



2024 Statement of Intent

Enable Services Limited



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DIRECTORY

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INTRODUCTION

This 2024 Statement of Intent (**SoI**) is submitted by the Board of Directors of Enable Services Limited (**ESL**) and is prepared in accordance with Section 64(1) of the Local Government Act 2002.

ESL owns 100% of Enable Networks Limited (**ENL**). Both ESL and ENL (collectively, **Enable**) are council-controlled trading organisations (**CCTO**) for the purposes of the Local Government Act 2002 and this SoI covers the activities of Enable.

The SoI specifies the objectives, the nature and scope of the activities to be undertaken, and the performance targets and other measures by which the performance of Enable may be judged in relation to its objectives, amongst other requirements.

The process of determination of an acceptable SoI is a public and legally required expression of the accountability relationship between Enable and its shareholder, Christchurch City Holdings Limited (**CCHL**). The SoI is reviewed annually with CCHL and covers a three-year period.

OBJECTIVES

Our Purpose is:

Connecting Our Community with Unlimited Opportunity

Our vision is:

Our fibre network is the essential enabler of an economically and socially vibrant, connected, innovative and globally competitive greater Christchurch

Access to high-quality broadband connectivity is a necessity for societal growth and advancement, and Enable is committed to continuing to deliver its world-class fibre connectivity to meet the needs of our community.

- Fast, reliable broadband services empower businesses within our community to innovate and grow in almost every way, locally and globally.
- Individuals and families depend on broadband services for entertainment, connection with each other, education, and other online services.
- Essential service providers – councils, government agencies (such as health and education), and community support organisations – are reinventing how they deliver services to our community using broadband connectivity.
- Cities themselves are being transformed through Smart City initiatives – in areas such as Data Management, the Internet of Things, and Artificial Intelligence, to name a few – to deliver greater community value, a better living experience for residents, and a sustainable future.

Ongoing global uncertainty continues to highlight the critical importance of world-class broadband. Specifically, local, regional, and national environmental disasters, on top of the ongoing ramifications of COVID-19, demonstrate the need for a high-quality and resilient service in times of severe need.

It is imperative to provide our community with the ability to be flexible and responsive in the way we live and work in terms of how we connect with colleagues, family and friends, access services, conduct business, learn, shop, and are entertained.

Our purpose and vision define our role as the kaitiaki of the essential enabling broadband infrastructure that empowers our community. We are focused on building on our achievements of completing our network build to over 208,000 homes, businesses, and schools, connecting 150,000 customers to our network, and becoming profitable and delivering dividends to our community ahead of plan. We must be successful in meeting or exceeding our committed objectives.

- Operate and manage all aspects of our fibre network to a high level, ensuring the delivery of services with a positive customer experience, and keeping ahead of customer demand.
- Drive sensible commercial customer growth through effective market-led strategies based around product development, outstanding internet service provider relationships, and customer marketing activity.
- Maximise our fibre network asset performance to secure commercial returns on investment that meet or exceed the cost of capital, considering the long-term nature of this infrastructure investment.
- Advocate the enormous potential of our world-class connectivity services to businesses, consumers, and community groups within our community to truly embrace and realise unlimited opportunities.

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- Support more of our community to participate fully in, and benefit from, our digital society through initiatives focused on digital equity.
- Protect and enhance our community's future through sustainable business practices.

We will continue to grow our relationship with iwi and mana whenua to build our knowledge and better understand Enable's relationship with the land and our community and to realise community growth outcomes that support local iwi.

NATURE AND SCOPE OF ACTIVITIES

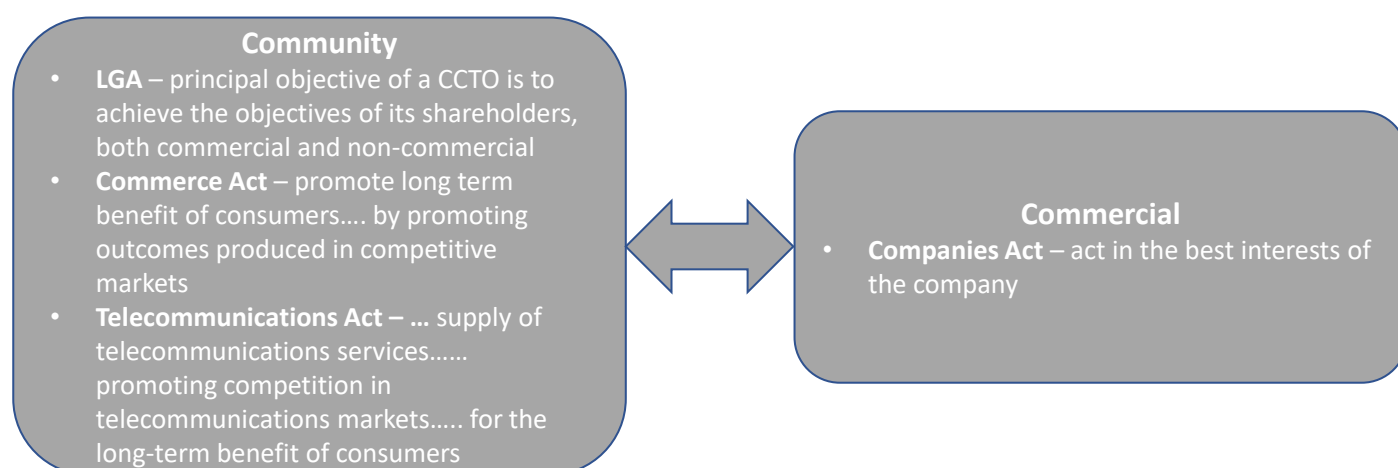
Our core business is to provide wholesale services delivered over our fibre network infrastructure. Our wholesale services form the basis of retail fibre broadband, voice, internet, TV, video calling, content, gaming, and IT services provided to customers (such as homes, businesses, and schools).

We were established in 2007 as the commercial need for businesses to access fibre broadband services in Christchurch became clear. Our parent company, CCHL, established Enable in alignment with its intent 'to own and manage key strategic infrastructure investments' that make Christchurch internationally competitive.

We are focused on ensuring all connected customers constantly enjoy world-class connectivity that exceeds their needs and expectations in terms of speed, reliability, performance, and overall customer experience. Furthermore, we are connecting more customers to grow our business and deliver on our purpose for more people within our community.

We continually seek to provide our community with more value and new opportunities to benefit from our network and its capability. We also seek to invest in broader opportunities to deliver connectivity services to our community and generate greater value and returns to our shareholder and our community.

Our operations are guided by the expectations of a CCTO and a business operating in a commercial telecommunication market as depicted in the following diagram.



Through our core business we:

- provide affordable wholesale fibre broadband services;
- ensure our services support the increasing demand for quality high-speed connectivity from our community;

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- provide efficient access to fibre services for local businesses and schools;
- ensure new Greenfield developments (subdivisions) have access to fibre broadband network;
- ensure our network infrastructure is deployed in a way that minimises the impact to the environment; and
- maximise the opportunity to ensure the large numbers of new commercial and residential buildings are designed and built with provision for our network included.

We work closely with key stakeholders to ensure our fibre network, and the world-class connectivity it enables, supports wider community growth and wellbeing.

CONTRIBUTION TO BROADER GROWTH STRATEGIES FOR ŌTAUTAHI – CHRISTCHURCH

As a wholly owned subsidiary of CCHL, we actively support wider group initiatives aimed at collaborating, sharing resources, and identifying opportunities to collectively deliver greater value to our ultimate shareholder, Christchurch City Council, and the people in our community.

We support and contribute to CCHL's strategic framework built on the pillars of kaitiakitanga, mana, financial, sustainability, and people and we contribute to this framework through our business strategy.

We directly contribute to Christchurch City Council's strategic objectives through alignment with its Strategic Framework (the **Framework**) and strategic priorities, particularly the Council's vision of:

Ōtautahi - Christchurch is a city of opportunity for all... open to new ideas, new people, and new ways of doing things – a city where anything is possible.

Our ownership of a fibre network aligns with and supports the long-term growth plans of local and central government. Our services are fundamental to the future growth of the economic and social wellbeing of our community.

Our investment, network capability, and services are key inputs into many of the outcomes sought under the Framework.

- **Resilient Communities** – Access to high-quality connectivity is a vital enabler of community connection, participation in civic life, keeping our community safe and healthy, and providing channels for relationships to be built and voices to be heard in decision-making from across our community.
- **Liveable City** – Fibre connectivity is at the heart of our city being vibrant and thriving by underpinning much of the innovative technology that supports smart and modern urban development. Our connectivity is also essential to support sustainable suburban centres by empowering more services to be delivered from them, and our community to spend more time in their local communities. Connectivity is also a critical component in a sustainable, low-carbon transport system – by reducing the need to commute and travel to connect across our community.
- **Healthy Environment** – Fibre is the lowest emission connectivity option available to our local community. Fast and reliable fibre broadband enables remote and flexible working, online learning, access to online services and other connection needs, which all help people to reduce their own emissions and waste.
- **Prosperous Economy** – The availability of fibre connectivity across our city and in the surrounding towns is a significant factor in attracting economic activities and investment to the region. The expected long lifespan (expected to be 50 years) and future enhanced potential of our network support and promote intergenerational goal setting. World-class connectivity supports diversity in

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Christchurch's economic base by promoting the establishment of digital industry and supporting all industry to reach new markets and more customers. Our fibre network is a modern and robust city infrastructure that will support the economic prosperity of our community for many generations.

We also support the strategic priorities set by the current City Council.

- We are ***enabling active citizenship and connected communities*** through our fibre broadband services, and our goals to address digital inequity in our community by empowering people to connect through the digital world.
- We have developed and are implementing a sustainability strategy that is directly contributing to Council and CCHL's environmentally focused priority of ***meeting the challenge of climate change through every means available***.
- Access to world-class connectivity right across our city and to nearby towns, aligns Christchurch with some of the most technologically advanced global cities, therefore, supporting the goal of ***accelerating the momentum the city needs***.
- We support ***ensuring rates are affordable and sustainable*** by operating as a financially successful strategic asset that delivers dividends back to our shareholder.

GROWING A STRONG BUSINESS

We are committed to growing our core business, with focus on customer retention, to maximise shareholder value while ensuring the maximum number of people within our community are benefitting from our services. The maturing of our business will ensure we have the operational and financial foundations to deliver even greater value to our community in the future through innovation and investment in business opportunities that will deliver direct financial returns or additional community value.

Customer Connection and Network Operation Performance

We are now beyond the period of peak growth of our fibre broadband services and circa 74% of all fixed broadband connections within our coverage area are delivered over our fibre network.

We are focused on delivering a consistently excellent experience for all customers already connected to our network. This includes delivering outstanding customer service, network service reliability and performance, and continuing to innovate to ensure our services are always exceeding the needs and expectations of our customers.

We recognise the role we need to play in ensuring our customers are getting all the support they need to maximise their broadband experience and continuing to connect the remainder of our addressable market to fibre.

Financial Performance

Our financial performance targets demonstrate that we have reached a point of financial maturity. We will continue to pursue customer connection growth in the coming years, albeit that the rate of growth in revenue, profitability and returns to the Shareholder will continue at a slower pace.

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Financial Targets (\$m)	2024	2025	2026
Gross Telecommunications Revenue	113.6	121.3	128.5
EBIT	56.3	60.3	63.4
NPAT	31.0	33.6	36.8
Shareholder's Funds to Total Assets Ratio	49.1%	49.8%	51.3%
Return on invested capital % (EBIT / average equity)	15.0%	15.7%	16.1%
Return on equity % (NPAT / average equity)	8.2%	8.7%	9.2%
Interest Cover (EBIT/Interest Expense) x's	4.3	4.4	5.2
Net gearing % (Net debt / net debt plus equity)	43.8%	43.1%	41.3%

Dividends to our Shareholder

The dividends payable to the Shareholder will be determined by the Board after consideration of working capital requirements, future funding requirements, the requirement to meet the solvency test under the provisions of the Companies Act 1993, and Shareholder expectations.

Shareholder Return Target (\$m)	2024	2025	2026
Dividends	20	25	25
CCHL Loan Repayment (principal)	-	-	10

Enable will provide early and regular communication regarding any factor that is likely to have an impact on projected dividends or timing of payments.

There are no changes to our risk management framework. Enable will undertake a review of its Risk Management Policy and update its risk assessment and register accordingly.

Under CCHL's leadership, we are committed to the CCHL group reporting requirements. We will work closely with CCHL in the transition to an Integrated Reporting Framework and will undertake preparations for the adoption of the Task Force of Climate-Related Financial Disclosures (TCFD) standards.

A SUSTAINABLE FUTURE: ENVIRONMENT, SOCIAL and GOVERNANCE (ESG)


Enable is committed to operating all aspects of its business with a focus on protecting and enhancing our community today and in the future through sustainable environmentally responsible business practices, social contribution, and good governance (ESG)¹.

¹ Environment, Social and Government, referred to as ESG, is a globally accepted criteria for assessing a company's progress towards sustainability.



We have assessed our areas of environmental and social focus against the specific targets and indicators set under each of the United Nations’ Sustainable Development Goals (SDGs). The programme of work below aligns to seven specific SDGs – (5) Gender Equality; (8) Decent Work and Economic Growth; (9) Industry, Innovation and Infrastructure; (10) Reduced Inequalities; (12) Responsible Consumption and Production; (13) Climate Action; and (17) Partnerships for the Goals.

We continue to work through the process to achieve B Corp certification for Enable, which will serve as our primary measure for our overall contribution to the ESG goals and sustainable future. Our B Corp certification will enforce Enable’s commitment to a sustainable future, provide an ongoing measure of our overall performance, inform areas for improvement, and support strategy evolution. We will ensure we promote our B Corp certification to our customers and stakeholders.

B Corp Certification goal	
	<ul style="list-style-type: none"> Strive to achieve and maintain B Corp certification to enforce Enable’s commitment to ensuring our business supports a sustainable future and provide a measure of our overall performance.

ENVIRONMENT – operate our business in an environmentally responsible way towards achieving net zero emissions and zero waste.

To address environmental challenges, we will:

- adopt a science-based targets (SBTs) approach to greenhouse gas (GHG) emissions reduction to ensure we achieve our targets necessary to help limit warming.;
- strive towards achieving net zero emissions by 2030 in ways that make financial sense;
- support our community to make sustainable connectivity purchasing decisions;
- understand and disclose our climate-related risks in line with the climate-related disclosures regime (TCFD² framework);
- apply ‘circular economy’ principles to our resource use and drive our partners to do so; and




² Task Force on Climate-Related Financial Disclosures

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- embed sustainability considerations (including ethical considerations) in a culture of excellence across the entire business.

We are an active and contributing member of the CCHL Sustainability Working Group (SWG), which is a current deliberate initiative within the C3 programme led by CCHL in partnership with other CCOs. We will work to achieve the above through collaboration and partnership within the CCHL Group (as outlined in the Group’s sustainability objectives) and ensure we align our emission reduction strategy to the Group strategy and reporting model to leverage our combined scale to have maximum positive impact.

Consistent with the Group approach, our initial focus is on improvements in our direct operations (scope 1) and purchased energy (scope 2) before expanding our sustainability goals to our partners and suppliers (indirect – scope 3). All emission reduction targets are set and will be measured against our audited FY20 financial year baseline.

Take climate action goals	
 	<ul style="list-style-type: none"> • Continue the focus on our scope 1 and 2 emissions reduction targets of 35% by FY25 and 62% by FY30, against the FY20 baseline, and strive to achieve net zero emissions by FY30 in line with the CCHL group. • Complete our first climate risk assessment, and scenario analysis if required, in line with climate-related disclosure requirements, and support the development of the CCHL group climate statement. • Continue to develop an understanding of our handprint (positive environmental impact).
Effective resource use goals	
	<ul style="list-style-type: none"> • Continue to work with our key contractors to minimise network infrastructure waste, specifically: <ul style="list-style-type: none"> ◦ implement a reuse and recycling plan for first generation equipment as it is decommissioned. • Ensure our corporate landfill waste is below our FY22 benchmark, of 588.2 kg, by continuing to educate our people on waste minimisation.

SOCIAL – continue to grow our positive contribution to our community as a business, employer, and contributor.

OUR PEOPLE – enable our people to be their best

Our people strategy is to:




- attract, retain, grow, and inspire the very best people to address our business challenges and meet the needs of our community;
- embrace diversity – including gender, gender identity, age, ethnicity, disability, beliefs, sexual orientation, family responsibilities, work style and experience, socio-economic background, thinking style, and personality type – across our business and support our customers, partners, suppliers, and other stakeholders to do the same;
- better understand and grow the diversity of thought within Enable as we believe in the potential of greater diversity to deliver better decision-making and, therefore, better outcomes for our business and community;
- actively work to provide an environment where everyone feels they can fully participate at work and where each person is valued for their unique perspectives, skills, and experiences; and

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- continue to deliver Health, Safety and Wellbeing (HSW) for our people with a whole-of-business commitment to looking after our people, partner organisations and their people, customers, and community.

We are actively involved in the C3 Programme initiative of Gender Equality Research under CCHL leadership and will continue to take guidance from and provide support to CCHL in the progression and integration of this initiative. These initiatives will ensure we continue to promote and foster a diverse and inclusive workplace. Where any situation of pay inequity is identified we will notify CCHL and advise of the rectification steps.

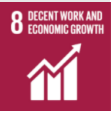
We will work to undertake due diligence to prevent, mitigate and remedy modern slavery and worker exploitation within our stakeholders, partners, and suppliers. We will work with CCHL to develop a proportionate response to the pending introduction of the modern anti-slavery legislation in New Zealand.

Enable People goals	
  	<ul style="list-style-type: none"> • Maintain provision of the living wage for all Enable (direct) and primary contractor employees. • Develop and report on an action plan to close any identified gender pay gap. • Be an employer of choice. Continue to evolve our people strategy in terms of engagement; employee benefits; performance and development, recognition, and reward. • Ensure Enable fosters Diversity and Inclusion with our people being supported to bring their best selves to work.

Like many sectors that require specific skills, we continue to face challenges recruiting some specialist roles and this has the potential to impact pay equity strategies; however, we are mindful of the restraint needed in this area and will endeavour to ensure our focus remains on our medium-term commitment of equality and restraint in compensation.

Enable will monitor and strive to continuously improve HSW practices to keep our people, our partners, our customers, and our wider community safe.

Enable will implement initiatives to ensure our critical risks are managed safely and our people’s HSW is supported and protected. We will also take learnings from industry incidents to strengthen our systems and processes.

Enable Health, Safety & Wellbeing goals	
	<ul style="list-style-type: none"> • Continue to deliver a best practice Health, Safety and Wellbeing model that ensures our people, partner organisations’ people, customers, and community are kept safe and well as measured by Total Recordable Injuries (TRI) <=5 and no serious harm injuries incurred. • Continue to report any incidents to CCHL that are notified to WorkSafe. • Grow and educate our Health and Safety champions to ensure the best practices are shared with and embedded within the wider staff base. • Continue to promote the Wellbeing Committee as point of contact and to actively drive strong uptake and engagement across our planned calendar of initiatives focused on the wellbeing of our staff.


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OUR COMMUNITY – grow and support our community

We work to generate greater community value by:

- embracing new and responding to advancing technology innovations and exploring disruptive ways to solve societal challenges through innovation and partnership; and
- continuing to leverage our existing partnerships and assets to support community growth and exploring new business and social good opportunities to grow the value of Enable to our community.



Specifically, we are focused on leveraging our fibre assets, our technology capability and expertise, and our position as a community-owned company to enhance and grow our community.

Community goals	
 	<ul style="list-style-type: none">• Taking central government’s lead, work in partnership with Government, industry, and other potential stakeholders to identify and establish a sustainable programme that supports community access to engage with and leverage high-quality fibre.• Continue to operate our Christchurch Free Wi-Fi service in key central locations to support maximum economic growth and visitor and community benefits.• Continue to support the largest local secondary schools to leverage the full potential of fibre broadband for better education outcomes by delivering Hyperfibre to them.• Work closely within the CCHL Group and with other potential partners to unlock and realise new initiatives that can support the group to deliver greater value and returns to our community.• Maintain and identify new key strategic partnerships and sponsorships aimed at supporting a local environment of growth and innovation.

TE AO MĀORI – enhanced relationships with local iwi and mana whenua

We are continuing our journey towards having a better understanding of Te Ao Māori (the Māori World). We are committed to continuing to build our knowledge and understanding in this area and grow our understanding of our relationship with the land and our community.

We will use Te Tiriti O Waitangi / Treaty principles of partnership, protection, and participation to form the basis of positive engagement with iwi, particularly Ngāi Tahu, and mana whenua. Enable will work with, and take guidance from, CCHL to strengthen engagement and partnership with Māori, Ngāi Tahu, and Papatipu Rūnanga as part of the CCHL-led C3 programme.

Te Ao Māori goals	
 	<ul style="list-style-type: none">• Engage directly with iwi and mana whenua to build knowledge and better understand Enable’s relationship with the land and our community and enhanced cultural understanding and competency with our business.• Actively participate in He Huanui Māori CCHL and the CCO leadership team to accelerate initiatives aimed at promoting improved cultural capability across the Group and generating positive outcomes for Māori and our broader community.• Work with CCHL and other CCOs to develop a clear understanding of how we collectively work toward ensuring a stronger relationship with Māori, and all ethnicities that guides our Culture, practises and decisions in the future.

GOVERNANCE – govern Enable through best practice to ensure the business delivers the best possible outcomes for our community.

Directors and management are committed to best-practice governance. Governance requires competent people committed to good governance and an effective set of systems and processes. This provides the Shareholder and other stakeholders with the assurance that Enable is appropriately governed.

Good governance involves continual changes to meet the shifting dynamics of the business. This is particularly the case with Enable as we grow and change throughout our growth lifecycle. We have experienced rapid growth and new systems, processes, and positions have been established over the last three years to meet the future needs of the business.

We ensure that the benefits of these changes are maximised and that we are operating as efficiently and effectively as possible.

Directors and management recognise the need to have high-calibre people, backed by excellent systems and processes, for Enable to be a world-class service-led organisation.

Role of the Board

The Board is ultimately responsible for setting the strategic direction of Enable and overseeing the management of our business, with the aim being an increase in shareholder value and the development of communications infrastructure for the economic and social benefit of our community. The Board is accountable to its Shareholder for the performance of Enable.

Responsibilities of the Board

In carrying out its principal function, the Board's specific responsibilities include:

- reviewing and approving Enable's business strategies and objectives;
- reviewing and approving Enable's budgets and business/operating plans and monitoring the management of capital, including the progress of any major capital expenditure, acquisitions, or divestments;
- providing leadership of Enable within a framework of prudent and effective controls, which enable risk to be assessed and managed;
- providing health, safety and wellness leadership by understanding, directing and monitoring Enable's health, safety and wellness framework, management system and performance, ensuring prudent and effective controls are in place;
- identifying the principal risks faced by Enable and taking reasonable steps designed to ensure that appropriate internal controls and monitoring systems are in place to manage and, to the extent possible, reduce the impact of these risks;
- monitoring the operational and financial position and performance of Enable;
- requiring that financial and other reporting mechanisms are put in place by the executive which result in adequate, accurate, and timely information being provided to the Board and the Shareholder to ensure they are fully informed of all material developments relating to Enable;
- reviewing and approving Enable's remuneration policies;
- establishing procedures to ensure that financial results are appropriately and accurately reported on a timely basis in accordance with all legal and regulatory requirements;
- adopting appropriate procedures to ensure compliance with all laws, governmental regulations, and accounting standards;
- approving and regularly reviewing Enable's internal decision-making and compliance policies and procedures, including any codes of conduct, the Board Charter, and the charters of the Board's

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committees;

- ensuring that Enable's internal decision-making and compliance policies and procedures are adhered to, to ensure that the business of Enable is conducted in an open and ethical manner; and
- leading (with the support of Management) the relationship with Enable's Shareholder.

Delegation of Responsibilities to Management

The Board has delegated management of the day-to-day affairs of Enable to the Chief Executive to deliver the strategic direction and goals determined by the Board. The Board has also reserved several powers and responsibilities to the Board.

Delegation of Responsibilities to Committees

The Board may, from time to time, establish committees to assist it in carrying out its responsibilities. For each committee, the Board adopts a formal Terms of Reference that sets out the delegated functions and responsibilities for, and the composition and any administrative matters relating to, that committee.

Current operational committees include a Health, Safety, Wellness and People Sub-Committee, an Audit and Risk Sub-Committee, and a Future Technology and Products Sub-Committee.

The Board is responsible for the oversight of its committees. This oversight includes, in relation to each committee, determining and reviewing its composition and structure and regularly reviewing its performance.

Executive Remuneration

We remunerate our people at a competitive market rate, noting that we are conscious of our public responsibilities in setting senior executives' salaries, and this is closely monitored by the Board and reported in the Annual Report. We ensure all our people are remunerated at or above the living wage and we are committed to narrowing the gap, where appropriate, between the highest and lowest remuneration levels within our organisation. We will report the average remuneration for the highest and lowest paid 10% of employees, and related average increases, in Enable's Annual Report.

INFORMATION TO BE PROVIDED TO SHAREHOLDERS

An Annual Report will be submitted to the Shareholder. The Annual Report will include audited financial statements and such other details as are necessary to permit an informed assessment of the company's performance and financial position during the reporting period. We will consider opening the Annual General Meeting to include selected additional stakeholders.

In addition to an Annual Report and Annual General Meeting, the Enable Board Chair and CEO will be part of the six-monthly meetings between CCOs and Council. We will take guidance from CCHL in the development and management of group-wide stakeholder engagement policies and partnership principles.

The Sol will be submitted to the Shareholder for consultation annually, as required by the Local Government Act 2002. The directors will include any other information they consider appropriate. Where appropriate, revised forecasts will be submitted to the Shareholder.

Enable will provide regular updates to our Shareholder on the ongoing performance of the entity which may include financial, strategic, risk, and operational updates for any given period. The format and information within these reports will be reviewed on an ongoing basis with the intention of meeting the needs of CCHL

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and its group reporting deadlines. We will work closely with CCHL in the transition to an integrated Reporting Framework and the preparation of TCFD standards.

Enable will cooperate with CCHL to support the business case development as part of the CCHL Strategic Review.

The company will operate on a “no surprises” basis in respect of significant shareholder-related matters to the extent possible in the context of commercial sensitivity and confidentiality obligations.

The company will provide information requested by the Shareholder in accordance with the requirements of the Local Government Act 2002 and continuous disclosure requirements of the NZX.

COMPENSATION SOUGHT FROM LOCAL AUTHORITIES

At the request of the Shareholder, the company may undertake activities that are not consistent with normal commercial objectives.

ACQUISITION / DIVESTMENT PROCEDURES

The subscription or acquisition of securities in any company or organisation, or a divestment of part of the existing business, will only be considered where it is consistent with the long-term commercial objectives of Enable.

When the subscription, acquisition, or divestment is considered by directors to be significant to the company's business operations, it will be subject to consultation with and, where required, approval of the Shareholder.

Major transactions as defined in the Companies Act 1993, s129(2), will be subject to Shareholder's approval by special resolution.

ESTIMATE OF COMMERCIAL VALUE

The estimated fair value of UFB network assets on 30 June 2022 was \$710m. Further information on this asset valuation is provided in the 2022 Annual Report.

The commercial value is considered by the directors to be at least the equity contributed by the Shareholder as recorded in the financial statements.

ACCOUNTING POLICIES

Enable has adopted accounting policies that are consistent with New Zealand International Financial Reporting Standards, generally accepted accounting practice, and the policies adopted by the Christchurch City Council group. The detailed accounting policies are available in our most recent Annual Report as published on our company website, refer www.enable.net.nz.