

Release

Stock Exchange Listings NZX (MEL) ASX (MEZ)

Meridian Energy launches retail Green Bond offer

6 March 2023

Meridian Energy Limited (**Meridian**) confirmed today that it is offering up to \$150 million (with the ability to accept oversubscriptions of up to an additional \$50 million at Meridian's discretion) of 5.5 year unsecured, unsubordinated, fixed rate green bonds (**Green Bonds**) to institutional and New Zealand retail investors.

The offer opens today and will be made pursuant to the Financial Markets Conduct Act 2013 as an offer of debt securities of the same class as existing quoted debt securities. The offer is expected to close at 11:00am on Thursday, 9 March 2023 and the Green Bonds are expected to be quoted on the NZX Debt Market.

Meridian has an Issuer Credit Rating from S&P Global Ratings of BBB+ (stable outlook). The Green Bonds are expected to be assigned an Issue Credit Rating of BBB+.

The Interest Rate for the Green Bonds will be set on the rate set date as being equal to the Base Rate plus the Issue Margin, subject to a minimum Interest Rate of 5.70% per annum.

The indicative Issue Margin range for the Green Bonds is 1.10% to 1.20% per annum. An announcement of the actual Issue Margin (which may be within, above or below the indicative Issue Margin range) and Interest Rate is expected to be made via NZX on Thursday, 9 March 2023 following a bookbuild process.

Meridian's existing \$150 million (MEL030) bonds mature on 14 March 2023. The Issue Date for the Green Bonds is expected to be Monday, 20 March 2023. Investors in the Green Bonds who own MEL030 bonds are expected to receive the proceeds from the maturity of those bonds before the expected Issue Date for the Green Bonds.

There is no public pool for the offer, with all of the Green Bonds to be reserved for clients of the Joint Lead Managers, other primary market participants and institutional investors.

Details of the offer are contained in the indicative terms sheet. The indicative terms sheet is available at www.meridianenergy.co.nz/about-us/investors/reports/retail-bond-documents or by contacting one of the Joint Lead Managers (listed below) or your usual financial adviser.

Copies of the indicative terms sheet and investor presentation have also been provided to NZX with this announcement.

Joint Lead Managers:

ANZ Bank New Zealand Limited: 0800 269 476

Bank of New Zealand: 0800 284 017

Craigs Investment Partners Limited: 0800 226 263

Forsyth Barr Limited: 0800 367 227

ENDS

Neal Barclay
Chief Executive Officer
Meridian Energy Limited

For investor relations queries, please contact:

Owen Hackston
Investor Relations Manager
021 246 4772

For media queries, please contact:

Rheilli Uluilalata
External Communications Manager
022 589 1052

Indicative Terms Sheet Fixed Rate Green Bonds

Maturing 20 September 2028

6 March 2023



Meridian.

Joint Lead Managers



Indicative Terms Sheet

6 March 2023

This Indicative Terms Sheet sets out the key terms of the offer (“**Offer**”) by Meridian Energy Limited (“**Meridian**”) of up to \$150,000,000 (with the ability to accept oversubscriptions of up to an additional \$50,000,000 at Meridian’s discretion) of fixed rate green bonds maturing on 20 September 2028 (“**Green Bonds**”) under its master trust deed dated 1 December 2008 (as amended from time to time) (“**Trust Deed**”) as modified and supplemented by the supplemental trust deed dated 6 March 2023 (together, “**Trust Documents**”) entered into between Meridian and Trustees Executors Limited (“**Supervisor**”). Unless the context otherwise requires, capitalised terms used in this Indicative Terms Sheet have the same meaning given to them in the Trust Documents.

Important notice

The Offer of debt securities by Meridian is made in reliance upon the exclusion in clause 19 of schedule 1 of the Financial Markets Conduct Act 2013 (“**FMCA**”).

The Offer contained in this Indicative Terms Sheet is an offer of bonds that have identical rights, privileges, limitations and conditions (except for the interest rate and maturity date) as:

- Meridian’s green bonds maturing on 14 March 2023, which have a fixed interest rate of 4.53% per annum and are currently quoted on the NZX Debt Market under the ticker code MEL030;
- Meridian’s green bonds maturing on 20 March 2024, which have a fixed interest rate of 4.88% per annum and are currently quoted on the NZX Debt Market under the ticker code MEL040; and
- Meridian’s green bonds maturing on 27 June 2025, which have a fixed interest rate of 4.21% per annum and are currently quoted on the NZX Debt Market under the ticker code MEL050,

(together the “**Existing Bonds**”).

Accordingly, the Green Bonds are the same class as the Existing Bonds for the purposes of the FMCA and the Financial Markets Conduct Regulations 2014.

Meridian is subject to a disclosure obligation that requires it to notify certain material information to NZX Limited (“**NZX**”) for the purpose of that information being made available to participants in the market and that information can be found by visiting www.nzx.com/companies/MEL.

The Existing Bonds are the only debt securities of Meridian that are currently quoted and in the same class as the Green Bonds.

Investors should look to the market price of the Existing Bonds referred to above to find out how the market assesses the returns and risk premium for those bonds.

Key terms of the Green Bonds

Issuer	Meridian Energy Limited.	
Description	<p>The Green Bonds are 5.5 year, unsecured, unsubordinated, fixed rate interest bearing debt obligations of Meridian.</p> <p>The Green Bonds are Green Debt instruments under Meridian's Green Finance Framework dated February 2023 (as amended from time to time) ("Green Finance Framework") ("Green Debt") and are certified by the Climate Bonds Initiative ("CBI") based on the Climate Bonds Standard. A copy of the Green Finance Framework is available on Meridian's website: www.meridianenergy.co.nz/about-us/investors/reports/green-finance.</p>	
Use of proceeds	<p>In accordance with the Green Finance Framework, Meridian intends to allocate an amount equal to the proceeds from the Offer to finance or refinance renewable energy and energy efficiency projects and assets that meet the eligibility criteria as set out in the Green Finance Framework ("Green Assets"), including the refinance of the \$150,000,000 MEL030 green bonds which mature on 14 March 2023.</p> <p>As discussed below under "Alignment with Green Bond Principles and Climate Bonds Standard", an amount equal to the proceeds of the Green Bonds will be allocated against Green Assets from the Wind Pool.</p> <p>In accordance with the Green Finance Framework, Meridian intends to:</p> <ul style="list-style-type: none"> maintain a balance of Green Assets that have a book value at least equal to the original principal amount of the respective Green Debt at the time of issuance (including the Green Bonds issued under the Offer); and report details of the ratio of Green Assets to Green Debt annually. 	
Credit ratings	Issuer Credit Rating	Expected Issue Credit Rating
	S&P Global Ratings	BBB+ (stable)
		BBB+
	<p>Meridian's current Issuer Credit Rating includes a one-notch uplift from the company's stand-alone credit profile of 'bbb', reflecting the legislated majority ownership by the Crown. The Crown does not guarantee the Green Bonds and is under no obligation to provide financial support to Meridian.</p> <p>A credit rating is an independent opinion of the capability and willingness of an entity to repay its debts (in other words, its creditworthiness). It is not a guarantee that the financial product being offered is a safe investment. A credit rating should be considered alongside all other relevant information when making an investment decision.</p> <p>A credit rating is not a recommendation by any rating organisation to buy, sell or hold the Green Bonds. The above credit ratings are current as at the date of this Indicative Terms Sheet and may be subject to suspension, revision or withdrawal at any time by S&P Global Ratings.</p>	
Issue amount	<p>Up to \$150,000,000 of Green Bonds with the ability to accept oversubscriptions of up to an additional \$50,000,000 at Meridian's discretion.</p> <p>The offer is not underwritten.</p>	
Interest Rate	<p>The Interest Rate will be the sum of the Issue Margin and the Base Rate, but in any case will be no less than the minimum Interest Rate of 5.70% per annum.</p> <p>The Interest Rate will be announced by Meridian via NZX on or shortly after the Rate Set Date.</p>	
Indicative Issue Margin	The indicative Issue Margin range is 1.10%–1.20% per annum.	
Issue Margin	<p>The Issue Margin (which may be within, above or below the indicative Issue Margin range) will be determined by Meridian in consultation with the Joint Lead Managers following completion of the bookbuild process and announced via NZX on or shortly after the Rate Set Date.</p>	

Base Rate	The mid-market rate for an NZD interest rate swap of a term matching the period from the Issue Date to the Maturity Date as calculated by the Joint Lead Managers in consultation with Meridian, according to market convention, with reference to Bloomberg page "ICNZ4" (or any successor page) on the Rate Set Date and rounded to 2 decimal places, if necessary, with 0.005 being rounded up.
Interest Payments	<p>Interest will be payable semi-annually in arrear in equal amounts on 20 March and 20 September of each year up to and including the Maturity Date. The First Interest Payment Date will be 20 September 2023.</p> <p>If an Interest Payment Date is not a Business Day, the due date for the payment to be made on that date will be the next following Business Day and no adjustment will be made to the amount payable as a result of the delay in payment.</p>
Record Date	5.00pm on the tenth calendar day before the due date for that payment or, if that day is not a Business Day, the preceding Business Day or such other date as is advised by the Registrar to Holders from time to time.
Issue Price	\$1.00 per Green Bond.
Minimum application	The minimum application is \$5,000, with multiples of \$1,000 thereafter.
Early repayment	<p>The Holders of the Green Bonds have no right to require Meridian to redeem the Green Bonds early except through the Supervisor in the case of an Event of Default (as set out in the Trust Documents). If the Green Bonds are repaid early following an Event of Default, interest will be payable up to (but excluding) the date of repayment.</p> <p>Meridian does not have the right to redeem the Green Bonds early.</p>
Further indebtedness	Meridian may, without the consent of the Holders of the Green Bonds, issue additional securities or other debt obligations on such other terms and conditions as Meridian may think fit.
Guarantee structure	<p>As detailed below in paragraph (d) under "Financial covenants", Meridian is required under the Trust Documents to ensure that at all times the Total Tangible Assets of the Guaranteeing Group will not be less than 80% of Total Tangible Assets of Meridian and all of its subsidiaries and associates.</p> <p>As at the date of this Indicative Terms Sheet, the only Guaranteeing Group Member is Meridian. This means that Meridian is solely responsible for its obligations in relation to the Green Bonds unless a subsidiary of Meridian becomes a Guaranteeing Group Member.</p>
Financial covenants	<p>The Trust Documents contain the following financial covenants:</p> <ol style="list-style-type: none"> the ratio of EBITDA of Meridian and all of its subsidiaries and associates (the "Group") to Interest and Financing Costs of the Group must not be less than 2.5 to 1.0 (tested semi-annually by reference to any two of the three previous 12 month periods); at all times Debt will not be more than 55% of Debt plus Equity; at all times Equity will not be less than \$1,250,000,000; and at all times the Total Tangible Assets of the Guaranteeing Group will not be less than 80% of Total Tangible Assets of the Group.
Negative pledge	The Trust Deed contains a negative pledge which provides that no Guaranteeing Group Member will create or permit to arise or subsist any Security Interest over its assets except under certain limited exceptions set out in the Trust Deed.

Alignment with Green Bond Principles and Climate Bonds Standard

Meridian has developed and adopted the Green Finance Framework to ensure that, as at the date of this Indicative Terms Sheet, its processes for identifying Green Assets and managing the use of the proceeds of the Green Bonds are consistent with the Green Bond Principles 2021 (as amended from time to time) (the "**Green Bond Principles**") as published by the International Capital Market Association and the Climate Bonds Standard, currently version 3.0 (as amended from time to time) (the "**Climate Bonds Standard**"), implemented by the CBI.

Meridian's Green Finance Framework has been structured to include a dedicated pool of eligible wind projects and assets which are certified under the Climate Bonds Standard ("**Wind Pool**") and a separate pool of hydropower projects and assets aligned to the Green Bond Principles and Green Loan Principles ("**Hydro Pool**"). Proceeds of the Green Bonds will be allocated against Green Assets from the Wind Pool. The Green Finance Framework together with the registers of Wind Pool assets, Hydro Pool assets and green instruments is referred to as Meridian's Green Finance Programme.

In relation to the Wind Pool, Meridian has received:

- a. a certification from CBI confirming that the Green Finance Programme has met the criteria for certification by the Climate Bonds Standard Board dated 11 August 2020;
- b. a limited assurance opinion from DNV Business Assurance Australia Pty. Ltd ("**DNV**") on the compliance of the Green Finance Programme with the Climate Bonds Standard as at 30 June 2022; and
- c. a second party opinion from DNV on the alignment of the current Green Finance Framework with the Green Bond Principles and Green Loan Principles dated 20 February 2023 (which also relates to the Hydro Pool).

In relation to this Offer of Green Bonds, Meridian has received a pre-issuance certification from CBI.

Meridian intends to seek further external reviews annually.

Copies of the CBI certifications and the latest DNV Second Party Opinion or Assurance Opinion (which details the assurance procedures and standards followed) can be found at www.meridianenergy.co.nz/about-us/investors/reports/green-finance.

No Event of Default in relation to the Green Finance Framework or Green Bond Principles or Climate Bonds Standard

If:

1. Meridian fails to allocate the proceeds of the Green Bonds as described in this Indicative Terms Sheet and the Green Finance Framework;
2. Meridian fails to ensure that the aggregate book value of its Green Assets (as contemplated in the Green Finance Framework) is at least equal to the original principal amount of the respective green debt at the time of issuance (including the Green Bonds issued under the Offer);
3. Meridian fails to comply with the Green Finance Framework in any other way;
4. the Green Bonds cease to satisfy the Green Bond Principles or the Climate Bonds Standard (including, without limitation, as a result of an amendment to the Green Bond Principles or Climate Bonds Standard); or
5. Meridian fails to notify the Holders of the Green Bonds that the Green Bonds cease to comply with the Green Finance Framework, the Green Bond Principles or Climate Bonds Standard,

then, although it is possible that the Green Bonds may lose their green classification:

- no Event of Default will occur under the Trust Deed in relation to the Green Bonds; and
- neither the Holders of the Green Bonds nor Meridian will have any right for the Green Bonds to be repaid early as a result of any such event or circumstance.

How to apply for Green Bonds	<p>All of the Green Bonds, including oversubscriptions, are reserved for clients of the Joint Lead Managers, institutional investors and other primary market participants invited to participate in the bookbuild.</p> <p>There will be no public pool for the offer. Accordingly, retail investors should contact a Joint Lead Manager, their financial adviser or any primary market participant for details on how they may acquire Green Bonds. You can find a primary market participant by visiting www.nzx.com/services/market-participants/find-a-participant.</p> <p>In respect of oversubscriptions or generally, any allotment of Green Bonds will be at Meridian's discretion, in consultation with the Joint Lead Managers. Meridian reserves the right to refuse all or any part of an application without giving any reason.</p> <p>Each investor's financial adviser will be able to advise them as to what arrangements will need to be put in place for the investors to trade the Green Bonds including obtaining a common shareholder number (CSN), an authorisation code (FIN) and opening an account with a primary market participant as well as the costs and timeframes for putting such arrangements in place.</p>
ISIN	NZMELDT096C0
Transfers	<p>Holders are entitled to sell or transfer their Green Bonds at any time subject to the terms of the Trust Documents and applicable securities laws and regulations. Meridian may decline to register a transfer of Green Bonds for the reasons set out in the Trust Documents.</p> <p>The minimum amount of Green Bonds a Holder can transfer is \$1,000 and in integral multiples of \$1,000 thereafter. No transfer of Green Bonds or any part of a Holder's interest in a Green Bond will be registered if the transfer would result in the transferor or the transferee holding or continuing to hold Green Bonds with an aggregate principal amount of less than the minimum holding of \$5,000 (other than zero).</p>
Repo-eligibility	Meridian intends to apply to the Reserve Bank of New Zealand for the Green Bonds to be included as eligible securities for domestic market operations.
NZX quotation	Meridian will take any necessary steps to ensure that the Green Bonds are, immediately after issue, quoted on the NZX Debt Market. Application has been made to NZX for permission to quote the Green Bonds on the NZX Debt Market and all the requirements of NZX relating thereto that can be complied with on or before the distribution of this Indicative Terms Sheet have been duly complied with. However, NZX accepts no responsibility for any statement in this Indicative Terms Sheet. NZX is a licensed market operator and the NZX Debt Market is a licensed market under the FMCA.
NZX Debt Market Ticker Code	MEL060.
Brokerage	You are not required to pay brokerage or any other fees or charges to Meridian to purchase the Green Bonds. However, you may have to pay brokerage to the firm from whom you receive an allocation of Green Bonds. Please contact your financial adviser for further information on any brokerage fees.
Selling restrictions	The selling restrictions set out in the schedule to this Indicative Terms Sheet apply.
Joint Arrangers	ANZ Bank New Zealand Limited (" ANZ ") and Craigs Investment Partners Limited (" Craigs ").
Green Bond Co-ordinator	ANZ.
Joint Lead Managers	ANZ, Bank of New Zealand, Craigs and Forsyth Barr Limited.
Supervisor	Trustees Executors Limited.
Registrar	Computershare Investor Services Limited.
Governing Law	New Zealand.

Important dates:

Opening Date	Monday, 6 March 2023
Closing Date	11.00am, Thursday, 9 March 2023
Rate Set Date	Thursday, 9 March 2023
Issue Date and Allotment Date	Monday, 20 March 2023
Expected date of initial quotation and trading on NZX Debt Market	Tuesday, 21 March 2023
Term/Maturity Date	5.5 years, maturing Wednesday, 20 September 2028

The dates set out in this Indicative Terms Sheet are indicative only and are subject to change. Meridian has the right in its absolute discretion and without notice to close the Offer early, to accept late applications, to extend the Closing Date or to choose not to proceed with the Offer. If the Closing Date is extended, subsequent dates may be extended accordingly.

Copies of the Trust Documents are available at Meridian's website at www.meridianenergy.co.nz/about-us/investors/reports/master-trust-deed and www.meridianenergy.co.nz/about-us/investors/reports/retail-bond-documents.

Any internet site addresses provided in this Indicative Terms Sheet are for reference only and, except as expressly stated otherwise, the content of any such internet site is not incorporated by reference into, and does not form part of, this Indicative Terms Sheet.

Investors should seek qualified independent financial and taxation advice before deciding to invest. In particular, you should consult your tax adviser in relation to your specific circumstances. Investors will also be personally responsible for ensuring compliance with relevant laws and regulations applicable to them (including any required registrations).

For further information regarding Meridian, visit www.nzx.com/companies/MEL.

Contact details

Issuer

Meridian Energy Limited
287-293 Durham Street
Christchurch 8140

Registrar

Computershare Investor Services Limited
Level 2, 159 Hurstmere Road
Takapuna
Auckland 0622
Private Bag 92119
Auckland 1142

Joint Arranger, Green Bond Co-ordinator and Joint Lead Manager

ANZ Bank New Zealand Limited
Level 10, ANZ Centre
171 Featherston Street
Wellington 6011

Joint Arranger and Joint Lead Manager

Craigs Investment Partners Limited
Level 36, Vero Centre
48 Shortland Street
Auckland 1010

Joint Lead Manager

Bank of New Zealand
Level 6, Deloitte Centre
80 Queen Street
Auckland 1010

Joint Lead Manager

Forsyth Barr Limited
Level 22, NTT Tower
157 Lambton Quay
Wellington 6011

Supervisor

Trustees Executors Limited
Level 7, 51 Shortland Street
PO Box 4197
Shortland Street
Auckland 1140

Legal advisers to Meridian

Russell McVeagh
Level 24, NTT Tower
157 Lambton Quay
Wellington 6011

Joint Arrangers, Green Bond Co-ordinator, Joint Lead Managers and Supervisor Disclaimer

The Joint Arrangers, Green Bond Co-ordinator, the Joint Lead Managers and the Supervisor and their respective directors, officers, employees and agents:

- a. have not authorised or caused the issue of, or made any statement in, any part of this Indicative Terms Sheet;
- b. do not make any representation, recommendation or warranty, express or implied regarding the origin, validity, accuracy, adequacy, reasonableness or completeness of, or any errors or omissions in, any information, statement or opinion contained in this Indicative Terms Sheet; and
- c. to the extent permitted by law, do not accept any responsibility or liability for this Indicative Terms Sheet or for any loss arising from this Indicative Terms Sheet or its contents or otherwise arising in connection with the Offer of Green Bonds.

This Indicative Terms Sheet does not constitute financial advice or a recommendation from any Joint Arranger, the Green Bond Co-ordinator, the Supervisor, or any Joint Lead Manager or any of their respective directors, officers, employees, agents or advisers to purchase any Green Bonds.

You must make your own independent investigation and assessment of the financial condition and affairs of Meridian before deciding whether or not to invest in the Green Bonds.

CBI Disclaimer

The certification of the Green Bonds as Climate Bonds by the Climate Bonds Initiative is based solely on the Climate Bonds Standard and does not, and is not intended to, make any representation, warranty, undertaking, express or implied, or give any assurance with respect to any other matter relating to the Green Bonds, the Green Finance Framework, any other Green Debt instrument or Green Asset, including but not limited to this Indicative Terms Sheet, the Trust Documents, any transaction documents, Meridian or the management of Meridian.

The certification of the Green Bonds as Climate Bonds by the Climate Bonds Initiative was addressed solely to the board of directors of Meridian and is not a recommendation to any person to purchase, hold or sell the Green Bonds (or any other Green Debt instruments in the Green Finance Framework) and such certification does not address the market price or suitability of the Green Bonds or the Green Finance Framework for a particular investor. Each potential purchaser of the Green Bonds should determine for itself the relevance of this certification. Any purchase of Green Bonds should be based upon such investigation that each potential purchaser deems necessary. The certification also does not address the merits of the decision by Meridian or any third party to participate in the Green Bonds, any other Green Debt instruments or any Green Asset and does not express and should not be deemed to be an expression of an opinion as to Meridian or any aspect of the Green Bonds, any other Green Debt instruments or any Green Asset

(including but not limited to the financial viability of the Green Bonds, any other Green Debt instruments or any Green Asset) other than with respect to conformance with the Climate Bonds Standard.

In issuing or monitoring, as applicable, the certification, the Climate Bonds Initiative has assumed and relied upon and will assume and rely upon the fairness, accuracy, reasonableness and completeness in all material respects of the information supplied or otherwise made available to the Climate Bonds Initiative. The Climate Bonds Initiative does not assume or accept any responsibility or liability to any person for independently verifying (and it has not verified) such information or to undertake (and it has not undertaken) any independent evaluation of any Green Debt instruments, Green Asset or Meridian. In addition, the Climate Bonds Initiative does not assume any obligation to conduct (and it has not conducted) any physical inspection of any Green Debt instruments or Green Asset. The certification may only be used with the Green Bonds and may not be used for any other purpose without the Climate Bonds Initiative's prior written consent.

The certification does not, and is not in any way intended to, address the likelihood of timely payment of interest when due on the Green Bonds (or any other Green Debt instruments in the Green Finance Framework) and/or the payment of principal at maturity or any other date.

The certification may be withdrawn at any time in the Climate Bonds Initiative's sole and absolute discretion and there can be no assurance that such certification will not be withdrawn.

Schedule – selling restrictions

Part A – initial selling restrictions

The Green Bonds may only be offered in New Zealand in conformity with all applicable laws and regulations in New Zealand. In respect of the initial offer of Green Bonds by Meridian under this Indicative Terms Sheet (“**Initial Offer**”), no Green Bonds may be offered in any other country or jurisdiction except in conformity with all applicable laws and regulations of that country or jurisdiction and the selling restrictions set out below in this Part A. This Indicative Terms Sheet may not be published, delivered or distributed in or from any country or jurisdiction except under circumstances which will result in compliance with all applicable laws and regulations in that country or jurisdiction and the selling restrictions set out below in this Part A. For the avoidance of doubt, the selling restrictions set out below in this Part A apply only in respect of the Initial Offer.

No action has been or will be taken by Meridian which would permit an offer of Green Bonds to the public, or possession or distribution of any offering material, in any country or jurisdiction where action for that purpose is required (other than New Zealand).

By purchasing the Green Bonds, each Holder agrees to indemnify Meridian, the Supervisor, each Joint Arranger, the Green Bond Co-ordinator and each Joint Lead Manager (“**Indemnified Person**”) in respect of any loss, cost, liability or expense sustained or incurred by an Indemnified Person as a result of the breach by the Holder of the selling restrictions.

Relevant Member States of the European Economic Area

This Indicative Terms Sheet is not a prospectus for the purposes of the European Union’s Regulation (EU) 2017/1129 (as amended, the “**EU Prospectus Regulation**”). This Indicative Terms Sheet has been prepared on the basis that any offer of Green Bonds in any Member State of the European Economic Area

(the “**EEA**”) will only be made to a legal entity which is a qualified investor under the EU Prospectus Regulation (an “**EU Qualified Investor**”) or pursuant to such other exemptions from the Prospectus Regulation as set forth below. Accordingly, any person making or intending to make an offer in that Member State of the EEA of Green Bonds which are the subject of an offering contemplated in this Indicative Terms Sheet may only do so with respect to EU Qualified Investors or pursuant to such other exemptions. Neither Meridian nor any of the agents have authorized, nor do they authorize, the making of any offer of Green Bonds in any Member State of the EEA other than to EU Qualified Investors or pursuant to such other exemptions.

IMPORTANT – EEA RETAIL INVESTORS

The Green Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any EEA Retail Investor in the EEA. For these purposes, an “**EEA Retail Investor**” means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) a legal entity that is not an EU Qualified Investor. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**EEA PRIIPs Regulation**”) for offering or selling the Green Bonds or otherwise making them available to EEA Retail Investors in the EEA has been prepared and therefore offering or selling the Green Bonds or otherwise making them available to any EEA Retail Investors in the EEA may be unlawful under the EEA PRIIPs Regulation.

Each Joint Lead Manager has represented and agreed that it

has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Green Bonds which are the subject of the offering contemplated by this Indicative Terms Sheet to any retail investor in the EEA. For the purposes of this provision:

- a. the expression “**retail investor**” means a person who is one (or more) of the following:
 - i. a retail client as defined in point (11) of Article 4(1) of MiFID II; or
 - ii. a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - iii. not a qualified investor as defined in Regulation (EU) 2017/1129; and
- b. the expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Green Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Green Bonds.

United Kingdom

This Indicative Terms Sheet is not a prospectus for the purposes of the UK Prospectus Regulation (as defined below). This Indicative Terms Sheet has been prepared on the basis that any offer of Green Bonds in the United Kingdom will only be made to a legal entity which is a qualified investor under the UK Prospectus Regulation (a “**UK Qualified Investor**”) or pursuant to such other exemptions from the UK Prospectus Regulation as set forth below. Accordingly, any person making or intending to make an offer in the United Kingdom of Green Bonds which are the subject of an offering contemplated in this Indicative Terms Sheet may only do so with respect to UK Qualified Investors or pursuant to such other exemptions. Neither Meridian nor any of the agents have authorized, nor do they authorize, the making of any offer of

Green Bonds in the United Kingdom other than to UK Qualified Investors or pursuant to such other exemptions. For the purposes of this Indicative Terms Sheet, the “**UK Prospectus Regulation**” means the EU Prospectus Regulation as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (as amended, the “**EUWA**”).

IMPORTANT – UK RETAIL INVESTORS

The Green Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any UK Retail Investor in the United Kingdom. For these purposes, a “**UK Retail Investor**” means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law in the United Kingdom by virtue of the EUWA; (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “**FSMA**”) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law in the United Kingdom by virtue of the EUWA; or (iii) a legal entity that is not a UK Qualified Investor. Consequently, no key information document required by the EEA PRIIPs Regulation as it forms part of domestic law in the United Kingdom by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling any Green Bonds or otherwise making them available to UK Retail Investors in the United Kingdom has been prepared and therefore offering or selling any Green Bonds or otherwise making them available to any UK Retail Investor in the United Kingdom may be unlawful under the UK PRIIPs Regulation.

Each Joint Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Green Bonds which are the subject

of the offering contemplated by this Indicative Terms Sheet in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

- a. the expression “**retail investor**” means a person who is one (or more) of the following:
 - i. a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or
 - ii. a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
 - iii. not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and
- b. the expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Green Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Green Bonds.

No communication, invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) has been or may be made or caused to be made or will be made in connection with the issue or sale of the Green Bonds in circumstances in which section 21(1) of the FSMA applies to Meridian.

All applicable provisions of the FSMA with respect to anything done in relation to the Green Bonds in, from or otherwise involving the United Kingdom have been and will be complied with.

Japan

The Green Bonds have not been, and will not be registered, under the Financial Instruments and Exchange

Act of Japan (Act No. 25 of 1948, as amended) (the “**FIEA**”). The Green Bonds have not been offered or sold and will not be offered or sold, directly or indirectly, in Japan or to or for the account or benefit of any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended), or to, or for the account or benefit of, others for reoffering or resale, directly or indirectly, in Japan or to, or for the account or benefit of, any resident of Japan, except (i) pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and (ii) in compliance with any other applicable requirements of Japanese law, regulations and ministerial guidelines.

Singapore

Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 (2020 Revised Edition) of Singapore, as modified or amended from time to time (the “SFA”) - In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), Meridian has determined the classification of the Green Bonds as prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

This Indicative Terms Sheet has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Indicative Terms Sheet and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Green Bonds may not be circulated or distributed, nor may the Green Bonds be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to

Section 274 of the SFA, (b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Green Bonds are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- a. a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- b. a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Green Bonds pursuant to an offer made under Section 275 of the SFA except:

1. to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c) (ii) of the SFA;
2. where no consideration is or will be given for the transfer;
3. where the transfer is by operation of law;
4. as specified in Section 276(7) of the SFA; or
5. as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Hong Kong

No Green Bonds have been offered or sold or will be or may be offered or sold in Hong Kong, by means of any document other than (a) to “**professional investors**” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (“**SFO**”) and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a prospectus as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (“**C(WUMPO)**”) or which do not constitute an offer to the public within the meaning of the C(WUMPO).

No advertisement, invitation or document relating to the Green Bonds may be issued or in the possession of any person or will be issued or be in the possession of any person in each case for the purpose of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Green Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to “**professional investors**” as defined in the SFO and any rules made under the SFO.

Australia

No prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia (“**Corporations Act**”)) in relation to the Green Bonds has been, or will be, lodged with the Australian Securities and Investments Commission (“**ASIC**”) or any other regulatory authority in Australia. No person may:

- a. make or invite (directly or indirectly) an offer of the Green Bonds for issue, sale or purchase in, to or from Australia (including an offer or invitation which is received by a person in Australia); and
- b. distribute or publish, any terms sheet, information memorandum, prospectus or any other offering material or advertisement relating to the Green Bonds in Australia,

unless:

- i. the aggregate consideration payable by each offeree or invitee is at least A\$500,000 (or its equivalent in an alternative currency and, in either case, disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 or Part 7.9 of the Corporations Act;
- ii. the offer or invitation is not made to a person who is a “**retail client**” within the meaning of section 761G of the Corporations Act;
- iii. such action complies with all applicable laws, regulations and directives; and
- iv. such action does not require any document to be lodged with ASIC or any other regulatory authority in Australia.

Part B – general selling restrictions

The Green Bonds may only be offered for sale or sold in New Zealand in conformity with all applicable laws and regulations in New Zealand. No Green Bonds may be offered for sale or sold in any other country or jurisdiction except in conformity with all applicable laws and regulations of that country or jurisdiction. No offering document or other offering material in respect of the Green Bonds may be published, delivered or distributed in or from any country or jurisdiction except under circumstances which will result in compliance with all applicable laws and regulations in that country or jurisdiction. No action has been or will be taken by Meridian which would permit an offer of Green Bonds to the public, or possession or distribution of any offering material, in any country or jurisdiction where action for that purpose is required (other than New Zealand).

By purchasing the Green Bonds, each Holder is deemed to have indemnified Meridian in respect of any loss, cost, liability or expense sustained or incurred by Meridian as a result of the breach by the Holder of the selling restrictions contained in the above paragraph.

Release

Stock Exchange Listings NZX (MEL) ASX (MEZ)

Notice pursuant to clause 20(1)(a) of schedule 8 of the Financial Markets Conduct Regulations 2014

6 March 2023

Meridian Energy Limited ("**Meridian**") gives notice under clause 20(1)(a) of schedule 8 of the Financial Markets Conduct Regulations 2014 ("**Regulations**") that it proposes to make an offer for the issue of fixed rate green bonds due 20 September 2028 ("**New Bonds**") in reliance upon the exclusion in clause 19 of schedule 1 of the Financial Markets Conduct Act 2013 ("**FMCA**").

The main terms of the offer and the New Bonds are set out in the Indicative Terms Sheet released via the NZX. Except for the interest rate and maturity date, the New Bonds will have identical rights, privileges, limitations and conditions as:

- Meridian's fixed rate green bonds maturing on 14 March 2023 which are quoted on the NZX Debt Market under the ticker code MEL030;
- Meridian's fixed rate bonds maturing on 20 March 2024 which are quoted on the NZX Debt Market under the ticker code MEL040; and
- Meridian's fixed rate bonds maturing on 27 June 2025 which are quoted on the NZX Debt Market under the ticker code MEL050,

(together the "**Existing Bonds**"), and therefore are of the same class as the Existing Bonds for the purposes of the FMCA and the Regulations. The Existing Bonds have been continuously quoted on the NZX Debt Market over the preceding 3 months and trading in the Existing Bonds has not been suspended during that 3-month period.

As at the date of this notice, Meridian is in compliance with:

- (a) the continuous disclosure obligations that apply to it in relation to the Existing Bonds; and
- (b) its financial reporting obligations (as defined in the Regulations).

As at the date of this notice, there is no excluded information required to be disclosed for the purposes of the Regulations.

As at the date of this notice, there is no other information that would be required to be disclosed under a continuous disclosure obligation or which would be excluded information required to be disclosed for the purposes of the Regulations if the Existing Bonds had had the same redemption date or interest rate as the New Bonds being offered.

ENDS

Neal Barclay
Chief Executive
Meridian Energy Limited

For investor relations queries, please contact:

Owen Hackston
Investor Relations Manager
021 246 4772

For media queries, please contact:

Rheilli Uluilata
External Communications Advisor
022 589 1052



Meridian.

Meridian Energy Limited Green Bond Offer

6 MARCH 2023

Joint Arranger, Green Bond Co-Ordinator, Joint Lead Manager:



Joint Arranger, Joint Lead Manager:



Joint Lead Managers:



Member of
**Dow Jones
Sustainability Indices**

Powered by the S&P Global CSA

Important Notice

This presentation has been prepared by Meridian Energy Limited (**Meridian**) in relation to its offer of unsecured, unsubordinated fixed rate green bonds maturing on 20 September 2028 (**Green Bonds**) (**Offer**). The Offer of Green Bonds is made in reliance upon the exclusion in clause 19 of schedule 1 of the Financial Markets Conduct Act 2013 (**FMCA**). Details of the Offer are contained in the Indicative Terms Sheet dated on or about the date of this presentation (**Indicative Terms Sheet**). Unless the context otherwise requires, capitalised terms in this presentation have the same meaning as given to them or incorporated in the Indicative Terms Sheet.

The Offer is an offer of bonds that have identical rights, privileges, limitations and conditions (except for the interest rate and maturity date) as:

- Meridian's green bonds maturing on 14 March 2023, which have a fixed interest rate of 4.53% per annum and are currently quoted on the NZX Debt Market under the ticker code MEL030;
- Meridian's green bonds maturing on 20 March 2024, which have a fixed interest rate of 4.88% per annum and are currently quoted on the NZX Debt Market under the ticker code MEL040; and
- Meridian's green bonds maturing on 27 June 2025, which have a fixed interest rate of 4.21% per annum and are currently quoted on the NZX Debt Market under the ticker code MEL050,

(together the **Existing Bonds**).

Accordingly, the Green Bonds are the same class as the Existing Bonds for the purposes of the FMCA and the Financial Markets Conduct Regulations 2014.

Meridian is subject to a disclosure obligation that requires it to notify certain material information to NZX Limited (**NZX**) for the purpose of that information being made available to participants in the market and that information can be found by visiting www.nzx.com/companies/MEL.

The Existing Bonds are the only debt securities of Meridian that are currently quoted and in the same class as the Green Bonds.

Investors should look to the market price of the Existing Bonds referred to above to find out how the market assesses the returns and risk premium for those bonds.

Offer Highlights



MARCH 2023

RETAIL BOND OFFER

Offer Highlights

Issuer	Meridian Energy Limited (Meridian).
Description	5.5 year unsecured, unsubordinated, fixed rate green bonds (Green Bonds). The Green Bonds are Green Debt instruments under Meridian's Green Finance Framework dated February 2023 (as amended from time to time) and are certified by the Climate Bonds Initiative based on the Climate Bond Standard. A copy of the Green Finance Framework is available on Meridian's website.
Issue Amount	Up to \$150,000,000 (with the ability to accept oversubscriptions of up to an additional \$50,000,000 at Meridian's discretion).
Term and Maturity Date	5.5 years, maturing Wednesday, 20 September 2028.
Use of Proceeds	Meridian intends to allocate an amount equal to the proceeds from the Offer to finance or refinance renewable energy and energy efficiency projects and assets that meet the eligibility criteria as set out in the Green Finance Framework (Green Assets), including the refinance of the \$150,000,000 MELO30 green bonds which mature on 14 March 2023.
Credit Rating	Expected Issue Credit Rating for the Green Bonds: BBB+. Meridian has an Issuer Credit Rating of BBB+ (Stable) from S&P Global Ratings.
Joint Arrangers and Joint Lead Managers	ANZ Bank New Zealand Limited (ANZ) and Craigs Investment Partners Limited (Craigs) are acting as Joint Arrangers. ANZ, Bank of New Zealand, Craigs and Forsyth Barr Limited have been appointed Joint Lead Managers.

About Meridian

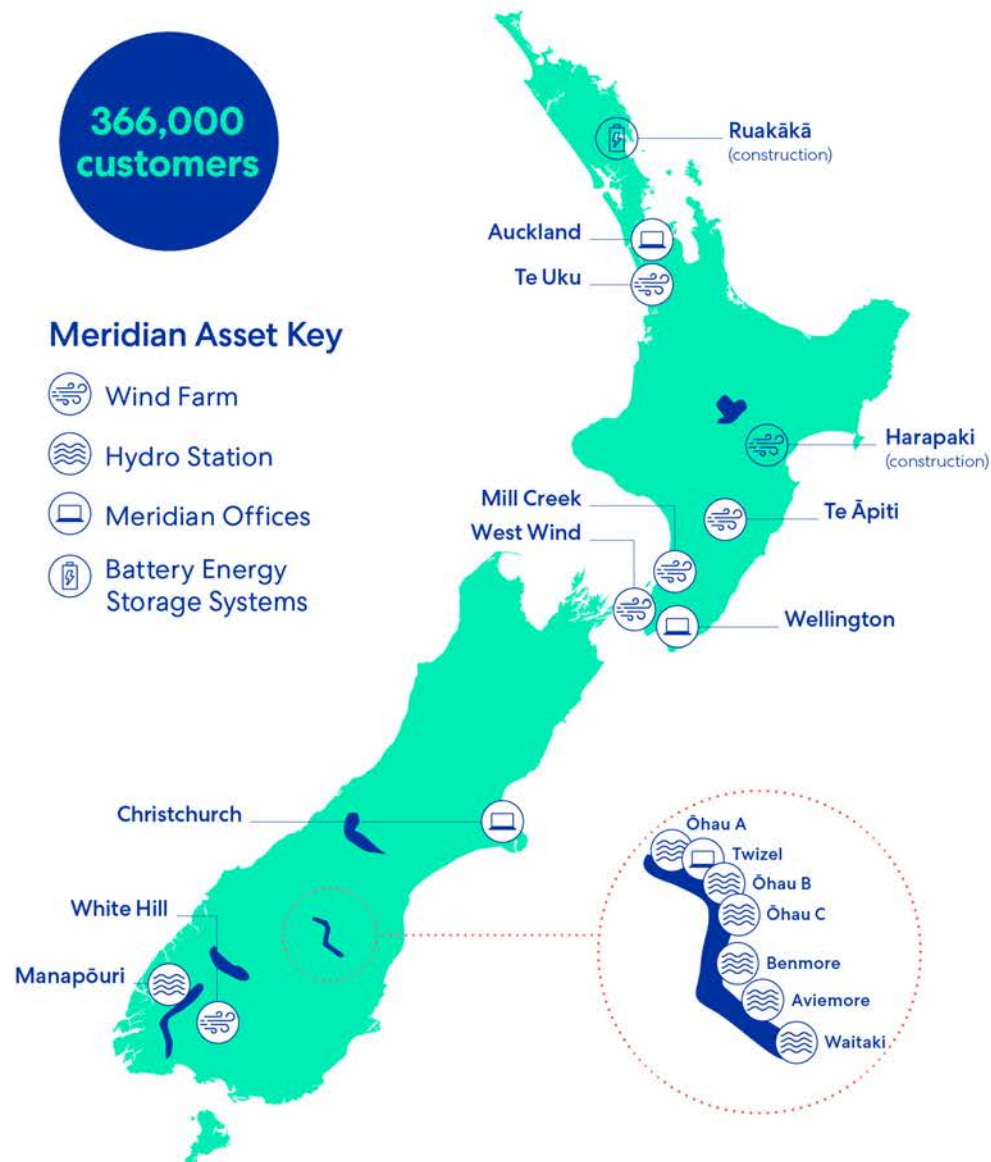


About Meridian

366,000
customers

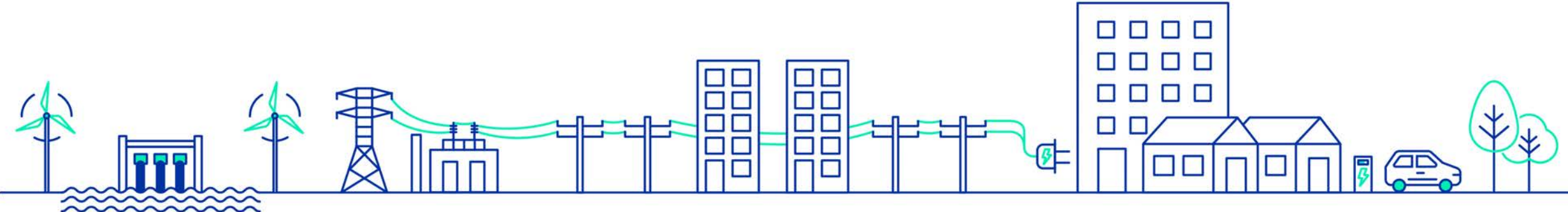
Meridian Asset Key

-  Wind Farm
-  Hydro Station
-  Meridian Offices
-  Battery Energy Storage Systems



- New Zealand's largest generator, all production from renewable sources
- Seven big hydro stations – flexible plant with the country's largest storage
- Low operating costs and capital needs
- Five New Zealand wind farms, with the first built in 2004
- Currently constructing a sixth wind farm and New Zealand's first grid scale battery storage system
- One of the largest retailers of electricity (by volume) in New Zealand
- Developing a renewables generation pipeline to support demand growth (driven by New Zealand's decarbonisation goals)
- Strong investment grade credit metrics
- Experienced leadership team and Board
- Majority Government shareholding (51%)

New Zealand Electricity Market



31 January 2023

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

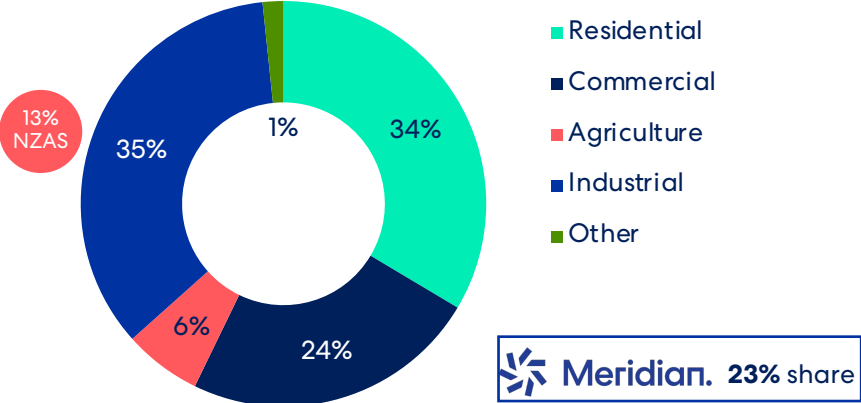
29 electricity distribution businesses (various ownership structures)

44 retailers

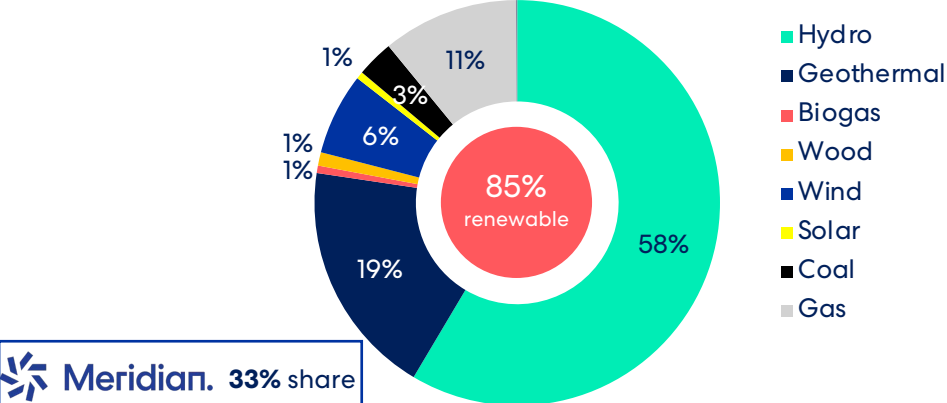
Over **2** million customer consumers (**41** TWh annual demand)

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

Annual consumption (30 September 2022)



Annual generation (30 September 2022)



New Zealand Electricity Market continued

- A reliable, affordable and environmentally sustainable electricity system
- A well functioning competitive market with a 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)
- Demand growth in the last decade has been modest. However, strong demand outlook from decarbonisation
- \$2.5B of recent or in progress renewable generation builds



Policy and Regulation

Emissions Reduction Plan

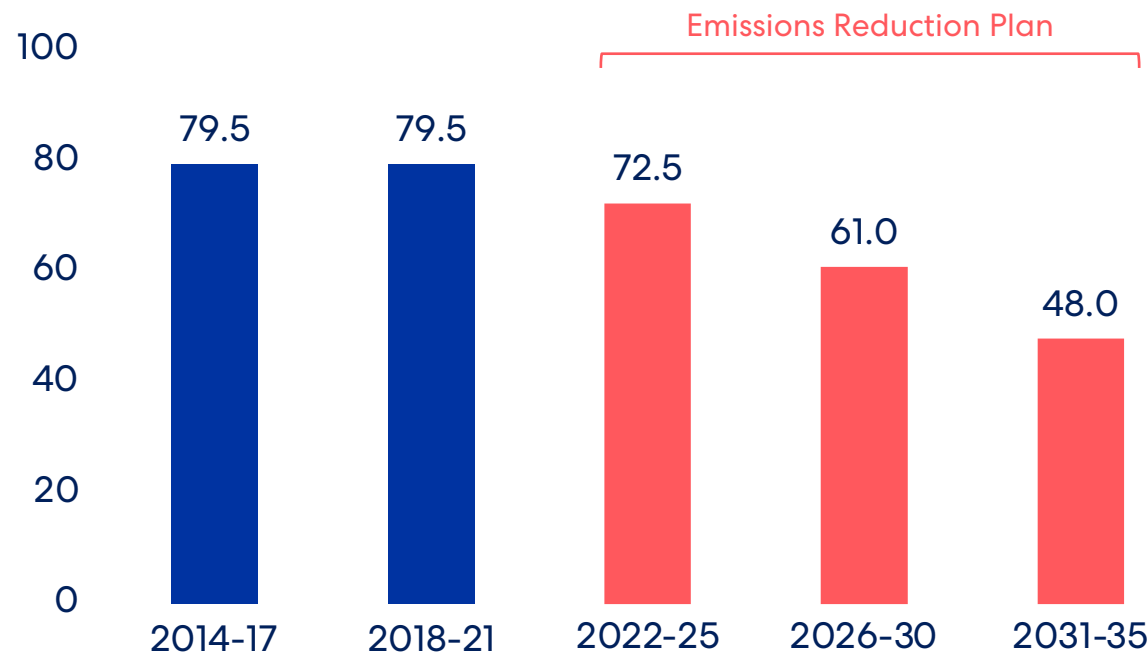
- Released in May 2022, it sets out how New Zealand will meet its first emissions budget for 2022-2025
- Requires additional emissions reductions of 4%
- Plan targets transport and energy emissions
- Supported by funding from the Government's Climate Emergency Fund

Resource Management Reform

- The New Zealand Government is replacing the current Resource Management Act with three new pieces of legislation
- The first two bills were introduced into Parliament in November 2022 and are expected to pass into law in 2023
- These three new Acts will set a new regulatory environment for consenting

New Zealand Average Annual Emissions

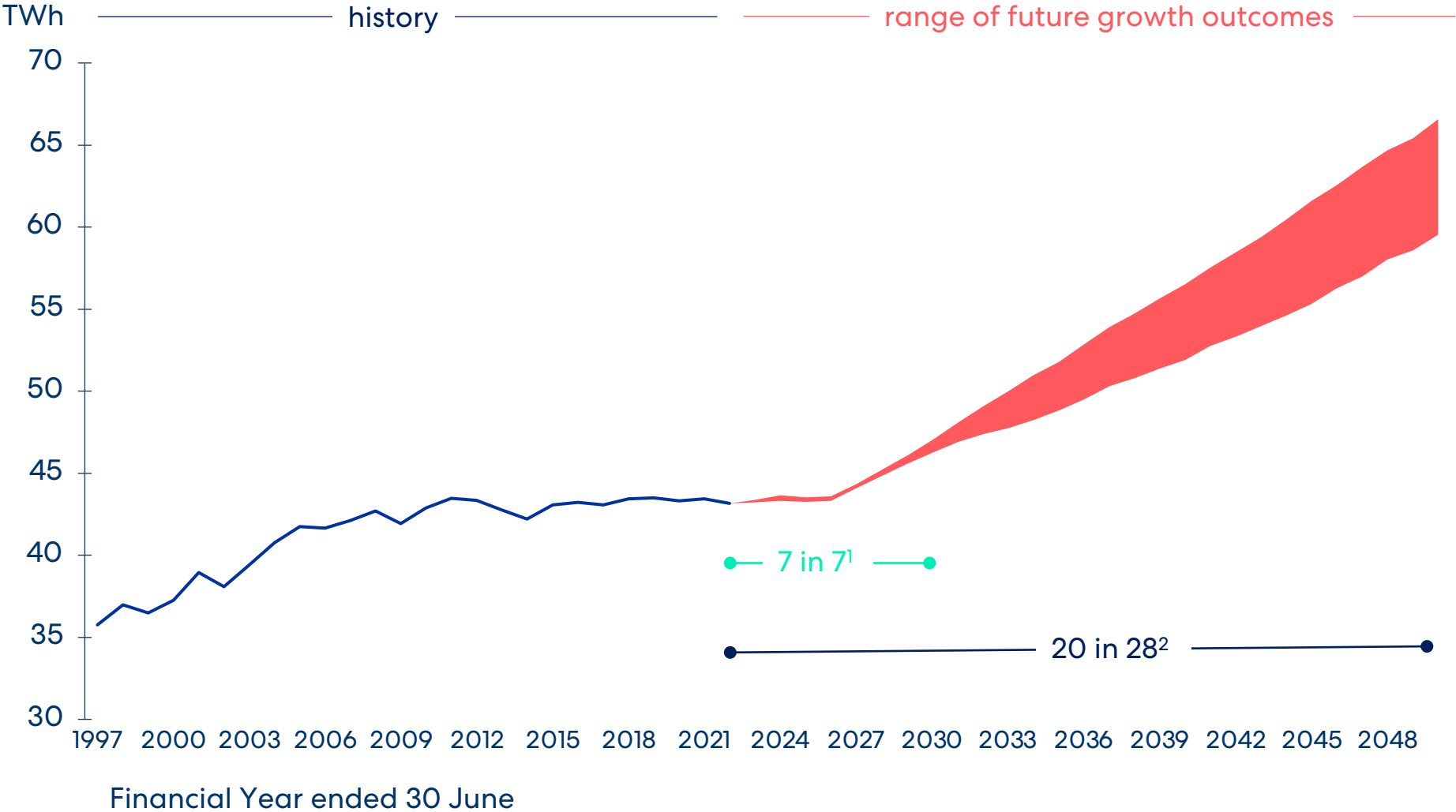
Mt CO₂-e



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

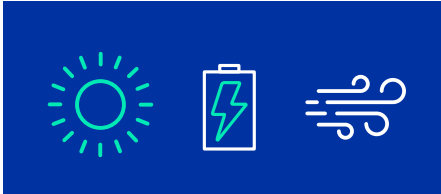
Renewable Growth

Annual Market Demand for Generation



\$30+
billion
of new
generation
investment by
2050

Source: Meridian



Source: Meridian

¹7 consented projects in 7 years
²20 consented projects in 28 years

Meridian's Strategy



Strategic initiatives

Champion

Competitive markets
Sustainability
Climate action

Optimise

Trading and asset management
Re-consenting
Financing

Grow

Retail
Generation
Flux

5-year targets

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

Current position

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
137 public EV chargers installed

385 GWh of new swaptions, 250 GWh of smelter demand response

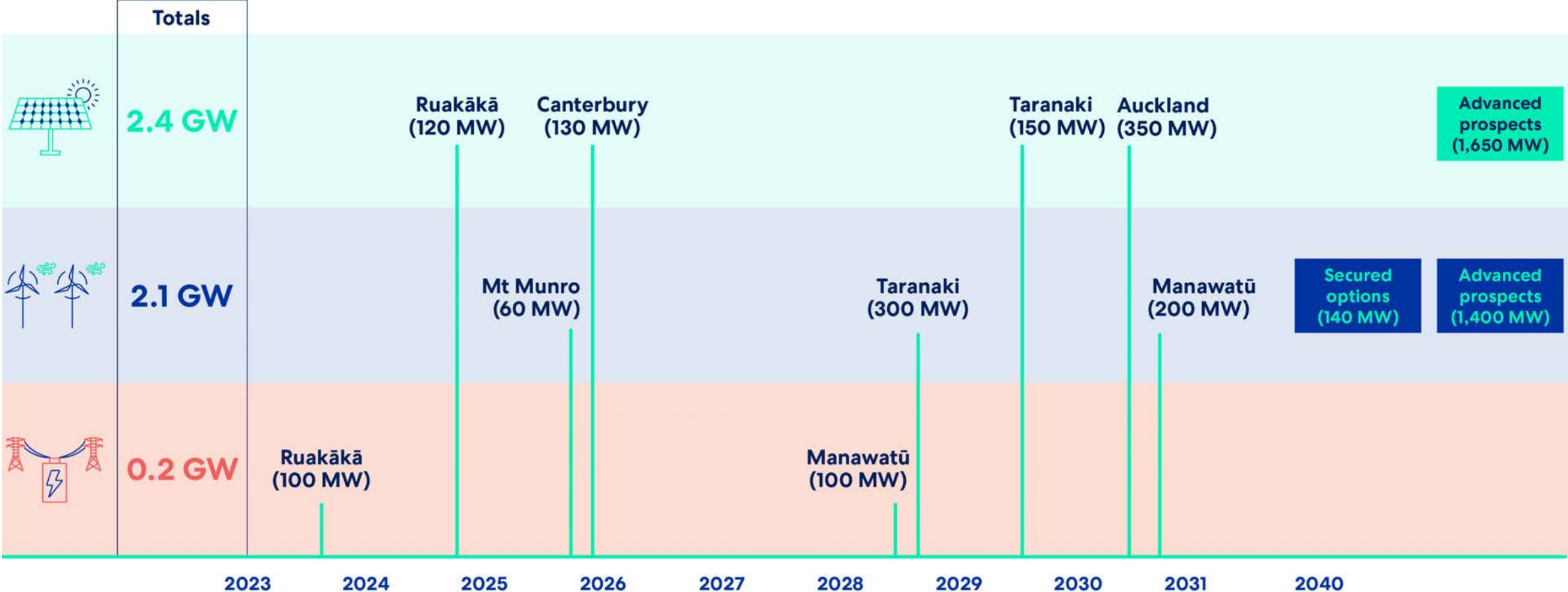
4.7 GW of sites/opportunities

611,000 ICP's on Flux

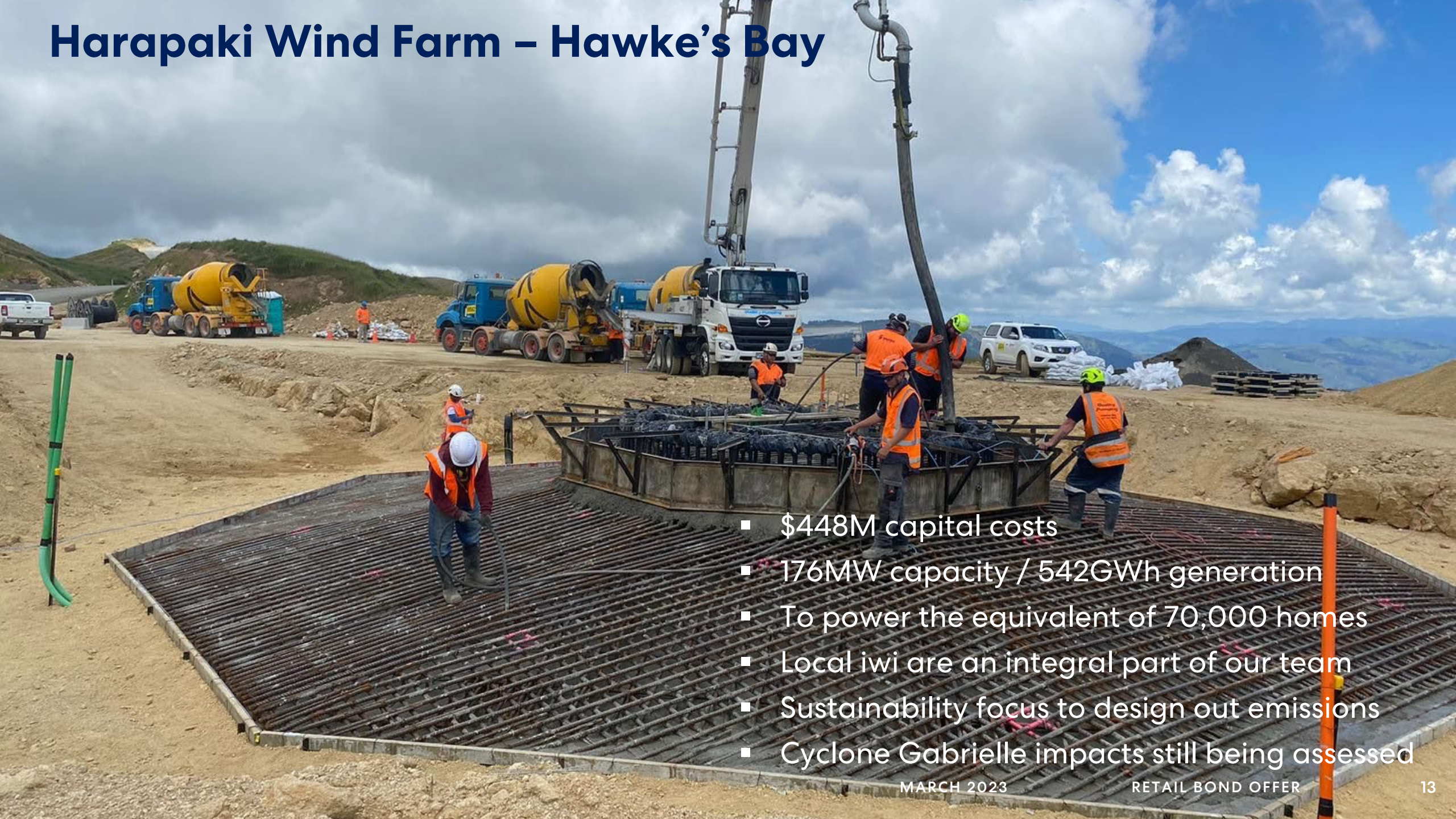
NZ top quartile staff engagement, improving injury frequency rates

Meridian's Renewable Development Pipeline

- Deep pipeline of 4.7 GW (11.1 TWh) of development options
- Pipeline has doubled in size in the last six months
- 1.5 GW secured, 3.2 GW in advanced prospects



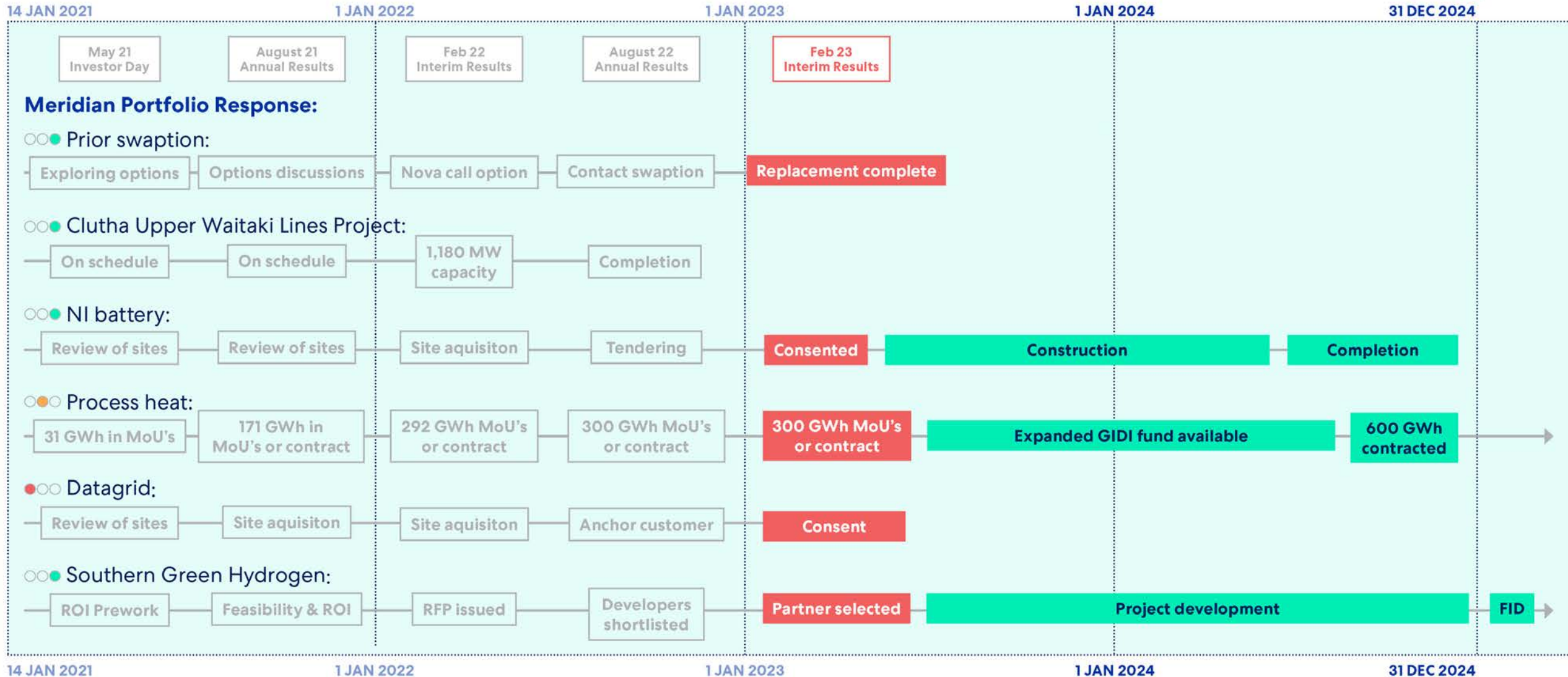
Harapaki Wind Farm – Hawke's Bay



- \$448M capital costs
- 176MW capacity / 542GWh generation
- To power the equivalent of 70,000 homes
- Local iwi are an integral part of our team
- Sustainability focus to design out emissions
- Cyclone Gabrielle impacts still being assessed

Portfolio Response to NZAS Contract Termination

NZAS contract



Sustainability at Meridian

Our Purpose

Clean energy for a fairer and healthier world.

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



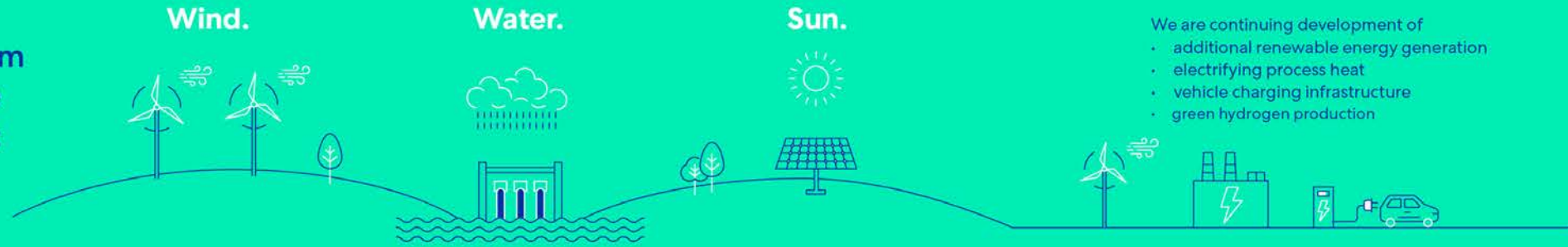
Our Climate Action Plan

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

Our Leading Sustainability Performance



Member of
**Dow Jones
Sustainability Indices**
Powered by the S&P Global CSA

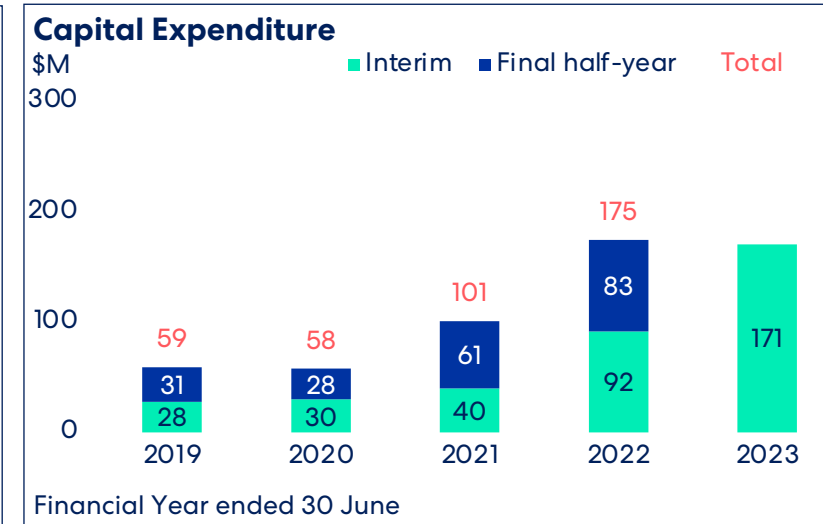
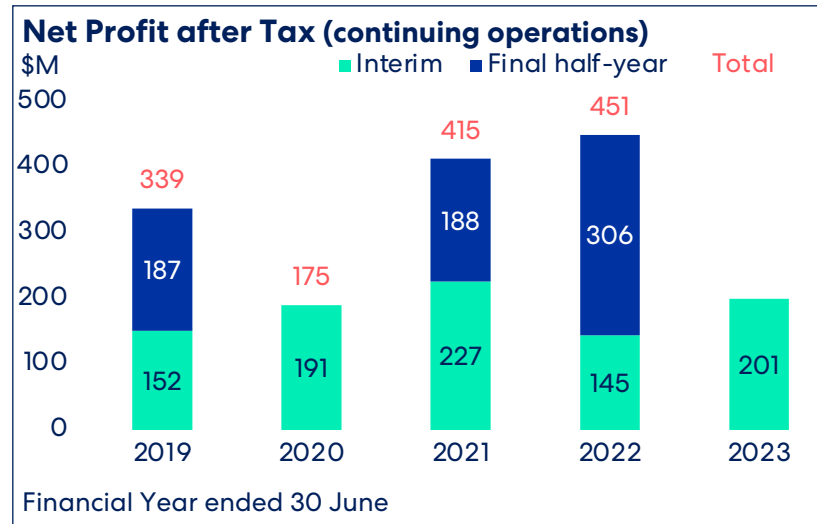
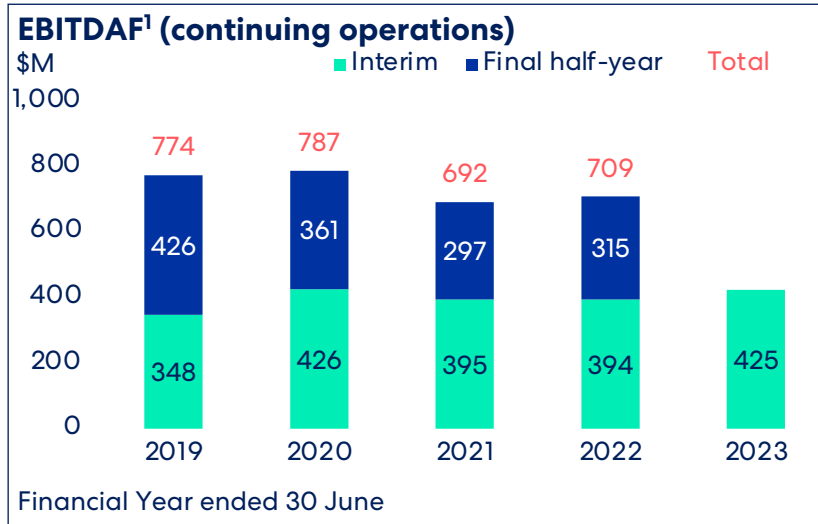


Financial Information and Capital Structure

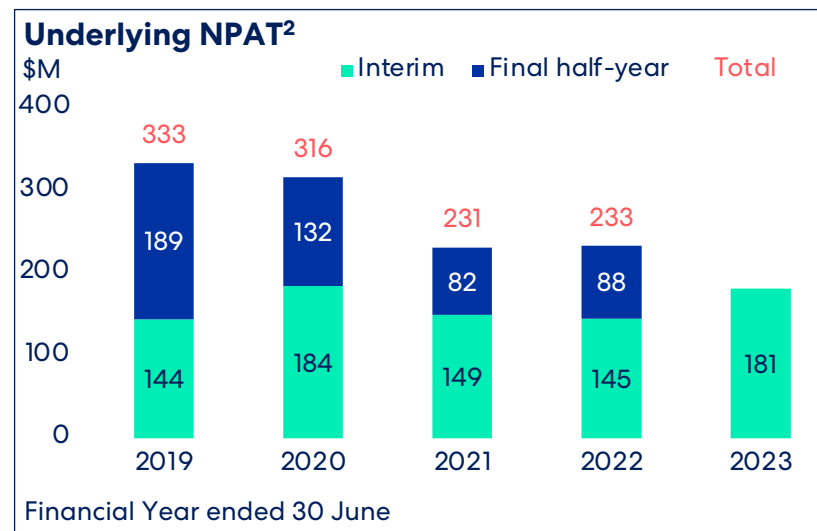
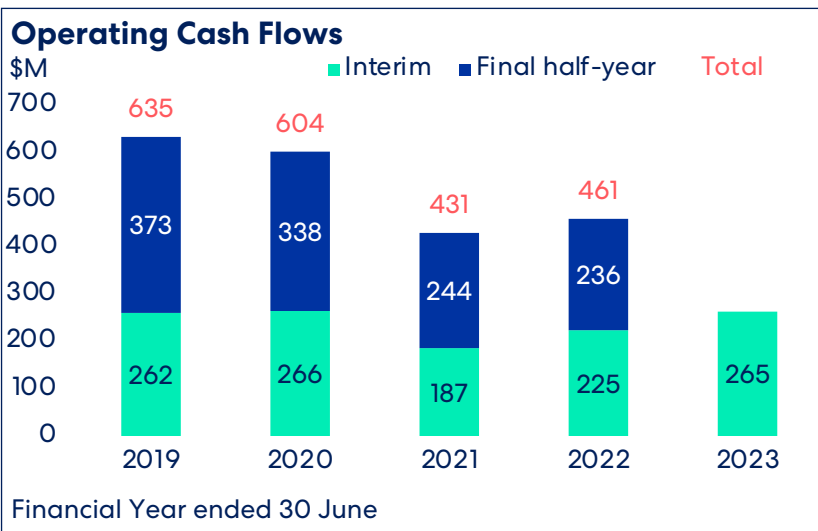


Financial Performance

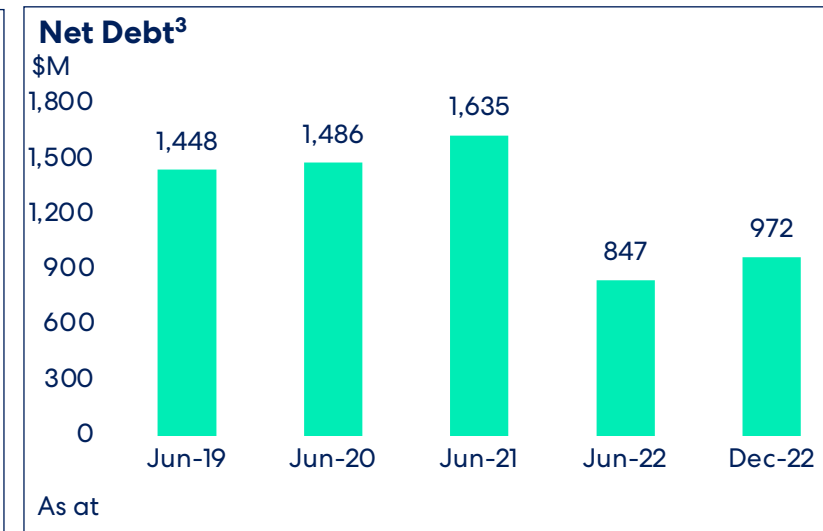
Meridian's interim reporting date is 31 December and final half year date and financial year end date is 30 June



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



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

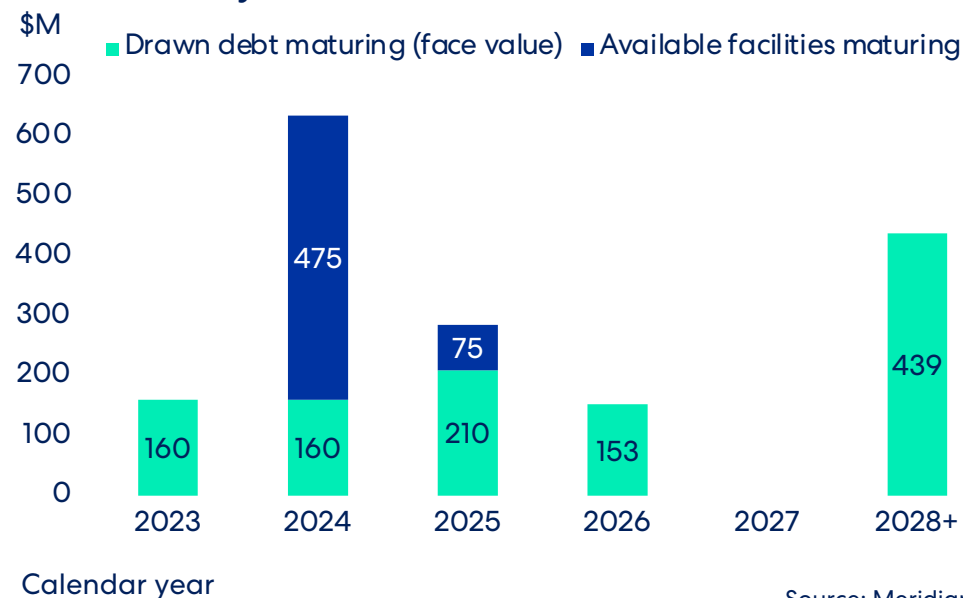


³Drawn borrowings and lease liabilities payable less cash and cash equivalents

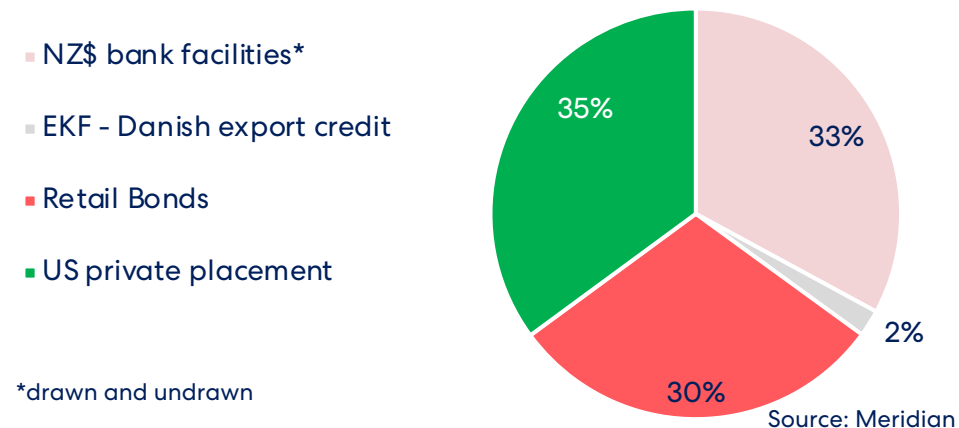
Funding

- Total borrowings as at 31 December 2022 of \$1,118M
- Committed bank facilities of \$550M which were undrawn
- Minimum headroom required in addition to forecast requirements is \$200M
- All borrowings classified as Green Debt under Meridian’s Green Finance Framework
- A portion of the 2023 retail bond offer issue proceeds used to refinance the \$150M MELO30 green bonds, which mature on 14 March 2023
- Next capital market maturity is March 2024 (\$150M green bond)
- Diverse sources of funding

Debt Maturity Profile as at 31 December 2022



Sources of Funding as at 31 December 2022

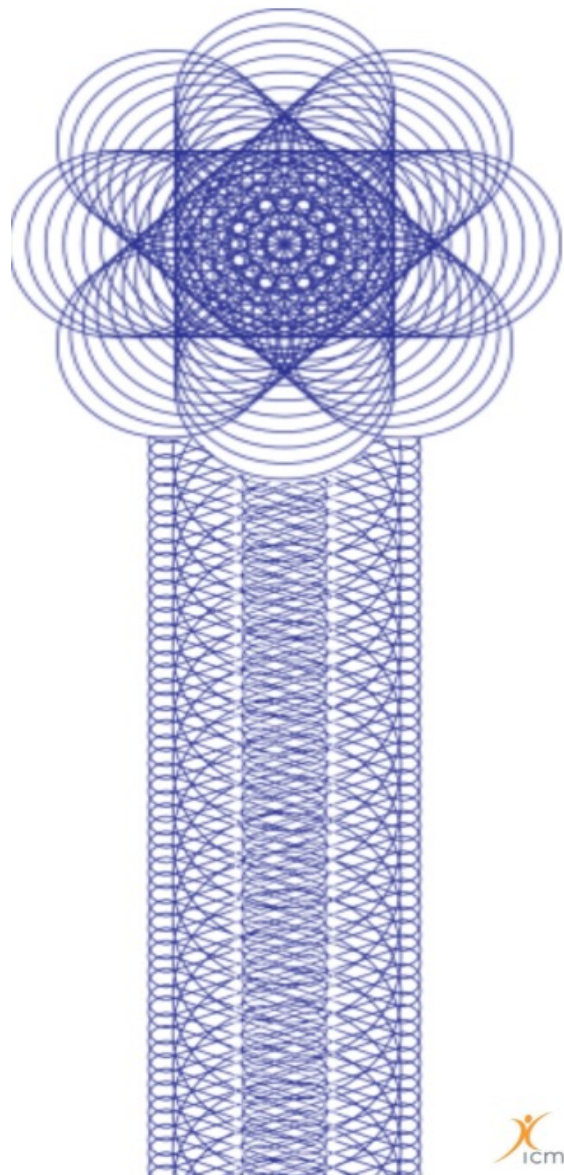


Credit Rating and Covenants

- Meridian targets a long-term credit rating of BBB+
- Issuer Credit Rating: BBB+/Stable (S&P Global)
 - Solid rating headroom in near term financial metrics following divestment of Australian business
 - Rating reaffirmed in July 2022
 - Net debt to EBITDAF is a key rating metric
- Board gives consideration to the long-term credit rating target in Meridian's Dividend Policy
- Historical performance well within bond covenant requirements

Key Metrics					
Financial Year ended 30 June	2018	2019	2020	2021	2022
\$M					
Share capital	1,598	1,599	1,598	1,595	1,671
Retained earnings	-1,010	-1,171	-1,542	-1,548	-1,242
Other reserves	4,235	5,029	5,026	5,177	5,094
Equity	4,823	5,457	5,082	5,224	5,523
Drawn borrowings	1,428	1,376	1,491	1,589	1,126
Lease liability payable	124	123	104	97	41
Less: cash and cash equivalents	-60	-78	-176	-148	-363
Add back: restricted cash	29	27	67	97	43
Net debt	1,521	1,448	1,486	1,635	847
EBITDAF	666	838	853	692	709
Net Debt to EBITDAF (times)	2.3	1.7	1.7	2.4	1.2
Interest	80	82	83	80	78
EBITDAF interest cover (times)	8.3	10.2	10.3	8.7	9.1
Debt (drawn borrowings + lease liability payable)	1,552	1,499	1,595	1,686	1,167
Debt (Debt+Equity)	24%	22%	24%	24%	17%

Green Finance Programme



Certification



This is to certify that the

MEL060

Issued by

Meridian Energy Limited

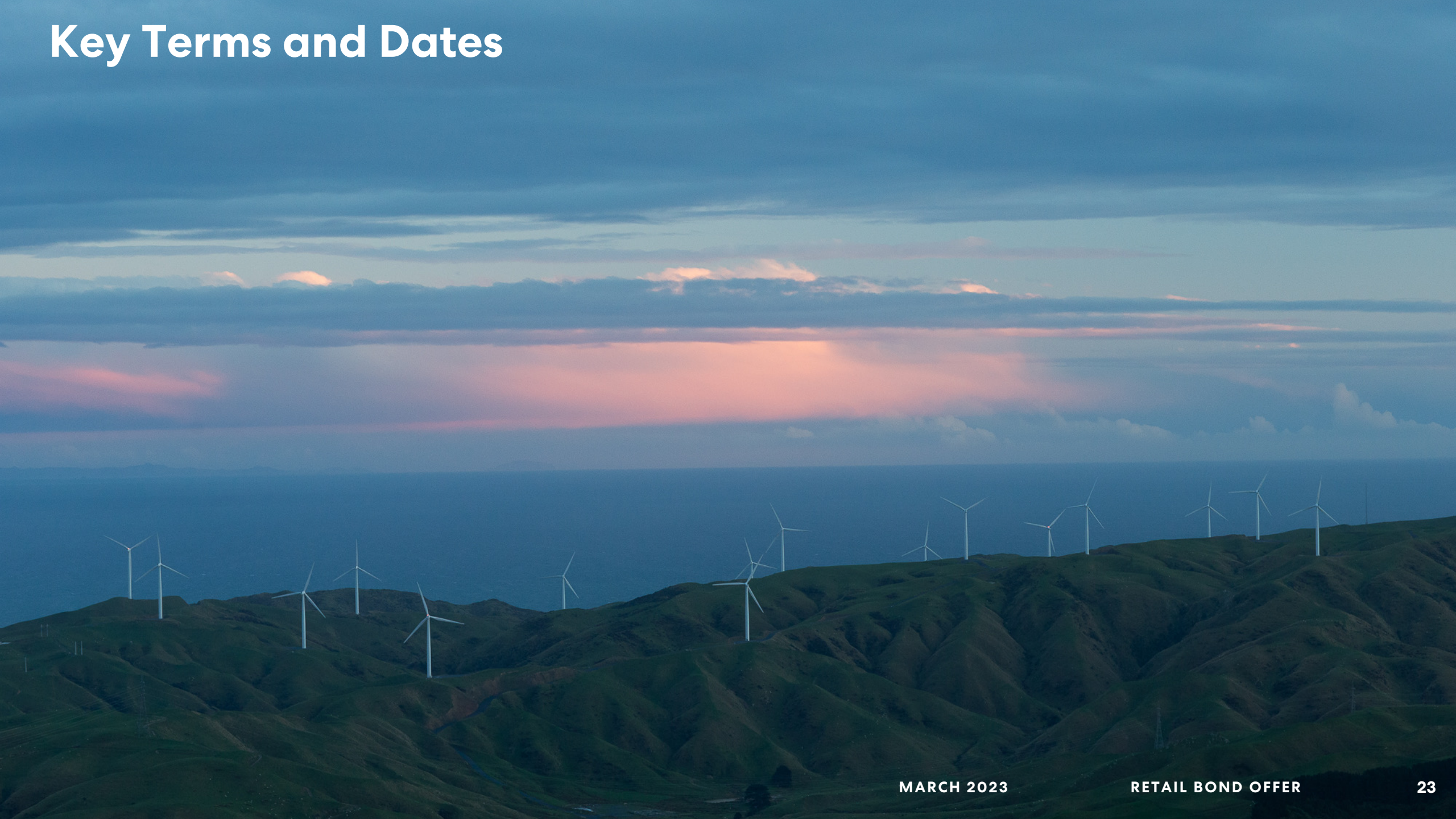
Has met the criteria for certification by the Climate Bonds Standard Board on behalf of the Climate Bonds Initiative

SEAN KIDNEY
Chair of the Climate Bonds Standard Board

25 Jan 2023



Key Terms and Dates



Key Terms

Issuer	Meridian Energy Limited (Meridian).
Description	5.5 year, unsecured, unsubordinated, fixed rate green bonds (Green Bonds). The Green Bonds are Green Debt instruments under Meridian's Green Finance Framework dated February 2023 (as amended from time to time) and are certified by the Climate Bonds Initiative based on the Climate Bond Standard. A copy of the Green Finance Framework is available on Meridian's website.
Issue Amount	Up to \$150,000,000 (with the ability to accept oversubscriptions of up to an additional \$50,000,000 at Meridian's discretion).
Term and Maturity Date	5.5 years, maturing Wednesday, 20 September 2028.
Interest Rate	The Interest Rate will be equal to the sum of the Issue Margin and the Base Rate, subject to a minimum Interest Rate of 5.70% per annum. The Interest Rate will be announced by Meridian via NZX on or shortly after the Rate Set Date.
Indicative Issue Margin	1.10% - 1.20% per annum, actual Issue Margin may be within, above or below this range.
Interest Payments	Semi-annually in arrear in equal amounts.
Credit Rating	Expected Issue Credit Rating for the Green Bonds: BBB+. Meridian has an Issuer Credit Rating of BBB+ (Stable) from S&P Global Ratings.
Minimum Application Amount	Minimum application of \$5,000 with multiples of \$1,000 thereafter.
Quotation	Meridian will take all necessary steps to ensure that the Green Bonds are, immediately after issue, quoted on the NZX Debt Market. Application has been made to NZX for permission to quote the Green Bonds on the NZX Debt Market and all the requirements of NZX relating thereto that can be complied with on or before the distribution of this Investor Presentation have been duly complied with. However, NZX accepts no responsibility for any statement in this Investor Presentation. NZX is a licensed market operator and the NZX Debt Market is a licensed market under the FMCA.
NZX Debt Market Ticker Code	MEL060.

Key Terms continued

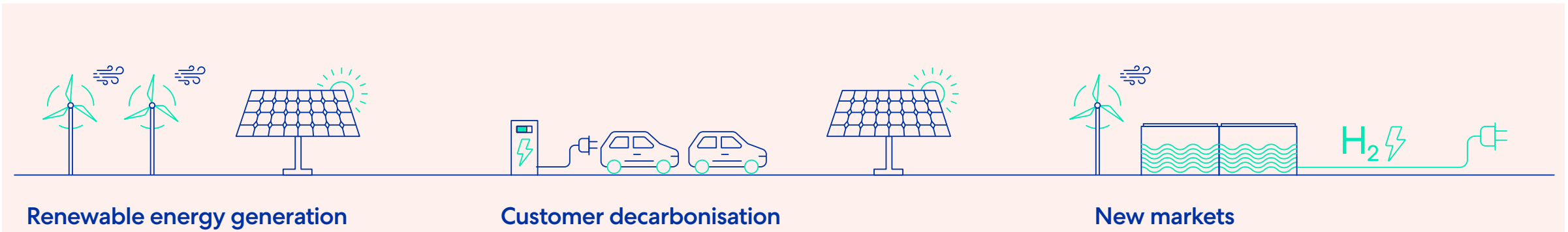
Financial Covenants	<p>The Trust Documents contain the following financial covenants:</p> <ol style="list-style-type: none"> the ratio of EBITDA to Interest and Financing Costs must not be less than 2.5 times; at all times Debt will not be more than 55% of Debt plus Equity; at all times Equity will not be less than \$1,250,000,000; and at all times the Total Tangible Assets of the Guaranteeing Group will not be less than 80% of Total Tangible Assets of the Group. <p>Refer to the Trust Deed for further detail including calculations and relevant testing periods.</p>
Guarantee Structure	<p>As at the date of this Investor Presentation, the only Guaranteeing Group Member is Meridian. This means that Meridian is solely responsible for its obligations in relation to the Green Bonds unless a subsidiary of Meridian becomes a Guaranteeing Group Member.</p>
Negative Pledge	<p>The Trust Deed contains a negative pledge. No Guaranteeing Group Member will create or permit to arise or subsist any Security Interest over its assets except under certain limited exceptions set out in the Trust Deed.</p>
No Event of Default in relation to the Green Finance Framework or Green Bond Principles or Climate Bonds Standards	<p>If:</p> <ol style="list-style-type: none"> Meridian fails to allocate the proceeds of the Green Bonds as described in the Indicative Terms Sheet and the Green Finance Framework; Meridian fails to ensure that the aggregate book value of its Green Assets (as contemplated in the Green Finance Framework) is at least equal to the original principal amount of the respective green debt at the time of issuance (including the Green Bonds issued under the Offer); Meridian fails to comply with the Green Finance Framework in any other way; the Green Bonds cease to satisfy the Green Bond Principles or the Climate Bonds Standards (including, without limitation, as a result of an amendment to the Green Bond Principles or Climate Bonds Standards); or Meridian fails to notify the Holders of the Green Bonds that the Green Bonds cease to comply with the Green Finance Framework, the Green Bond Principles or Climate Bonds Standards, <p>then, although it is possible that the Green Bonds may lose their green classification:</p> <ul style="list-style-type: none"> no Event of Default will occur under the Trust Deed in relation to the Green Bonds; and neither the Holders of the Green Bonds nor Meridian will have any right for the Green Bonds to be repaid early as a result of any such event or circumstance.

Key Dates

Opening Date	Monday, 6 March 2023
Closing Date	11.00am, Thursday, 9 March 2023
Rate Set Date	Thursday, 9 March 2023
Issue Date and Allotment Date	Monday, 20 March 2023
Expected Date of initial quotation on NZX Debt Market	Tuesday, 21 March 2023
Interest Payment Dates	20 March and 20 September of each year up to and including the Maturity Date The first Interest Payment Date will be 20 September 2023
Maturity Date	Wednesday, 20 September 2028

The dates set out above are indicative only and are subject to change. Meridian has the right in its absolute discretion and without notice to close the Offer early, to accept late applications, to extend the Closing Date or to choose not to proceed with the Offer. If the Closing Date is extended, subsequent dates may be extended accordingly.

Why Meridian?



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The Green Bonds may only be offered for sale or sold in New Zealand in conformity with all applicable laws and regulations in New Zealand. No Green Bonds may be offered for sale or sold in any other country or jurisdiction except in conformity with all applicable laws and regulations of that country or jurisdiction. No offering document or other offering material (including this presentation) in respect of the Green Bonds may be published, delivered or distributed in or from any country or jurisdiction except under circumstances which will result in compliance with all applicable laws and regulations in that country or jurisdiction. No action has been or will be taken by Meridian which would permit an offer of Green Bonds to the public, or possession or distribution of any offering material (including this presentation), in any country or jurisdiction where action for that purpose is required (other than New Zealand).