

MERIDIAN ENERGY ANNUAL SHAREHOLDER MEETING – 21 OCTOBER 2025

CHAIR ADDRESS

I will begin my Chair's address by introducing the Meridian Board and some of the Management Team.

Our Board

This year, all Meridian Board members are present at our Wellington office. For those in the room I ask the directors sitting in the audience to raise their hands as I call their name. They are: Julia Hoare, Nagaja Sanatkumar, and Tania Simpson, David Carter, Michelle Henderson and Graham Cockroft.

The Board has remained unchanged this year. Directors' extensive and varied range of 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.

Also present with me today are Chief Executive Mike Roan, Chief Financial Officer Mandy Simpson and General Counsel Jason Woolley. The rest of Meridian's executive team, apart from Bharat Ratanpal, are also in the room.

FY25 Performance

Meridian's purpose of Clean Energy for a Fairer and Healthier World underpins every action that our company takes and our intention to play a leading role in supporting Aotearoa to further strengthen its electricity system and navigate the energy transition.

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 our customers and 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. Bearing in mind we supply roughly 30% of the economy, were we not to have done this, short term prices could have been very challenging for many of our customers. It is important we take a long-term view. As I will talk to soon, we also strived to ensure that we reward our shareholders for the trust they place in us during challenging times by investing, and we are pleased to have been able to show that by returning a dividend.

Regulatory Change

FY25 also brought an intense amount of scrutiny, of both gentailers like Meridian and the wider sector, as people dissected the events of Winter 2024 and the Government responded with a review by Frontier Economics and other experts.

After many months of speculation, the Frontier Report and Government response were released at the beginning of October. The company welcomed many of the proposed changes, including the Government's willingness to participate in equity capital raisings by Mixed Ownership Model companies, like Meridian, as a means of bringing forward investment in new generation and firming capacity.

This represents the biggest change to our capital investment settings since we were listed in 2013, and we acknowledge the Government's commitment to help the country move forward. It has the potential to add even greater momentum to our development pipeline. Building new generation is the best way to improve energy security and affordability.

Meridian is also supportive of the Government's focus on addressing the issues with gas supply, strengthening the power of the industry regulator and changes to the security of supply regime to make it more robust.

The unexpected loss of gas has been clearly identified as the key factor behind fuel shortages in Winter 2024 and Meridian was pleased to see the Government is looking at

initiatives to remedy this, such as improving transparency around gas supply and considering procurement of an LNG import facility.

While further details relating to the facility will be confirmed in the coming months, the Government wants something in place by the first of June 2027. Although this is particularly relevant for gas customers, any facility could add to the suite of solutions that insure against dry-year risk, placing it alongside the Huntly Strategic Reserve, our demand response agreement with New Zealand Aluminium Smelters and access to more hydro storage.

The Energy Taskforce is more advanced with its work and close to finalising its level playing field measures. In essence, these are about ensuring greater transparency in the prices gentailers offer to independent retailers when compared to the notional prices in place with their own retail business units. From the outset we've said we would be comfortable with these measures, provided they are set up in a way that will benefit customers.

Huntly Strategic Reserve

Early in 2025, Meridian and others in the industry took steps to restore long-term confidence in energy security and improve affordability.

On top of an unprecedented amount of new generation development, a group of large electricity suppliers, including Meridian, signed an agreement to ensure the availability of the three coal or gas-fired Rankine units, and the necessary fuel, at the Genesis-owned Huntly power station. This agreement will ensure New Zealand will have continued generation capacity for the next 10 years.

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 meet our future energy needs. It was a challenging decision for us to enter into the Huntly arrangements, given our commitment to decarbonisation and renewable energy. However, given the loss of gas as a transition fuel, we believed that extending the life of Huntly and building a thermal fuel reserve was in the best interests of Kiwi homes and businesses, and the broader economy in the short to medium term.

The Huntly arrangements - which for us is a financial arrangement - alongside additional use of this country's hydro capacity, are actions that will help make the country's electricity

system more resilient and affordable, and the confidence it brings will allow the sector to continue to build new renewable generation at pace.

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. And the facts are that New Zealand's electricity prices compare favourably with other countries – in the top 10 for both industrial and residential consumers as benchmarked across the OECD.

We are keenly aware of our social licence. It is not in the long-term interest of Meridian to see customers disappear from the economy. That is not a sustainable business. It is firmly in our interests to see customers succeed in this economy through competitive pricing. The work we do is intended to underpin this country's growth and prosperity.

CE Transition

During the past financial year, Neal Barclay's tenure as Chief Executive ended. Under his 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, we have grown that business and we've built valuable relationships with a variety of stakeholders. Importantly, Neal led the team that secured a sustainable 20-year contract with New Zealand Aluminium Smelters, or NZAS.

The Board and Executive Team 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, our shareholders, and Aotearoa New Zealand.

On behalf of the Board, I would also like to congratulate Mike Roan on his appointment to Chief Executive and the strong start he has made in the role.

Shareholder returns

I will conclude my address by speaking to Meridian's shareholder returns. We do understand that you, our shareholders, are happy for us to continue to invest in both existing and new assets, on the firm understanding that we will provide you with appropriate returns.

Long-time investors in Meridian will know that nature does not always play a kind hand, and that was certainly the case in the last financial year, but that we have a balance sheet structured and maintained to manage the impact of such conditions.

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.

Thank you for continuing to invest in and support our company. I will now ask our Chief Executive, Mike Roan, to address the meeting.

Chief Executive's Review

Kia ora Mark and tena tatou katoa. Ko Mike Roan toku ingoa.

It is a real pleasure to be speaking to you today in my first Annual Shareholder Meeting as Meridian's Chief Executive. I have come into this role with tremendous faith in our people and our strategy, but also with a bold vision.

I believe that, when we properly harness the natural bounty that this country has to offer, the electricity sector can help to underwrite the economic growth of the nation. I want Meridian to be a driving force behind that. This will require an evolution of where we've come from and some change. I have an immense respect for what people have done to get Meridian to where it is today, and I also have a clear idea of what's required for us to continue to succeed as we move forward.

First, I want to further accelerate our development of renewable energy. While we're well on track to deliver seven new developments in seven years, that target was framed before the gas sector collapsed. So, we need even more clean energy to realise the ambition.

And as we do this, I want us to go back to our roots. Sixty-odd years ago, the Waitaki Power scheme was devised and built in the Mackenzie Basin. It remains the country's largest hydro scheme and the backbone of Aotearoa's electricity system, but there is room to further optimise this scheme to meet the challenges of 2025 and through to 2055.

The good news is that the Waitaki scheme has so much more to give. There is more water to be accessed, more megawatts to be achieved from existing assets and scope for a fundamental shift in the role that stored hydro plays. This can be done in a way that is aligned with our value set – one that balances environmental and community concerns. And I know the Meridian team is up for this kaupapa.

In my view, the route to global competitive advantage for our country can only come if we harness more water from existing hydro catchments. We've recently established a hydro development team to explore new opportunities, and we've received Ministerial approval to have our application for access to Pūkaki contingent storage heard through the Fast-Track process. With the Government's willingness to take part in equity raisings for new developments, we now have an opportunity to think even bolder, and we will.

Second on my list of priorities, I want us to get even closer to our customers - that's where we've set our compass. Like every business, you're only as successful as the customers you serve, so as well as evolving to help our customers thrive in the future, we are highly tuned into how we can support industrial and residential customers in the current tough environment where cost of living is a key concern.

Financials

FY25 was a year where Nature didn't help us. Our hydro storage was heavily affected by two consecutive record low (or 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 challenged electricity generation.

From a financial perspective, the business struggled to get out of first gear and even had to hit the brakes hard at one point. Shareholders in our business know that when it doesn't rain, it's tough to make hydroelectricity and turn that into profits, particularly when we exercise insurance to cover the loss of that generation.

Each of these decisions hits our bottom line. Operating cash flows of \$318 million for the year ending 30 June 2025 were 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.

EBITDAF was down 32 percent to \$611 million and underlying net profit after tax fell by 84 percent to \$56 million. Both EBITDAF and underlying net profit after tax are non-GAAP measures. As Mark said, we did work through some challenges, and I am pleased to say that we have made a strong start to the new financial year.

Exec Changes

A few changes in our Executive Team were announced during the year.

Rory Blundell was 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. More recently, Mandy Simpson has joined Meridian as Chief Financial Officer.

The merging of the Wholesale Operations function into the Generation team also saw Chris Ewers leave the Executive Team to take up a new role in the company as Electricity Security Manager, reporting to Tania Palmer, our GM of Generation.

Development pipeline

There's been a lot of talk among politicians and the media about the need to build more, and we are. As fast as we can.

Meridian's 7 projects in 7 years renewable build programme is advancing at speed. This year we met the first two milestones. The 176MW Harapaki Wind Farm is now fully operational and the 100MW battery energy storage system or BESS at Ruakākā Energy Park near Whangārei was commissioned in May 2025. This BESS lifts system capacity by allowing us to reintroduce stored power into the grid at peak demand times, and it's already making a big difference.

On the 29th of August this year, the joint venture we have with Nova Energy confirmed that the first stage of the 400MW Te Rahui solar farm had met its financial hurdles and so moved into construction.

In addition, we have four wind, solar and battery projects consented – another battery in the Manawatū, a wind farm at Mount Munro in the Wairarapa, stage 2 of Te Rahui and the first re-powering of an existing wind farm at Te Rere Hau.

And finally, we have three consents currently being processed by councils – the Swannanoa, Waikato and Manawatū solar farms.

The acquisition of New Zealand Wind Farms was approved by their shareholders in June and completed in July following approval by the High Court. This deal rewards NZ Windfarms' shareholders for the value created to date and brings delivery of the Te Rere Hau repowering project fully into Meridian. A decision on that project is expected mid to late 2026.

Some critics say the industry is holding back on investment, but the above list says something different. Meridian has invested over \$1 billion in the last five years and there is a further \$2 billion planned in the project list I just talked to. This progress started some time

ago, even when demand projections were flat and there was considerable uncertainty over whether the Bluff aluminium smelter would remain.

The development projects delivered so far, and those to come in the next three years, will deliver almost 2,500GWh of new annual generation, a 6 percent increase to the electricity system. And this is part of a wider industry effort that, added up, means New Zealand is now building new electricity generation at a rate that is 25% faster than at the height of the Think Big era of the late 70s and early 80s

Generation

Our existing assets matter too. In fact, they're the backbone of our business and we're extremely lucky to have a world-class team working hard to maximise availability and output.

This includes work to add new capacity to existing assets where we can and restore capacity lost through issues such as transformer outages. We're already delivering some exciting results, including 110MW of additional dispatchable capacity. This is the result of lots of small gains achieved through activities like unit upgrades and compressed maintenance windows, and it all adds up to more than we'd get from installing an extra unit at Benmore Power Station.

But it wasn't all smooth sailing. This year we faced a few challenges with plant failures and, as we talked about last year, transformers have been a headache. Things are now looking much better on that front - we've signed deals to procure five new transformers for Manapōuri and earlier this month completed the installation of a replacement transformer at West Wind.

Retail

It's been a busy year for the Retail team as they transform the operating model to deliver digital and data-driven customer experiences, and this year our mass market volumes and market share grew across both Meridian and Powershop brands despite lower market demand.

Customer numbers lifted by 70,000 over the year. Half of this was a result of organic growth – a really good result – and half through our May acquisition of Flick Electric's hedge and

customer books. This growth reinforced our position as the fourth largest retailer by customer numbers.

While Meridian's residential energy price increases were modest again this year, the regulated increase in lines and transmission charges that form part of the overall bill is going to impact all customers for a few years to come. This is a difficult reality, as we know many New Zealanders are doing it tough. Cost of living pressures are more than media headlines – they are real and they affect many Kiwi families.

We're doing what we can to help. Part of that is building more generation capacity, but within Retail the focus is on reducing the size of a customers' overall energy bill. We have made good progress this year with new products like Four Hours Free and Smart Hot Water that give customers more choice and flexibility.

Smart Hot Water rewards customers with \$10 off their monthly payment allowing us to take control of their hot water heating and move the demand outside of peak periods to help take pressure off the grid. We now have around 20,000 customers on this plan and have shifted around 500MWh out of peak periods over each of the past few months. And this is just one of our initial steps. Ultimately, we plan to create a variety of products that help customers work with us to manage their electricity use and budget.

The Retail team also began the rollout of the new Kraken platform and a new customer app. These changes aim to improve how we engage with customers and how we track and support them to save energy and money.

We also continue to support customers in need through our Energy Wellbeing Programme. The goal is to support 5,000 of our most vulnerable households via this programme by FY28. This year, over 1,700 households were supported and we've now assisted 3,185 households since the programme was launched in 2023. Kiwis are facing financial challenges given wider cost pressures, so we will continue to monitor how we can make a meaningful and sustainable difference for those in hardship.

It was also extremely pleasing to see Powershop topping the Kantar Customer Leadership Index for 2025, which was announced just over a week ago. This is particularly special for us because this index spans multiple industries and ranks companies on how well they deliver for their customers across brand, service offerings and customer focus. Ka pai team.

Sustainability

This year we conducted a review of the Half by 30 emissions reduction target. Scope 1 and Scope 2 targets remain well on track at 50 percent reductions by FY30, but the target for Scope 3 emissions (or those emitted by supply chain partners) has been revised. Halving these by FY30 is now in our view not possible, given the amount of sector growth the country is planning and the speed at which this needs to happen.

From 1 July, we began 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, this year.

The refined Scope 3 goal remains credible, ambitious and science-based and has been independently verified by the Science Based Targets initiative.

Pleasingly, Meridian was ranked number one 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 but the first ranked number one in Asia Pacific, and I hope this gives shareholders, customers and communities confidence that we are leading in sustainable practices.

Outlook for FY26

I'm sure it goes without saying that we are relieved to have last year behind us, and I'm pleased to say we're off to a strong start in FY26. We're experiencing good spring winds and rain, we're benefiting from the introduction of the Ruakākā BESS and we have above average lake levels in both Waiau and the Waitaki catchments. While another neutral to weak La Niña summer is expected, which can bring drier conditions, we're happy with how things currently stand and, as I have outlined, the business is extremely well-positioned for future growth.

Mark touched on the Frontier Report and Government Energy Reform Package announced at the start of this month. I want to reinforce the importance to us, and the industry, of the clarity these reports provide and the significance of putting the uncertainty behind us. We

have experienced fourteen months of intense media and political scrutiny but, in the end, three world-class independent firms of economists concluded that our market is well structured and performing well, that vertically integrated companies like ours are a positive for customers, and that our market has healthy competition.

I cannot stress those three elements enough, particularly with next year being a general election and the likelihood that some of the tired old arguments about our sector will be recycled. We do expect the scrutiny to continue, but we will have no hesitation in reminding the public of the facts presented by those expert international firms.

While Meridian is laser-focused on continuously improving how we serve our customers, I also know that shareholder confidence can be chilled by the constant threat of major regulatory change looming year after year. The size and pace of investment this sector is now delivering directly underpins the health of the broader economy. So, let us get on with it. You'll see more evidence in the year ahead of the Meridian team executing on our strategy, delivering for customers, working alongside communities and growing value for our shareholders.

We appreciate your continued support for our business and enabling us to deliver on our purpose of 'clean energy for a fairer and healthier world'. Thank you for this, and your participation today.

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