

Release

Stock Exchange Listings NZX (MEL) ASX (MEZ)

Meridian Energy's provision of financial assistance in connection with its Executive Long-Term Incentive Scheme

28 May 2020

Meridian Energy Limited (**Meridian**) has an executive long term incentive scheme (**LTI Scheme**) for certain senior employees of Meridian. The LTI Scheme is intended to attract and retain key employees and align the interests of participants with those of shareholders.

In connection with the FY20 LTI Scheme, the Company issued rights to acquire ordinary shares in the Company (**Share Rights**) to participants who accepted the offer to participate in the LTI Scheme (**Participants**). Each Share Right 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 Share Rights that vest is dependent on:

- (a) Meridian's total shareholder return over a 3-year performance period (**Performance Period**) relative to Meridian's cost of equity and the total shareholder return over the Performance Period of a defined group of NZX Main Board and ASX listed peer companies (**Performance Hurdles**); and
- (b) if the Participant continues to be employed by Meridian during the vesting period (**Employment Condition**), (together the **Vesting Conditions**).

Share Rights will lapse where the Vesting Conditions are not satisfied (although this is subject to the Board's discretion in relation to the Employment Condition).

Meridian will meet its obligations under the LTI Scheme by acquiring its own shares on-market, holding these shares as treasury stock for the Performance Period, and transferring these shares to the Participants if the Vesting Conditions are met and the Participants exercise their Share Rights.

In connection with the FY20 LTI Scheme, Meridian has given financial assistance pursuant to section 80 of the Companies Act 1993.

The details of the financial assistance provided by Meridian are as follows:

Shares in respect of which the financial assistance was provided	Method of purchase for the shares	Consideration paid for the shares
27,873 Meridian Energy Limited ordinary shares	Purchased on market	4.7979 per share
50,000 Meridian Energy Limited ordinary shares	Purchased on market	4.8000 per share
100,000 Meridian Energy Limited ordinary shares	Purchased on market	4.7722 per share
53,536 Meridian Energy Limited ordinary shares	Purchased on market	4.7900 per share

Recipients of the financial assistance

Neal Barclay (Chief Executive)
 Mike Roan (Chief Financial Officer)
 Guy Waipara (General Manager, Generation and Natural Resources)
 Chris Ewers (General Manager, Wholesale)
 Lisa Hannifin (Chief Customer Officer)
 Tania Palmer (Chief People Officer)
 Nic Kennedy (Chief Executive, Flux Federation)
 Jason Stein (Chief Executive, Meridian Energy Australia)

Nature and amount of the financial assistance

The financial assistance was given in the form of Meridian acquiring its own shares on market in connection with the FY20 LTI Scheme. These shares will be held as treasury stock for the Performance Period, and transferred to the Participants if the Vesting Conditions are met and the Participants exercise their Share Rights.

The aggregate amount of the shares purchased was \$1,110,711.48 including brokerage.

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For investor relations queries, please contact:

Owen Hackston
Investor Relations Manager
021 246 4772

For media queries, please contact:

Polly Atkins
Senior Communications Specialist
021 174 1715