

Non-discrimination Policy

Approved date	30 June 2026
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1. POLICY STATEMENT

This policy is the Meridian Energy Limited (Meridian) “non-discrimination policy” for the purposes of clause 13.236R of the Electricity Industry Participation Code 2010 (Code).

2. PURPOSE

This Policy sets out Meridian’s operational policies, practices, methodologies, processes and accountabilities in place to ensure Meridian’s trading of risk management contracts occurs in accordance with the non-discrimination obligations in Part 13, Subpart 5C of the Code.

3. SCOPE

This Policy applies to:

- a) all of Meridian’s employees, directors, consultants and contractors;
- b) in addition, specific obligations apply to Meridian’s Board and members of the Executive Management Team.

4. NON-DISCRIMINATORY SUPPLY (OBLIGATION 1)

4.1 Non-discriminatory supply of risk management contracts between buyers

To comply with clause 13.236Q(1) of the Code, Meridian will:

- a) deal or offer to deal with buyers on substantially the same price and non-price terms and conditions as those made available to other buyers;
- b) only discriminate between one buyer and another, when the difference in treatment is based on objectively justifiable reasons; and
- c) consistently apply the pricing methodologies in Meridian’s:
 - i. Wholesale Guidelines for Responding to Buyers Requesting Risk Management Contracts; and
 - ii. Retail Guidelines for Responding to Buyers Requesting Risk Management Contracts.

Meridian will also continue to meet its market making obligations for ASX New Zealand Electricity Futures and Standardised Super Peak contracts, as doing so will further ensure that buyers have equal access to those risk management products.

Where differential treatment occurs between buyers, Meridian will establish the objectively justifiable reasons, supported by evidence, and clearly document those reasons.

Objectively justifiable reasons may relate to the details of the risk management contract, the nature of Meridian's business, the market conditions, how the contract is sold, or other factors which may include (but are not limited to):

- a) demonstrable differences in underlying costs to supply a risk management contract;
- b) differences in underlying costs when providing a buyer with a risk management contract would result in an "intolerable risk position" for Meridian in respect of its existing commitments;
- c) the timing, shape, location and duration of the contract;
- d) load factors (including seasonal demand shape);
- e) conditions of interruptibility or conditions on options (for example notice periods, ramp rates, return times, limitations on frequency of calls, the balance of premium and call prices);
- f) force majeure provisions or other termination rights or reliability concerns;
- g) the existence or otherwise of contractual documents with Meridian (e.g. an ISDA Master Agreement and supporting Schedule) or Meridian being comfortable (and documenting the reason for such comfort) to provide such pricing in the absence of contractual documentation;
- h) whether a buyer is a "wholesale investor" under the Financial Markets Conduct Act 2013 and/or a safe harbour certificate has been provided to Meridian under that same Act;
- i) prudential requirements;
- j) scale efficiencies where there is evidence of a difference in cost;
- k) the ability for a variable volume buyer to provide real-time load forecasts;
- l) changes in market conditions associated with the timing of requests and responses, including whether Meridian could be arbitrated by a buyer;
- m) outcomes from competitive processes;
- n) when the timeframes for responding to a request are not reasonable;
- o) wider opportunities associated with building a commercial relationship with a buyer;
- p) brand implications both positive and negative of transacting with a buyer (for example when transacting with a buyer could bring Meridian into disrepute);
- q) discount for buyers that serve vulnerable customers (social retailers).

The Chief Customer Officer is accountable for the responsibilities in this clause 4.1 in respect of the supply of fixed-price physical supply contracts. The General Manager, Strategy and Portfolio is accountable in respect of the supply of all other risk management contracts.

4.2 Non-discriminatory supply of risk management contracts between buyers and Meridian's retail internal business unit

To comply with clause 13.236Q(2) of the Code:

- a) the Chief Customer Officer and General Manager, Strategy and Portfolio will ensure their respective business units offer risk management contracts in response to all reasonable requests from buyers consistent with Meridian's:
 - i. Wholesale Guidelines for Responding to Buyers Requesting Risk Management Contracts; and
 - ii. Retail Guidelines for Responding to Buyers Requesting Risk Management Contracts;

- b) in situations where providing a buyer with a risk management contract would result in an intolerable risk position for Meridian in respect of its existing commitments, the Strategy and Portfolio business unit may either:
 - i. offer at prices that reflect the different costs to Meridian of transacting a risk management contract that would result in an “intolerable risk position”; or
 - ii. instead offer a price for a similar arrangement (for example to offer a risk management contract at Benmore, rather than a North Island node).

Providing a buyer with a risk management contract would result in an intolerable risk position for Meridian in respect of its existing commitments when Meridian’s reasonable forecast ability to back the requested risk management contract with generation is insufficient having regard to:

- a) the amount of generation that Meridian reasonably expects to need to supply electricity to its existing end customers (not including supply to anticipated new customers);
- b) the amount of generation that Meridian reasonably expects to need to supply risk management contracts to prospective buyers, with whom Meridian is engaged in final, exclusive negotiations, prior to contract execution, and which are expected on reasonable commercial grounds, to conclude imminently;
- c) Meridian’s wholesale commitments, comprised of market making commitments and existing risk management contracts entered into with buyers.

The General Manager, Strategy and Portfolio will ensure their business unit regularly calculates Meridian’s risk-adjusted capacity to supply risk management contracts backed by its generation, including an assessment of when selling risk management contracts would result in an intolerable risk position for Meridian in respect of its existing commitments (consistent with clause 13.236Q(7) of the Code).

This is a generation-only view of risk and ignores Meridian’s purchases of risk management contracts, for example contracts purchased to manage dry year and locational price risks.

In practice, Meridian may supply risk management contracts to buyers or notionally to its retail internal business unit over and above the generation-only risk position based on Meridian’s purchases of risk management products.

4.3 Non-discriminatory pricing of risk management contracts between buyers and Meridian’s retail internal business unit

To comply with clause 13.236Q(3) and (4) of the Code, the Chief Customer Officer and General Manager, Strategy and Portfolio will ensure their business units together carry out a retail price consistency assessment (RPCA) to demonstrate an economically justifiable link between the notional expected cost of electricity supply to its retail internal business unit and its retail price offers.

The notional expected cost of electricity supply under the RPCA will be based on observable market prices for risk management contracts to demonstrate that any buyer that supplies electricity to end users at retail, that is as efficient with regard to operating costs as Meridian’s own retail internal business unit, and adopts a reasonable risk management approach, is not unduly deterred from operating profitably.

5. TRADING IN GOOD FAITH (OBLIGATION 2)

Meridian will engage with buyers in good faith and in a timely and constructive manner in relation to the supply of risk management contracts.

To comply with clause 13.236Q(5) of the Code, the Chief Customer Officer and General Manager, Strategy and Portfolio will ensure their respective business units:

- a) act honestly in all interactions with buyers;
- b) are responsive and communicative counterparties, including endeavouring to respond to all requests within the timeframe requested, and if not within the requested timeframe, then within a reasonable period commensurate with the complexity of the risk management contract requested;
- c) do not act arbitrarily, capriciously, unfairly, or unreasonably;
- d) do not act in any way that constitutes retaliation against a buyer for past complaints or disputes; and
- e) observe confidentiality requirements relating to buyer confidential information (consistent with clause 13.236Q(8) of the Code).

The above list is non-exhaustive and applies regardless of whether or not a buyer's request is reasonable or made in good faith.

Meridian is also a signatory to the Code of Conduct for participants in New Zealand's Over the Counter Electricity Market.¹ The General Manager, Strategy and Portfolio will ensure their business unit acts consistent with the Code of Conduct in all engagements with buyers.

6. OBJECTIVE CREDIT ASSESSMENTS (OBLIGATION 3)

To comply with clause 13.236Q(6) of the Code the Chief Financial Officer will assess the Meridian Credit Policy, Wholesale Credit Guidelines & Procedures, and Retail Credit Guidelines & Procedures ahead of any approval of this Non-discrimination Policy by the Board, and recommend changes (if any) that are necessary to ensure Meridian's credit terms and collateral arrangements relating to the supply of risk management contracts to buyers reflect a reasonable, consistent and transparent assessment of the risk of trading with a buyer.

In respect of fixed-price physical supply contracts, the Chief Customer Officer will ensure that the credit terms and collateral arrangements offered to buyers reflect the outcome of the assessment under the Credit Policy and Retail Credit Guidelines & Procedures. In respect of all other risk management contracts, the General Manager, Strategy and Portfolio will ensure that the credit terms and collateral arrangements offered to buyers reflect the outcome of the assessment under the Credit Policy and Wholesale Credit Guidelines & Procedures.

The Chief Financial Officer will keep records of credit assessments to enable Meridian to demonstrate to the Electricity Authority its compliance with clause 13.236Q(6) of the Code.

7. EQUAL ACCESS TO COMMERCIAL INFORMATION (OBLIGATION 4)

To comply with clause 13.236Q(7) of the Code Meridian will put in place and maintain an information barrier to ensure the following commercial information relating to risk management contracts is withheld from both Meridian's retail internal business unit and buyers:

- a) the risk-adjusted capacity of Meridian to offer risk management contracts based on a generation-only view of risk including when selling risk management contracts would result in an intolerable risk position for Meridian in respect of its existing commitments;
- b) Wholesale Guidelines for Responding to Buyers Requesting Risk Management Contracts.

¹ https://www.ea.govt.nz/documents/3932/Voluntary_Code_of_Conduct_OTC_Market.pdf

8. PROTECTION OF CONFIDENTIAL INFORMATION (OBLIGATION 5)

To comply with clause 13.236Q(8) of the Code, the Chief Customer Officer will, in respect of fixed-price physical supply contracts:

- a) securely store buyer confidential information (as defined in the Code) in systems that can only be accessed by the persons in the retail business unit responsible for interacting with buyers and responding to their request for risk management products; and
- b) not use buyer confidential information other than for a purpose for which it was provided to Meridian.

The General Manager, Strategy and Portfolio will, in respect of all other risk management contracts:

- a) securely store buyer confidential information (as defined in the Code) in systems that can only be accessed by the persons in the strategy and portfolio business unit responsible for interacting with buyers and responding to their request for risk management products;
- b) not use buyer confidential information other than for a purpose for which it was provided to Meridian; and
- c) ensure that the information barrier established under section 7 of this Non-discrimination Policy also includes processes to prevent disclosure of buyer confidential information to, and use of buyer confidential information by, Meridian's retail internal business unit (and to the extent that any buyer confidential information is inadvertently disclosed to Meridian's retail internal business unit, ensure that information is not used to gain a competitive advantage).

Meridian may disclose buyer confidential information to a third party where disclosure is:

- a) properly made pursuant to a relevant legal or regulatory obligation;
- b) to the Electricity Authority;
- c) properly and reasonably made to a court; or
- d) authorised by the buyer.

9. RECORD KEEPING (OBLIGATION 6)

To comply with clause 13.236Q(9) of the Code, Meridian will establish, maintain and keep records that demonstrate its compliance with the non-discrimination obligations in clause 13.236Q of the Code. These records will be treated as "General Records" under the Record Management Policy.

The records that will be kept and maintained and persons accountable are detailed in the table below:

General Manager, Strategy and Portfolio	The risk-adjusted capacity of Meridian to offer risk management contracts over the next 3 years.
	The methodologies for pricing of risk management contracts (other than fixed-price physical supply contracts) as set out in the Wholesale Guidelines for Responding to Buyers Requesting Risk Management Contracts.

	Records will also be kept of changes in methodologies and the timing of any such changes.
	Any reason for discriminating between buyers, or against buyers in favour of (notionally) Meridian's own retail internal business unit, including describing any reason that is not in scope of the objectively justifiable reasons listed in section 4.1 of this Non-discrimination Policy.
	Any information that is an input to Meridian's RPCA reports.
Chief Customer Officer	Meridian's monthly electricity supplied over the past 12 months.
	Meridian's expected monthly electricity supply over the next 3 years.
	The methodologies for pricing of fixed-price physical supply contracts as set out in the Retail Guidelines for Responding to Buyers Requesting Risk Management Contracts. Records will also be kept of changes in methodologies and the timing of any such changes.
	Any reason for discriminating between buyers that are not in scope of the objectively justifiable reasons listed in section 4.1 of this Non-discrimination Policy.
	Any information that is an input to Meridian's RPCA reports.
General Counsel	All complaints received by Meridian about any conduct of Meridian that the complainant believes might constitute a breach of Part 13, Subpart 5C of the Code. Any Meridian employee, director, consultant or contractor that receives such a complaint will report it to the General Counsel to enable compliance with this record keeping obligation.

10. CHANGES TO THIS NON-DISCRIMINATION POLICY

This Non-discrimination Policy will be reviewed and approved by the Meridian Board at least once a year.

Any changes to this Non-discrimination Policy outside of the regular annual review cycle will also be approved by the Board prior to taking effect.

11. DISCLOSURE

Each time Meridian amends this Non-discrimination Policy it will disclose a copy of the amended policy to the Electricity Authority within 10 business days of the amended policy taking effect.

12. DEFINITIONS

Code The Electricity Industry Participation Code 2010.

fixed-price physical supply contract has the meaning given to that term in the Code.

Meridian Meridian Energy Limited.

risk management contract has the meaning given to that term in the Code.

RPCA Retail Price Consistency Assessment under clause 13.236W of the Code.

13. POLICY INFORMATION TABLE

Name	Non-Discrimination Policy
Owner	General Counsel
Applies to	Meridian Group
Last Board approval date	30 June 2026
Review frequency	Annual
Next review date	Ahead of 30 June 2027
Linked Policies, Guidelines, Processes	Electricity Hedging Policy Delegation of Authority Policy Records Management Policy Credit Policy Wholesale Credit Guidelines & Procedures Retail Credit Guidelines & Procedures Wholesale Guidelines for Responding to Buyers Requesting Risk Management Contracts Retail Guidelines for Responding to Buyers Requesting Risk Management Contracts Information Barrier Guidelines for compliance with non-discrimination obligations in the Code