

Release

Stock Exchange Listings NZX (MEL) ASX (MEZ)

Meridian Energy Limited 2025 Full Year Financial Results

27 August 2025

Today Meridian Energy releases its full year results for the year ended 30 June 2025.

Included in this announcement is:

1. Media Announcement
2. Integrated Report for the year ended 30 June 2025 (including audited financial statements)
3. Investor Presentation
4. Investor Letter
5. NZX Results Announcement
6. NZX Distribution Notice detailing the final ordinary dividend of 14.85 cents per share (NZD)

For the purposes of ASX Listing Rule 1.15.3 Meridian confirms that its primary listing is on the main board of the New Zealand Stock Exchange and therefore complies with the NZX Listing Rules.

ENDS

Authorised for release by:

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Release

Stock Exchange Listings NZX (MEL) ASX (MEZ)

Meridian navigates challenging year, lays strong foundation for growth

27 August 2025

Meridian Energy has reported operating cash flows of \$318 million for the year ending 30 June 2025, down from \$667 million the previous year. The company recorded a net loss after tax of \$452 million, compared to a net profit after tax of \$429 million in FY24.

EBITDAF¹ was \$611 million, down from \$905 million, while underlying net profit² fell from \$359 million to \$56 million. Both of these are non-GAAP measures.

A key factor behind these results was a 23% decrease in energy margin, down from \$1.276 billion to \$982 million. This was impacted by two severe droughts and \$300 million spent on hedge and demand response contracts to help maintain security of supply for New Zealand homes and businesses. This included calling the largest demand response option with New Zealand Aluminium Smelters.

“We weathered a perfect storm. The combination of historically low hydro inflows, extended periods of low wind, two major droughts and a dramatic decline in gas availability combined to make this a very challenging financial year. But the fundamentals of this business have been strengthened through sound investment and delivering on our strategy,” says Meridian Chief Executive Mike Roan.

“Despite the challenges, there were important wins and meaningful progress against our strategy. We secured five resource consents for new assets, invested \$193 million in building and maintaining generation plant, acquired two businesses and undertook a strategic reset of the Retail business while growing customer connections.”

“For us, FY25 will be defined by Meridian putting New Zealand’s security of supply first, keeping power flowing for homes and businesses, and the financial hit we took because of that. Our balance sheet is structured to underwrite major droughts, and that’s one of the ways New Zealand benefits

¹Earnings before interest, tax, depreciation, amortisation, unrealised changes in fair value of hedges, impairments and gains or losses on sale of assets. EBITDAF is a non-GAAP financial measure but is commonly used within the electricity industry as a measure of performance as it shows the level of earnings before impact of gearing levels and non-cash charges such as depreciation and amortisation. Market analysts use the measure as an input into company valuation and valuation metrics used to assess relative value and performance of companies across the sector.

²Net profit after tax adjusted for the effects of changes in fair value of unrealised hedges, electricity option premiums and other non-cash items and their tax effects. Underlying net profit after tax is a non-GAAP financial measure. Because they are not defined by GAAP or IFRS, Meridian’s calculation of such measures may differ from similarly titled measures presented by other companies and they should not be considered in isolation from, or construed as an alternative to, other financial measures determined in accordance with GAAP. Although Meridian believes they provide useful information in measuring the financial performance and condition of Meridian’s business, readers are cautioned not to place undue reliance on these non-GAAP financial measures. A reconciliation of underlying net profit after tax is included on page 5.

from having large and financially strong integrated electricity companies supporting the economy,” says Mike Roan.

That strong balance sheet meant the company was also able to provide stable returns to shareholders, with the Board declaring a final ordinary dividend of 14.85 cents per share. This brings the total ordinary dividends declared in FY25 to 21.00 cents per share. The Board approved continuation of the Dividend Reinvestment Plan at a 2% discount.

The Board also signals that it may review the level of future dividends in the event of a severe drought in future years so the company can prudently manage cash flows. This will enable the Board to maintain flexibility while maintaining Meridian’s credit rating.

The Year in Review

The droughts and domestic gas supply issues that shaped Meridian’s financial result also impacted wholesale and customer pricing, with increases in lines and transmission charges also key factors. These issues combined to generate intense scrutiny of the industry and potential reforms through the Energy Competition Task Force and the Government’s Frontier Report.

“We’re supportive of changes that are in the interests of electricity consumers. We would expect decision makers to focus any interventions on the core challenge driving costs into the sector, which is the rapid decline in the gas market,” says Mike Roan.

“Freeing up contingent storage at Lake Pūkaki is a vital step and we’re delighted that the Minister for Infrastructure has approved our request to have our application heard through the fast-track process. This lake holds more than 40% of the country’s total hydro storage and access to more of its water will reduce the impacts of future droughts on both supply and prices. Continuing to focus on reducing resource consenting timeframes will also greatly assist to improve security of supply more rapidly.”

In the meantime, Meridian and the sector have taken important steps to support security of supply for Winter 2026 and beyond by supplementing gas as a peaking fuel. Last month, Meridian, together with Contact, Mercury and Genesis, completed an agreement that will support Genesis to improve the operational resilience of its Huntly power station and increase available generation capacity and thermal fuel to the market in the form of a Strategic Energy Reserve. This agreement awaits Commerce Commission approval.

“It was a challenging decision for us given our commitment to decarbonisation and renewable energy but extending the life of Huntly and building a thermal fuel reserve are in the best interests of Kiwi homes and businesses, and the New Zealand economy in the short-to-medium term,” says Mike Roan.

“It also gives our Meridian team further motivation to accelerate the deployment of new renewable projects to displace the use of coal in the future. We also continue to actively pursue options to increase access to stored water at our hydro stations, which we believe are the best and most sustainable firming options for the country.”

FY25 also saw a change in Meridian leadership, with Mike Roan appointed Chief Executive following the resignation of Neal Barclay. This transition occurred on 1 July. The company appointed Mandy Simpson as its new Chief Financial Officer and she is set to join the company on 1 September.

Renewable Development

The company's 7 in 7 renewable build programme has advanced at pace. With the 176MW Harapaki Wind Farm now fully operational and the May 2025 completion of the 100MW Battery Energy Storage System (BESS) at Ruakākā Energy Park near Whangārei, two key milestones have been met.

In addition, Meridian has five wind, solar and battery projects consented – another BESS in the Manawatū, a wind farm at Mount Munro in the Wairarapa, a solar farm that will form part of the Ruakākā Energy Park, a large solar joint venture with Nova near Taupō and the first re-powering of the Te Rere Hau Wind Farm. Unfortunately, the timeline for Te Rere Hau investment decision has been revised from August 2025 to mid-to-late 2026 due to an additional consent required to relocate an Airways Corporation facility from the current site.

"We are doing our share of the heavy lifting needed to secure New Zealand's energy future. Having invested more than \$1 billion in the past five years, we have a further \$2 billion of planned investment over the next three years. These projects will add almost 2,500GWh of new annual generation, a six percent increase to the electricity system," says Mike Roan.

"The work underway will help make New Zealand's electricity system more resilient and affordable. I believe it will also enable future economic prosperity. With one of the most renewable grids in the world, New Zealand can take advantage of the opportunity to create and market more green products internationally."

Retail

The company's mass market volumes and market share grew across both the Meridian and Powershop brands, adding 35,405 new connections – an increase of 10 percent. The company supplies around 17 percent of all household and business customers, and remains the country's biggest supplier of retail electricity, with sales approaching 9,500GWh.

"Our Retail business has done really well, growing market share in very competitive conditions. We've transformed our operating model to help us deliver digital and data-driven customer experiences and brought some exciting new products to market that are saving customers money," says Mike Roan.

"We also rolled over pricing for commercial and industrial customers coming off contract during last August's elevated wholesale prices. This helped protect these businesses, the people they employ and the contribution they make to New Zealand's economy."

The acquisition of Flick in May 2025, following Ampol's divestment added further to Meridian's customer base, reinforcing the company's position as the fourth-largest retailer by customer numbers. To support further growth, Meridian has partnered with Kraken to deliver its new core energy platform. This will improve Meridian's in-house capability to deliver data-driven solutions that will make energy more affordable for homes and businesses.

Meridian's Energy Wellbeing Programme continued to invest in promoting equitable access for those struggling with energy hardship. This year over 1,700 households have been supported. The company has now assisted a total of 3,185 households since the programme launched in 2023.

Electricity Generation

Maintaining asset availability and maximising generation output have never been more critical than they were this year. Meridian's generation team were able to deliver 112MW of new capacity from existing hydro assets – more than the capacity of two units at Ōhau B or C – and increase levels of peak-period availability across the generation fleet.

The arrival of a new transformer at Manapōuri returned 128MW in capacity from the beginning of 2025 and the company was able to lease and install a transformer at West Wind, which meant a further 45MW of capacity was restored.

“Our Generation team has done a great job of maximising availability and generation output, which has been important for New Zealand's security of supply. Despite securing two replacements, transformers remain an issue. Independent advice confirmed the need to replace further transformers at Manapōuri, so in May we announced plans to procure five replacement transformers over the next two and a half years,” says Mike Roan.

Sustainability

Meridian was included in the Dow Jones Best-in-Class Asia Pacific Index for the tenth successive year and ranked number one in the electric utilities sector. The index provides independent validation of the company's sustainability (ESG) performance for investors and other stakeholders.

The company conducted a review of its Half by 30 emissions reduction target. Scope 1 and Scope 2 remain at 50 percent by FY30, but the target for Scope 3 emissions (those emitted by supply chain partners) has been revised. Halving Scope 3 emissions by FY30 is now impossible given the amount of sector growth the country is planning and the speed at which this needs to happen.

From 1 July, Meridian will begin using an intensity-based target for Scope 3 emissions. This involves using a target based on dividing these supplier-based emissions by the total installed capacity of Meridian's generation assets. By linking supplier emissions to Meridian's growing amount of generation capacity, this enables the company to work towards a target that means there will be less emissions for each MW of capacity installed. The company is targeting a reduction of more than 51% by 2030 and will start reporting on this from FY26.

“The dramatic growth in the electricity sector and level of new build for Meridian were not anticipated when we set this target in 2019. We are still confident of reducing our overall Scope 3 emissions, but we have to be pragmatic and allow ourselves to continue to build. The revised goal remains credible and ambitious, and we have obtained independent verification from the Science Based Targets Initiative,” says Mike Roan.

Future Investment

With construction commencing on the Ruakākā Solar Farm in the approaching spring, Meridian expects to invest over \$350 million in new and existing assets during the 2026 financial year and a total of \$2 billion over the next three years.

<u>Segment earnings statement</u>		
Financial year ended 30 June	2025	2024
\$M		
Energy margin	982	1,276
Other revenue	52	36
Energy transmission expense	(4)	(4)
Electricity metering expense	(78)	(73)
Hosting expenses	(52)	(49)
Employee and other operating expenses	(289)	(281)
EBITDAF	611	905
Depreciation and amortisation	(447)	(334)
Asset related adjustments	(33)	(18)
Net change in fair value of energy hedges	(659)	102
Net finance costs	(79)	(57)
Net change in fair value of treasury hedges	(12)	(4)
Net profit before tax	(619)	594
Income tax expense	167	(165)
Net profit after tax	(452)	429
<u>UNPAT</u>		
Financial year ended 30 June	2025	2024
\$M		
Net profit after tax	(452)	429
Underlying adjustments		
<u>Hedging instruments</u>		
Net change in fair value of energy hedges	659	(102)
Net change in fair value of treasury hedges	(12)	4
Premiums paid on electricity options net of interest	12	(23)
<u>Assets</u>		
Asset related adjustments	33	18
Total adjustments before tax	692	(103)
<u>Taxation</u>		
Tax effect of above adjustments	(184)	33
Underlying net profit after tax	56	359

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Authorised for release by:

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Navigating today, unlocking tomorrow

MERIDIAN ENERGY LIMITED
INTEGRATED REPORT 2025



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Tough year, sound long-term strategy

Despite a very challenging year financially, we had some important wins and made meaningful progress against our long-term strategy. There is plenty to be proud of this year as our operational pace quickened and investment in our development pipeline increased. Record low inflows at different times during the year, regulatory barriers to accessing contingent storage, and the need to act quickly when gas wasn't available, were reminders of the ongoing risk management and near-term challenges Meridian and the sector must address. Regardless of those significant events, we stayed the course. We now have 690 megawatts (MW) of development projects consented and

we plan to invest \$3 billion over the next five years to support Aotearoa New Zealand's cleaner energy future.

Our work programme to deliver on the next generation of retail has seen us introduce new ways of working and new products, while expanding our market presence. The Kraken billing platform will help us redefine how we deliver clean, flexible energy solutions to customers at highly competitive prices.

We've advanced our pursuit of a more resilient and flexible electricity system. We introduced new assets, continued to improve the performance of our current renewable operations, and embarked on a review of how we can use

data to bring new insights to our decision-making, to add value to our generation business.

Our commitment to embedding sustainable practices across our business continued this year. We achieved the highest score of the electric utilities in the Dow Jones Best-in-Class Sustainability Asia Pacific Index, further validation that we are on track towards our long-term goals. We have made some changes as we work to deliver our Climate Action Plan. We've scaled back our reduction targets for our supply chain-driven emissions while maintaining our science-aligned commitment to reduce the emissions in our direct control.

About this report

This Integrated Report reviews our financial, economic, social and environmental performance for the financial year ended 30 June 2025 (FY25) and outlines how we've applied our strategy to create value for the short, medium and long term.

This report has been prepared using the International Integrated Reporting Framework and the 2021 Global Reporting Initiative (GRI) Standards. It covers the performance of all members of the Meridian Group¹.

For the most part, the focus is on Group performance and many of the topics discussed centre on the Parent company, mainly because the other businesses represent less than 10 percent of the Group's overall revenue.

The Board has established processes to ensure the quality and integrity of the annual Integrated Report. Deloitte Limited has provided limited assurance for GRI disclosures as identified in the GRI content index. The financial statements have been prepared using appropriate financial reporting standards and have been assured by Deloitte Limited on behalf of the Auditor-General.

Our integrated reporting suite

In addition to our Integrated Report, we prepare and publish a range of supplementary documents providing additional detail on our operations and performance for FY25.

Dated 26 August 2025

Signed on behalf of the Board by:



MARK VERBIEST
CHAIR



JULIA HOARE
CHAIR, AUDIT AND RISK COMMITTEE

OTHER DOCUMENTS IN OUR INTEGRATED REPORTING SUITE

- 🔗
INTEGRATED REPORT DATA PACK bit.ly/44yppqP
 Key data points and detail for experts
- 🔗
CLIMATE ACTION PLAN bit.ly/44ixrFv
 Initiatives to support decarbonisation, grow renewables, and to reduce our emissions to reach net-zero by 2050
- 🔗
CLIMATE-RELATED DISCLOSURES bit.ly/3IeqYTr
 The risks and opportunities for our business in helping the country transition to a low-carbon economy
- 🔗
CORPORATE GOVERNANCE STATEMENT bit.ly/4nAPfml
 Snapshot of our corporate governance practices, processes and policies following the recommendations in the NZX Corporate Governance Code
- 🔗
GREENHOUSE GAS EMISSIONS INVENTORY REPORT bit.ly/41hI6GB
 Our greenhouse gas emissions for the year
- 🔗
MODERN SLAVERY STATEMENT bit.ly/41KoVVG
 The risks of modern slavery in our operations and supply chain of a reporting entity and how we are responding

¹ See Note E4 Group Structure

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Chair and Chief Executive Report

IMAGE

Mark Verbiest, Chair
Mike Roan, Chief Executive.

Navigating the challenges

Tēnā koutou

This year we weathered a perfect storm. The combination of historically low hydro inflows, periods of low wind, two major droughts and a dramatic decline in gas availability made this a very challenging financial year. At the same time, we worked hard to strengthen the fundamentals of the business through sound investment for growth and delivering on our strategy.

We secured five resource consents for new assets, invested \$193 million in building and maintaining generation plant, acquired two businesses and undertook a strategic reset of our retail business, while growing customer connections.

For us, FY25 will be defined by Meridian putting Aotearoa New Zealand's security of supply first, keeping power flowing for homes and businesses, and the financial hit we took because of that. Our balance sheet is structured to underwrite major droughts, and that is one of the ways our country benefits from having large and financially strong gentailers supporting the economy.

Tackling energy security

The loss of reasonably priced gas in August 2024 pushed up wholesale prices, creating risk for the overall energy sector which has relied primarily on gas for flexibility and support. This timing was particularly challenging as the electricity sector also experienced two prolonged droughts.

These issues combined created intense scrutiny of the industry and potential reforms through the Energy Competition Task Force and the Government's Frontier Report.

Even though it cost an extraordinary amount, Meridian played a lead role in stabilising the electricity system by underwriting agreements with Methanex, making gas available for electricity security of supply. We also worked with New Zealand Aluminium Smelters (NZAS) to utilise its demand flexibility and we are seeking improved access to 'contingent' hydro storage and lifting generation capacity across our fleet. While the vast majority of our customers across the country were not affected by these significant events, energy costs are rising, including increases in gas pricing and electricity transmission and distribution costs.

We are focused on restoring long-term confidence in energy security and improving affordability. The sector is having to contemplate a future that cannot rely on gas as a fuel to the extent it has in the past. A group of large electricity suppliers, including Meridian, have signed an agreement (subject to Commerce Commission review) that will improve the operational resilience of the Genesis-owned Huntly power station and provide continuing generation capacity along with the necessary fuel. Maintaining a secure electricity supply is what we must do as we find ways to use more hydro generation and accelerate the deployment of new renewable projects to displace the use of coal in the electricity market.

It was a challenging decision for us to enter into the Huntly arrangements given our commitment to decarbonisation and renewable energy. We believe extending the life of Huntly and building a thermal fuel reserve is in the best interests of Kiwi homes and businesses, and the Aotearoa New Zealand economy in the short to medium term.

DIVIDEND DATES

-  **5 September 2025**
Record date
-  **4–10 September 2025**
Dividend Reinvestment Plan price determination period
-  **23 September 2025**
Dividend paid and new shares issued under the Dividend Reinvestment Plan

The Huntly arrangements alongside additional use of this country's hydro capacity are actions that will help make Aotearoa New Zealand's electricity system more resilient and affordable. An affordable, secure and highly renewable grid will enable future economic prosperity - allowing the country to take the opportunity to create and market green products internationally.

Grow renewable generation

Our development programme accelerates

Our 7 in 7 (7 projects in 7 years) renewable build programme has advanced with the first two milestones met - the 176MW Harapaki Wind Farm is now fully operational and the 100MW battery energy storage system (BESS) at Ruakākā Energy Park near Whangārei, was commissioned in May 2025. This BESS lifts system capacity and allows us to reintroduce stored power into the grid at peak demand times.

In addition, we have five wind, solar and battery projects consented – another BESS in the Manawatū, a wind farm at Mount Munro in the Wairarapa, a solar farm that will form part of the Ruakākā Energy Park, a large solar joint venture with Nova named Te Rahui and the first re-powering of an existing wind farm at Te Rere Hau. We also have two consents currently under council review – Swannanoa solar and Waikato solar.

The Ruakākā Solar Farm was granted Board approval in March 2025 and early works are now underway. Planning for Te Rahui is also progressing well. Financial close on the joint venture is expected by

early September 2025. Unfortunately, the timeline for Te Rere Hau has been revised from August 2025 to mid-to-late 2026, due to an additional consent required to relocate an Airways Corporation facility from the current site.

We have invested over \$1 billion in the last five years and a further \$2 billion is planned for the next three years. The projects delivered so far, and in the next three years, will deliver almost 2,500GWh of new annual generation, a 6 percent increase to the electricity system.

As we progress this development programme, debate continues over how large infrastructure projects should resolve tensions between local concerns and national benefits. We accept there are trade-offs to be made, but we also recognise the pressing need for these projects and their significance, both nationally and locally. At all times, we endeavour to engage with communities in an open and transparent way.

Our frustrations over the inefficiencies of the current resource management system are well-documented. We continue to advocate strongly for more efficient decision-making around the allocation and use of natural resources in Aotearoa New Zealand.

Continuing to focus on ways to further improve the resource consenting framework will help improve security of supply and provide increased capacity.

Hydro essential to energy security

We've made good progress with the re-consenting of the Waitaki Power Scheme. The re-consent application with Environment Canterbury was publicly notified in July 2024 and the project was formally shifted to the Environment Court. Such a significant body of water attracts considerable interest from a wide range of stakeholders. We have worked with most of these parties to achieve rapport, align interests, and address key impacts for iwi, communities and other stakeholders.

We have been very clear in our view that securing access to more water at existing hydro schemes is a quick, low-impact and vital way to strengthen the country's security of supply. The role of hydro generation is changing, and we see it playing a key role as a firming fuel, supporting the system in peak periods and when wind and solar are not available.

In mid-August 2025 we were delighted to receive confirmation that the Minister for Infrastructure had approved our request to have our application to access contingent

storage at Lake Pūkaki heard through the fast-track process.

The energy challenges experienced early in the year reinforce the need for access to that resource. Rather than defaulting to carbon-intensive thermal fuel as a long-term solution, ensuring feasible access to all available storage in Aotearoa New Zealand's largest hydro lake would release hundreds of gigawatt hours into the system in a sustainable and lower-cost fashion.

Partnership on a new level

We always look to set a positive example with our relationships. Our agreements with other generators and energy partners this year have focused on collective responsibility and we thank all those who have engaged in these processes.

One of our most long-standing partnerships is with the Guardians of Lakes Manapōuri, Monowai and Te Anau and we were pleased to work with them to adjust the Waiau operating guidelines that will improve flexibility in Lakes Te Anau and Manapōuri. This reinforces that partnerships and engagement in various forms remain critical if we are to fulfil future demand.

Deliver cleaner, cheaper energy

Shifting value to our customers

It's been a busy and significant year for our retail team as we transform the operating model to deliver digital and data-driven customer experiences. We removed and replaced most of the legacy roles and reconfigured not just how our people work but how they engage with customers.

It is a huge undertaking but streamlining decision-making has helped us to be more responsive to customer needs, including dealing with affordability issues. While Meridian's residential energy price increases are modest again this year, we know that the increase in lines and transmission charges that form part of the overall bill are going to impact all customers. Our new products will give customers more choice and flexibility. Ultimately, we plan to create a variety of products that help customers work with us to manage their electricity use and budget.

We also rolled over pricing for commercial and industrial customers coming off contract during last August's elevated wholesale prices. This helped protect these businesses, the people they employ and the contribution they make to Aotearoa New Zealand's economy.

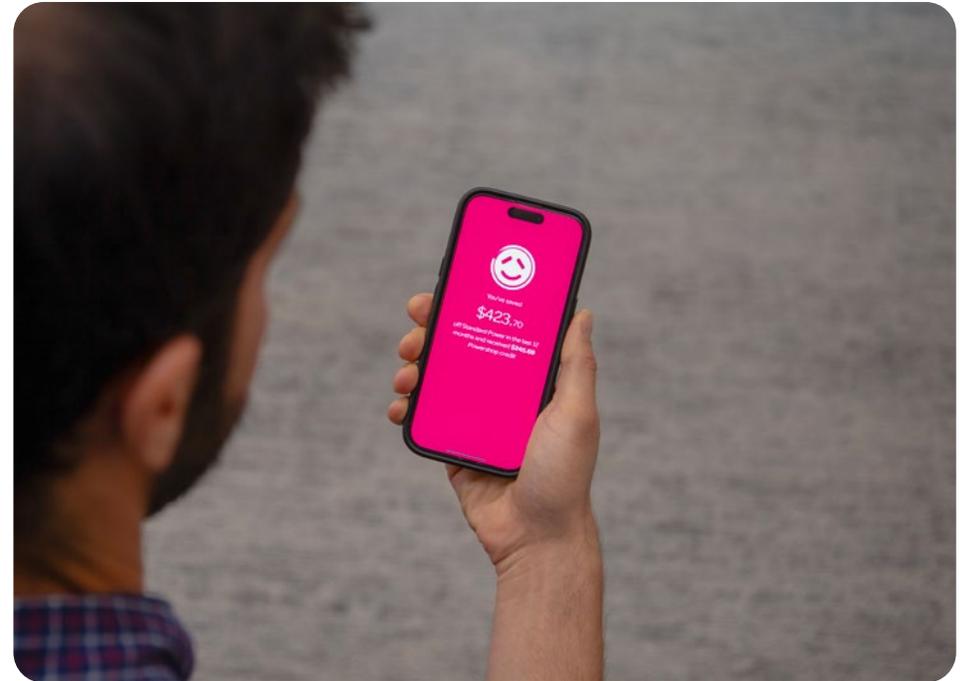
Flick joining us

This year our mass market volumes and market share grew across both Meridian and Powershop brands despite lower market demand.

The conditional acquisition to acquire the assets of Flick Electric, signed late in May 2025, adds to our customer base, reinforcing our position as the fourth largest retailer by customer numbers. Our business model is built on growth as a driver of customer value, and this year's performance reflected that. Even with changes to how our retail team operates, we exceeded our growth targets and remain on track to achieve our medium-term objectives.

Interest in RECs stays high

Interest in renewable energy certificates (RECs) has stayed strong. In the past year, 250 companies have purchased more than 1,600 gigawatt hours (GWh) of RECs from Meridian, an increase of 94 percent from the last financial year. By purchasing RECs, business customers are able to directly match the volume of energy they consume with our 100 percent renewable generation, meaning they can offset their RECs against their Scope 2 emissions. In addition to environmental benefits, RECs also fulfil a strong social function. We have committed to invest 100 percent



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of the net proceeds from the sale of RECs into our community and business decarbonisation funds. This year we committed \$1.5 million to decarbonisation projects nationwide.

Proud of our Energy Wellbeing Programme

The Energy Wellbeing Programme has continued to invest in promoting equitable access for those struggling with energy hardship. The goal is to support 5,000 of our most vulnerable households via this programme

by FY28. This year, over 1,700 households have been supported and we've assisted 3,185 households in the programme in total. We know that Kiwis will be facing financial challenges given wider cost pressures, and we will continue to monitor how we can make a meaningful and sustainable difference for those in hardship.

Deliver operational excellence

Tough operating environment affects financials

During the year, our hydro storage was heavily affected by two consecutive record low (one-in-90 year) inflow periods – last winter and again through the most recent summer. Periods of unseasonably low wind and the country's declining gas production also challenged electricity generation. The industry worked through these challenges and, at Meridian, we exercised our largest demand response option with NZAS and wrote hedge contracts to support gas purchases from Methanex at significant cost.

Operating cash flows of \$318 million for the year ending 30 June 2025 are down \$349 million (52 percent) from the previous year. Net profit after tax, which also reflected the changed treatment of the main NZAS contract, was a \$452 million loss compared with a \$429 million profit in the previous year. EBITDA² was down 32 percent to \$611 million and underlying net profit³ fell by 84 percent to \$56 million. Both of these measures are non-GAAP measures.

Long-time investors in Meridian will know that Te Tai Ao (Nature) does not always play a kind hand and that exercising those insurance products, while rare, is necessary to maintain secure supply to customers. They will also know that we have the balance sheet structured and maintained to manage the impact of such conditions. While the FY25 earnings reflect low generation and substantial insurance costs, the overall financial position remains strong.

Recognising this strength, the Board was able to declare a final ordinary dividend of 14.85 cents per share. Combined with the interim dividend, this brings the total ordinary dividends declared in FY25 to 21.00 cents per share.

This level of dividend has allowed us to maintain our balance sheet strength, with a Stable/BBB+ credit rating and the capacity to continue to invest significant capital in new generation.

The significant future investment planned for new renewable generation, currently targeting up to 20 new projects by 2050, will require continued balance sheet strength. While rare, severe droughts will occur in the future. When they

do, the Board may review the level of dividends at the time. This will give the Board flexibility, while maintaining our existing credit rating.

Important gains for generation

Two years ago, we set a goal to deliver 200MW of restored and 300MW of new capacity from our generation portfolio by the end of FY28. Every MW restored or added counts positively towards our target, while further outages set us back. We've faced challenges with further plant failures, but despite these setbacks we have achieved net 8.3MW of restored capacity and 111.6MW of new capacity toward our goal and markedly decreased the potential for future unscheduled outage days. Getting our transformers back online and eliminating or deferring scheduled outages has helped us avoid taking capacity out of the system.

Misplaced focus on short-term price alone

The dry periods this year have led to heightened media, regulatory and political scrutiny of the sector. The Electricity Authority (EA) has proposed new obligations on generator retailers



...the Board has declared a final ordinary dividend of 14.85 cents per share.

to sell hedge contracts to third parties on terms comparable to notional internal agreements, in an effort to encourage more competition.

Our view is that the issues this year were significantly driven by increasingly limited gas supplies and that there is no magic solution that will supplement them in the short term. Our business and others must invest in new renewable assets to replace the fossil-fuelled generation that relied on that gas. It will take time to do this and no change to either the electricity market or our business structure will fix that problem. We've continued to engage with officials and Ministers to emphasise that this is primarily a supply-side issue - not a competition one - and that wholesale high prices during this period provided important signals to the market to bring on new supplies and ultimately ensure that demand continued to be met.

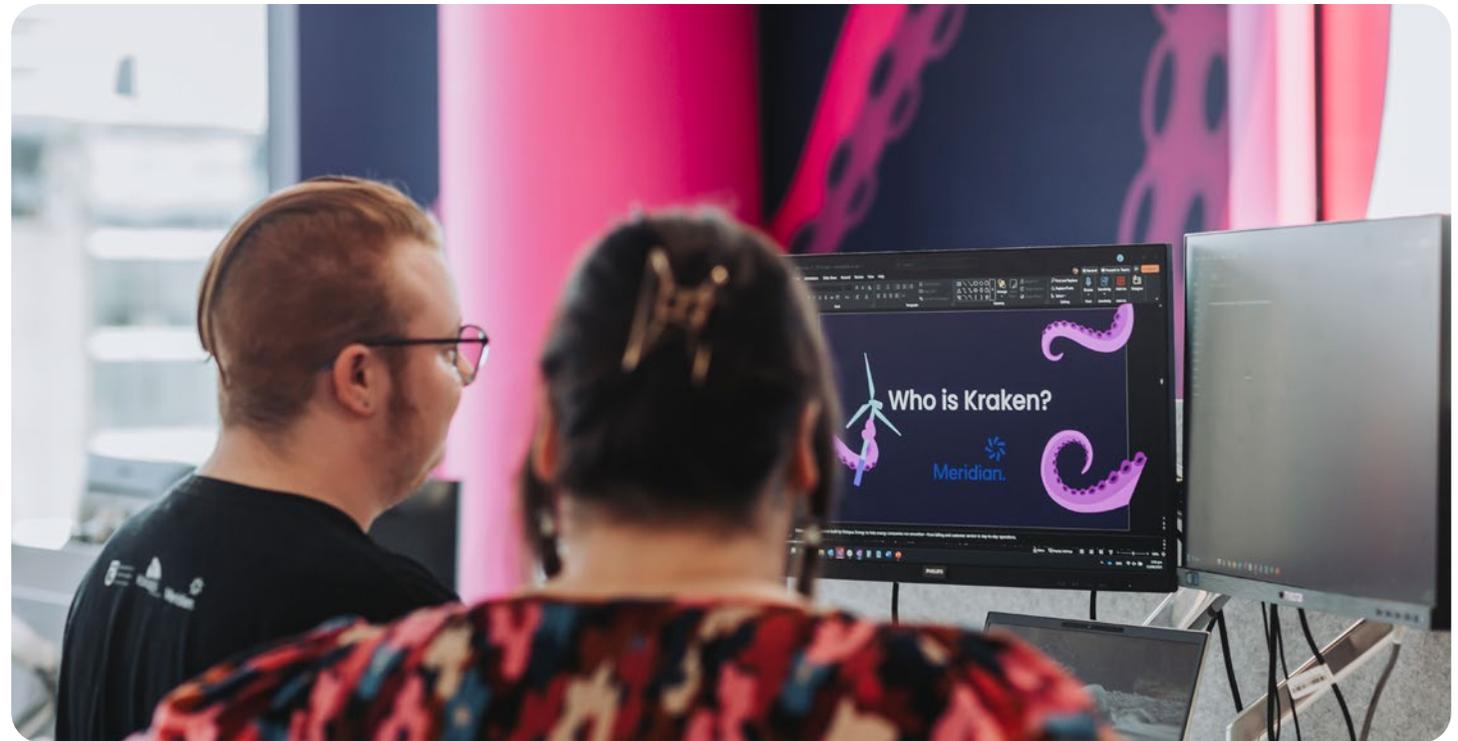
² Earnings before interest, tax, depreciation, amortisation, unrealised changes in fair value of hedges, impairments and asset related adjustments.

³ Net profit after tax, adjusted for the effects of changes in fair value of unrealised hedges, electricity option premiums and other non-cash items and their tax effects.

The contracted prices most customers enjoy in Aotearoa New Zealand rank favourably against other OECD country comparisons.

We are fully committed to competitive improvements that make a difference to customers. We note that significant structural changes at this point are more likely to impede rather than assist the sector in addressing current challenges. Solving this country's declining gas production cannot be resolved immediately. In the meantime, the sector has rallied around a solution that focuses on maintaining capacity at the Huntly power station. While a range of solutions will be needed, ultimately investment in new renewables will solve this structural challenge in time. As such, the focus should be on supporting new builds to progress as quickly as possible.

We're also focused on supporting customers and providing price certainty through what are tough economic times with significant cost pressures. Our customers underpin our business and enable us to support economic recovery in this country, so their success is our success.



ABOVE

Providing our customers with smart, digital service solutions.

A digital business puts customers first

Increasingly, our decision-making and ways of working are informed and influenced by data and artificial intelligence (AI). As customers come to routinely expect smart digital service experiences, we are upgrading systems and work plans to provide them with a great service at lower cost.

As the retail team begins its rollout of the new Kraken platform and customer app, we will change how we engage with customers and how we track and support them to ensure they save energy and money.

More customers are taking up our Industrial Demand Response product providing them with value for the flexibility they offer the energy system at times when they can lower

their electricity use. Similarly, our generation teams are working on digital technologies that better target predictive, as opposed to deterministic, asset management while reducing generation asset downtime. When the project to replace the SCADA (System Control and Data Acquisition) system is complete, it will improve decision-making by automating tasks and bringing new information to bear.

Grow capability and culture

Evolving our approach to people and planet

Big changes to the structure of the retail business were critically important before we introduced a new retail operating platform. The changes were completed by December 2024 and since then the retail team has been busy embedding new ways of working and starting the transition from the Flux platform to Kraken.

Those changes have been difficult for our people as, along with creating new roles and opportunities, they also resulted in redundancies both within retail and at Flux.

To help protect people's wellbeing during these times, and to support the broader organisation, we instigated a revised wellbeing strategy that balanced concern for the individual with a focus on team and collective psychological health. We also initiated a new approach to leadership that recognised how people can and should aspire to leadership in a range of ways.

Refining how we measure impacts

This year we conducted a review of our Half by 30 emissions reduction target. Scope 1 and Scope 2 targets remain at 50 percent by FY30, but the target for Scope 3 emissions (those emitted by supply chain partners) has been revised. Halving these by FY30 is now impossible given the amount of sector growth the country is planning and the speed at which this needs to happen.

From 1 July, we will begin using an intensity-based target for Scope 3 emissions. This involves using a target based on dividing these supplier-based emissions by the total installed capacity of Meridian's generation assets. It allows Meridian to work towards a target that means there will be less emissions for each MW capacity installed. Meridian is targeting a reduction of more than 51 percent by 2030 and will start reporting on this from FY26.

The refined Scope 3 goal remains credible, ambitious and science-based, and we await independent verification from the Science Based Targets initiative. But we have to be pragmatic and allow ourselves to continue to build new renewable assets and increase generation capacity.

Ranked #1

Pleasingly, Meridian was ranked #1 in the electric utilities sector in the Dow Jones Best-in-Class Sustainability Asia Pacific Index, an independent global S&P Index that ranks our ESG (environmental, social, and governance) performance against like companies in the region. This is the tenth consecutive year we have been included in the index, and this gives investors, customers and communities confidence that we are leading in sustainable practices. The next goal is to elevate our ranking to the global index, which would consolidate our standing as a climate-focused business and attract a new cohort of international institutional investors to the share register.

Changes to our Executive Team

The Board has remained unchanged this year. Directors' extensive and varied sector experience has been invaluable in helping navigate the different challenges and we thank them for the range of perspectives they have applied to different situations throughout the year.

A number of changes in our Executive Team were announced during the year. Mike Roan started his tenure as Meridian's new Chief Executive and Mandy Simpson has been appointed to Mike's previous role

of Chief Financial Officer from 1 September 2025. The merging of the Wholesale Operations function into the Generation team has seen Chris Ewers leave the Executive Team to take up a new role in the company as Electricity Security Manager, reporting to Tania Palmer. Rory Blundell has been appointed to the newly created role of General Manager, Strategy and Portfolio and Chief Information Officer Bharat Ratanpal has returned from his secondment as Interim CEO for the Flux business. Sincere thanks to Edna Maddocks who stepped in during that time to lead the ICT team through another active year. Grateful thanks also to Helen Peters who has acted as Chief Financial Officer to the end of the financial year.

The end of the financial year marked the end of Neal Barclay's tenure as Chief Executive. Under Neal's exemplary leadership, Meridian has grown a renewable development pipeline that will double the size of the current asset base over time. We've refocused our business around customers while significantly growing that business and built valuable relationships with a variety of stakeholders. Importantly, Neal led the team that secured a sustainable 20-year contract with NZAS.

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The Board and Executive Team would like to thank Neal for his commitment to growth and sustainable practice and for anticipating how Meridian could play its part in delivering long-term value for customers, investors and Aotearoa New Zealand. We wish him all the very best for the future.

Our sights set on a secure, affordable, sustainable future

As Aotearoa New Zealand looks to improve energy security, Meridian will flourish due to our pipeline of renewable development options that will help meet the expected growth in electricity demand.

The transformation of our retail business this year will be a game changer in the long run, not only for our business but more importantly in how the electricity sector supports and interacts with customers. Our brands are catching the eye of customers looking for a service that makes sense to them through fair pricing and demand response opportunities that expand their choices.

LEFT

Neal Barclay and a student from Te Pöhue School officially opening Harapaki Wind Farm.

It has been an uneasy year for our investors. The financial pressures we faced reinforce the need for new thinking if we want Aotearoa New Zealand to be a competitive economy globally. We've emerged with a development programme ahead of schedule, our assets operating strongly, our retail team revamped, and our balance sheet resilient, enabling both continued investment for growth and returns for shareholders.

The Board and Executive Team thanks everyone who is on this journey with us – our customers, the communities in which we work, our partners and our investors. Thanks too to our talented and hard-working teams for helping us deliver clean energy for a fairer and healthier world.

A powerful future is developing, thanks to you.

Ngā manaakitanga

Making a difference

Meridian Energy is one of Aotearoa New Zealand’s largest organisations.

We generate around 30 percent of the country’s electricity and provide energy to around 17 percent of the country’s households and businesses through our Meridian Energy and Powershop brands.

Highlights

 FULL YEAR DIVIDEND

21cps 

 FY25 OPERATING CASH FLOW

\$318m 

 TOTAL MARKET CAPITALISATION

\$15.4b 

 FY25 EBITDAF*

\$611m 

* EBITDAF is a non-GAAP financial measure of earnings before interest, tax, depreciation, amortisation, unrealised changes in fair value of hedges and asset related adjustments.



RUAKĀKĀ

BESS NOW OPERATING



WAITAKI

POWER SCHEME RECONSENT HEARING FINALISED



RETAIL GROWTH

DOUBLE-DIGIT GROWTH FROM OUR TWO RETAIL BRANDS



SCOPE 3

EMISSIONS TARGETS REVISED



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Our strategy



WIND

Our purpose – clean energy for a fairer and healthier world – means that we are committed to contributing meaningfully to the transition to a net-zero and climate-resilient future.

Meridian’s business model focuses on creating short, medium and long-term value by generating electricity from renewable energy sources (wind, water and sun) and retailing electricity to customers.



WATER



SUN

Our strategy describes our ambition across four priorities – to develop more renewable generation, to provide cleaner and cheaper energy, to operate with excellence and to grow our capability and culture. These actions will see us play our part in advancing Aotearoa New Zealand’s transition to a low-carbon economy.

 **CLIMATE-RELATED DISCLOSURES**
bit.ly/3IeqYTr



Climate-related risks and opportunities for Meridian are driven by three factors – physical impacts such as storms and floods, more gradual climatic changes, and the economic and societal transitional effects of the world moving towards a lower-carbon future. Our climate-related disclosures provide comprehensive analysis of the risks and opportunities for Meridian’s business as a result of the transition to a low-carbon economy in Aotearoa New Zealand.



Our strategy map

TE KAUPAPA
OUR PURPOSE

Clean energy for a fairer and healthier world

TE RAUTAKI
OUR STRATEGY

Expertly navigate the energy transition for Aotearoa New Zealand

TE KAUPAPA MATUA
OUR PRIORITIES

Grow renewable generation and firming capacity

Deliver cleaner, cheaper energy

Deliver operational excellence

Grow capability and culture

TE AROTAHINGA
OUR FOCUS

To speed our path to a resilient, net-zero future

Through innovation that unlocks value for customers

So everything we do aligns to deliver on our goals

Because how we do the mahi is what makes the real difference

TE MAHI
OUR KEY INITIATIVES

- Accelerate Aotearoa New Zealand's decarbonisation by delivering scale energy projects at pace:
 - Build renewable generation options.
 - Deliver on our 7 in 7.
 - Secure long-term access to water.
 - Accelerate electrification of transport and process heat.
- Grow system flexibility:
 - Grow our dispatchable MW capacity.
 - Bring dispatchable customer capacity to market.

- Develop an innovation culture that delivers digital, and data driven customer experiences.
- Expand the energy product set to unlock the value of transport electrification, process heat and demand flex.
- Continue investment in energy hardship and community programmes to promote equitable access to the benefits of the energy transition.
- Advocate for policy settings to promote climate action and support New Zealanders through the energy transition.

- Build operational flex and agility while sustaining excellent asset productivity.
- Implement modern data and digital systems to promote collaboration, operational efficiency, innovation and data-driven decisions.

- Grow a diverse, inclusive and skilled workforce that reflects the country we live in.
- Nurture leadership capability to support the cultural and digital maturity of a future Meridian.
- Develop our understanding of the Māori world view to help build long-term relationships with tangata whenua and create better outcomes for all.
- Grow safety leadership maturity as we build into the energy transition.
- Foster sustainability culture and leadership that benefits people and planet, inspires climate action, and attracts investors.

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Tough year, but we've made progress

Grow renewable generation and firming capacity



- Harapaki Wind Farm and Ruakākā BESS now operational
- Early works underway at Ruakākā solar
- Five consented options – Manawatū BESS, Mount Munro wind, Ruakākā solar, Te Rere Hau wind and Te Rahui solar
- Business cases approved for Ruakākā solar and Te Rahui solar, Te Rere Hau Wind Farm re-powering decision in 2026
- Waitaki re-consent hearing in late 2025
- Two more projects currently in consenting processes

Deliver cleaner, cheaper energy



- Double-digit growth of 10% in customer connections
- 46 fast DC public charge points added to the Zero public charging network
- Over 1,700 households welcomed into our Energy Wellbeing Programme
- Over 16,000 customer connections added to Smart Hot Water flex product
- Community Decarbonisation Fund distributions of \$1.5m in FY25

Deliver operational excellence



- 112MW of new capacity available from existing hydro assets
- Commenced digital generation (DigiGen) programme
- Credit rating maintained
- Dividend maintained
- Healthy progress of data projects across the business

Grow capability and culture



- Major restructure in our retail business was a key focus of the year
- Top 25% employee engagement
- Revamped wellbeing programme
- Twelfth year as principal partner of KidsCan and ninth year as national partner supporting DOC's Kākāpō Recovery Programme
- Ranked #1 for our sector in the Dow Jones Best-in-Class Sustainability Asia Pacific Index
- Revised Scope 3 targets for Half by 30

KEY

- On track
- Potential issues
- Significant issues or delays

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Grow renewable generation

STRATEGIC PRIORITY

01

IMAGE

A visual simulation of our Ruakākā Solar Farm, near Whangārei Heads.

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Why read this section

Read this section to better understand the developments in our renewable generation pipeline, changes in the wider market, and our progress in delivering clean energy for a fairer and healthier world.

MATERIAL TOPICS



RENEWABLE ENERGY GENERATION



NGĀ TUKINGA O TE AO TŪROA – THE IMPACTS ON THE NATURAL WORLD



AFFORDABILITY



CLIMATE-RELATED IMPACTS



PUBLIC TRUST

IN THIS SECTION

- Net zero is not a straight path, but it is the right road
- A secure, sustainable and affordable grid will take time
- Delivering beyond 7 in 7
- Government policy focus
- Hedging
- Re-consenting the Waitaki Power Scheme
- **Case study:** Powerful progress at Ruakākā energy park

Progress against strategy

KEY

-  Achieved
-  Partially achieved
-  Not achieved

To speed our path to a resilient, net-zero future

OUR KEY INITIATIVES	OUR FY25 TARGETS	TRAFFIC LIGHT	PROGRESS
ACCELERATE AOTEAROA NEW ZEALAND'S DECARBONISATION BY DELIVERING SCALE ENERGY PROJECTS AT PACE			
Build renewable generation options	<p>Harapaki and Ruakākā BESS delivered</p> <p>Commence construction of Ruakākā solar farm</p>		<ul style="list-style-type: none"> Harapaki (July 2024) and Ruakākā BESS (May 2025) delivered The Ruakākā solar farm achieved Board approval and early works underway
Deliver on our 7 in 7	<p>Gain three consents</p> <p>Lodge three consents on further 7 in 7 options</p> <p>Achieve FID on two renewable projects</p>		<ul style="list-style-type: none"> Manawatū BESS, Waikato solar, Swannanoa solar consents lodged so far this year Five consented options: Manawatū BESS, Mt Munro wind, Ruakākā solar, Te Rere Hau wind and Te Rahui solar Ruakākā solar and Te Rahui investment decisions approved
GROW SYSTEM FLEXIBILITY			
Secure long-term access to water	Waitaki consent application submitted		<ul style="list-style-type: none"> Waitaki re-consenting process underway with Environment Court hearing expected in late 2025
Grow our dispatchable MW capacity	<p>173MW from new transformers at Manapōuri and West wind</p> <p>Hydro generation unit up-ratings and constraint removals totalling 50–60MW</p>		<ul style="list-style-type: none"> Leased West Wind transformer installed and integrated at site November 2024, returning a further 45MW in Q2 in time for winter 2025 Waitaki upgrade project commenced 8MW capacity uplift achieved at Aviemore and another 4MW at Ōhau B and C

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Net zero is not a straight path, but it is the right road

To achieve net-zero emissions just a quarter century from now, the will, the means, and the regulatory framework must work together. Net zero will require billions of dollars in funding, collective effort, and long-term partnerships to maximise current assets and develop a renewable generation pipeline. Since 2013, we have invested over \$2 billion in capital expenditure to help grow Aotearoa New Zealand's renewable energy.

But decarbonising Aotearoa New Zealand through electrification will also require flexibility and responsiveness as we transition. Guided by our strategy, we are committed to working alongside others to deliver sustainable, secure, affordable energy for everyone.



...since 2013, we have invested over \$2 billion in capital expenditure to help grow Aotearoa New Zealand's renewable energy.

A secure, sustainable and affordable grid will take time

For more than a decade, electricity use across Aotearoa New Zealand has been steady at around 40 terawatt hours (TWh) per year. But climate change, a push for electrification, and the retirement of traditional thermal backup generation are all putting pressure on the existing infrastructure.

There were times during this past year when very low water, wind and sunshine levels and poorly-signalled gas shortages meant the sector had to secure additional thermal sources to keep energy flowing. According to the Ministry of Business, Innovation and Employment (MBIE), New Zealand's natural gas supply is running out faster than previously thought. It had been expected that annual gas production would fall below 100 petajoules by 2029, but revised forecasts indicate that level will be reached by next year.

Working with others to deliver a resilient energy system

The broader system is looking better but the issue of Aotearoa New Zealand's dwindling gas reserves remains. As a result, there's less ability to back up the power grid through firming capacity. Firming is when the system uses thermal fuel to keep the grid stable when we can't rely on wind, solar or hydro power. We are confident this will be resolved in time but the sudden loss of backup thermal generation cannot be immediately and directly replaced by renewables.

To secure more flexibility and give Meridian the leeway to improve how we manage dry-year risk, we have contractual (or swaption) arrangements with other generators, large-demand response agreements with NZAS, and permission to draw extra water from specific sites when we need it. This year, we have worked closely with community groups and the Guardians of the Lakes to adjust guidelines for Lakes Te Anau and Manapōuri around use of storage. These changes will deliver an extra 45GWh of energy from the Manapōuri Power Scheme each year. The agreement allows for more flexible drawdown rates once the lakes reach lower operating levels, so we can continue generating when lake levels are low.

Last winter, we underwrote agreements with Methanex to support electricity generation the country needed and we called on all aspects of the NZAS demand response agreement. We also negotiated agreements with other gentailers to ensure thermal capacity remains available to ensure long-term security of electricity supply. In August 2024 and May 2025, we entered into agreements with Contact Energy to give the country access to some gas from Methanex should it be needed. The overarching strategy to deliver a secure, affordable and sustainable energy system remains the right path. As the sector builds more new renewable energy and secures more flexibility into the system, the current energy transition issues we are responding to now will dissipate.

In the meantime, Meridian and the sector have taken important steps to support security of supply for winter 2026 and beyond by replacing gas as a peaking fuel. In July, Meridian, together with Contact, Mercury and Genesis, completed an agreement that will support Genesis to improve the operational resilience of its Huntly power station and increase available generation capacity and thermal fuel to the market in the form of a Strategic Energy Reserve. If approved by the Commerce Commission the agreement would be in place from 1 January 2026.

Using our flexible demand response agreement with NZAS

Last year, we signed a groundbreaking new contract with NZAS. The package included a long-term, fixed-price contract for electricity and a significant demand response agreement with four levels of demand response options, ranging from 25MW to 185MW for critical dry-year cover.

In July 2024, we called for the highest level of demand response (185MW) as part of our response to extreme weather conditions. In February 2025, the two parties agreed that NZAS would provide 50MW per hour of demand response for winter 2025. Effectively, this reduced the contract quantity supplied under the core agreement between Meridian and NZAS.

When long-term conditions improved, we agreed in June 2025 that NZAS would ramp up production from 16 June 2025 to bring the current demand response to an early end, targeting a completion date of 28 August 2025.

As part of the overall agreement, we will next be able to call for demand response Option 3 (100MW) or Option 4 (185MW) from April 2026, should conditions warrant such a call.

Adding new power purchase agreements

We signed a power purchase agreement (PPA) with Harmony Energy/First Renewables for their Tauhei Solar Farm, near Te Aroha in the Waikato. Once completed in late 2026, the Tauhei Solar Farm will be Aotearoa New Zealand's largest to date, generating 280GWh of electricity each year. We will purchase 100 percent of the output from this farm for its first ten years of operation. We will also purchase any early generation prior to full operation under a separate agreement on the same terms as the main agreement.

RIGHT
New Zealand Aluminium Smelters,
Tiwai Point, Murihiku Southland.



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Delivering beyond 7 in 7

Our ambitious goal of having seven large-scale renewable generation developments underway by 2030 is ahead of target.

In July 2024, the Harapaki Wind Farm became fully operational, delivering electricity to 70,000 households. This calendar year, construction of Aotearoa New Zealand's first large-scale grid battery storage system (BESS), the Ruakākā BESS, was also completed inside the project's

original \$186 million capital envelope. Located south of Whangārei, the Ruakākā BESS has a maximum output of 100MW of electricity and storage capacity of 200MWh, enough to power about 60,000 average households during winter for a two-hour period.

Other achievements this year have included consent granted for our 90MW Mount Munro Wind Farm near Eketāhuna, the announcement of a 50-50 joint venture with Nova

Energy to build the 400MW Te Rahui Solar Farm at Rangitāiki near Taupō across two stages, and consent for a 100MW BESS in Manawatū.

Meridian is also going to re-power the Te Rere Hau Wind Farm. This project, also in Manawatū, will produce around 750GWh of renewable energy each year and once completed will generate enough power for 80,000 homes each year.

We have also lodged consent applications for our Swannanoa solar project and a solar project in the Waikato.

Our pipeline of projects amounts to 5.9GW or 13.9TWh of development options.

The focus has now turned to the neighbouring 130MW Ruakākā Solar Farm, where early stage works have now begun. Together with the BESS, this forms Meridian's Ruakākā Energy Park. With 250,000 solar panels covering an area the size of 170 rugby fields, the Ruakākā Solar Farm will be capable of producing up to 230GWh of electricity per year.

Unfortunately, we've had to revise the timing of the Financial Investment Decision (FID) for the Te Rere Hau re-powering project from August 2025 to mid-to-late 2026. The decision reflects the need for an additional consent to relocate an Airways Corporation facility from the current site.

Batteries now included

Not only does the Ruakākā BESS add a North Island storage asset to our portfolio and Aotearoa New Zealand's electricity system, it also gives us the ability to smooth out peak periods by adding to our firming capacity, it increases energy resilience for northern New Zealand, and it allows us to participate in the North Island electricity reserves market.

New energy coming

Together, these ten projects represent 200MW of new battery storage capacity and potentially over 3TWh of new generation. That's the equivalent of eight percent of current national electricity demand. By 2050, we are aiming to complete the equivalent of 20 sizeable wind farms.

Projections of system demand over the same period suggest between 50 percent and almost 100 percent more generation needs to be built compared to today.



LEFT
Our Ruakākā Battery Storage System in Te Tai Tokerau Northland.

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Generation (GWh)



* Includes partial operation of Harapaki Wind Farm
 ** Includes full operation of Harapaki Wind Farm

Capacity (MW)

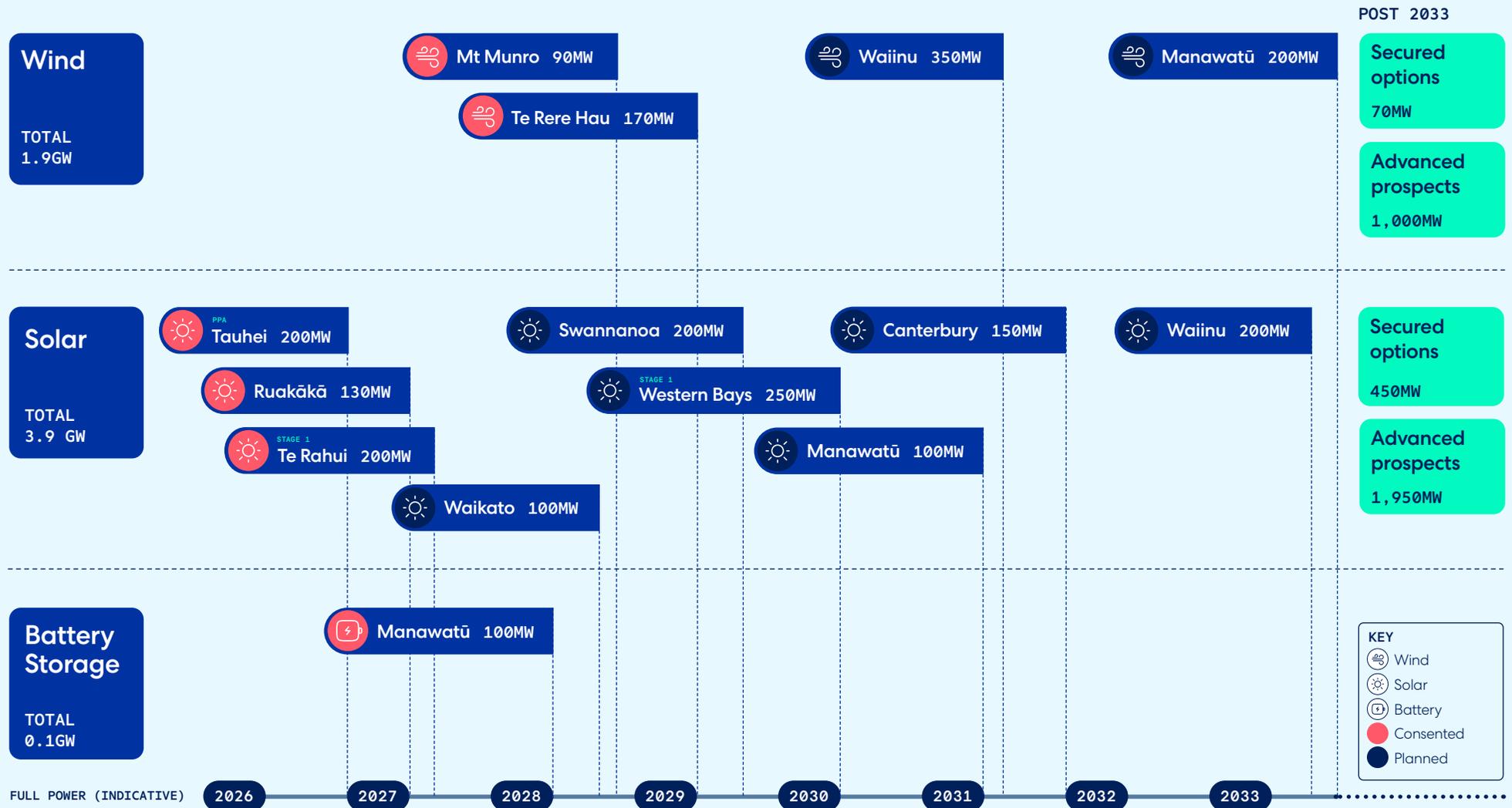


*** Hydro capacity has been restated for each previous year to reflect the installed capacity of Benmore and Manapōuri stations. In all previous years, a 50MW lower operating capacity at the Manapōuri station was reported. In addition, in FY24 a 12MW higher operating capacity was incorrectly reported for the Benmore station, resulting in a 38MW restatement for that year. Restated hydro installed capacity is 2% higher in each of the years restated.
 **** Wind capacity restated to include Brooklyn Wind Turbine

Renewable development pipeline

5.9GW (13.9TWh) of development options
 3.0GW secured, 2.9GW in advanced prospects

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Government policy focus

Energy security and affordability remain sensitive issues for the nation and, understandably, for the Government.

To address energy security, the Government has reversed the oil and gas ban. They have also introduced their Electrify NZ plan, which aims to make it easier and cheaper to consent, build and maintain renewable electricity generation.

We welcome the Government's encouragement of more reliable gas supplies and a more streamlined consenting process. We believe a streamlined consenting process can achieve a healthy balance between localised effects and community views and delivering the national and climate advantages of large-scale renewable electricity projects.

The Government has also confirmed an ongoing commitment to expanding EV infrastructure, saying they plan to significantly increase the number of public electric vehicle chargers across the country. Given the investment we are making ourselves in rolling out our Zero charging infrastructure network, we welcome this initiative to accelerate the rollout of public charging. In our view, it's a critical step to electrifying Aotearoa New Zealand's transport sector.

ETS confirmed as primary tool

The Government's second Emissions Reduction Plan confirms that they view the Emissions Trading Scheme (ETS) as the primary vehicle to reduce emissions through to 2030. Recent advice from the Climate Change Commission (CCC) noted that surplus ETS units had reduced more quickly than anticipated and are forecast to reduce further in coming years. This will help the Government to increase the number of units it auctions into the scheme between now and 2030. The CCC also noted that the Government's commitment to a credible ETS as the main tool for reducing domestic emissions has seen confidence in the ETS improve (while remaining fragile).

While we are pleased to see that lift in confidence, we don't believe the current settings are sufficient to deliver the financial incentives needed for long-term change. As a result, we've paused our Process Heat Electrification Programme this year with 14.5GWh converted. A solution may lie in working with the banks to review whether sustainable finance could unlock and accelerate change.

Price increasingly the talking point

The Government has initiated a review to look at whether current regulations and market design support economic growth and access to reliable and affordable electricity. The Ministerial Review findings are yet to be released.

Context is really important and Aotearoa New Zealand's electricity prices - for both homes and businesses - compare favourably with other developed countries, ranking us within the top 10 in the OECD. And as more new renewable assets come online, prices will trend downwards. This outcome will happen if the Government maintains a stable market environment for companies like ours to invest in.

The Strategic Energy Reserve will help the country diversify away from its reliance on a dwindling and unreliable gas supply and, together with the new renewable projects coming online, will keep a downward pressure on prices. The agreement demonstrates the value of having large companies that can work together in the national interest.

What is working against that trend, from an affordability perspective, is the five years of significant increases in regulated lines and transmission charges that the Commerce Commission signed off last year.

The country needs new and reliable firming fuel infrastructure as demand for electricity grows. The cost of that is driving upwards pressure on what customers are paying each month.

In the meantime, we're working hard to reduce our customers' overall energy bills with the levers we have. We're aiming for greater efficiency in our business and we're delivering new and better products to allow our customers to reduce energy use and energy costs.

Questions about competition

As noted, last winter's tight supply conditions have led to heightened media, regulatory and political scrutiny of the sector. In response, the Electricity Authority and the Commerce Commission formed the joint Electricity Competition Task Force to investigate a range of measures to increase competition. Amongst them were proposals termed 'level playing field measures' which sought to place obligations on generator retailers to sell hedge contracts to third parties on comparable terms to notional internal agreements.

Competition in both the retail and wholesale markets helps drive efficient prices, high standards of customer service, and the development of innovative products. We agree that

greater competition in retail and wholesale markets will deliver long-term benefits to consumers and we will help the Electricity Authority develop and implement any reforms to benefit customers.

In our submission to the Electricity Authority on this issue, we suggested a number of important amendments to what they propose to deliver for customers:

- Allowing generator-retailers to assume the notional internal hedge books they put in place have been built up over time.
- Assessing the viability of a generator-retailer's internal business units over a commercially realistic timeframe.
- Providing for the non-discrimination obligations to apply only to actual physical participants in the Aotearoa New Zealand electricity market.

We also think it's important to consider how vertical integration has served – and continues to serve – the interests of Aotearoa New Zealand consumers.

Vertical integration is a business structure that both generates and retails electricity. Anyone can choose to adopt the same business structure and it is common in electricity markets around the world.

Vertical integration allows businesses, like Meridian, to manage the volatility of New Zealand's wholesale spot market on behalf of our customers, providing them with long-term price stability. A report by former Electricity Authority Chief Executive, Carl Hansen found that household power bills would have been \$460-570 higher in 2024 without price smoothing by integrated firms like Meridian. This equates to \$920 million to \$1.14 billion per annum nationally. The ability of vertically integrated firms to manage wholesale price risk also helps bring down their cost of capital, allowing for more efficient investment in new electricity generation. While we will always support reforms which deliver benefits to consumers, we also think careful consideration is warranted before making substantive changes to existing and efficient operating models.

In the face of ongoing questions about the retail market, we have pushed on with launching new retail products and lifting our new connections because we believe service and choice are good for our customers.

Hedging

Trading conditions this year have been particularly volatile which has led to some controversy, not just over trading prices but also access to, and use of, risk protection mechanisms such as hedges.

Hedges are designed to smooth out intermittency caused by lack of wind, water or sun, a shift in transmission capacity, or a supply shortage that could lead to a rapid increase in wholesale prices. They work like a counterbalance to spikes in market prices. They should add predictability to what participants can expect to pay. They have been the subject of intense discussion this year particularly as some of our existing hedge contracts could not be relied on.

The tight market conditions of July and August 2024 affected large industrial consumers of electricity in different ways. While most chose to hedge in advance and insulate themselves against the impact of wholesale market price volatility, some chose not to. Media coverage highlighted high wholesale electricity prices as a cause of their financial difficulties and, in some cases, closures.

A review by the Electricity Authority⁴ found that all the industrial consumers who turned down or halted production in winter 2024 – and who cited high electricity prices as a cause – had access to hedge contracts at prices below those available on the ASX market at the time. A separate Electricity Authority review of winter 2024⁵ found that most electricity consumers, including all residential households, were sheltered from high prices through retailer hedging, and that electricity generators did not make larger margins from higher prices. The Authority also emphasised that market participants retain full responsibility for making decisions on their level of exposure to spot prices, and for managing that exposure on an ongoing basis.

While it may be convenient to blame the electricity market or wider economic stresses, our focus should be on deploying new renewable developments as quickly as possible, maximising demand flexibility through arrangements such as Meridian's agreement with NZAS, and getting more out of our existing hydro, wind and solar generation.

In the meantime, we have committed to supporting large customers with longer-term contracts that can take the sting out of short-term prices.

4 Electricity Authority Te Mana Hiko, [Market options were available to large energy users in winter 2024](#), October 2024

5 Electricity Authority Te Mana Hiko, [Review of winter 2024](#), April 2025

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Re-consenting the Waitaki Power Scheme

We have made good progress with the renewal of consents that are intrinsic to how we do business.

The Waitaki Power Scheme is Aotearoa New Zealand’s largest renewable energy hydro scheme. It consists of eight power stations, running from Lake Tekapo/Takapō to Lake Waitaki. The scheme generates around 16 percent of the country’s electricity needs. We own and operate six of these stations, making this a significant part of our generation portfolio.

Existing consent conditions were set to expire in April 2025, but will now stay in place until the re-consenting

application has been completed and all appeals addressed.

In July 2023, we submitted an application to Environment Canterbury to re-consent the scheme for an additional 35 years. In our application, we specifically sought to maintain the existing consent conditions.

The focus throughout this year has been the advancement of our application using the direct referral mechanism in the Resource Management Act (RMA) to the Environment Court. Through discussion and mediation, we have now reached a point where only one party is still seeking to participate in the Environment Court process for material changes. We expect

this matter to be heard by the Environment Court in late 2025.

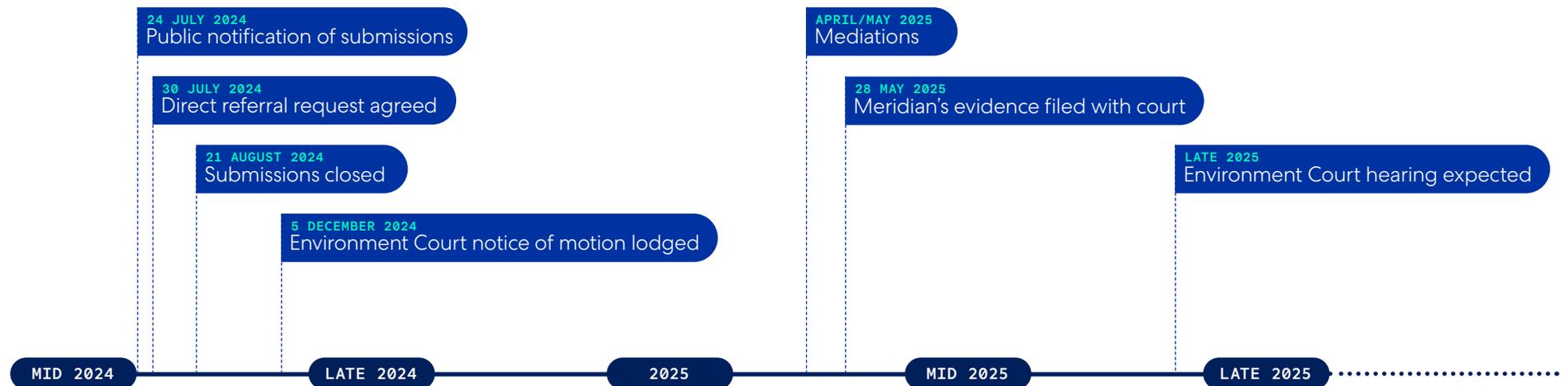
The agreements we have reached with others set out ways for us to work together to support the enduring operation of the scheme, and achieve meaningful long-term outcomes for the catchment. These include an initiative to improve cultural and environmental outcomes for iwi in their takiwā over the 35-year period of the consent, and our annual programme in partnership with Waitaki rūnaka to move thousands of tuna (freshwater eels) by trapping and transferring the ngāeroero (young elver) upstream from our dams and moving the tuna heke (adult eels) back downstream to spawn.

Further, we have agreement with the Department of Conservation to replace Project River Recovery with an upscaled biodiversity mitigation programme within the catchment upon final approval of the consents for the scheme.

Our application to allow access to more water from Lake Pūkaki, should conditions warrant it, will be considered under the fast-track approvals process.

Our Integrated Report Data Pack includes more information on how we withdraw, discharge and consume water throughout the Waitaki Power Scheme.

 **INTEGRATED REPORT DATA PACK**
bit.ly/44yppqP



CASE STUDY

Powerful progress at Ruakākā energy park

Our Ruakākā Battery Energy Storage System (BESS) project kicked off in late 2021 as the second of our 7 in 7 renewable grid-scale developments. Now up and running, it's a great example of how we are introducing proven but new-to-New Zealand technology to lift energy availability.

Construction of the BESS took about two years and included an extended commissioning period and testing for grid compatibility. The site itself comprises 80 containers, configured in 20 groups of four containers. Each group of four is designed to function as one unit. We needed to ensure that each container had been installed correctly, as well as ensuring that all the groups of containers were coordinated in a way that the BESS will deliver the support services to the national grid that it is contracted to.

“Even though this battery technology is commonplace overseas, this is the first grid-scale battery in the country. Our approach in partnership with Transpower was to test and

commission the plant in an appropriately conservative manner. We needed to understand how each of the elements and the battery system as a whole would work in the context of our national grid and under the demands of commercial operation,” says Alan de Lima, Senior Project Manager.

“Not having a generation presence in the upper North Island has constrained our ability to help out when power demands increase there,” says Alan. “Ruakākā means we can confidently bring more power north, which both delivers more certainty for customers in areas like Northland and lifts the reach of our renewable generation when there is lots of sun and wind.”

The next stage of the Ruakākā Energy Park is our first solar generation asset which will operate right next door and use the electrical infrastructure already in place for the BESS. Early stage works are underway and construction is scheduled to take 18 months. When complete, the



ABOVE
Meridian Board and staff at the opening of our Ruakākā BESS.

combined output from the Ruakākā Energy Park will contribute around 200MW into the system.

“The success of the Ruakākā BESS and the upcoming start of construction for the solar farm demonstrate real progress. Sharing infrastructure between the assets has streamlined time and cost, and shortened learning curves for our teams. Together, the projects are also generating invaluable working knowledge and lessons that we will continue to

apply as we invest in the years ahead,” says Alan.

“Our Harapaki Wind Farm and the Ruakākā BESS have given us confidence that we can accelerate the pace of electrification to improve security of supply, lower costs for consumers and reduce the nation's carbon footprint.”

Deliver cleaner, cheaper energy

STRATEGIC PRIORITY

02

IMAGE
A home EV charger.

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Why read this section

Read this section for updates on our next generation approach to energy retailing and how, after a record year in terms of market share for our retail brands, this carries all the way through to helping those in energy hardship.

MATERIAL TOPICS



AFFORDABILITY



CUSTOMER
DECARBONISATION



PUBLIC TRUST

IN THIS SECTION

- Our 'next generation' approach to retail
- New products saving customers money
- Zero charging network expands
- Helping businesses decarbonise
- Businesses support communities through our Decarbonisation Fund
- Our goal is access to energy for all
- Informed by data, delivered digitally
- **Case study:** Getting into hot water, for all the right reasons

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Progress against strategy

KEY

-  Achieved
-  Partially achieved
-  Not achieved

Because customers must benefit from innovations and lower energy costs

OUR KEY INITIATIVES	OUR FY25 TARGETS	TRAFFIC LIGHT	PROGRESS
TRANSFORM THE CUSTOMER OFFERING			
Digital and data-driven customer experiences	Execute Next Generation Retail strategy to deliver new core energy and data practices and embed an operating model to enable this		<ul style="list-style-type: none"> • Base Camp completed • New operating model embedded • New core energy platform vendor selected
Making flex valuable for customers	Sign 10MW of additional demand flexibility 5,000 residential customers on demand response product		<ul style="list-style-type: none"> • 4MW of contracted industrial demand added. Total contracted load is 34MW • 16,400 customer connections added to Retail's new Smart Hot Water flex product, 11,000 above plan
Electrifying transport and heat	Install 75 fast chargers by the end of FY25 Convert 200GWh of MOU process heat to contract [deprioritised by Retail in Q2]		<ul style="list-style-type: none"> • 46 fast DC public charge points added to the Zero public charging network • 38GWh of MOU process heat converted to contract [deprioritised by Retail in Q2]
Optimising costs and efficiency	Customer numbers grow to 395k Restructure Retail to reduce headcount and deploy Next Generation capabilities that support strategic growth		<ul style="list-style-type: none"> • Retail customer connections (ICPs) grew to 406k following a year of double-digit growth 35k new customers added across our two retail brands, exceeding our plan by over 10k • Cost to serve positively impacted by Retail head count reducing by 10 percent
INCREASE COMMUNITY GOOD			
	Support 1k customers in energy hardship Increase community decarbonisation distributions to \$1.5m in FY25		<ul style="list-style-type: none"> • 1,716 households welcomed into our Energy Wellbeing Programme • Community Decarbonisation Fund distributions of \$1.5m in FY25
POLICY ADVOCACY THAT PROMOTES CLIMATE ACTION AND SUPPORTS NEW ZEALANDERS THROUGH THE ENERGY TRANSITION			
	ETS seen as primary tool to drive energy transition Favourable consenting reforms Navigate near-term winter capacity constraints		<ul style="list-style-type: none"> • Currently low confidence and pricing in ETS • Changes to the Operating Guidelines approved by Minister improve flexibility in Lakes Te Anau and Manapōuri • Fuel scarcity through two droughts and ongoing gas production declines has seen criticism of the sector. Both Government and an Electricity Authority and Commerce Commission Taskforce are reviewing elements of the electricity sector • Price increases in 2025 have been driven in a large part by Commerce Commission-approved revenue levels for lines companies and Transpower • Progress on RMA reforms with Government focused on simplifying and accelerating consenting processes • Winter 2025 fuel supply managed through careful hydro management and improved thermal availability

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Our 'next generation' approach to retail

The rollout and implementation of Meridian's new retail operating model – Next Generation Retail – is focused on positioning us to lead in a dynamic electricity market. We want to be able to deliver smarter, faster and more relevant experiences for customers. This momentum is already translating into results – we've achieved double-digit levels of customer growth and reached our highest-ever market share, a clear signal that our new retail strategy is resonating with New Zealanders.

Increasing our presence

We are still the country's biggest supplier of retail electricity, with sales approaching 9,500GWh. This year we've added over 35,000 new connections. Importantly, both our Meridian and Powershop brands showed strong growth, with Powershop growing by around 22,000 and Meridian by around 13,000 customer connections. We now have over 405,000 customer connections – an increase of 10 percent – representing about 17 percent of all Aotearoa New Zealand's households and businesses.

Supporting growth, we also acquired the customer base and hedge positions of energy retailer Flick, which will add around 38,000 mostly residential connections to our customer base by October 2025.

New platform to unlock cleaner, cheaper solutions

In June, we confirmed Kraken as our preferred vendor for the new core energy platform, another significant milestone on our path to Next Generation Retail. This platform will support delivery of the modern, data-driven digital experiences that customers demand and improve our in-house capability to deliver energy propositions that will make energy cleaner and cheaper. At year end, we've established a deployment team and are now refining our plan to have customers on the Kraken platform and using the new digital front end (including a new retail energy app) starting from the second quarter of FY26. Flux will continue to maintain its billing platform while a phased migration to Kraken takes place. Beyond that, we are reviewing the future of the subsidiary.

RIGHT

Our Solar Plan enables households to lock in market-leading buy-back rates for three years.



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Customer satisfaction (net promoter score*)



Powershop New Zealand and Meridian New Zealand residential customers only.
 * Calculated from a survey asking customers using a 0-10 scale "How likely is it that you would recommend Meridian/Powershop to a friend or colleague?" then subtracting the percentage of detractors from the percentage of promoters. A positive value indicates that more customers are promoters versus detractors (and vice versa). Results are a 12-month moving averages from July to June each financial year.
 ** Perceptive Group Limited: New Zealand NPS Industry Benchmarks. FY24 updated since last report. FY25 data will be available next year.

Retail customer connections* (ICPs)



* Excludes New Zealand Aluminium Smelters. Fewer than 10 of the above ICPs are connected to the transmission network. Around 4,700 customer connections have distributed generation metering.

New products saving customers money

As part of our focus on delivering cleaner and cheaper energy to customers, we've introduced innovative products that focus on creating value from the energy system and passing this value back to customers. This year, we launched Smart Hot Water, Smart EV Charging and the Four Hours Free Plan to add new options for our residential customers. These are products that incentivise the reduction of energy use at peak demand times – directly supporting access to cleaner and cheaper energy.

We have also continued to trial innovative home energy propositions such as smart charging for EVs and hot water load shifting. Supporting these new products, our EV Plan includes six months of free EV charging at home and up to 50 percent off standard day rates from 9pm to 7am. Our Solar Plan enables households to lock in market-leading buy-back rates for three years.

Zero charging network expands

This year there were over 55,000 charging sessions on our Zero EV network, charging EVs across the country with more than 680,000kWh. Our network remains the second-largest in Aotearoa New Zealand, with 388 charge points available for those using the Zero app, an increase of 60 charge points from last year. Of the new charge points installed, 46 are fast DC, helping EV drivers charge quicker and drive further.

A highlight of the year was the opening of our charging station at Springs Junction, on a key route between Christchurch and Nelson. In a world first, our Zero EV chargers are supported by three 120kWh BESS units, which use repurposed Nissan Leaf batteries to store energy. The BESS units charge overnight, when pressure on the local network is at its lowest, before releasing power to the chargers throughout the day.

We are pleased to see that the Government is committed to

expanding the national EV network and we have an exciting pipeline of chargers and sites planned. With the Springs Junction, Kohatu, Whataroa, Twizel and Geraldine projects in the South Island completed, work is underway to secure the required power supply and install chargers at multiple locations including in Haast, St Arnaud, Kaikōura, Culverden, Murchison, Tākaka and Rakaia as well as many in the North Island. These are all expected to go live in the next financial year.



RIGHT

Zero EV chargers, Days Bay, Te Whanganui a Tara Wellington.

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Helping businesses decarbonise

We understand that for many businesses the decision to decarbonise can come with many challenges. We've been committed to working closely with businesses and providing solutions to these challenges that they face.

This year we supported more businesses with their EV fleet charging needs, including delivering heavy vehicle DC charge points for Fulton Hogan and Hutt City Council. Our proposition has also expanded to support businesses with their staff charging needs in their homes.

Commercial solar Power Purchase Agreements (PPAs) allow businesses to utilise more renewable energy without the upfront capital investment. The amount of commercial solar systems we've installed and operate has grown to 3MWp. This year we installed a large system at Lion New Zealand's East Tāmaki Brewery, The Pride. At 1.21MW it is one of Aotearoa's largest roof-top systems.

LEFT

The 1.21MW solar installation at Lion New Zealand's East Tāmaki Brewery, The Pride, Tamaki Makaurau Auckland.

Market conditions impact Process Heat programme

Process heat electrification has been challenging this year with the market conditions slowing activity. We saw limited growth in our Process Heat Electrification Programme with only 38GWh added, taking our total under this programme to 563GWh.

We continue to assess and work with customers on process heat electrification where conditions support it. Our Industrial Demand Response Product provides value to customers for the flexibility they offer the energy system at times they can lower their grid electricity use, often by utilising alternative fuel sources. We grew the amount of 'future potential flex' load contracted from 30MW to 34MW with high confidence of more landing early this financial year, helping to provide more certainty for the industry in future years.

Businesses support communities with Decarbonisation Fund

Meridian's Certified Renewable Energy product allows our large business customers to match the electricity they use from the grid with an equivalent amount of electricity produced by our hydro stations and wind farms, and independently verified as 100 percent renewable energy. The resulting Renewable Energy Certificates (RECs) benefit our business customers by lifting the levels of renewable energy they are using, which they can then disclose to their people, investors, customers and other stakeholders.

To date, over 250 companies have signed up to purchase more than 3,500GWh of these RECs. All the net proceeds we receive are reinvested into our Community Decarbonisation Fund. The Fund has grown significantly with investments in electrification projects nationwide and, to date, has allocated nearly \$3 million to support the use of EVs, solar panels, batteries and electric heating. The Fund has also supported business customers with bespoke solutions for solar and decarbonisation.

This year, 24 community groups received funding. Recipients included the Twizel Medical Centre which received \$179,000 to install 69.6KW of solar panels and 64kWh of batteries, and Hōhepa Wellington, a charity providing 24/7 personalised support for people with intellectual disabilities, which received \$71,827 to purchase an electric van for its residents.

This year nearly 30 different organisations received contributions from our Fund.

You can find out more about our Community Decarbonisation Fund and its impacts on our website.



IMPACT AND TRANSPARENCY REPORT
bit.ly/3A8UiXx



DECARBONISATION FUND
bit.ly/4nCHQmZ



RIGHT

Community Decarbonisation Fund recipient,
Satisfy Food Rescue, Kaiapoi, Canterbury.

Our goal is access to energy for all

Energy is a necessity. Consequently, we assume responsibility for doing all we can to help our customers to access energy. The long-term, sustainable use of energy relies on balancing energy sustainability, energy supply and energy equity.

As committed advocates of the Electricity Authority's Consumer Care Guidelines, we were meeting these standards long before they were mandatory, locking them into all our customer processes, including how we support medically dependent and financially vulnerable customers to access the electricity they need.

Disconnections are a last resort for us and our disconnection rates remain low by industry standards. Instead, we encourage households and businesses to take control of their energy through flexible payment products such as LevelPay, and by accessing digital tools that enable customers to monitor and manage their usage. Customers that are experiencing financial or energy hardship are supported directly through our Energy Wellbeing Programme.

Growing our Energy Wellbeing Programme

As part of our continued commitment to supporting financially vulnerable customers, our Energy Wellbeing Programme has the goal of helping 5,000 Meridian and Powershop households in energy hardship by FY28, via a \$5 million commitment announced in 2023. The programme provides tailored, flexible support to customers by partnering with community energy organisations. Through targeted in-home intervention, we aim to reduce the likelihood of energy hardship in the future. To do this, we look at four things – energy supply, housing quality, energy efficiency, and financial situation.

We have also established a dedicated fund through our community energy partners to provide energy assessments, education, and energy-efficient goods such as heaters and curtains.

At year end, 1,716 customers had been added to the Energy Wellbeing Programme this year and we had assisted 3,185 customers in the programme in total. We continue to track our progress towards our target every quarter.

An independent GoodMeasure report by ImpactLab, released in November 2023, found that for every one dollar spent, we can provide \$5.20 of measurable good to Aotearoa New Zealand.



GOODMEASURE REPORT
bit.ly/3WSvmw8

Higher regulated costs

From 1 April 2025, customers across the country have experienced price increases. For Meridian's customers, 80 percent of those increases come from Commerce Commission-approved increases to transmission and distribution prices. These price changes will be acutely felt by many customers. We are looking at all the ways we can lessen the impact, including introducing smart products to save power and money, and furthering the use of our Energy Wellbeing Programme.

Informed by data, delivered digitally

We track our ambitious targets against a range of time horizons to ensure our growth is consistent with our trajectory.

Through the year, we undertook a major organisational review to ensure we had the right structure and headcount to deliver our retail strategy. The recent decision to work with Kraken aims to create an optimised cost-to-serve model that will help attract new customers and deliver new products built around demand flexibility and creating value and choice.

The Kraken platform will underpin our customer billing and provide a robust data foundation to inform progress. Also on the way is a new retail app that will change how customers can engage with us. We will migrate our first customers onto Kraken by August 2025 and plan for our app to be available in a first iteration at the same time.

Already we're seeing reductions in operating costs and costs to serve, and significant net growth in our customer base. These changes confirm that we are delivering well for the business. Just as importantly, we're seeing shifts in customer behaviour as we make new experiences available. Our new products are attracting steady uptake and we are seeing strong advances in online engagement.

CASE STUDY

Getting into hot water, for all the right reasons

Our new retail products have been a big hit with customers looking to take advantage of cleaner and cheaper energy options.

Hot Water Flex is an innovative demand flexibility product that rewards residential customers who allow Meridian to shift their hot water heating outside of peak times. This initiative, which we successfully built, piloted and scaled this year, is redefining how we work with our customers.

“We knew that many of our residential customers across both our Meridian and Powershop brands were open to options that would reward them for allowing some additional control of their hot water cylinder heating cycles. How could we make that happen for them?” says Lisa Hannifin, Chief Customer Officer.

Customers currently receive a \$10 monthly rebate in exchange for allowing us to shift their hot water heating to off-peak periods, reducing pressure on the grid and lowering household energy costs.

Working closely with our metering partners Intellihub and Bluecurrent and local network operators has been critical to unlocking the flexibility potential of our residential customer base and delivering meaningful outcomes to our customers without affecting their access to hot water or compromising the operation of the local grid.

Initial trials validated the technical feasibility and customer value proposition, with early adopters showing clear shifts in hot water heating consumption. “Once we’d demonstrated that we had the technology and a customer value proposition that was strong enough to show clear reductions in peak-time consumption, we were able to scale and rapidly expand access from 100 to 1,000 customers within weeks,” says Lisa. “At the end of the financial year, we’ve had over 16,400 customers enrolled, laying the groundwork for a broader rollout. This represents over 30MW of potential hot water capacity under



ABOVE
Innovation for our customers through our Hot Water Flex product.

management that homes across Aotearoa New Zealand are making available for us to help reduce their peak consumption.”

“Our goal is to have 30,000 customers on a Hot Water Flex product by the end of next year, which can make all the difference when the network is under pressure.”

“We’re proud of what we’ve achieved so far. Hot Water Flex proves that we

can innovate at pace to deliver real value for our customers and at the same time deliver positive environmental impacts that align with our overall strategy.”

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Deliver operational excellence

STRATEGIC PRIORITY

03

IMAGE
Maintenance being undertaken on the wicket gates, Benmore Power Station, Waitaki Valley.



Why read this section

This year's financial results were disappointing. In this section, we explain what happened and what it means not just for us, but for the industry as a whole. There's an update on changes at Flux and we highlight the significant progress we have made incorporating data-driven decisions into how we work.

MATERIAL TOPICS



RENEWABLE ENERGY
GENERATION



CYBER AND PHYSICAL
SECURITY

IN THIS SECTION

- Droughts impacted earnings
- Strong balance sheet
- Flux supporting the transition to Kraken
- Data is changing how we work
- **Case study:** Rethinking how we restart

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Progress against strategy

KEY

-  Achieved
-  Partially achieved
-  Not achieved

So everything we do aligns to deliver on our goals

OUR KEY INITIATIVES	OUR FY25 TARGETS	TRAFFIC LIGHT	PROGRESS
BUILD OPERATIONAL FLEX AND AGILITY WHILE SUSTAINING EXCELLENT ASSET PRODUCTIVITY			
<p>Improved Asset Management Plan that supports maximising availability of existing assets delivered</p> <p>Reduce annual routine outage days by over 100 days</p> <p>Implement advanced analytics trial</p>		<ul style="list-style-type: none"> • 112MW of new capacity available from existing hydro assets • Removed more than 200 days from outage calendar • Commenced digital generation (DigiGen) programme 	
MODERN DATA AND DIGITAL SYSTEMS TO PROMOTE COLLABORATION, OPERATIONAL EFFICIENCY, INNOVATION AND DATA-DRIVEN DECISIONS			
<p>Finance Transformation (FT) live</p> <p>Enterprise-wide data lake delivered and scaling in progress</p> <p>Identity and access management solution delivered</p> <p>Market Maker enhancements delivered</p> <p>Modernise our key wholesale systems</p> <p>Improve short-term capacity modelling and product development</p>		<ul style="list-style-type: none"> • Finance Transformation live • Generation Control System software being replaced • Identity and access management solution delivered • Market Marker AI enhancements delivered • Data lake value pools defined 	

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Droughts impacted earnings

A very challenging operating environment this year materially impacted financial performance, particularly our energy margin. With the strength of our business, the result did not impact the dividend or our renewable development programme.

Periods of record low hydro inflows across the country and unseasonably low wind highlighted a rapid decline in gas availability, and reduced the reliability and cost of gas-backed hedges. In response, we called on our demand response arrangement with NZAS, requiring them to reduce demand so that energy be made available to other users. We also entered into swaption contracts that underwrote agreements with Methanex.



...we are well positioned, the assets we are developing will prove their worth as demand increases...and we are focused on the things that will improve the market over the medium term.

Our financial results

Energy margin fell by 23 percent compared to the same period last financial year as a direct result of the demand response arrangements and swaptions we put in place. The demand response payments were to NZAS for exercising Option 4 of the demand response agreement with them. NZAS also provided an extra 20MW of response and ramped down quicker than was required under the contract.

While the result lies in stark contrast to last year's record performance, both the Board and Management believe that we are well positioned, that the assets we are developing will prove their worth as demand increases, our relationships with customers are strong and we are focused on the things that will improve the market over the medium term.

Addressing volatility

Declining gas availability and high gas prices are increasingly the driver of wholesale electricity prices, rather than hydro storage levels.

In the medium term, we are confident that the pipeline of new renewables and battery systems, together with arrangements like those we have with NZAS, should contain wholesale prices and give Aotearoa New Zealand flexibility to address renewable intermittency. Joining other gentailers to work on an agreement to maintain a strategic energy reserve with Genesis Energy was a necessary move to support energy security in FY26 and beyond.

That agreement will shore up security of supply and support the sector to manage dry-year risk for the next decade, lessening Aotearoa New Zealand's reliance on its dwindling gas reserves.

Unlocking more of New Zealand's storage

We were pleased to see the Minister for Energy approve changes to the Operating Guidelines to improve flexibility in Lakes Te Anau and Manapōuri. But, in our view, it cannot stop there.

For example, Lakes Tekapo/Takapō and Pūkaki, New Zealand's largest hydro storage, have an additional 765GWh hours of storage, equivalent to 20 percent of the controlled storage that currently exists across all New Zealand hydro catchments. Under the current regulatory regime, this storage cannot realistically be used without intervention by Transpower, depriving the country of a significant and renewable energy source at times when it is most needed. We would like to see this reviewed and we have applied for access to contingent storage in Lake Pūkaki, which will be considered under the fast-track approvals process. This would ensure ready access to this valuable resource, supporting energy security and bringing down wholesale prices.

Making the most of what we have

While we cannot control the weather, or the impacts of climate change, we can actively manage our assets to minimise our contribution to wholesale market volatility. Increasingly, our teams are working together, drawing on the sophisticated data we now have access to, rethinking historical practices and developing new ways to create greater capacity during peak times and dry years.

Two years ago, we set a goal to deliver 200MW of restored and 300MW of new capacity from our generation portfolio by the end of FY28. Every MW restored or added counts positively towards our target, while further outages set us back. We've faced challenges with further plant failures but despite these setbacks we have achieved net 8.3MW of restored capacity and 111.6MW of new capacity toward our goal and markedly decreased the potential for future unscheduled outage days. Getting our transformers back online, and eliminating or deferring scheduled outages has helped us avoid taking capacity out of the system.

Our target had been to remove 100 days from the outage calendar. By talking to our people we have been

able to reconfigure maintenance to remove more than 200 days from the calendar without any increase to our risk profile.

We resolved problems with one of the two non-operating transformers at Manapōuri to have it back in service by December 2024. The new transformer has increased generation capacity at Manapōuri from a restricted limit of 640MW to around 768MW – close to the maximum 800MW allowed under its consent conditions. An additional two replacement transformers are due to arrive in 2026, at a cost of around \$10 million. We continue to pursue redress from the original transformer manufacturer.

We have also decided to replace the other five transformers at the Manapōuri Power Scheme over the next two and a half years. We don't expect this to have any impact on our overall generation outputs. We also restored 29MW at our wind farms in White Hill and Te Āpiti.

A prolonged outage of one of the transformers at our West Wind Farm continued for much of the year, taking 45MW out of the system and constraining capacity to 98MW. We were able to loan a transformer from Transpower to add back the megawatts we lost. The new transformer arrived in July 2025.



ABOVE
Our White Hill Wind Farm, Murihiku Southland.

We expect to have this new transformer in place and working by the end of October 2025.

Our next era of change will come with the implementation of the digital generation (DigiGen) programme we have started and which will advance over the next financial year. Accelerating our digital capability will lift our understanding of risk to a forensic level, increase plant availability, and improve the value of what we deliver by enabling things like more condition-based maintenance based on better information about our assets.

Strong balance sheet

Recognising that droughts are inevitable, our dividend policy and balance sheet have been designed to support dividend stability even in the face of substantial disruption to operating cash flow. We continue to develop new ways of working in a more volatile supply environment.

Our credit rating of BBB+/Stable has not changed and at year end we had bank facilities of \$910 million, of which \$253 million were drawn.



Making the best use of our digital assets and data is allowing us to minimise outages and, where we do have outages, return equipment to full operation in a controlled but rapid way.

Flux supporting the transition to Kraken

Last year, we announced a major review and restructure of our subsidiary, Flux Federation.

Our Chief Information Officer, Bharat Ratanpal, was seconded as Interim Chief Executive to lead the business through this next phase.

That review and subsequent restructure has been successfully undertaken this year. A new strategy saw Flux brought closer to the Group and the business shift focus from building the Flux platform as a global business to concentrating on the Australasian market and service of its existing customers. As part of the review, there was a significant reduction in headcount and Flux no longer has its own independent Board.

In June 2025, we announced that Kraken will replace Flux as the billing platform for Meridian and Powershop. Flux will continue to maintain their billing platform while a phased migration to Kraken takes place. Beyond that, we are reviewing the future of the subsidiary.

Data is changing how we work

Our drive to incorporate core data into our systems, how we work, and our decision-making continued at pace this year. As technologies such as artificial intelligence (AI) and machine learning become mainstream, we're applying data in new ways and through new applications to maximise the value we deliver, increase collaboration, and capture the insights needed to drive effective innovation.

Establishing value pools

A data lake is a large body of continually refreshed data, drawn from different sources across the business and sorted and collated through powerful data science models to augment the full breadth and depth of our decision-making.

Establishing such a resource takes time, but we are making good progress in defining what we call our 'value pools' – those areas of the business where access to, and analysis of, extensive data is a potential game changer.

We're already using data to better model risks and the maintenance required for our generation assets.

Digitally-powered generation

This year, we started a project to renew our Generation Control System software, SCADA (System Control and Data Acquisition), which will improve capacity to get more out of our current assets and help us implement streamlined operating workflows around all our assets. This critical system runs and controls our generation network and the upgraded version, with its modern architecture and boosted capabilities, will work with our emerging energy sources and distributed energy arrangements to enable us to generate more value from our assets through upgrades.

Making the best use of our digital assets and data is also allowing us to minimise outages and, where we do have outages, return equipment to full operation in a controlled but rapid way.

This year, after an outage at our wind turbines in Wellington caused by very high winds, we were able to check and restore affected equipment in one hour through remote-access software implemented by our team. Previously, complex processes and difficult terrain would have meant a re-start taking a few days.

Market Maker

We've also started using generative AI to change how we respond. One emerging example is Market Maker, an AI-powered tool that scans a range of sources for news, information of interest, and other changes and shifts that could be of interest to our trading teams. The potential is there to further automate how we manage our trading portfolio and to do so with greater speed and decisiveness.

Using AI intelligently

Data is also changing how our people work within the business. This year, we successfully integrated a range of systems used by our finance teams into a single system, integrating everything those teams do for the first time ever. This has not only improved how those teams work, it has enabled complex reporting that enables us to appraise our financial positions more quickly.

Speed and efficiency are also key drivers for trialling Microsoft Co-Pilot for all our people. Utilising AI for everyday processes will remove administrative burden and processing time. Feedback so far has been positive.

Of course, as we become more dependent on data to improve our efficiencies and help us provide



ABOVE

The generation control room in our Te Whanganui a Tara Wellington office.

better value, it's vital we keep that data safe and secure. Segmenting our network so that any breaches can be robustly contained has been underway for some time. This year, we completed the second phase of our network security project, meaning full segmentation is now in place.

Safeguarding customer and company data is fundamental. We adhere to industry regulations and standards and proactively manage cyber risks.

We've also established clear protocols for how we use AI to ensure that our intellectual property is protected, that our people understand how to use these tools properly, and that sensitive data is not shared.

CASE STUDY

Rethinking how we restart

A large shutdown at our West Wind Farm this year could have affected our customers for days. Instead, thanks to new technology, we were able to bring operations back online in a fraction of that time.

At the beginning of May 2024, an extreme weather event in Wellington severely affected our West Wind facility. Winds as high as 190km/h saw 43 turbines fault out, along with the Brooklyn turbine. The Meridian team proactively stopped the rest of the turbines on the farm to avoid more faults.

“Big storms like this have historically been highly disruptive,” says Yanosh Irani, Head of DigiGen. “Even if there hasn’t been a lot of damage, resetting dozens of turbines has been a significant logistical exercise. Because these switches are so sensitive, there’s been no way of knowing whether the machines were at risk or whether they had powered down as a precaution. The thinking for many years was that the prudent way to check was to do so physically. That of course came with its own risks and costs.”

That didn’t happen this time. Instead, using new remote hand terminal software, most of the stopped turbines were returned to operation in a matter of hours.

“The equation is pretty straightforward,” says Yanosh. “Less downtime literally allows our plant to produce more. Making that happen has required us to rethink how maintenance itself should be scheduled and where we should focus our efforts for what’s required.”

We are shifting from a fixed and scheduled timetable to more of a pit-stop model, and we will be able to use data and strategic interventions to eliminate redundant work and dramatically lower downtime overall. This means we have more plant operation available more often – increasing capacity and optimising availability.

There have been other cost-saving advances as well. For example, we’re now using underwater drones for inspections at our hydro sites. Previously, that work would have required commercial divers and an



ABOVE

The Meridian team at Benmore Power Station with our new remote-operated submersible.

extended downtime to complete safely. Now, we can ensure that our sites are operating safely at lower cost, with fewer people involved and with less loss in generation time.

“The best solutions are not necessarily the most glamorous, or even the largest. They’re the ones that have real and measurable impacts, that fit with how we work and that make a difference for our team,” says Yanosh. “Remote-access software is a specific tool. When it’s applied to the work we do and the pressure we’re under when things go down, it’s been a game changer.”

Our DigiGen programme will take all this to new levels, enabling us to decouple improved performance from rising costs and to achieve greater availability through clever and informed planning. Such adaptations make sense – as climate change influences weather patterns and electricity demand increases, we are looking to achieve the best possible outcomes from our assets.

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Grow capability and culture

STRATEGIC PRIORITY

04

IMAGE
Team meeting in our Ōtautahi Christchurch office.

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Why read this section

We made significant changes to our retail workforce this year. We also reviewed and fine-tuned our Half by 30 target. This section offers more details on how we have looked to develop and deliver a culture and leadership that benefit people and the planet, inspire climate action and attract investors.

MATERIAL TOPICS



RENEWABLE ENERGY GENERATION



PUBLIC TRUST



NGĀ TUKINGA O TE AO TŪROA – IMPACTS ON THE NATURAL WORLD



BUSINESS EMISSIONS AND WASTE



PEOPLE

IN THIS SECTION

- A new operating model
- Wellbeing is at the heart of our approach
- Standardising our safety approach
- Celebrating partnerships
- Powering up communities
- Forever Forests keep growing
- Evolving our practice
- Making the right start

Progress against strategy

KEY

-  Achieved
-  Partially achieved
-  Not achieved

Because how we do the mahi is what will make the real difference

OUR KEY INITIATIVES	OUR FY25 TARGETS	TRAFFIC LIGHT	PROGRESS
GROW A DIVERSE, INCLUSIVE AND SKILLED WORKFORCE THAT REFLECTS THE COUNTRY WE LIVE IN			
<p>25% women in senior roles</p> <p>Reduce Māori and Pacific Peoples representation gap by 10% on the baseline each year</p> <p>Maintain/achieve engagement in top 25% of NZ organisations</p> <p>Deliver new Wellbeing Strategy</p>		<ul style="list-style-type: none"> • 30% women in senior roles • Māori just under 5%, and Pacific Peoples 2% of workforce in FY25 • Our engagement score was steady at 74%, 2% higher than the top 25% benchmark • New Wellbeing Strategy delivered 	
SAFETY LEADERSHIP THAT GROWS IN MATURITY AS WE BUILD INTO THE ENERGY TRANSITION			
<p>Growing the maturity of the safety culture through improvement in the lead indicators from FY24, while managing lag indicators</p>		<ul style="list-style-type: none"> • Total recordable injury frequency rate for employees and contractors per 200,000 hours worked was 2.45 (compared with 1.81 in FY24), with 18 injuries (8 contractors and 10 employees) 	
OUR DEVELOPING UNDERSTANDING OF THE MĀORI WORLDVIEW HELPS BUILD LONG-TERM RELATIONSHIPS WITH TANGATA WHENUA			
<p>First cut of recruitment pathways revision delivered in partnership with People team</p> <p>Development of the kawenata with Ngāi Tahu delivers tangible outcomes</p>		<ul style="list-style-type: none"> • Continued work to deliver on kawenata commitments and iwi relationships 	
SUSTAINABILITY CULTURE AND LEADERSHIP THAT BENEFITS PEOPLE AND PLANET INSPIRES CLIMATE ACTION AND ATTRACTS INVESTORS			
<p>ESG accountability formalised in business units</p> <p>Half by 30 FY24 initiatives delivered</p> <p>Upper-quartile Asia Pacific ESG performance (DJSI index measure)</p>		<ul style="list-style-type: none"> • Finance team responsible for climate-related disclosures, Generation team leading some emissions reduction work • Revised Scope 3 targets for Half by 30 • Ranked #1 for our sector in the Dow Jones Best-in-Class Sustainability Asia Pacific Index 	

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A new operating model

A major restructure in our retail business was a key focus this year. That transformation was nothing short of a full redesign of the operating model, intended to drive more customer-focused, faster, innovative ways of working.

The change objectives reflected current and pending changes in technology, a next generation of customer service, and new ways of thinking about how our teams deliver in advanced digital environments. 80 percent of roles were disestablished and replaced with new roles, with outcomes finalised and shared by December 2024.

As a result of the transformation, 83 people left the organisation, most of them on a voluntary basis.

Remarkably, throughout the change process, our retail team kept hitting their targets and growing the business. When we acquired the Flick customer base, the team was able to absorb the extra work with a lower headcount, a strong indicator that the new model is delivering as intended.

Recently the role of General Manager, Wholesale was disestablished, and a new position of General Manager, Strategy and Portfolio created. As a result, the Wholesale Operations function became part of the Generation team.

Diversity affected by restructure

The turnover of people in late 2024 temporarily affected the makeup of our diverse workforce. While, in absolute numbers, our loss in people of Māori descent was not huge, this reduction did represent a dip in overall representation. We are now working to redress these changes through recruitment and career advancement within the business.

Diversity drives better decision-making and outcomes. However, attracting a more diverse workforce is proving a slower burn than we would like. Unfortunately, we are not getting the volume of applicants from diverse backgrounds that we'd hoped for. The upside is that when Māori do apply for roles, the conversion to interviews is comparable with other groups. To address this, we are continuing to talk to our partners and communities to encourage them to nominate candidates. Lifting Māori representation, and ensuring growth opportunities are available, is consistent with how we want to reward and recognise talent, behaviours and performance and connect to te ao Māori as a multicultural organisation.



We're proud that, despite a challenging labour market, we've been able to appoint high-calibre senior women.

Encouraging leadership in everyone

Leadership is critical to attracting and retaining the right people. This year, we launched a new programme recognising that leadership shows up at all levels, encompassing self-leadership, outcome leadership, and leadership of others.

We have identified and articulated the critical attributes and capabilities essential for people in our organisation to successfully execute our strategies at pace:

- Develop yourself – focusing on personal growth and self-leadership
- Make things happen – directly influencing and guiding others to achieve strong outcomes
- Navigate the future – empowering and guiding others to amplify our collective impact

We have already incorporated these ideas into our Code of Conduct and from next year will include them in how we measure leadership maturity in individuals.

We remain committed to increasing the proportion of women in senior roles. We're proud that, despite a challenging labour market, we've been able to appoint high-calibre senior women. This has meant we've been able to maintain high performance against our target for women in senior roles (29.8 percent against a target of 30 percent, and over 45 percent of the workforce identified as women).



CODE OF CONDUCT
bit.ly/4dvYpuU

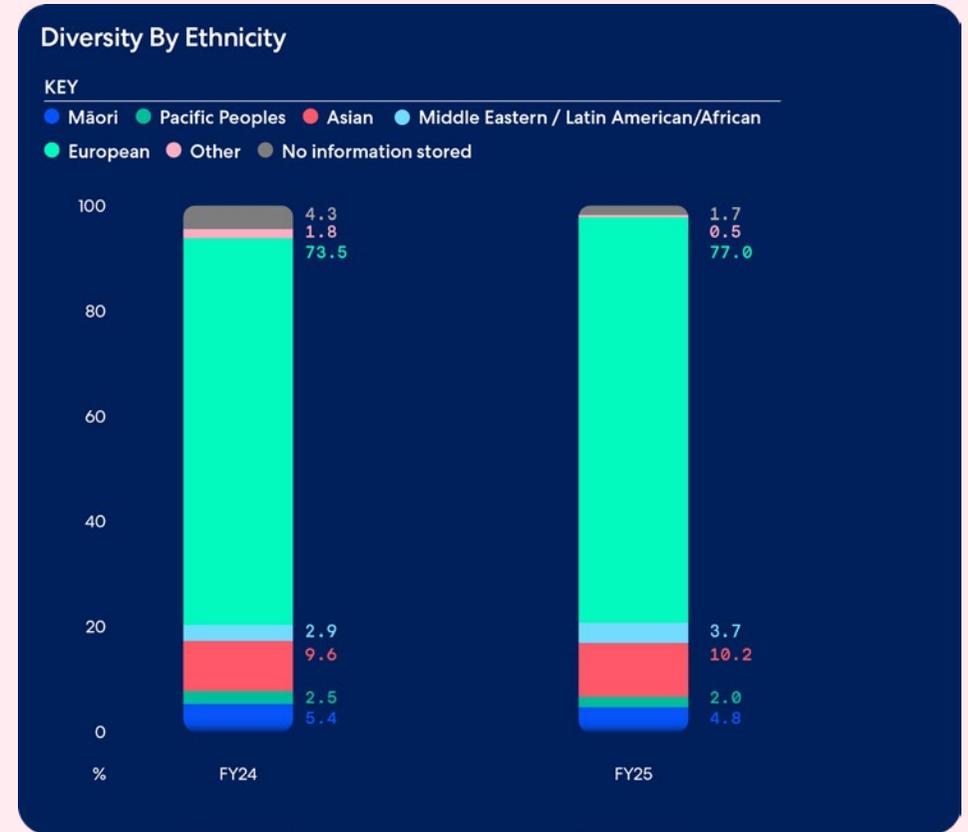
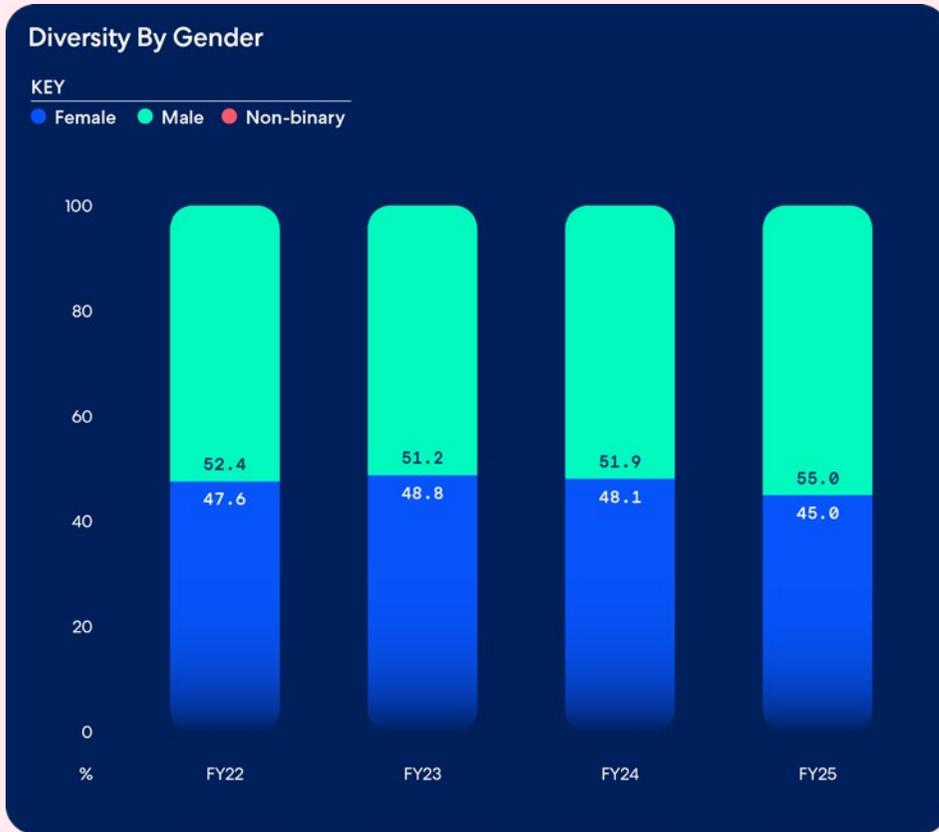
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Engagement still strong

Engagement is important as it is an insight into organisational performance provided by our most valuable assets, people. Despite operational changes, overall employee engagement in the Meridian Group has stayed relatively steady at 74 percent. After a higher turnover period following the restructure, leaving rates have now returned to much lower levels, indicating that things are stabilising. We were again pleased to see a very high voluntary response rate of 89 percent for this year's survey. Despite challenging operating conditions and intense industry scrutiny, we continue to attract and retain skilled and committed staff who are delivering great results. We continue to perform well against our benchmark of the top 25 percent of organisations our size. Our engagement score was 74 percent positive, 2 percent higher than the benchmark.



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See our Integrated Report Data Pack for more information on our workforce



INTEGRATED REPORT DATA PACK
bit.ly/44yppqP



A major revamp of our wellbeing strategy has seen us promoting physical health, mental resilience and a thriving work environment, to drive individual health and the overall growth of our organisation.

Wellbeing is at the heart of our approach

We invest in wellbeing because it is the biggest enabler of a high-performing workforce. A major revamp of our wellbeing strategy this year has seen us instigate a programme promoting physical health, mental resilience and a thriving work environment, to drive individual health and the overall growth of our organisation.

Work design and organisation, relationships and social connection, systems and processes, all represent opportunities to minimise risks to people's psychological and physical health.

An important lesson from our safety framework has been that the principles keeping people safe physically can also help ensure they are safer mentally. On that basis,

we have adapted our Learning Teams initiative (which is focused on collaboration) to recognise mental hazards and controls and to think about the whole team as well as each individual.

We know that organisational change can and does impact people's feelings of security and therefore creates mental risk. This approach helps our people feel well-supported when adversity impacts them personally and/or professionally, and enables us to build the mindset and capability to optimise the workplace environment.

We give people time to prepare for organisation change, with feedback loops and coaching sessions. We listen to people and what they need, provide help where appropriate through personalised support, and involve leaders in taking teams on the change journey by being available and open.

Standardising our safety approach

We protect everyone who works on our sites and in our workplaces. Keeping our teams and contractors aware of risks, educated about policies and procedures, and working in safe ways as we grow the business requires us to identify and address an evolving set of risks and potential hazards, that also range in probability, frequency and consequences.

The introduction of battery assets, solar and wind generation, and EV chargers has seen our potential hazards proliferate in recent years. Historically, the most potentially hazardous places to work in our business were our generation sites. Those places still pose significant threats, but the risks for our retail activities have been steadily rising as we have rolled out the Zero network of EV chargers and introduced more solar arrays over the last two years.

Control standards and personal accountability

The increase in our retail operating scope and the increase in new projects being built mean that the nature and complexity of our risks are growing. Recognising the growing risks we face, this year we sharpened the Critical Safety Framework

introduced last year to focus on those areas of our business that represent the greatest threats of injury. It is important to us that we set out how we expect our contractors and people keep themselves safe in these technically challenging environments.

We combine detailed guidelines with empowering people to make situation-specific decisions, to encourage ownership of safety practices. Working closely with our technicians, we have developed standards that apply to our situations but will also be relevant industry-wide. For example, our Height Safety Working Group has developed a standard for tethering tools when working at height.

These new control standards will be rolled out from the beginning of the new financial year.

Learning Teams deliver

Our Learning Teams initiative came about when we formally adopted a Safety 2 approach. This approach stresses the importance of collaboration, active learning and identifying factors that could contribute to unsafe situations. By encouraging people to be open and aware, our goal is to encourage all our people to learn and adapt before things go wrong.

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Learning Teams works because it is a best practice approach. People come together to discuss and connect what happened in the lead-up to an event, during the event itself, and afterwards. This year, we have also closely connected our Learning Teams initiative to wellbeing to ensure we consider everything that's relevant for our people at work.

Our goal is to normalise reporting as a safe and encouraged process in our work culture. Our safety management system is a place where people can log observations, and where we offer rewards and recognition for the best observation on every site every month. By encouraging people to be active safety observers, we are making it as easy as possible for them, including our contractors, to record anything that concerns them or situations where they see opportunities for improvement.

 **HEALTH, SAFETY AND WELLBEING POLICY**
bit.ly/4oAkL1p

 **PEOPLE POLICY**
bit.ly/3JwRhoh

Reportable injuries increased

Given the nature and scale of the projects we have underway now and into the future, we are focused on construction safety. Across Aotearoa

New Zealand, construction accounts for a significant portion of work-related fatalities and serious injuries, and according to WorkSafe has the highest number of injury claims of all industries⁶. Meridian is focused on ensuring excellent reporting from our construction partners when it comes to near misses and actual injury rates, so that we can proactively work together on improving safety outcomes on our construction sites. Between good reporting, and the sheer scale of development and construction projects underway, we anticipated that our reportable injuries would increase this year. Our total recordable injury frequency rate for employees and contractors per 200,000 hours worked was 2.45 (compared with 1.81 in FY24). Having said that, out of the 18 reportable injuries (8 contractors and 10 employees) this year, 15 of them were relatively minor and related to slips, strains and minor cuts that either needed rest to recover or cleaning and/or stitching by a medical professional. Just three resulted in time off work greater than 15 working days.

While reporting of incidents was up, there were no significant instances of non-compliance with health and safety laws and regulations, and we paid no fines during the reporting period. Our focus is on encouraging

Total recordable injury frequency rate (TRIFR)



TRIFR is calculated per 200,000 hours and includes all lost time, medical treatment and restricted work injuries for Meridian NZ employees and contractors only. While we have incident numbers for Powershop New Zealand, Powershop Australia and offsite contractors, the TRIFR cannot be calculated as the number of hours worked for those periods has not been recorded. All data excludes offsite contractors. All data since FY22 excludes Flux.

a reporting environment where people feel they can speak up about what is happening. We continue to educate our people and our contractors about the importance of complying with all workplace safety reporting requirements. Once again this year, we are not aware of any significant instances of injuries that went unreported.

See our Integrated Report Data Pack for more information on our health and safety metrics.

 **INTEGRATED REPORT DATA PACK**
bit.ly/44yppqP

⁶ Worksafe, Where we focus our effort: priority plans

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Celebrating partnerships

Our partnerships are a large part of how we do business given we rely on sensitive and shared resources. We look at these relationships as long-term commitments that require us to build trust and accept differing viewpoints. Partnerships connect us to communities and to local interests and priorities, and they also enable us to step back and see what we do from different perspectives.

We recognise the need, as a major Aotearoa New Zealand company, to build our understanding of te ao Māori, the Māori worldview. Strong working partnerships with iwi are helping us on our journey to meet the expectations of Māori and improving how we use and access natural resources. We are embedding this awareness in our business, aided by Ki te hoe o te waka o te Hiringa Kōmata, Meridian's te ao Māori strategy, with the purpose of growing our collective understanding of tikanga Māori across our business.



CODE OF CONDUCT
bit.ly/4dvYpuU

LEFT

Representatives of Patuharakeke at the blessing of our Ruakākā Solar Farm.

Powering up communities

For the past 15 years, we've worked to empower communities in areas near our generation assets through our Power Up Community Fund. Each year, community-led panels allocate funds to local projects that will make a difference. We support projects with the help of our local Power Up panels. Power Up Ruakākā is our newest community fund, providing grants for projects in the communities closest to Ruakākā that support sustainable community development and long-term relationships. We now have nine Power Up community funds in place and made funding contributions of more than \$650,000 towards 107 community-led projects this year.

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ABOVE
Meridian staff visiting Whenua Hou/Codfish Island to provide support to the Kākāpō Recovery Programme.

Long-standing support

Nine years of supporting the Kākāpō Recovery programme in partnership with the Department of Conservation (DOC) and Ngāi Tahu has led to 241 kākāpō being alive today. Our funding supports many parts of this world-class conservation initiative, including in-kind support for electrical infrastructure, technology and field work volunteers. This partnership has enabled the installation of energy-efficient solar and electrical systems in breeding facilities and rangers' huts. It also allows our people a chance to use their engineering skills in a different environment and even to experience the remote kākāpō breeding islands.

This is our twelfth year as Principal Partner of KidsCan. In that time, we have partnered with KidsCan to provide thousands of Kiwi kids with the basics they need to remove barriers to learning.

Find out more on our website.

 **COMMUNITY AND PARTNERSHIPS**
bit.ly/4eCrRRV

Forever Forests keep growing

Our Forever Forests programme is enabling us to create our own carbon sink to absorb some operational emissions we cannot avoid from 2030 onwards. After six years, this programme remains on track to meet our target of growing the carbon credits we need for offtake. So far, more than 710,000 trees have been planted, and 30,000,000 native seeds were sown in FY25.

Our goal is to supply 15,000 carbon credits to help offset emissions. Already, 480 hectares have been registered in the Emissions Trading Scheme and are producing the desired carbon credits. Currently, our operational emissions are offset via Gold Standard Verified Emission Reduction units. Forever Forests allows us to grow our own credits here in Aotearoa New Zealand below the purchase costs of units sourced elsewhere.

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Evolving our practice

Our commitment to sustainability means doing the right thing today so our planet can survive and thrive in the future. This year, we have focused on revising our plan to step towards our long-term Net Zero by 2050 target, embed further social focus through our new Human Rights Policy, and continue to embed sustainability in our construction practices as we maintain and grow renewable energy to support Aotearoa New Zealand's energy transition.

 **HUMAN RIGHTS POLICY**
bit.ly/40BEwP4

Embedding sustainability

Sustainable practices continue to be embedded into our Development, Generation and operational teams through adding people with those skills and lifting everyone's awareness of how to apply sustainable practices every day. Our Finance team is now directly responsible for collating climate-related disclosures – a shift in how we account for our actions across Meridian. Our Generation team is playing a key role in our emissions reduction work, including leading initiatives like the electric ferry project and providing people and resources that support us to reduce emissions on the farms we have as part of our operations.

Our Climate Action Plan captures many of our objectives, with ambitious targets for growing renewable electricity generation, increasing customer decarbonisation, and managing our own resilience and emissions. In parallel, our Board-approved Code of Conduct guides how we act, our business ethics, our commitment to human rights and our alignment with the principles of Te Tiriti.

 **CLIMATE ACTION PLAN**
bit.ly/44ixrFv

 **CLIMATE-RELATED DISCLOSURES**
bit.ly/3IeqYTr

 **CODE OF CONDUCT**
bit.ly/4dvYpuU

 **GOVERNANCE POLICIES**
bit.ly/46MKYVg

Making the right start

The choices made at the strategy and design phases of our large-scale projects will have the biggest aggregate impact over the life of any asset. To help us identify the biggest opportunities, our updated sustainable infrastructure framework guides people on how to consistently apply sustainability practices on our large infrastructure projects. The framework applies to the development and construction of new renewable generation assets, the handover of assets from development to generation, and any large generation projects.

Doing better by nature

We rely on nature to deliver renewable energy for a better Aotearoa New Zealand. Our country remains highly vulnerable to the impacts of climate change, with very high rates of habitat loss and degradation and the highest proportion of native species at risk of extinction.

As we continue to advance work on our biodiversity roadmap this decade, we have taken steps to complete a consolidated stocktake

of our connections to biodiversity across some of our assets. The first mapping exercise has enabled us to have clarity of where we have comprehensive data, and where we need to do more work to close the gaps. We want all stakeholders to better understand our impacts on nature and the actions we're taking to mitigate those impacts. We now have a comprehensive map of all these impacts for our wind sites, and this information will be a powerful engagement tool for communities interested in understanding their environment and ways we can make, and measure, a difference. A clear and effective focus on nature will give communities further confidence in how we approach sustainability and development and that, in turn, will help with consenting processes and other negotiations.

 **BIODIVERSITY COMMITMENT**
bit.ly/3A56Ui8

 **ENVIRONMENT POLICY**
bit.ly/3YtqxKT

Top ranking in our sector

We were pleased to be ranked #1 for our sector in the Dow Jones Best-in-Class (DJBC) Sustainability Asia Pacific Index, an independent global Standard & Poor's (S&P)



We released our first Human Rights Policy which reflects our commitment to respecting internationally recognised human rights in line with the United Nations.

index that ranks our environmental, social and governance (ESG) performance against like companies in our region. This gives investors and stakeholders independent verification that Meridian's approach to sustainability is leading the regional benchmark. We have now set our sights on transitioning to the DJBIC World Index, which sets the highest standards and provides further independent validations of our ESG performance for investors and other stakeholders.

Doing right by people

Meridian's reputation as a high-performing company requires us to conduct business ethically, which includes our wider supply chain. This year, we refreshed our Modern Slavery Statement and released our first Human Rights Policy. Approved by Meridian's Board, it reflects our commitment to respecting internationally recognised human rights in line with the United Nations Guiding Principles on Business and

Human Rights and our commitment to value the protection of indigenous rights and interests. Our Modern Slavery Statement captures our intentions to counter modern slavery by mitigating the risks of exploitation for people in our global supply chain. Human rights speak to the inherent value of all people, regardless of background, and span everything from the right to live to the right to work and the right to rest and leisure. Our Human Rights Framework and Modern Slavery Statement identify how we embed due diligence practices into our business.

As part of our commitment to human rights, Meridian sets and monitors key performance indicators and tracks progress annually. Additionally, we will seek independent advice to improve our practices. We will also be asking stakeholders' views on how well we are managing impacts, and whether we are providing effective grievance mechanisms. This will be done through our third-party stakeholder engagement research project.

We share our practices and policies through our website, annual reports, and internal channels like Meridian's intranet, mandatory sustainability e-learning modules, and six monthly risk forums as required. All employees are required to complete training on our Code of Conduct, which sets out behaviours expected of staff and also helps build understanding of Meridian's internal policies and legal and regulatory obligations. Additionally, we provide targeted training on our human rights policy for our staff and key stakeholders.



MODERN SLAVERY STATEMENT
bit.ly/41KoVVG



HUMAN RIGHTS POLICY
bit.ly/40BEwP4

Adjusting our Half by 30 targets

We are making changes to Half by 30, the part of our Climate Action Plan that focuses on reducing emissions. The targets and method for Scope 1 and Scope 2 – those emissions in our direct control – will stay the same. This covers the vehicles we drive, the ferry we own and operate at Lake Manapōuri, and the sulphur hexafluoride (SF₆) emissions from plant across our generation assets. Pleasingly, we remain on track to halve our Scope 1 and Scope 2 absolute emissions by 2030.

However, we're changing the way we target Scope 3 emissions – those in our supply chain, accounting for over 95 percent of our business base-year emissions. These will now be measured on an installed capacity megawatts intensity measure, allowing us to balance reducing our emissions alongside continuing to build renewable assets and increasing our generation capacity to support the country to decarbonise. We are targeting a 51.6 percent reduction in our emissions per megawatt of capacity⁷, which is still ambitious and remains science-aligned.

Our 7 in 7 development target goal will deliver 2,000GWh of new renewable generation and 200MW of BESS capacity by 2030. Our revised plan and targets will now also include our one-off emissions from construction, where 80 percent of emissions will be in scope of science-aligned targets our suppliers have set.

Construction emissions from our development programme will be accounted for in our revised emissions target, given their materiality. For transparency, we will also continue to have project-specific targets, but these are currently excluded and managed on a project-by-project basis as a part of our Sustainability Management Plans for these assets.

⁷ Excludes one-off construction emissions, investments and transmission and distribution company (TDC) Scope 3 emissions. Note, Meridian's share of TDC Scope 1 and 2 emissions and maintenance-related Scope 3 emissions are included on Meridian's GHG Inventory. Only TDC Scope 1 and 2 emissions are included within Meridian's target boundary.

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ABOVE
Reducing our travel emissions through our EV fleet.

By realigning our science-based targets to include these emissions, we aim to increase transparency of our emissions reduction efforts and to provide flexibility to invest in the future growth of renewables, the energy sector, and the security of supply that the country needs. By FY29, we expect that 80 percent of these construction emissions will have science-based targets through the suppliers we work with.

Our new 2030 Scope 3 targets will allow us to continue to deliver change in terms of reducing emissions, while maintaining a leading position for our investors, customers and communities and reflecting the current needs and future growth of our sector.

In line with all of the above changes, we have revised our Emissions Reduction Plan (ERP) to identify the four areas where we will focus to achieve our Half by 30 goal.

1. Our Good Energy supplier programme and introduction of the Oracle Finance suite will help us reduce our emissions from purchased goods and services. We'll work with our suppliers to build their emissions reduction capability, including reporting accuracy and target setting.

2. We'll continue working within the sector through a cross-sector working group to encourage and support them to reduce their own Scope 1 and Scope 2 emissions which impact our Scope 3 target.
3. Farm-specific action plans will help us identify opportunities to reduce emissions and what this means for future development activities.
4. We will continue managing our own travel and commuter emissions and important initiatives like the electric ferry and electrifying our vehicle fleet.

An important consideration for us in the arrangements we've made with the wider sector is to keep thermal energy (such as gas and coal) available in the medium term as a back-up in the event of another deep dry-year event. Refer to our Climate-related Disclosures for an overview of these arrangements and GHG accounting treatment.

For more details, see our Climate Action Plan.

 **CLIMATE ACTION PLAN**
bit.ly/44ixrFv

 **CLIMATE-RELATED DISCLOSURES**
bit.ly/3IeqYTr

Meridian Group GHG emissions

tCO ₂ e	FY21	FY22	FY23	FY24	FY25
Scope 1	1,020	643	1,191	1,061	714
Scope 2 (market based)	14	2	2	2	1
Scope 3 operational	34,188	36,427	34,738	39,337	47,099
Total Group operational emissions**	35,222	37,072	35,931	40,400	47,814
Scope 3 one-time construction and upgrades	285	8,249	14,295	75,289	3,048
Scope 3 investments^	-	-	-	14	21
Total Group value chain emissions^	35,507	45,321	50,226	115,703	50,883

- * Meridian’s operational emission boundary includes all Scope 1, 2 and 3 categories, excluding all one-time construction emissions from major projects and all activities that are capitalised as part of renewable energy projects.
- ^ Restatements and recategorisation: In FY22 Meridian Group reset its baseline to FY21 to account for the sale of the Australian business and to ensure that our most recent GHG inventory was used in our commitment to set near and long-term company-wide emission reductions in line with science-based net-zero with the Science Based Target initiative (SBTi). Our FY21 Scope 3 operational emissions were restated in FY25 as a result of the acquisition of current farming land, resulting in an increase of 2,367tCO₂e. Scope 3 emissions for FY22, FY23 and FY24 were also restated to include this activity. Scope 3 one-time construction emissions was overstated by 7tCO₂e in FY22 and has been restated. Emissions from investments were previously reported as part of Scope 3 operational emissions. These emissions are now reported in Scope 3 investments, as Meridian does not have operational control of these emissions.

Gross location-based energy indirect (Scope 2) emissions was 2,430tCO₂e in FY25. Group emissions are offset, using Gold Standard Voluntary Emissions Reductions (GS VERS) after taking into account credits cancelled by suppliers against their own emissions. The requirements of GRI 305-1 to 305-4 are derived from the Meridian Greenhouse Gas Emissions Inventory Reports for the relevant financial years. Scope 1 and 2 emissions have reasonable assurance and Scope 3 emissions have at least limited assurance. During the reporting period Scope 2 biogenic emissions were de minimis, and there was no CO₂ emissions from combustion of biomass. Quantities of each greenhouse gas are converted to tonnes CO₂e using the global warming potential from the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report. Meridian applies the operational control consolidation approach to the Meridian Group emissions inventory. GHG emissions sources from the Meridian Group value chain were identified with reference to the methodology described in the GHG Protocol Corporate and Scope 3 Standards and, ISO 14064-1, and classified into categories. Further information is available in the Greenhouse Gas Emissions Inventory Report 2025.

 **GREENHOUSE GAS EMISSIONS INVENTORY REPORT**
bit.ly/41hI6GB

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Half by 30 Scope 1 and 2 GHG emissions reductions progress (tCO₂e)



Scope 3 GHG emissions reductions progress (tCO₂e)



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About us

IMAGE
Harapaki Wind Farm,
Hawke's Bay.

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Our commitment to effective governance

Our Board closely monitors the way we manage the aspects of our business we consider long-term drivers of value. These include retaining access to water, building employee engagement, investing in new assets, enhancing environmental performance, advancing climate-related opportunities, satisfying customers, and building our reputation and brand.

Strategy days and regular meetings allow Directors to question and challenge the Executive Team on the direction it wishes to take the business. These occasions provide opportunities to improve the Board’s collective knowledge of matters highly relevant to Meridian’s operations and strategy.

Corporate governance framework

The Board sets Meridian’s overall appetite for risk and approach to risk management. Our FY25 Corporate Governance Statement summarises our key risks.

 **CORPORATE GOVERNANCE STATEMENT**
bit.ly/4nAPfmL

The company’s governance framework is designed to ensure the highest standards of business behaviour and accountability. Accordingly, the Board has adopted corporate policies and procedures which reflect best practice in Aotearoa New Zealand and Australia, incorporating principles and guidelines issued by the Financial Markets Authority and recommendations by the NZX and ASX. We comply with the NZX Corporate Governance Code recommendations in all material respects (except Recommendation 3.6).

Key policies

Processes for managing conflicts of interest are found in the Board Charter and supported by the Meridian Whistleblowing Policy. This includes the requirement for Directors to disclose, and take all reasonable steps to avoid actual, potential or perceived conflicts of interest. A register of dealings in securities and declarations of interests are reported at each Board meeting. Directors are expected to inform the Chair of transactions with any related party.

The number of Code of Conduct breaches is disclosed annually in our Corporate Governance Statement. Our key governance charters and policies are on our website.

A wide range of internal stakeholders are typically involved in the design and iteration of Meridian’s policies, such as the Code of Conduct and Whistleblowing Policy. All Meridian policies are subject to regular review and iteration in the light of feedback from stakeholders across the business.

Meridian’s policy implementation approach aims to set clear responsibilities at the Executive level, and to deliver an integrated governance and operational framework. The Board approves policies and are the highest decision-making body for implementation. Committees assist the Board in fulfilling its role on specific responsibilities. Our process to document, approve and implement policies is in Meridian’s Corporate Policy Guidelines which provide the implementation framework from Board and Committee Charters, corporate policies, and management initiatives through to guidelines and procedures.

Our Executive Team is responsible for compliance in their respective business unit with internal policies, including the Group Code of Conduct. They provide monthly compliance statements to the Chief Executive, as required by our Compliance Policy. This implementation approach applies

across a range of policies, including those relating to the environment, health, safety and wellbeing, cyber security, and consumer care.

Our Human Rights programme will look to continuously improve our grievance and remediation processes, including using stakeholder feedback to improve its design and operation.

 **WHISTLEBLOWING POLICY**
bit.ly/3LRXIjT

 **CODE OF CONDUCT**
bit.ly/4dvYpuU

 **GOVERNANCE CHARTERS**
bit.ly/3LU0WDA

 **HUMAN RIGHTS POLICY**
bit.ly/40BEwP4

Our commitment to sustainable development is embedded at a governance level through policies such as our new Environment Policy. This policy outlines a suite of environmental commitments spanning our operations and major project partners. It sets out responsibilities at the Executive level and addresses how initiatives will be embedded into company processes. Our approach to managing our impacts on the economy, the environment and people is evident throughout the policy document.

 **ENVIRONMENT POLICY**
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The role of our Board

The primary role of the Board is to effectively represent and promote the interests of shareholders with a view to adding long-term value to the company’s shares. It directs and supervises the management of the business affairs of Meridian, including:

- Providing leadership, setting strategic objectives (including climate-related strategic objectives) and overseeing the development, adoption and communication of a clear strategy.
- Approving Meridian’s publicly available, annually produced reports including the Integrated Annual Report, Climate-related Disclosures, Climate Action Plan, Greenhouse Gas Emissions Inventory and Modern Slavery Statement.
- Ensuring Meridian has appropriate and effective risk management practices in place relating to environmental, social and governance (ESG) issues, including climate-related risks and opportunities.

The Board has established four standing Committees:

- Audit and Risk Committee
- People, Remuneration, and Culture Committee
- Safety and Sustainability Committee
- Cyber Security Committee.

Our Board members

Meridian recruits Board members with a range of skills and experience. There are currently four women and three men on the Board, providing a healthy gender balance. While the company’s constitution does not require it, our Board has a view that the relationship with Ngāi Tahu, which has mana whenua (authority) over the majority of the South Island where most of our assets are located, is so important that a position on the Board for someone with connections to Ngāi Tahu is always considered. This role is currently undertaken by Tania Te Rangingangana Simpson.

Our stakeholders are diverse and include shareholders of all sizes, customers, electricity consumers, the Government, and members of the communities and environments we operate within. We believe that a healthy diversity of expertise and perspectives amongst members of the Board is the most practical and effective way to ensure that stakeholder perspectives can be represented and weighed. We have designed our director’s skills matrix to ensure that a suitably diverse breadth of perspectives and experience are available to our Board.

Biographies of our Directors and the Management team are available on our website. All Directors are independent.

 **MERIDIAN DIRECTORS’ BIOGRAPHIES**
bit.ly/3YxZQ7Y

Further information on the skills and tenure of Board members and the Board’s composition can be found in the FY25 Corporate Governance Statement. The Board as a whole considers the need for additional or replacement Directors, subject to the limitations set out in the company’s Constitution. In doing so, the Board considers the skills, experience and diversity of the Board, and what is needed or desirable for the Board to fulfil its governance role and contribute to the long-term strategic direction of Meridian. The Board has an established process for selecting suitable candidates for appointment and reappointment to the Board. The process, which starts with a Board evaluation and the development of a Board skills matrix, ensures that:

- proper checks are done
- shareholders are provided with key information about a candidate to help in their decision-making (this includes any material adverse information revealed by checks).

The Board appoints members to committees based on the needs of Meridian, relevant legislative and other requirements, and the skills and experience of the individual Directors.

The Board undertakes an annual assessment of its performance, including its performance against the requirements of its Charter in relation to Meridian’s commitment to sustainable development, the performance of individual Committees, and the performance of individual Directors. Every alternate year, the Board commissions an independent party to undertake an assessment of its performance, with the most recent review completed in FY24. Actions from the most recent Board evaluation included:

- Board and management to place greater focus on strategic risks arising from the weakening gas sector in Aotearoa New Zealand
- Greater emphasis on active listening in management and Board interactions.

More information on the nomination and selection process for Board and Committee appointments, including criteria used, is provided in the Meridian Constitution and its Board Charter.

 **GOVERNANCE CHARTERS**
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Our Board



FIND OUT MORE
bit.ly/3YxZQ7Y

David Carter
APPOINTED
SEPTEMBER 2023

Julia Hoare
APPOINTED
SEPTEMBER 2019

Tania Simpson
APPOINTED
SEPTEMBER 2021

Mark Verbiest
APPOINTED
MARCH 2017
APPOINTED
CHAIR OCTOBER 2019

Michelle Henderson
APPOINTED
OCTOBER 2019

Nagaja Sanatkumar
APPOINTED
JANUARY 2020

Graham Cockcroft
APPOINTED
JULY 2022

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Our Executive Team



FIND OUT MORE
bit.ly/3WzB5ph

Tania Palmer
GM GENERATION

Jason Stein
CHIEF PEOPLE OFFICER

Rory Blundell
GM STRATEGY &
PORTFOLIO

Lisa Hannifin
CHIEF CUSTOMER
OFFICER

Jason Woolley
GENERAL COUNSEL &
COMPANY SECRETARY

Mike Roan
CHIEF EXECUTIVE
OFFICER
APPOINTED JULY 2025

Bharat Ratanpal
CHIEF INFORMATION
OFFICER

Guy Waipara
GENERAL MANAGER
DEVELOPMENT

Claire Shaw
GM CORPORATE AFFAIRS
& SUSTAINABILITY

Clean energy matters

Meridian has the scale and resources to help secure a clean energy future that helps people thrive and leaves our planet in better shape for future generations.

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RENEWABLE ENERGY GENERATION IN AOTEAROA NEW ZEALAND

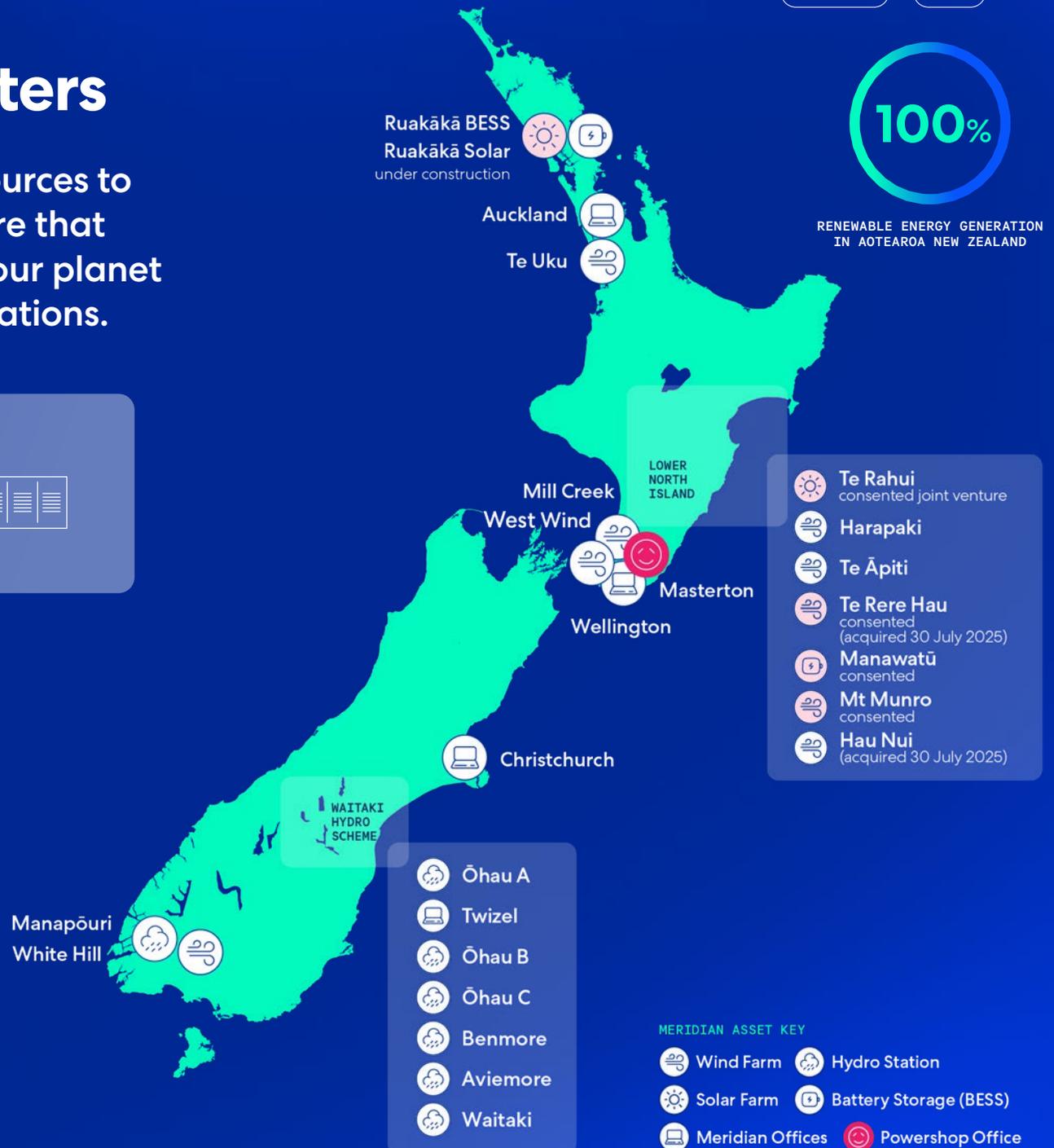
<p>HYDRO STATIONS</p> <p>7</p>	<p>WIND FARMS</p> <p>8</p> <p>INCLUDING ACQUISITION OF NZ WINDFARMS</p>	<p>BESS</p> <p>1</p>
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MERIDIAN'S GENERATION OF NEW ZEALAND'S ELECTRICITY



RETAIL ELECTRICITY MARKET SHARE



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How we create value

Meridian Energy generates electricity from 100 percent renewable sources – wind, water and sun. As a vertically integrated company, the Meridian Group’s activities range from generation, to the development of new assets, to the retailing of electricity.

We look to take care of our customers, people, local communities, iwi and the environment.

This approach strengthens our ability as a significant publicly listed company to deliver attractive shareholder returns and value to all our stakeholders. In fact, we see it as the only responsible way forward for people and the planet.



MAJORITY-OWNED BY THE NZ GOVERNMENT



LISTED ON BOTH THE NZX + ASX

Sustainability



Our commitment to sustainability is embedded in our strategy and comes to life through what we do and how we do it. Sustainability to us means doing the right things today so our planet and all it sustains can survive and thrive in the future. This means acting responsibly for our planet, making it easy for our customers to reduce their emissions, supporting local communities to thrive and striving to be a more sustainable company.

Generation of renewable electricity



We generate around 30% of Aotearoa New Zealand’s electricity – and all from 100% renewable sources. Meridian owns and operates seven hydro power stations and eight (including acquisition of NZ Windfarms) wind farms. We also have power purchase agreements with a number of customers that see us own and operate commercial-scale solar on customer properties and sell the generation back to the customers.

Deliver cleaner, cheaper energy



Meridian is one of New Zealand’s largest retailers of electricity. We supply power to more than 400,000 residential and business customers across the country through our Meridian and Powershop brands. We’re committed to building two-way relationships with our customers – helping them achieve the benefits of decarbonisation and rewarding them for playing a role in making the country’s electricity system more flexible.



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Our material impacts

Meridian is committed to identifying and reporting on the impacts we have on the environment, stakeholders and society, including human rights. We do this whether these impacts are positive or negative, and for impacts which are both actual and potential.

We adopt a double materiality approach, considering our impacts on the environment, stakeholders and society, as well as how these do or may impact our financial position.

Governance

Our Board approves our material topics (groups of material impacts) on an annual basis. These are presented to the Safety and Sustainability Committee and then approved by the Board. Updates on key initiatives related to our management of material impacts are provided throughout the year in quarterly meetings of the Safety and Sustainability Committee.

How we identify material impacts

Last year we adopted a new approach for assessment of material impacts, alternating between review and reassessment years. FY25 was our first reassessment year which involved a three-step approach.

We began by reviewing our business strategy, we captured stakeholder feedback through our Stakeholder Research Project (delivered by Kantar), and also engaged a sustainability consultancy to conduct a desktop study.

We then held an internal workshop to review the potential impacts gathered from the above steps, and to consider others before agreeing which impacts should be carried forward into the impact assessment process.

One new impact was added as a result of this work – ‘supporting companies to increase renewable generation through partnerships and offtake agreements’ – reflecting recent innovations in our approach to securing new renewable energy.

More information about this approach is available on our website.



OUR MATERIAL IMPACTS
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Our process for determining our most significant impacts for reporting

We measure our material impacts in line with Global Reporting Index (GRI) Standards. To report double materiality, we assess impacts based on their social and environmental impact and financial impact.

An internal assessment is carried out for each impact, and this year we also obtained stakeholder feedback through Kantar, using the GRI framework as the basis for 100 stakeholder interviews and 98 online surveys. We then took the average of the social and environmental impact scores.

A significance score for financial materiality was obtained by having a group of internal finance and risk experts rate the potential financial implications of each impact over time. Impacts were then ranked based on the higher of their social and environmental impact or financial impact scores.

In order to determine impacts and topics for reporting, we applied a minimum threshold (45/100) to the two scores. This produced 16 impacts. Material topics were then scored and ranked by combining the social and environmental impact and financial impact scores for each

impact above the threshold. Closely related material impacts are grouped into material topics.

Our FY25 material topics in order of priority are:

MATERIAL TOPIC	MATERIAL IMPACT
Renewable energy generation	Increasing renewable energy Generating renewable energy Supporting third-party generation
Ngā tukinga o te ao Tūroa – impacts on the natural world	Cultural wellbeing River quality Natural ecosystems
Affordability	Energy affordability Energy wellbeing
Climate-related impacts	Security of supply
Customer decarbonisation	Customer emissions
Public trust	Public trust
Emissions and waste	Emissions and waste
Cyber and physical security	Cyber and physical security
People	Employee wellbeing

‘Public trust’ was an addition this year, reflecting the political and media scrutiny being experienced by the industry. ‘Supporting communities’ was reported in FY24 but did not make this year’s threshold.

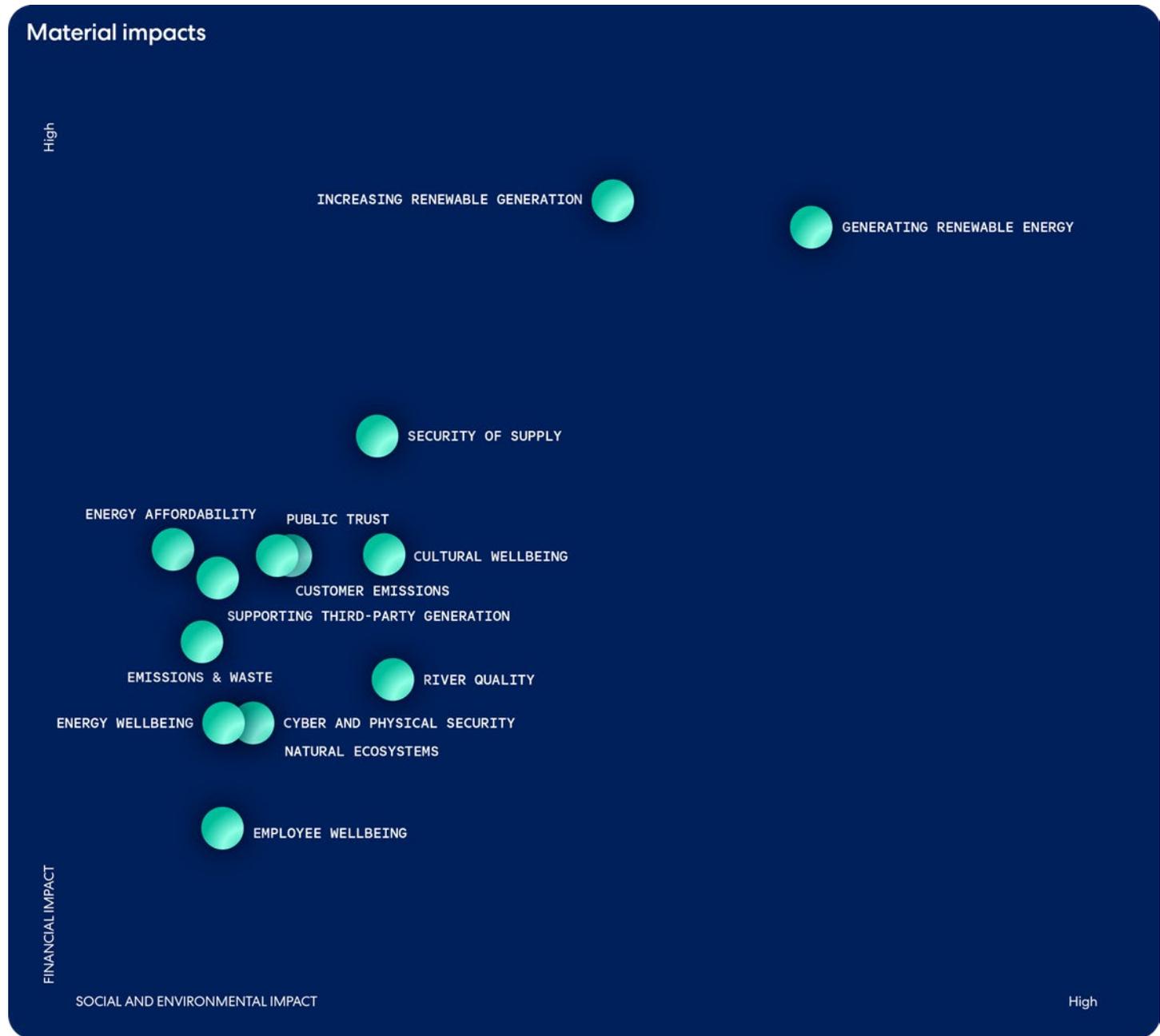
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Stakeholder engagement

We engage with stakeholders who do or may experience significant impact through our activities. This year we captured the feedback of 198 stakeholders through Kantar’s research. These stakeholders included:

- Central and local government
- Communities around our assets and developments
- Customers
- Electricity sector
- Industry experts
- Interest groups
- Investors
- Joint venture partners
- Mana whenua
- Sponsorship and programme partners
- Suppliers
- Sustainability experts

The graph shows the weighting of each material impact using both financial and social and environmental lenses.



Policies, commitments and targets progress table

INCREASING RENEWABLE GENERATION	MATERIAL TOPIC: RENEWABLE ENERGY GENERATION	
IMPACT DESCRIPTION	RELEVANT POLICIES AND COMMITMENTS	SDG
<p>Meridian is directly helping Aotearoa New Zealand make further emissions reductions by building new energy generation and storage assets</p> <p>KEY ACTIONS IN FY25</p> <ul style="list-style-type: none"> • Construction and commissioning of Harapaki Wind Farm completed July 2024 • Construction of Ruakākā Battery Energy Storage System completed by June 2025 • Construction of Ruakākā Solar Farm commenced March 2025 • Consents for Mount Munro Wind Farm approved February 2025 • Consents for Manawatū Battery Energy Storage System approved November 2024 • Consents lodged for solar farms at Swannanoa and in the Waikato • Meridian acquisition of NZ Windfarms approved by shareholders <p>Also see:</p> <ul style="list-style-type: none"> • Grow renewable generation ‘Delivering beyond 7 in 7’ 	<p>Committed to having seven grid-scale renewable generation projects underway by 2030</p> <p>TARGETS AND PROGRESS</p> <p>As included in our strategy: Grow renewable generation</p> <ul style="list-style-type: none"> • 3TWh p.a. of new renewable generation and 200MW of BESS capacity delivered by 2030 (176MW Harapaki Wind Farm completed, 130MW Ruakākā Solar Farm underway and 100MW Ruakākā battery completed) • Deliver 200MW of restored and 300MW of new capacity from our current generation portfolio by the end of FY28 from a FY23 baseline (achieved net 8.3MW of restored capacity and 111.6MW of new capacity in FY25) <p>Also, refer to the GRI index and see our FY25 Climate-related Disclosures (PR2 and TR1)</p>	
GENERATING RENEWABLE ENERGY	MATERIAL TOPIC: RENEWABLE ENERGY GENERATION	
IMPACT DESCRIPTION	RELEVANT POLICIES AND COMMITMENTS	SDG
<p>Meridian directly minimises Aotearoa New Zealand’s greenhouse gas emissions by generating 100 percent renewable energy, which represents approximately 30 percent of Aotearoa New Zealand’s total electricity consumption</p> <p>KEY ACTIONS IN FY25</p> <p>We have undertaken a range of initiatives to maximise the availability of our assets and reduce ‘parked megawatts’. These include:</p> <ul style="list-style-type: none"> • Returning capacity of West Wind Farm to full capability through installing a loan transformer (+45MW) • Return of Manapōuri Unit 6 through installation of new transformer (+128MW) • Restored 29MW at our wind farms at White Hill and Te Āpiti • Up-rating of units at Aviemore from 55MW to 57MW each (+8MW) <p>We have also implemented initiatives to enable our renewable generation capacity to supply more in peak demand periods:</p> <ul style="list-style-type: none"> • Flexible and off-peak outage scheduling • Approximately 238 fewer annual routine outage days through maintenance innovation, review and rationalisation <p>Also see:</p> <ul style="list-style-type: none"> • Grow renewable generation • Deliver operational excellence ‘Making the most of what we have’ 	<p>Committed to only generating electricity from 100 percent renewable sources</p> <p>Committed to improving and sustaining the health of our renewable generation assets</p> <p>Committed to delivering operational flexibility while sustaining asset productivity</p> <p>TARGETS AND PROGRESS</p> <p>Under normal market operations, to maintain generation market share of at least 30% (31.4% achieved in FY25)</p> <p>Achieved the following levels of plant availability:</p> <ul style="list-style-type: none"> • Hydro 91% (FY25) • Wind 89% (FY25) <p>Remove 100 days from the outage calendar by end of FY25 (approximately 238 days achieved)</p> <p>Grow renewable generation</p> <ul style="list-style-type: none"> • Deliver 200MW of restored and 300MW of new capacity from our current generation portfolio by the end of FY28 from a FY23 baseline (achieved net 8.3MW of restored capacity and 111.6MW of new capacity in FY25) <p>Also refer to the GRI index</p>	

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SECURITY OF SUPPLY	MATERIAL TOPIC: CLIMATE-RELATED IMPACTS	
IMPACT DESCRIPTION	RELEVANT POLICIES AND COMMITMENTS	SDG
<p>Meridian has a direct ability to enhance Aotearoa New Zealand's security of supply through how we manage operational risks related to natural disasters and climate change (e.g. dry-year water shortages, excess water and physical damage to generation infrastructure)</p>	<p>Committed to annually assessing, managing and disclosing our climate-related risks and opportunities in compliance with the Aotearoa New Zealand Climate Standards</p>	
KEY ACTIONS IN FY25	TARGETS AND PROGRESS	
<ul style="list-style-type: none"> Delivered 500 gigawatt-hours of additional supply through our demand response agreement with NZAS Introduced new capacity to the system through the completion of Harapaki Wind Farm and the Ruakākā BESS Underwrote agreements with Methanex and negotiated agreements alongside other gentailers to ensure thermal capacity remains in winter 2025 and beyond Published a comprehensive disclosure on risks and opportunities related to climate-related impacts and related management actions (see our FY25 Climate-related Disclosures). Note PR 2 (increased hydro inflow volatility), PR3 (severe weather events) and PR4 (supply chain disruptions) Worked in collaboration with community groups and the Guardians of the Lakes to adjust guidelines for Lakes Te Anau and Manapōuri around use of storage to allow an extra 45Gwh of energy generation Robust planning methodologies for protecting plant and returning on line, including processes related to solar events, flood management processes, and Alpine fault 8 (AF8) <p>Also see:</p> <ul style="list-style-type: none"> Grow renewable generation 'Working with others to deliver a resilient energy system', 'Using our flexible demand response agreement with NZAS' and 'Delivering beyond 7 in 7' Deliver operational excellence 'Addressing volatility' 	<p>See our FY25 Climate-related Disclosures (PR2, PR3 and PR4) for our targets and progress against these in FY25</p>	
CULTURAL WELLBEING	MATERIAL TOPIC: NGĀ TUKINGA O TE AO TUROA - IMPACTS ON THE NATURAL WORLD	
IMPACT DESCRIPTION	RELEVANT POLICIES AND COMMITMENTS	SDG
<p>Meridian directly impacts the cultural wellbeing of some iwi and their relationship with the land, water, biodiversity and other taonga through the construction and operation of generation assets</p>	<p>Committed to meaningful engagement with mana whenua in asset catchments to address cultural and environmental impacts</p> <p>Meridian's te ao Māori 'Ki te hoe o te waka' strategy</p> <p>Updated Meridian's Biodiversity Commitment to minimising our impact on biodiversity</p> <p>Relevant policies:</p> <ul style="list-style-type: none"> Committed to Te Tiriti o Waitangi in our employee Code of Conduct Committed to valuing the protection of indigenous values and interests in our Human Rights Policy 	 

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KEY ACTIONS IN FY25

- Continued implementation of the 35-year agreement (kawenata) signed in FY23 with Waitaki rūnaka
- Continuation of our mitigation elver trap and transfer programme
- Continued engagement with local hapū at Ruakākā and Harapaki, including the appointed cultural monitors for these projects
- Continued representation of iwi on the panels of our Community Decarbonisation Fund that allocate the funding, and continued access for iwi who are affiliated to the area but may not reside there
- Continuation of our mitigation and remediation partnership commitment to the Te Waiiau Mahika Kai Trust
- Established the whanake workstream with the purpose of growing our collective understanding of tikanga Māori across our business

Also see:

- Grow renewable generation: **'Re-consenting the Waitaki Power Scheme'**
- Grow capability and culture: **'Diversity affected by restructure'** and **'Celebrating partnership'**

TARGETS AND PROGRESS

As included in our strategy:

Grow capability and culture

- By FY29 to have achieved tangible outcomes of the kawenata, with key actions of value identified, shared and carried over to other iwi relationships. Progress is on track

For progress, refer to the **GRI index**

RIVER QUALITY	MATERIAL TOPIC: NGĀ TUKINGA O TE AO TUROA – IMPACTS ON THE NATURAL WORLD	
IMPACT DESCRIPTION	RELEVANT POLICIES AND COMMITMENTS	SDG

Meridian directly impacts the health of certain river systems as a result of modified water flows caused by hydro structures and water management

Committed to minimising our impact on biodiversity by applying avoidance, remediation, mitigation, offsetting, restoration and compensation approaches, in line with all environmental legislation and resource consent conditions, as per Meridian's **Biodiversity Commitment**

Committed to complying with all applicable local and international environmental laws and regulations, as per Meridian's **Environment Policy**



KEY ACTIONS IN FY25

- Achieved zero instances of significant environmental non-compliance breaches with regulatory requirements regarding water use
- Continuation of our mitigation and remediation partnership commitment to the Te Waiiau Mahika Kai Trust
- Submitted an application to Environment Canterbury seeking to re-consent the Waitaki Power Scheme for an additional 35 years with no increase in our current water flows
- Obtained resource consent for a deeper channel behind the Lake Manapōuri control structure that would enable works to improve flushing flow delivery to the lower Waiiau River

Also see:

- Grow renewable energy generation: **'Re-consenting the Waitaki Power Scheme'**

TARGETS AND PROGRESS

Zero significant instances of environmental non-compliance. Significance is defined by impact severity and sectoral benchmarks. Four minor incidents included three breaches of consent and one discharge. The process for setting this target reflects a compliance component to align with the commitments and objectives in Meridian's **Environment Policy**, which is formally approved by the Board via its Safety and Sustainability Committee

As included in our strategy – by FY29, tangible outcomes of kawenata reflect agreements with Ngāi Tahu, as mana whenua for the local area where Meridian's hydro-electricity generation operations exist. Key actions of value are identified, shared and carried over to other iwi relationships (on track)

Also refer to the **GRI index**

CUSTOMER EMISSIONS	MATERIAL TOPIC: CUSTOMER DECARBONISATION	
IMPACT DESCRIPTION	RELEVANT POLICIES AND COMMITMENTS	SDG
<p>Meridian is directly helping customers reduce their emissions or increase renewable generation through its products, pricing and use of new technology</p>	<p>Committed to a focus on transport, distributed generation and storage, demand flexibility, process heat, and certified renewable energy to enable customer decarbonisation (as per our FY25 Climate Action Plan)</p>	 
KEY ACTIONS IN FY25	TARGETS AND PROGRESS	
<p>Key initiatives included:</p> <ul style="list-style-type: none"> Expanded Zero public EV charging network, including the opening of our charging station at Springs Junction Development of home and business EV charging solutions Commercial solar Power Purchase Agreements to allow businesses to utilise more renewable energy without the upfront capital investment Increased sales of Renewable Energy Certificates and growing the number of community projects supported through our Community Decarbonisation Fund <p>Also see:</p> <ul style="list-style-type: none"> Deliver cleaner, cheaper energy 'Zero charging network expands' and 'Helping businesses decarbonise' <p>Also see:</p> <ul style="list-style-type: none"> T01 in our FY25 Climate-related Disclosures 	<p>As included in our strategy:</p> <p>Grow renewable generation</p> <ul style="list-style-type: none"> 1,000GWh of process heat under contract by 2030 <p>Deliver cleaner, cheaper energy</p> <ul style="list-style-type: none"> Install an additional 75 fast chargers by the end of FY25 Increase Community Decarbonisation Fund distributions by \$1.5m in FY25 For progress against targets, see our FY25 Climate-related Disclosures (T01) and Table 14 <p>Also, see our FY25 Climate Action Plan</p>	

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PUBLIC TRUST IN NEW ZEALAND'S ELECTRICITY SYSTEM	MATERIAL TOPIC: PUBLIC TRUST	
IMPACT DESCRIPTION	RELEVANT POLICIES AND COMMITMENTS	SDG
<p>Meridian is directly impacting the level of public trust in Aotearoa New Zealand's electricity system (e.g. through our perceived value for money, market conduct, and influence on wholesale pricing and security of supply)</p>	<p>Committed to doing the right thing, acting with integrity and honesty (as stated in our Code of Conduct)</p>	
KEY ACTIONS IN FY25	TARGETS AND PROGRESS	
<p>Key initiatives included:</p> <ul style="list-style-type: none"> • Launching new products (including Four Hours Free and Smart Hot Water) to provide greater value to residential customers • Launched a new brand campaign to showcase the benefits of our Community Decarbonisation Fund • Undertook a two-year stakeholder research project to benchmark, better understand and improve our relationships with all stakeholders • Maintained an open and transparent approach with media and government, including participating in government and taskforce reviews into the electricity sector • Carefully managing our generation portfolio and utilising hedges and demand response agreements to help maintain security of supply during winter 2024 • Supporting communities through our Power Up and Community Decarbonisation funds <p>Also see:</p> <ul style="list-style-type: none"> • Grow renewable energy generation 'Hedging' and 'Questions about competition' • Deliver cleaner, cheaper energy • Grow capability and culture 'Powering up communities' 	<p>Our targets and metrics are based on trust in Meridian, as this is a direct way in which we can influence trust in the sector</p> <p>Our target is 60%* public trust by 2034 as measured through independent research (increased from 30% in April 2024 from a baseline of 40% in April 2025)</p> <p>* based on the average of a sample of market-leading brands from other industries.</p>	

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CYBER AND PHYSICAL SECURITY	MATERIAL TOPIC: CYBER AND PHYSICAL SECURITY	
IMPACT DESCRIPTION	RELEVANT POLICIES AND COMMITMENTS	SDG
<p>Meridian can directly lessen the impact of physical and cyber attacks to its operations, customers, suppliers and business partners through its cyber and broader security approach</p>	<p>Committed to adhering to industry regulations and standards, and to proactively managing cyber risks</p> <p>Commitment to aligning with Australian Energy Sector and New Zealand National Cyber Security Centre cyber security frameworks</p> <p>Relevant policies:</p> <ul style="list-style-type: none"> • Cyber Security Policy for third parties • Information Classification and Protection Policy 	
KEY ACTIONS IN FY25	TARGETS AND PROGRESS	
<p>As per our Cyber Security Strategy 2024-2025, our key actions in FY25 were:</p> <ul style="list-style-type: none"> • Strengthening security governance by creating a dedicated Cyber Security Board Committee • Enhancing our third-party and supply chain cyber security risk programme to ensure suppliers adhere to our policies and that Meridian continuously monitors and manages supply chain security risks • Advancing our security culture and awareness through industry best practices and a security awareness maturity model that ensures Meridian continuously improves its security posture and human-cyber risk management • Conducting a cyber security crisis simulation exercise • Continuing with physical security programme <p>Also see:</p> <ul style="list-style-type: none"> • Deliver operational excellence 'Using AI intelligently' 	<ul style="list-style-type: none"> • Number of serious cyber security incidents (KPI 0 cases, progress 0 cases) • Number of cyber security incidents that resulted in a privacy breach (KPI 0 cases, progress 0 cases). Refer also to the GRI index • Installation of gates, fences, doors and windows protecting external zone (FY25: Zones 2 and 3 internal areas secure) • 151 actions completed, 102 actions remaining for closure, end FY27/28 	

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NATURAL ECOSYSTEMS	MATERIAL TOPIC: NGĀ TUKINGA O TE AO TUROA – IMPACTS ON THE NATURAL WORLD	
IMPACT DESCRIPTION	RELEVANT POLICIES AND COMMITMENTS	SDG
<p>Meridian can negatively impact natural ecosystems associated with or in proximity to its land and operational assets</p>	<p>Committed to minimising our impacts on biodiversity by applying avoidance, remediation, mitigation, offsetting, restoration and compensation approaches, in line with all environmental legislation and resource consent conditions</p> <p>Committed to complying with all applicable local and international environmental laws and regulations</p> <p>Relevant policies:</p> <ul style="list-style-type: none"> • Biodiversity and no net deforestation commitment • Environment Policy 	
KEY ACTIONS IN FY25	TARGETS AND PROGRESS	
<p>Updated our commitment to biodiversity. Meridian undertakes mitigation, restoration and compensation programmes with external stakeholders, involving:</p> <ul style="list-style-type: none"> • Compliance with existing resource consent requirements to mitigate and compensate (including offsetting) for impacts on biodiversity • Continuation of the elver trap and transfer (mitigation) programmes in the Waiau and Waitaki catchments with Ngāi Tahu • Creation of wetland biodiversity offsets as part of new wind farm (Harapaki) and newly consented solar farm developments (Ruakākā Energy Park) <p>Meridian also continues to undertake a range of voluntary projects, including:</p> <ul style="list-style-type: none"> • Its ongoing partnership with the Department of Conservation as national sponsor of the Kākāpō Recovery Programme • Investment in permanent forests in Aotearoa as a carbon sink, transitioning to native forests in time and producing broader biodiversity and community benefits • To better understand its biodiversity impacts and dependencies, Meridian has also undertaken an evaluation of the biodiversity values and impacts associated with or within close proximity of its operational wind farms and Forever Forest areas <p>Also see:</p> <ul style="list-style-type: none"> • Grow capability and culture ‘Long-standing support’, ‘Doing better by nature’ and ‘Forever forests keep growing’ 	<p>See our FY25 Climate-related Disclosures (TO2) and the Metrics and Targets section for our targets and progress against these in FY25</p> <p>In addition, refer to Integrated Report Data Pack ‘Community engagement, impact assessment and development’ table for impacts relevant to operation and construction of our assets (including wind farms, hydro and solar)</p>	

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ENERGY AFFORDABILITY	MATERIAL TOPIC: AFFORDABILITY	
IMPACT DESCRIPTION	RELEVANT POLICIES AND COMMITMENTS	SDG
<p>Meridian is directly reducing the overall cost of energy for customers through pricing and product innovations</p>	<p>Committed to creating a more flexible energy system that enables smarter use of electricity in a way that delivers value for customers</p>	 
KEY ACTIONS IN FY25	TARGETS AND PROGRESS	
<ul style="list-style-type: none"> Committed to supporting large customers with longer-term contracts that can take the sting out of short-term prices Launched new residential demand flex product (Smart Hot Water) Launched new Smart EV Charging and Four Hours Free products Continued to trial innovative home energy propositions such as smart charging for EVs and hot water load shifting Supporting plans such as our EV Plan (which includes six months worth of free EV charging and up to 50 percent off our standard rates at select hours) and our Solar Plan (which enables households to lock in market-leading buy-back rates for three years) <p>Also see:</p> <ul style="list-style-type: none"> Grow renewable generation 'Hedging' Deliver cleaner, cheaper energy 'New products saving customers money' Our FY25 Climate Action Plan 	<p>As included in our strategy:</p> <p>Grow renewable generation</p> <ul style="list-style-type: none"> 20,000 residential customers on demand flex product by end of FY26 (achieved 16,500 by end FY25) Target now reset to 30,000 by end of FY26. <p>In addition, refer to the GRI index and our FY25 Climate Action Plan</p>	

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ENERGY WELLBEING	MATERIAL TOPIC: AFFORDABILITY	
IMPACT DESCRIPTION	RELEVANT POLICIES AND COMMITMENTS	SDG
<p>Meridian is directly improving the wellbeing of customers experiencing energy hardship</p>	<p>Committed to supporting 5,000 customers in hardship through our Energy Wellbeing Programme</p> <p>Committed to continued connection for customers in debt who are actively engaging with us, in line with our Consumer Care Obligations</p> <p>Committed to full alignment to Electricity Authority Consumer Care Obligations</p> <p>Relevant policy:</p> <ul style="list-style-type: none"> • Consumer Care Policy 	
<p>KEY ACTIONS IN FY25</p>	<p>TARGETS AND PROGRESS</p>	
<p>Maintained full compliance with Consumer Care Obligations</p> <p>Formed a partnership with Community Energy Network, expanding our Energy Wellbeing Programme's coverage to 75 percent of the nation</p> <p>Enabled customers to take control of their energy through flexible payment products such as LevelPay and usage of information available on customer apps</p> <p>Also see:</p> <ul style="list-style-type: none"> • Deliver cleaner, cheaper energy 'Our goal is access to energy for all' 	<p>As included in our strategy:</p> <p>Deliver cleaner, cheaper energy</p> <ul style="list-style-type: none"> • support 5,000 customers in hardship by June 2028 (3,187 FY25) <p>Also:</p> <ul style="list-style-type: none"> • Full compliance with the Consumer Care Obligations (100 percent compliance in FY25) • In addition, refer to the GRI index 	
SUPPORTING THIRD-PARTY GENERATION	MATERIAL TOPIC: RENEWABLE ENERGY GENERATION	
IMPACT DESCRIPTION	RELEVANT POLICIES AND COMMITMENTS	SDG
<p>Meridian is supporting companies to increase Aotearoa New Zealand's renewable generation through project partnerships and electricity offtake agreements</p>	<p>Committed to supporting other companies to develop new generation capacity through project partnerships and energy offtake agreements</p>	
<p>KEY ACTIONS IN FY25</p>	<p>TARGETS AND PROGRESS</p>	
<p>Key initiatives:</p> <ul style="list-style-type: none"> • Announced partnership with Nova Energy to work towards a 50-50 joint venture to build and operate the 400MW Te Rahui Solar Farm (December 2024). The project received Meridian and Nova board approval in April and May 2025 respectively. The project is currently awaiting approval (Financial Close) from the lenders before proceeding to construction • Signed a Power Purchase Agreement with Harmony Energy and First Renewables to support their joint venture build of the 150MW Tauhei Solar Farm (January 2025) <p>Also see:</p> <ul style="list-style-type: none"> • Grow renewable generation 	<p>This is a new and positive material impact. There is currently no formal target, but we will continue to consider these opportunities as they arise</p>	

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EMPLOYEE WELLBEING	MATERIAL TOPIC: PEOPLE	
IMPACT DESCRIPTION	RELEVANT POLICIES AND COMMITMENTS	SDG
<p>Meridian may directly enhance the physical and mental wellbeing of staff, contractors and the general public through its health, safety, employment and wellbeing practices</p>	<p>Committed to world-class performance in safety, health and wellbeing</p> <p>Accredited to ISO 45001 (health and safety management system)</p> <p>Committed to alignment with ISO 45003 (risk management for psycho-social risk)</p> <p>Accredited to NZS 7901 (public safety standard)</p> <p>Relevant policies:</p> <ul style="list-style-type: none"> • Health, Safety and Wellbeing Policy • People Policy 	
KEY ACTIONS IN FY25	TARGETS AND PROGRESS	
<p>Key initiatives in FY25 included:</p> <p>Safety</p> <ul style="list-style-type: none"> • Revised and updated our Critical Risk Framework to effectively manage those risks that have the most severe of consequences for our people • Created a programme to acknowledge and reward staff safety observations, aimed at continuous learning, sharing, and enhancing worker participation in safety improvement <p>Wellbeing</p> <ul style="list-style-type: none"> • New Wellbeing Strategy approved by the Board • Refreshed employee benefits to include free health insurance, 'wellbeing leave' beyond statutory requirements, and continued professional counselling service <p>Also see</p> <ul style="list-style-type: none"> • Grow capability and culture 'Wellbeing is at the heart of our approach' and 'Standardising our safety approach' 	<p>As included in our strategy:</p> <p>Grow capability and culture</p> <ul style="list-style-type: none"> • By end FY25, grow the maturity of the safety culture through improvements in lead indicators while managing lag indicators (new target for FY25). Achieved by embedding of learning teams and worker engagement through safety observations • Deliver new Wellbeing Strategy in FY25 (new: achieved) <p>Also:</p> <ul style="list-style-type: none"> • Improvement in engagement survey results by June 2025 from a FY24 baseline (new: achieved) • Reduction in high-risk potential safety events related to our Critical Risks due to effective controls, by June 2025 from a FY24 baseline (new: not achieved) 	

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EMISSIONS AND WASTE	MATERIAL TOPIC: BUSINESS EMISSIONS AND WASTE	
IMPACT DESCRIPTION	RELEVANT POLICIES AND COMMITMENTS	SDG
<p>Meridian directly creates environmental harm from greenhouse gas emissions and waste to landfill as a result of its construction, generation and corporate activities</p>	<p>Committed to delivering our near-term science-based 2030 emission reduction targets, and long-term Net Zero target set (see Climate Action Plan, Greenhouse Gas Emissions Inventory Report and Climate-related Disclosures)</p> <p>Committed to ensuring that 100 percent of asset construction projects set emissions and waste diversion KPIs</p> <p>Committed to advancing our zero-waste ambition by reducing hazardous and non-hazardous waste in our operations</p> <p>Relevant policy:</p> <ul style="list-style-type: none"> Environment Policy Circular Economy Framework (staff guidance) 	 
<p>KEY ACTIONS IN FY25</p>	<p>TARGETS AND PROGRESS</p>	
<p>Advanced a range of emission reduction initiatives, including:</p> <ul style="list-style-type: none"> Maintained travel emission budgets for all business units Advanced project to introduce new electric hydro-foiling ferry to Lake Manapōuri by FY27 Continued local sector collaboration to share knowledge and contribute to reducing SF6 and land transport emissions over time Maintained progress on SF6 roadmap for our generation assets Transitioned all farms to common emissions reporting, enhancing data quality Completed major review of emission reduction plan with revised forward plan (see Climate Action Plan) Updated Meridian’s Sustainable Infrastructure Framework to expand scope of application to all major generation projects in addition to construction projects Set sustainability KPIs relating to carbon impact reports, waste diversion, transport emissions targets and the delivery of continuous improvement initiatives <p>Advanced a range of waste initiatives, including:</p> <ul style="list-style-type: none"> Increased the scope of our audit programme to include generation sites in addition to our corporate offices Supported a collaborative partnership with Method Bins to trial their new Method AI Waste Assistant application in our corporate office Delivered a Zero public charging site at Springs Junction backed by repurposed second-hand Nissan Leaf batteries <p>Also see:</p> <ul style="list-style-type: none"> Grow culture and capability ‘Embedding sustainability’ and ‘Adjusting our Half by 30 targets’ 	<p>As included in our strategy:</p> <p>Grow capability and culture</p> <ul style="list-style-type: none"> 2030 and 2050 emissions reduction targets, see Climate-related Disclosures, Greenhouse Gas Emissions Inventory Report or Climate Action Plan for performance against targets <p>Targeting a 50 percent reduction of its hazardous and non-hazardous operational waste by 2030 (from a 2021 baseline) across its operations, excluding construction (on track)</p> <p>Delivery of waste KPIs in project-specific Sustainability Management Plans:</p> <ul style="list-style-type: none"> Ruakākā battery – 80 percent waste diversion (currently 99 percent) Ruakākā solar – 85 percent (construction to begin FY26) Te Rere Hau re-powering project – 85 percent waste diversion (no data available for FY25) <p>Delivery against project-specific emissions targets. See our FY25 Climate-related Disclosures (Reduction of emissions for one-off renewable energy projects)</p>	

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Remuneration report

Attracting, retaining and motivating talented people, and rewarding them for delivering desired business performance and long-term shareholder value, is key to Meridian's success.

IMAGE
Inspecting the penstocks
at our Ohau Power Station,
Waitaha Canterbury.

Report from the Chair of the People, Remuneration and Culture Committee

Dear shareholders

As Chair of Meridian's People, Remuneration and Culture Committee, I am pleased to present our Remuneration Report for the year ended 30 June 2025.

This report outlines Meridian's strategy and approach to remuneration for the Meridian Chief Executive, Executive Team and Directors, and for Meridian employees generally.

I would like to highlight a few areas of particular focus for this year.

Remuneration Report content

For this 2025 Remuneration Report we continue to follow the content and layout recommended in the NZX template, as well as providing those additional disclosures needed to meet other external requirements, e.g. the New Zealand Shareholders Association, Global Reporting Index, and Dow Jones Best-in-Class Index. This year, we have taken a further step and disclosed more information about our FY25 and FY26 Executive Scorecards, used for the purposes of Short-term Incentives (STI) and to track the performance of our Executives against key requirements in our business plan. We have also disclosed the remuneration that will apply to the new Chief Executive for the FY26 year ahead.

We believe this year's Remuneration Report continues to be a positive step in transparent and consistent reporting.

Remuneration Policy

Meridian's Remuneration Policy was last reviewed and updated in 2024 to more explicitly cover how Chief Executive and Executive Team remuneration is determined and reviewed. As Meridian is a major listed company in Aotearoa New Zealand, the Board determined that it is appropriate for Chief Executive and Executive Team remuneration to be set in reference to relevant market information on fixed and total remuneration for comparable roles within NZX-listed companies of comparable scale and complexity to Meridian, and including similar organisations in the same sector. We have agreed that the fixed remuneration for the Chief Executive and Executive Team roles will normally be within an 80–120 percent range of the median for comparable New Zealand roles, dependent also on individual capability, experience and other relevant factors. For Chief Executive and Executive Team roles, Meridian targets the upper quartile of the

market for total remuneration, in the context of strong organisational and individual performance.

Our remuneration philosophy is guided by the principles that remuneration will:

- be clearly aligned with our company values, culture and strategy
- support us to attract, retain and engage employees
- be fair, equitable and flexible
- appropriately reflect market conditions and the organisational context
- recognise and reward high performance
- align with creating shareholder value.

Chief Executive remuneration increase for FY25

Following independent external remuneration advice, the Board agreed to increase the Chief Executive's salary by four percent for FY25 effective 1 July 2024, and to increase his STI opportunity for the FY25 year to 60 percent of salary. The Board also determined that in relation to FY25, any STI payment for the Chief Executive was to be capped at a maximum of 100 percent of target.

Chief Executive retirement and recruitment for a new Chief Executive from FY26

During FY25, Chief Executive Neal Barclay signalled his intention to retire, effective 30 June 2025, after a period of seven and a half years in the role. The Board engaged a third-party provider to undertake a rigorous and thorough search for a suitable replacement, which yielded an excellent field of suitable candidates. Following a selection process, we were delighted to offer the role to Meridian's Chief Financial Officer, Mike Roan, who took up the Chief Executive role officially on 1 July 2025. Information about Mike is contained in the NZX announcement.

 **NZX ANNOUNCEMENT**
bit.ly/453yeZX

Chief Executive and Executive Team remuneration elements and new shareholding policy

As a part of the Board's commitment to keeping across emerging trends in remuneration, the Board receives advice from external parties and utilises the knowledge and skills of the Directors who see these trends through engagements with stakeholders and from sitting on other Boards. This year, the Board has been considering the growing international trend for introducing a deferred equity-based element into remuneration for the Chief Executive and Executive Team STI and introducing a more formalised shareholding requirement for those incumbents. The mechanism for this is a rebalancing of the relative weightings of the Long-term Incentive (LTI) and cash STI.

With external advice from PwC, the Board has given further consideration to this during FY25. As a result the Board agreed to introduce:

- a Minimum Encouraged Meridian Shareholding Policy supporting the Board's commitment to aligning the interests of the Chief Executive, Executive Team, and Directors with those of our shareholders. Under this policy, the Meridian Chief Executive, Executive Team and Directors are encouraged to

build up (over time) and maintain a minimum holding of Meridian shares as a proportion of their applicable Meridian salary or Director's fee. Information about current applicable shareholding levels is outlined later in this report.

- a Deferred Equity Incentive Plan for the Chief Executive and Executive Team from 1 July 2025, offset by changed opportunity under the current cash STI and equity LTI Executive Team remuneration package elements. The outcome of this plan is made in Meridian shares, with the first vesting following the end of year FY28. Introducing this deferred equity plan further aligns Executive Team remuneration with the interests of shareholders, along with our new Minimum Encouraged Meridian Shareholding Policy. More information about this is outlined later in this report.



MINIMUM SHAREHOLDING POLICY
bit.ly/44Qw3tR

Looking ahead to FY26

In addition to a new Chief Executive commencing from 1 July 2025, there are two new Executive Team appointments. Prior to the end of FY25 we announced Mandy Simpson as our new Chief Financial Officer commencing September 2025 and Rory Blundell as our new General Manager, Strategy and Portfolio, taking up the role in June 2025. With a significantly challenging plan of work for the year ahead, FY26 will be an exciting and interesting year for Meridian and its shareholders.

Tania Simpson

Chair

**People, Remuneration
and Culture Committee**

Remuneration governance

The Meridian People, Remuneration and Culture Committee was comprised of the following members for the following durations in FY25. All Committee members are independent Directors. Management only attends Committee meetings by invitation.

NAME OF DIRECTOR	PERIOD OF PEOPLE, REMUNERATION AND CULTURE COMMITTEE MEMBERSHIP	
	FROM	TO
Tania Simpson (Chair)	5 October 2021 (Chair, effective 17 October 2022)	30 June 2025
Mark Verbiest	28 April 2016	30 June 2025
Graham Cockroft	26 July 2022	30 June 2025
Nagaja Sanatkumar	1 January 2020	30 June 2025

The Committee operates under a written charter and has responsibilities and processes as outlined in the charter.

 **PEOPLE, REMUNERATION AND CULTURE COMMITTEE CHARTER**
bit.ly/4cfu8Qb

The internal governance policy that provides context for the remuneration outcomes is the Remuneration Policy.

 **REMUNERATION POLICY**
bit.ly/3yqFjaK

Meridian's Corporate Governance Statement outlines how Meridian meets the requirements of the NZX Corporate Governance Code, and in particular its Principle 3.3 (Remuneration Committee) and Principles 5.1–5.3. (Director, Chief Executive and Executive Team Remuneration).

Meridian's Trading in Securities Policy ensures that Meridian and its subsidiaries' directors, senior managers, employees, contractors and secondees comply with the law prohibiting insider trading and that all dealings in Meridian securities and other financial products by such persons are beyond reproach.

 **TRADING IN SECURITIES POLICY**
bit.ly/4d8CvhH

In 2025 Meridian did not require a mandatory minimum shareholding for Directors, the Chief Executive or Executive Team members. However, all are encouraged to purchase and hold Meridian shares. The Meridian shareholdings of the Meridian Chief Executive and Executive Team members is provided on page 97. From May 2025, Meridian has a Minimum Encouraged Meridian Shareholding Policy applicable to Directors, Chief Executive, and the Executive Team.

 **MINIMUM SHAREHOLDING POLICY**
bit.ly/44Qw3tR

Remuneration policy

Meridian's Remuneration Policy covers remuneration for Directors, its Chief Executive and the nine other members of the Meridian Executive Team, and all Meridian employees.

The People, Remuneration and Culture Committee regularly reviews policy and practice and provides recommendations to the Board. The Board approves the Remuneration Policy every two years and the Executive Team balanced scorecard objectives, company financial performance targets, and outcomes annually.

 **REMUNERATION POLICY**
bit.ly/3yqFjaK

External and independent advice

The People, Remuneration and Culture Committee refers to external and independent remuneration market information provided by PwC to gauge actual and forecast movements in the market and to assess the levels of fixed and target total remuneration to pay its Chief Executive and Executive Team.

Meridian also seeks market remuneration information from independent external sources to guide processes for determining the remuneration of all other Meridian employees.

Fixed remuneration

Fixed remuneration includes base salary and matched KiwiSaver contributions of up to four percent. It is benchmarked to independent market remuneration data obtained from multiple external sources. As a minimum, Meridian pays the Living Wage to all permanent and fixed-term employees.

The People, Remuneration and Culture Committee reviews and approves proposed remuneration packages for the Executive Team. Remuneration for the remainder of employees is determined and reviewed by managers in accordance with the Remuneration Policy and framework, and is subject to one-up approval.

Salaries are reviewed annually, with the budget and parameters for the company's annual remuneration review approved by the Board. Market information from independent remuneration providers inform these remuneration decisions.

Individual performance assessment

All employees, including the Chief Executive and Executive Team, have performance objectives aligned to the organisation's business plan and priorities, and individual performance is formally assessed

at least annually. Chief Executive performance is assessed and approved by the Board. Executive Team performance is assessed by the Chief Executive and approved by the People, Remuneration and Culture Committee. For all other employees, performance is assessed by their one-up manager and approved by the next level of management.

Variable pay FY25

Meridian has a short-term incentive (STI) scheme and long-term incentive (LTI) plan. They are variable, performance-based incentives awarded only if specific financial and non-financial performance hurdles are cleared, and at the discretion of the Board.

Short-term incentive (STI)

The Chief Executive, Executive Team, and all permanent employees may participate in variable pay via an STI scheme at the discretion and invitation of the Board. The STI opportunity within total remuneration reflects the complexity and level of roles. In FY25 the Chief Executive had an STI at target opportunity of 60 percent of salary. The at target STI opportunity for other Executive Team members was 30 percent. The at target employee STI opportunity is 10 to 25 percent of salary depending on role level.

The STI is an at-risk incentive, which may be offered for a specific year by invitation from the Board. Potential STI payments are wholly discretionary and reflect the achievement of predetermined Board-approved company financial targets, individual achievements of performance objectives aligned to business strategy and goals, and employee behaviour compliant with the Meridian Code of Conduct. If criteria are met, payment is made in cash after the end of the qualifying company year. Payment is not made in shares, and is not deferred for a subsequent period.

Long-term incentive (LTI)

The Chief Executive, Executive Team and selected Tier 3 leaders also have the opportunity to participate in an LTI plan. An LTI plan is offered at the discretion of the Board to align senior management and shareholders' interests and optimise long-term shareholder returns. An LTI plan is not otherwise available to Meridian employees.

Meridian has a policy that ensures participants in any LTI plan are not able to enter transactions (whether through the use of derivatives or otherwise) that limit the economic risk of their participating in the plan.

For FY25, the maximum LTI opportunity was 40 percent of salary for the Chief Executive, 30 percent

of salary for the Executive Team and 15 percent of salary for eligible Tier 3 leaders. Vesting of an LTI plan is contingent on meeting absolute and relative total shareholder return (TSR) performance levels at the conclusion of a three-year period.

Under Meridian's LTI scheme, the company issues rights (Performance Share Rights) to acquire ordinary shares in the company to eligible participants in each LTI plan. Each performance share right entitles the holder to one ordinary share in the company, and to an additional number of shares equal to the value of gross cash dividends per share that would have been paid to a New Zealand tax resident who held a share for the duration of the vesting period, calculated using a 10-day volume-weighted average price.

The number of Performance Share Rights that vest is dependent on the following Vesting Conditions:

- Meridian's total shareholder return over a three-year Performance Period relative to Meridian's cost of equity, and total shareholder return over the same Performance Period relative to the performance of a peer group of the other companies listed in the S&P/NZX50 index.
- Whether the participant continues to be employed by Meridian during the vesting period.

LTI performance hurdles

As of 30 June 2025, there were three LTI plans underway. The Performance Period for each ends as follows:

- The FY23 Plan: three years ended 30 June 2025
- The FY24 Plan: three years ending 30 June 2026
- The FY25 Plan: three years ending 30 June 2027.

The three plans have different performance hurdles, reflecting changes in Meridian's cost of equity over time.

Performance Share Rights lapse if the holder ceases to be employed by Meridian during the vesting period, subject to the Board's discretion.

The following applies to the FY23 Plan, the Performance Period for which ended on 30 June 2025:

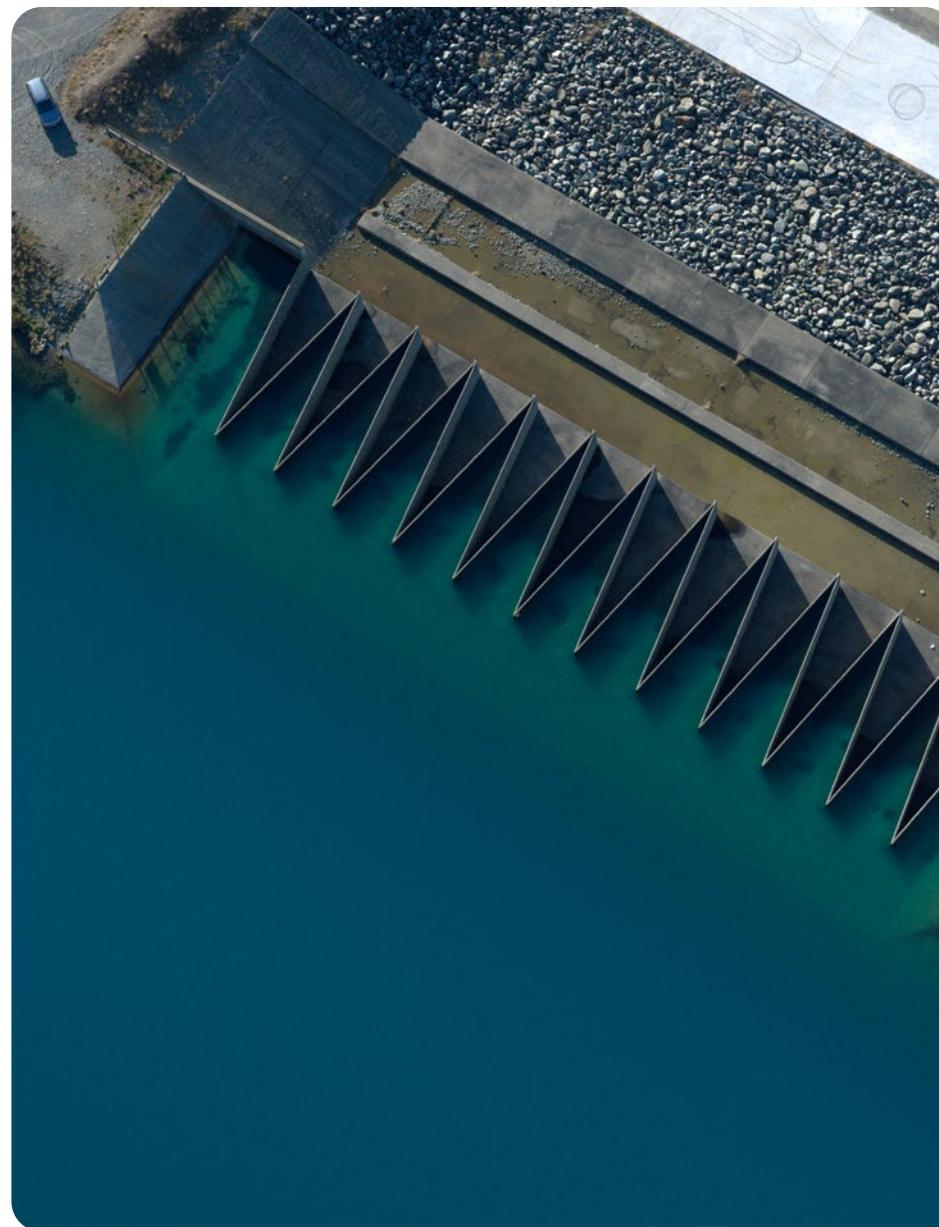
- Absolute Return Performance Share Rights
- Relative Return Performance Share Rights.

For **Absolute Return Performance Share Rights** to vest, the company's TSR must be greater than the absolute TSR benchmark that was set at the beginning of the vesting period with regard to the company's cost of equity (Absolute TSR Benchmark) on a compounding annual basis

over the Performance Period. If the company's TSR is equal to or lower than the Absolute TSR Benchmark, no Absolute Performance Share Rights will vest. If the company's TSR is greater than the Absolute TSR Benchmark, 100 percent of the Absolute Return Share Rights will vest.

The number of **Relative Return Performance Share Rights** that vest is determined by the company's TSR over the Performance Period relative to the performance of a peer group of the companies in the S&P/NZX50 Index. For any of the Relative Return Performance Share Rights to vest, the company's TSR must be greater than or equal to the 50th percentile (median) of the peer group. 100 percent of the Performance Share Rights will vest on meeting or exceeding the 75th percentile of the peer group, with vesting on a straight-line basis between these two points.

For each three-year plan, an independent external expert measures Meridian's TSR and outcomes against performance hurdles, and determines the vesting level of Performance Share Rights. Performance Share Rights will lapse if the Vesting Conditions are not satisfied (although this is subject to the Board's discretion in relation to the Employment Condition).



ABOVE
Labyrinth Weir in the Ōhau C Canal.

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Variable pay FY26 – Chief Executive and Executive Team

From FY26, the variable pay elements for the Chief Executive and Executive Team will be the following, at target, and as a percentage of salary:

	STI		LTI
	CASH STI	DEFERRED EQUITY STI	
Chief Executive	50%	20%	50%
Executive Team	25%	12%	40%

The provisions and structures of the Cash STI and LTI schemes will remain unchanged for FY26.

The measures for the new Deferred Equity STI are the same as for the Cash STI plan. Payment under the Deferred Equity STI will be made in equity and is deferred for two years following the end of the FY26 performance year.

Employee benefits

Meridian offers a wide range of other benefits and provisions for all permanent Meridian employees, including the Chief Executive and Executive Team. Benefits include an employee share scheme, company-funded employee insurances (life, income protection, trauma and

healthcare), enhanced parental leave provisions, wellbeing leave, three days company leave, the ability to purchase additional leave, access to purchasing discounts, and various part-time, remote and hybrid working arrangements where possible. These benefits are an important aspect of our Employee Value Proposition, enabling us to attract and retain our highly engaged workforce in a highly competitive market.

Other disclosures

The FY25 Chief Executive, Neal Barclay, had been employed on an ongoing basis by Meridian Energy since July 2008 and was appointed by the Board to the position of Chief Executive in November 2017. He retired from Meridian effective 30 June 2025, and from 1 July 2025 is replaced by previous Chief Financial Officer, Mike Roan.

Pursuant to the employment agreement, the Chief Executive and Meridian have mutual rights of termination on the provision of six months' written notice. Meridian may also terminate the Chief Executive's employment on the grounds of redundancy or serious misconduct or where an act of bankruptcy is committed.

With the support of the Board, Meridian's practice for Chief Executive and Executive Team roles, is that:

- no clawbacks are required, except if salary overpayment occurs
- no retirement benefits are payable
- no sign-on bonuses are offered
- redundancy compensation is payable to permanent employees whose employment is terminated as a result of redundancy.

Key performance summary

As outlined in other sections of this Integrated Report, FY25 was a very challenging year for Meridian. This had an impact on the company's financial performance which led to, and was reflected in, the following remuneration outcomes for the Chief Executive and Executive Team.

Short-term incentive (STI) Financial performance

For FY25, Meridian's financial performance impacted 60 percent of the FY25 STI for the Chief Executive and Executive Team. For the financial target (EBITDAF less a capital charge) the threshold was not reached for FY25.

As a result, the Board approved an FY25 outcome of 0 percent for this component of the STI.

Scorecard performance

For FY25, a Board-approved scorecard impacted 40 percent of the STI for the Chief Executive and Executive Team. The scorecard included a mix of measures, outlined below. It illustrates that a large proportion of the remuneration of the Chief Executive and Executive Team is directly impacted by their management of the organisation, and its impact on the economy, environment and people.

Based on outcomes and achievements of the scorecard measures, the Board approved a scorecard outcome of 75 percent for FY25. A summary of the scorecard targets follows. A breakdown of the scoring on each measure is included under Chief Executive Remuneration STI Outcomes, page 93.

As a result of the financial target threshold not being met, the Board determined that no FY25 STI payment would be made to the Meridian Chief Executive and Executive Team despite the positive result achieved in FY25 on the measures in the Executive Scorecard.

FY25 Executive Scorecard measures

OBJECTIVE	FY25 INITIATIVES	MEASURE	ADEQUATE (0% TO 50%)	TARGET - GOOD (75%)	EXCELLENT (100%)	WEIGHTING
Grow renewable generation to speed our path to a resilient, net zero future	<ul style="list-style-type: none"> Deliver scale energy projects at pace Accelerate electrification of transport and process heat Grow peaking generation capacity and bring dispatchable customer capacity to market 	Delivery of milestones	<ul style="list-style-type: none"> 50%: One of the Good measures must be materially behind target. For example, only one renewable development project makes FID 0%: Two of the Good measures must be materially behind target. For example, no renewable development projects make FID 	<ul style="list-style-type: none"> Deliver a list of hydro catchment storage and flexibility options to the Board by the end of the financial year Land the Ruakākā BESS, gain three consents and lodge a further three while achieving Board Final Investment Decision on two renewable projects and commencing construction of Ruakākā solar Install fast chargers, convert MOU process heat to contracts and add more demand flexibility in line with Board-approved targets Restore 173MW of capacity at Manapōuri and West Wind, lift capacity at other stations by 50-60MW 	The Good measures must be delivered and one must be materially ahead of target. For example, another consent lodged or another development bought to FID	30%
Deliver cleaner, cheaper energy through innovation that unlocks value for customers	<ul style="list-style-type: none"> Develop digital capability and innovation to achieve scale and grow customer relationships Continue investment in energy hardship and community programmes to promote equitable access to the energy transition Advocate policy that promotes climate action and supports Kiwis through energy transition 	Delivery of milestones	<ul style="list-style-type: none"> 50%: One of the Good measures must be materially behind target. For example, customer numbers only lift by 5k 0%: One of the Good measures must be materially behind target. For example, customer numbers do not grow 	<ul style="list-style-type: none"> Lift customer numbers in a way that grows Group energy margin delivery and cash production while supporting customers in energy hardship and making substantial community decarbonisation distributions Next Generation Retail delivers operating cost savings in line with planned outcomes 	The Good measures must be delivered and one must be materially ahead of target. For example, customer numbers lift by 30k	25%
Deliver operational excellence so everything we do aligns to deliver our goals	<ul style="list-style-type: none"> Build operational flexibility and agility while sustaining excellent asset productivity Build modern data and digital systems to promote collaboration, operational efficiency, innovation and data-driven decisions 	EBITDAF, delivery of milestones	<ul style="list-style-type: none"> 50%: One of the Good measures must be materially behind target. For example, the finance transformation initiative is not delivered 0%: Two of the Good measures must be materially behind target. For example, the finance transformation initiative is not delivered and the energy transition is challenged 	<ul style="list-style-type: none"> Reduce annual routine outage days by greater than 100 days Play an active role ensuring that the energy transition is managed affordably and securely Deliver the key technology projects that will lift business performance and manage enterprise risk 	The Good measures must be delivered and one must be materially ahead of target. For example, all ICT projects are delivered as expected and associated benefits realised	25%

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OBJECTIVE	FY25 INITIATIVES	MEASURE	ADEQUATE (0% TO 50%)	TARGET - GOOD (75%)	EXCELLENT (100%)	WEIGHTING
Grow capability and culture because how we do the mahi is what will make the real difference	<ul style="list-style-type: none"> Grow a diverse, inclusive and skilled workforce that reflects the country we live in Safety leadership grows in maturity as we build into the energy transition Develop our understanding of the Māori worldview to help build long-term relationships with tangata whenua Build a sustainability culture that benefits people and planet, inspires climate action and attracts investors 	Delivery of milestones	<ul style="list-style-type: none"> 50%: One of the Good measures must be materially behind target. For example, DJSI outcomes not realised 0%: Two of the Good measures must be materially behind target. For example, DJSI and engagement outcomes not realised 	<ul style="list-style-type: none"> Close the ethnicity gap while lifting the number of women in senior roles and delivering the wellbeing strategy initiatives for FY25 Grow the maturity of the safety culture through improved lead indicators Develop recruitment pathways for Māori within the organisation while ensuring we live up to our end of the commitments in the kawenata with the three Waitaki rūnaka Upper quartile Asia Pacific DJSI outcome delivered Deliver Half by 30 initiatives (as set out in that plan) and ESG accountability more generally 	The Good measures must be delivered and one must be materially ahead of target. For example, top the Asia Pacific DJSI index	20%

The above scorecard measures remain subject to a 'Safety performance and leadership' gate which requires the executive to demonstrate an improvement in safety leadership and outcomes across the business and will be considered in the context of both lead and lag indicators

In addition to the 'Safety' gate, the Board can (on the recommendation of the Chief Executive) lift or reduce outcomes by up to 20 percent

At their discretion additionally, the Chief Executive may flex an individual executive up or down by up to 10 percent based on how that individual has reflected the company values, brand, and positions externally, internally and within the Executive Team

Long-term incentive

Following the conclusion of the Performance Period for the FY23 LTI Plan on 30 June 2025, it was determined that Performance Hurdles were fully met and 100 percent of both Absolute and Relative Share Rights will vest at the conclusion of the Vesting Period in October 2025.

- Absolute Return Performance Share Rights will vest if Meridian's TSR is greater than the Absolute TSR Benchmark, on a compounding annual basis over the Performance Period. For the FY23 Plan, the Absolute TSR Benchmark was 8.70 percent cost of equity plus 1 percent compounded over three years (32.01 percent Total Absolute TSR Benchmark). Meridian's TSR exceeded this and 100 percent vesting applies.
- Relative Return Performance Share Rights vest if the Meridian's TSR is greater than or equal to the the 50th percentile (median) TSR of the peer group of the other companies in the S&P/NZX50 Index. For the FY23 Plan, Meridian's TSR exceeded the 75th percentile of the peer group, above the top of the relative TSR Benchmark range and 100 percent vesting applies.

As a result, Performance Share Rights under the FY23 LTI Plan available to the Chief Executive and eligible Executive Team and Tier 3 leaders will be payable at 100 percent vesting (2024: 100 percent). 941,776 shares (excluding shares for dividends) will be transferred to the eligible participants for the FY23 LTI plan (2024: 418,384 shares vested).

FY26 Executive Scorecard measures

For FY26, 60 percent of the STI for the Chief Executive and Executive Team is based on achievement against the EBITDAF target. The remaining 40 percent is based on the measures and weightings of the Executive Scorecard, as follows:

OBJECTIVE	FY26 INITIATIVES	MEASURE	ADEQUATE (0% TO 50%)	TARGET - GOOD (75%)	EXCELLENT (100%)	WEIGHTING
Grow renewable generation to speed our path to a resilient, net zero future	<ul style="list-style-type: none"> Deliver scale energy projects at pace Grow system flexibility Accelerate electrification of transport and process heat 	Delivery of milestones	<ul style="list-style-type: none"> 50%: One of the Good measures must be materially behind target. For example, only one renewable development project makes FID 0%: Two of the Good measures must be materially behind target. For example, no renewable development projects make FID 	<ul style="list-style-type: none"> Waitaki consent granted and strategy for Manapōuri re-consenting agreed, begin construction of agreed new developments, gain and lodge consents and refine hydro storage options, including secure Pūkaki contingent storage Each of the storage options and consents will be pursued on the basis of absolute and relative value creation 	<ul style="list-style-type: none"> The Good measures must be delivered and one must be materially ahead of target. For example, another consent lodged or another development bought to FID 	25%
Deliver cleaner, cheaper energy through innovation that unlocks value for customers	<ul style="list-style-type: none"> Create more value for customers Continued investment in energy hardship and community programmes to promote equitable access to the energy transition Policy advocacy that promotes climate action and supports Kiwis through energy transition 	Delivery of milestones	<ul style="list-style-type: none"> 50%: One of the Good measures must be materially behind target 0%: More of the Good measures must be materially behind target 	<ul style="list-style-type: none"> Migrate all customers to new retail platform to deliver cost to serve and cost to acquire benefits set out in Board-approved business case. Increase customers as per plan, in a cost-accretive manner Grow volume of customers on flex products to build market flexibility and reduce costs for consumers Install new high-capacity chargers as set out in initial phase of business case to add more annualised revenue to business Influence energy market reform that is efficient so that costs to consumers are minimised and consenting is encouraged 	<ul style="list-style-type: none"> The Good measures must be delivered and one must be materially ahead of target 	20%
Deliver operational excellence so everything we do aligns to deliver our goals	<ul style="list-style-type: none"> Build operational flexibility and agility while sustaining excellent asset productivity Integrate advanced technology to drive improved business outcomes 	EBITDAF, delivery of milestones	<ul style="list-style-type: none"> 50%: One of the Good measures must be materially behind target. For example, the Finance Transformation initiative is not delivered 0%: Two of the Good measures must be materially behind target. For example, the Finance Transformation initiative is not delivered and the energy transition is challenged 	<ul style="list-style-type: none"> Reduce annual outage days and improve efficiency of generation business as set out in approved business case Deliver business improvement across Portfolio, Trading and Operations 	<ul style="list-style-type: none"> The Good measures must be delivered and one must be materially ahead of target. For example, all ICT projects are delivered as expected and associated benefits realised 	20%

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OBJECTIVE	FY26 INITIATIVES	MEASURE	ADEQUATE (0% TO 50%)	TARGET - GOOD (75%)	EXCELLENT (100%)	WEIGHTING
Grow capability and culture Safety	<ul style="list-style-type: none"> Grow a diverse, inclusive and skilled workforce that reflects the country we live in Safety leadership that grows in maturity as we build into the energy transition Develop our understanding of the Māori worldview to help build long-term relationships with tangata whenua Build a sustainability culture that benefits people and planet, inspires climate action and attracts investors 	Delivery of milestones	<ul style="list-style-type: none"> 50%: One of the Good measures must be materially behind target. For example, DJSI outcomes not realised 0%: Two of the Good measures must be materially behind target. For example, DJSI and engagement outcomes not realised 	<ul style="list-style-type: none"> Improve diversity of the workforce while lifting number of women in senior roles, lift Māori representation and deliver the FY26 wellbeing initiatives Ensure we live up to our commitments to iwi Achieve World Index category in Dow Jones Best-in-Class index Deliver the Emissions Reduction Plan targets 	<ul style="list-style-type: none"> The Good measures must be delivered and one must be materially ahead of target. For example, top the Asia Pacific DJSI index 	20%
			<ul style="list-style-type: none"> 50%: One of the Good measures must be materially behind target. For example, a safety indicator well behind expected levels 0%: Two of the Good measures must be materially behind target 	<ul style="list-style-type: none"> Drive improvements in safety performance and maturity so that the probability of a critical risk occurring stays within tolerable levels as set out in the risk management framework Reduce the number of serious incidents where a critical control was identified as failing or inadequate 	<ul style="list-style-type: none"> The Good measures must be delivered and one indicator must be materially ahead of target 	15%
<p>The above scorecard measures remain subject to a 'Safety performance and leadership' gate which requires the executive to demonstrate an improvement in safety leadership and outcomes across the business and will be considered in the context of both lead and lag indicators</p> <p>In addition to the 'Safety' gate, the Board can (on the recommendation of the Chief Executive) lift or reduce outcomes by up to 20 percent</p> <p>At their discretion additionally, the Chief Executive may flex an individual executive up or down by up to 10 percent based on how that individual has reflected the company values, brand, and positions externally, internally and within the Executive Team</p>						

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Five-year summary – three-year rolling TSR performance (Meridian Energy vs S&P/NZX50)



This graph shows Meridian's historical TSR against the performance of the S&P/NZX50. Meridian's TSR performance and LTI Scheme outcomes are independently validated by external experts.



ABOVE
 West Wind Farm, Mākara, Wellington.

Chief Executive remuneration

Chief Executive remuneration outcomes

(a) Overall FY24 and FY25 remuneration

YEAR	FIXED REMUNERATION EARNED			VARIABLE CASH-BASED REMUNERATION EARNED		OTHER REMUNERATION EARNED	LONG-TERM INCENTIVE EARNED				TOTAL REMUNERATION EARNED	
	BASE SALARY	KIWISAVER ON BASE SALARY	TOTAL FIXED REMUNERATION	SHORT-TERM INCENTIVE EARNED (INCLUDING KIWISAVER)	AMOUNT EARNED AS A % OF MAXIMUM AWARD	TOTAL VARIABLE CASH-BASED REMUNERATION EARNED	MYSHARE	NUMBER OF SHARES VESTED	% OF MAXIMUM AWARDED FOR THE PERFORMANCE PERIOD	MARKET PRICE OF VESTED SHARES AT 30 JUNE	LTI PLAN VALUE	FIXED REMUNERATION + STI PLAN + OTHER REMUNERATION + LTI PLAN EARNED
FY25	\$1,433,000	\$57,320	\$1,490,320	\$—	—%	\$—	\$2,500	166,150	100%	\$5.90	\$980,285	\$2,473,105
FY24	\$1,377,885	\$55,115	\$1,433,000	\$848,479	83.4%	\$848,479	\$2,500	153,049	100%	\$6.29	\$962,678	\$3,246,657

Taxable benefits within Fixed Remuneration are 4 percent company KiwiSaver contributions on salary.

Fixed remuneration is salary plus company KiwiSaver contributions.

MyShare is gross value of award shares received in the applicable period.

STI is the potential payment based on performance achieved for the applicable period and includes 4 percent company KiwiSaver contributions.

The STI and LTI amounts above were earned during the FY25 and FY24 periods, but was or will be awarded in the following applicable periods (i.e. FY26 and FY25). Number of shares vested is estimated as at the end of each earned year, based on an estimated dividend adjustment. See section below titled 'Performance Share Rights (PSRs) held by the Chief Executive (as at 30 June 2025)' for actual number of shares awarded in FY25.

The Chief Executive is entitled to receive a matching employer KiwiSaver contribution of four percent of gross taxable earnings. The company's KiwiSaver contributions for the Chief Executive that were paid in the FY25 period (including on the FY24 STI plan which was paid in FY25) were \$90,144.

For FY26, the remuneration package for the Chief Executive is based on the following (not all of which will be payable in FY26):

BASE SALARY	KIWISAVER ON BASE SALARY	TOTAL FIXED REMUNERATION	SHORT-TERM INCENTIVE		LONG-TERM INCENTIVE	OTHER POTENTIAL REMUNERATION	TOTAL REMUNERATION PACKAGE
			CASH	DEFERRED EQUITY	EQUITY		
			50% of fixed remuneration (incl KiwiSaver)	20% of salary (no KiwiSaver applicable)	50% of salary (no KiwiSaver applicable)	MyShare	
\$1,123,870	\$44,955	\$1,168,825	\$584,412	\$224,774	\$561,935	\$2,500	\$2,542,446

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Chief Executive FY25 Remuneration scenarios



The chart shows how the proportions of the Chief Executive's total remuneration may vary under various scenarios. Note, however, that the LTI value depends on share price, and the resulting LTI remuneration may exceed the illustrated scenarios.

Chief Executive five-year remuneration summary

YEAR	SINGLE FIGURE REMUNERATION	% STI AGAINST MAXIMUM	% VESTED LTIS AGAINST MAXIMUM	SPAN OF LTI PERFORMANCE PERIOD
FY25	\$2,473,105	—%	100.0%	FY23-FY25
FY24	\$3,246,658	83.4%	100.0%	FY22-FY24
FY23	\$1,874,667	82.3%	0.0%	FY21-FY23
FY22	\$2,134,372	78.9%	48.8%	FY20-FY22
FY21	\$2,308,446	66.7%	100.0%	FY19-FY21

(b) FY25 CEO STI outcomes earned (with payment in August 2025, which is in FY26)

For the FY25 year, the Chief Executive had an on-target STI opportunity of 60 percent of base salary, with the potential STI payment being a maximum of 100 percent, of which

- 60 percent was based on Meridian financial performance
- 40 percent was based on scorecard performance.

As a result of FY25 financial performance, no STI payment was made to the Chief Executive for FY25, resulting in an STI payment of 0 percent of target.

The zero STI payment for FY25 equated to 0 percent of salary (59.2 percent for FY24), and 0 percent of the maximum possible STI award (83.4 percent for FY24).

STI COMPONENT	MEASURE	STI TARGET		OUTCOME	STI EARNED AND AWARDED	
		WEIGHTING %	\$ (INCLUDING KIWISAVER)		% AWARDED FOR STI MEASURE	\$ AWARDED FOR STI MEASURE
Financial	EBITDAF less capital charge	60%	\$536,515	EBITDAF less capital charge was below the 85% threshold for STI payment, resulting in a 0% achievement for this measure	0%	\$0
Scorecard of other STI measures	Grow renewable generation to speed our path to a resilient, net zero future	12%	\$107,303	Ruakākā BESS delivered Consent attained for Ruakākā Solar, Mt Munro Wind, Manawatū Battery Approval granted to construct Ruakākā Solar Public charging network is expanding West Wind capacity has been restored	75%	\$0
	Deliver cleaner, cheaper energy through innovation that unlocks value for customers	10%	\$89,419	Total Meridian customers now exceed 405,000 Over 1,700 customers supported through our hardship programme Community decarbonisation support fund contributions exceeded	100%	\$0
	Deliver operational excellence so everything we do aligns to deliver our goals	10%	\$89,419	A New Zealand small and large-scale LNG facility was assessed. Contracts to support the Huntly Strategic Reserve signed All key technology projects completed, including Finance Transformation (delivered on time and on budget) More than doubled the targeted reduction of outage days, achieving a reduction of 238 days (target reduction was 100 days)	50%	\$0
	Grow capability and culture because how we do the mahi is what will make the real difference	8%	\$71,535	Progress indicators positive for employee diversity and engagement Wellbeing strategic initiatives delivered Safety indicators are improved Meridian is the highest-rated utility in Asia Pacific DJSI index Half by 30 initiative reset completed	75%	\$0
Scorecard subtotal		40%	\$357,676	STI Scorecard achievement The Board considered the requirements of the 'Safety performance and leadership' gate were met. No other adjustments to the scorecard percentage result were applied	75%	\$0
Total STI target		100%	\$894,191	Total STI payment against target		\$0

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(c) FY25 CEO LTI outcomes (awarded)

For the three-year period ended FY25, the Chief Executive was eligible for an LTI based on a grant of Performance Share Rights set at 40 percent of base salary at the start of the three-year Performance Period (1 July 2022). The vesting of shares at the end of the vesting period was subject to TSR performance hurdles.

TSR PERFORMANCE HURDLES	LTI WEIGHTING	OUTCOME	WEIGHTED OUTCOME
Absolute TSR – must be greater than the company’s cost of equity benchmark on a compounding basis	50%	100%	50%
Relative TSR against the peer group*: • Below the 50th percentile TSR – 0% vests • 50th percentile TSR – 50% vests • ≥ 75th percentile TSR – 100% vests • Between the 50th and 75th percentile TSR – 50-100% vests, calculated on a straight-line pro-rata basis	50%	100%	50%

* The number of Relative Return Share Rights that vest will be based on the Company's TSR over the Performance Period relative to the performance of a peer group of the other companies listed in the S&P/NZX50 Index over the same period.

Upon vesting, each Performance Share Right is eligible for one ordinary share, which is issued from Treasury Shares to the Chief Executive.

Performance Share Rights (PSRs) held by the Chief Executive (as at 30 June 2025)

GRANT NAME	PSR AWARD DATE	VESTING DATE	AWARDED DURING THE REPORTING PERIOD		PSRS LAPSED/ FORFEITED DURING THE REPORTING PERIOD	PSRS VESTED DURING THE REPORTING PERIOD			SHARES ISSUED/TRANSFERRED DURING THE REPORTING PERIOD			BALANCE OF PSRS AT 30 JUNE 2025
			BALANCE OF PSRS AT 30 JUNE 2024	PSRS AWARDED		MARKET PRICE AT AWARD	PSRS VESTED	MARKET PRICE AT VESTING DATE	VESTING DATE	SHARES ISSUED	MARKET PRICE AT ISSUE DATE	
FY22 LTI	21 October 2021	21 October 2024	136,984	–	–	136,984	6.08	21 October 2024	153,969	5.89	20 November 2024	–
FY23 LTI	3 November 2022	3 October 2025	166,150	–	–	–	–	–	–	–	–	166,150
FY24 LTI	24 October 2023	24 October 2026	142,180	–	–	(142,759)	–	–	–	–	–	–
FY25 LTI	25 October 2024	21 September 2027	–	171,286	6.24	(171,286)	–	–	–	–	–	–

Meridian has a policy to ensure that the participants of the Executive Team LTI plan are not permitted to enter into transactions (whether through the use of derivatives or otherwise) that limit the economic risk of participating in the plan.

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Meridian share ownership

Chief Executive and Executive Team

For most of FY25, Meridian did not have a share ownership requirement for the Chief Executive and Executive Team, but the Board encouraged them to have Meridian Energy shareholdings. The Chief Executive and Executive Team members have all been issued performance share rights under the Meridian Long-term Incentive scheme which will convert to shares upon vesting in accordance with that scheme. From May 2025,

Meridian introduced a Minimum Encouraged Shareholding Policy applicable to Directors, the Chief Executive and the Executive Team.



MINIMUM SHAREHOLDING POLICY
bit.ly/44Qw3tR

The current individual shareholdings are affected by employee tenure, with longer-serving Executive Team members having had longer timeframes in which to accumulate Meridian shares.

The current individual Meridian shareholdings of the Chief Executive and two of the longer-serving Executive Team members are below.

	NUMBER OF MERIDIAN SHARES OWNED (EXCLUDES PERFORMANCE SHARE RIGHTS)	VALUE OF SHARES AS AT 30 JUNE 2025	VALUE OF SHARES AS A % OF FY25 SALARY
FY25 Chief Executive	609,017.38	\$3,593,202.52	251%
FY25 Chief Financial Officer	264,297.89	\$1,559,357.52	214%
General Manager, Development	312,928.38	\$1,846,277.42	322%
Remainder of Executive Team combined	260,819.03	\$1,538,832.31	51%

Employee share ownership

Employees are invited to join Meridian's employee share ownership plan, MyShare. Under MyShare, Meridian shares are purchased for participating employees, funded by monthly pay deductions of between \$500 and \$5,000 per annum. After three years, participants may be eligible for award shares subject to ongoing employment (Tenure Award Shares) and the company TSR outperforming a peer group of competitors (Performance Award Shares). From the start of FY25, 55 percent of employees participated in MyShare. At the start of FY26, 60 percent of eligible employees have Meridian shares in MyShare, and 58 percent are actively contributing to MyShare in FY26.

ESG disclosures

Chief Executive/ Employee pay gap

This pay gap represents the number of times greater the Chief Executive's remuneration is than the remuneration of the median of all Meridian employees.

For the purposes of determining median employee pay, all permanent full-time, permanent part-time and fixed-term employees below the Chief Executive are included, with part-time employee remuneration adjusted to a full-time-equivalent amount.

As at 30 June 2025, the FY25 Chief Executive's base salary of \$1,433,000 was 11.9 times the median employee salary of \$120,000 per annum (FY24: 12.5 times).⁸

The Chief Executive's total remuneration, including STI earned and LTI vested, of \$2,473,105 was 18 times the median employee total remuneration of \$137,410 (FY24 26.8 times).⁹

⁸ Median employee Salary and Total Remuneration excludes casual employees (and in FY24 only, the one Flux UK employee)

⁹ Median employee Salary and Total Remuneration excludes casual employees (and in FY24 only, the one Flux UK employee)

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Chief Executive/Other employee remuneration increase ratio

The Chief Executive's salary increased by four percent between FY24 and FY25. The median employee salary in FY25 increased by 9.1 percent from the median employee salary in FY24, resulting in a ratio of 0.44:1 Chief Executive to median employee salary increase (FY24 2.58:1).

The Chief Executive's total remuneration decreased by 23.8 percent from FY24 to FY25. Median employee total remuneration in FY25 increased by 13.2 percent from FY24. This resulted in a ratio of -1.8:1 Chief Executive to median employee Total Remuneration increase (FY24 16.9:1).

Gender pay gap

The table shows the difference between full-time, full-year equivalent median and average base salaries and the total remuneration of Meridian employees by gender, regardless of the nature or seniority of work. The overall FY25 median gender pay gap, while still large, has improved from FY24.

Meridian has an ongoing focus on increasing the number and proportion of women at senior, higher-paying levels of the organisation. This will help to address the overall current gender pay gap, which is largely an outcome of gender representation differences in roles at different levels.

Meridian also reviews its salary data to ensure that there is no inappropriate pay gap (i.e. not due to performance, skills, experience, etc.) between men and women performing roles of similar size, type and seniority. Comparing the median salary of men and women in roles of a comparable size and nature, Meridian has a minimal gender pay gap at most job levels. The median gender pay gap (by Position in Range across roles of similar size) is 0.4 percent.

	ALL EMPLOYEES (EXCLUDING CE)	MALE EMPLOYEES (EXCLUDING CE)	FEMALE EMPLOYEES	GENDER PAY GAP FY25	PREVIOUS YEAR GENDER PAY GAP FY24
Median salary	\$120,000	\$134,318	\$92,000	31.5%	33.1%
Average salary	\$127,095	\$141,393	\$109,957	22.2%	22.2%
Median total remuneration	\$137,410	\$156,000	\$104,104	33.3%	35.2%
Average total remuneration	\$149,901	\$167,900	\$128,326	23.6%	23.8%

Pay gap: 1 – (Women \$/Men \$)

Ethnicity pay gap

Meridian is committed to attracting more Māori and Pacific Peoples employees into the workforce, at all levels. As part of that, Meridian monitors the ethnicity pay gap in two target ethnic groupings, against pay of employees of other ethnicities.

There is a minimal Māori and Pacific Peoples ethnicity pay gap (~1.5 percent) against all roles of a similar size. However, comparing median salaries across all roles, the larger ethnicity pay gaps indicated reflect that many of our Māori and Pacific Peoples employees are in lower-level (and therefore lower-paying) roles. Our diversity initiatives aim to address this over time.

	MĀORI	PACIFIC PEOPLES
Ethnicity pay across roles of a similar size gap (Position in range)	1.5%	1.4%
Ethnicity pay gap across roles at all levels (Median salary)	31.0%	25.7%

Remuneration bands

The following table notes the number of employees and former employees of Meridian and its subsidiaries, not being directors of the issuer, who during the reporting period received remuneration and any other benefits in their capacity as employees, the value of which was or exceeded \$100,000 per annum (in brackets of \$10,000).

This include 262 employees no longer employed by Meridian Energy Limited or its subsidiaries.

BAND	TOTAL GROUP	BAND	TOTAL GROUP
100,000 - 109,999	58	330,000 - 339,999	3
110,000 - 119,999	54	340,000 - 349,999	2
120,000 - 129,999	53	350,000 - 359,999	4
130,000 - 139,999	57	360,000 - 369,999	4
140,000 - 149,999	53	370,000 - 379,999	3
150,000 - 159,999	58	380,000 - 389,999	4
160,000 - 169,999	65	390,000 - 399,999	1
170,000 - 179,999	45	400,000 - 409,999	2
180,000 - 189,999	41	440,000 - 449,999	3
190,000 - 199,999	29	450,000 - 459,999	1
200,000 - 209,999	17	460,000 - 469,999	2
210,000 - 219,999	29	750,000 - 759,999	1
220,000 - 229,999	17	820,000 - 829,999	1
230,000 - 239,999	17	840,000 - 849,999	1
240,000 - 249,999	15	880,000 - 889,999	1
250,000 - 259,999	7	920,000 - 929,999	1
260,000 - 269,999	5	1,050,000 - 1,059,999	1
270,000 - 279,999	4	1,060,000 - 1,069,999	1
280,000 - 289,999	2	1,080,000 - 1,089,999	1
290,000 - 299,999	3	1,390,000 - 1,399,999	1
300,000 - 309,999	2	3,250,000 - 3,259,999	1
310,000 - 319,999	1		
320,000 - 329,999	3		
			674



ABOVE
Our Ōtautahi Christchurch office.

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Director remuneration

Approved Director remuneration for FY25

As Meridian is an NZX-listed company, directors' fees (Board remuneration) must be approved by a majority of shareholders voting at a shareholder meeting. Meridian amended its Remuneration Policy to include how the remuneration of directors is set. A copy of the Remuneration Policy is on our website.

 **REMUNERATION POLICY**
bit.ly/3yqFjaK

Shareholders are kept informed of any changes in the way the company allocates the pool of approved director fees. Refer to our Corporate Governance Statement.

 **CORPORATE GOVERNANCE STATEMENT**
bit.ly/4nAPfmL

Director remuneration is paid from the total director fee pool that was last approved by shareholders at the Annual General Meeting on 6 October 2021. Prior to the meeting and vote, Meridian had consulted a number of shareholder representatives to gain their input, and engaged independent consultants PwC to prepare a benchmarking report of Meridian's director fees against those of comparable companies. Further details of that report are available on the NZX website.

 **BENCHMARKING SUMMARY REPORT, NZX**
bit.ly/4ccj9a0

Prior to 2021, the previous change to directors' fees was in 2016.

The total pool for Board fees is set out in the following table.

Annual director fee pool

	PRIOR TO 15 JUNE 2024	FROM 15 JUNE 2024 TO 30 JUNE 2024	FY25
Board fees	\$912,500	\$912,500	\$950,500
Committee fees	\$135,500	\$135,500	\$222,700
Flux Board fees	\$134,000	-	-
Unallocated fee pool	\$151,000	151,000	25,800
Total pool	\$1,333,000	\$1,199,000	\$1,199,000

The Director fee pool of \$1,199,000 was approved by shareholders in 2021. The pool was subsequently increased in accordance with rule 2.11.3 of the NZX Listing Rules to enable two independent directors of Flux to be paid. Those independent Flux directors resigned late in FY24 and were replaced by Meridian executives who are not paid for their roles as Flux directors. As per the Note to Shareholders accompanying the 2024 Notice of ASM, the fee pool was re-allocated with effect from 1 July 2025 by increasing fees paid for individual Director and Committee roles. The overall Director fee pool remains at the level approved in 2021.

Director remuneration received in FY25

NAME OF DIRECTOR	BOARD FEES	AUDIT AND RISK COMMITTEE	PEOPLE, REMUNERATION AND CULTURE COMMITTEE	SAFETY AND SUSTAINABILITY COMMITTEE	CYBER SECURITY COMMITTEE	ADDITIONAL AD HOC COMMITTEES ¹⁰	TOTAL REMUNERATION
Mark Verbiest (Chair) ¹¹	\$250,000					\$4,500	\$254,500
David Carter	\$116,750			\$12,000	\$6,000	\$9,000	\$143,750
Graham Cockroft	\$116,750	\$16,300	\$12,000		\$6,000		\$151,050
Michelle Henderson	\$116,750	\$16,300		\$12,000			\$145,050
Julia Hoare	\$116,750	\$32,600 (Chair)				\$4,500	\$153,850
Nagaja Sanatkumar	\$116,750		\$12,000	\$27,000 (Chair)	\$13,500 (Chair)		\$169,250
Tania Simpson	\$116,750		\$27,000 (Chair)	\$12,000			\$155,750
Total	\$950,500	\$65,200	\$51,000	\$63,000	\$25,500	\$18,000	\$1,173,200

Directors are reimbursed for all reasonable and properly documented expenses incurred in performing their duties as Meridian Directors. No additional payments, shares or benefits were received by Directors in FY25.

Individual Meridian Board-approved annual fee breakdown

POSITION HELD	FY24	FY25
Chair	\$212,000	\$250,000
Director	\$116,750	\$116,750
Audit and Risk Committee Chair	\$25,000	\$32,600
Audit and Risk Committee member	\$10,500	\$16,300
Safety and Sustainability Committee Chair	\$21,000	\$27,000
Safety and Sustainability Committee member	\$9,500	\$12,000
People, Remuneration and Culture Committee Chair	\$21,000	\$27,000
People, Remuneration and Culture Committee member	\$9,500	\$12,000
Cyber Security Committee Chair	—	\$13,500
Cyber Security Committee member	—	\$6,000

Flux Board annual fee breakdown

POSITION HELD	FY24	FY25
Flux Chair	\$84,000	N/A
Flux independent director	\$50,000	N/A

Independent directors served on the Flux board until 14 June 2024.

During FY25 all directors of Meridian subsidiaries were Meridian employees.

Meridian employees appointed as directors of Meridian subsidiaries do not receive any directorship fees.

¹⁰ The only ad hoc Committee for which directors received payment was the Committee for the NZ Windfarms acquisition.

¹¹ Does not receive additional fees for standing committee membership.

For internal use only



Further disclosures

Further disclosures required by the NZX Listing Rules, the Companies Act 1993 and other legislation and rules.

IMAGE
West Wind Farm,
Mākara, Wellington.

Meridian Energy

The table outlines the current directors of Meridian Energy Limited. There were no director changes during FY25. The average director tenure is five years.

COMPANY NAME	DIRECTORS
Meridian Energy Limited	David Carter, Graham Cockroft, Michelle Henderson, Julia Hoare, Nagaja Sanatkumar, Tania Simpson, Mark Verbiest

The Board has determined that as at 30 June 2025, all Meridian directors are independent. The factors relevant to this determination are that:

- no director is currently, or has been within the past three years, employed in an executive role by the issuer or any of its subsidiaries
- while all directors are currently deriving, or have within the last 12 months derived, more than five percent of their annual revenue from the issuer (including through director’s fees), the Board is nonetheless satisfied that when all relevant factors are considered this does not compromise director independence¹²
- no director is currently, or has in the past 12 months been, in a senior role in a provider of material professional services (other than an external auditor) to the issuer or any of its subsidiaries
- no director is currently, or has in the past three years been employed by

the external auditor to the issuer or any of its subsidiaries

- no director currently has, or has had within the last three years, a material business relationship (e.g. as a supplier or customer) with the issuer or any of its subsidiaries
- no director is a substantial product holder of the issuer, or a senior manager of, or a person otherwise associated with, a substantial product holder of the issuer
- no director is currently, or within the last three years has been in a material contractual relationship with the issuer or any of its subsidiaries, other than as a director
- no director has close family ties or personal relationships (including close social or business connections) with anyone in the categories listed
- no director has been a director of the entity for a period of 12 years or more.

¹² NZX altered its guidance this year to specifically include directors’ fees in the application of the factor asking issuers to consider whether a ‘substantial’ portion of a director’s annual revenue is derived from the issuer (see Factor 2 within Table 2.4 of the NZX Code). Meridian has treated a 5 percent portion as being substantial in considering the application of the factor.

Current Board and Executive Team gender composition

In accordance with NZX Listing Rules, the gender composition of Meridian’s directors and officers as at 30 June 2025 is:

	AS AT 30 JUNE 2025			AS AT 30 JUNE 2024		
	FEMALE	MALE	NON-BINARY	FEMALE	MALE	NON-BINARY
Number of directors	4	3	–	4	3	–
Percentage of directors	57%	43%	0%	57%	43%	0%
Number of officers	4	7	–	4	7	–
Percentage of officers	36%	64%	0%	36%	64%	0%

Meridian subsidiaries

The following tables list the subsidiaries of Meridian Energy Limited during the accounting period, the subsidiaries of those subsidiaries, and any changes to those subsidiaries and among the people who held office as directors.

New Zealand subsidiaries

COMPANY NAME	COMPANY NUMBER	DIRECTORS	FURTHER INFORMATION
Dam Safety Intelligence Limited	6152623	Michael Roan, Jason Stein	Michael Roan was appointed director on 30 June 2025 Neal Barclay ceased to be a director on 30 June 2025
EV Infrastructure Partners Limited	8491206	Michael Roan, Jason Woolley	Meridian Energy Limited acquired and became registered owner of all shares on 28 March 2025 Michael Roan was appointed director on 28 March 2025 and Jason Woolley was appointed director on 5 May 2025
Flux Federation Limited	6292491	Michael Roan, Jason Woolley	Jason Woolley was appointed director on 4 June 2024 Neal Barclay ceased to be a director on 30 June 2025
Kōkako SPV Limited	8967098	Michael Roan, Guy Waipara	No changes
Meridian Energy Captive Insurance Limited	1612020	Michael Roan, Jason Woolley	Jason Woolley was appointed director on 30 June 2025 Neal Barclay ceased to be a director on 30 June 2025
Meridian Energy International Limited	1114014	Michael Roan, Jason Woolley	Jason Woolley was appointed director on 30 June 2025 Neal Barclay ceased to be a director on 30 June 2025
Meridian Limited	863312	Michael Roan, Jason Woolley	Jason Woolley was appointed director on 30 June 2025 Neal Barclay ceased to be a director on 30 June 2025
Powershop New Zealand Limited	8184062	Michael Roan, Jason Woolley	Jason Woolley was appointed director on 30 June 2025 Neal Barclay ceased to be a director on 30 June 2025
Whetu SPV Limited	9336741	Michael Roan, Guy Waipara	Registered on the Companies Office register on 22 April 2025 Michael Roan and Guy Waipara were appointed directors on 22 April 2025

UK subsidiary

COMPANY NAME	DIRECTORS	FURTHER INFORMATION
Flux UK Limited	Rush Bhatt, Bharat Ratanpal	Nicola Kennedy ceased to be a director on 2 July 2024

Particulars of entries in the interests register made during the accounting period

Shareholders can review Meridian Energy Limited's full interests register on request.

In accordance with sections 140 and 211(1)(e) of the Companies Act 1993, the table lists the general disclosures of interest by directors of Meridian Energy Limited.

NAME	POSITION	DISCLOSURES
David Carter	Director, Meridian Energy Limited	Beca Group Limited, Director and Employee Beca Group Holdings Limited, Director Beca Insurance Company Pte Limited, Director BGL Depository No. 2 Limited, Director BGLIR Trustee Limited, Director BGL Nominees Limited, Director BGCF Trustee Limited, Director Beca Holding (Thailand) Co., Ltd, Director Beca (Thailand) Co., Ltd, Director Beca – PT Bimatekno Karyatama Konsultan, President Commissioner
Graham Cockroft	Director, Meridian Energy Limited	AGL Energy Limited, Director First Fibre MidCo Limited, Director First Fibre BidCo Limited, Director Tuatahi First Fibre Limited, Director UFF Holdings Limited, Director
Michelle Henderson	Director, Meridian Energy Limited	South Port NZ Limited, Director Awarua Holdings Limited, Director^
Julia Hoare	Director, Meridian Energy Limited	Auckland International Airport Limited, Chair Comvita Limited, Director** Marsden Cove Marinas Limited, Director* Marsden Maritime Holdings Limited, Director* Northport Group Limited, Chair* Northport Limited, Chair* Port of Tauranga Limited, Chair Port of Tauranga Trustee Company Limited, Director Primeport Timaru Limited, Director

NAME	POSITION	DISCLOSURES
Nagaja Sanatkumar	Director, Meridian Energy Limited	ANZ Bank of New Zealand Limited, Director* Cawthron Institute, Director** First Fibre Midco Limited, Director First Fibre Bidco NZ Limited, Director Foodstuffs North Island Limited, Director** Foodstuffs North Island Limited, Digital Advisor* IMAgEN8 Limited, Director New Zealand Post Limited, Director** Southern Cross Healthcare Limited, Director Southern Cross Medical Care Society, Director Southern Cross Health Trust, Trustee Tuatahi First Fibre Limited, Director UFF Holdings Limited, Director
Tania Simpson	Director, Meridian Energy Limited	Auckland International Airport Limited, Director Tainui Group Holdings Limited, Director** Tui Topco Limited, Director Tui Bidco Limited, Director Ukaipo Limited, Director Waikato Tainui Fisheries Limited, Director** Waste Management NZ Limited, Director WMNZ Holdings Limited, Director
Mark Verbiest	Director, Meridian Energy Limited	GNS/NIWA, independent Convenor Fonterra Independent Assessment Panel, Member Summerset Group Holdings Limited, Chair Willis Bond & Co Limited, adviser to Property Income Fund Limited

* Entries added by directors and effective during the year ended 30 June 2025.

** Entries removed by directors during the year ended 30 June 2025.

^ Amalgamated with South Port NZ Limited 18 June 2025

Particulars of entries in the interests register made during the accounting period – subsidiaries

In accordance with sections 140 and 211(1)(e) and (2) of the Companies Act 1993, the table lists the general disclosures of interest by directors of Meridian Energy Limited's subsidiaries.

NAME	POSITION	DISCLOSURES
Neal Barclay ^{*^}	Employee – Chief Executive	Meridian Energy Limited
Mike Roan ^{*^}	Employee – Chief Financial Officer	Meridian Energy Limited
Jason Woolley ^{*^}	Employee – General Counsel	Meridian Energy Limited
Jason Stein [^] (director of Dam Safety Intelligence Limited)	Employee – Chief People Officer	Meridian Energy Limited
Guy Waipara [^] (director of Kōkako SPV Limited)	Employee – GM, Development	Meridian Energy Limited
Bharat Ratanpal [^] (director of Flux-UK Limited)	Employee – Chief Information Officer and Interim Chief Executive of Flux Federation Limited	Meridian Energy Limited
Nicola Kennedy [^] (director of Flux-UK Limited)	Employee – Chief Executive	Flux Federation Limited
Rush Bhatt (director of Flux-UK Limited)	Employee – Chief Financial Officer	Flux Federation Limited

* This person is a director of more than one Meridian Energy Limited subsidiary, see the 'Meridian subsidiaries' section above.

^ This person has equity holdings in Meridian Energy Limited. See also 'Executive Team equity holdings' below.

During FY25, the following disclosures were made in accordance with section 148 of the Companies Act 1993.

DIRECTOR	NATURE OF RELEVANT INTEREST	DATE	ACQUISITION/DISPOSAL	CLASS	NUMBER ACQUIRED*	CONSIDERATION RECEIVED PER SHARE
David Carter	Beneficial interest	7 May 2025	Acquisition	Shares	6,000	\$5.83
Michelle Henderson	Beneficial interest	26 March 2025	Acquisition – Dividend Reinvestment Plan	Shares	75*	\$5.37
Julia Hoare	Legal interest	20 September 2024	Acquisition – Dividend Reinvestment Plan	Shares	184	\$5.96
	Legal interest	26 March 2025	Acquisition – Dividend Reinvestment Plan	Shares	88	\$5.37
Nagaja Sanatkumar	Beneficial interest	29 May 2025	Acquisition	Shares	8,950*	\$5.58
Tania Simpson	Beneficial interest	4 September 2024	Acquisition	Shares	2,148	\$6.04
	Beneficial interest	26 March 2025	Acquisition – Dividend Reinvestment Plan	Shares	74*	\$5.37
	Beneficial interest	31 March 2025	Acquisition	Shares	1,407*	\$5.67
Mark Verbiest	Beneficial interest	20 September 2024	Acquisition – Dividend Reinvestment Plan	Shares	1,245	\$5.94
	Beneficial interest	26 March 2025	Acquisition – Dividend Reinvestment Plan	Shares	585	\$5.37

* Rounded to the nearest whole number.

Directors' indemnity and insurance

Pursuant to section 162 of the Companies Act 1993, as permitted by Meridian's Constitution, Deeds of Indemnity have been given to directors for potential liabilities and costs they might incur for actions or omissions in their capacity as directors. From 1 May 2025, Meridian's directors' and officers' liability insurance was renewed to cover risks normally covered by such policies. Insurance is not provided for dishonest, fraudulent, malicious or wilful acts or omissions.

Donations

The Meridian Energy Group made donations totalling \$2,244,298 during FY25. Meridian does not make donations to political parties. All donations must be approved by the Board.

Auditor

Meridian's auditor is the Auditor-General who has appointed Anthony Smith of Deloitte Limited to carry out the audit of Meridian Energy Ltd and its subsidiaries on behalf of the Auditor-General.

The fees for other assurance, agreed upon procedures and other services by Deloitte Limited during FY25 totalled \$0.3 million (FY24: \$0.3 million) and included limited assurance of sustainability reporting (\$0.2 million) and other services (\$0.1 million) which included \$66,822 (FY24: \$11,000) for cyber security services and \$14,000 (FY24: \$14,000) for administrative and other advisory services to the Corporate Taxpayers Group of which Meridian, alongside a number of other organisations, is a member.

Interests in Meridian securities

In accordance with NZX Listing Rule 3.7.1(d), as at 30 June 2025 Meridian Energy Limited directors had the following relevant interests in Meridian Energy Limited Quoted Financial Products:

DIRECTOR	NUMBER OF SHARES*	NUMBER OF BONDS
David Carter	24,000	100,000
Graham Cockroft	40,000	-
Michelle Henderson	7,409*	-
Julia Hoare	8,678	-
Nagaja Sanatkumar	17,720*	-
Tania Simpson	8,769*	-
Mark Verbiest	51,658	-

* Rounded to the nearest whole number.

Executive Team equity holdings

As at 30 June 2025, the Executive Team had relevant interests in Meridian Energy Limited shares as follows:

EXECUTIVE TEAM	NUMBER OF SHARES	UNVESTED PERFORMANCE SHARE RIGHTS
Neal Barclay	609,017	166,150
Rory Blundell	2,702	35,072
Lisa Hannifin	44,993	144,552
Tania Palmer	52,134	145,302
Helen Peters	2,150	35,072
Bharat Ratanpal	20,547	113,614
Mike Roan	264,298	185,096
Claire Shaw	34,428	105,000
Jason Stein	82,621	144,406
Guy Waipara	312,928	149,802
Jason Woolley	21,243	110,884

Twenty largest registered holders of Quoted Financial Products as at the balance date

This table lists the company's 20 largest registered shareholders as at 30 June 2025.

NAMES	NUMBER OF SHARES	% OF ISSUED SHARES
THE SOVEREIGN IN RIGHT OF NEW ZEALAND ACTING BY AND THROUGH THEIR MINISTER OF FINANCE AND MINISTER FOR STATE OWNED ENTERPRISES	1,335,576,835	51.01
HSBC NOMINEES (NEW ZEALAND) LIMITED – NZCSD	162,430,020	6.20
HSBC NOMINEES (NEW ZEALAND) LIMITED A/C STATE STREET – NZCSD	141,851,316	5.41
JP MORGAN CHASE BANK NA NZ BRANCH–SEGREGATED CLIENTS ACCT – NZCSD	115,458,129	4.41
CUSTODIAL SERVICES LIMITED	86,931,013	3.32
BNP PARIBAS NOMINEES (NZ) LIMITED – NZCSD	82,473,103	3.15
CITIBANK NOMINEES (NEW ZEALAND) LIMITED – NZCSD	73,703,752	2.81
ACCIDENT COMPENSATION CORPORATION – NZCSD	46,722,927	1.78
HSBC NOMINEES A/C NZ SUPERANNUATION FUND NOMINEES LIMITED – NZCSD	35,386,673	1.35
TEA CUSTODIANS LIMITED CLIENT PROPERTY TRUST ACCOUNT – NZCSD	34,087,755	1.30
JBWERE (NZ) NOMINEES LIMITED	27,387,227	1.04
FORSYTH BARR CUSTODIANS LIMITED	23,514,977	0.89
NEW ZEALAND DEPOSITORY NOMINEE LIMITED	23,031,979	0.87
BNP PARIBAS NOMINEES (NZ) LIMITED – NZCSD	19,063,516	0.72
ANZ WHOLESALE AUSTRALASIAN SHARE FUND – NZCSD	14,935,699	0.57
SIMPLICITY NOMINEES LIMITED – NZCSD	14,457,870	0.55
FNZ CUSTODIANS LIMITED	12,557,500	0.47
GENERATE KIWISAVER PUBLIC TRUST NOMINEES LIMITED – NZCSD	12,063,904	0.46
PT (BOOSTER INVESTMENTS) NOMINEES LIMITED	10,591,949	0.40
JBWERE (NZ) NOMINEES LIMITED	7,877,445	0.30

* Held through New Zealand Central Securities Depository Limited (NZCSD). NZCSD provides a custodial service that allows electronic trading of securities by its members.

This table lists the company's 20 largest registered holders of MELO60 retail fixed-rate bonds as at 30 June 2025.

NAMES	NUMBER OF BONDS	% OF ISSUED BONDS
CUSTODIAL SERVICES LIMITED	45,911,000	22.95
FORSYTH BARR CUSTODIANS LIMITED	33,364,000	16.68
JBWERE (NZ) NOMINEES LIMITED	19,536,000	9.76
FNZ CUSTODIANS LIMITED	18,996,000	9.49
HSBC NOMINEES (NEW ZEALAND) LIMITED – NZCSD	12,300,000	6.15
BNP PARIBAS NOMINEES (NZ) LIMITED – NZCSD	8,144,000	4.07
QUEEN STREET NOMINEES ACF PIE FUNDS – NZCSD	4,800,000	2.40
INVESTMENT CUSTODIAL SERVICES LIMITED	4,477,000	2.23
SOUTHLAND BUILDING SOCIETY – NZCSD	3,800,000	1.90
FORSYTH BARR CUSTODIANS LIMITED	2,949,000	1.47
NZX WT NOMINEES LIMITED	2,675,000	1.33
HSBC NOMINEES (NEW ZEALAND) LIMITED A/C STATE STREET – NZCSD	2,020,000	1.01
MT NOMINEES LIMITED – NZCSD	1,700,000	0.85
ANZ FIXED INTEREST FUND – NZCSD	1,695,000	0.84
FNZ CUSTODIANS LIMITED	1,508,000	0.75
JBWERE (NZ) NOMINEES LIMITED	1,500,000	0.75
ANZ WHOLESALE NZ FIXED INTEREST FUND – NZCSD	1,500,000	0.75
PIN TWENTY LIMITED	1,400,000	0.70
ADMINIS CUSTODIAL NOMINEES LIMITED	1,388,000	0.69
JPMORGAN CHASE BANK NA NZ BRANCH–SEGREGATED CLIENTS ACCT – NZCSD	1,200,000	0.60

* Held through New Zealand Central Securities Depository Limited (NZCSD). NZCSD provides a custodial service that allows electronic trading of securities by its members.

This table lists the company's 20 largest registered holders of MELO70 retail fixed-rate bonds as at 30 June 2025.

NAMES	NUMBER OF BONDS	% OF ISSUED BONDS
CUSTODIAL SERVICES LIMITED	85,064,000	28.35
FORSYTH BARR CUSTODIANS LIMITED	36,595,000	12.19
NZPT CUSTODIANS (GROSVENOR) LIMITED – NZCSD	24,430,000	8.14
BNP PARIBAS NOMINEES (NZ) LIMITED – NZCSD	22,754,000	7.58
FNZ CUSTODIANS LIMITED	21,259,000	7.08
TEA CUSTODIANS LIMITED CLIENT PROPERTY TRUST ACCOUNT – NZCSD	15,270,000	5.09
GENERATE KIWISAVER PUBLIC TRUST NOMINEES LIMITED – NZCSD	10,714,000	3.57
ANZ FIXED INTEREST FUND – NZCSD	9,420,000	3.14
JBWERE (NZ) NOMINEES LIMITED	8,663,000	2.88
ANZ WHOLESALE NZ FIXED INTEREST FUND – NZCSD	7,270,000	2.42
HSBC NOMINEES (NEW ZEALAND) LIMITED – NZCSD	7,000,000	2.33
CITIBANK NOMINEES (NEW ZEALAND) LIMITED – NZCSD	6,770,000	2.25
FORSYTH BARR CUSTODIANS LIMITED	4,715,000	1.57
NZX WT NOMINEES LIMITED	3,651,000	1.21
HSBC NOMINEES (NEW ZEALAND) LIMITED A/C STATE STREET – NZCSD	2,900,000	0.96
INVESTMENT CUSTODIAL SERVICES LIMITED	2,776,000	0.92
JBWERE (NZ) NOMINEES LIMITED	2,689,000	0.89
DUNEDIN CITY COUNCIL	2,070,000	0.69
MT NOMINEES LIMITED – NZCSD	1,590,000	0.53
CUSTODIAL SERVICES LIMITED	1,447,000	0.48

* Held through New Zealand Central Securities Depository Limited (NZCSD). NZCSD provides a custodial service that allows electronic trading of securities by its members.

Substantial security holder

The following information is given pursuant to section 293 of the Financial Markets Conduct Act 2013 (FMCA). According to notice given pursuant to section 280 of the FMCA, the substantial security holder in the company and its relevant interests as at the date of the notice are noted in the table. The total number of voting products in the class as at 30 June 2025 was 2,617,864,096.¹³

ORDINARY SHARES	RELEVANT INTEREST IN NUMBER OF SHARES	% OF SHARES HELD AT THE DATE OF NOTICE	DATE OF NOTICE
The Sovereign in Right of New Zealand	1,321,595,587	51.01	6 July 2015

¹³ As at 30 June 2025, the total number of ordinary shares was 2,615,469,348, which excludes 2,394,748 ordinary shares held by Meridian as treasury stock.

Distribution of shareholders and holdings as at 30 June 2025

This table provides information on the distribution of shareholders and holdings of Meridian Energy Limited ordinary shares as at 30 June 2025.

SIZE OF HOLDING	NUMBER OF HOLDERS	%	NUMBER OF SHARES	HOLDING QUANTITY %
1 to 1,000	7,733	19.42	5,048,771	0.19
1,001 to 5,000	19,127	48.03	51,525,945	1.96
5,001 to 10,000	7,023	17.63	52,633,196	2.01
10,001 to 50,000	5,401	13.56	103,799,037	3.97
50,001 to 100,000	347	0.87	24,028,225	0.92
100,001 to 500,000	137	0.34	25,611,333	0.98
> 500,000	60	0.15	2,355,217,589	89.97
Total	39,828	100	2,617,864,096	100

This table provides information on the distribution of MEL060 retail fixed-rate bonds as at 30 June 2025.

SIZE OF HOLDING	NUMBER OF BONDHOLDERS	% OF BONDHOLDERS	NUMBER OF BONDS	% OF BONDS
1,001 to 5,000	30	5.79	150,000	0.08
5,001 to 10,000	134	25.87	1,237,000	0.62
10,001 to 50,000	239	46.14	5,798,000	2.90
50,001 to 100,000	49	9.46	3,746,000	1.87
100,001 to 500,000	33	6.37	7,498,000	3.75
>500,000	33	6.37	181,571,000	90.78
Total	518	100	200,000,000	100

This table provides information on the distribution of MEL070 retail fixed-rate bonds as at 30 June 2025.

SIZE OF HOLDING	NUMBER OF BONDHOLDERS	% OF BONDHOLDERS	NUMBER OF BONDS	% OF BONDS
1,001 to 5,000	19	6.17	95,000	0.03
5,001 to 10,000	40	12.99	383,000	0.13
10,001 to 50,000	151	49.02	4,443,000	1.48
50,001 to 100,000	36	11.69	2,741,000	0.91
100,001 to 500,000	35	11.36	8,806,000	2.94
>500,000	27	8.77	283,532,000	94.51
Total	308	100	300,000,000	100

Waivers from NZX

On 31 January 2020, NZX Regulation published a waiver decision in respect of Listing Rules 5.2.1 and 8.1.5, which re-documented a prior waiver decision dated 18 September 2013. A copy of this waiver decision and a summary of all waivers granted and published by the NZX or relied on by Meridian during the 12 months preceding 30 June 2025 are available on Meridian's website.



Non-standard designation

In New Zealand, Meridian Energy Limited has a 'non-standard' (NS) designation on the NZX Main Board. This is due to particular provisions of the company's Constitution, including requirements that regulate the ownership and transfer of Meridian securities. The NS designation is also required as a condition of any NZX waivers and approvals.

Credit rating as at 30 June 2025

S&P Global Ratings reaffirmed Meridian Energy Limited's credit rating of BBB+/Stable/A-2 on 19 July 2024.

Registration as a foreign company

Meridian has registered with the Australian Securities and Investments Commission as a foreign company and has been issued with an Australian Registered Body Number of 151 800 396.

ASX disclosures

Meridian holds a foreign exempt listing on the ASX. As a requirement of admission, Meridian must make the following disclosures:

- Meridian's place of incorporation is New Zealand.
- Meridian is not subject to Chapters 6, 6A, 6B and 6C of the Australian Corporations Act dealing with the acquisition of shares (including substantial holdings and takeovers).

Shareholding restrictions

The Public Finance Act 1989 was amended in June 2012 to include restrictions on the ownership of certain types of security issued by each mixed ownership model company (including Meridian) and the consequences of breaching those restrictions. The Constitution incorporates these restrictions and mechanisms for monitoring and enforcing them.

A summary of the restrictions on the ownership of shares under the Public Finance Act and the Constitution is set out below. If the company issues any other class of shares, or other securities confer voting rights, in the future, the restrictions summarised below will also apply to those other classes of shares or voting securities.

51 percent holding

The Crown must hold at least 51 percent of the shares on issue.

The company must not issue, acquire or redeem any shares if such issue, acquisition or redemption would result in the Crown's holding falling below this 51 percent holding.

10 percent Limit

No person (other than the Crown) may have a 'relevant interest'¹⁴ in more than 10 percent of the shares on issue (10 percent Limit).

The company must not issue, acquire, redeem or transfer any shares if it has actual knowledge that such issue, acquisition, redemption or transfer will result in any person other than the Crown exceeding the 10 percent Limit.

Ascertaining whether a breach has occurred

If a holder of shares breaches the 10 percent Limit or knows or believes

that a person who has a relevant interest in shares held by that holder may have a relevant interest in shares in breach of the 10 percent Limit, the holder must notify the company of the breach or potential breach.

Meridian may require a holder of shares to provide the company with a statutory declaration if the Board knows or believes that a person is, or is likely to be, in breach of the 10 percent Limit. That statutory declaration is required to include, where applicable, details of all persons who have relevant interests in shares as a result of the shares held by or on behalf of that holder.

Determining whether a breach has occurred

The company has the power to determine whether a breach of the 10 percent Limit has occurred. In broad terms, if:

- the company considers that a person may be in breach of the 10 percent Limit, or
- a holder of shares fails to lodge a statutory declaration when required to do so or lodges a declaration that has not been completed to the reasonable satisfaction of the company.

¹⁴ In broad terms, a person has a 'relevant interest' in a share if the person (a) is the registered holder or beneficial owner of the share or (b) has the power to exercise, or control the exercise of, a right to vote attached to the share or has the power to acquire or dispose of, or to control the acquisition or disposition of, that share. A person may also have a 'relevant interest' in a share in which another person has a 'relevant interest' depending on the nature of the relationship between them.

Meridian is required to determine whether or not the 10 percent Limit has been breached and, if so, whether or not that breach was inadvertent. The company must give the affected shareholder the opportunity to make representations to the company before it makes a determination on these matters.

Effect of exceeding the 10 percent Limit

A person who is in breach of the 10 percent Limit must:

- comply with any notice that they receive from the company requiring them to dispose of shares or their relevant interest in shares, or take any other steps that are specified in the notice, for the purpose of remedying the breach and reducing their holding below the 10 percent Limit
- ensure that they are no longer in breach within 60 days after the date on which they became aware, or ought to have been aware, of the breach. If the breach is not remedied within that timeframe, the company may arrange for the sale of the relevant number of shares on behalf of the relevant shareholder. In those circumstances the company will pay the net proceeds of sale, after the deduction of any other costs incurred in connection with the

sale (including brokerage and the costs of investigating the breach of the 10 percent Limit), to the relevant shareholder as soon as practicable after the sale has been completed.

If a relevant interest is held in any shares in breach of the 10 percent Limit, then for as long as that breach continues:

- no votes may be cast directly by a shareholder in respect of any of the shares in which a relevant interest is held in excess of the 10 percent Limit
- a registered holder of shares in which a relevant interest is held in breach of the 10 percent Limit will not be entitled to receive, in respect of the shares in which a relevant interest is held in excess of the 10 percent Limit, any dividend or other distribution authorised by the Board in respect of the shares.

However, if the Board determines that a breach of the 10 percent Limit was not inadvertent, or that it does not have sufficient information to determine that the breach was not inadvertent, the restrictions on voting and entitlement to receive dividends and other distributions described in the preceding paragraphs will apply in respect of all of the shares (as applicable) held by the relevant

shareholder or holder (and not just the shares in which a relevant interest is held in excess of the 10 percent Limit).

The Board may refuse to register a transfer of shares if it knows or believes that the transfer will result in a breach of the 10 percent Limit or where the transferee has failed to lodge a statutory declaration requested from it by the Board within 14 days of the date on which the company gave notice to the transferee to provide such statutory declaration.

Crown directions

The Crown has the power to direct the Board to exercise certain of the powers conferred on it under the Constitution. For example, where the Crown suspects that the 10 percent Limit has been breached but the Board has not taken steps to investigate the suspected breach, the Crown may require the company to investigate whether a breach of the 10 percent Limit has occurred or to exercise a power of sale of the relevant share that has arisen as described under the heading 'Effect of exceeding the 10 percent Limit' above.

Trustee corporations and nominee companies

Trustee corporations and nominee companies (that hold securities on behalf of a large number of separate

underlying beneficial holders) are exempt from the 10 percent Limit provided that certain conditions are satisfied.

Share cancellation

In certain circumstances, shares can be cancelled by Meridian through a reduction of capital, share buyback or other form of capital reconstruction approved by the Board and, where applicable, shareholders.

NZX Corporate Governance Code

Meridian complied with the NZX Corporate Governance Code recommendations in all material respects during FY25, other than in respect of Recommendation 3.6, as the Board has determined, given Meridian's status as a mixed ownership model company, it is not appropriate or necessary for Meridian to adopt a takeover protocol, although there are protocols to ensure compliance with the Constitution. Meridian has a separate Corporate Governance Statement available on its website. The Corporate Governance Statement outlines in detail Meridian's compliance with the NZX Corporate Governance Code and is current as at 26 August 2025.



CORPORATE GOVERNANCE STATEMENT
bit.ly/4nAPfmL

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Financial performance

IMAGE
Waitaki Power Station

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KEY



Key judgements and estimates



Risks

Comprehensive Income Statement

For the year ended 30 June 2025

	NOTE	2025 \$M	2024 \$M
Operating revenue	A2	4,835	4,856
Operating expenses	A3	(3,636)	(4,102)
Depreciation and amortisation	B1, B2	(447)	(334)
Asset related adjustments	B3	(33)	(18)
Net change in fair value of energy hedges	D2	(1,247)	253
Interest expense	C6	(84)	(69)
Interest income		5	12
Net change in fair value of treasury hedges	D2	(12)	(4)
Net profit/(loss) before tax		(619)	594
Tax (expense)/benefit	E1	167	(165)
Net profit/(loss) after tax		(452)	429
Items that may be reclassified to profit and loss			
Change in cash flow hedge reserve (net of tax)		(5)	(5)
Items that will not be reclassified to profit and loss			
Change in asset revaluation reserve (net of tax)	S2, B1	1,518	2,269
Comprehensive income		1,061	2,693
Earnings per share (cents) – basic and diluted	C3	(17.4)	16.6

Statement of Cash Flows

For the year ended 30 June 2025

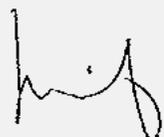
	NOTE	2025 \$M	2024 \$M
Operating activities			
Receipts from customers		4,983	4,614
Interest received		5	12
Payments to suppliers and employees		(4,388)	(3,719)
Interest paid		(87)	(80)
Tax paid		(195)	(160)
Operating cash flows	E5	318	667
Investing activities			
Sale of subsidiaries		–	8
Purchase of property, plant and equipment		(143)	(281)
Purchase of intangible assets		(41)	(40)
Purchase of other assets		(7)	(14)
Investing cash flows		(191)	(327)
Financing activities			
Borrowings drawn	C5	531	467
Borrowings repaid	C5	(363)	(360)
Dividends paid	C4	(387)	(436)
Shares purchased for long-term incentive	C2	(6)	(2)
Financing cash flows		(225)	(331)
Net cash flows		(98)	9
Cash at the beginning of year		221	212
Cash at the end of year	C7	123	221

Balance Sheet

As at 30 June 2025

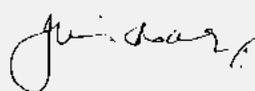
	NOTE	2025 \$M	2024 \$M
Current assets			
Cash and cash equivalents	C7	123	221
Trade receivables	E2	406	536
Financial instruments	D2	65	233
Tax receivable		14	–
Other assets		72	61
Total current assets		680	1,051
Non-current assets			
Property, plant and equipment	B1	14,032	12,192
Intangible assets	B2	47	62
Financial instruments	D2	183	224
Other assets		32	14
Total non-current assets		14,294	12,492
Total assets		14,974	13,543

For and on behalf of the Board of Directors who authorised the issue of the financial statements on 26 August 2025.



Mark Verbiest
Chair

26 August 2025



Julia Hoare
Chair, Audit and Risk Committee

26 August 2025

	NOTE	2025 \$M	2024 \$M
Current liabilities			
Payables and accruals	E6	401	596
Borrowings	C5	369	237
Financial instruments	D2	265	86
Tax payable		–	85
Total current liabilities		1,035	1,004
Non-current liabilities			
Payables and accruals	E6	55	62
Borrowings	C5	1,200	1,140
Financial instruments	D2	496	142
Deferred tax	E1	3,268	2,949
Total non-current liabilities		5,019	4,293
Total liabilities		6,054	5,297
Shareholders' equity			
Share capital	C2	1,884	1,729
Reserves		7,036	6,517
Total shareholders' equity		8,920	8,246
Total liabilities and equity		14,974	13,543

Statement of Changes in Equity

For the year ended 30 June 2025

\$M	NOTE	SHARE CAPITAL	SHARE OPTION RESERVE	ASSET REVALUATION RESERVE	CASH FLOW HEDGE RESERVE	RETAINED EARNINGS	TOTAL EQUITY
Balance as at 1 July 2023		1,700	3	5,879	5	(1,600)	5,987
Net profit/(loss) after tax		–	–	–	–	429	429
Change in asset revaluation reserve (net of tax)	B1, S2	–	–	2,269	–	–	2,269
Change in cash flow hedge reserve (net of tax)		–	–	–	(5)	–	(5)
Recycling of asset revaluation reserve (net of tax, where applicable)		–	–	(3)	–	5	2
Share-based transactions	C2, E7	(2)	–	–	–	1	(1)
Dividend reinvestment plan	C4	31	–	–	–	–	31
Dividends paid/reinvested	C4	–	–	–	–	(466)	(466)
Balance as at 30 June 2024		1,729	3	8,145	–	(1,631)	8,246
Net profit/(loss) after tax		–	–	–	–	(452)	(452)
Change in asset revaluation reserve (net of tax)	B1, S2	–	–	1,518	–	–	1,518
Change in cash flow hedge reserve (net of tax)		–	–	–	(5)	–	(5)
Recycling of asset revaluation reserve (net of tax, where applicable)		–	–	(6)	–	8	2
Share-based transactions	C2, E7	(2)	2	–	–	(2)	(2)
Dividend reinvestment plan	C4	157	–	–	–	–	157
Dividends paid/reinvested	C4	–	–	–	–	(544)	(544)
Balance as at 30 June 2025		1,884	5	9,657	(5)	(2,621)	8,920

About this report

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IN THIS SECTION

The notes to the financial statements include information which is considered relevant and material to assist the reader in understanding changes in Meridian’s financial position or performance. Information is considered relevant and material if:

- the amount is significant because of its size and nature;
- it is important for understanding the results of Meridian;
- it helps to explain changes in Meridian’s business; or
- it relates to an aspect of Meridian’s operations that is important to future performance.

These financial statements are for Meridian Energy Limited (Meridian), its subsidiaries, controlled entities and joint arrangements (Group).

Meridian is a for-profit entity domiciled in and registered under the Companies Act 1993 in New Zealand. It is a Financial Markets Conduct (FMC) reporting entity for the purposes of the Financial Markets Conduct Act 2013. Meridian is dual listed on the New Zealand Stock Exchange (NZX) and the Australian Securities Exchange (ASX). As a mixed ownership company, majority owned by His Majesty the King in Right of New Zealand, it is bound by the requirements of the Public Finance Act 1989.

These financial statements have been prepared:

- in accordance with Generally accepted Accounting practice (GAAP) in New Zealand and comply with IFRS Accounting Standards ('IFRS') and New Zealand equivalents to IFRS Accounting Standards ('NZ IFRS'), as appropriate for a for-profit entity;
- in accordance with the requirements of the Financial Markets Conduct Act 2013;

- on the basis of historical cost, modified by revaluation of certain assets and liabilities;
- in millions of New Zealand dollars (NZD), unless otherwise noted;
- with certain comparative amounts reclassified to conform to current period presentation; and
- using accounting policies as provided throughout the notes to the financial statements.

Basis of consolidation

The Group financial statements comprise the financial statements of Meridian and its subsidiaries and controlled entities, outlined in Note E4 Group structure.

The financial statements of members of the Group are prepared for the same reporting period as the parent company, using consistent accounting policies.

In preparing the Group financial statements, all material intra-group transactions, balances, income and expenses have been eliminated.

Subsidiaries are consolidated from the date on which control is obtained to the date on which control is lost.



Key judgements and estimates

In the process of applying the Group’s accounting policies and application of accounting standards, Meridian has made a number of judgements and estimates. The estimates and underlying assumptions are based on historical experience and various other factors that are considered to be appropriate under the circumstances. Actual results may differ from these estimates.

Judgements and estimates which are considered material to understanding the performance of Meridian are found in the following notes:

- Note A2: Operating revenue
- Note B1: Property, plant and equipment
- Note D2: Treasury and energy hedges

Non-GAAP measures

IN THIS SECTION

This section contains explanations of non-GAAP measures that are used within the notes to the financial statements.

Meridian uses non-GAAP financial measures within these financial statements and accompanying notes. The limited use of non-GAAP measures is intended to supplement GAAP measures to provide readers with further information to broaden their understanding of Meridian's financial performance and position. They are not a substitute for GAAP measures.

As these measures are not defined by NZ GAAP, IFRS, or any other body of accounting standards, Meridian's calculations may differ from similarly titled measures presented by other companies. The measures are described here, including references to relevant notes to the financial statements.

EBITDAF

EBITDAF stands for earnings before interest, tax, depreciation, amortisation, unrealised changes in fair value of hedges and asset related adjustments.

EBITDAF allows the evaluation of Meridian's operating performance without the non-cash impact of depreciation, amortisation, unrealised fair value movements of hedging instruments and other one-off or infrequently occurring events and the effects of Meridian's capital structure and tax position. This allows the reader to compare operating performance with that of other electricity industry companies.

Meridian uses this measure within Note A1 Segment performance.

Energy margin

Energy margin provides a measure of financial performance that, unlike total revenue, accounts for the variability of the wholesale electricity market and the broadly offsetting impact of wholesale prices on the cost of Meridian's retail electricity purchases and revenue from generation.

Meridian uses the measure of energy margin within Note A1 Segment performance.

Net debt

Net debt is a metric commonly used by investors as a measure of Meridian's indebtedness that takes account of liquid financial assets.

Meridian uses this measure within Note C1 Capital management.

S. Significant matters in the year

IN THIS SECTION

This section outlines significant matters that have impacted Meridian's financial position and performance.

S1 New Zealand Aluminium Smelters (NZAS)

As detailed in the 2024 Integrated Report, the new NZAS contracts starting 3 July 2024 cause a significant change in how income, expenses, assets and liabilities are classified within these financial statements. The main changes are as follows:

- the main contract with NZAS changes from being an executory contract to being a financial instrument (derivative); and
- the demand response agreement (DRA) changes from being a derivative to an executory contract with an associated embedded derivative recognised.

The table below notes where the NZAS related income, expense and balance sheet values are presented, for the current and comparative periods.

	2025 \$M	2024 \$M
Profit and loss		
Operating revenue	–	175
Operating expense	(151)	(854)
Net change in fair value of energy hedges	(901)	(19)
Balance Sheet		
Financial instruments – current asset	–	23
Financial instruments – non-current asset	15	33
Financial instruments – current liability	(104)	–
Financial instruments – non-current liability	(409)	(74)
Payables and accruals	(14)	(95)

S2 Revaluation of generation structures and plant

Within property, plant and equipment, generation structures and plant are carried at fair value for financial reporting purposes. Revaluations are performed with sufficient regularity to ensure that carrying value does not differ materially from that which would be determined using fair values at balance date.

At 30 June 2025, a valuation of Meridian's generation structures and plant assets has been undertaken to determine the fair value of the assets as at this date. The valuation has resulted in a net increase of \$2,108 million (2024: increase of \$3,152 million). The increase in value is driven mainly by the change in price forecast and a reduction in Meridian's Weighted Average Cost of Capital (WACC).

Management calculates a valuation on which the Board's ultimate decision is based. The valuation is set using discounted cashflow (DCF) analysis and assumes NZAS continues to operate until 31 December 2044.

Refer to Note B1 Property, plant and equipment for more information.

A. Financial performance

IN THIS SECTION

This section provides an analysis of Meridian's financial performance for the year by key area including operating segments, operating revenue and operating expenses.

AI Segment performance

The Chief Executive (the chief operating decision-maker) monitors the operating performance of each segment for the purpose of making decisions on resource allocation and strategic direction. The Chief Executive considers the business according to the nature of the products and services, as set out below:

Wholesale

- Generation of electricity and its sale into the wholesale electricity market.
- Purchase of electricity from the wholesale electricity market and its sale to the Retail segment and to large industrial customers, including NZAS, representing the equivalent of 24% (2024: 37%) of Meridian's generation production.
- Development of renewable electricity generation opportunities.

Retail

- Retailing of electricity and complementary products through two brands, Meridian and Powershop.
- Electricity sold to residential, business and industrial customers on fixed price variable volume contracts is purchased from the Wholesale segment at an average annual fixed (transfer) price of \$137 per megawatt hour (MWh) (2024:\$133 per MWh). The transfer price is set in a similar manner to transactions with third parties.
- Electricity sold to business and industrial customers on spot (variable price) agreements is purchased from the Wholesale segment at prevailing wholesale spot market prices.
- Agency margin from spot sales is included within "Contracted sales, net of distribution costs".

Other and unallocated

- Other operations, that are not considered reportable segments, include licensing of the Flux Federation Limited (Flux) developed electricity retailing platform.
- Activities and centrally based costs that are not directly allocated to other segments.

The financial performance of the operating segments is assessed using energy margin and EBITDAF (for definitions see the Non-GAAP measures page) before unallocated central corporate expenses. Balance sheet items are not reported to the Chief Executive at an operating segment level.

A1 SEGMENT PERFORMANCE CONTINUED

	WHOLESALE		RETAIL		OTHER AND UNALLOCATED		INTER-SEGMENT		TOTAL	
	2025 \$M	2024 \$M	2025 \$M	2024 \$M	2025 \$M	2024 \$M	2025 \$M	2024 \$M	2025 \$M	2024 \$M
Contracted sales, net of distribution costs and hedging	672	633	1,431	1,363	-	-	-	-	2,103	1,996
Cost to supply customers, net of hedging	(3,669)	(3,487)	(1,357)	(1,326)	-	-	1,510	1,507	(3,516)	(3,306)
Net cost of other hedges	76	285	-	-	-	-	-	-	76	285
Generation spot revenue, net of hedging	2,337	2,319	-	-	-	-	-	-	2,337	2,319
Inter-segment electricity sales	1,510	1,507	-	-	-	-	(1,510)	(1,507)	-	-
Virtual asset swap margins	(14)	(9)	-	-	-	-	-	-	(14)	(9)
Other market revenue/(costs)	(5)	(9)	1	-	-	-	-	-	(4)	(9)
Energy margin (refer to reconciliation on next page)	907	1,239	75	37	-	-	-	-	982	1,276
Other revenue	5	4	22	18	34	23	(9)	(9)	52	36
Hosting expense	-	-	-	-	(4)	(4)	-	-	(4)	(4)
Energy transmission expense	(78)	(73)	-	-	-	-	-	-	(78)	(73)
Energy metering expenses	-	-	(52)	(49)	-	-	-	-	(52)	(49)
Gross margin	834	1,170	45	6	30	19	(9)	(9)	900	1,186
Employee expenses	(33)	(31)	(37)	(38)	(54)	(65)	-	-	(124)	(134)
Other operating expenses	(79)	(67)	(42)	(40)	(52)	(48)	8	8	(165)	(147)
EBITDAF (refer to reconciliation on next page)	722	1,072	(34)	(72)	(76)	(94)	(1)	(1)	611	905
Depreciation and amortisation	-	-	-	-	-	-	-	-	(447)	(334)
Asset related adjustments	-	-	-	-	-	-	-	-	(33)	(18)
Net change in fair value of energy hedges (refer to reconciliation on next page)	-	-	-	-	-	-	-	-	(659)	102
Interest expense	-	-	-	-	-	-	-	-	(84)	(69)
Interest income	-	-	-	-	-	-	-	-	5	12
Net change in fair value of treasury hedges	-	-	-	-	-	-	-	-	(12)	(4)
Net profit/(loss) before tax	-	-	-	-	-	-	-	-	(619)	594
Tax (expense)/benefit	-	-	-	-	-	-	-	-	167	(165)
Net profit/(loss) after tax	-	-	-	-	-	-	-	-	(452)	429

A1 SEGMENT PERFORMANCE CONTINUED

RECONCILIATION OF ENERGY MARGIN	NOTE	2025 \$M	2024 \$M
Energy sales to customers	A2	2,429	2,487
Generation revenue	A2	2,354	2,333
Energy expenses	A3	(2,396)	(2,956)
Energy distribution expenses	A3	(817)	(739)
Realised energy hedges (refer below)		(588)	151
Energy margin		982	1,276
RECONCILIATION OF EBITDAF	NOTE		
Operating revenue	A2	4,835	4,856
Operating expense	A3	(3,636)	(4,102)
Realised energy hedges (refer below)		(588)	151
EBITDAF		611	905
RECONCILIATION OF NET CHANGE IN FAIR VALUE OF ENERGY HEDGES			
Realised energy hedges shown within energy margin (refer above)		(588)	151
Unrealised changes in the fair value of energy hedges (as noted on previous page)		(659)	102
Net change in fair value of energy hedges in profit and loss		(1,247)	253

A2 Operating revenue

	2025 \$M	2024 \$M
Energy sales to customers	2,429	2,487
Generation revenue	2,354	2,333
Energy related services revenue	11	11
Other revenue	41	25
Total operating revenue	4,835	4,856

All revenue was generated in New Zealand.

Energy sales to customers

Revenue received or receivable from residential, business and industrial customers. This revenue is influenced by customer contract sales prices and their demand for electricity.

Generation revenue

Revenue received from electricity generated and sold into wholesale markets. This revenue is influenced by the quantity of generation and the wholesale spot prices. It is recognised at the time of generation.



Key judgements and estimates – operating revenue

Energy consumption

Meridian exercises judgement in estimating retail energy sales, where customer meters are unread at balance date. These estimates of customer energy usage in the unread period are based on the customers' historical consumption patterns.

Revenue is recognised at the time of supply and customer consumption. Elements of the sale price, such as discounts, credits given to customers, and incremental costs incurred obtaining (or retaining) a customer contract are deferred to customer

contract assets on a portfolio basis. These asset balances are then released to the profit and loss over the contract tenure.

Discounts and payment terms

Where a discount is offered, revenue is initially recognised net of estimated discount based on accumulated experience used to estimate the amount of discounts taken by customers.

There are no significant differences between the payment terms and this policy.

A3 Operating expenses

	2025 \$M	2024 \$M
Energy expenses	2,396	2,956
Energy distribution expenses	817	739
Energy transmission expenses	78	73
Energy metering expense	52	49
Hosting expenses	4	4
Employee expenses	124	134
Other expenses	165	147
Total operating expenses	3,636	4,102

Energy expenses

The cost of energy purchased from wholesale markets to supply customers and related charges and services. Energy expenses are influenced by quantity and timing of customer consumption and wholesale spot prices.

Energy distribution expenses

The cost of distribution companies transporting energy between where energy is transmitted/stored and customer locations.

Energy transmission expenses

Meridian's share of the cost of the high voltage direct current (HVDC) link between the North and South Islands of New Zealand and the cost of connecting Meridian's generation sites to the national grid by grid providers.

Energy metering expenses

The cost of meters, meter reading and data gathering of retail customer energy consumption.

Employee expenses

Provisions are made for benefits owing to employees in respect of wages and salaries, annual leave, long service leave and employee incentives for services rendered. Provisions are recognised when it is probable they will be settled and can be measured reliably. They are carried at the remuneration rate expected to apply at the time of settlement.

Contributions to defined contribution plans were \$5 million in 2025 (2024: \$5 million).

Other expenses

Primarily relate to information technology services, maintenance of generation plant assets, business service contractors, and various operational and administrative costs incurred in the normal course of business.

B. Assets used to generate and sell electricity

IN THIS SECTION

This section shows the core tangible and intangible assets Meridian uses in the production and sale of energy to generate operating revenue.

B1 Property, plant and equipment

\$M	GENERATION STRUCTURES AND PLANT, AT FAIR VALUE	BATTERY ENERGY SYSTEMS, AT COST	LAND AND BUILDINGS, AT COST	OTHER PLANT AND EQUIPMENT, AT COST	RIGHT OF USE LEASE ASSETS, AT COST	WORK IN PROGRESS, AT COST	TOTAL
Cost or fair value	8,334	–	55	139	35	544	9,107
Less: accumulated depreciation	–	–	(6)	(99)	(11)	(2)	(118)
Net book value at 30 June 2023	8,334	–	49	40	24	542	8,989
Additions	–	–	–	–	7	368	375
Transfers – work in progress	426	–	11	12	–	(449)	–
Adjustment of right of use lease assets	–	–	–	–	(3)	–	(3)
Disposals	(10)	–	(4)	(3)	–	–	(17)
Revaluation, taken to the asset revaluation reserve	3,152	–	–	–	–	–	3,152
Depreciation expense	(293)	–	(1)	(8)	(2)	–	(304)
Net book value at 30 June 2024	11,609	–	55	41	26	461	12,192
Cost or fair value	11,609	–	60	120	39	461	12,289
Less: accumulated depreciation ¹⁵	–	–	(5)	(79)	(13)	–	(97)
Net book value at 30 June 2024	11,609	–	55	41	26	461	12,192
Additions	–	–	–	–	–	165	165
Transfers – work in progress	96	190	15	28	–	(329)	–
Adjustment of right of use lease assets	–	–	–	–	1	–	1
Disposals	(4)	–	–	–	(1)	–	(5)
Revaluation, taken to the asset revaluation reserve	2,108	–	–	–	–	–	2,108
Depreciation expense	(415)	(1)	(1)	(10)	(2)	–	(429)
Net book value at 30 June 2025	13,394	189	69	59	24	297	14,032
Cost or fair value	13,394	190	75	143	38	297	14,137
Less: accumulated depreciation ¹⁵	–	(1)	(6)	(84)	(14)	–	(105)
Net book value at 30 June 2025	13,394	189	69	59	24	297	14,032

If generation structures and plant were carried at historical cost less accumulated depreciation and accumulated impairment losses, their carrying amount would be approximately \$1.3 billion (2024: \$1.4 billion).

¹⁵ Includes the reversal of accumulated depreciation on generation structures and plant at revaluation date.

B1 PROPERTY, PLANT AND EQUIPMENT CONTINUED**Recognition and measurement**

Generation structures and plant assets are carried at fair value at the date of revaluation. All other property, plant and equipment classes are carried at cost, less accumulated depreciation and any accumulated impairment losses.

In 2025, Meridian introduced a new fixed asset class, Battery Energy Storage Systems (BESS), to reflect the distinct nature of its first BESS asset at Ruakākā Energy Park. This class is measured at cost less accumulated depreciation and includes assets that store and discharge electricity to the grid for security of supply, rather than generating electricity.

Fair value and revaluation of generation structures and plant

Revaluations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair values at balance date. Meridian uses DCF analysis to establish a valuation range on which the Board's ultimate valuation decision is based.

Any increase arising on revaluation is credited to the asset revaluation reserve, except if it reverses a revaluation decrease for the same asset previously recognised in profit and loss. In that case the increase is credited to the profit and loss to the extent of the decrease previously charged. A decrease arising

on revaluation is charged to other comprehensive income to the extent it exceeds the balance held in the revaluation reserve (if any) relating to a previous revaluation of that asset.

Accumulated depreciation at revaluation date is eliminated against the gross carrying amount, so that the carrying amount after revaluation represents the revalued amount.

Asset additions to generation structures and plant are recorded at cost, which is considered fair value, including costs directly attributable to bringing the asset to the location and condition necessary for its intended purpose.

Where a generation asset is partly completed over a reporting period, revaluation is only applied to the completed portion of the generation asset. Value relating to uncompleted assets remains in work in progress and is held at cost.

Meridian performed a valuation assessment of its generation structure and plant assets at 30 June 2025. The revaluation resulted in a net increase in carrying value of \$2,108 million (2024: increase of \$3,152 million). The impact of the revaluation was recognised in the asset revaluation reserve.

As a consequence of the revaluation, accumulated depreciation on revalued assets was reset to nil with no impact to depreciation expense.

Depreciation

Depreciation of property, plant and equipment assets, other than freehold land, is calculated on a straight-line basis. This allocates the cost or fair value amount of an asset, less any residual value, over its estimated remaining useful life.

Useful lives

Meridian uses its judgement in determining the remaining useful lives and residual value of assets, which are:

- generation structures and plant – up to 80 years;
- battery energy systems – up to 25 years;
- buildings – up to 67 years;
- other plant and equipment – up to 20 years; and
- right of use lease assets – up to 25 years.

The residual value and useful lives are reviewed, and, if appropriate, adjusted at each balance date.

Disposals or retirement

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in profit and loss. Any balance attributable to the disposed asset in the asset revaluation reserve is transferred to retained earnings.

B1 PROPERTY, PLANT AND EQUIPMENT CONTINUED



Key judgements and estimates – Generation structures and plant valuation techniques and key inputs

The Board uses its judgement to decide on the appropriateness of key valuation techniques and inputs for fair value measurement. Judgement is also used in determining the estimated remaining useful lives of assets. As the valuation of generation structures and plant utilises some unobservable (non-market data) inputs, it is classified as Level 3 under Meridian’s fair value hierarchy as defined in Note D1 Financial risk management.

Meridian uses DCF analysis to establish a valuation range. The DCF methodology involves calculating

the present value of future cash flows expected to be produced over a projection period, including forecast revenues, forecast future generation output, current and forecast reconsementing costs and NZAS continuing to operate until 31 December 2044.

The DCF valuation was prepared using a 35 year projection period (2024: 35 year time period) in line with the New Zealand Treasury forward inflation curve.

In the 2025 financial year, Meridian revised its discounted cash flow

valuation methodology for generation assets to incorporate tax depreciation. This change provides a more representative view of forecast cash flows which resulted in a decrease in asset valuations of approximately \$900 million.

Meridian has a mature modelling framework which is a forward looking, long-term analysis of the fundamentals underpinning the New Zealand wholesale electricity market. This modelling framework includes forward-looking climate change

impacts, both physical in nature (such as hydrological seasonality and variability) and transitional (such as energy demand changes as New Zealand decarbonises). As part of the valuation process, Meridian ensures that the inputs used are in line with the anticipated impacts identified as part of its climate-related risk and opportunity assessment.

The table below describes the key valuation inputs and their sensitivity to changes.

KEY INPUT TO MEASURE FAIR VALUE	DESCRIPTION	2025			2024		
		RANGE OF UNOBSERVABLE INPUTS	SENSITIVITY	IMPACT ON VALUATION (\$M)	RANGE OF UNOBSERVABLE INPUTS	SENSITIVITY	IMPACT ON VALUATION (\$M)
Future wholesale electricity prices	Time weighted average price at nodes (TWAP)	\$83MWh to \$192MWh between FY26 and FY60 (in real terms)	+ \$3MWh - \$3MWh	462 (462)	\$68MWh to \$129MWh between FY25 and FY59 (in real terms)	+ \$3MWh - \$3MWh	444 (444)
Generation volume	Annual generation production	12,285 GWh p.a. to 12,785 GWh p.a.	+ 250GWh - 250GWh	426 (426)	13,232 GWh p.a. to 13,732 GWh p.a.	+ 250GWh - 250GWh	333 (333)
Operating expenditure (excluding energy purchase costs or transmission charges)	Meridian’s cost of operations	Inflated at appropriate escalation rates	+ \$10M - \$10M	(137) 137	Inflated at appropriate escalation rates	+ \$10M - \$10M	(134) 134
WACC	The discount rate considers the time value of money and relative risk of achieving the cash flow forecast	7.32%	+0.50% -0.50%	(1,032) 1,230	7.68%	+0.75% -0.75%	(1,187) 1,523

Sensitivities show the movement in fair value as a result of a change in each input (keeping all other inputs constant).

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B2 Intangible assets

\$M	SOFTWARE
Cost	236
Less: accumulated amortisation	(163)
Net book value at 30 June 2023	73
Additions	37
Impairment	(18)
Amortisation expense	(30)
Net book value at 30 June 2024	62
Cost	263
Less: accumulated amortisation	(201)
Net book value at 30 June 2024	62
Additions	36
Impairment	(33)
Amortisation expense	(18)
Net book value at 30 June 2025	47
Cost	277
Less: accumulated amortisation	(230)
Net book value at 30 June 2025	47

Software

Acquired software costs (that are not considered an integral part of related hardware) are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Additionally, costs directly associated with the production of identifiable and unique software products that will generate economic benefits beyond one year are also recognised as intangible assets.

Capitalised software costs are amortised over their estimated useful lives on a straight-line basis.

The impairment expense recognised in the current year relates to Flux, following Meridian's decision to transition to a new billing platform. As a result, the existing platform is expected to be decommissioned over the next 12 months.

Prior year impairment expense was in relation to Flux's billing platform and the Flux Board's decision to refocus global efforts back to the Australasian market.

Useful lives

Meridian uses its judgement in determining the remaining useful lives and residual value of intangible assets, which are:

- electricity retail platform – up to one year;
- generation control – up to ten years; and
- other software – up to three years.

These are reviewed, and, if appropriate, adjusted at each balance date.

B3 Asset related adjustments

ASSET RELATED ADJUSTMENTS	NOTE	2025 \$M	2024 \$M
Impairment expense	B2	33	18
Loss on sale of property, plant and equipment		6	8
Valuation adjustment of investments		(8)	–
Gain on sale of subsidiaries		–	(8)
Other expenses		2	–
Total		33	18

Impairment of non-financial assets

Meridian reviews the recoverable amount of its tangible and intangible assets at balance date. Assets are grouped into cash-generating units with separately identifiable cash flows. The recoverable amount is the higher of an asset's fair value less costs to sell, and present value of future cash flows expected to be generated by the assets (also known as value in use). If the carrying value of an asset exceeds the recoverable amount, an impairment expense is recognised in profit and loss. For assets that are revalued refer to Note B1 Property, plant and equipment for specific treatment. The current year impairment expense mostly relates to software assets, refer to Note B2 Intangible assets for more information.

C. Managing funding

IN THIS SECTION

This section summarises Meridian's capital position, returns to shareholders, borrowing and receivables.

C1 Capital management

Capital risk management objectives

Meridian's objective when managing capital is to provide appropriate returns to shareholders whilst maintaining a capital structure that safeguards its ability to remain a going concern and optimise the cost of capital.

Capital is defined as the combination of shareholders' equity, reserves and net debt. Meridian manages its capital through various means, including:

- adjusting the amount of dividends paid to shareholders;
- raising or returning capital; and
- raising or repaying debt.

Meridian regularly monitors its capital requirements using various measures which consider debt facility financial covenants and credit ratings. The key measures are net debt to EBITDAF and interest cover. The principal external measure is Meridian's credit rating from Standard & Poor's.

Meridian is in full compliance with debt facility financial covenants.

	NOTE	2025 \$M	2024 \$M
Share capital	C2	1,884	1,729
Retained earnings		(2,621)	(1,631)
Other reserves		9,657	8,148
Shareholders equity		8,920	8,246
Add: drawn borrowings	C5	1,531	1,361
Less: cash and cash equivalents	C7	(123)	(221)
		1,408	1,140
Net capital		10,328	9,386
	NOTE	2025 \$M	2024 \$M
Net debt to EBITDAF			
Drawn borrowings	C5	1,531	1,361
Less: cash and cash equivalents	C7	(123)	(221)
Add back: restricted cash	C7	97	134
Net debt (A)		1,505	1,274
EBITDAF (B)		611	905
Net debt to EBITDAF multiple (A/B)		2.5	1.4
	NOTE	2025 \$M	2024 \$M
EBITDAF Interest cover			
EBITDAF (B)	A1	611	905
Interest expense on borrowings (C)	C6	92	85
EBITDAF interest cover multiple (B/C)		6.6	10.6
Standard & Poor's rating		BBB+	BBB+

C2 Share Capital

SHARE CAPITAL	SHARES	2025 \$M	SHARES	2024 \$M
Shares issued	2,617,864,096	1,897	2,590,459,452	1,738
Treasury shares held	(2,394,748)	(13)	(1,865,008)	(9)
Share capital	2,615,469,348	1,884	2,588,594,444	1,729

All shares issued are fully paid and have equal voting rights. All shares participate equally in any dividend distribution or any surplus on the winding up of the company.

The movement in shares issued relates to the dividend reinvestment plan. Refer to Note C4 Dividends for more information.

The movement in treasury shares relates to the purchase and issue of shares to participants in the long-term equity settled incentive plan for senior executives (refer to Note E7 Share-based payments) and for hedging of the Long-Term Incentive (LTI) scheme.

C3 Earnings per share

BASIC AND DILUTED EARNINGS PER SHARE (EPS)	2025	2024
Net profit/(loss) after tax (\$M)	(452)	429
Weighted average number of shares used in the calculation of EPS	2,604,161,774	2,587,596,787
Basic and diluted EPS (cents per share)	(17.4)	16.6

C4 Dividends

DIVIDENDS DECLARED AND PAID	2025 \$M	2024 \$M
Interim dividend 2025: 6.15 cps (cents per share) (2024: 6.15 cps)	160	159
Final dividend 2024: 14.85 cps (2023: 11.90 cps)	384	307
Total dividend expense	544	466

DIVIDENDS DECLARED AND NOT RECOGNISED AS A LIABILITY

Final ordinary dividend 2025 14.85 cps (2024: 14.85 cps)	388	384
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IMPUTATION CREDIT BALANCE

Imputation credits available for future use at 30 June 2025	108	83
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On 26 August 2025 the Board declared a partially imputed final ordinary dividend of 14.85 cps.

Imputation credit balance

Imputation credits allow Meridian to pass on to its shareholders the benefit of the New Zealand income tax it has paid by attaching imputation credits to the dividends it pays, reducing the shareholders' net tax obligations.

Dividend Reinvestment Plan (DRP)

Meridian operates a DRP under which shareholders can elect to receive dividends in additional shares rather than cash.

For the September 2024 final dividend payment, new shares were issued at a 2% discount to the prevailing market price of Meridian shares around the time of issue. Meridian investors were issued 18,204,174 new shares with a value of \$108 million (2024: 3,838,342 shares with a value of \$19 million).

For the March 2025 interim dividend payment, new shares were issued at a 2% discount to the prevailing market price of Meridian shares around the time of issue. Meridian investors were issued 9,200,470 new shares with a value of \$49 million (2024: 1,886,988 shares with a value of \$11 million).

Shares issued in lieu of cash are excluded from dividends paid in the Statement of Cash Flows.

C5 Borrowings

BORROWINGS	2025 \$M	2024 \$M
Commercial paper ¹⁶	164	25
Drawn bank facilities ¹⁷	243	–
Retail bonds ¹⁸	500	700
Export credit agency (EKF) facility ¹⁹	10	20
Lease liabilities ²⁰	28	30
US private placement notes ²¹	586	586
Drawn borrowings	1,531	1,361
Deferred financing costs	(2)	(2)
Fair value adjustment on hedged borrowings	40	18
Total carrying value of borrowings	1,569	1,377
of which		
Current	369	237
Non-current	1,200	1,140
Total carrying value of borrowings	1,569	1,377
MOVEMENTS IN BORROWINGS	2025 \$M	2024 \$M
Opening borrowings	1,377	1,263
Borrowings drawn	531	467
Borrowings repaid	(360)	(357)
Lease liabilities repaid	(3)	(3)
Changes in fair value adjustments on hedged borrowings	24	(3)
Movements due to changes in foreign exchange rates	(1)	4
Non-cash changes in lease liabilities	1	6
Closing borrowings	1,569	1,377

16 Commercial paper comprises senior unsecured short-term debt obligations paying a fixed rate of return over a set period of time.

17 Drawn bank facilities bear interest at the relevant market floating rate plus a margin.

18 Retail bonds listed on the NZX and are senior unsecured debt bearing interest rates of 5.91% and 5.40% (2024: 4.21%, 5.91% and 5.40%).

19 The EKF facility is an unsecured amortising loan provided by the official export credit agency of Denmark, for the construction of the Te Uku Wind Farm.

20 The weighted average discount rate applied in the calculation of lease liabilities is 4.20% (2024: 4.10%).

21 US private placement notes are unsecured fixed rate bonds issued in the United States private placement market.

Borrowings, measurement and recognition

Borrowings are recognised initially at the fair value of the drawn facility amount (net of any transaction costs paid) and are subsequently held at amortised cost using the effective interest method. Any borrowings which have been designated as hedged items (USD borrowings) are carried at amortised cost plus a fair value adjustment under hedge accounting requirements – refer to Note D3 Hedge accounting for more information. Any borrowings denominated in foreign currency are retranslated to functional currency at each reporting date. Any retranslation effect is included in the “Fair value adjustment on hedged borrowings” row in the table, along with any amounts relating to fair value hedge adjustments.

Meridian uses cross-currency interest rate swaps (CCIRS) to manage its exposure to interest rates and borrowings sourced in foreign currency. More information on Meridian’s risk management and hedge accounting practices can be found in Section D Financial instruments used to manage risk.

Security

Meridian borrows under a negative pledge arrangement, which does not permit it to grant any security interest over its assets, unless it is an exception permitted within the negative pledge.

Fair value of items held at amortised cost

Within borrowings there are longer dated instruments which are not in hedge accounting relationships. As at year-end, the fair value of these borrowings are \$21 million higher than the carrying value (2024: \$1 million higher). This relates to the fixed rate Retail bonds. Fair value is calculated using a DCF analysis and the resultant balances are classified as level 2 within the fair value hierarchy as detailed in Note D Financial instruments used to manage risk. Carrying value approximates fair value for all other instruments within borrowings.

Green debt

All borrowing other than leases are Green debt under Meridian’s Green Finance Program. Meridian remains compliant with all requirements of the program.

Undrawn facilities

As at 30 June 2025, Meridian had \$910 million of bank facilities of which \$253 million were drawn (2024: \$645m of bank facilities of which \$20 million were drawn).

Lease liabilities

Lease liabilities relate to property and a connection to the national electricity grid. Lease liabilities are initially recognised at the present value of expected future lease payments and subsequently held at amortised cost. Refer to Note B1 Property plant and equipment for details of the related right of use assets.

C6 Interest expense

INTEREST EXPENSE	2025 \$M	2024 \$M
Interest on borrowings	93	85
Interest on other liabilities	–	1
Less: capitalised interest	(9)	(17)
Total interest expense	84	69

Interest expense

Interest expense includes \$2 million relating to lease liabilities (2024: \$2 million). Meridian capitalises interest expense relating to building new assets. The average rate used to determine the amount of borrowing costs eligible for capitalisation was 5.74% (2024: 5.53%).

C7 Cash and cash equivalents

CASH AND CASH EQUIVALENTS	2025 \$M	2024 \$M
Cash on hand	26	87
Restricted cash	97	134
Cash and cash equivalents	123	221

Restricted cash

Meridian trades energy hedges on the ASX using a broker. As a result, cash is placed on deposit with the broker to cover margin requirements, the sum of which varies depending on market price movements and contracts held.

All other cash and cash equivalent balances are available for immediate use.

D. Financial instruments used to manage risk

IN THIS SECTION

This section summarises the financial (hedging) instruments Meridian uses to manage risk.

D1 Financial risk management

Meridian's activities expose it to a variety of financial risks. Meridian's financial risk management framework focuses on the unpredictability of financial markets and wholesale energy markets. The Board approves policies including Group Treasury, Energy Hedging and Credit Policies which set appropriate principles and risk tolerance levels to guide management in carrying out financial risk management activities to minimise potential adverse effects on the financial performance and economic value of the Group. The key risks managed are discussed further in this section.

In order to help balance certain risk exposures, Meridian uses a variety of financial instruments (hedges). Hedges are categorised as either "Treasury" or "Energy" related, based on their underlying nature. A small number of treasury hedges are designated in hedge accounting relationships (refer to Note D3 Hedge accounting for more information). Meridian does not enter into speculative trades.

Financial instrument recognition

Meridian designates or classifies financial hedging instruments as:

- Fair value hedge, hedges of the fair value of recognised assets or liabilities or a firm commitment; or
- Cash flow hedge, hedges of a particular cash flow associated with a recognised asset or liability or a highly probable forecast transaction; or
- Held for trading, financial instruments which have not been designated in a hedging relationship.

Meridian accounts for derivative and certain designated financial instruments as fair value through profit and loss.

Hedges are initially recognised at fair value on the dates the contracts are agreed and are subsequently remeasured on a periodic basis. Remeasurement is recognised in profit and loss except for effective cash flow hedges.

Fair value changes are recognised in profit and loss as "Net change in the fair value of energy hedges" or "Net change in fair value of treasury hedges", depending on the underlying business nature of the hedge.

Calculation of fair value for financial instruments

Meridian uses quoted prices and/or DCF analysis to calculate fair values for financial instruments. Fair value measurements are grouped within a three-level fair value hierarchy based on the observability of inputs to the valuation process:

- Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at reporting date;
- Level 2: inputs include either directly (i.e. as prices) or indirectly (i.e. derived from prices) observable inputs other than quoted prices included in Level 1; and
- Level 3: inputs that are not based on observable market data (i.e. unobservable inputs).

Meridian has a number of energy hedges that require management estimation and judgement in order to generate a fair value at each reporting date. These estimates can have a significant risk of material adjustment in future periods. This is discussed in more detail later in this section.

D1 FINANCIAL RISK MANAGEMENT CONTINUED


Credit risk

Meridian is exposed to the risk of default in relation to energy sales to wholesale and retail customers, hedging instruments, guarantees and deposits held with banks and other financial institutions.

For retail customers, credit checks are carried out before new customers are accepted. The credit team oversees the collection of receivables and works with customers to minimise the chances of bad debts occurring. Management monitors the size and nature of retail customer exposures on a regular basis and acts to mitigate the risk if deemed to exceed acceptable levels.

For banks and financial institutions, only independently related parties with a minimum rating of 'A' are accepted.

For wholesale customers, individual credit limits are set based on internal or external credit ratings in accordance with limits set by the Board. Where customers are not independently credit rated, an assessment of credit quality is made, taking into account financial position, past experience and other relevant factors. If appropriate, letters of credit/guarantees are obtained from counterparties to reduce credit risk to acceptable levels. These assessments and the utilisation of credit limits and security provided by wholesale customers are reviewed and monitored by the Chief Financial Officer.

The carrying amounts of financial assets recognised on the balance sheet best represent Meridian's maximum likely exposure to credit risk at the date of this report.


Liquidity risk

Meridian is exposed to the dynamic nature of energy markets and weather patterns, which can affect liquidity.

Meridian ensures flexibility in funding by maintaining committed surplus credit lines available of at least \$200 million. This helps ensure Meridian has sufficient headroom under both normal and abnormal hydrological conditions.

Meridian manages its borrowing requirements on a portfolio basis. To reduce concentration risk on any one lender or funding type, Meridian uses a range of different funding sources and currencies. Meridian also monitors contractual maturities and ensures these are well spaced (or laddered) so that refinancing risks are manageable.

In addition to borrowings, Meridian has entered into a number of letters of credit and guarantee arrangements which provide credit support of \$300 million for Meridian's general operations (2024: \$200 million). Meridian indemnifies the obligations of the bank in respect of the letters of credit and performance guarantees issued by the bank to counterparties of Meridian.

D1 FINANCIAL RISK MANAGEMENT CONTINUED

Liquidity risk – contractual maturities

The following tables are an analysis of the contractual undiscounted cash flows (settlements expected under the contracts) relating to financial liabilities and a reconciliation from total undiscounted cash flows to carrying amounts. Meridian expects to meet its future obligations from operating cash flows and borrowings.

2025 \$M	DUE WITHIN 1 YEAR	DUE IN 1 TO 2 YEARS	DUE IN 3 TO 5 YEARS	DUE AFTER 5 YEARS	TOTAL UNDISCOUNTED CASH FLOWS	IMPACT OF OTHER NON-CASH ITEMS	IMPACT OF INTEREST/ FX DISCOUNTING	CARRYING VALUE
Borrowings, comprised of:								
Borrowings	433	266	813	307	1,819	(2)	(276)	1,541
Lease liabilities	3	7	6	25	41	–	(13)	28
Payables and accruals	401	12	14	118	545	–	(89)	456
Financial instruments, comprised of:								
Treasury hedges	14	7	7	–	28	–	(4)	24
Energy hedges	253	88	55	589	985	–	(248)	737
	1,104	380	895	1,039	3,418	(2)	(630)	2,786

2024 \$M	DUE WITHIN 1 YEAR	DUE IN 1 TO 2 YEARS	DUE IN 3 TO 5 YEARS	DUE AFTER 5 YEARS	TOTAL UNDISCOUNTED CASH FLOWS	IMPACT OF OTHER NON-CASH ITEMS	IMPACT OF INTEREST/ FX DISCOUNTING	CARRYING VALUE
Borrowings, comprised of:								
Borrowings	301	66	703	630	1,700	(3)	(350)	1,347
Lease liabilities	3	7	7	28	45	–	(15)	30
Payables and accruals	596	10	18	126	750	–	(92)	658
Financial instruments, comprised of:								
Treasury hedges	23	1	5	–	29	–	(1)	28
Energy hedges	65	35	48	115	263	–	(63)	200
	988	119	781	899	2,787	(3)	(521)	2,263

D1 FINANCIAL RISK MANAGEMENT CONTINUED


Market risk

Meridian is involved in energy and financial markets and as such is exposed to rises and falls in those markets and the subsequent income statement volatility this can cause. The main sub-types of market risk that Meridian is exposed to are discussed below.

Commodity price risk

Meridian trades in the wholesale energy markets and so is exposed to volatility in forward energy prices.

Being both a generator and a retailer of energy means that Meridian has a natural hedge for most of the exposure to future energy prices.

Meridian also uses derivatives to help manage its net energy position, some of which are traded in quoted markets, and some of which are traded directly with other energy market participants. Energy hedges are not placed in hedge accounting relationships.

Foreign exchange risk

Meridian is exposed to foreign exchange risk arising from sales and procurement of goods and services denominated in foreign currencies and also from borrowings raised in foreign currencies.

For exposures resulting from Meridian's general operations, foreign exchange spot or forward contracts are used to fix the value in reporting currency terms. Material items may be placed in hedge accounting relationships and can be either fair value hedges or cash flow hedges, depending on the nature of the transaction/underlying exposure.

For borrowings raised in US dollars (USD), CCIRS are used to convert the proceeds back to functional currency. These derivatives minimise foreign exchange risk on both the notional and the coupon flows over the life of the debt. CCIRS are placed in both fair value and cash flow hedge accounting relationships.

Interest rate risk

Meridian is exposed to interest rate risk arising from its borrowings, which are a mix of fixed and floating rate debt.

Meridian issues debt on both a fixed and a floating basis and is thus exposed to changes in interest rates over time. A portfolio of interest rate swaps (IRS) is used to manage the net exposure to interest rate risk, in line with a Board approved hedging policy and profile. Refer to the Foreign exchange area of this section for derivatives used for term debt raised in foreign currencies.

Meridian swaps a significant portion of its borrowings to floating rates at loan inception, and hedges the resulting interest rate exposure over a tenure based profile of fixed IRS. This is achieved using a combination of CCIRS and IRS hedges. Where Meridian borrows in foreign currency it uses CCIRs to swap all foreign currency denominated interest and principal repayments to the reporting currency. This results in floating rate borrowings in the entity's reporting currency. Meridian uses IRS hedges to fix floating interest rates in line with the Board approved hedging policy and profile.

Climate risk

Meridian is exposed to future changes in climate, which may impact on our industry, our business and our customers.

Future impacts may be physical, such as changes in weather patterns or rising temperatures, or they may be more transitional in nature, such as amendments to government policy and regulation, or changes in customer energy needs and demands. Meridian actively assesses the operating environment in New Zealand, in respect of the potential future impacts that changes in climate may have on Meridian. We report on this process each year in our Climate-related Disclosure, which can be found on our corporate website at meridianenergy.co.nz/sustainability.

As part of preparing this report, Meridian considers climate-related risk and whether it may have any impact on our financial statements and associated disclosures. The most material area we see climate risk potentially having a future impact is on our valuation of generation structures, which we account for at fair value. Refer to Note B1 Property, plant and equipment for more information on this including a sensitivity analysis indicating how much their value may change with variations in key inputs, such as generation volumes and wholesale market prices.

D2 Treasury and energy hedges

Meridian groups its financial instrument into two categories – treasury hedges and energy hedges.

	FAIR VALUE ON THE BALANCE SHEET			
	2025		2024	
	ASSETS \$M	LIABILITIES \$M	ASSETS \$M	LIABILITIES \$M
Treasury hedges	75	(24)	77	(28)
Energy hedges	173	(737)	380	(200)
Total financial instruments	248	(761)	457	(228)
of which:				
Current	65	(265)	233	(86)
Non-current	183	(496)	224	(142)
Total financial instruments	248	(761)	457	(228)

Further disclosure and analysis of these two categories are noted on the following pages.

D2 TREASURY AND ENERGY HEDGES CONTINUED

Treasury hedges

Hedges in the treasury category relate to management of the interest rate risk and foreign exchange risk that arise from Meridian's funding activities and from general Group operations. The hedge instruments used are CCIRS, IRS and forward exchange contracts (FX).

TREASURY HEDGES	LEVEL	FAIR VALUE ON THE BALANCE SHEET				FAIR VALUE MOVEMENTS IN PROFIT AND LOSS		OUTSTANDING AGGREGATE NOTIONAL PRINCIPALS ²²	
		2025		2024		2025	2024	2025	2024
		ASSETS \$M	LIABILITIES \$M	ASSETS \$M	LIABILITIES \$M	\$M	\$M	\$M	\$M
CCIRS									
Interest rate risk ²³		(28)	(1)	(39)	(13)	-	-		
Basis and margin risk ²⁴		-	(2)	-	(1)	-	-		
Foreign exchange risk ²⁵		70	-	71	-	-	-		
	2	42	(3)	32	(14)	-	-	586	586
IRS ²⁶	2	33	(16)	44	(14)	(12)	(4)	1,660	1,475
FX ²⁷	2	-	(5)	1	-	-	-	107	38
Treasury hedges		75	(24)	77	(28)	(12)	(4)		

²² These cover multiple legs including offsetting legs and maturities out to 2034.

²³ Interest rate risk: this is the movement in value of the CCIRS due to changes in benchmark interest rates. The other side of this movement is recorded in profit and loss in the "Net change in fair value of treasury instruments", together with changes in the fair value hedge adjustments on the designated USD borrowings.

²⁴ Basis and margin risk: this is the movement in the value of the CCIRS due to changes in basis (excluding foreign exchange) and credit margin. The other side of this movement is recorded in profit and loss in the "Net change in fair value of treasury instruments", together with cash flow hedge accounting adjustments that transfer effective hedge portions to the Cash Flow Hedge Reserve within Equity.

²⁵ Foreign exchange risk: this is the movement in value of the CCIRS due to changes in spot foreign exchange rates. The impact of retranslation is recorded in profit and loss in "Net change in fair value of treasury instruments" and is offset by equal and opposite retranslation effects on the related borrowings.

²⁶ Changes in fair value of IRS are recognised in profit and loss within "Net change in fair value of treasury instruments".

²⁷ Changes in fair value of FX contracts are recognised in profit and loss within "Net change in fair value of treasury instruments", together with any cash flow hedge accounting adjustments that transfer effective hedge portions to the Cash Flow Hedge Reserve within Equity.

Meridian uses CCIRS to hedge risks involved with borrowings issued in USD. In the table to the left the CCIRS are separated into component parts with further detail in the footnotes.

In the treasury hedges table, fair value movements in profit and loss are shown net of any related hedge accounting adjustments and retranslation of foreign currency borrowings.

Refer to Note D3 Hedge accounting for more information on fair value and cash flow hedge relationships.

Treasury hedges – sensitivity analysis

The table below summarises the impact of changes in significant inputs (assuming all other variables are held constant) on the valuation of treasury hedges and therefore on Meridian's profit after tax and equity.

Changes in the fair value of the CCIRS are fully offset by opposite impacts from hedge accounting entries and the FX retranslation of the USD debt. Therefore, the CCIRS sensitivity is nil and is not shown in the table below.

The majority of FX hedges are designated in cash flow hedge relationships. Changes in spot exchange rates are fully offset by opposite impacts from hedge accounting entries in the profit and loss, therefore for these contracts the sensitivity is nil.

SENSITIVITY	IMPACT ON PROFIT AFTER TAX & EQUITY		
	2025 \$M	2024 \$M	
Interest rates			
New Zealand benchmark bill rate	-100 basis points (bps)	(18)	(9)
	+100 bps	16	8
Foreign exchange rates			
Effect of movement in foreign exchange rates on foreign exchange contracts	-20%	-	-
	+20%	-	-

D2 TREASURY AND ENERGY HEDGES CONTINUED

Energy hedges

Hedges in the energy category relate to management of risks arising from the generation, purchase and sale of energy. These hedges are generally longer-term, larger volume contracts that manage specific risks that cannot be managed through exchange-based markets.

Meridian is exposed to changes in the spot price of electricity it receives for electricity generated, or pays to buy electricity to supply customers. Additionally, inflows into Meridian's storage lakes are variable, therefore the volume of electricity required to supply customers may exceed (or fall short of) generation production.

Meridian's hedging strategy focuses on its net exposure by estimating both expected generation and energy purchases required to support contracted sales. Execution of this strategy is guided by Board approved parameters. Changes in the fair value of energy hedges are recognised in profit and loss within "Net change in fair value of energy hedges". Hedge accounting is not applied to energy hedges.

"Market traded energy hedges" contains instruments that are traded on exchange-based markets.

"Other energy hedges" contains over-the-counter (OTC) derivatives with other energy market participants. These hedges are generally contracts for difference (CFDs).

"Energy options" contains OTC derivatives with other energy market participants. These are used to support the management of inflow and storage variability in the catchments where Meridian generates electricity.

"NZAS" contain two instruments, the 20-year CFD through which Meridian provides NZAS with a fixed price for part of its energy consumption, and an embedded derivative value in respect of the NZAS DRA, where the embedded derivative measures the expected forward impact of inflationary changes on the DRA.

ENERGY HEDGES	LEVEL	FAIR VALUE ON THE BALANCE SHEET				FAIR VALUE MOVEMENTS IN PROFIT AND LOSS		OUTSTANDING AGGREGATE NOTIONAL VOLUMES ²⁸	
		2025		2024		2025	2024	2025	2024
		ASSETS \$M	LIABILITIES \$M	ASSETS \$M	LIABILITIES \$M	\$M	\$M	GWh	GWh
Market traded energy hedges	1	7	(121)	79	(15)	(261)	53	18,058	19,459
Other energy hedges	3	99	(103)	152	(111)	(79)	154	6,617	6,046
Energy options	3	52	-	93	-	(6)	65	637	952
NZAS	3	15	(513)	56	(74)	(901)	(19)	64,458	68,180
Total energy hedges		173	(737)	380	(200)	(1,247)	253		

28 These cover multiple legs including offsetting legs and maturities out to 2044.

D2 TREASURY AND ENERGY HEDGES CONTINUED

Energy hedges – sensitivity analysis

The table below summarises the impact of changes in significant inputs (assuming all other variables are held constant) on the valuation of energy hedges and therefore on Meridian's after tax profit and equity.

ENERGY HEDGES	SENSITIVITY	IMPACT ON PROFIT AFTER TAX & EQUITY	
		2025 \$M	2024 \$M
Energy prices	-10%	182	147
	+10%	(182)	(147)
Discount rates	-100 bps	(26)	(1)
	+100 bps	23	1
Call volumes	-10%	(3)	(6)
	+10%	4	7
Consumer Price Inflation (CPI)	-1%	(72)	(63)
	+1%	76	67
NZAS CPI probability factor	-5%	(13)	(12)
	+5%	14	12

Analysis of net changes in fair value of energy hedges

The table below provides an analysis of the net change in fair value of energy hedges. In Note A1 Segment performance, realised changes in fair value of energy hedges are included in Energy Margin.

\$M	2025					2024				
	MARKET TRADED ENERGY HEDGES	OTHER ENERGY HEDGES	ENERGY OPTIONS	NZAS	TOTAL	MARKET TRADED ENERGY HEDGES	OTHER ENERGY HEDGES	ENERGY OPTIONS	NZAS	TOTAL
Realised net change in fair value of energy hedges	(129)	(63)	40	(436)	(588)	2	135	14	–	151
Unrealised net change in fair value of energy hedges	(132)	(16)	(46)	(465)	(659)	51	19	51	(19)	102
Total net change in fair value of energy hedges	(261)	(79)	(6)	(901)	(1,247)	53	154	65	(19)	253

D2 TREASURY AND ENERGY HEDGES CONTINUED

 Fair value technique and key inputs

In estimating the fair value of an asset or liability, Meridian uses market-observable data to the extent that it is available. The Audit and Risk Committee determines the overall appropriateness of key valuation techniques and inputs for fair value measurement. The Chief Financial Officer explains net changes in fair value in their report to the Board.

Where the fair value of a financial instrument is calculated using DCF analysis, a number of inputs and assumptions are used. These are:

- forward price curves referenced to the ASX for electricity, published market interest rates and published forward foreign exchange rates;
- Meridian's best estimate of energy volumes called over the life of energy options;
- discount rates based on market wholesale interest rate curves, adjusted for counterparty risk;
- calibration factors applied as a consequence of initial recognition differences;
- NZAS continues to operate until 31 December 2044; and
- contracts run their full term.

The table below describes any additional key inputs and techniques used in the valuation of level 3 energy hedges.

FINANCIAL ASSET OR LIABILITY	DESCRIPTION OF INPUT	RANGE OF SIGNIFICANT UNOBSERVABLE INPUTS	RELATIONSHIP OF INPUT TO FAIR VALUE
Other energy hedges and NZAS	Where quoted prices are not available or not relevant (i.e. for long-dated, discounted contracts), Meridian's best estimate of long-term forward wholesale electricity price is used. This is based on a fundamental analysis of expected demand and the cost of new supply and any other relevant wholesale market factors. It takes into account any fixed discount applicable at inception.	\$59/MWh to \$139/MWh (in nominal terms), excludes observable ASX prices (2024: \$56/MWh to \$77MWh)	An increase in the forward wholesale electricity price increases the fair value of buy hedges and decreases the fair value of sell hedges. A decrease in the forward wholesale electricity price has the opposite effect.
NZAS	The NZAS CFD and DRA contain price adjustments for inflation, subject to movements in average annual aluminium price. Actual and forecast CPI, as published by New Zealand Treasury, is used as an input. This is adjusted for the probability of CPI increases applying to the contracts. Meridian assesses probability of CPI increases by historic analysis of aluminium prices.	CPI: 0% – 2%, Probability 57% (2024: CPI: 0%-2%, Probability 54%)	For the CFD, as CPI rises, it's value increases. A decrease in CPI has the opposite effect. For the DRA embedded derivative, as CPI rises, the value decreases. An increase in CPI has the opposite effect.

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D2 TREASURY AND ENERGY HEDGES CONTINUED

Level 3 energy hedge analysis

The following provides a summary of the movements through EBITDAF (as referred to in Note A1 Segment Performance) of net changes in fair value of Level 3 energy hedges.

\$M	2025				2024			
	OTHER ENERGY HEDGES	ENERGY OPTIONS	NZAS	TOTAL	OTHER ENERGY HEDGES	ENERGY OPTIONS	NZAS	TOTAL
Net change in fair value of energy hedges:								
Unrealised changes in fair value	(16)	(46)	(465)	(527)	19	51	(19)	51
Realised changes in fair value	(63)	40	(436)	(459)	135	14	–	149
Total net change in fair value of Level 3 energy hedges	(79)	(6)	(901)	(986)	154	65	(19)	200
Balance at the beginning of the period	41	93	(19)	115	(5)	34	–	29
Net change in fair value in profit and loss	(79)	(6)	(901)	(986)	154	65	(19)	200
Remeasurement	34	(42)	422	414	(108)	(13)	–	(121)
Disposals and derecognition	–	–	–	–	–	(3)	–	(3)
New hedge recognised	–	7	–	7	–	10	–	10
Balance at the end of the year	(4)	52	(498)	(450)	41	93	(19)	115

The net change in fair value of Level 3 energy hedges in 2025 which are held at balance date total (\$523) million (2024: \$45 million).

Financial instruments which are offset

In certain circumstances Meridian offsets the fair value of financial instruments where it has legal agreements in place that permit netting of positions and net settlement.

\$M	2025			2024		
	GROSS VALUE	VALUE OFFSET	CARRYING VALUE	GROSS VALUE	VALUE OFFSET	CARRYING VALUE
Financial instrument assets						
Energy hedges	304	(131)	173	608	(228)	380
Treasury hedges	76	–	76	77	–	77
Total financial instrument assets	380	(131)	249	685	(228)	457
Financial instrument liabilities						
Energy hedges	(868)	131	(737)	(428)	228	(200)
Treasury hedges	(24)	–	(24)	(28)	–	(28)
Total financial instrument liabilities	(892)	131	(761)	(456)	228	(228)
Net financial instruments	(512)	–	(512)	229	–	229

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D3 Hedge accounting

Hedge accounting

Meridian makes use of hedge accounting for USD borrowings, certain highly probable forecast transactions and the financial instruments that are used to economically hedge these exposures. Refer to the start of this section for a description of the key risks Meridian manages.

Meridian only designates hedge accounting relationships where the underlying exposure and the hedge are eligible for hedge accounting and are an economic match, where credit risk is not expected to dominate the fair value of the hedge, and where we expect the hedge relationship to remain effective over its life.

The USD borrowings (hedged items) and the CCIRS (hedging instruments) present Meridian with risks which we account for in the following ways:

Interest rate risk

The USD borrowings are fixed rate liabilities and thus present interest rate risk, should benchmark interest rates change. This risk is neutralised by receiving the same fixed rate on the USD leg of the matching CCIRS. Meridian designates the interest rate risk on USD borrowings in fair value hedge accounting relationships.

This means:

- the carrying value of the USD borrowings are adjusted for changes in the fair value of the hedged risk – noted as “hedge accounting adjustments” in Note C5 Borrowings; and
- the CCIRS are revalued to profit and loss for this same risk.

As long as the hedge accounting relationships remain effective, the revaluations of both the hedged item and hedging instrument should net to a minimal amount in profit and loss. This residual difference is referred to as hedge ineffectiveness.

Note that the accumulated life to date hedge accounting adjustments on the USD borrowing decrease the carrying value of the borrowing by \$29 million (2024: decrease by \$53 million).

Basis and margin risk

The combination of USD borrowings and CCIRS economically results in Meridian having floating rate NZD borrowings. This presents a risk of variability in future cash flows. As such, Meridian designates basis risk (excluding FX) and margin risk into cash flow hedge relationships.

This means:

- the CCIRS are revalued to profit and loss for basis risk and margin risk; and
- the effective portions of the hedge are moved from profit and loss to the Cash Flow Hedge Reserve within Equity.

As noted earlier, there may be small differences between the above entries which result in hedge ineffectiveness in profit and loss.

Refer to:

- Note C5 Borrowings for the carrying value of the hedged items (USD borrowings);
- Note D2 Treasury and energy hedges for further information on the hedging instruments (CCIRS), including notionals and changes in fair value during the period; and
- The Statement of Changes in Equity for the balance of the Cash Flow Hedge Reserve and movements during the period.

On the Balance Sheet, USD borrowings are included within borrowings and CCIRS are included within financial instruments.

Foreign exchange risk

Meridian has hedged highly probable forecast capital expenditure denominated in currencies other than NZD using forward exchange contracts. The foreign currency exposures give rise to the risk of variability to future cashflows. To mitigate this risk, forward foreign exchange contracts have been entered into. The cash flows associated with these contracts are timed to mature when the payment for the capital expenditure is made. For contracts designated as cash flow hedges for accounting purposes, when the cash flows occur Meridian adjusts the carrying value of the asset acquired.

Hedge ineffectiveness

The below table summarises hedge ineffectiveness. This is included within “Net change in fair value of treasury hedges” in profit and loss.

IMPACT ON PROFIT AND LOSS	2025 \$M	2024 \$M
Hedge ineffectiveness gain (loss)	-	-

Where ineffectiveness occurs, it is primarily caused by credit counterparty risk on CCIRS. This risk is part of the CCIRS fair value but is not included in the hedged item. Hedge ineffectiveness will net to zero over the life of the hedge relationships.

D3 HEDGE ACCOUNTING CONTINUED

Future cash flows

The table below estimates the contractual undiscounted future cash flows that we expect on hedge accounted items. Amounts noted include coupons and repayment/exchange of notionals on maturity.

CURRENCY AS INDICATED BELOW	2025 \$M				2024 \$M			
	DUE WITHIN 1 YEAR	DUE WITHIN 1-2 YEARS	DUE WITHIN 2-5 YEARS	DUE AFTER 5 YEARS	DUE WITHIN 1 YEAR	DUE WITHIN 1-2 YEARS	DUE WITHIN 2-5 YEARS	DUE AFTER 5 YEARS
USD borrowings (shown in USD)	(16)	(113)	(155)	(187)	(16)	(16)	(260)	(194)
CCIRS								
USD leg (coupons and maturity flow – shown in USD)	16	113	155	187	16	16	260	194
Functional currency leg (coupons and maturity flow – shown in NZD)	(29)	(170)	(242)	(282)	(42)	(37)	(406)	(298)
Foreign exchange contracts								
Foreign currency leg (shown in NZD)	88	4	-	-	37	-	-	-
NZD leg	(92)	(4)	-	-	(36)	-	-	-

Functional currency coupons are set quarterly based on NZ benchmark rates. They are shown in this table based on market forward interest rates. The foreign currency leg of foreign exchange contracts is translated to NZD using spot exchange rates at reporting date.

E. Other disclosures

IN THIS SECTION

This section includes other disclosures relating to Meridian's financial statements which are required to comply with financial reporting standards.

EI Tax

TAX EXPENSE	2025 \$M	2024 \$M
Current income tax expense	102	198
Permanent differences	(2)	–
Total current tax expense	100	198
Deferred tax	(268)	(34)
Adjustment to tax of prior years	1	1
Total tax expense/(benefit)	(167)	165
<i>Reconciliation to profit/(loss) before tax</i>		
Profit/(loss) before tax	(619)	594
Tax at applicable rates	(173)	166
Expenditure not assessable for tax	(2)	(2)
Other	8	1
Tax expense/(benefit)	(167)	165

Tax expense

Tax expense components are current income tax and deferred tax.

Current income tax expense is the income tax assessed on taxable profit for the year. Taxable profit differs from profit before tax reported in the Comprehensive Income Statement, as it excludes items of income and expense that are taxable or deductible in other years and items that will never be taxable or deductible. Meridian's current liability for current tax is calculated using the tax rates applicable at balance date, being 28% (2024: 28%).

E1 OTHER DISCLOSURES CONTINUED

DEFERRED TAX LIABILITIES	2025 \$M	2024 \$M
Balance at beginning of year	2,949	2,103
<i>Temporary differences in profit and loss:</i>		
Depreciation and amortisation	(64)	(66)
Changes in fair value of financial instruments	(190)	29
Changes in other assets and liabilities	(15)	3
<i>Temporary differences in other comprehensive income:</i>		
Changes in the asset revaluation reserve	588	883
Other	-	(3)
Balance at end of year	3,268	2,949
<i>Made up of:</i>		
Property, plant and equipment	3,423	2,899
Financial instruments	(143)	47
Other assets and liabilities	(12)	3
Deferred tax liability	3,268	2,949

Deferred tax liabilities

Deferred tax is income tax expected to be payable or recoverable in the future as a result of the unwinding of temporary differences. These arise from differences in the recognition of assets and liabilities for financial reporting and from the filing of income tax returns. The majority of Meridian's deferred tax balance relates to the revaluation of property, plant and equipment.

Deferred tax is calculated at the tax rates that are expected to apply to the year when the liability is settled or the asset realised, based on tax rates and tax laws that have been enacted or substantively enacted at balance date.

E2 Trade receivables

TRADE RECEIVABLES	2025 \$M	2024 \$M
Accrued receivables	359	493
Current billed	28	27
Past due – less than 30 days	19	16
Past due – more than 30 days	5	4
Less: Credit loss allowance	(5)	(4)
Total trade receivables	406	536
Trade receivables past due but not impaired	19	16

Trade receivables, measurement and recognition

Trade receivables are measured on initial recognition at fair value and are subsequently carried at amortised cost.

Trade receivables are written off at the point where Meridian believe there is no reasonable expectation of recovery. Trade receivables written off are handed to collection agencies for enforcement. Trade receivables written off during the year were \$2 million (2024: \$1 million).

E3 Commitments

CAPITAL EXPENDITURE COMMITMENTS	2025 \$M	2024 \$M
Property, plant and equipment	205	74
Intangible assets	-	2
Total capital expenditure commitments	205	76

Guarantees

Various entities within the Group provide guarantees to external counterparties, with these mostly relating to security for energy market clearing and property lease agreements. The maximum liability under these guarantees is \$300 million (2024: \$200 million).

E4 Group structure

The consolidated financial statements include the financial statements of Meridian, subsidiaries and other interests listed below.

Subsidiaries all have share capital consisting solely of ordinary shares that the Group holds directly, and the proportion of ownership interests held equals the Group's voting rights.

Meridian provides support to its subsidiaries where necessary in order to ensure they meet their obligations as they fall due.

NAME OF ENTITY	PRINCIPAL ACTIVITY	FUNCTIONAL CURRENCY	INTEREST HELD BY THE GROUP	
			2025	2024
Meridian Energy Limited²⁹				
Flux Federation Limited ³⁰	Software development	New Zealand dollar	100%	100%
Flux-UK Limited (in liquidation) ³⁰	Licence holder	British pounds	100%	100%
Dam Safety Intelligence Limited ³⁰	Professional services	New Zealand dollar	100%	100%
Meridian Energy Captive Insurance Limited ³⁰	Insurance	New Zealand dollar	100%	100%
Meridian Limited ³⁰	Non-trading entity	New Zealand dollar	100%	100%
Meridian Energy International Limited ³⁰	Non-trading entity	New Zealand dollar	100%	100%
Powershop New Zealand Limited ³⁰	Non-trading entity	New Zealand dollar	100%	100%
Kōkako SPV Limited ³⁰	Non-trading entity	New Zealand dollar	100%	100%
Te Rere Hau Holdings Limited ³¹	Non-trading entity	New Zealand dollar	50%	50%
Te Rere Hau Limited ³¹	Non-trading entity	New Zealand dollar	50%	50%
Te Rere Hau Holdings (2023) Limited Partnership (LP) ³¹	Non-trading entity	New Zealand dollar	50%	50%
Te Rere Hau Project LP ³¹	Development entity	New Zealand dollar	50%	50%
Te Arawaru o Te Waitaki Tapui Limited ³¹	Non-trading entity	New Zealand dollar	20%	20%
EV Infrastructure Partners Limited ³⁰	Non-trading entity	New Zealand dollar	100%	0%
Whetu SPV Limited ³⁰	Non-trading entity	New Zealand dollar	100%	0%

There has been no change in Meridian's ownership interest in NZ Windfarms Limited (NZWF) or percentage holding in the Te Rere Hau joint venture during FY25. Refer to Note E11 Subsequent events for more information.

29 Meridian Energy Limited is the only member of the guaranteeing group as at 30 June 2025.

30 Subsidiary interests.

31 Other interests.

E5 Net profit/(loss) after tax to operating cash flows

RECONCILIATION OF NET PROFIT/(LOSS) AFTER TAX TO CASH FLOWS FROM OPERATING ACTIVITIES	2025 \$M	2024 \$M
Net profit/(loss) after tax	(452)	429
<i>Adjustments for operating activities' non-cash items:</i>		
Depreciation and amortisation	447	334
Movement in deferred tax liability	(267)	(33)
Net change in fair value of financial instruments	671	(98)
Non-cash interest expense	5	5
Other non-cash items in working capital	103	(70)
	959	138
<i>Items classified as investing activities:</i>		
(Gain)/loss on sale of assets & other asset receipts	(11)	8
(Gain) on sale of subsidiaries	-	(8)
	(11)	-
<i>Changes in working capital items:</i>		
(Increase)/decrease in trade receivables	130	(202)
(Increase)/decrease in other assets	(10)	(1)
Increase/(decrease) in payables and accruals	(193)	269
Increase/(decrease) in tax payable/receivable	(100)	39
Working capital items in financing activities	(5)	(5)
	(178)	100
Cash flow from operating activities	318	667

E6 Payables and accruals

PAYABLES AND ACCRUALS	2025 \$M	2024 \$M
Trade payables and accruals	346	554
Employee entitlements	11	21
Electricity option premiums payable	23	29
Other payables	76	54
Total payables and accruals	456	658
of which:		
Current	401	596
Non current	55	62
Total payables and accruals	456	658

Payables and accruals are recognised when Meridian becomes obligated to make future payments and are subsequently carried at amortised cost.

E7 Share-based payments

Long term incentive (LTI)

The Chief Executive, executive team and selected tier three leaders have the opportunity to participate in the LTI plan. The LTI plan is offered at the discretion of the board, to align senior management and shareholders' interests, and optimise long-term shareholder returns. The LTI plan is not otherwise available to Meridian employees.

Meridian has a policy that ensures participants in the LTI plan are not able to enter transactions (whether through the use of derivatives or otherwise) that limit the economic risk of their participation in the plan.

The LTI opportunity is 40% of salary for the Chief Executive, 30% of salary for the executive team and 15% of salary for eligible tier three leaders. Vesting of the LTI is contingent on meeting absolute and relative total shareholder return (TSR) performance hurdles at the conclusion of a three-year period.

LTI plan

Under Meridian's LTI plan, the company issues rights to acquire ordinary shares in the company (performance share rights, PSR) to eligible participants who accept the offer to participate in the LTI plan. Each PSR entitles the holder to one ordinary share in the company and an additional number of shares equal to the value of gross cash dividends per share which would have been paid to a New Zealand tax resident who held a share for the duration of the vesting period, calculated using a 10-day volume weighted average price.

The number of PSR that vest is dependent on:

- Meridian's TSR over a three-year performance period (performance period) relative to Meridian's cost of equity;
- Meridian's TSR over the performance period relative to a defined group of NZX Main Board and ASX listed peer companies (performance hurdles); and
- if the participant continues to be employed by Meridian during the vesting period (employment condition).

Performance hurdles

As at 30 June 2025, there were three LTI plan cycles underway. These plans have performance periods which end as follows:

- FY23 Plan: 30 June 2025;
- FY24 Plan: 30 June 2026; and
- FY25 Plan: 30 June 2027.

The three plans above all have slightly different performance hurdles, as the market has evolved over this period.

The following applies to the FY23 plan, the performance period for which ends 30 June 2025:

- The peer group against which relative TSR performance was measured for the FY23 plan comprised the other companies listed in the S&P/NZX50 index;
- The vesting period for the FY23 LTI scheme ends on 3 October 2025.

PSR lapse if the holder ceases to be employed by Meridian during the vesting period, subject to the Board's discretion.

PSR are granted in two tranches:

- absolute return share (ABS) Rights; and
- relative return share (REL) Rights.

For ABS Rights to vest, the company's TSR must be greater than the absolute TSR benchmark which is set at the beginning of the vesting period with regard to the company's cost of equity (absolute TSR benchmark) on a compounding annual basis over the performance period. If the company's TSR is equal to or lower than the absolute TSR benchmark, no ABS Rights will vest. If the company's TSR is greater than the absolute TSR benchmark, 100% of the ABS Rights will vest.

The number of REL Rights that vest is determined by the company's TSR over the performance period relative to the peer group. For any of the REL Rights to vest, the company's TSR must be greater than or equal to the 50th percentile (median) TSR of the peer group. 100% of the REL Rights will vest on meeting the 75th percentile TSR of the peer group, with vesting on a straight-line basis between these two points.

For each three-year plan, an independent external expert measures the TSR of Meridian and the peer group of companies along with the outcome on the progressive vesting scale. Share Rights will lapse if the vesting conditions are not satisfied (although this is subject to the Board's discretion in relation to the employment condition).

For the LTI plan performance period to the end of 2025, the level of TSR will result in 100% of share rights vesting (2024: 100%). Share rights totalling 941,776 will be transferred to the eligible participants for that LTI after balance date (2024: 418,360)

During the period, 863,878 share rights were issued to eligible staff, 431,999 being ABS Rights and 431,999 being REL Rights.

The fair value of the ABS Rights at grant date of \$1.72 (2024: \$1.76) was estimated by a modified form of the standard Black-Scholes option pricing model, including dividend adjustment. The fair value of the REL Rights at grant date of \$2.10 (2024: \$2.79) was estimated by using a Monte Carlo simulation of the possible future performance of Meridian's TSR and of the TSR of each company in the peer group from the grant date using correlation and volatility input estimates. The fair value of the rights, multiplied by the number of instruments likely to vest, is recognised as an expense over the relevant three-year service period.

E7 SHARE-BASED PAYMENTS CONTINUED

Movement in zero-priced share options

GRANT DATE	VESTING DATE	LTI SCHEME & TYPE	WEIGHTED AVERAGE FAIR VALUE OF OPTION	BALANCE AT START OF THE YEAR	NUMBER OF OPTIONS/RIGHTS			BALANCE AT THE END OF THE YEAR
					GRANTED DURING THE YEAR	VESTED DURING THE YEAR	FORFEITED DURING THE YEAR	
2025								
23/10/2024	21/09/2027	ABS	\$1.72	-	528,038	-	(96,099)	431,939
23/10/2024	21/09/2027	REL	\$2.10	-	528,038	-	(96,099)	431,939
24/10/2023	25/10/2026	ABS	\$1.76	433,123			(82,730)	350,393
24/10/2023	25/10/2026	REL	\$2.79	433,123			(82,730)	350,393
27/10/2022	03/10/2025	ABS	\$2.66	470,887				470,887
27/10/2022	03/10/2025	REL	\$3.22	470,887				470,887
21/10/2021	21/10/2024	ABS	\$2.14	209,180	-	(209,180)		-
21/10/2021	21/10/2024	REL	\$2.93	209,180	-	(209,180)		-
Total				2,226,380	1,056,076	(418,360)	(357,658)	2,506,438
2024								
24/10/2023	25/10/2026	ABS	\$1.76	-	433,123	-	-	433,123
24/10/2023	25/10/2026	REL	\$2.79	-	433,123	-	-	433,123
27/10/2022	03/10/2025	ABS	\$2.66	470,887	-	-	-	470,887
27/10/2022	03/10/2025	REL	\$3.22	470,887	-	-	-	470,887
21/10/2021	21/10/2024	ABS	\$2.14	209,180	-	-	-	209,180
21/10/2021	21/10/2024	REL	\$2.93	209,180	-	-	-	209,180
Total				1,360,134	866,246	-	-	2,226,380

For personal use only

E8 Related parties

Meridian transacts with other Government owned or related entities independently and on an arm's-length basis. Transactions cover a variety of services including trading energy, transmission, postal, travel and tax.

Directors of the Group may be directors or officers of other companies or organisations with which members of the Group may transact.

Compensation of key management personnel

The remuneration of directors and all members of the executive management team during the year was as follows:

	2025 \$M	2024 \$M
Directors' Fees	1	1
CEO, senior management team and subsidiary chief executives		
Salaries and short-term benefits	10	9
Post-employment benefits	-	-
Redundancy benefits	-	-
Long-term benefits	2	-
	12	9

E9 Auditors remuneration

AUDITORS REMUNERATION TO DELOITTE LIMITED FOR:	2025 \$M	2024 \$M
Audit and review of New Zealand based companies' financial statements	0.8	0.7
Other assurance and agreed upon procedures		
Limited assurance of sustainability reporting	0.2	0.2
Other Services	0.1	0.1
Total auditor remuneration	1.1	1.0

The Board has adopted a policy to maintain the independence of the Company's external auditor, including a review of all other services performed by Deloitte Limited and recommending to the Office of the Auditor-General that there be lead partner rotation after a maximum of five years. The Auditor-General has appointed Anthony Smith of Deloitte Limited as auditor of the company. The audit fee includes an additional Office of the Auditor-General overhead contribution of \$42,526 (30 June 2024: \$37,932).

Fees attributed to audit and review of financial statements include assurance engagements related to the securities registers, bond registers vesting of the long term incentive plan, supervisor reporting, the solvency return of Meridian Energy Captive Insurance Limited and an agreed upon procedures engagement for insurance purposes.

Other assurance and agreed upon procedure services undertaken by Deloitte Limited included assurance engagements relating to the greenhouse gas emissions disclosed in the Group Climate Statements, greenhouse gas emissions reported in the Greenhouse Gas Emissions Inventory Report, the sustainability content in the integrated report prepared in accordance with the Global Reporting Initiative Sustainability Reporting Standards.

Other fees paid to Deloitte during the year include \$66,822 (2024: \$11,000) for cyber security services and \$14,000 (2024: \$14,000) to Deloitte Limited for administrative and other advisory services to the Corporate Taxpayers Group, of which Meridian, alongside a number of other organisations, is a member.

E10 Contingent assets and liabilities

There were no contingent assets or liabilities at 30 June 2025 (2024: Nil).

E11 Subsequent events

Subsequent to 30 June 2025, the following key events have occurred.

Dividend declared

On 26 August 2025 the Board declared a final dividend, refer to Note C4 Dividends for more information.

Acquisition of NZWF

On 18 February 2025, Meridian entered into a Scheme Implementation Agreement (SIA) with NZWF to acquire all remaining shares in NZWF that Meridian did not already own. NZWF was a NZX-listed entity engaged in operating wind power generation assets for the purpose of generating and selling renewable electricity.

Under the terms of the SIA, consideration of \$0.25 per share was to be paid in cash for each Scheme Share (totalling approximately \$91 million). Prior to the implementation of the SIA, Meridian owned 19.99% of the ordinary shares of NZWF.

On 24 June 2025, NZWF shareholders voted in favour of the SIA. The transaction remained subject to final High Court approval, which was granted on 16 July 2025. The scheme was implemented on 30 July 2025, at which point NZWF shareholders received the agreed consideration and Meridian assumed 100% ownership of NZWF.

As at 30 June 2025, the transaction had not yet been completed and Meridian did not yet control NZWF.

Meridian will account for the acquisition as a business combination under NZ IFRS 3. Due to insufficient time and information available before the release of Meridian's financial statements, the acquisition accounting cannot be completed, and Meridian is unable to reliably estimate the financial impact of the acquisition.

Following implementation on 30 July 2025, Meridian will consolidate NZWF as a subsidiary in accordance with NZ IFRS 10 Consolidated Financial Statements. Prior to this, Meridian accounted for its investment in NZWF at fair value with changes in fair value recognised in profit or loss. The fair value of Meridian's existing equity interest in NZWF held immediately before the acquisition date was \$17.8 million.

Asset acquisition of Flick Energy Limited

On 12 May 2025, Meridian entered into an Asset Sale Agreement to acquire selected electricity retail business assets from Flick Energy Limited and Z Energy Limited for an agreed consideration of \$70 million. The assets include short-term retail electricity customer contracts, related trade receivables, a hedge book, financial transmission rights (FTRs), and intellectual property associated with the Flick brand.

As at 30 June 2025, the transaction had not yet reached completion, as several conditions precedent outlined in the agreement remained outstanding.

Completion occurred on 22 July 2025, following satisfaction of all conditions precedent.

The transaction will be accounted for as an asset acquisition under NZ IFRS, as the assets acquired do not constitute a business as defined in NZ IFRS 3.

Retail Bond

Meridian is considering making an offer of up to \$250 million (with the ability to accept oversubscriptions of up to an additional \$50 million at Meridian's discretion) of 6 ½ year unsecured, unsubordinated, fixed rate Green Bonds to institutional and New Zealand retail investors. It is expected that full offer details will be released on 1 September 2025, when the offer is expected to open.

Strategic Energy Reserve

On 4 August 2025, Meridian entered into agreements with Genesis Energy, Mercury NZ, and Contact Energy to establish a Strategic Energy Reserve at the Huntly Power Station and related Huntly firming option. This is in response to the ongoing challenges posed by gas supply shortages and aims to enhance the security of electricity supply and price stability in New Zealand. The long term agreements are currently subject to review by the New Zealand Commerce Commission, with the parties intending for the arrangement to take effect from 1 January 2026. At the time of issuing these financial statements, Meridian is unable to quantify the potential financial impact of the Strategic Energy Reserve agreements.

E12 Changes in financial reporting standards

All mandatory amendments and interpretations have been adopted in the current year. None have had a material impact on these financial statements. Meridian is not aware of any standards issued but not yet effective that would materially affect the amounts recognised or disclosed in the financial statements.

NZ IFRS 18 Presentation and Disclosure in Financial statements was issued in May 2024 (effective from 1 January 2027). This Standard sets out requirements for the presentation and disclosure of information in financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. Meridian has not yet completed its assessment on the impact of this standard.

Independent Auditor's Report

To the shareholders of Meridian Energy Limited



The Auditor-General is the auditor of Meridian Energy Limited and its subsidiaries (the Group). The Auditor-General has appointed me, Anthony Smith, using the staff and resources of Deloitte Limited, to carry out the audit of the consolidated financial statements of the Group on his behalf.

Opinion

We have audited the consolidated financial statements of the Group on pages 117 to 156, that comprise the consolidated balance sheet as at 30 June 2025, the consolidated comprehensive income statement, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements including material accounting policy information.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 30 June 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with New Zealand equivalents to IFRS Accounting Standards ("NZ IFRS") as issued by the External Reporting Board and IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board.

Basis for our opinion

We conducted our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the Auditor-General's Auditing Standards, which incorporate Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In addition to the audit, our firm has carried out other engagements for the Group including a review of interim financial statements, supervisor reporting, assurance services relating to the securities and fixed rate bonds

registers, selected greenhouse gas emissions disclosed in the Group Climate Statements, greenhouse gas emissions reported in the greenhouse gas emission Inventory Report, the sustainability content in the integrated report prepared in accordance with the Global Reporting Initiative Sustainability Reporting Standards, vesting of the executive long-term incentive plan, the solvency return of Meridian Energy Captive Insurance Limited, and an agreed upon procedures engagement for Meridian Energy Captive Insurance Limited. We also carried out non-assurance assignments for the Group relating to cyber security services and services to the Corporate Taxpayers Group of which Meridian Energy Limited is a member. These services are compatible with those independence requirements.

In addition, partners and employees of our firm deal with the Group on arm's length terms within the ordinary course of trading activities of the Group. These services have not impaired our independence as auditor of the Group. Other than the audit and these engagements and trading activities, we have no relationship with, or interests in, Meridian Energy Limited or any of its subsidiaries.

Audit materiality

We consider materiality primarily in terms of the magnitude of misstatement in the consolidated financial statements of the Group that in our judgement would make it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced (the 'quantitative' materiality). In addition, we also assess whether other matters that come to our attention during the audit would in our judgement change or influence the decisions of such a person (the 'qualitative' materiality). We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

We determined materiality for the Group consolidated financial statements as a whole to be \$23.5 million.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTERS

Valuation of Generation Structures and Plant

As explained in note B1 in the Group financial statements, Generation structures and plant are carried at fair value less any subsequent accumulated depreciation and impairment losses at balance sheet date.

The net book value of generation structures and plant as reflected in note B1 is \$13,394 million (2024: \$11,609 million).

The Group performs a valuation every year to ensure that the carrying value does not differ significantly from the fair value at balance date.

As a result of this valuation, generation structures and plant have been revalued this year as at 30 June 2025. The revaluation resulted in an increase in value by \$2,108 million (2024: increase of \$3,152 million) and the net of tax impact was taken through the revaluation reserve. The valuation methodology is based on a discounted cashflow ('DCF') approach. The key inputs into the DCF are:

- the future New Zealand wholesale electricity price path;
- forecasted future generation volumes;
- forecast future expenses; and
- the weighted average cost of capital ('WACC').

Changes to these forecasts could significantly change the fair value of the generation assets. The inputs do not fully use observable market data and require significant judgement and estimates to be made by the valuer. As outlined in the financial statements the valuation has considered the impacts of climate change and the amendments to the valuation technique for depreciation related charges in the valuation.

We include valuation of generation structures as a key audit matter because of the financial significance of the generation plant to the financial statements and the inherent technical and judgemental complexity associated with determining the fair value.

HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTERS

Our audit procedures focused on assessing the key inputs into the model used to estimate the fair value of the generation structures and plant. This included:

- The reasonableness of the future NZ wholesale electricity price path (including the consideration of any impacts relating to climate change);
- The reasonableness of the future forecasted generation volumes; and
- The reasonableness of the applied WACC rate.

Our procedures included but are not limited to:

- Evaluating the Group's processes and controls for the valuation of the generation structures and plant;
- Reviewing the valuation methodology and the reasonableness of the significant underlying assumptions as well as challenging whether the forecast was in line with internal data;
- Assessing the competence, objectivity and integrity of the valuation team;
- Utilising our in-house valuation specialists to assess the appropriateness of the valuation methodology and the reasonableness of the valuation determined by the valuation team, including the WACC rate and forward price path;
- Assessing the reasonableness of the forecasted future expenses (including any allowance for consenting costs, and climate change);
- Performing sensitivity analysis on the key assumptions within the model;
- Assessing the appropriateness of the change in accounting estimate, including the reasonableness of assumptions used in relation to forecasted depreciation;
- Performing a retrospective review of budgets compared to actual data for prior periods to assess the accuracy and robustness of the forecasting process; and
- Evaluating the adequacy of the Group's disclosures in respect of the valuation of generation structures and plant.

As a result of the above procedures, we are satisfied that the valuation and key assumptions applied to estimate the fair value of the generation structures and plant and the disclosures included in note B1 are reasonable.

KEY AUDIT MATTERS

Valuation of Level 3 Electricity Derivatives

As explained in note D1, the Group's activities expose it to commodity price, foreign exchange and interest rate risks which are managed using derivative financial instruments.

These instruments are carried at their fair value as at 30 June 2025. Fair value measurements are grouped into three categories based on their inputs into the valuation, with level 3 derivatives being the most complex valuations, given that they use significant inputs that do not use directly observable market data.

At 30 June 2025, level 3 electricity derivative assets totalled \$166 million (2024: \$301 million) and level 3 electricity derivative liabilities were \$616 million (2024: \$185 million).

We include valuation of level 3 electricity derivatives as a key audit matter for the following reasons:

- The forecast price path used in the valuation of electricity hedges is based on the Group's best estimate of the long-term forward wholesale electricity price, which involves significant judgement and estimates regarding discount factors, expected demand, cost of new supply, and other relevant market factors; and
- The complexity and judgement involved in the valuation techniques and the judgement involved in evaluating the long-term expected call volumes and discount factor used to determine the fair value of electricity options and swaps.

Other information

The Directors are responsible on behalf of the Group for the other information. The other information comprises the information in the Integrated Report and the Climate Statement, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTERS

Our audit procedures focused on:

- The reasonableness of the future NZ wholesale electricity price paths (including the consideration of any impacts relating to climate change);
- The reasonableness of the future forecasted generation volumes; and
- The reasonableness of the applied discount rate.

Our procedures included:

- In conjunction with our internal experts, evaluating the appropriateness of the methodology applied in the valuation models for these electricity hedges, options and swaps and ensuring that the methodology has been consistently applied compared with the prior year where appropriate;
- Challenging the key assumptions applied, including the long-term forward wholesale electricity price, long-term expected call volumes, fair value of the transaction prices and discount rates;
- Agreeing underlying data to contract terms, specifically the contract term, price and volumes; and
- Evaluating the adequacy of the Group's disclosures in respect of the valuation of level 3 electricity derivatives.

As a result of the above procedures, we are satisfied that the valuation and key assumptions applied to estimate the fair value of the level 3 electricity derivatives and the disclosures made in note D1 are reasonable.

Directors' responsibilities for the consolidated financial statements

The Directors are responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS and IFRS, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible on behalf of the Group for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Directors' responsibilities arise from the Financial Markets Conduct Act 2013.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of shareholders taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting

a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and

are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Our responsibilities arise from the Public Audit Act 2001.



**Anthony Smith, Partner
for Deloitte Limited
On behalf of the Auditor-General
Christchurch, New Zealand
26 August 2025**

Independent Assurance Report to the Directors of Meridian Energy Limited



Report on Sustainability Disclosures

The Integrated Report of Meridian Energy Limited and its subsidiaries ('Meridian' or the 'Group') for the year ended 30 June 2025 (the 'Integrated Report') includes the Global Reporting Initiatives disclosures ('GRI disclosures') within the GRI Standards content index (the 'GRI index') on pages 163 to 167 prepared in accordance with the Global Reporting Initiative Sustainability Reporting Standards and with reference to Global Reporting Initiative G4 Sector Disclosures Electric Utilities (collectively known as the 'GRI Standards'). Additionally, the Group have identified sustainability indicators that are not covered in the GRI topic standards (referred to as 'Own Measures') within the GRI index and were prepared using the methodology listed in the FY25 Data Pack on tab 'methods' that was internally developed by the Group ('additional criteria').

The subject of our limited assurance engagement is the Group's GRI disclosures and Own Measures referenced in the GRI index (collectively the 'sustainability disclosures') and presented within either the Integrated Report or the Integrated Report Data Pack 2025 for the year ended 30 June 2025 that accompanies the Integrated Report (the 'IR data pack'), prepared in accordance with the GRI Standards and additional criteria.

Our report does not cover any forward-looking statements made by the Group and hyperlinked documents (other than to the IR data pack).

Conclusion

This conclusion has been formed on the basis of, and is subject to, the inherent limitations outlined elsewhere in this independent assurance report.

Based on the evidence obtained from the procedures we have performed; nothing has come to our attention that causes us to believe that the Group's sustainability disclosures referenced within the GRI index on pages 163 to 167 of the Integrated Report, have not been prepared, in all material respects, in accordance with the GRI Standards and additional criteria.

Basis for Conclusion

Our engagement has been conducted in accordance with International Standard on Assurance Engagements (New Zealand) 3000 (Revised): *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* ('ISAE (NZ) 3000 (Revised)') issued by the New Zealand Auditing and Assurance Standards Board.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Directors' Responsibility

The Directors are responsible for:

- Determining the basis of preparation for the Own Measures included within the GRI index;
- Ensuring that the sustainability disclosures listed in the GRI index are prepared in accordance with the GRI Standards and the additional criteria;
- Determining the Group's objectives in respect of sustainability reporting;
- Selecting the material topics and determining whether the disclosures are presented in the Integrated Report or in the IR data pack;
- Establishing and maintaining appropriate performance management and internal control systems in order to derive the sustainability disclosures listed in the GRI index; and
- Ensuring the completeness, accuracy and availability of the sustainability disclosures within the Integrated Report and IR data pack.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners* (including

International Independence Standards) (New Zealand) ('PES-1') issued by the New Zealand Auditing and Assurance Standards Board, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

In addition to this engagement, our firm is the statutory auditor of the financial statements (on behalf of the Auditor-General) and also carries out other assignments for the Group in the areas of review of the interim financial statements, supervisor reporting, assurance services relating to the securities and fixed rate bonds registers, selected greenhouse gas emissions disclosed the Group Climate Statements, greenhouse gas emissions reported in the greenhouse gas emission Inventory Report, vesting of the executive long-term incentive plan, the solvency return of Meridian Energy Captive Insurance Limited and an agreed upon procedures engagement for Meridian Energy Captive Insurance Limited.

We also carried out non-assurance assignments for the Group relating to cyber security services and services to the Corporate Taxpayers Group of which Meridian Energy Limited is a member. These services are compatible with those independence requirements.

In addition, partners and employees of our firm deal with the Group on arm's length terms within the ordinary course of trading activities of the Group. Other than this engagement and these assignments, we have no relationship with, or interests in, the Group.

The firm applies Professional and Ethical Standard 3: *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to conduct a limited assurance engagement in order to express an opinion whether, based on the procedures performed, anything has come to our attention that causes us to believe that the Group's sustainability disclosures listed within the GRI index have not been prepared, in all material respects, in accordance with the GRI Standards and additional criteria.

In a limited assurance engagement, the assurance practitioner performs procedures, primarily consisting of

discussion and enquiries of management and others within the entity, as appropriate, and observation and walk-throughs, and evaluates the evidence obtained. The procedures selected depend on our judgement, including identifying areas where the risk of material non-compliance with the GRI Standards or additional criteria is likely to arise.

Our procedures included:

- Obtaining an understanding of the internal control environment, risk assessment process and information systems relevant to the sustainability reporting process;
- Obtaining an understanding of the materiality process applied by the Group to determine the material topics chosen for inclusion in the Integrated Report and the IR data pack respectively;
- Analytical review and other test checks of the information presented;
- Checking whether the appropriate indicators have been reported in accordance with the GRI Standards or additional criteria; and
- Evaluating whether the information presented is consistent with our overall knowledge and experience of Group's sustainability reporting processes.

We did not evaluate the security and controls over the electronic publication of the Integrated Report and IR data pack.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion about whether the Group's sustainability disclosures referenced in the GRI index have been prepared, in all material respects, in accordance with the GRI Standards or additional criteria.

Inherent Limitations

Because of the inherent limitations of a limited assurance engagement, it is possible that fraud, error or non-compliance may occur and not be detected. A limited assurance engagement is not designed to detect all instances of non-compliance with the GRI Standards or additional criteria as it generally comprises making enquiries, primarily of the responsible party, and applying analytical and other review

procedures. The conclusion expressed in this report has been formed on the above basis.

A limited assurance engagement does not provide assurance on whether compliance with the GRI Standards or additional criteria will continue in the future.

Use of Report

Our assurance report is made solely to the Directors of Meridian Energy Limited in accordance with the terms of our engagement. Our work has been undertaken so that we might state to the Directors those matters we have been engaged to state in this assurance report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Directors of Meridian Energy Limited for our work, for this assurance report, or for the conclusions we have reached.

Deloitte Limited

26 August 2025
Christchurch, New Zealand

This limited assurance report relates to the sustainability disclosures of Meridian Energy Limited and its subsidiaries ('Meridian' or the 'Group'), referenced within the GRI Standards content index on pages 130 to 135 (the 'GRI index') of the Group's Integrated Report for the year ended 30 June 2025 (the 'Integrated Report'), and presented within either the Integrated Report or the FY25 Data Pack for the year ended 30 June 2025 that accompanies the Integrated report ('the IR data pack')(collectively the 'sustainability disclosures'). Meridian's Board is responsible for the maintenance and integrity of the Group's website. Deloitte Limited have not been engaged to report on the integrity of the Group's website. We accept no responsibility for any changes that may have occurred to the Integrated Report or IR data pack since they were initially presented on the website.

The limited assurance report refers only to the sustainability disclosures named above. It does not provide an opinion on any other information which may have been hyperlinked to/from the Integrated Report or the IR data pack. If readers of this report are concerned with the inherent risks arising from electronic data communication, they should refer to the published hard copy of the Integrated Report, IR data pack and related limited assurance report dated 26 August 2025 to confirm the information included in the Integrated Report and the IR data pack presented on this website or otherwise contact Meridian.

GRI Standards content index

Meridian Energy Limited has reported in accordance with the GRI Standards for the period 1 July 2024 to 30 June 2025. GRI 1: Foundation 2021 has been used.

References are to FY25 Integrated Report (AR), FY25 Data Pack – tab (DP – tab reference), Climate-related Disclosures FY25 (CRD), Climate Action Plan FY25 (CAP), Modern Slavery Statement FY25 (MSS), Corporate Governance Statement FY25 (CGS), Board Charter (approved date April 2024) (BC), Code of Conduct 2025 (COC), Supplier Code of Conduct (SCOC) (dated January 2024), Greenhouse Gas Emissions Inventory Report FY25, Good Energy Programme Guidance (August 2024), Modern Slavery Guidance (December 2023), Whistle Blowing Policy (approved date August 2023),

Constitution of Meridian Energy Limited (2019 update) (Constitution), Human Rights Policy (approved date December 2024) Environment Policy (approved date May 2024), Biodiversity & no net deforestation commitment (BNNDNC) (approved date May 2025), Remuneration Policy (approved May 2024), Remuneration Policy (approved May 2024).

Own measures – some disclosures are additional or alternatives to those covered in the GRI Standards and have been self-determined by management.

See DP – Methods tab for the disclosure criteria for Own Measures. We have additional ESG disclosures reported in the Integrated Report Data Pack which are not included in our GRI content index (refer to DP – Other ESG Information tab).

GENERAL DISCLOSURES		REFERENCE	COMMENT
GRI 2: GENERAL DISCLOSURES 2021			
2-1	Organizational details	AR front cover, p.168	
2-2	Entities included in the organization's sustainability reporting	AR p.3, 151	
2-3	Reporting period, frequency and contact point	AR p.3, 168	
2-4	Restatements of information		Discussed where relevant throughout the report and data pack
2-5	External assurance	AR p.3, 161-162	
2-6	Activities, value chain and other business relationships	AR p.13, 66-67	See also MSS p.4
2-7	Employees	DP - Our People	
2-8	Workers who are not employees	DP - Our People	
2-9	Governance structure and composition	AR p.63, 64, 68, 103, 105; DP – Our People	See also CGS Recommendation 2.5; BC p.3–5; S&S Committee Charter p.1

GENERAL DISCLOSURES		REFERENCE	COMMENT
2-10	Nomination and selection of the highest governance body	AR p.63	See also Constitution p.14-16; BC p.3 and CGS Recommendation 2.2, 3.4 (including Skills and Experience matrix)
2-11	Chair of the highest governance body	AR p.5	See also CGS Recommendation 2.9
2-12	Role of the highest governance body in overseeing the management of impacts	AR p.68	See also material impacts page on our website
2-13	Delegation of responsibility for managing impacts	AR p.87, 90-91, 95	The Board delegates responsibility for managing impacts on people, the planet and the economy via our Delegation of Authority Policy, which applies to the Board, staff of Meridian and subsidiaries
2-14	Role of the highest governance body in sustainability reporting	AR p.63, 68	
2-15	Conflicts of interest	AR p.62	See also BC p.6; CGS Additional Disclosures table
2-16	Communication of critical concerns	DP - Communities	

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GENERAL DISCLOSURES	REFERENCE	COMMENT
2-17 Collective knowledge of the highest governance body	AR p.63	See also BC p.5
2-18 Evaluation of the performance of the highest governance body	AR p.63, 100	In accordance with Meridian's Remuneration Policy, the Meridian Board considers directors' remuneration on a regular basis See also CGS Principle 2.7, 5.1; BC p.5
2-19 Remuneration policies	AR p.84	
2-20 Process to determine remuneration	AR p.84	
2-21 Annual total compensation ratio	AR p.98	
2-22 Statement on sustainable development strategy	AR p.6-12	
2-23 Policy commitments	AR p.57-60	We use a range of methods, including training, to communicate our Group commitments and policies to Meridian, and our supply chain and stakeholders. This includes through Meridian's COC and SCOC expectations, as well as via guidance documents, such as our Good Energy Programme Guidance (p.1-2)
2-24 Embedding policy commitments	AR p.37, 53-54, 57-59, 62, 75, 78	Our Human Rights Policy applies to Meridian and its subsidiaries, all directors and employees, Meridian's supply chain, joint ventures and business partners. See Human Rights Policy; SCOC; MSS p3, 7

GENERAL DISCLOSURES	REFERENCE	COMMENT
2-25 Processes to remediate negative impacts	AR p.58	See also Human Rights Policy; CGS Principle 1.1; MSS p.6
2-26 Mechanisms for seeking advice and raising concerns	AR p.58	See also COC p.4; Whistle Blowing Policy p.1-2
2-27 Compliance with laws and regulations		There have been no significant instances of non-compliance with laws and regulations and we've paid no fines during the reporting period
2-28 Membership associations	DP – Renewable Energy	
2-29 Approach to stakeholder engagement	AR p.68-69	See throughout report where relevant. We take a purpose driven approach
2-30 Collective bargaining agreements		No staff are covered by collective bargaining agreements

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GENERAL DISCLOSURES	REFERENCE	COMMENT
GRI 3: MATERIAL TOPICS 2021		
3-1	Process to determine material topics	AR p.68-69
3-2	List of material topics	AR p.68
AFFORDABILITY		
GRI 3: MATERIAL TOPICS 2021		
3-3	Management of material topics	AR p.77-78
OWN MEASURES		
	Electricity usage and carbon emissions for existing customers on Meridian's Smart Hot Water programme	DP - Customers; DP - Methods
EMISSIONS AND WASTE		
GRI 3: MATERIAL TOPICS 2021		
3-3	Management of material topics	AR p.80
GRI 302: ENERGY 2016		
302-1	Energy consumption within the organisation	DP - Climate and Environment
302-4	Reduction of energy consumption	DP - Climate and Environment
GRI 305: EMISSIONS 2016		
305-1	Direct (Scope 1) GHG emissions	AR p.60; DP - Climate and Environment
305-2	Energy indirect (Scope 2) GHG emissions	AR p.60; DP - Climate and Environment
305-3	Other indirect (Scope 3) GHG emissions	AR p.60; DP - Climate and Environment
305-4	GHG emissions intensity	DP - Climate and Environment
305-5	Reduction of GHG emissions	DP - Climate and Environment

GENERAL DISCLOSURES	REFERENCE	COMMENT
GRI 306: WASTE 2020		
306-2	Management of significant waste-related impacts	AR p.80; DP - Climate and Environment
306-3	Waste generated	DP - Climate and Environment
306-4	Waste diverted from disposal	DP - Climate and Environment
306-5	Waste directed to disposal	DP - Climate and Environment
CLIMATE-RELATED IMPACTS		
GRI 3: MATERIAL TOPICS 2021		
3-3	Management of material topics	AR p.71
GRI 201: ECONOMIC PERFORMANCE 2016		
201-2	Financial implications and other risks and opportunities due to climate change	DP - Climate and Environment
CUSTOMER DECARBONISATION		
GRI 3: MATERIAL TOPICS 2021		
3-3	Management of material topics	AR p.73
OWN MEASURES		
	Electricity usage and carbon emissions for existing customers on Meridian's Smart Hot Water programme	DP - Customers; DP - Methods
CYBER AND PHYSICAL SECURITY		
GRI 3: MATERIAL TOPICS 2021		
3-3	Management of material topics	AR p.75
OWN MEASURES		
	Number of reported serious, major and critical cyber security incidents	DP - Customers; DP - Methods

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GENERAL DISCLOSURES	REFERENCE	COMMENT
NGĀ TUKINGA O TE AO TŪROA – IMPACTS ON THE NATURAL WORLD		
GRI 3: MATERIAL TOPICS 2021		
3-3	Management of material topics	AR p.71-72, 76
GRI 303: WATER AND EFFLUENTS 2018		
303-1	Interactions with water as a shared resource	AR p.7, 20, 27, 71-72, 76; DP - Communities
303-3	Water withdrawal	DP - Climate and Environment
303-4	Water discharge	DP - Climate and Environment
303-5	Water consumption	DP - Climate and Environment
GRI 304: BIODIVERSITY 2016		
304-2	Significant impacts of activities, products and services on biodiversity	AR p.7, 27, 57, 71-72, 76; DP - Communities Meridian's operations do not introduce any unlawful contaminants to the water systems. As hydro generation impacts the water flow and water levels of waterways, there is an indirect impact on the ability of the water body to dilute the contaminants from other sources (for example, land-use runoff and dairy effluent) See also Environment Policy and BNNDC

GENERAL DISCLOSURES	REFERENCE	COMMENT
PEOPLE		
GRI 3: MATERIAL TOPICS 2021		
3-3	Management of material topics	AR p.50, 53-54, 79
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018		
403-2	Hazard identification, risk assessment, and incident investigation	DP - Our People
403-3	Occupational health services	DP - Our People
403-4	Worker participation, consultation, and communication on occupational health and safety	DP - Our People
403-5	Worker training on occupational health and safety	DP - Our People
403-6	Promotion of worker health	DP - Our People
403-8	Workers covered by an occupational health and safety management system	DP - Our People
403-9	Work-related injuries	AR p.54; DP - Our People
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016		
405-1	Diversity of governance bodies and employees	AR p.55; DP - Our People
405-2	Ratio of basic salary and remuneration of women to men	DP - Our People
GRI 406: NON-DISCRIMINATION 2016		
406-1	Incidents of discrimination and corrective actions taken	There was one incident of harassment during the reporting period. The incident is no longer subject to action

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GENERAL DISCLOSURES	REFERENCE	COMMENT
GRI 413: LOCAL COMMUNITIES 2016		
413-1 Operations with local community engagement, impact assessments, and development programs	DP - Communities	
OWN MEASURES		
Percentage of positive annual employee wellbeing responses	DP - Our People; DP - Methods	
Number of community fund grants and amount awarded	DP - Communities; DP - Methods	
PUBLIC TRUST		
GRI 3: MATERIAL TOPICS 2021		
3-3 Management of material topics	AR p.74	
GRI 2: GENERAL DISCLOSURES 2021		
2-16 Communication of critical concerns	DP - Communities	
GRI 204: PROCUREMENT PRACTICES 2016		
204-1 Proportion of spending on local suppliers	DP - Communities	
GRI 413: LOCAL COMMUNITIES 2016		
413-1 Operations with local community engagement, impact assessments, and development programs	DP - Communities	
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016		
414-1 New suppliers that were screened using social criteria	DP - Supply Chain	
414-2 Negative social impacts in the supply chain and actions taken	DP - Supply Chain	

GENERAL DISCLOSURES	REFERENCE	COMMENT
RENEWABLE ENERGY GENERATION		
GRI 3: MATERIAL TOPICS 2021		
3-3 Management of material topics	AR p.17-28, 70	
G4 SECTOR DISCLOSURE - ELECTRICITY UTILITIES		
EU1 Installed capacity, broken down by primary energy source and by regulatory regime	AR. p.23; DP – Renewable Energy	
EU2 Net energy output broken down by primary energy source and by regulatory regime	AR. p.23; DP – Renewable Energy	
EU10 Planned capacity against projected electricity demand over the long term, broken down by energy source and regulatory regime	AR. p.22, 24	Pipeline projections are estimations subject to internal funding approval and final design (which includes resource consent conditions). See also CAP p.2
EU30 Average plant availability factor by energy source and by regulatory regime	DP – Renewable Energy	

Directory

Directors

Mark Verbiest, Chair
David Carter
Graham Cockroft
Michelle Henderson
Julia Hoare
Nagaja Sanatkumar
Tania Simpson

Executive Team as at 1 July 2025

Mike Roan, Chief Executive
Rory Blundell,
General Manager, Strategy
and Portfolio
Lisa Hannifin,
Chief Customer Officer
Tania Palmer,
General Manager, Generation
Bharat Ratanpal,
Chief Information Officer
Helen Peters,
Acting Chief Financial Officer
Claire Shaw,
General Manager, Corporate Affairs
and Sustainability
Jason Stein,
Chief People Officer
Guy Waipara,
General Manager, Development
Jason Woolley,
General Counsel and Company
Secretary

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Victoria Street West
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Auditor of the Group Financial
Statements on behalf of the Auditor-
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Banker

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Instagram and LinkedIn.

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sustainability@meridianenergy.co.nz

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2025 Annual Results Presentation

Mike Roan – Chief Executive

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The \$448M Harapaki Wind Farm in Hawke's Bay has been fully operational for a year, powering over 70,000 average homes.

Key points

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<p>NEW STORAGE</p> <p>100MW Ruakākā BESS 200MWh storage</p>	<p>ENHANCED HYDRO</p> <p>112MW of new capacity</p>	<p>ACQUIRING/SIGNING</p> <p>Acquiring NZ Windfarms and Flick. Signing Huntly reserve and Kraken</p>	<p>FULL YEAR DIVIDEND</p> <p>21cps ⁻</p>
<p>EARLY WORKS</p> <p> Ruakākā solar</p>	<p>DOUBLE-DIGIT GROWTH</p> <p>+10% Customer connections</p>	<p>STEADY</p> <p>74% Staff engagement (top 25% ranking)</p>	<p>OPERATING CASH FLOWS</p> <p>\$318m [↓] (↓ 52%)</p>
<p>IN CONSENTING</p> <p>Waikato solar Swannanoa solar Waitaki Hydro Scheme</p>	<p>EV CHARGERS</p> <p> 388 (↑ 60)</p>	<p>NEW</p> <p>Staff wellbeing programme</p>	<p>EBITDAF¹</p> <p>\$611m [↓] (↓ 32%)</p>

¹Earnings before interest, tax, depreciation, amortisation, unrealised changes in fair value of hedges and asset related adjustments.

Evolving our strategy

TE KAUPAPA
OUR PURPOSE

TE RAUTAKI
OUR STRATEGY

TE KAUPAPA MATUA
OUR PRIORITIES

TE AROTAHINGA
OUR FOCUS

TE MAHI
OUR KEY INITIATIVES

TE WHAIPAINGA
OUR VALUES

Clean energy for a fairer and healthier world

Expertly navigate the energy transition for Aotearoa New Zealand

Grow renewable generation and firming capacity

To speed our path to a resilient, net-zero future

- Accelerate Aotearoa New Zealand's decarbonisation by delivering scale energy projects at pace:
 - Build renewable generation options.
 - Deliver on our 7 in 7.
 - Secure long-term access to water.
 - Accelerate electrification of transport and process heat.
- Grow system flexibility:
 - Grow our dispatchable MW capacity.
 - Bring dispatchable customer capacity to market.

Deliver cleaner, cheaper energy

Through innovation that unlocks value for customers

- Develop an innovation culture that delivers digital, and data driven customer experiences.
- Expand the energy product set to unlock the value of transport electrification, process heat and demand flex.
- Continue investment in energy hardship and community programmes to promote equitable access to the benefits of the energy transition.
- Advocate for policy settings to promote climate action and support New Zealanders through the energy transition.

Deliver operational excellence

So everything we do aligns to deliver on our goals

- Build operational flex and agility while sustaining excellent asset productivity.
- Implement modern data and digital systems to promote collaboration, operational efficiency, innovation and data-driven decisions.

Grow capability and culture

Because how we do the mahi is what makes the real difference

- Grow a diverse, inclusive and skilled workforce that reflects the country we live in.
- Nurture leadership capability to support the cultural and digital maturity of a future Meridian.
- Develop our understanding of the Māori world view to help build long-term relationships with tangata whenua and better outcomes for all.
- Grow safety leadership maturity as we build into the energy transition.
- Foster sustainability culture and leadership that benefits people and planet, inspires climate action, and attracts investors.

Be a good human

Be gutsy

Be in the waka

AUGUST 2025

Our people

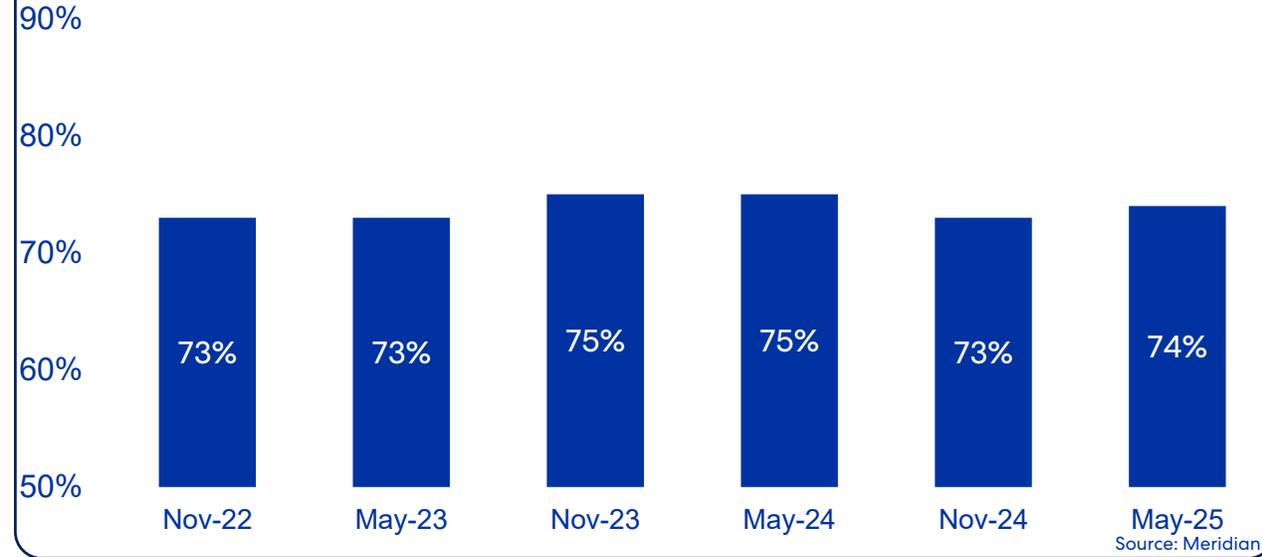
Despite challenging operating conditions and intense industry scrutiny, we continue to attract and retain engaged staff.

Organisation change from implementing new retail operating model and commencing our digital generation capability programme (DigiGEN).

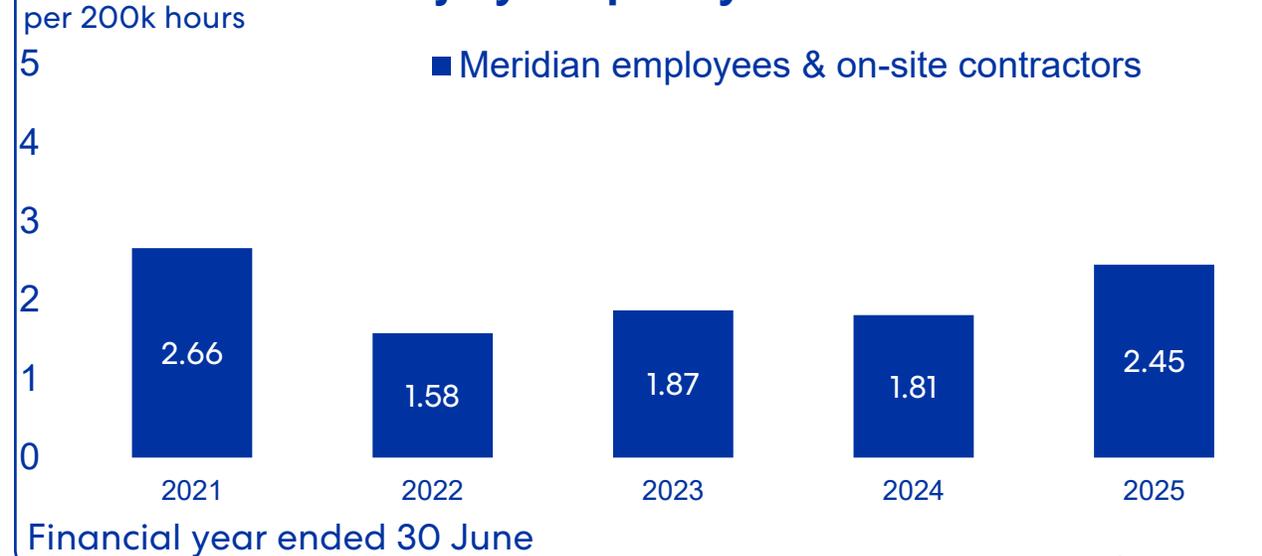
Major revamp of Wellbeing Strategy with a more holistic approach promoting physical health, mental resilience, thriving work environments.

Significant focus going into construction safety and more maturity in our Learnings Team approach to wellbeing.

Employee engagement



Total recordable injury frequency rate



Seasonal and structural fuel scarcity

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Two 1 in 90 years seasonal droughts:

May 2024 to mid-August 2024, inflows 64% of average.

January to 2025 to April 2025, inflows 57% of average.

Financial impacts of lower physical generation exacerbated:

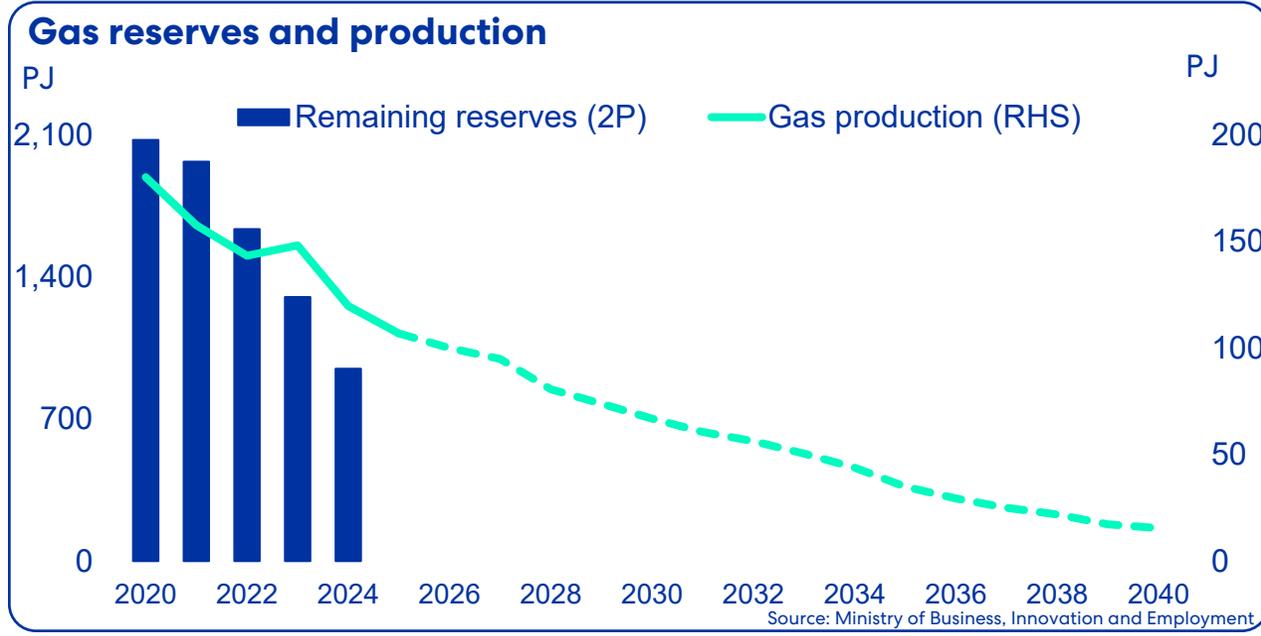
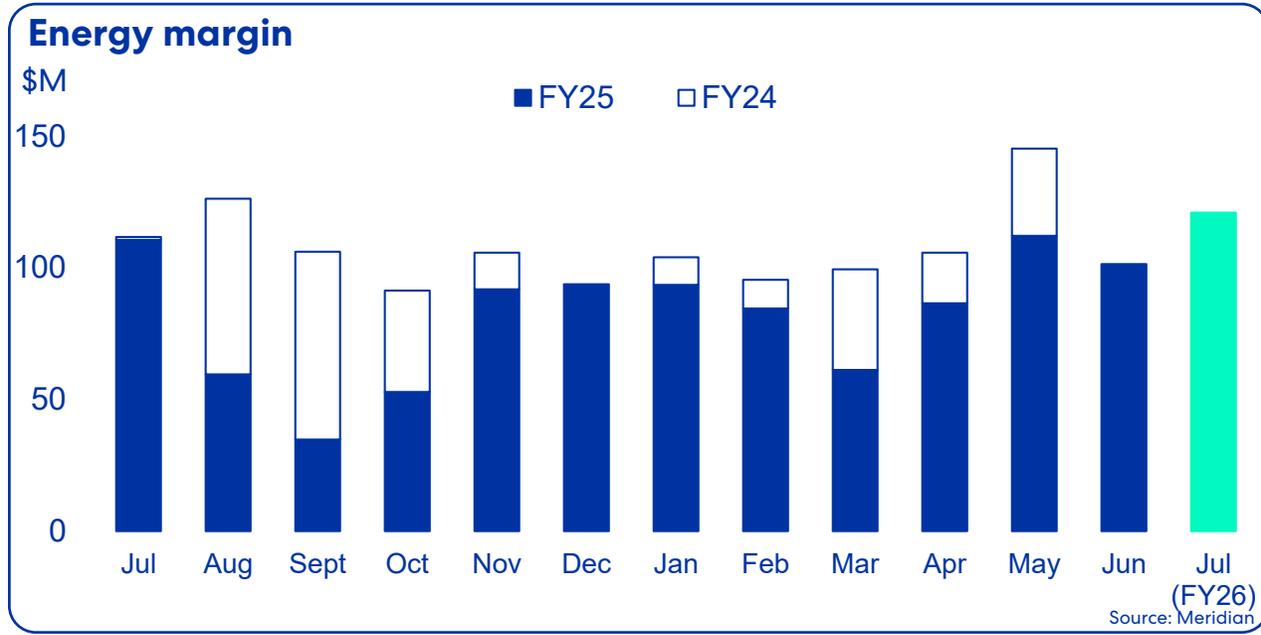
A significant hedge contract suspended during winter 2024.

Replaced by a high-priced, Methanex-backed contract.

Extensive smelter demand response calls.

Physical generation and energy margin have now reverted to pre-drought levels.

Declining production and reserves mean gas can no longer reliably meet periodic electricity industry firming.



Security of supply

2025 security of supply was underpinned by new, short-term transactions with NZAS and Methanex.

Future security of supply and dry year risk can be managed effectively through a combination of Huntly strategic energy reserve, remaining gas plants and NZAS demand response.

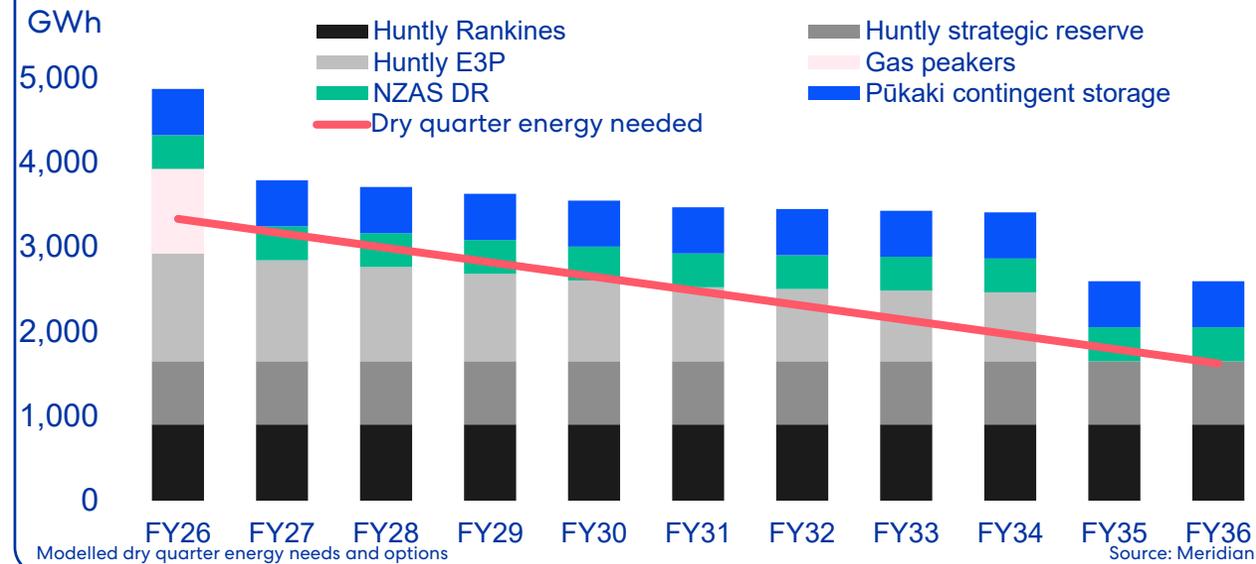
Contingent storage will be key.

Operationalising Pūkaki contingent storage and enhancing other hydro storage are needed, with the large NZAS demand response options not available every year.

Meridian is accelerating renewable investment, targeting \$2B of capital spend in the next 3 years.

Including investment in capacity upgrade at the Waitaki Hydro Station.

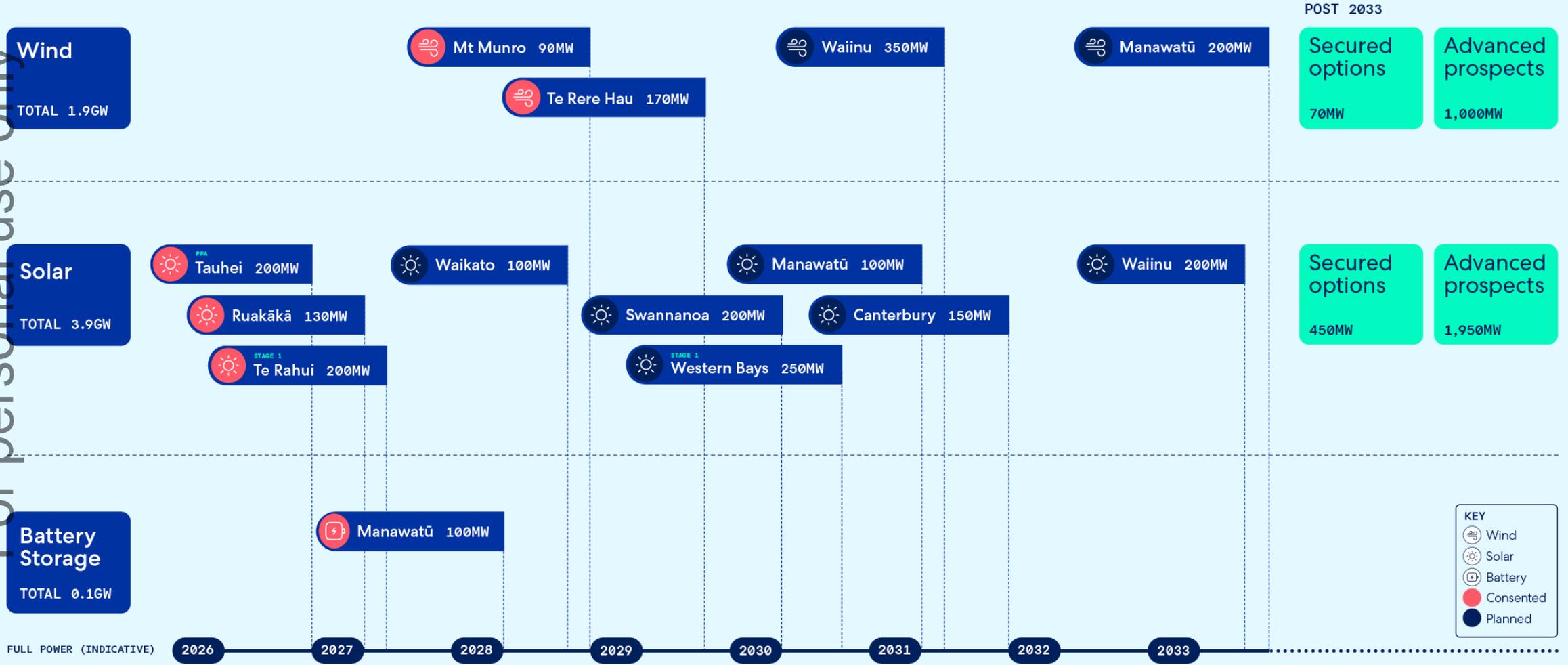
Seasonal energy options



Renewable Development Pipeline

5.9GW (13.9TWh) of development options
 3.0GW secured, 2.9GW in advanced prospects

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KEY

- Wind
- Solar
- Battery
- Consented
- Planned

AUGUST 2025

Sector reviews

The final report for the Government review of the electricity sector has been completed by Frontier Economics.

Expected to be published alongside a Government response by the end of September.

Electricity Authority and Commerce Commission Taskforce is due to make in-principle decisions in August on next steps for the proposed “Level Playing Field” measures.

Further updates or consultation to follow in September.

Our submission to the Taskforce noted:

- Design changes to improve workability and avoid significant costs to consumers.

- Alternatives such as market making as a lower risk way to increase the availability of shaped hedges.



The \$186M Ruakākā Battery Energy Storage System near Whangārei was completed in May 2025.

Emissions

Scope 1 reductions from light fleet electrification and SF6 mitigations.

Rising Scope 3 emissions from increased purchase of goods and services and share of transmission & distribution losses.

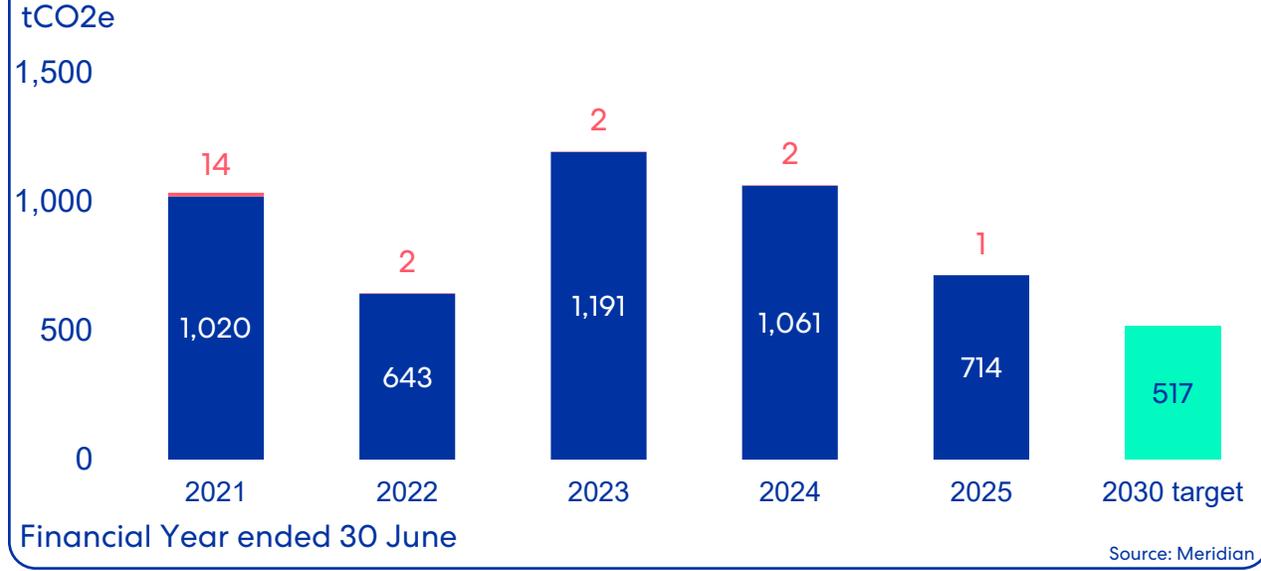
Moved to an intensity-based Scope 3 emissions target, linking supplier emissions to our growing generation capacity.

Targeting a 51% Scope 3 emissions reduction from a 2021 baseline by 2030.

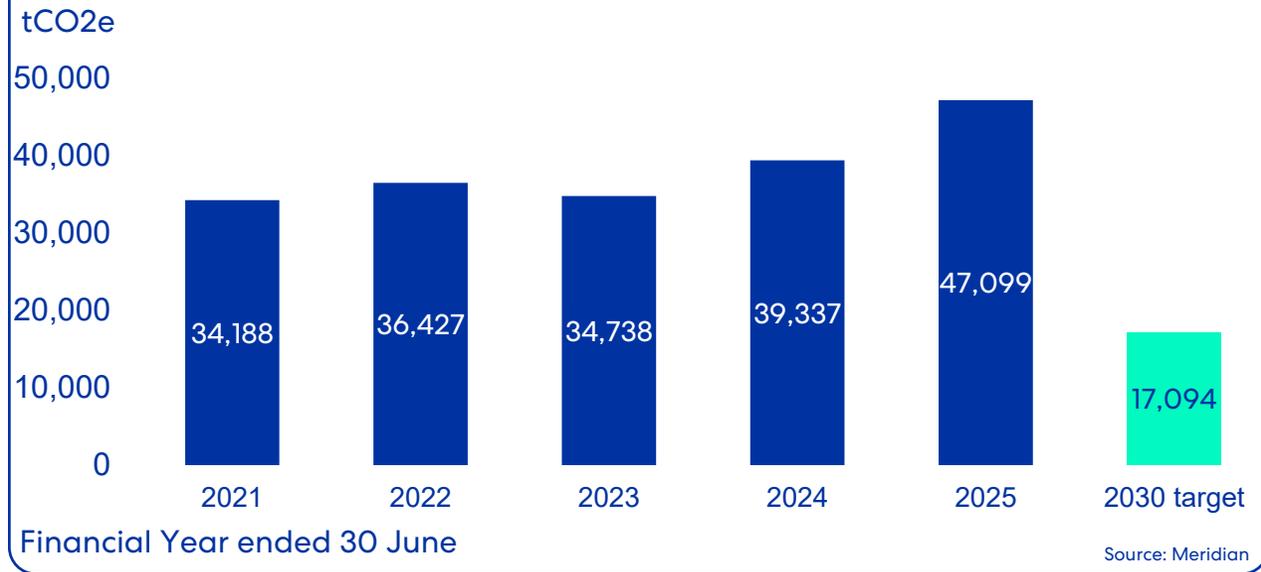
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Scope 1 & 2 GHG emissions



Scope 3 GHG emissions

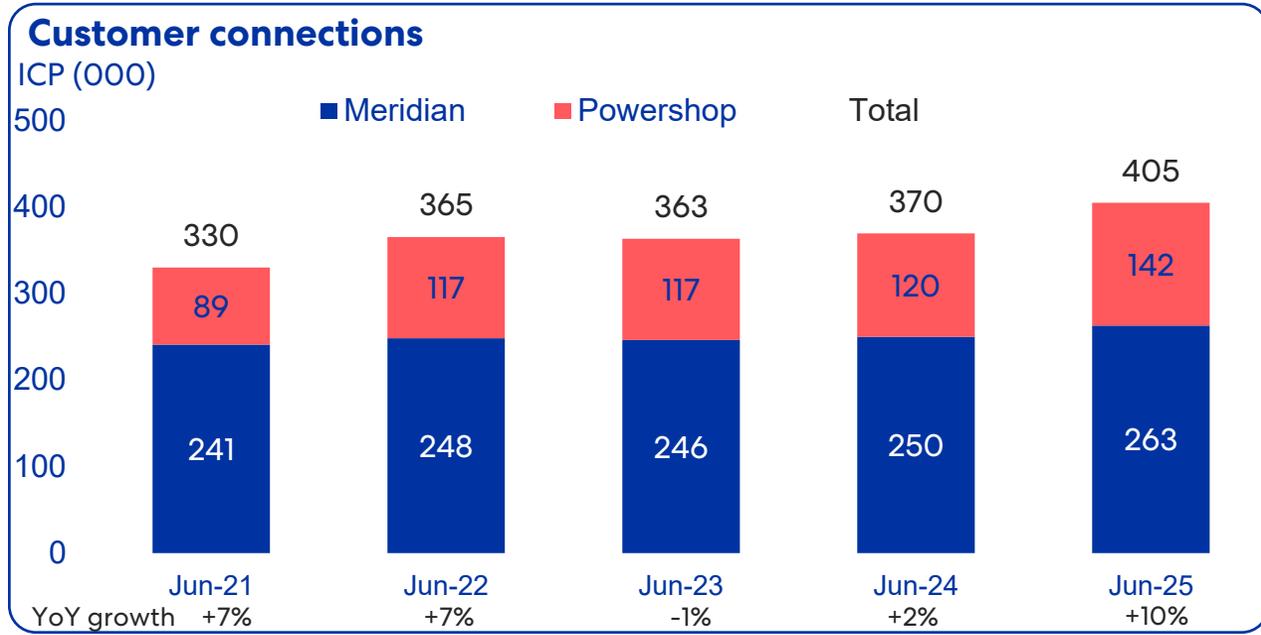


Our customers

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- Successful transformation of our Retail business.
- Launch of Smart Hot Water and Four Hours Free plans.
- Renewable Energy Certificates and Energy Wellbeing Programme delivering results.
- 388 chargers now installed in our Zero network.
- Acquisition of Flick.
- Selection of Kraken as retail technology partner. Will mean dual retail system costs through FY26 implementation.
- Record growth of 10% in customer connections.

Lion is partnering with Meridian and Reid Technology to install approximately 2,400 solar panels at The Pride in East Auckland, providing 14% of the brewery's electricity needs.



Helen Peters – Acting Chief Financial Officer

Meridian has secured an additional 45GWh of energy from the Manapōuri Power Scheme each year, enough to power around 6,000 homes.

Cash flows and EBITDAF

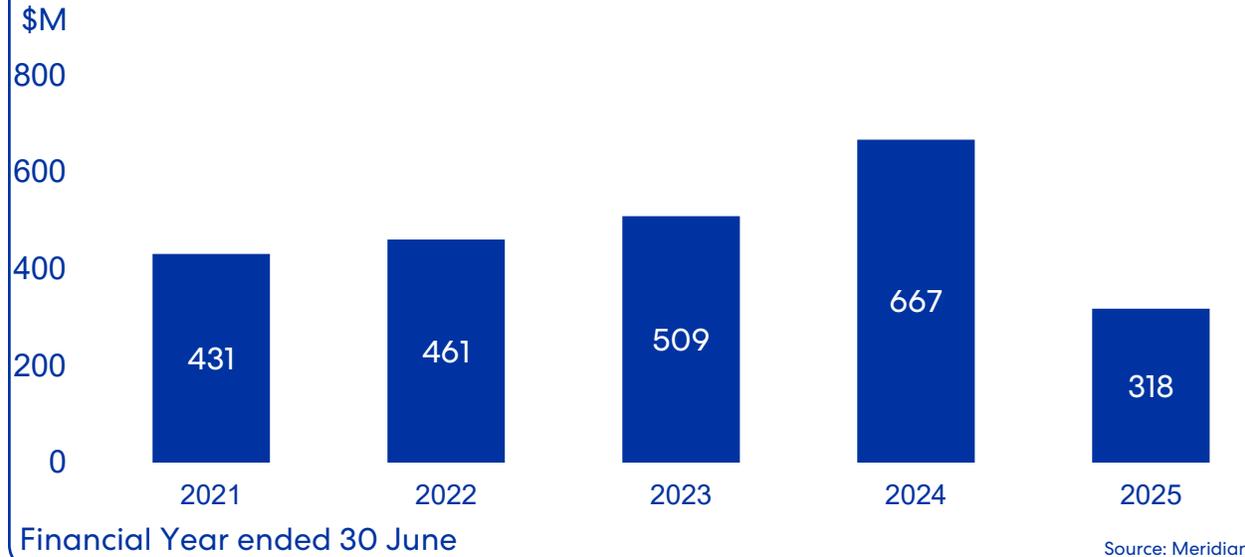
52% decrease in operating cash flows, lowest reported cash flows since 2009.

23% decrease in energy margin.

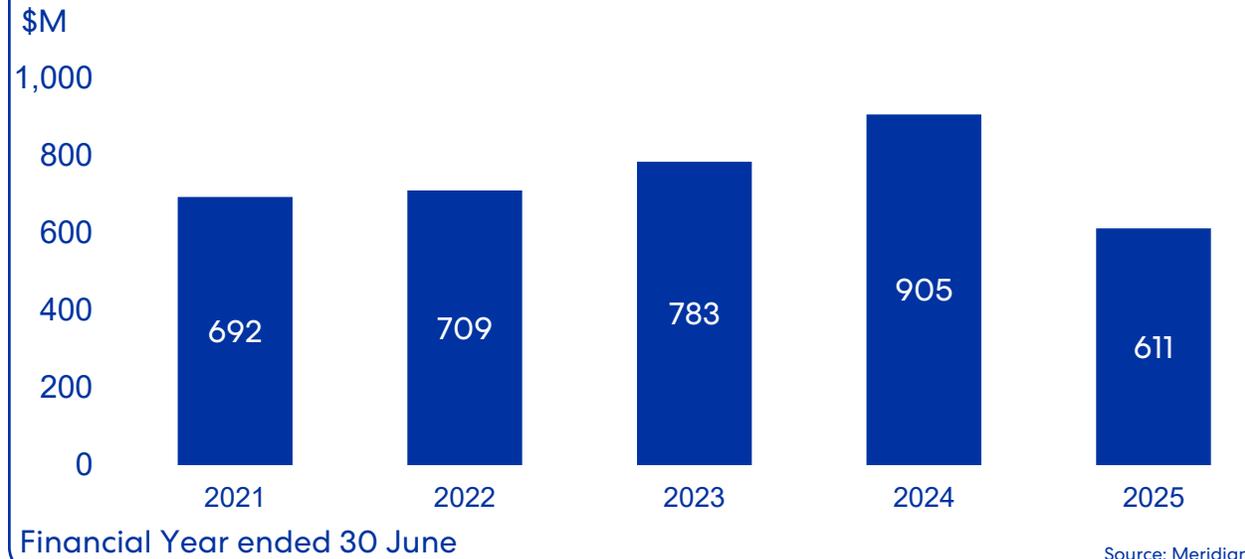
32% decrease in EBITDAF.

Year ended 30 June 2025	FY25	YoY	YoY	FY25	YoY	YoY
	Operating	change	change	EBITDAF	change	change
	cash flows	\$M	%		\$M	%
Receipts from customers	4,983					
Interest received	5					
Payments to suppliers and employees	(4,388)	+/- accruals		611	(294)	-32%
		+11				
Interest paid	(87)	-7				
Income tax paid	(195)	-35				
Operating cash flows	318	-349	-52%			
Energy margin				982	(294)	-23%
Other revenue				52	16	+44%
Hosting expense				(4)	-	+0%
Energy transmission expense				(78)	(5)	+7%
Energy metering expenses				(52)	(3)	+6%
Other operating expenses				(289)	(8)	+3%

Operating cash flows



EBITDAF



Dividend

Final ordinary dividend declared of 14.85cps (unchanged from FY24), 73% imputed.

Brings FY25 full year ordinary dividend declared to 21.00cps (unchanged from FY24), 77% imputed.

Dividend reinvestment plan will apply to the final dividend at 2% discount.

\$310M of debt headroom used to support FY25 dividends.

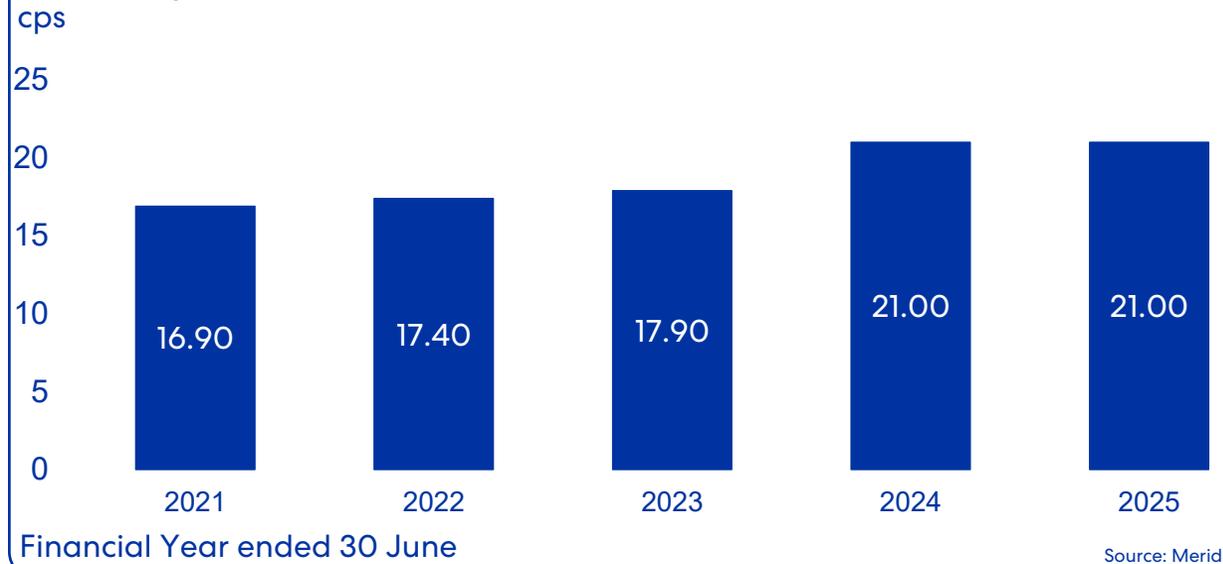
While rare, future severe droughts will occur. When they do, dividend levels may be reviewed to give the Board flexibility while maintaining existing credit rating.

Operating free cash flow

\$M	2025	2024	2023	2022
Operating cash flow	318	667	509	461
Stay in business capital expenditure	(80)	(72)	(46)	(40)
Operating free cash flow	238	595	463	421
Annual dividend declared	548	543	462	448
Annual dividend declared (cps)	21.0	21.0	17.9	17.4
Payout ratio	230%	91%	100%	107%



Ordinary dividends declared



Dividend Reinvestment Plan Dates

Ex dividend date	4 September	Strike price announced	11 September
Record date	5 September	Dividend paid/shares issued	23 September
Elections close	8 September		

Movement in EBITDAF

Lowest reported EBITDAF in 10 years.

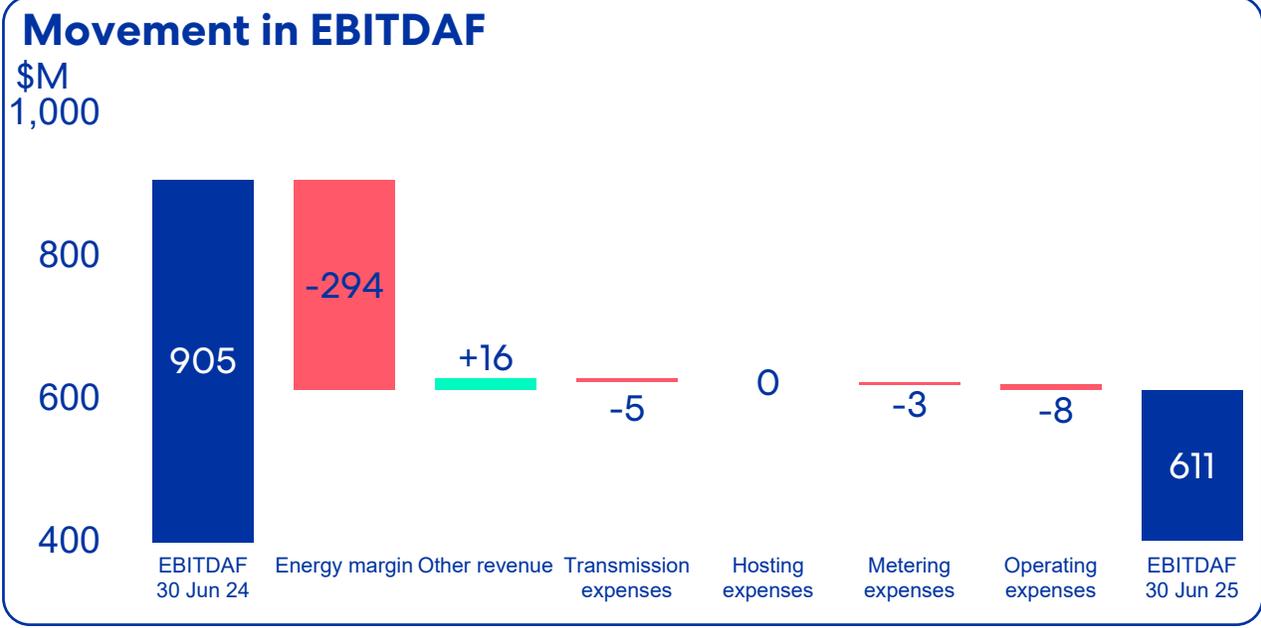
Winter followed by summer drought conditions saw FY25 hydro generation more 1,000GWh lower than the 10-year average.

Significant derivative purchases and demand response calls were needed to manage these dry conditions.

The intervening spring was extremely wet and saw very low wholesale prices.

Other revenue includes insurance and JV revenue, metering services, retail EV and solar revenue.

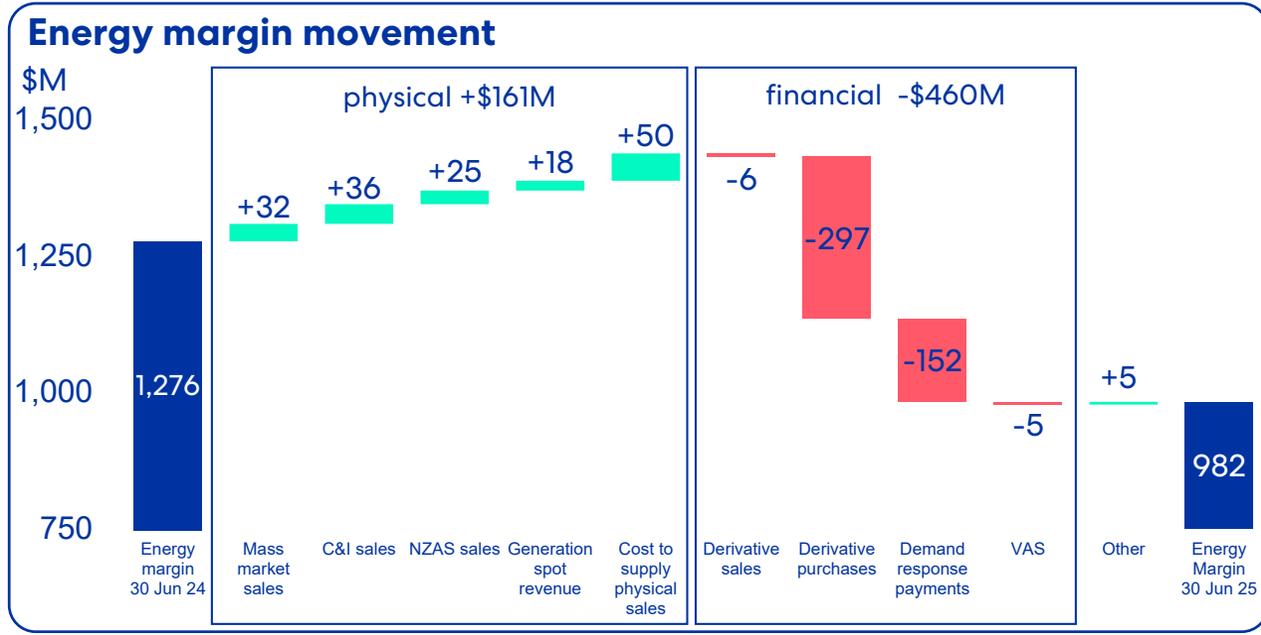
Transmission expenses and distribution costs include three months of new, higher-regulated costs.



Energy margin

Price growth in mass market, corporate and NZAS sales.
 Higher generation spot prices helped offset an 11% decrease in hydro generation volumes through repeated drought conditions.
 With a 26% increase in wind generation volumes from the fully commissioned Harapaki Wind Farm.
 Lower agricultural and NZAS sales volumes reduced physical supply costs, despite the higher spot prices.
 The dry conditions reduced derivative sales and resulted in \$300M of derivatives purchases and demand response costs.

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Retail sales

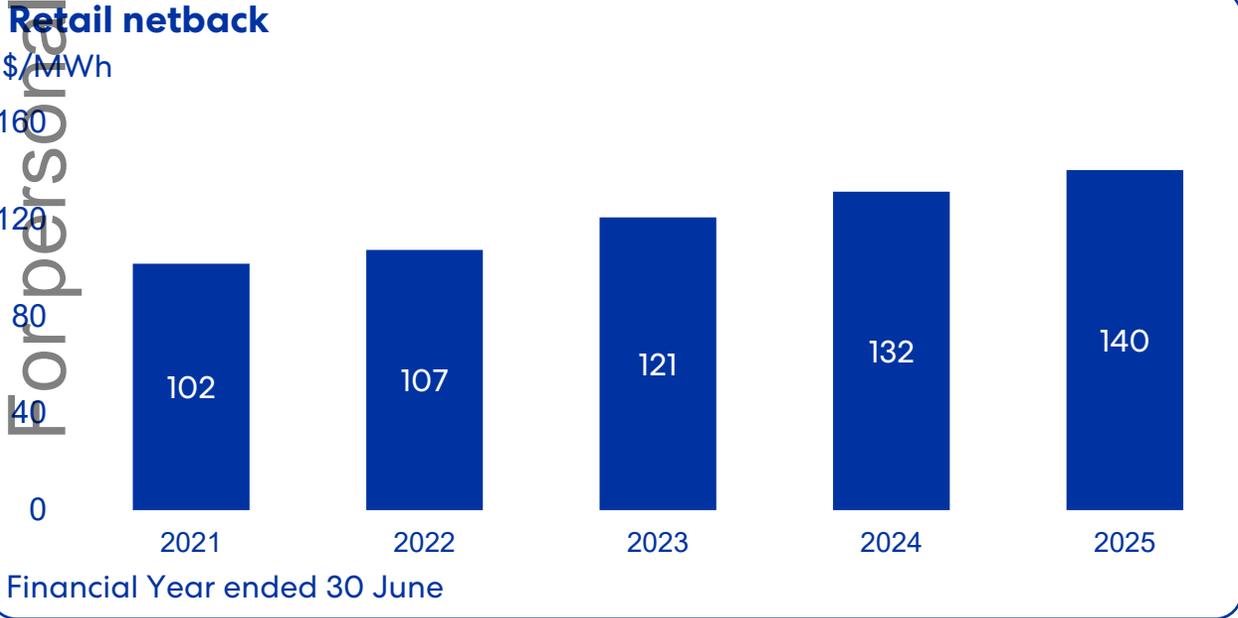
2% sales volume growth across mass market segments (excluding agricultural), North Island weighted.

6% higher mass market net average sales price.

Mass market revenue increased \$32M (4%).

Flat corporate sales volume at a 6% higher net average sales price.

Corporate revenue increased \$36M (7%).



Retail customer sales

	Average price (\$/MWh)	Total sales volume (GWh)	North Island sales volume (GWh)	South Island sales volume (GWh)
FY25				
Residential		1,814	1,007	806
Small medium business		1,682	1,034	648
Agricultural		1,288	416	872
Large business		717	465	252
Total mass market	\$150	5,501	2,922	2,579
Corporate	\$148	3,921	1,980	1,941
FY24				
Residential		1,799	998	801
Small medium business		1,669	1,024	645
Agricultural		1,474	411	1,063
Large business		661	427	234
Total mass market	\$146	5,603	2,860	2,743
Corporate	\$139	3,908	2,222	1,686

Generation

98% of average inflows in FY25 masks periods of extreme hydrology, record dry winter and summer, near record wet spring.

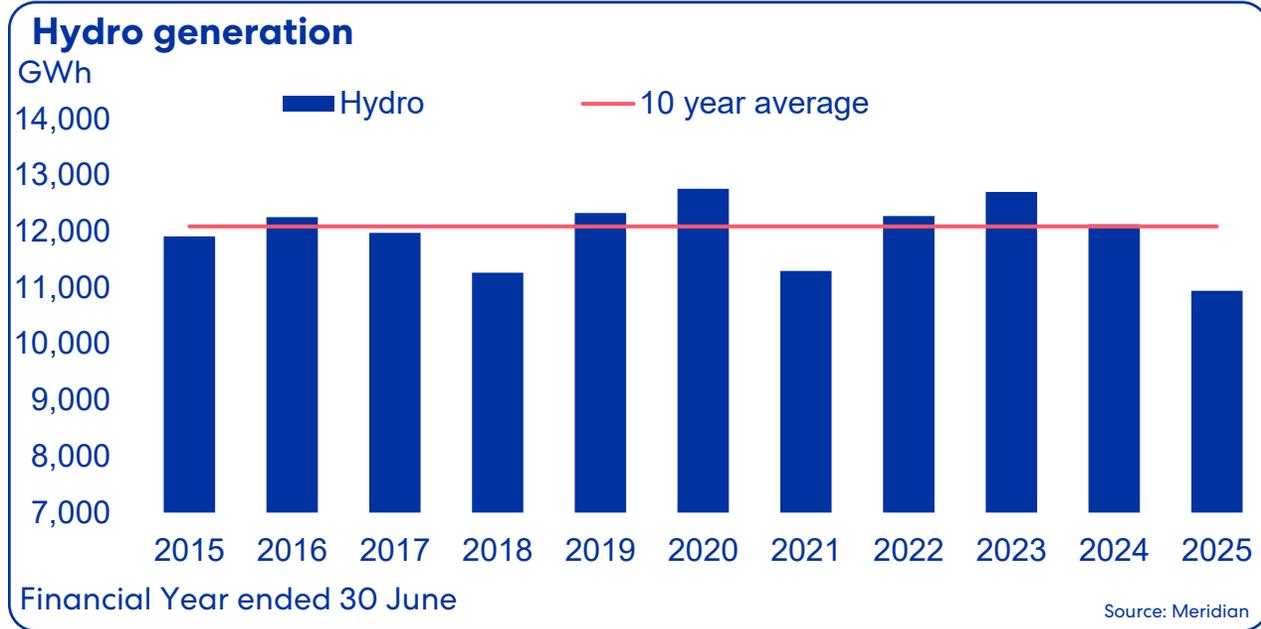
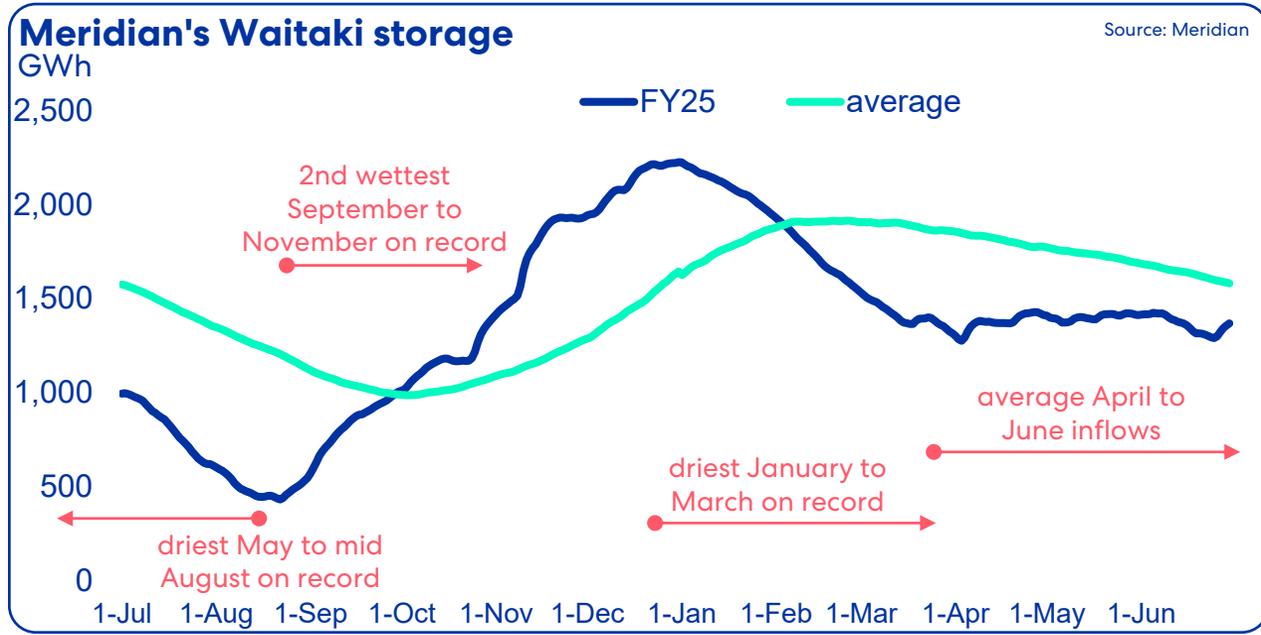
With the storage management needed, that saw lowest hydro generation since 2013.

Harapaki Wind Farm's first year of full operation (August 2024 to July 2025) delivered 549GWh at a 35.5% capacity factor, both above business case.

First non-operating Manapōuri transformer replaced and two additional replacement transformers arriving in 2026.

Remaining five transformers will be replaced over the next two and a half years.

Permanent replacement for a temporary West Wind transformer landed in Wellington.

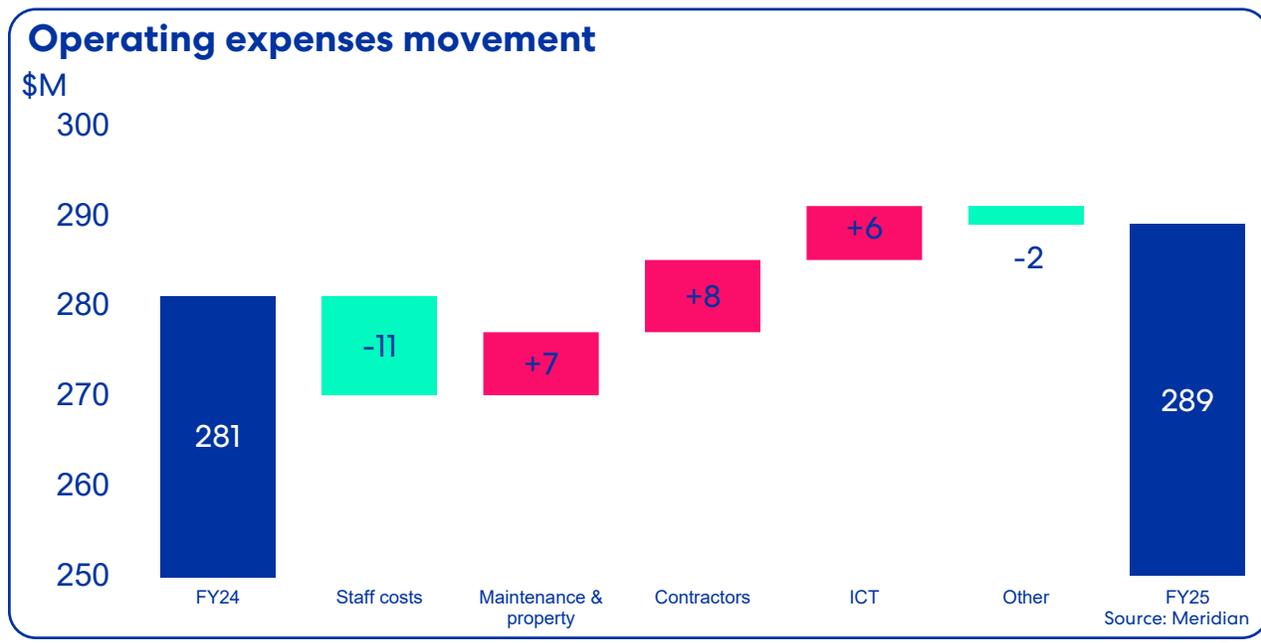
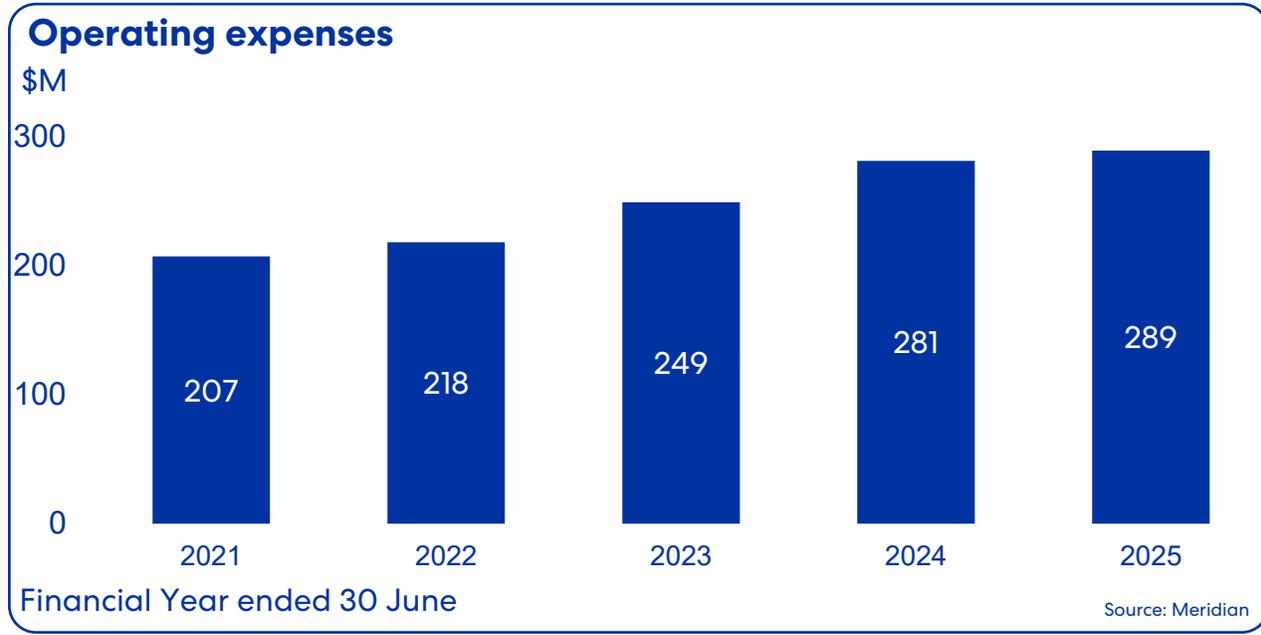


Operating expenses

FY25 operating expenses \$8M (3%) higher than FY24.
 Below the bottom of the February 2025 revised guidance range (\$298M-\$304M), largely due to lower incentive payments.
 Movement in FY25 operating costs from:

- No senior short-term incentive.
- Restructure cost savings.
- Land access costs and Harapaki operating costs.
- Contractors supporting retail transformation and generation digitalisation.
- Oracle implementation costs (ICT).
- Lower travel costs (Other).

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Capital expenditure

FY25 capital expenditure was \$156M (45%) lower than FY24, which included Harapaki milestone payments and the bulk of Ruakākā BESS investment.

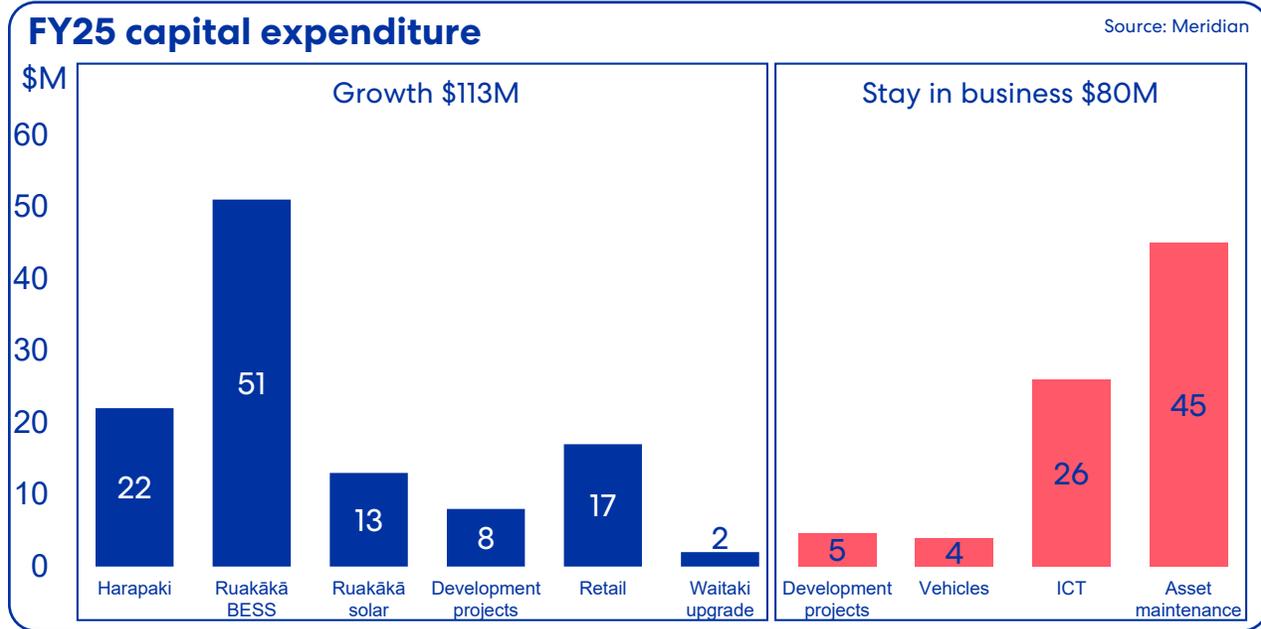
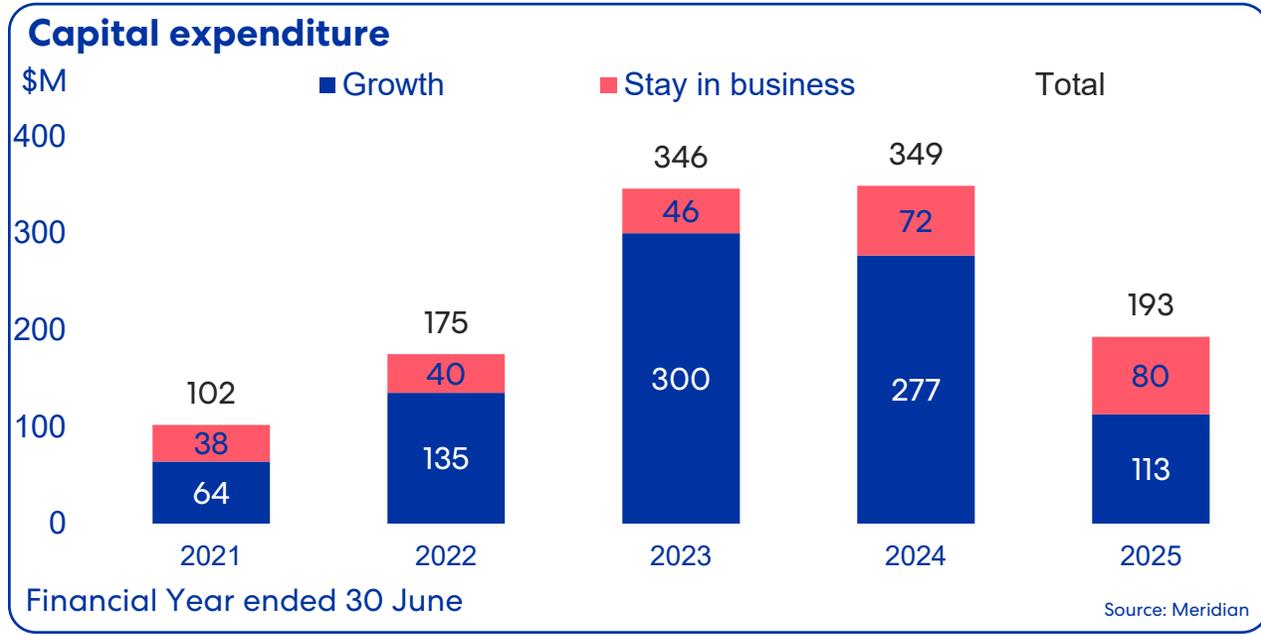
Below the bottom of the February 2025 revised guidance range (\$220M-\$250M), largely due to Ruakākā solar consent timeframe.

Retail costs include public charging and Kraken implementation.

ICT costs include SCADA system replacement.

Asset maintenance costs include new transformers.

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Cost guidance

Operating expenses include:

Kraken implementation and dual billing platform costs.

NZ Windfarms and Flick integration.

Oracle implementation successfully completed in FY25.

Average staff incentives and further restructure savings.

Year two of DigiGEN.

Asset maintenance costs of new generation assets.

Growth capex includes Ruakākā solar completion and early-stage construction on next consented projects.

And continuation of public charging rollout, Kraken implementation and Waitaki Hydro Station upgrade.

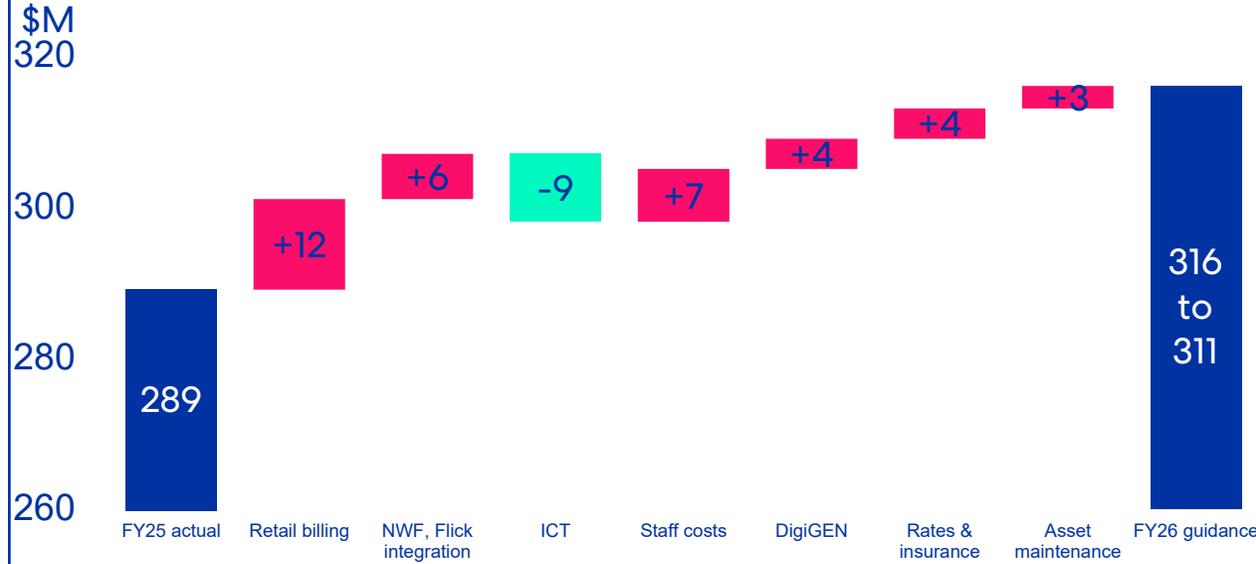
SIB capex includes continuation of SCADA replacement, penstock strengthening at Benmore and transformer replacement.

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	FY26 Cost Guidance			FY25 Actual		
	Generation	Flux	Total	Generation	Flux	Total
Operating Expenses		\$17M	\$311M - \$316M		\$15M	\$289M
Stay in Business			\$100M - \$110M			\$80M
Growth			\$230M - \$250M			\$113M
Total Capital Expenditure			\$330M - \$360M			\$193M
Total Cash Costs	\$160M - \$165M			\$135M		

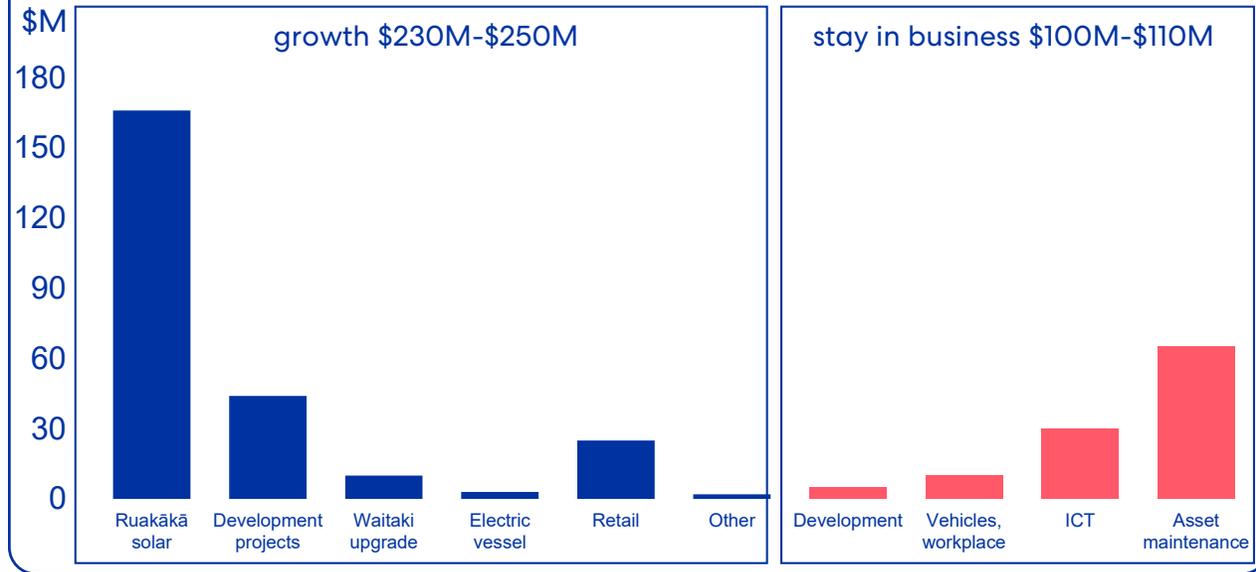
FY26 operating cost guidance

Source: Meridian



FY26 capital expenditure

Source: Meridian



Below EBITDAF

\$671M decrease in NPBT¹ from the net unrealised change in fair value of hedges² (\$98M increase in FY24). NZAS base contract recognition change.

\$33M Flux impairment, following selection of Kraken as retail technology partner.

\$22M increase in finance costs, higher interest, lower project capitalised interest with Harapaki Wind Farm completed.

\$113M increase in depreciation and amortisation from FY24

\$3B increase in generation and plant valuation.

Resulted in an \$881M decrease in NPAT³ and \$303M decrease in underlying NPAT⁴.

\$2B increase in generation and plant valuation in FY25.

¹Net profit before tax.

²Net changes in the fair value of unrealised energy hedges and treasury hedges.

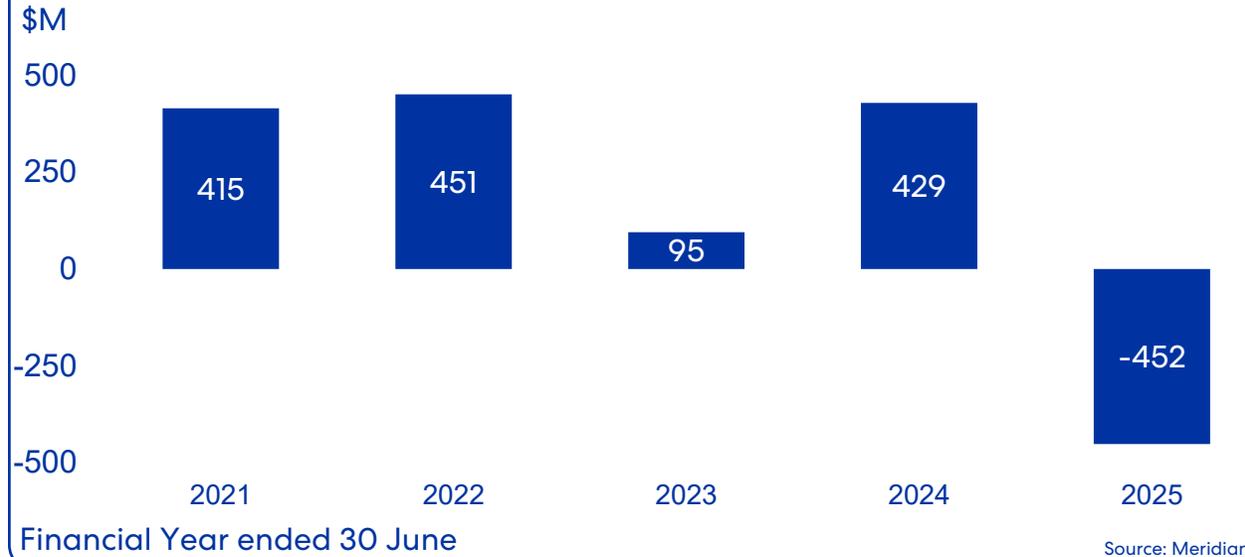
³Net profit after tax.

⁴Net profit after tax adjusted for the effects of changes in fair value of unrealised hedges, electricity option premiums and other non-cash items and their tax effects.

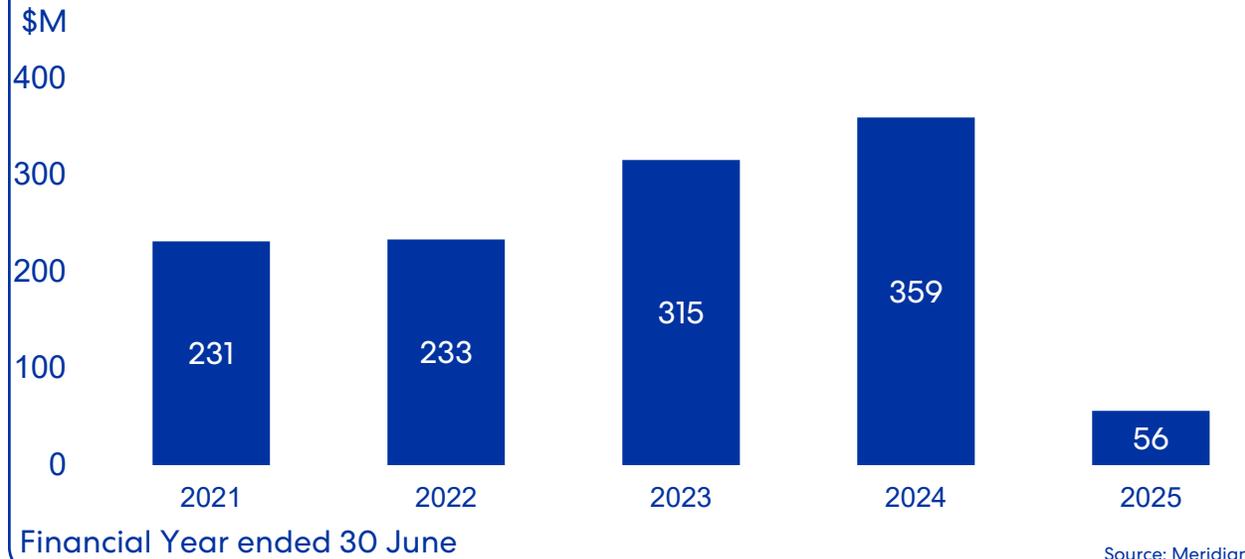
A reconciliation of NPAT to Underlying NPAT is on page 48.



Net profit after tax (continuing operations)



Underlying NPAT



Debt and funding

June 2025 total borrowings of \$1,569M.

Total funding facilities of \$2,161M, of which \$658M were undrawn.

All facilities classified under Meridian's Green Finance Programme.

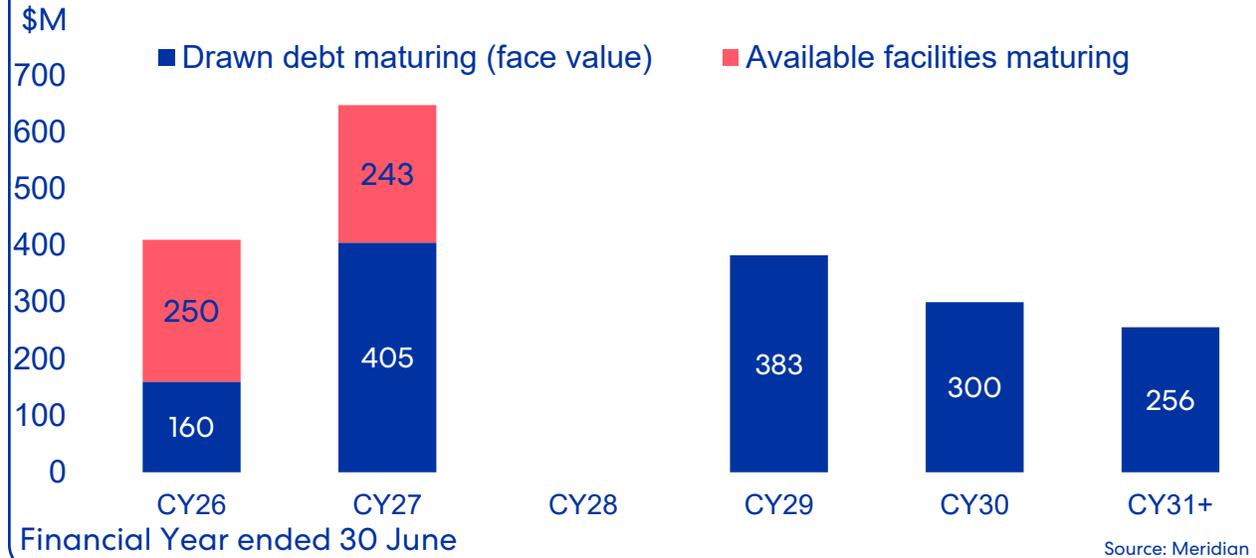
FY25 net debt of \$1,505M, up 18% from FY24.

FY25 net debt to EBITDAF at 2.5 times (FY24: 1.4 times).

Consideration of up to a \$300M issue of 6½ year, unsubordinated, fixed rate green bonds has been announced.

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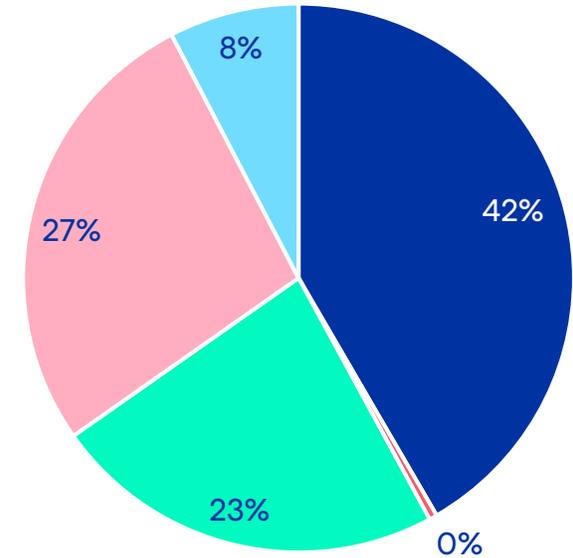
Debt maturity profile as at 30 June 2025



Source: Meridian

Sources of funding as at 30 June 2025

- NZ\$ bank facilities drawn/undrawn
- EKF - Danish export credit
- Retail Bonds
- US private placement
- Commercial paper



Source: Meridian

July 2025 operating result

Earnings reversion continues with a strong July result.

Meridian inflows were 89% of average.

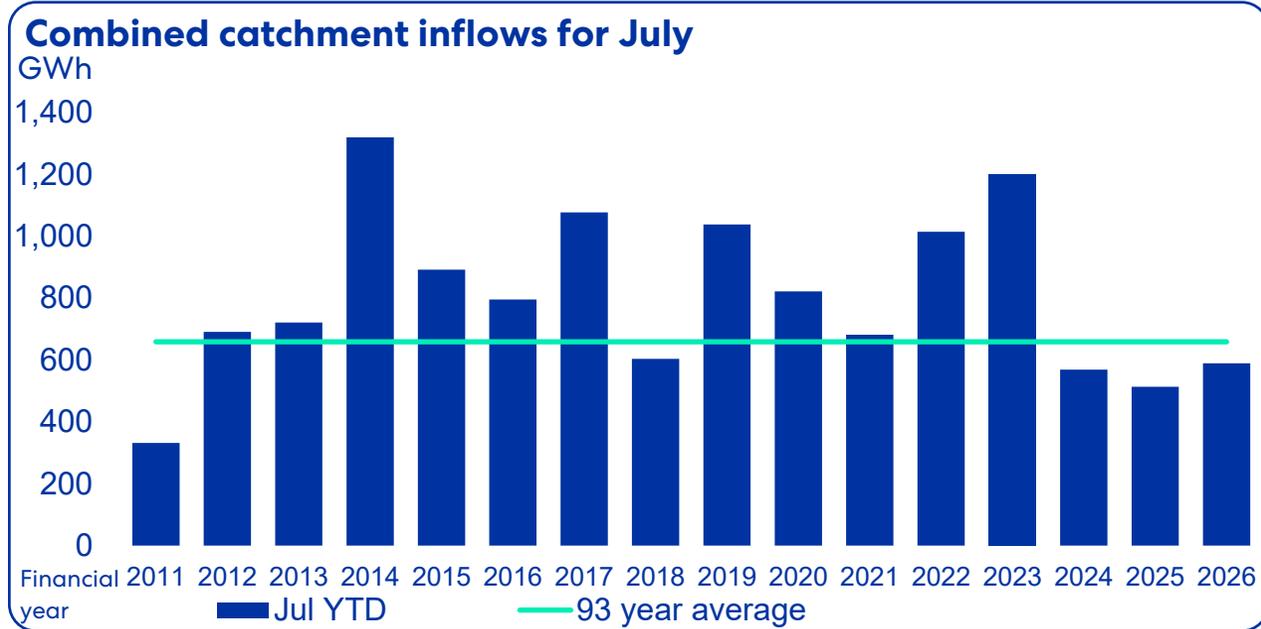
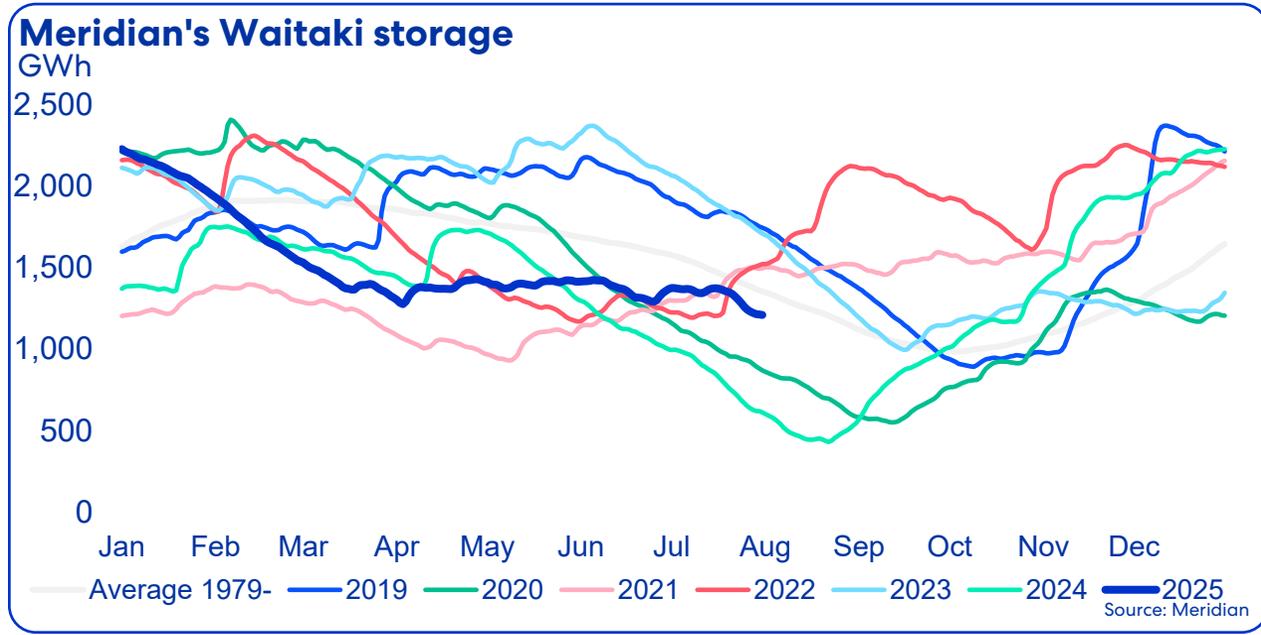
Waitaki hydro storage at 89% of average, snow storage at 76% of average at 31 July.

Meridian's customer connection numbers increased 1.4% during July 2025 and have increased 11.2% since July 2024.

Retail sales volumes in July 2025 were 9.4% higher than July 2024, across all customer segments.

Generation in July 2025 was 9.6% higher than July 2024.

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Mike Roan – Chief Executive

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Impression of Meridian's \$227M Ruakākā Solar Farm near Whangārei, which will produce enough electricity to power half the homes in Northland when it is completed in early 2027.

Closing comments

FY25 was a perfect storm of record droughts and the extent of New Zealand's gas decline.

Balance sheet strength has underwritten that with an unchanged dividend.

Meaningful progress on our strategy with reset of the Retail business, increased asset capacity, five consents secured, and two businesses acquired.

While the sector is resolving the security of supply risk from gas unavailability, Pūkaki contingent storage is needed.

Potential regulatory reforms should be in consumers' interests.

3.4 metres more water in the Lake Pūkaki and 11% more customer connections than a year ago.

Upcoming

13-15 October	Governance roadshow
21 October	Annual Shareholder Meeting
22-23 October	New CFO and GM Strategy & Portfolio meetings
19-20 November	Investor day



Meridian's Ōhau A Hydro Station in the Mackenzie Basin, South Canterbury.

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Questions

Additional information

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FY26 focus

Grow renewable generation and firming capacity

Key initiatives

Accelerate Aotearoa NZ's decarbonisation by delivering scale energy projects at pace

- Build renewable generation options
- Deliver on our 7 in 7
- Secure long-term access to water

Grow system flexibility

- Grow our dispatchable MW capacity
- Grow hydro storage and our demand response portfolio

FY26 targets

Begin construction of 3 new generation developments (incl Ruakākā solar).
 Consents: gain two and lodge two (more).
 Waitaki re-consent hearing completed and strategy developed for Manapōuri re-consenting.
 Identify and develop hydro storage options.

Improve access to contingent storage – secure access to 3m of continent storage at Lake Pūkaki.
 Work with the Guardians to improve hydro storage in the Waiau.
 Obtain approval from Transpower to operate Manapōuri units at 128/131.5MW.
 Deliver FID for Waitaki Upgrade Project.
 15MW of additional peaking capacity delivered (flex and new capacity).

Deliver cleaner, cheaper energy

Key initiatives

Create more value for customers

- Develop digital capability and innovation to optimise operations, achieve scale and grow customer relationships
- Expand the energy product set to unlock the value of transport electrification, process heat and demand flex

Increase community good

- Continue the investment in energy hardship and community programmes to promote equitable access to the benefits of the energy transition

Advocate for policy settings to promote climate action and support New Zealanders through the energy transition

FY26 targets

Full Next Gen digital platform operational and delivering value (front end, integration and data model) with 100% of customers migrated onto the platform.
 30k mass market customers on cost effective Flex products.
 80 new high-capacity chargers installed.
 422k valuable ICPs (+27k).
 Retail FTE ≤268.

Support 1k customers in energy hardship.
 Increase community decarb distributions by \$0.8m

Advocate optimal energy market structures, reform and policy with interventions that are in the best interests of consumers and Meridian (mutually inclusive) and aligns with national interests; specifically relating to:

- Industry agreement in 2025-26 on dry-year risk options for the near-term future.
- Resource Management Act reforms (and streamlined consenting processes).
- The Competition Task Force, Ministerial Review and other regulatory initiatives that are reasonable and provide clear consensus on the role of Government, the regulator and the sector in the Energy transition.

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FY26 focus

Deliver operational excellence

Key initiatives

FY26 targets

Build operational flex and agility while sustaining excellent asset productivity

Develop and deliver a digitisation strategy, value framework and roadmap, which includes data driven asset management and preventative maintenance practices.
Updated maintenance practices reducing annual routine outage days by >100 days (from a baseline of 1,382 days).
Improve asset health through delivering high priority projects.

Implement modern data and digital systems to promote collaboration, operational efficiency, innovation and data-driven decisions

Identify and commence initiatives to deliver the Enterprise Data strategy (including a value framework).
Enable self-service access and apply machine learning to Portfolio, Asset Performance, and Maintenance datasets to support DigiGEN and Wholesale Modernisation.
Agentic AI integrated into daily workflow to automate business processes and AI enabled for existing applications.
Improve security maturity to achieve a 3.0 or above NIST maturity score and achieve 100% of AESCS compliance.
Project Alpha implementation key milestones achieved.
Improve and ensure security of supply settings across the industry including securing the future of Huntly's Rankine units.
Deliver BESS revenue (in line with business case expectations).

Grow culture and capability

Key initiatives

FY26 targets

Grow a diverse and inclusive, skilled workforce that reflects the country we live in

50% women at Meridian, 29% women in senior roles, 6% Māori representation.
Employee engagement in top 25% of NZ orgs (500-1000 employees); trending up.

Nurture leadership capability to support the cultural and digital maturity of a future Meridian

Establish a measurement/growth framework for leadership capability, to include customer-focused culture, performance-driven approach.

Develop our understanding of the Māori world view to help build long-term relationships with tangata whenua

Growing competence in Te Ao Māori yields tangible outcomes in business actions.

Grow safety leadership maturity as we build into the energy transition

A Critical Risk Framework that includes a maturity roadmap, 10% reduction in 'high risk potential' safety events.
Training and capability targets are met, increased positive safety sentiment from annual PluggedIn Engagement Survey.
5% increase in Learning Teams and 20% increase in safety observations across sites and offices.
Identify independent benchmarks with a target of being in the top 5% of NZ businesses from a safety and wellness perspective.

Foster sustainability culture and leadership that benefits people and planet, inspires climate action and attracts investors

Inclusion within Dow Jones Best-in Class ESG index (World Index).
Business emission reduction plan initiatives delivered.
Nature-based baseline completed and next steps agreed.

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Segment results

\$M Financial year ended 30 June	Wholesale		Retail		Other & unallocated		Inter-segment		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Contracted sales	672	633	1,431	1,363	-	-	-	-	2,103	1,996
Cost to supply customers	(3,669)	(3,487)	(1,357)	(1,326)	-	-	1,510	1,507	(3,516)	(3,306)
Net cost of hedging	76	285	-	-	-	-	-	-	76	285
Generation spot revenue	2,337	2,319	-	-	-	-	-	-	2,337	2,319
Inter-segment electricity sales	1,510	1,507	-	-	-	-	(1,510)	(1,507)	-	-
Virtual asset swap margins	(14)	(9)	-	-	-	-	-	-	(14)	(9)
Other market revenue/(costs)	(5)	(9)	1	-	-	-	-	-	(4)	(9)
Energy margin	907	1,239	75	37	-	-	-	-	982	1,276
Other revenue	5	4	22	18	34	23	(9)	(9)	52	36
Hosting expense	-	-	-	-	(4)	(4)	-	-	(4)	(4)
Energy transmission expense	(78)	(73)	-	-	-	-	-	-	(78)	(73)
Energy metering expenses	-	-	(52)	(49)	-	-	-	-	(52)	(49)
Gross margin	834	1,170	45	6	30	19	(9)	(9)	900	1,186
Employee expenses	(33)	(31)	(37)	(38)	(54)	(65)	-	-	(124)	(134)
Other operating expenses	(79)	(67)	(42)	(40)	(52)	(48)	8	8	(165)	(147)
Operating expenses	(112)	(98)	(79)	(78)	(106)	(113)	8	8	(289)	(281)
EBITDAF	722	1,072	(34)	(72)	(76)	(94)	(1)	(1)	611	905

EBITDAF reconciliation to the income statement

Financial year ended 30 June	2025	2024		2025	2024
Income statement (\$M)			Segment earnings statement (\$M)		
Energy sales to customers	2,429	2,487	Energy margin	982	1,276
Generation revenue	2,354	2,333	Other revenue	52	36
Energy related services revenue	11	11	Hosting expenses	(4)	(4)
Other revenue	41	25	Energy transmission expense	(78)	(73)
Total operating revenue	4,835	4,856	Energy metering expenses	(52)	(49)
Energy expenses	(2,396)	(2,956)	Gross margin	900	1,186
Energy distribution expenses	(817)	(739)	Employee expenses	(124)	(134)
Energy transmission expenses	(78)	(73)	Other operating expenses	(165)	(147)
Hosting expenses	(52)	(4)	EBITDAF	611	905
Electricity metering expenses	(4)	(134)			
Employee expenses	(124)	(49)			
Other expenses	(165)	(147)			
Total operating expenses	(3,636)	(4,102)			
Depreciation and amortisation	(447)	(334)			
Asset related adjustments	(33)	(18)			
<i>realised energy hedges</i>	(588)	151			
<i>unrealised energy hedges</i>	(659)	102			
Net change in fair value of energy hedges	(1,247)	253			
Net finance costs	(79)	(57)			
Net change in fair value of treasury hedges	(12)	(4)			
Net profit before tax	(619)	594			
Income tax expense	167	(165)			
Net profit after tax	(452)	429			

Six monthly results

\$M	1H			2H			Total		
	2025	2024	change	2025	2024	change	2025	2024	change
Contracted sales	995	966	29	1,108	1,030	78	2,103	1,996	107
Cost to supply customers	(1,565)	(1,265)	(300)	(1,951)	(2,041)	90	(3,516)	(3,306)	(210)
Net cost of hedging	(15)	51	(66)	91	234	(143)	76	285	(209)
Generation spot revenue	1,042	885	157	1,295	1,434	(139)	2,337	2,319	18
Virtual asset swap margins	(9)	(3)	(6)	(5)	(6)	1	(14)	(9)	(5)
Other market revenue/(costs)	(4)	(5)	1	-	(4)	4	(4)	(9)	5
Energy margin	444	629	(185)	538	647	(109)	982	1,276	(294)
Other revenue	26	16	10	26	20	6	52	36	16
Hosting expenses	(2)	(2)	-	(2)	(2)	-	(4)	(4)	-
Energy transmission expense	(37)	(36)	(1)	(41)	(37)	(4)	(78)	(73)	(5)
Energy metering expenses	(26)	(25)	(1)	(26)	(24)	(2)	(52)	(49)	(3)
Gross margin	405	582	(177)	495	604	(109)	900	1,186	(286)
Employee expenses	(68)	(66)	(2)	(56)	(68)	12	(124)	(134)	10
Other operating expenses	(80)	(73)	(7)	(85)	(74)	(11)	(165)	(147)	(18)
Operating expenses	(148)	(139)	(9)	(141)	(142)	1	(289)	(281)	(8)
EBITDAF	257	443	(186)	354	462	(108)	611	905	(294)
Depreciation & amortisation	(225)	(164)	(61)	(222)	(170)	(52)	(447)	(334)	(113)
Asset related adjustments	(8)	11	(19)	(30)	(29)	(1)	(33)	(18)	(15)
Net change in fair value of energy hedges	(143)	11	(154)	(516)	91	(607)	(659)	102	(761)
Net finance costs	(38)	(25)	(13)	(41)	(32)	(9)	(79)	(57)	(22)
Net change in fair value of treasury hedges	(11)	(13)	2	(1)	9	(10)	(12)	(4)	(8)
Net profit before tax	(168)	263	(431)	(451)	331	(782)	(619)	594	(1,213)
Income tax expenses	47	(72)	119	120	(93)	213	167	(165)	332
Net profit after tax	(121)	191	(312)	(331)	238	(569)	(452)	429	(881)
Underlying net profit after tax	(5)	175	(180)	61	140	(79)	56	315	(259)

Earnings from continuing operations

NZ Operations					
Financial year ended 30 June	2025	2024	2023	2022	2021
\$M					
Contracted sales	2,103	1,996	1,738	1,582	1,433
Cost to supply customers	(3,516)	(3,306)	(1,490)	(2,463)	(2,896)
Net cost of hedging	76	285	(121)	148	271
Generation spot revenue	2,337	2,319	1,020	1,757	2,193
Virtual asset swap margins	(14)	(9)	(7)	2	(3)
Other market revenue/(costs)	(4)	(9)	(8)	(4)	(4)
Energy margin	982	1,276	1,132	1,022	994
Other revenue	52	36	29	27	27
Hosting expenses	(4)	(4)	(3)	(2)	(1)
Energy transmission expense	(78)	(73)	(80)	(79)	(82)
Energy metering expense	(52)	(49)	(46)	(43)	(39)
Gross margin	900	1,186	1,032	925	899
Employee expenses	(124)	(134)	(119)	(100)	(97)
Other operating expenses	(165)	(147)	(130)	(116)	(110)
Operating expenses	(289)	(281)	(249)	(216)	(207)
EBITDAF	611	905	783	709	692

Retail

10% increase in customer connections since June 2024.

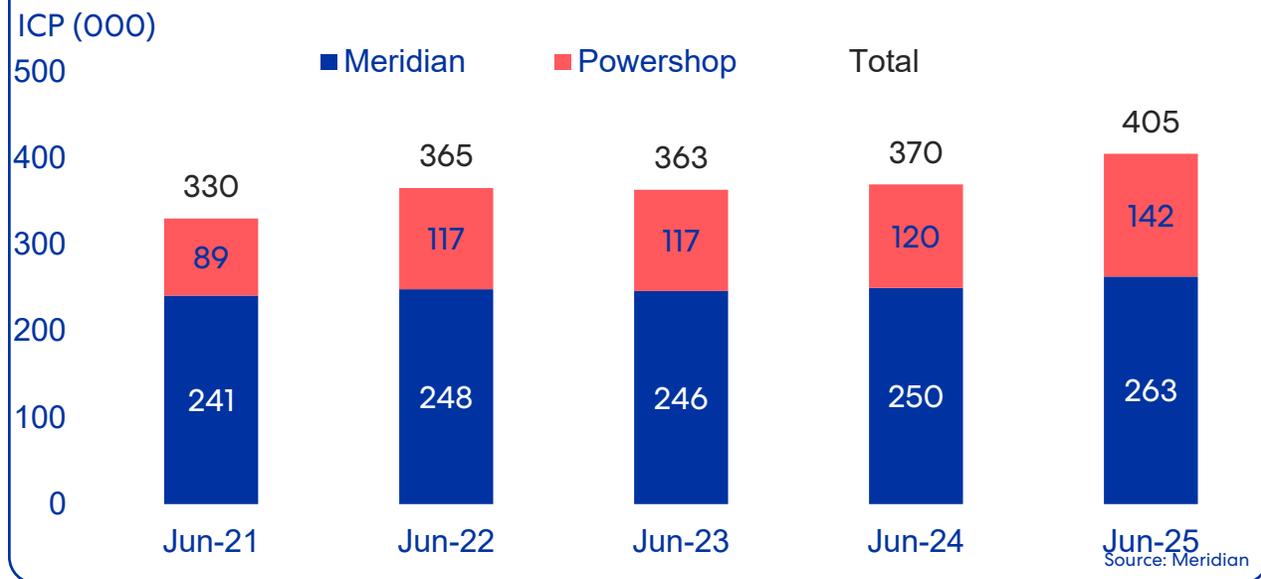
Mass market segment

- 4% increase in residential volumes.
- 1% increase in small medium business volumes.
- 9% increase in large business volumes.
- 13% decrease in agricultural volumes.
- 6% increase in net average sales price.

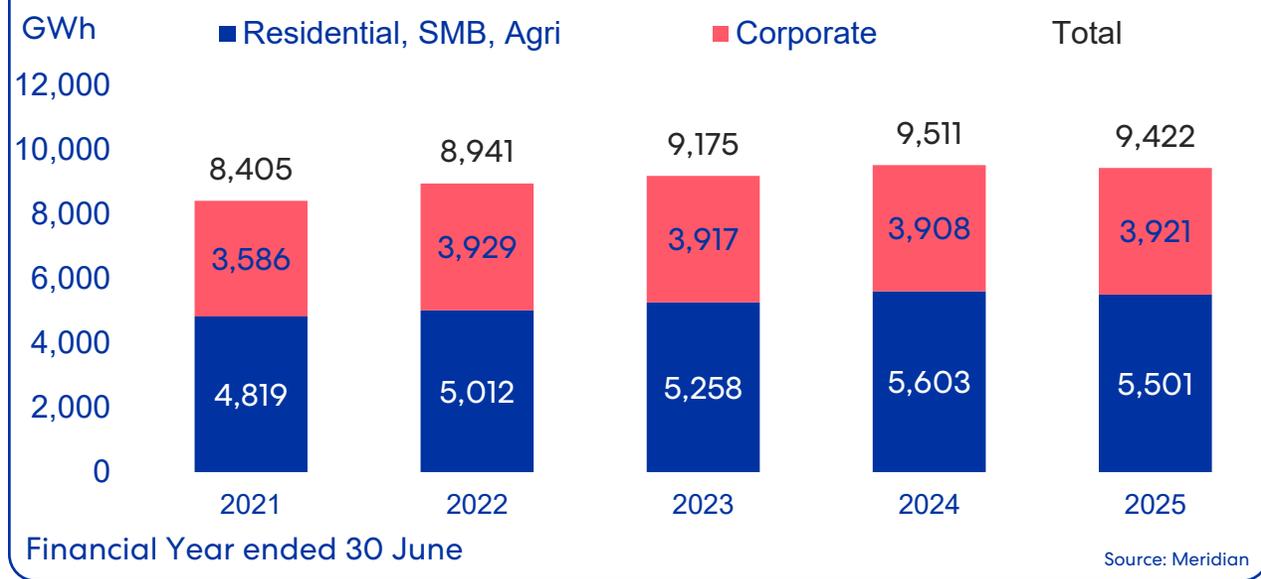
Corporate Segment

- 0.3% increase in volumes.
- 6% increase in net average sales price.

Customer connections



Retail sales volumes



Hydrology

Inflows

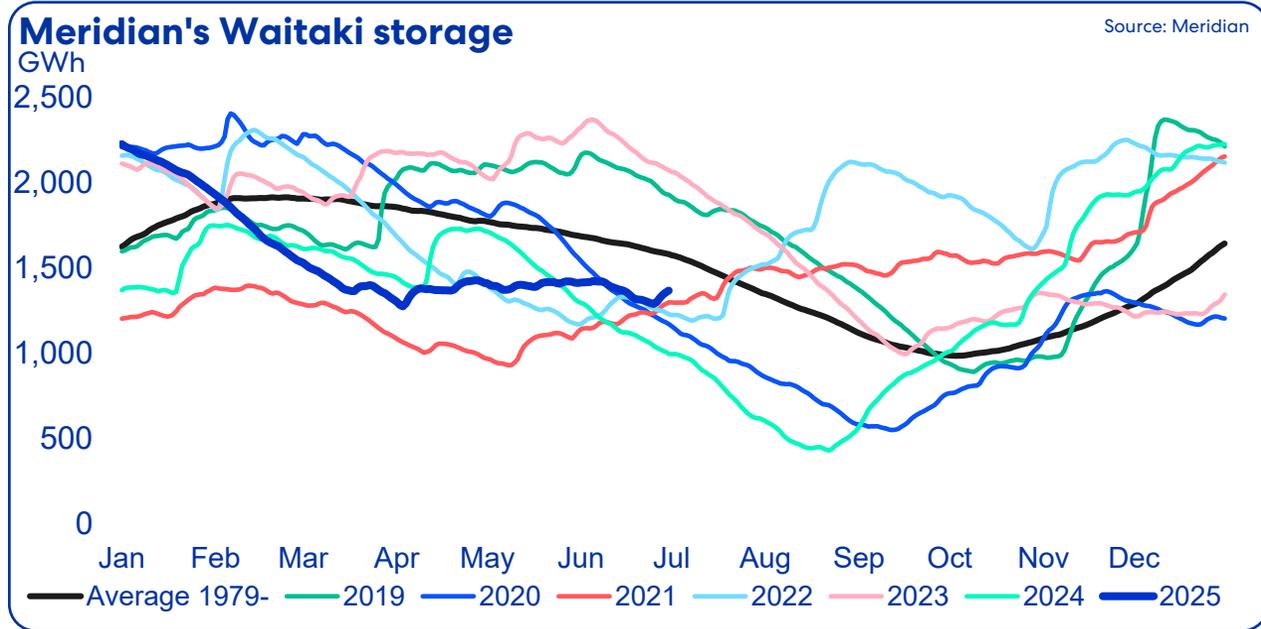
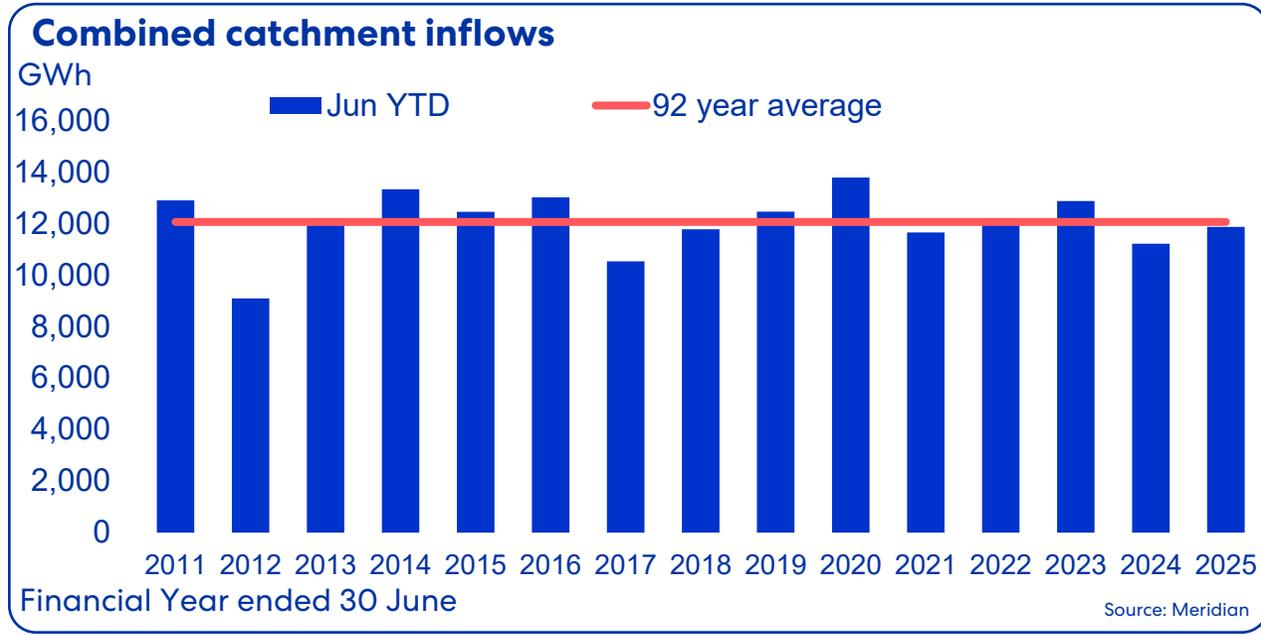
FY25 inflows were 98% of historical average.

July 2025 inflows were 89% of historical average.

Storage

Meridian's Waitaki storage as at 30 June 2025 was 87% of historical average.

By 31 July 2025, Waitaki storage was 89% of historical average.



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Generation

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Volumes

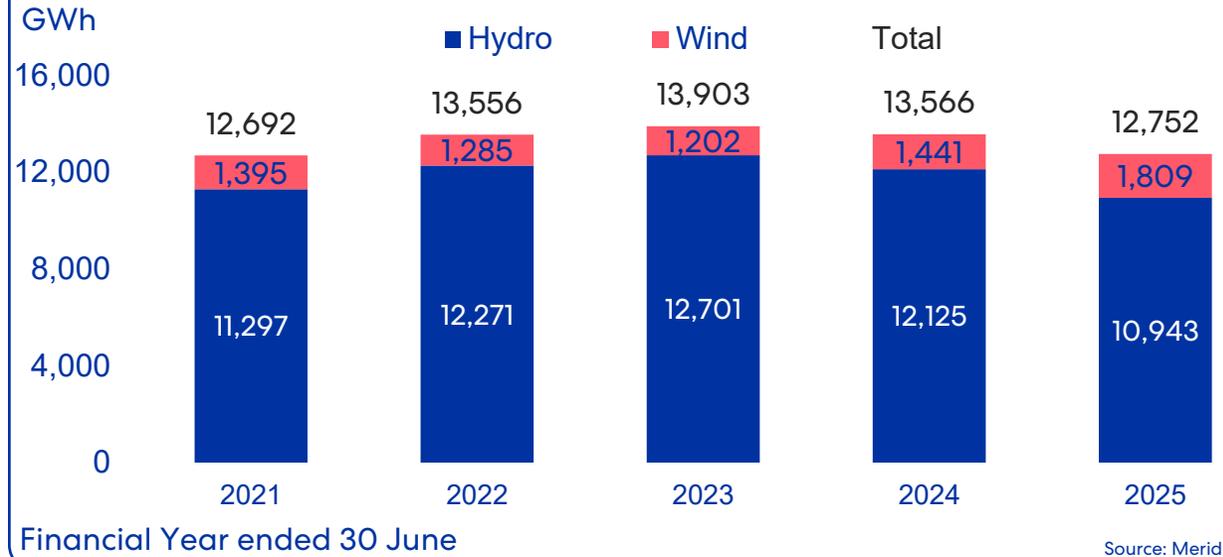
FY25 generation was 6.0% lower than FY24, with lower hydro generation and higher wind generation.

Price

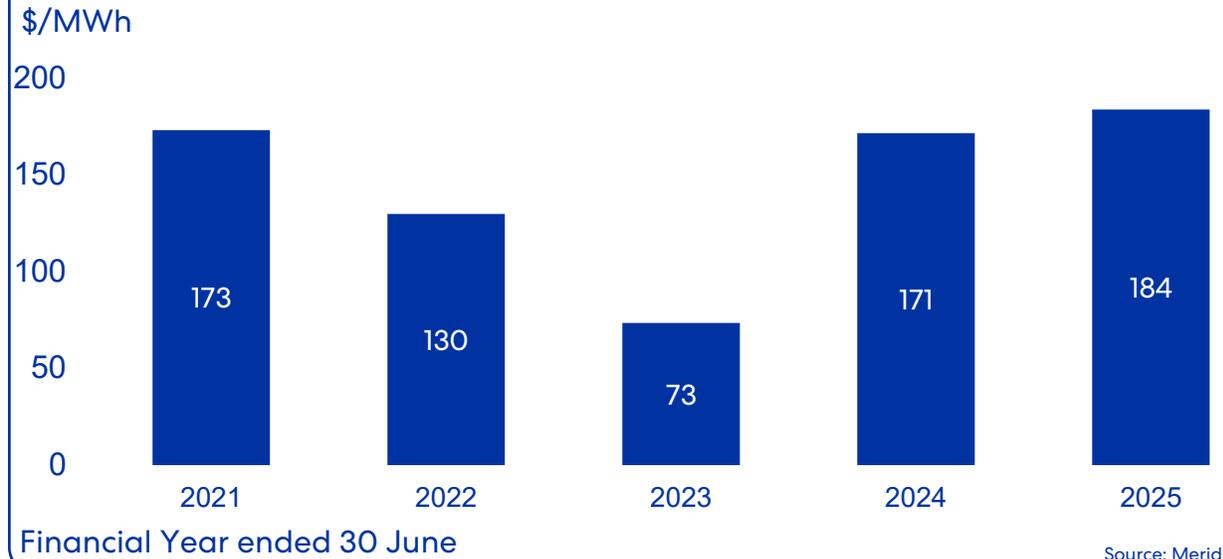
FY25 average price Meridian received for its generation was 7% higher than FY24.

FY25 average price paid to supply customers was 17% higher than FY24.

Generation volumes



Average generation price



EBITDAF to NPAT

Financial year ended 30 June	2025	2024
EBITDAF	611	905
Depreciation and amortisation	-447	-334
Premiums paid on electricity options net of interest	-12	-23
Net finance costs	-79	-57
Tax	-17	-132
Underlying NPAT	56	359
Net change in fair value of hedges*	-671	98
Asset related adjustments	-33	-18
Premiums paid on electricity options net of interest	12	23
Tax	184	-33
NPAT	-452	429

*Net changes in the fair value of unrealised energy hedges and treasury hedges.

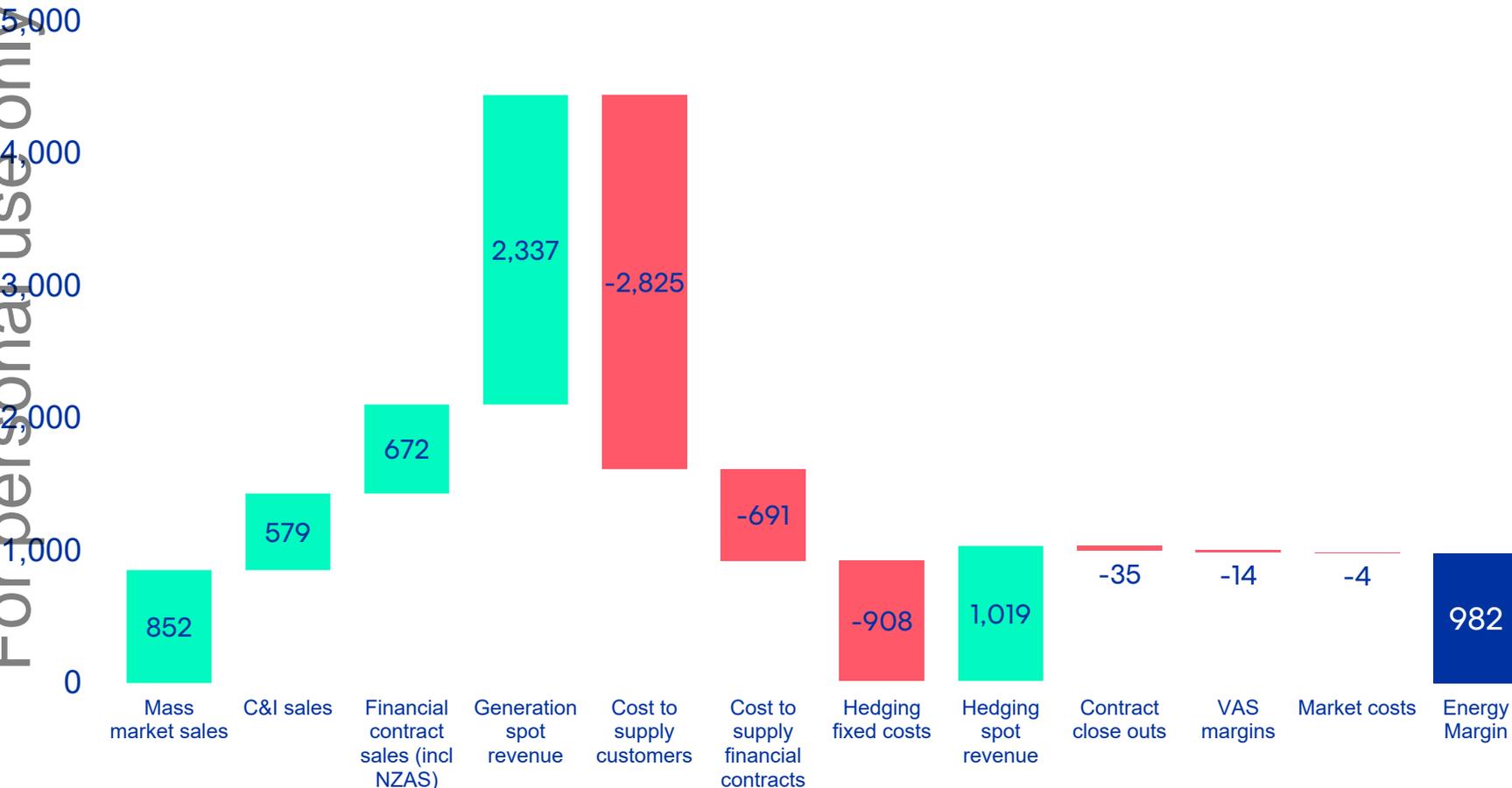
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Energy margin

Energy margin

\$M

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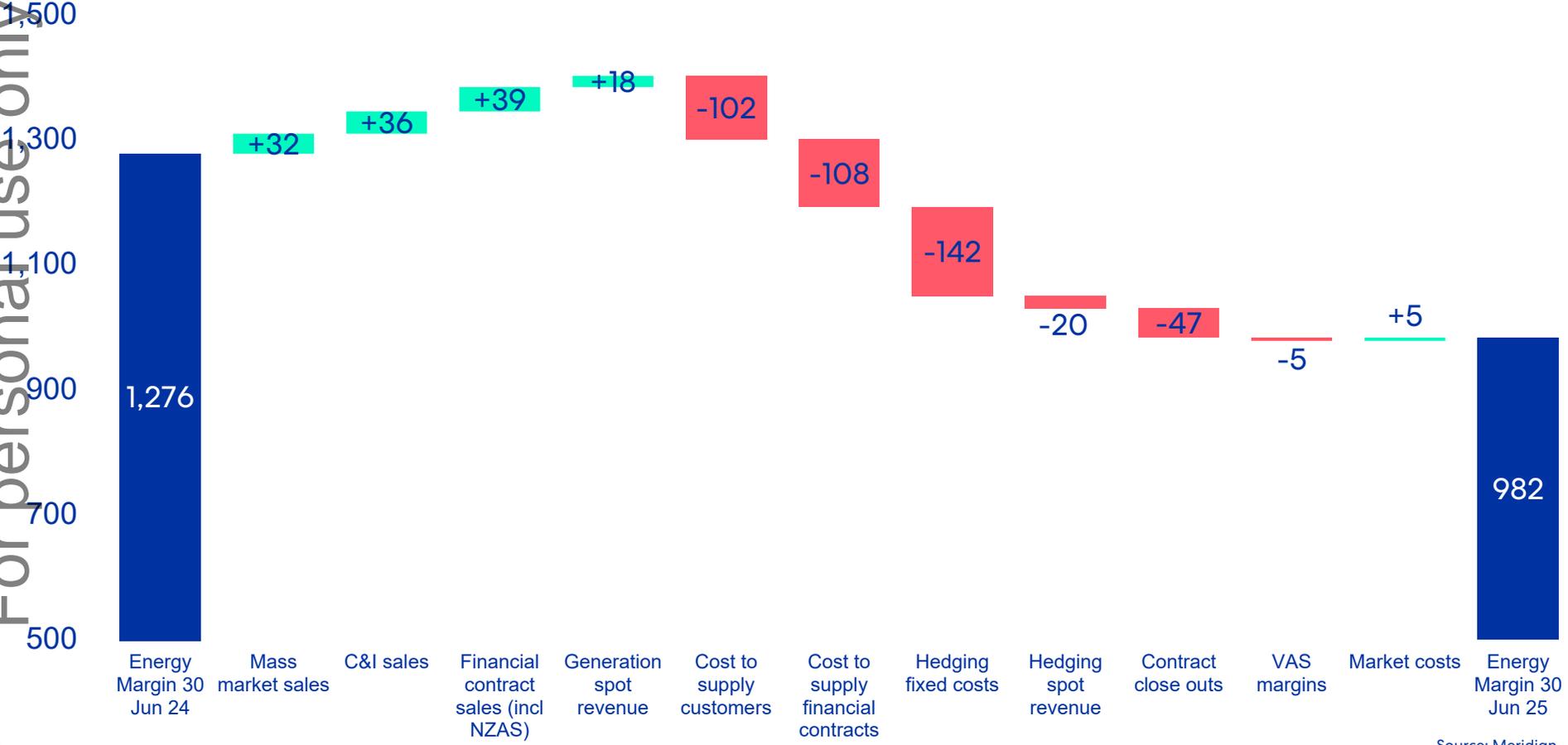


Source: Meridian

Energy margin movement

Energy margin movement

\$M



Source: Meridian

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Energy margin

A non-GAAP financial measure representing energy sales revenue less energy related expenses and energy distribution expenses.

Used to measure the vertically integrated performance of the retail and wholesale businesses.

Used in place of statutory reporting which requires gross sales and costs to be reported separately, therefore not accounting for the variability of the wholesale spot market and the broadly offsetting impact of wholesale prices on the cost of retail electricity purchases.

Defined as:

Revenues received from sales to customers net of distribution costs (fees to distribution network companies that cover the costs of distribution of electricity to customers), sales to large industrial customers and fixed price revenues from financial contracts sold (contract sales revenue).

The volume of electricity purchased to cover contracted customer sales and financial contracts sold (cost to supply customers).

The fixed cost of derivatives used to manage market risks, net of spot revenue received from those derivatives, and demand response payments (net cost of hedging).

Revenue from the volume of electricity that Meridian generates (generation spot revenue).

The net margin position of virtual asset swaps with Genesis Energy and Mercury New Zealand.

Other associated market revenues and costs including Electricity Authority levies and ancillary generation revenues, such as frequency keeping.

Energy margin

	FY25			FY24			FY23	FY22	FY21
	Volume	VWAP	\$M	Volume	VWAP	\$M	\$M	\$M	\$M
Res, business, agri sales	5,501	\$155	852	5,603	\$146	820	714	635	592
Corporate and industrial sales	3,921	\$148	579	3,908	\$139	543	492	422	352
Retail contracted sales	9,422	\$152	1,431	9,511	\$143	1,363	1,206	1,057	944
NZAS sales	3,119			5,002					
Financial contract sales	3,339			3,417					
Wholesale contracted sales	6,457	\$104	672	8,419	\$75	633	530	525	489
Cost to supply retail customers	9,898	-\$206	(2,037)	10,050	-\$186	(1,870)	(858)	(1,407)	(1,704)
Cost to supply wholesale customers	3,119	-\$204	(636)	5,002	-\$171	(854)	(385)	(665)	(869)
Demand response payments			(152)			-	-	-	-
Cost of financial contracts	3,339	-\$207	(691)	3,417	-\$171	(583)	(247)	(392)	(323)
Battery supply costs	5	-\$245	(1)	-	-	-	-	-	-
Cost to supply customers and contracts			(3,516)			(3,306)	(1,490)	(2,464)	(2,896)
Hedging costs	4,940	-\$184	(908)	5,782	-\$132	(766)	(586)	(515)	(421)
Hedging spot revenue	4,940	\$206	1,019	5,782	\$180	1,039	419	654	706
Close-outs			(35)			12	46	9	(14)
Net cost of hedging			76			285	(121)	148	271
Hydro generation	10,943	\$187	2,042	12,125	\$172	2,089	936	1,599	1,971
Wind generation	1,809	\$163	295	1,441	\$160	230	84	158	222
Battery generation	2	\$278	1	-	-	-	-	-	-
Generation revenue	12,754	\$183	2,337	13,566	\$171	2,319	1,020	1,757	2,193
Virtual asset swap margins	0		(14)	0		(9)	(7)	2	(3)
Other			(4)			(9)	(6)	(3)	(4)
Energy margin			982			1,276	1,132	1,022	994

NZAS demand response agreement options

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Option	Equivalent reduced consumption (MWh per hour)	Exercisable Reduction from Meridian demand response agreement (MWh per hour)	Usual Ramp-Down Notice Period	DR Period (equivalent number of days)	Usual Ramp-Down Period (equivalent number of days)	Usual Ramp-Up Notice Period (equivalent number of days)	Usual Ramp-Up Period (equivalent number of days)	Maximum Calls
1	25	18.75	3 Business Days	Minimum 10 days, maximum 150 days	5 days	3 days	15 days	Unlimited, but the Option cannot be exercised more than 4 times in any 12-month period
2	50	37.5	3 Business Days	Minimum 15 days, maximum 145 days	10 days	3 days	30 days	Unlimited, but the Option cannot be exercised more than 2 times in any 18-month period
3	100	75	3 Business Days	Minimum 22 days, Maximum 137 days	18 days	5 days	100 days	The Option cannot be exercised more than 8 times over the Term
4	185	138.75	5 Business Days	Minimum 30 days, maximum 75 days	25 days	5 days	200 days	The Option cannot be exercised more than 4 times over the Term

Stand down periods

If previous call was Option 1, 30 days for any Option.

If previous call was Option 2, 50 days for any Option.

If previous call was Option 3, 60 days for Options 1 & 2, 270 days for Options 3&4.

If previous call was Option 4, 60 days for Option 1, 90 days for Option 2, 365 days for Option 3&4.

Funding metrics

Net debt to EBITDAF is the principal metric underpinning S&P credit rating.

S&P calculation of Net debt to EBITDAF includes an adjustment for restricted cash.

Net debt to EBITDAF					
Financial year ended 30 June	2025	2024	2023	2022	2021
\$M					
Drawn borrowings	1,531	1,361	1,248	1,167	1,686
Less: cash and cash equivalents	(123)	(221)	(212)	(363)	(148)
Add back: restricted cash	97	134	196	43	97
Net debt	1,505	1,274	1,232	847	1,635
EBITDAF	611	905	783	709	692
Net debt to EBITDAF (times)	2.5	1.4	1.6	1.2	2.4

Fair value movements

Meridian uses derivative instruments to manage interest rate, foreign exchange and electricity price risk.

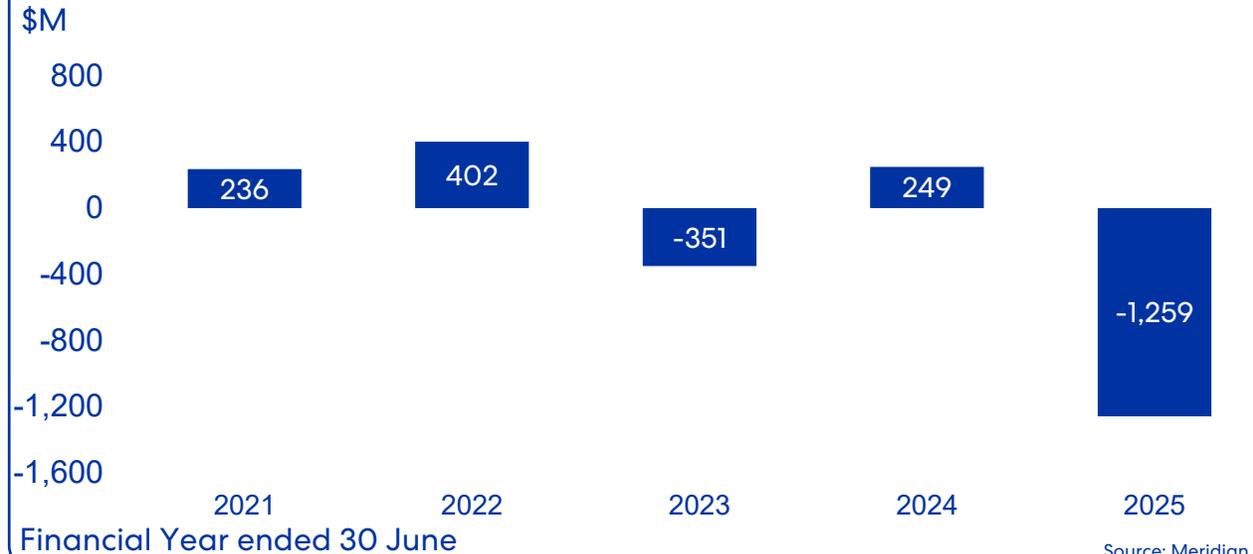
As forward prices and rates on these instruments move, non-cash changes to their carrying value are reflected in NPAT.

Accounting standards only allow hedge accounting if specific conditions are met, which creates NPAT volatility.

\$1,247M decrease in NPBT from fair value of energy hedges (\$253M increase in FY24).

\$12M decrease in NPBT from fair value of treasury hedges (\$4M decrease in FY24).

Net change in fair value of hedges



Proforma income statement

Proforma income statement					
Financial year ended 30 June	2025	2024	2023	2022	2021
	reported	reported	reported	reported	pro forma
\$M					
Operating revenue	4,835	4,856	3,222	3,776	4,115
Operating expenses	(3,636)	(4,102)	(2,397)	(3,188)	(3,634)
Depreciation and amortisation	(447)	(334)	(294)	(293)	(271)
Asset related adjustments	(33)	(18)	(10)	(2)	-
Net change in fair value of energy hedges	(1,247)	253	(375)	266	368
Interest expense	(84)	(69)	(55)	(73)	(81)
Interest income	5	12	11	3	-
Net change in fair value of treasury hedges	(12)	(4)	24	136	79
Net profit before tax	(619)	594	126	625	576
Income tax expense	167	(165)	(31)	(174)	(161)
Net profit after tax from continuing operations	(452)	429	95	451	415
Net profit after tax from discontinued operations	-	-	-	213	13
Net profit after tax	(452)	429	95	664	428

Financial year ended 30 June 2021 restated for change in presentation of realised energy hedges.

Segment earnings statement

Segment earnings statement					
Financial year ended 30 June	2025	2024	2023	2022	2021
\$M					
Energy margin	982	1,276	1,132	1,022	994
Other revenue	52	36	29	27	27
Hosting expense	(4)	(4)	(3)	(2)	-
Energy transmission expense	(78)	(73)	(80)	(79)	(82)
Energy metering expense	(52)	(49)	(46)	(43)	(39)
Employee and other operating expenses	(289)	(281)	(249)	(216)	(208)
EBITDAF	611	905	783	709	692
Depreciation and amortisation	(447)	(334)	(294)	(293)	(271)
Asset related adjustments	(33)	(18)	(10)	(2)	-
Net change in fair value of energy hedges	(659)	102	(333)	145	157
Net finance costs	(79)	(57)	(44)	(70)	(81)
Net change in fair value of treasury hedges	(12)	(4)	24	136	79
Net profit before tax	(619)	594	126	625	576
Income tax expense	167	(165)	(31)	(174)	(161)
Net profit after tax from continuing operations	(452)	429	95	451	415
Net profit after tax from discontinued operations	-	-	-	213	13
Net profit after tax	(452)	429	95	664	428

Underlying NPAT reconciliation

UNPAT					
Financial year ended 30 June	2025	2024	2023	2022	2021
\$M					
Net profit after tax	(452)	429	95	664	428
Underlying adjustments					
<u>Hedging instruments</u>					
Net unrealised change in fair value of energy hedges	659	(102)	333	(145)	(157)
Net change in fair value of treasury hedges	(12)	4	(24)	(136)	(79)
Premiums paid on electricity options net of interest	12	(23)	(17)	(20)	(20)
<u>Assets</u>					
Asset related adjustments	33	18	10	2	-
Total adjustments before tax	692	(103)	302	(512)	(269)
<u>Taxation</u>					
Tax effect of above adjustments	(184)	33	(82)	81	72
Underlying net profit after tax	56	359	315	233	231

Cash flow statement

Cash flow statement					
Financial year ended 30 June	2025	2024	2023	2022	2021
\$M					
Receipts from customers	4,983	4,614	3,354	3,934	4,164
Interest received	5	12	11	2	-
Payments to suppliers and employees	(4,388)	(3,719)	(2,637)	(3,254)	(3,472)
Interest paid	(87)	(80)	(65)	(76)	(82)
Income tax paid	(195)	(160)	(154)	(145)	(179)
Operating cash flows	318	667	509	461	431
Sale of property, plant and equipment	-	-	2	2	-
Sales of subsidiaries and other assets	-	8	-	768	-
Purchase of property, plant and equipment	(143)	(281)	(316)	(141)	(76)
Purchase of intangible assets and other assets	(48)	(54)	(13)	(31)	(38)
Investing cash flows	(191)	(327)	(327)	598	(114)
Borrowings drawn	531	467	255	210	108
Borrowings repaid	(363)	(360)	(163)	(692)	(17)
Shares purchased for long-term incentive	(6)	(2)	(2)	(2)	(3)
Dividends paid	(387)	(436)	(423)	(360)	(433)
Financing cash flows	(225)	(331)	(333)	(844)	(345)
Net increase/(decrease in cash and cash equivalents)	(98)	9	(151)	215	(28)

Balance sheet

Balance sheet					
Financial year ended 30 June	2025	2024	2023	2022	2021
\$M					
Cash and cash equivalents	123	221	212	363	148
Trade receivables	406	536	334	399	491
Financial instruments	65	233	86	213	192
Other current assets	86	61	60	66	86
Total current assets	680	1,051	692	1,041	917
Property, plant and equipment	14,032	12,192	8,989	7,830	8,598
Intangible assets	47	62	73	85	84
Financial instruments	183	224	186	413	214
Other non-current assets	32	14	-	-	43
Total non-current assets	14,294	12,492	9,248	8,328	8,939
Payables and accruals	401	565	313	467	602
Borrowings	369	234	214	159	378
Other current liabilities	265	205	138	96	130
Total current liabilities	1,035	1,004	665	722	1,110
Borrowings	1,200	1,113	1,022	1,004	1,298
Deferred tax	3,268	2,949	2,103	1,932	1,940
Other non-current liabilities	551	231	163	188	284
Total non-current liabilities	5,019	4,293	3,288	3,124	3,522
Net assets	8,920	8,246	5,987	5,523	5,224
Shareholders equity					
Share capital	1,884	1,729	1,700	1,671	1,595
Reserves	7,036	6,517	4,287	3,852	3,629
Total shareholders equity	8,920	8,246	5,987	5,523	5,224

Glossary

Hedging volumes	buy-side electricity derivatives excluding the buy-side of virtual asset swaps
Average generation price	the volume weighted average price received for Meridian's physical generation
Average retail contracted sales price	volume weighted average electricity price received from retail customers, less distribution costs
Average wholesale contracted sales price	volume weighted average electricity price received from wholesale customers (including NZAS) and financial contracts
Combined catchment inflows	combined water inflows into Meridian's Waitaki and Waiau hydro storage lakes
Cost of hedges	volume weighted average price Meridian pays for derivatives acquired
Cost to supply contracted sales	volume weighted average price Meridian pays to supply contracted customer sales and financial contracts
Contracts for Difference (CFDs)	an agreement between parties to pay the difference between the wholesale electricity price and an agreed fixed price for a specified volume of electricity. CFDs do not result in the physical supply of electricity
Customer connections	number of installation control points, excluding vacants
GWh	gigawatt hour. Enough electricity for 125 average New Zealand households for one year
Historic average inflows	the historic average combined water inflows into Meridian's Waitaki and Waiau hydro storage lakes over the last 84 years
Historic average storage	the historic average level of storage in Meridian's Waitaki catchment since 1979
HVDC	high voltage direct current link between the North and South Islands of New Zealand
ICP	New Zealand installation control points, excluding vacants
ICP switching	the number of installation control points changing retailer supplier in New Zealand, recorded in the month the switch was initiated
MWh	megawatt hour. Enough electricity for one average New Zealand household for 46 days
National demand	Electricity Authority's reconciled grid demand www.emi.ea.govt.nz
NZAS	New Zealand's Aluminium Smelter Limited
Retail sales volumes	contract sales volumes to retail customers, including both non half hourly and half hourly metered customers
Financial contract sales	sell-side electricity derivatives excluding the sell-side of virtual asset swaps
Virtual Asset Swaps (VAS)	CFDs Meridian has with Genesis Energy and Mercury New Zealand. They do not result in the physical supply of electricity

Disclaimer

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these measures may differ from similarly titled measures presented by other companies and they should not be considered in isolation from, or construed as an alternative to, other financial measures determined in accordance with GAAP. Although Meridian believes they provide useful information in measuring the financial performance and condition of Meridian's business, readers are cautioned not to place undue reliance on these non-GAAP financial measures.

The information contained in this presentation should be considered in conjunction with the company's financial statements, which are included in Meridian's integrated report for the year ended 30 June 2025, available at:

www.meridianenergy.co.nz/about-us/investors

All currency amounts are in New Zealand dollars unless stated otherwise.

Navigating the challenges

MERIDIAN ENERGY LIMITED

INVESTOR LETTER FOR THE YEAR ENDING 30 JUNE 2025

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MARK VERBIEST, CHAIR
MIKE ROAN, INCOMING CHIEF EXECUTIVE.

DIVIDEND DATES

- ➔ **5 September 2025**
Record date
- ➔ **4–10 September 2025**
Dividend Reinvestment Plan price determination period
- ➔ **23 September 2025**
Dividend paid and new shares issued under the Dividend Reinvestment Plan

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Despite it being a very challenging year financially, we've had some important wins and made meaningful progress.

Dear Investor

Tēnā koutou

This year we weathered a perfect storm. The combination of historically low hydro inflows, periods of low wind, two major droughts and a dramatic decline in gas availability made this a very challenging financial year. At the same time, we worked hard to strengthen the fundamentals of the business through sound investment for growth and delivering on our strategy.

We secured five resource consents for new assets, invested \$193 million in building and maintaining generation plant, acquired two businesses and undertook a strategic reset of our retail business while growing customer connections.

For us, FY25 will be defined by Meridian putting New Zealand's security of supply first, keeping power flowing for homes and businesses, and the financial hit we took because of that. Our balance sheet is structured to underwrite

major droughts, and that is one of the ways New Zealand benefits from having large and financially strong gentailers supporting the economy.

Looking ahead, Meridian and the sector have taken steps to support electricity security by moving away from reliance on gas as a peaking fuel. The Strategic Energy Reserve alongside additional use of this country's hydro capacity are actions that will help make New Zealand's electricity system more resilient and affordable. An affordable, secure and highly renewable grid will enable future economic prosperity - allowing the country to take the opportunity to create and market green products internationally.

Tackling energy security

The loss of reasonably priced gas in August 2024 pushed up wholesale prices, creating risk for the overall energy sector which has relied primarily on gas for flexibility and support. This timing was particularly challenging as the electricity

sector also experienced two prolonged droughts.

These issues combined to generate intense scrutiny of the industry and potential reforms through the Energy Competition Task Force and the Government's Frontier Report.

It cost an extraordinary amount, but Meridian played a lead role in stabilising the electricity system by underwriting agreements with Methanex, making gas available for electricity security of supply. We also worked with the Tiwai Point aluminium smelter to utilise its demand flexibility and we are seeking improved access to 'contingent' hydro storage and lifting generation capacity across our fleet. While the vast majority of our customers were not affected by these significant events, energy costs are rising, including increases in gas pricing and electricity transmission and distribution costs.

We are focused on restoring long term confidence in energy security and improving affordability.

A group of large electricity suppliers, including Meridian, have signed an agreement (subject to Commerce Commission review), that will improve the operational resilience of the Genesis owned Huntly power station and provide increased generation capacity along with the necessary fuel. Maintaining a secure electricity supply is what we must do as we find ways to use more hydro generation and accelerate the deployment of new renewable projects to displace the use of coal in the electricity market.

That will help New Zealand navigate the transition to an electrified future that is secure, affordable and sustainable.

Our development programme accelerates

Our 7 in 7 renewable build programme has advanced with the first two milestones met – the 176MW Harapaki Wind Farm is now fully operational and the 100MW battery energy storage system (BESS) at Ruakākā Energy Park near Whangārei, was commissioned in May 2025. This BESS lifts system capacity and allows us to reintroduce stored power into the grid at peak demand times.

In addition, we have five wind, solar and battery projects consented – another BESS in the Manawātū, a wind farm at Mount Munro in the Wairarapa, a solar farm that will form part of the Ruakākā Energy Park, a large solar joint venture with Nova named Te Rahui and the first re-powering of an existing wind farm at Te Rere Hau. We also have two consents currently under council review – Swannanoa solar and Waikato solar.

The Ruakākā solar farm was granted Board approval in March 2025 and early works are now underway. Planning for Te Rahui is also progressing well. Financial close on the joint venture is expected by early September 2025. Unfortunately, the timeline for Te Rere Hau has been

revised from August 2025 to mid-to-late 2026 due to an additional consent required to relocate an Airways Corporation facility from the current site.

We have invested over \$1 billion in the last five years and a further \$2 billion is planned for the next three years. The projects delivered so far, and in the next three years, will deliver almost 2,500GWh of new annual generation, a 6 percent increase to the electricity system.

Our frustrations over the inefficiencies of the current resource management system are well-documented. We continue to advocate strongly for more efficient decision-making around the allocation and use of natural resources in Aotearoa New Zealand.

Hydro essential to energy security

We've made good progress with the re-consenting of the Waitaki Power Scheme. The re-consent application with Environment Canterbury was publicly notified in July 2024 and the project was formally shifted to the Environment Court. Such a significant body of water attracts considerable interest from a wide range of stakeholders. We have worked with most of these parties to achieve rapport, align interests, and address key impacts for iwi, communities and other stakeholders.

We have been very clear in our view that securing access to more water at existing hydro schemes is a quick, low-impact and vital way to strengthen the country's security of supply. The role of hydro generation is changing, and we see it playing a key role as a firming fuel, supporting the system in peak periods and when wind and solar are not available.

In mid-August 2025 we were delighted to receive approval of our application to access contingent storage at Lake Pūkaki heard through the fast-track process. Ensuring feasible access to all available storage in Aotearoa New Zealand's

largest hydro lake would release hundreds of gigawatt hours into the system in a sustainable and lower-cost fashion.

Shifting value to our customers

It's been a busy and significant year for our retail team as we transform the operating model to deliver digital and data-driven customer experiences.

It is a huge undertaking but streamlining decision-making has helped us to be more responsive to customer needs, including dealing with affordability issues. While Meridian's residential energy price increases are modest again this year, we know that the increase in lines and transmission charges that form part of the overall bill are going to impact all customers. Our new products will give customers more choice and flexibility. Ultimately, we plan to create a variety of products that help customers work with us to manage their electricity use and their budget.

We also rolled over pricing for commercial and industrial customers coming off contract during last August's elevated wholesale prices. This helped protect these businesses, the people they employ and the contribution they make to New Zealand's economy.

Flick joining us

This year our mass market volumes and market share grew across both Meridian and Powershop brands despite lower market demand. The conditional agreement to acquire the assets of Flick Electric, signed late in May 2025, adds to our customer base, reinforcing our position as the fourth largest retailer by customer numbers. Our business model is built on growth as a driver of customer value, and this year's performance reflected that. Even with changes to how our retail team operates, we exceeded our growth targets and remain on track to achieve our medium-term objectives.

Proud of our Energy Wellbeing Programme

The Energy Wellbeing Programme has continued to invest in promoting equitable access for those struggling with energy hardship. The goal is to support 5,000 of our most vulnerable households by FY28. This year, over 1,700 households have been supported and we've now assisted 3,185 households in total.

Tough operating environment affects financials

Our hydro storage was heavily affected by two consecutive record low inflow periods – last winter and again through summer. Periods of unseasonably low wind and the country's declining gas production also challenged electricity generation. The industry worked through these challenges and, at Meridian, we exercised our largest demand response option with New Zealand Aluminium Smelters (NZAS) and wrote hedge contracts to support gas purchases from Methanex at significant cost.

Operating cash flows of \$318 million for the year ending 30 June 2025 are down \$349 million (52 percent) from the previous year. Net profit after tax, which also reflected the changed treatment of the main NZAS contract, was a \$452 million loss compared with a \$429 million profit in the previous year. EBITDA¹ was down 32 percent to \$611 million and underlying net profit² fell by 84 percent to \$56 million. Both of these measures are non-GAAP measures.

Long-time investors in Meridian will know Te Tai Ao (Nature) does not always play a kind hand and that exercising those insurance products, while rare, is necessary to maintain secure supply to customers. They will also know that we have the balance sheet structured and maintained to manage the impact of such conditions. While the FY25 earnings reflect low generation and substantial insurance costs, the overall financial position remains strong.

Recognising this strength, the Board was able to declare a final ordinary dividend of 14.85 cents per share. Combined with the interim dividend, this brings the total ordinary dividends declared in FY25 to 21.00 cents per share.

This level of dividend has allowed us to maintain our balance sheet strength, with a Stable/BBB+ credit rating and the capacity to continue to invest significant capital in new generation.

The significant future investment planned for new renewable generation, currently targeting up to 20 new projects by 2050, will require continued balance sheet strength. While rare, severe droughts will occur in the future. When they do, the Board may review the level of dividends at the time to prudently manage the cash flow impacts, prioritising the delivery of those new projects while maintaining our existing credit rating.

Important gains for generation

Two years ago, we set a goal to deliver 200MW of restored and 300MW of new capacity from our generation portfolio by the end of FY28. Every MW restored or added counts positively towards our target, while further outages set us back. We've faced challenges with further plant failures but achieved net 8.3MW of restored capacity and 111.6MW of new capacity.

At the same time, overall capacity at the Aviemore and Ōhau B and C stations has lifted. The arrival of a new transformer at Manapōuri returned 128MW in capacity from the beginning of 2025, and we were able to lease and install a transformer at West Wind which meant a further 45MW of capacity was restored. The new transformer has arrived and we expect to have it operational by the end of October 2025.

Misplaced focus on short-term alone

The dry periods this year have led to heightened media, regulatory and political scrutiny of the sector. The Electricity Authority (EA) has proposed new obligations on generator retailers to sell hedge contracts to third parties on terms comparable to notional internal agreements, in an effort to encourage more competition.

Our view is that the issues this year were significantly driven by increasingly limited gas supplies and that there is no magic solution that will supplement them in the short term. Our business and others must invest in new renewable assets to replace the fossil-fuelled generation that relied on that gas. It will take time to do this and no change to either the electricity market or our business structure will fix that problem. We've continued to engage with officials and Ministers to emphasise that this is primarily a supply-side issue – not a competition one – and, in fact, high wholesale prices during this period provided important signals to the market to bring on new supplies and ultimately ensure that demand continued to be met. The contracted prices most customers enjoy in New Zealand rank favourably against other OECD country comparisons.

We are fully committed to competitive improvements that make a difference to customers. We note that significant structural changes at this point are more likely to impede rather than assist the sector in addressing current challenges. Solving this country's declining gas production cannot be resolved immediately. In the meantime, the sector has rallied around a solution that focusses on maintaining capacity at the Huntly power station. While a range of solutions will be needed, ultimately investment in new renewables will solve this structural challenge in time. As such, the focus should be on supporting new builds to progress as quickly as possible.

¹ Earnings before interest, tax, depreciation, amortisation, unrealised changes in fair value of hedges and asset related adjustments.

² Net profit after tax, adjusted for the effects of changes in fair value of unrealised hedges, electricity option premiums and other non-cash items and their tax effects.

Evolving our approach to people and planet

Big changes to the structure of the retail business were critically important before we introduced a new retail operating platform. The changes were completed by December 2024 and since then the retail team has been busy embedding new ways of working and starting the transition from the Flux platform to Kraken.

Those changes have been difficult for our people as, along with creating new roles and opportunities, they also resulted in redundancies both within retail and at Flux.

To help protect people's wellbeing during these times, and to support the broader organisation, we instigated a revised wellbeing strategy that balanced concern for the individual with a focus on team and collective psychological health. We also initiated a new approach to leadership that recognised how people can and should aspire to leadership in a range of ways.

Ranked #1

Pleasingly, Meridian was ranked #1 in the electric utilities sector in the Dow Jones Best-in-Class Sustainability Asia Pacific Index, an independent global S&P Index that ranks our ESG (environmental, social, and governance) performance against like companies in the region.

Changes to our Executive Team

The Board has remained unchanged this year. Directors' extensive and varied sector experience has been invaluable in helping navigate the different challenges and we thank them for the range of perspectives they have applied to different situations throughout the year.

A number of changes in our Executive Team were announced during the year. Mike Roan started his tenure as Meridian's new Chief Executive and Mandy Simpson has

been appointed to Mike's previous role of Chief Financial Officer from 1 September 2025. The merging of the Wholesale Operations function into the Generation team has seen Chris Ewers leave the Executive Team to take up a new role in the company as Electricity Security Manager, reporting to Tania Palmer. Rory Blundell has been appointed to the newly created role of General Manager, Strategy and Portfolio and Chief Information Officer Bharat Ratanpal has returned from his secondment as Interim CEO for the Flux business. Sincere thanks to Edna Maddocks who stepped in during that time to lead the ICT team. Grateful thanks also to Helen Peters who has acted as Chief Financial Officer to the end of the financial year.

The end of the financial year marked the end of Neal Barclay's tenure as Chief Executive. Under Neal's exemplary leadership, Meridian has grown a renewable development pipeline that will double the size of the current asset base over time. We've refocused our business around customers while significantly growing that business and built valuable relationships with a variety of stakeholders. Importantly, Neal led the team that secured a sustainable 20-year contract with NZAS.

The Board and Executive Team would like to thank Neal for his commitment to growth and sustainable practice and for anticipating how Meridian could play its part in delivering long-term value for customers, investors and Aotearoa New Zealand. We wish him all the very best for the future.

Our sights set on a secure, affordable, sustainable future

As the country looks to improve energy security, Meridian will flourish due to our pipeline of renewable development options that will help meet the expected growth in electricity demand.

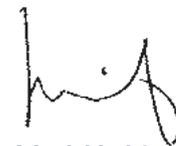
The transformation of our retail business will be a game changer in the long run, not only for our business but more importantly in how the electricity sector supports and interacts with customers. Our brands are catching the eye of customers looking for a service that makes sense to them through fair pricing and demand response opportunities that expand their choice and save them money.

It has been an uneasy year for our investors. The financial pressures we faced reinforce the need for new thinking if we want Aotearoa New Zealand to be a competitive economy globally. We've emerged with a development programme ahead of schedule, our assets operating strongly, our retail team revamped, and our balance sheet resilient, enabling both continued investment for growth and returns for shareholders.

The Board and Executive Team thanks everyone who is on this journey with us – our customers, the communities in which we work, our partners and our investors. Thanks too to our talented and hard-working teams for helping us deliver clean energy for a fairer and healthier world.

A powerful future is developing, thanks to you.

Ngā manaakitanga



**Mark Verbiest,
Chair**



**Mike Roan,
Chief Executive**

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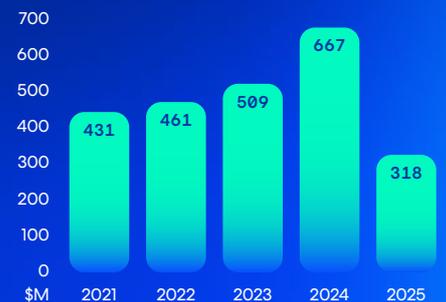
<p>NEW STORAGE</p> <p>100MW</p> <p>Ruakākā BESS 200MWh storage</p>	<p>ENHANCED HYDRO</p> <p>112MW</p> <p>from outage</p>	<p>ACQUIRING/SIGNING</p> <p>Acquiring NZ Windfarms and Flick. Signing Huntly reserve and Kraken</p>	<p>FULL YEAR DIVIDEND</p> <p>21cps ⁻</p>
<p>EARLY WORKS</p>  <p>Ruakākā solar</p>	<p>DOUBLE-DIGIT GROWTH</p> <p>+10%</p> <p>Customer connections</p>	<p>STEADY</p> <p>74%</p> <p>Staff engagement (top 25% ranking)</p>	<p>OPERATING CASH FLOWS</p> <p>\$318m [↓]</p> <p>(↓ 52%)</p>
<p>IN CONSENTING</p> <p>Waikato solar Swannanoa solar Waitaki Hydro Scheme</p>	<p>EV CHARGERS</p>  <p>388 (↑ 60)</p>	<p>NEW</p> <p>Staff wellbeing programme</p>	<p>EBITDAF</p> <p>\$611m [↓]</p> <p>(↓ 32%)</p>

Underlying net profit after tax reconciliation

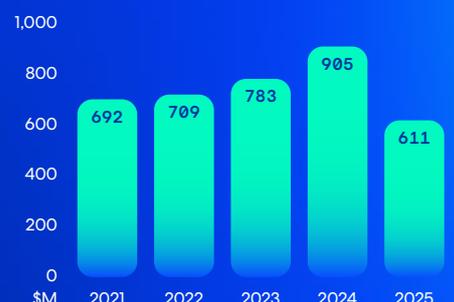
Financial year ended 30 June

\$M	FY25	FY24
Net profit after tax	(452)	429
Underlying adjustments		
Hedging instruments		
Net change in fair value of energy hedges	659	(102)
Net change in fair value of treasury hedges	12	4
Premiums paid on electricity options net of interest	(12)	(23)
Assets		
Asset related adjustments	33	18
Total adjustments before tax	692	(103)
Taxation		
Tax effect of above adjustments	(184)	33
Underlying net profit after tax	56	359

Operating cash flow



EBITDAF



Results for announcement to the market		
Name of issuer	Meridian Energy Limited	
Reporting Period	12 months to 30 June 2025	
Previous Reporting Period	12 months to 30 June 2024	
Currency	NZD	
	Amount (NZ\$m)	Percentage change
Revenue from continuing operations	\$4,835	0%
Total Revenue	\$4,835	0%
Net profit/(loss) from continuing operations	(\$452)	-205%
Total net profit/(loss)	(\$452)	-205%
Interim/Final Dividend		
Amount per Quoted Equity Security	NZ \$0.14850000 Final Ordinary Dividend	
Imputed amount per Quoted Equity Security	NZ \$0.04215750	
Record Date	5 September 2025	
Dividend Payment Date	23 September 2025	
	Current period	Prior comparable period
Net tangible assets per Quoted Equity Security	\$3.24	\$3.01
A brief explanation of any of the figures above necessary to enable the figures to be understood	<p>For commentary on the operational results, please refer to the media announcement and final results presentation.</p> <p>This announcement should be read in conjunction with the attached Annual Financial Statements for the year ended 30 June 2025.</p>	
Authority for this announcement		
Name of person authorised to make this announcement	Jason Woolley	
Contact person for this announcement	Jason Woolley	
Contact phone number	+64 21 309 962	
Contact email address	Jason.Woolley@meridianenergy.co.nz	
Date of release through MAP	27 August 2025	

Audited financial statements accompany this announcement.

Section 1: Issuer information				
Name of issuer	Meridian Energy Limited			
Financial product name/description	Ordinary Shares			
NZX ticker code	MEL			
ISIN (If unknown, check on NZX website)	NZMELE0002S7			
Type of distribution (Please mark with an X in the relevant box/es)	Full Year	X	Quarterly	
	Half Year		Special	
	DRP applies	X		
Record date	Close of trading on 5 September 2025			
Ex-Date (one business day before the Record Date)	4 September 2025			
Payment date (and allotment date for DRP)	23 September 2025			
Total monies associated with the distribution ¹	\$398,420,650.38			
Source of distribution (for example, retained earnings)	Retained Earnings			
Currency	NZD			
Section 2: Distribution amounts per financial product				
Gross distribution ²	\$0.19065750			
Gross taxable amount ³	\$0.19065750			
Total cash distribution ⁴	\$0.14850000			
Excluded amount (applicable to listed PIEs)	\$0.00000000			
Supplementary distribution amount	\$0.01913029			
Section 3: Imputation credits and Resident Withholding Tax ⁵				
Is the distribution imputed	Partial imputation			
If fully or partially imputed, please state imputation rate as % applied ⁶	73%			
Imputation tax credits per financial product	\$0.04215750			

¹ Continuous issuers should indicate that this is based on the number of units on issue at the date of the form

² "Gross distribution" is the total cash distribution plus the amount of imputation credits, per financial product, before the deduction of Resident Withholding Tax (RWT).

³ "Gross taxable amount" is the gross distribution minus any excluded income.

⁴ "Total cash distribution" is the cash distribution excluding imputation credits, per financial product, before the deduction of RWT. This should *include* any excluded amounts, where applicable to listed PIEs.

⁵ The imputation credits plus the RWT amount is 33% of the gross taxable amount for the purposes of this form. If the distribution is fully imputed the imputation credits will be 28% of the gross taxable amount with remaining 5% being RWT. This does not constitute advice as to whether or not RWT needs to be withheld.

⁶ Calculated as (imputation credits/gross taxable amount) x 100. Fully imputed dividends will be 28% as a % rate applied.

Resident Withholding Tax per financial product	\$0.02075948	
Section 4: Distribution re-investment plan (if applicable)		
DRP % discount (if any)	2%	
Start date and end date for determining market price for DRP	04 September 2025	10 September 2025
Date strike price to be announced (if not available at this time)	11 September 2025	
Specify source of financial products to be issued under DRP programme (new issue or to be bought on market)	New Issue	
DRP strike price per financial product	\$TBC	
Last date to submit a participation notice for this distribution in accordance with DRP participation terms	08 September 2025	
Section 5: Authority for this announcement		
Name of person authorised to make this announcement	Jason Woolley	
Contact person for this announcement	Jason Woolley	
Contact phone number	+64 21 309 962	
Contact email address	jason.woolley@meridianenergy.co.nz	
Date of release through MAP	27 August 2025	