

Release

Stock Exchange Listings NZX (MEL) ASX (MEZ)

Meridian Energy investor presentation

31 October 2022

Attached is a presentation Meridian Energy will be making at investor meetings during November.

ENDS

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Meridian.

2022 Investor Presentation

NOVEMBER 2022

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Why Meridian?

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Why Meridian?

Leading sustainability performance



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Why Meridian?

High quality investment



New Zealand electricity market

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New Zealand electricity market

- A reliable, affordable and environmentally sustainable electricity system
- A well functioning competitive market with high level of renewable resources and rational competition
- Vertical integration is the prevailing market structure
- Wholesale and retail market regulation provided by an independent regulator – The Electricity Authority (EA)
- EA's mandate is to promote efficient market operation, security of supply, promote competition
- No price controls, the non-competitive transmission and distribution sectors have regulated rates of return



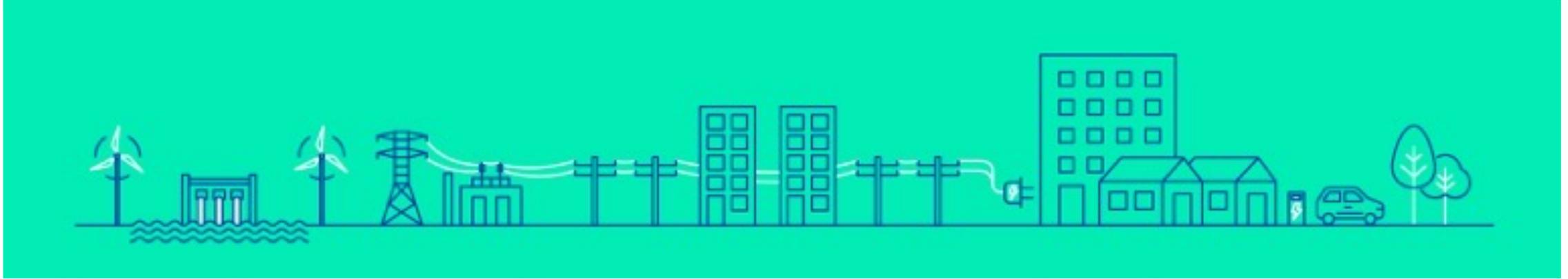
New Zealand electricity market

- New Zealand's hydro generation is managed against limited controlled storage
- Bulk of hydro inflow is anti-correlated to winter demand peak
- Thermal capacity and fuel storage has historically managed potential hydro inflow deficit and other renewable intermittency
- Efficient and well-functioning wholesale market manages this supply risk
- Significant oversupply has existed, older thermal plant closure has brought balance
- Demand growth in the last decade has been modest, strong outlook from decarbonisation
- \$2.3B of recent or in progress renewable builds



New Zealand electricity market

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5 major generators (all listed, 3 majority Govt owned)

1 transmission grid owner (state owned)

1 very large industrial user (Rio Tinto/Sumitomo smelter), ~13% of national demand

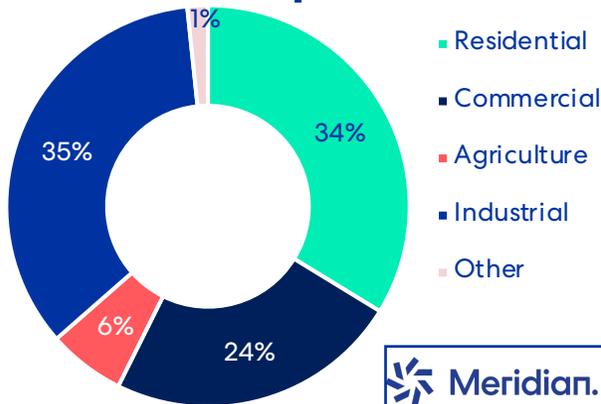
29 distribution businesses (various ownership structures)

44 retail brands

2.1 million consumers (41 TWh pa)

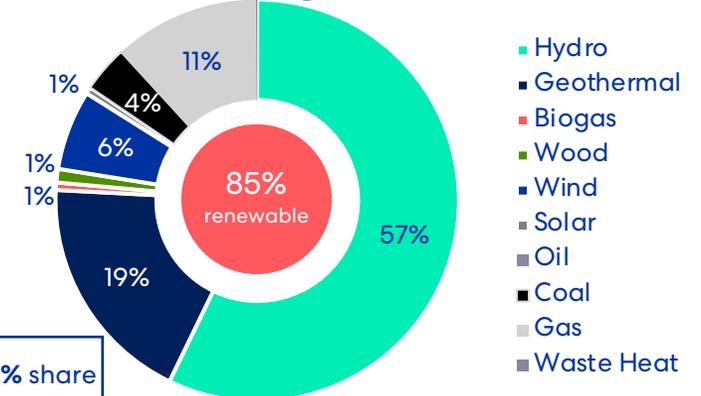
Sources: Electricity Authority and Ministry of Business, Innovation and Employment

Annual consumption (June 2022)



 Meridian. 23% share

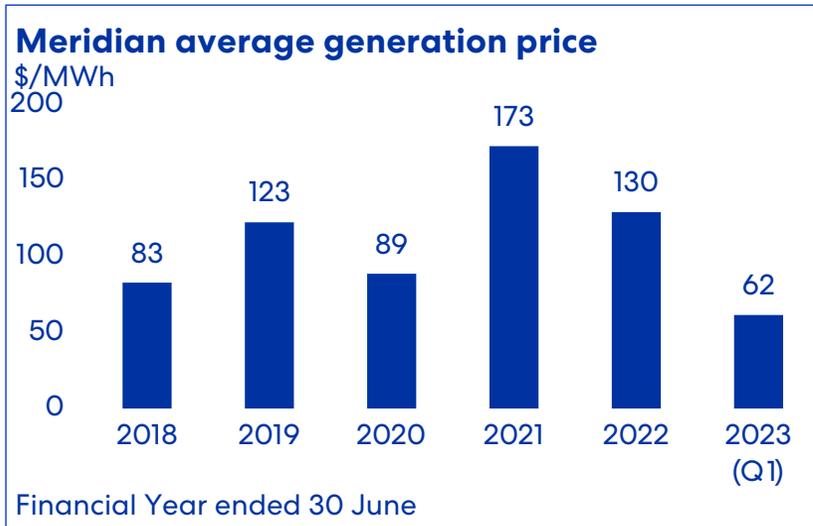
Annual generation (June 2022)



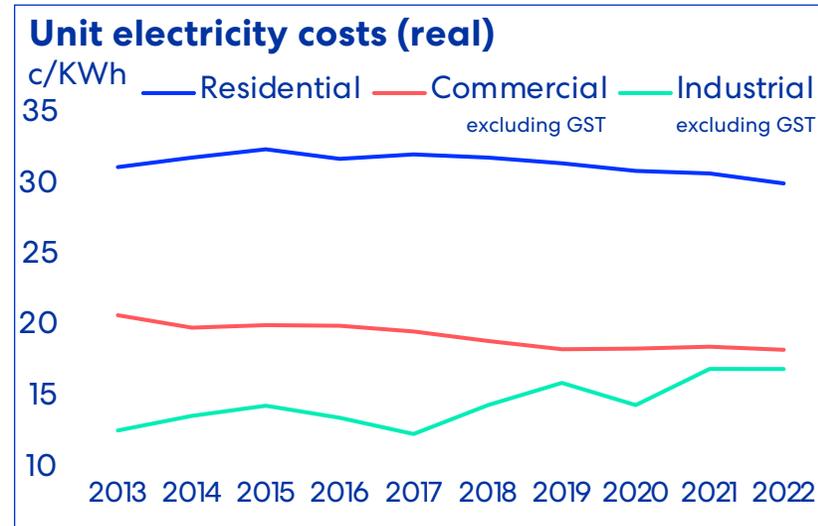
 Meridian. 33% share

Market pricing

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Source: Meridian



Source: Ministry of Business, Innovation and Employment



Source: ASX

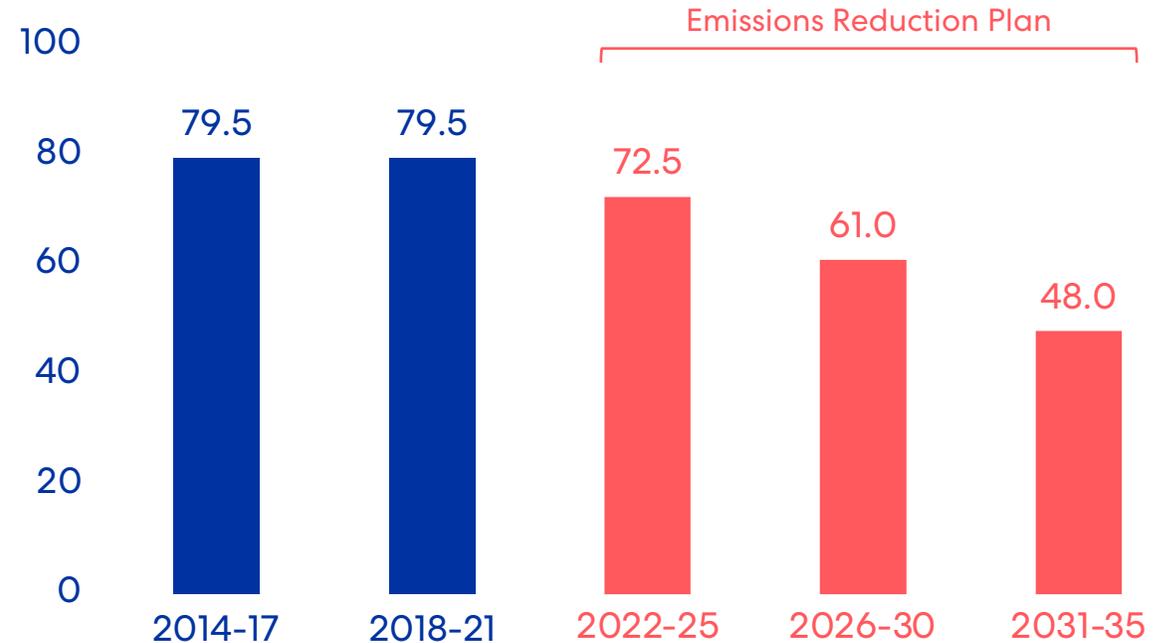
Policy and regulation

Emissions Reduction Plan

- Released in May 2022, it sets out how NZ will meet its first emissions budget for 2022-2025
- Requires additional emissions reductions of 4%
- Plan targets transport and energy emissions
- Supported by \$2.9B of funding from the Government's Climate Emergency Fund
- \$1.2B earmarked for transport, including increased access to low and zero emissions vehicles
- \$0.7B in funding for industrial decarbonisation

Average annual emissions

Mt CO₂-e

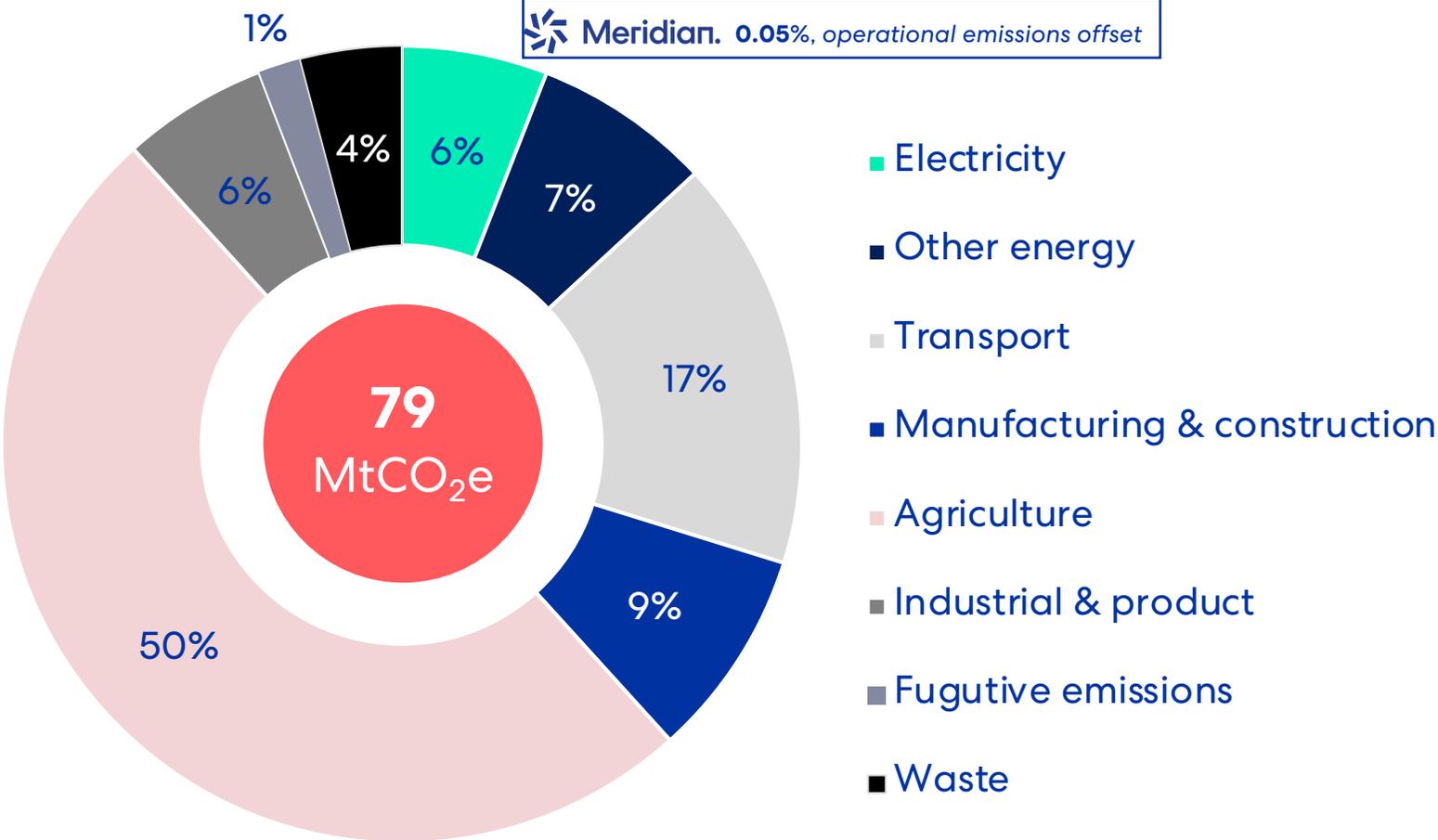


Source: Stats NZ, Aotearoa New Zealand's First Emissions Reduction Plan

National emissions

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Greenhouse gas emissions by sector



Sources: Meridian, New Zealand's Greenhouse Gas Inventory 1990 2020 snapshot, 2022 Inventory, Climate Change Commission 2021 final advice

Policy and regulation

Resource management reform

- Reform programme risks renewable projects needing to clear a higher consenting hurdle
- Generator CEs have collectively written to Ministers outlining issues that need addressing, supported by independent advice

Low carbon commitment

- Meridian is part of a collective sector commitment to deliver a low carbon energy system
- Development of an independent roadmap by BCG for decarbonisation of the energy system



Wellington's Ika Rere is the first full-electric ferry in the southern hemisphere

About Meridian

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About Meridian

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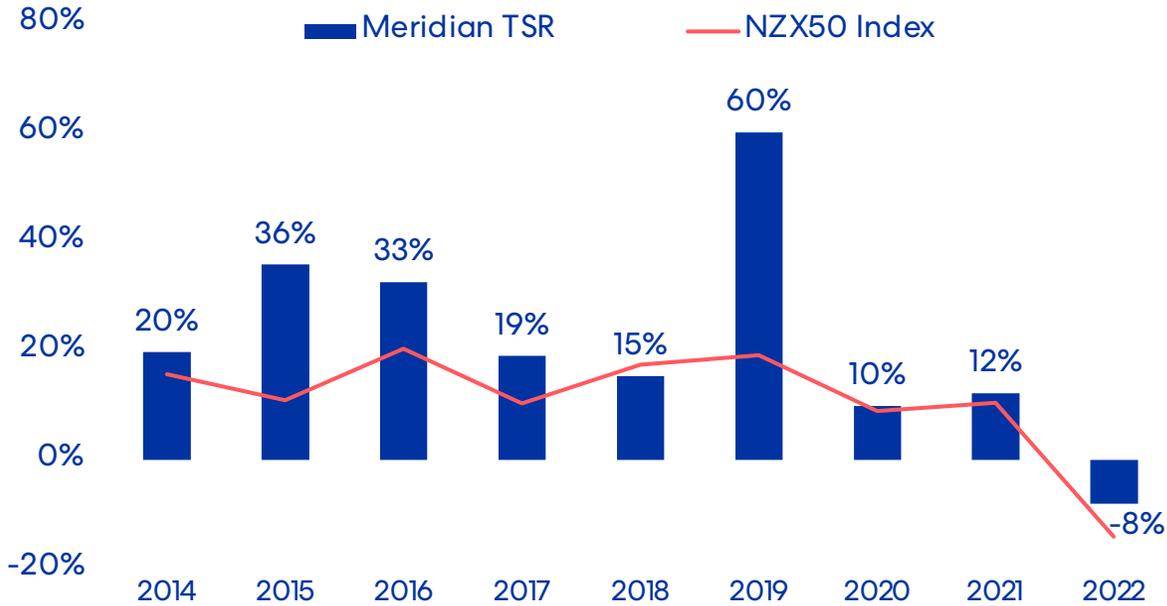
366,000 customers

Meridian Asset Key

-  Wind Farm
-  Hydro Station
-  Meridian Offices
-  Powershop Offices



Total shareholder return¹



Financial Year ended 30 June

Source: Meridian, Refinitiv

¹share price change plus gross dividend yield

About Meridian

- New Zealand's largest generator, all production from renewable sources
- Seven big hydro stations – flexible plant with the country's largest storage
- With low operating costs and capital needs
- Five New Zealand wind farms, a sixth under construction and proven success operating in a high wind environment
- Backed with more than a decade of construction and operational experience
- The largest retailer of electricity in New Zealand
- Exposure to new generation and demand growth in New Zealand's low carbon future



Our purpose

Clean energy for a fairer and healthier world.

We're New Zealand's largest renewable energy generator and a major retailer.



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Our strategy



Strategic initiatives
 5-year targets
 personally use
 Current position

| Champion Competitive markets Sustainability Climate action | Optimise Trading and asset management Re-consenting Financing | Grow Retail Generation Flux |
|---|---|---|
| Grow a clear sustainable leadership position | | NZ's highest customer satisfaction |
| Use our 5,000 GWh renewable opportunity to fast-track NZ's decarbonisation | Provide the most relevant and impactful options for our customers | |
| Execute on options that optimise system and portfolio needs and reduce transition risks | | Develop a high quality and diverse suite of renewable energy options 3 million ICP's on Flux |
| A resilient wellbeing and safety culture | | |
| Asia Pacific Dow Jones Sustainability Index inclusion | | Powershop market leading customer satisfaction, Meridian leading gentailer |
| 1,500 GWh new demand opportunities identified | 300 GWh of process heat under MOU 61 public EV chargers installed | |
| 385 GWh of new swaptions, 250 GWh of smelter demand response | | 2.3 GW of sites/opportunities 540,000 ICP's on Flux |
| NZ top quartile staff engagement, improving injury frequency rates | | |

Our Climate Action Plan

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Our purpose

Meridian's purpose of **Clean energy for a fairer and healthier world** is at the centre of everything we do on our journey to net zero.

Our business

Our energy generation is from **100% renewable sources** through:



Our priorities

These priorities align with our commitment to contribute meaningfully to the United Nations (UN) Sustainable Development Goals (SDGs) where we can have most impact – such as SDG13 Climate Action. See our **Sustainability Policy** for further detail.



Half by 30

We are focused on reducing our gross operational emissions by half by FY30*.



Forever Forests

Our nature-based commitment to emission removals.



Helping customers and Aotearoa to decarbonise

Increasing consumption of renewable electricity through electrification.

Where we can't reduce our operational emissions right now, we offset using Gold Standard Verified Emission Reductions and have done since FY19.

* 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. From our FY21 baseline (excluding Meridian Australia).

Our Half by 30 focus areas



Land Transport



Farms



Fugitive emissions



Air travel



Ferry and barge



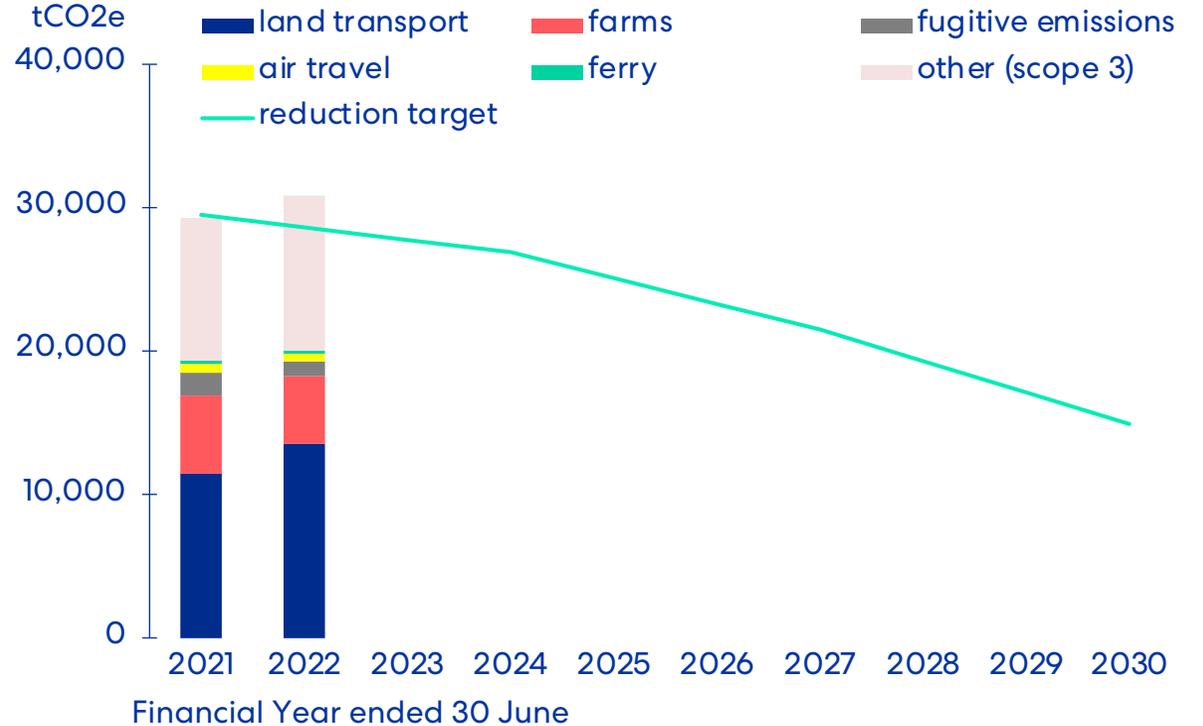
Waste

Half by 30

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- Goal to halve our 2021 operational emissions by 2030
- An approved science-based target
- Today all Meridian's operational emissions are offset

Progress against our Half by 30 goal



Source: Meridian

Forever forests

- Creating a carbon sink by planting 1.5 million trees
- Will offset the emissions we can't remove through Half by 30
- A mixed planting model of natives and exotics
- To act as an effective carbon sink and leave a native forest legacy



Social focus

Local communities

- Long term relationships, community relationship managers
- \$9M of local project support over 15 years

Iwi

- Recognise the mana whenua of Ngāi Tahu
- Close association with local rūnanga
- Focus on strengthening our iwi partnerships

KidsCan

- \$1M annual contribution towards supporting under-privileged children

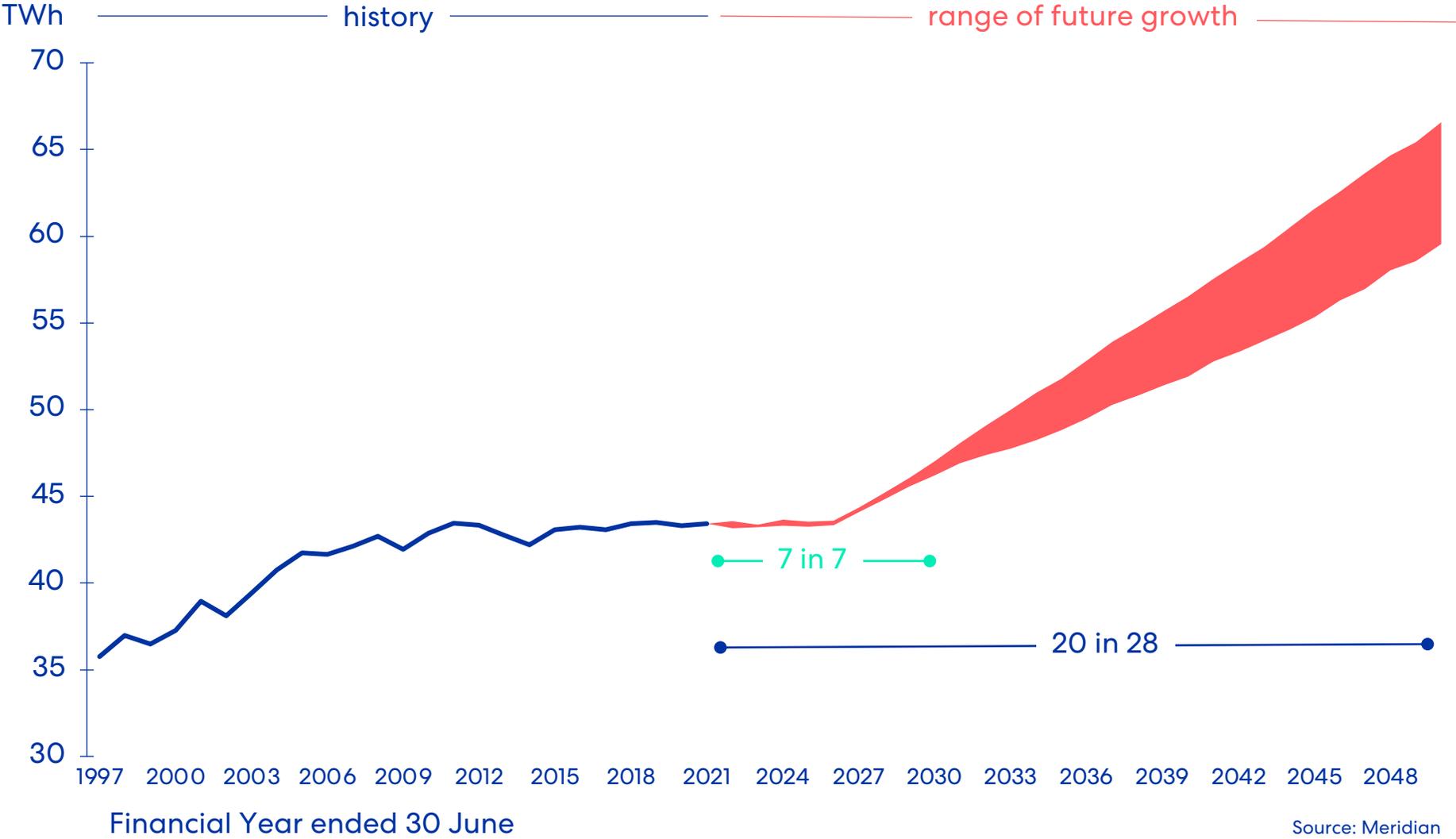
Kākāpō Recovery Programme, Project River Recovery

- Cornerstone partnerships with the Department of Conservation

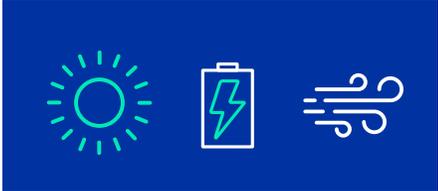


Renewable growth

Annual market demand for generation



\$30+ billion of new generation investment



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Source: Meridian

Harapaki wind farm – Hawkes Bay



Meridian.

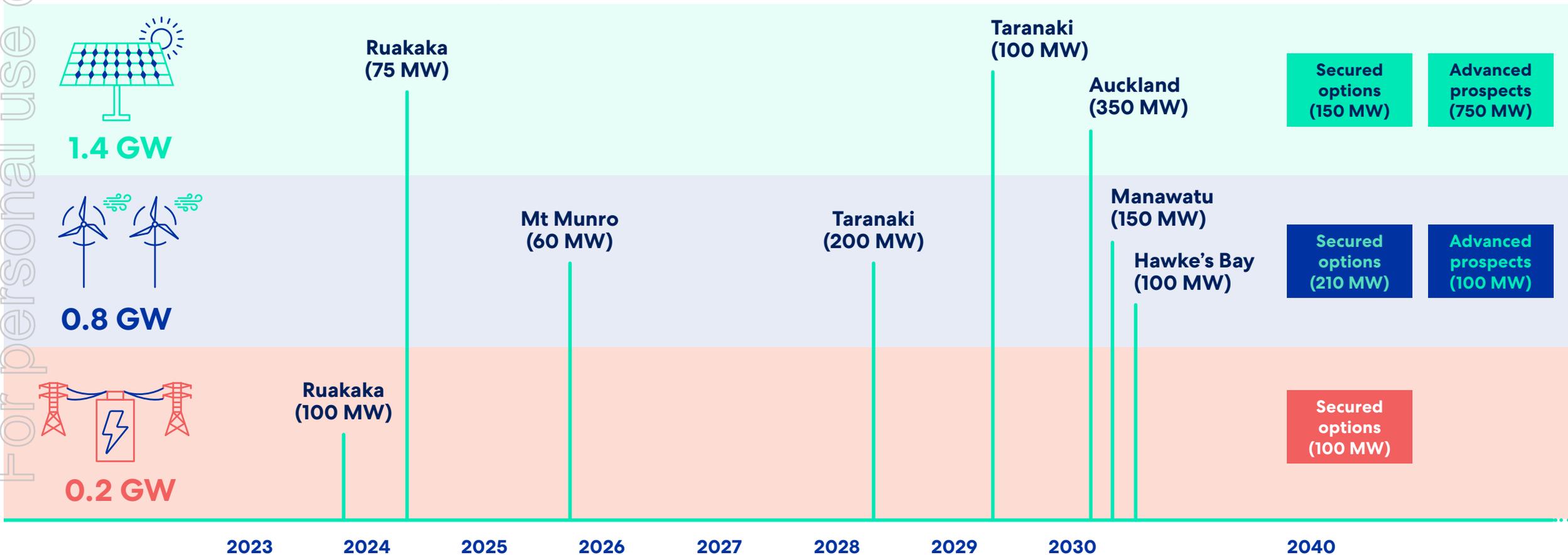
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- \$448m capital costs
- To power the equivalent of 70,000 homes
- Local iwi are integral part of our team
- Sustainability focus to design out emissions

Renewable development pipeline

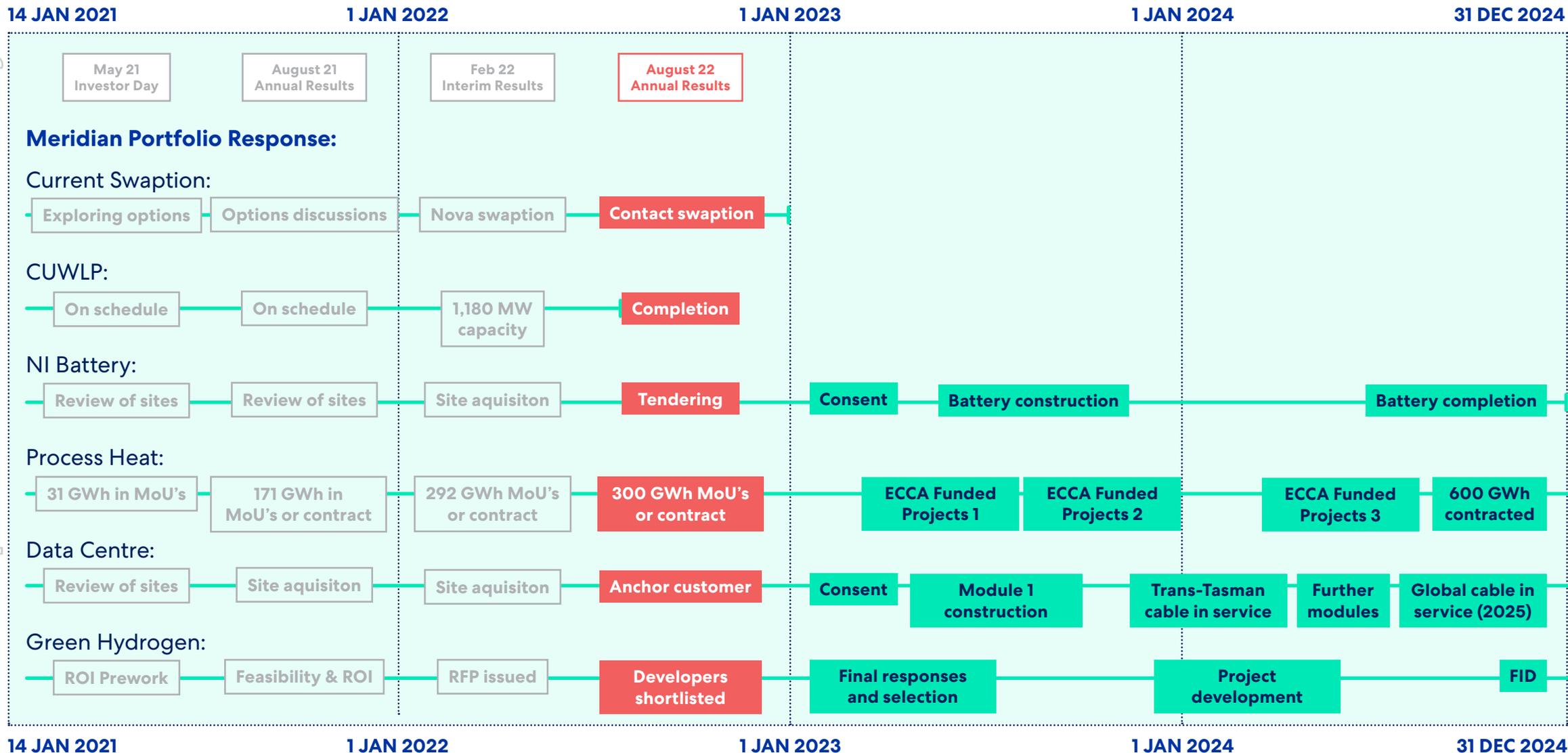
- Deep pipeline of 2.3 GW (5.4 TWh) of development options
- 1.1 GW secured, 1.2 GW in advanced prospects, further battery site acquired
- North Island focus, flexibility on South Island options maintained

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Portfolio response to NZAS contract termination

NZAS Contract:



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Green hydrogen



final responses and selection

late 2022



commercial development

2023-2024

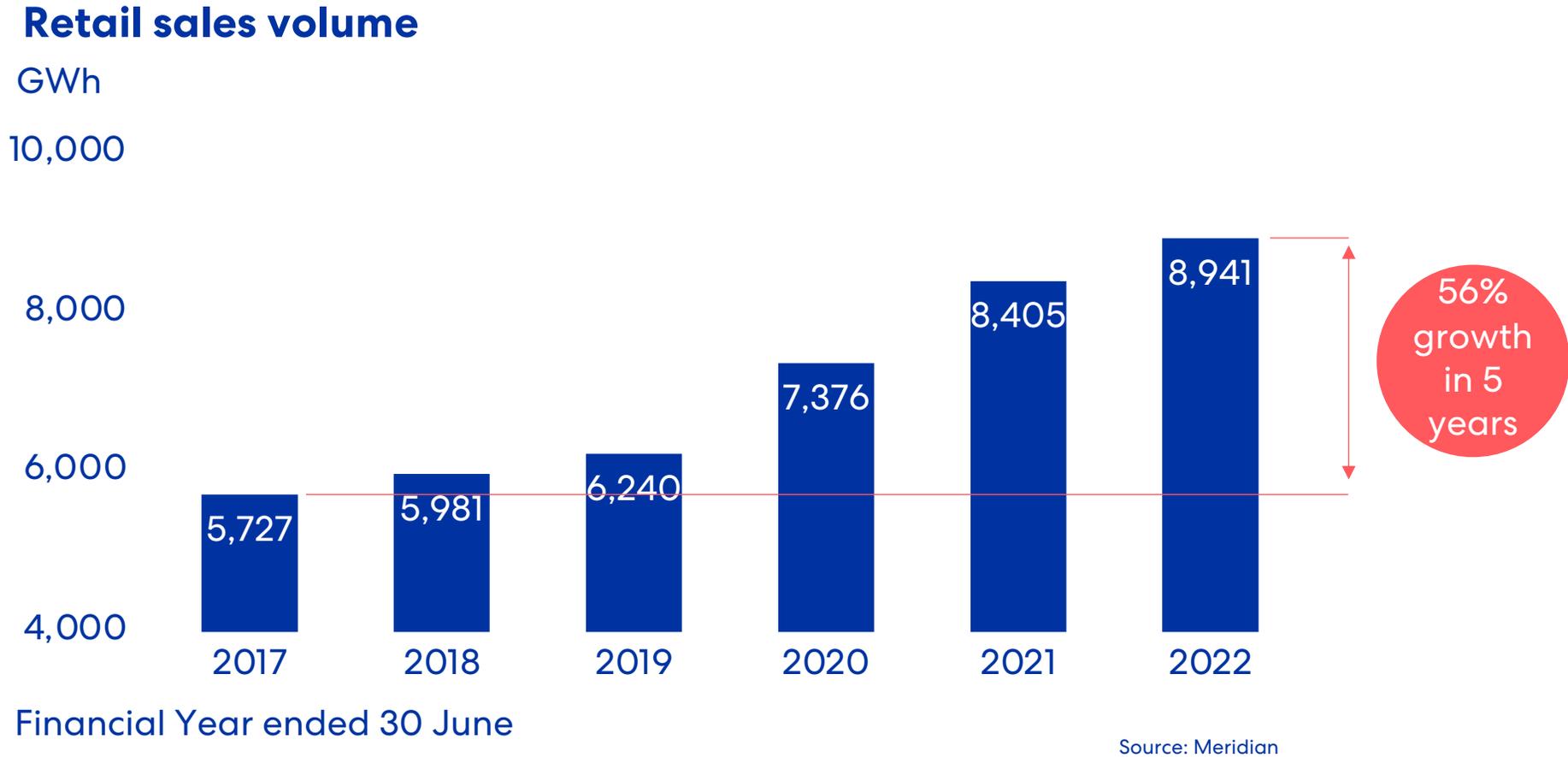


final investment decision

late 2024

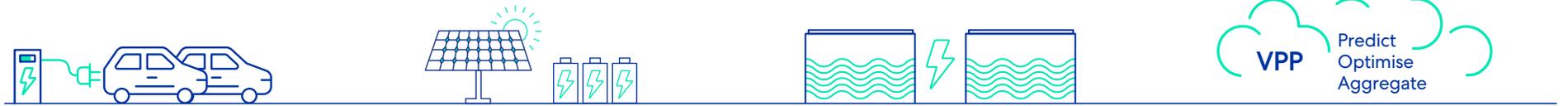
Evolving our customer approach...from sales growth

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To energy solutions that enable customers to decarbonise

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Transport

Distributed Gen/Storage

Process Heat

Demand Flexibility

2025 Draft Outcomes

Retail to 30% of homes/businesses with an EV

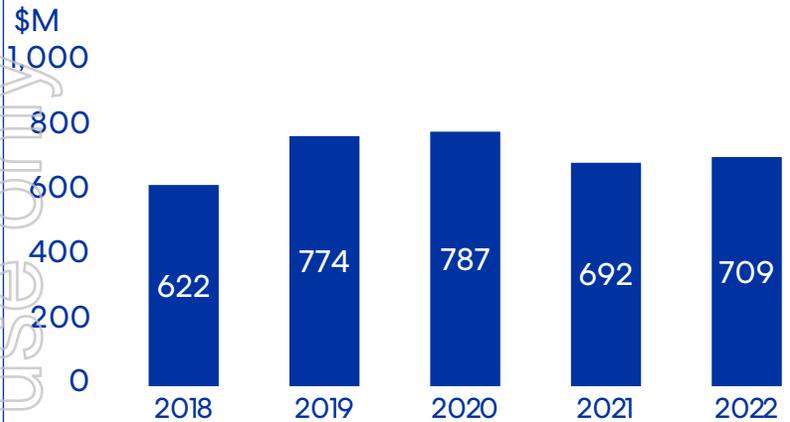
Retail to or operate 30% of distributed solar in New Zealand

50MW of flexibility and 600GWh of new demand

Utility scale VPP/DF asset by 2025

5-year financial performance

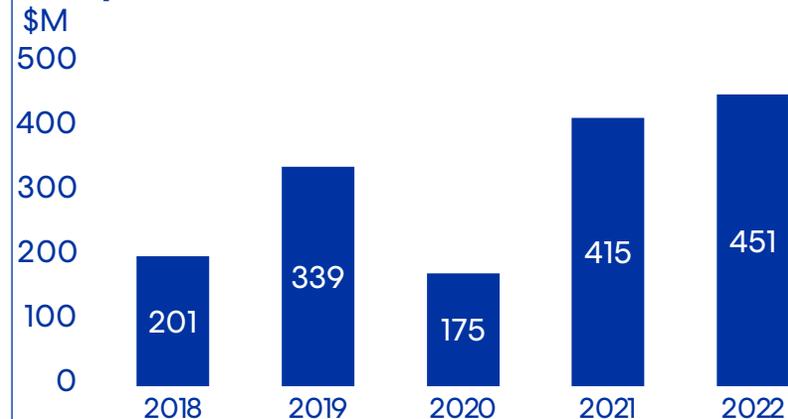
EBITDA¹



Financial Year ended 30 June

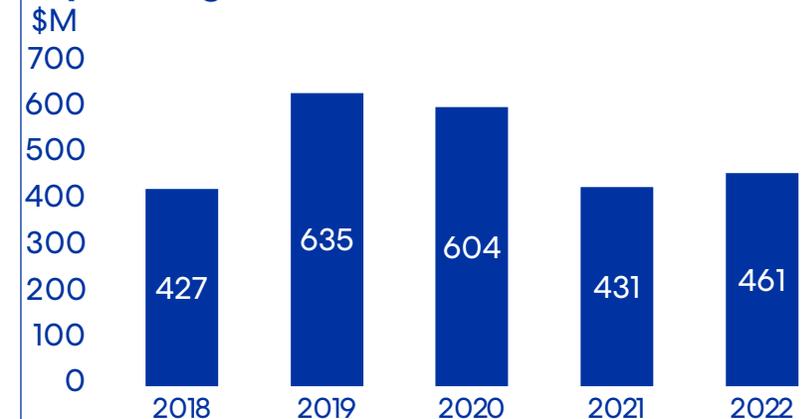
¹Earnings before interest, tax, depreciation, amortisation, changes in fair value of hedges, impairments and gains or losses on sale of assets

Net profit after tax (continuing operations)



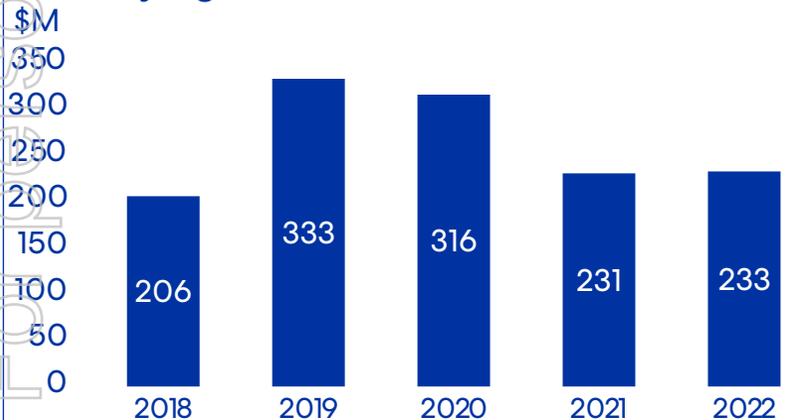
Financial Year ended 30 June

Operating cash flows



Financial Year ended 30 June

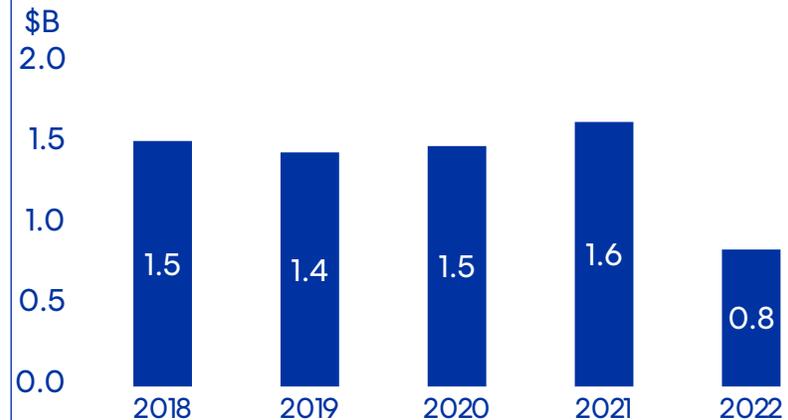
Underlying NPAT²



Financial Year ended 30 June

²Net profit after tax adjusted for the effects of changes in fair value of hedges and other non-cash items

Net debt³



Financial Year ended 30 June

³Drawn borrowings and lease liabilities payable less cash and cash equivalents

Total dividends declared



Financial Year ended 30 June

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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 2022 and is available at:

www.meridianenergy.co.nz/investors

All currency amounts are in New Zealand dollars unless stated otherwise.