, providing a further four megalitres per day of resilience for Cambridge. The Karapiro supply will contribute an additional 1.5 megalitres per day from November, while recommissioning of the Te Tahi Water Treatment Plant remains on schedule for early November. This is particularly important given the forecast for summer.

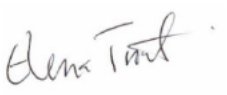
- **Leak reduction programme delivering results**
  - Our leak detection programme is improving network efficiency. Around 60 leaks were identified in Te Kūiti, reducing water losses by an estimated 0.15 megalitres per day and contributing to a reduction in average demand of approximately 10 percent compared with the previous year. In Te Awamutu, 33 leaks were identified and repair work is progressing. The programme will next move into Piopio, Te Poi, and Tahuna.

- **Strong operational performance**
  - Key fault response measures continue to perform strongly. Urgent callouts were attended in a median response time of 0.92 hours, with only one of 115 callouts exceeding the service standard.
  - There were no boil water notices, no do-not-drink notices, and no regulatory enforcement actions during the reporting period. Water-related complaints also reduced by 27 percent compared with July.

Proposed Significance and Engagement Policy
Consultation on the proposed enduring Significance and Engagement Policy remains open until 30 October. Following the close of consultation, management will review submissions, prepare a consultation summary, and recommend any amendments to the proposed policy. The Board expects to consider this material at its November meeting.

A paper will be presented to the November meeting of the Shareholders Representative Forum outlining the role of SRF representatives in coordinating shareholder decision-making and facilitating approval of the policy. Marcos is writing to shareholder chief executives to clarify the proposed feedback and approval process, which is expected to occur between November and February, ensuring all parties have a clear understanding of the pathway to final approval. This approach is intended to provide sufficient time for shareholder input while enabling the policy to be approved ahead of substantive engagement on the Water Services Strategy and the statutory planning milestones that follow.

Ngā mihi,



Elena Trout
Chair, Waikato Waters Ltd
Copy: Chair, SRF

28 October 2027

Chair
Shareholder Representative Forum
Don McLeod
By email: d.mcleod@xtra.co.nz

Copy Deputy Chair
Toby Adams
toby.adams@hauraki-dc.govt.nz

Upcoming Waikato Waters items for Forum consideration

Dear Chair

Following our recent board meeting, I thought it would be useful to you to outline the timelines of some business matters we will be asking the Forum to consider and provide feedback on in the coming months:

I. **November 2026**
   a) **Statement of Expectations**: Final Statement of Expectations to be issued by the SRF to Waikato Waters in November – your recent letter dated 19 October 2026 to me indicates this will occur
   b) **Significance & Engagement Policy:** The Waikato Waters Significance and Engagement Policy is currently out for public consultation and will be presented to the SRF at its November meeting, alongside a summary of feedback received through the consultation process.
   c) We propose that the SRF coordinate decision-making across the participating Councils. Each council would then consider the matters raised, with the January SRF meeting providing an opportunity to review council feedback and reach a final decision.

II. **January 2027**
   a) **Waikato Waters Water Services Strategy**: The draft Water Service Strategy will be provided to the Forum in January 2027. Our expectation is to have feedback (on behalf of all Councils) from the Forum by 26 February 2027.
   b) The Strategy will be sent to the Forum around January 11th to allow for sufficient time for gathering Council feedback.
   c) In accordance with the legislation the Water Services Strategy is required to be prepared and submitted to the Commerce Commission by 1 July 2027; it will take effect from this date after all six Councils have transferred and articulates the direction for all 6 over the 10 years that follow.

Postal – PO Box 144, Waikato Mail Centre 3204
Physical - Level 4, BNZ building, 354 Victoria Street, Hamilton 3204

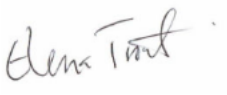
d) To assist you, I have attached to this letter a schematic of the timeline the Board is working to.

III Annual Meeting

a) In accordance with the Companies Act we are required to hold an AGM within 6 months of the end of the financial year, (i.e., before 31 December 2026). We will engage with you and discuss options regarding this.

Waikato Waters looks forward to working with the Forum on these important activities.

Yours sincerely



Elena Trout
Chair

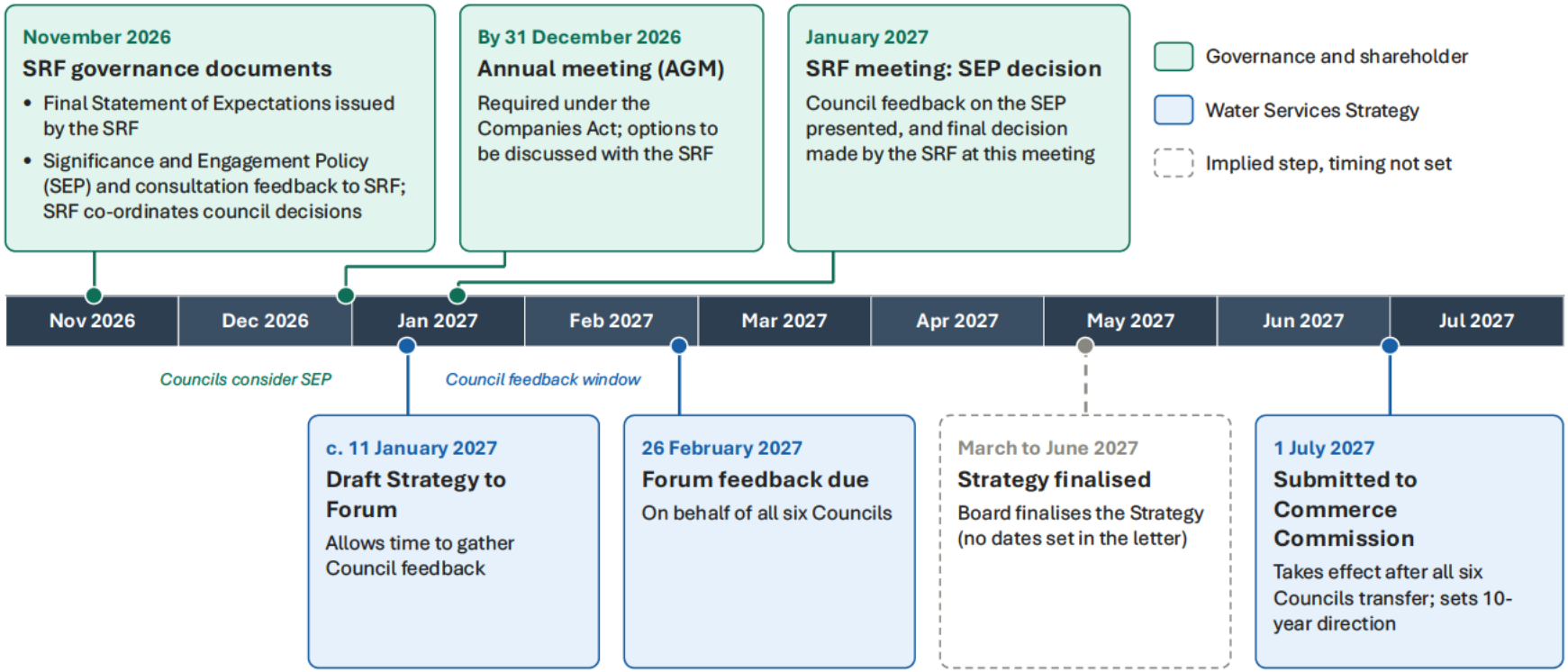
Attachment: WSS Governance timeline

Postal – PO Box 144, Waikato Mail Centre 3204
Physical - Level 4, BNZ building, 354 Victoria Street, Hamilton 3204

Waikato Waters

Water Services Strategy and governance timeline

Key dates, November 2026 to July 2027



January SRF meeting date to be confirmed; marker position is indicative. Dates as set out in the letter to the Shareholder Representative Forum (SRF).

Postal – PO Box 144, Waikato Mail Centre 3204
Physical - Level 4, BNZ building, 354 Victoria Street, Hamilton 3204

Waikato Waters

Don McLeod
Chair
Shareholder Representative Forum
Waikato Waters Limited

2 November 2026

Statement of Expectations

Dear Don

Thank you for your letter dated 19 October 2026.

We are pleased that the Shareholder Representative Forum (**SRF**) has unanimously agreed the version of the Statement of Expectations (**SoE**) previously endorsed by the Board of Waikato Waters Limited (**Board**).

We appreciate this is a matter for the SRF, and maintaining a positive working relationship is important to us. It is important the SoE does not have an expiry date cast in stone on 30 June 2027 but is an enduring document that has the ability for minor amendment only. The Board is investing significant time and resource in developing Waikato Waters' first Water Services Strategy (**WSS**), which must respond to the SoE and takes effect on 1 July 2027.

In the Board's view, an enduring SoE remains consistent with the legislative framework, and supports Waikato Waters' ability to meet its statutory obligations and objectives and gives management sufficient clarity to progress the WSS.

The Local Government (Water Services) Act 2025 (**LGWSA**) sets out a cycle of planning, performance and reporting that anticipates an SoE relating to a period of at least 10 years and remaining in place for around three years. Within-cycle amendments, while not expressly prohibited, are not anticipated. Departing from that cycle by design creates unnecessary uncertainty for Waikato Waters' planning, which relies on the SoE.

A WSS is a formal and public statement of the activities that will be carried out over the next 10 years to achieve the statutory objectives of Waikato Waters and the matters set out in an SoE. A SoE expiry date before the first WSS comes into force, i.e. before 1 July 2027, limits the Board's ability to rely on the current SoE to make efficient long-term decisions.

We are receptive to minor amendments of the SoE that do not change the substantive document or detract from the development of the Water Services Strategy. However, any amendments that are significant will require public consultation and may be likely to have substantial resourcing implications.

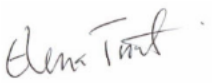
The Board proposes that the SRF:

- adopt the current SoE, relating to a period of at least 10 years, on the basis that it will remain in place for the three-year duration of the WSS; and
- continue to consider its approach to future SoEs, including with independent advice where useful.

This would give the Board the certainty of direction the LGWSA anticipates, while leaving the SRF free to consider how shareholder needs should be reflected in any new SoE.

We would welcome the opportunity to discuss this and look forward to your response.

Yours sincerely



Elena Trout

Chair, Board of Waikato Waters Limited

Postal – PO Box 144, Waikato Mail Centre 3204
Physical - Level 4, BNZ building, 354 Victoria Street, Hamilton 3204

MINUTES

SHAREHOLDER REPRESENTATIVE FORUM

Name:	Shareholder Representative Forum
Date:	Tuesday 25 August 2026
Time:	3:30 pm to 4:30pm
Location:	Teams

Committee Members:

Don McLeod (Forum Chair), Mayor Ash Tanner, Mayor Gary Petley, Mayor Rodney Dow, Mayor Toby Adams

Apologies: Mayor John Robertson, Mayor Mike Pettit

Attendees: Allie Stevens, Elena Trout, Matt Stanley, Sarah Naude

Meeting Administration

1.1 Chairs welcome

I. The Chair welcomed attendees and introductions were made.

1.2 Director Recruitment process

I. The Chair highlighted the following matters:

a) Propero appointed to undertake director recruitment

II. M. Stanley, Propero outlined the process undertaken including advertising the vacancies, noting the candidates brief provided information on board meeting dates, proposed remuneration.

III. The Forum discussed the option to train directors in the future to support their governance ambitions.

IV. The Forum agreed that while the interview panel has an ideal size, no member of the Forum should be excluded from participating in the candidate interview process.

V. Following discussion, the Forum

a) **NOTES** two director vacancies

b) **RECOMMENDS** six candidates moving forward to the interview process; three per vacancy. These being:

i. Infrastructure and Regulation:

[redacted]

ii. Customer experience, digitisation and transformation:

[redacted]

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- **NOTES** Propero will consider director tenure and how to phase this efficiently and undertake a director remuneration review.

Moved: Mayor A. Tanner

Second: Mayor G. Petley

Passed: Unanimous

The discussion closed at 4.30pm

Signature:_____ **Date:**_____

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MINUTES
SHAREHOLDER REPRESENTATIVE FORUM

Name:	Shareholder Representative Forum
Date:	Thursday, 23 July 2026
Time:	9:00 am to 10:02 am (NZST)
Location:	Hosting Room, Mystery Creek Event Centre, 125 Mystery Creek Road
Committee Members:	Don McLeod (Committee Chair), Mayor Ash Tanner, Mayor Gary Petley, John Robertson, Mayor Mike Pettit, Mayor Rodney Dow, Mayor Toby Adams
Attendees:	Allie Stevens, Elena Trout, Neil Brennan, Sinead Hart, Jaydene Kana, Jon Lamonte, Eady Manawaiti

Meeting Administration

1.1 Chairs welcome

I. A karakia was recited by Eady Manawaiti, Deputy Mayor Waitomo District Council. Apologies received:
   a. Mayor Toby Adams
   b. Mayor John Robertson
   c. Mayor Gary Petley for lateness

II. The Chair noted a quorum present for the meeting to proceed.

1.2 Move into in committee

Public exclusion from the meeting

Recommendation: That the public be excluded from the following parts of the proceedings of this meeting, namely: Agenda Items 2.1 through 3.2. The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of its resolution are as follows:

Agenda Item	Subject Matter	Reason for Public Exclusion	Ground(s) under LGOIMA section 48(1)
2.0	**Establishment Matters**		
2.1	Forum Chair Report	Relates to effective conduct of public affairs and commercial activities	7(2)(f) and (h)

2.2	Waikato Waters Limited Update	Relates to effective conduct of public affairs and commercial activities	7(2)(f) and (h)
3.0	In Committee Meeting Administration		
3.1	Minutes of Meetings for Approval	Relates to commercial activities and carrying out of commercial negotiations	7(2)(h) and (i)
3.2	Actions List	Relates to commercial activities and carrying out of commercial negotiations	7(2)(h) and (i)

This resolution is made in reliance on section 48(1) of the Local Government Official Information and Meetings Act 1987 ("**LGOIMA**") and the particular interest or interests protected by section 7 of LGOIMA.

Decision Date: 23 Jul 2026
Mover: Mayor Ash Tanner
Seconder: Mayor Rodney Dow
Outcome: Approved

2. In Committee Establishment Phase Matters

2.1 Forum Chair Report

I. The paper was taken as read.

II. The Chair provided a further update on the report:

a) A letter received from LGFA early July regarding the director appointments.

b) Director appointment process moving ahead; Propero appointed as supporting recruitment company; currently in long-list process. Propero will also undertake a director remuneration review to ensure the market expectation is being met.

c) Statement of Expectation now with SRF Chair, Deputy Chair and Waikato Waters Interim Chief Executive. A final draft will be sent back to each Council for consideration.

Recommendation: That the Forum Chair Report be received.

Decision Date: 23 Jul 2026
Mover: Mayor Mike Pettit
Seconder: Mayor Rodney Dow
Outcome: Approved

2.2 Waikato Waters Limited Update

I. The Waikato Waters Chair was introduced and presented to the Forum, highlighting the following matters:

a) Leadership team recruitment nearing completion.

b) Chief Executive commences on 5 October.

c) Engaging with the SRF Chair and Deputy Chair on the Statement of Expectation.

d) Developing a detailed plan to meet key obligations in terms of the Water Services Plan and Customer and Billing Systems.

e) Iwi engagement is important and work is underway to build those relationships.

Recommendation: That the Waikato Waters Limited Board Chair update report be received.

Decision Date: 23 Jul 2026
Mover: Mayor Ash Tanner
Seconder: Deputy Mayor Eady Manawaiti
Outcome: Approved

3. In Committee Meeting Administration

3.1 Confirmation of Minutes and Matters Arising

I. The minutes from 6 March 2026 were noted and received.

3.2 Actions List

I. The action list was reviewed and noted.

II. The meeting moved out of In Committee.

4. Move out of in committee

4.1 Any other business

I. The Chair called for any other items of general business. None were received.

5. Close Meeting

5.1 Close the meeting

Next meeting: Shareholder Representative Forum Meeting - 21 Sept 2026, 2:15 pm

A karakia was performed to close the meeting.

Signature:_____ **Date:**_____