

OPERATIONAL AND FINANCIAL PERFORMANCE TO 30 JUNE 2023

Unaudited fourth quarter results are shown in the table below:

The HVAC energy availability measure (AP2) and the unplanned interruption duration measure (GP2) are both affected by the impact of Cyclone Gabrielle. We have submitted the normalisation application to the Commerce Commission. If approved, Cyclone associated outages will be excluded from the reporting.

Performance	30 June		SCI / Plan
	2023	2022	Target

Safety and People			
Number of fatalities or injuries causing permanent disability	0	0	0
Total recordable injury frequency rate (TRIFR) ⁽¹⁾	5.5	4.2	≤ 6
High potential incident frequency rate (HPIFR) ⁽¹⁾	3.2 ⁽²⁾	2.6	≤ 3
Staff Engagement	8.2 Top 25%	Top 25%	Top 25% ⁽³⁾

Sustainability			
Deliver Year 3 milestones according to the TCFD framework ⁽⁴⁾	Target achieved	Target achieved	Meet Target
Deliver Year 3 milestones of sustainability strategy and annual ESG reporting ⁽⁵⁾	Target achieved	Target achieved	Meet Target

Service Performance ⁽⁶⁾			
Grid interruptions:			
• GP1 Achieve collars for occurrence (unplanned interruptions)	6	6	≥ 4 out of 6
• GP2 Achieve collars for average unplanned interruption duration	2 ⁽⁷⁾	5	≥ 4 out of 6
Grid availability:			
• AP1 HVDC availability	97.89%	97.18%	> 96.75%
• AP2 HVAC availability ⁽⁸⁾	98.21%	97.61%	> 98.6%
Achieve system operations target	Target achieved	Target achieved	Meet Target

Asset Health Measures			
Power transformers	3.18%	3.46%	≤ 5.37%
Outdoor circuit breakers	0.37%	0.96%	≤ 5.65%

Financial Performance			
Free funds from operations (FFO) interest coverage	5.4	6.2	5.2
Free funds from operations / Debt	13.3%	14.7%	13.9%
Return on equity	6.3%	8.1%	6.1%
Return on capital employed	3.4%	3.8%	3.5%

Note:

- (1). Rolling 12-month average numbers.
- (2). HPIFR is above target due to a change in high potential incidents classification. We now include vehicle overspeeds within this measure.
- (3). Top 25% percentile score for energy & utilities sectors (yearly average).
- (4). Task Force on Climate related Financial Disclosures ('TCFD') framework.
- (5). Environmental, Social, and Corporate Governance (ESG) reporting framework.
- (6). Service Performance - Our SCI target across grid interruptions and grid availability are the quality standards set by the Commerce Commission.
- (7). Full year GP2 including Cyclone Gabrielle impact is 2; GP2 excluding Cyclone Gabrielle impact is 5 which is within the target.
- (8). FY23 AP2 measure including Cyclone Gabrielle impact is 98.21%. AP2 measure excluding Cyclone Gabrielle impact of 98.68% is above target. FY22 AP2 figure 97.61% includes the Commerce Commission approved Turangi normalisation event (increased by 0.04%).