



Annual Shareholder Meeting

22nd September 2021



Welcome and Agenda for the Meeting



Introduction of
Directors and
Leadership
Team



Update from
the Chair



Chief Executive
Overview



Wrap up and
Questions



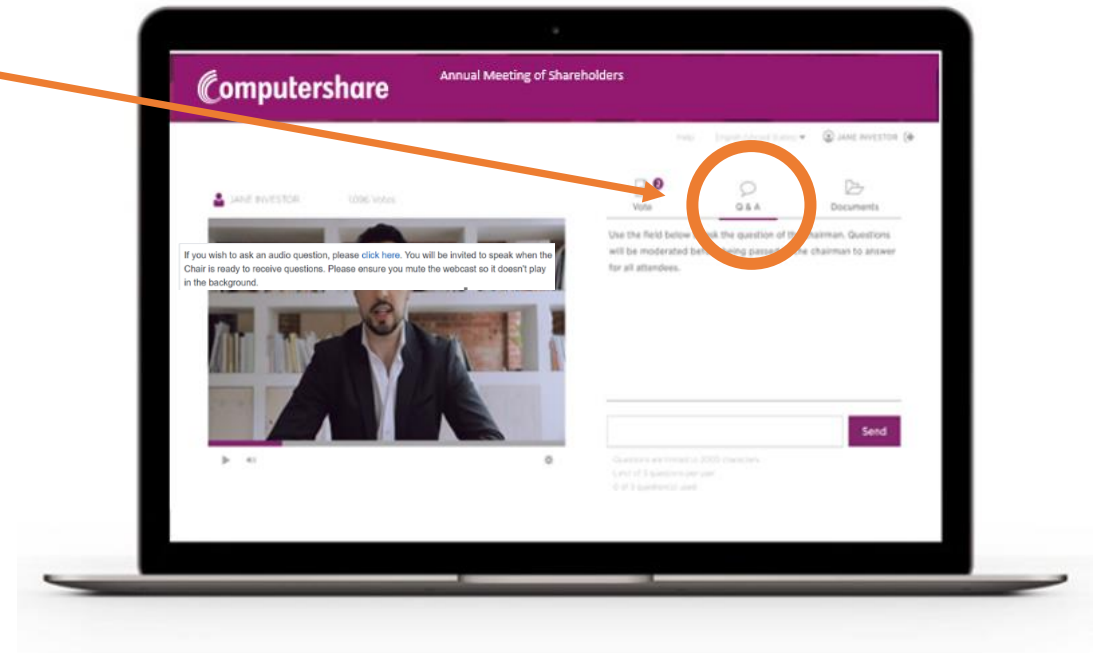
Resolutions
including
Director
Appointments

How to ask questions

Shareholder & Proxyholder Q&A Participation

Written Questions: Questions may be submitted ahead of the meeting. If you have a question to submit during the live meeting, please select the Q&A tab on the right half of your screen at anytime. Type your question into the field and press submit. Your question will be immediately submitted.

Help: The Q&A tab can also be used for immediate help. If you need assistance, please submit your query in the same manner as typing a question and a Computershare representative will respond to you directly.



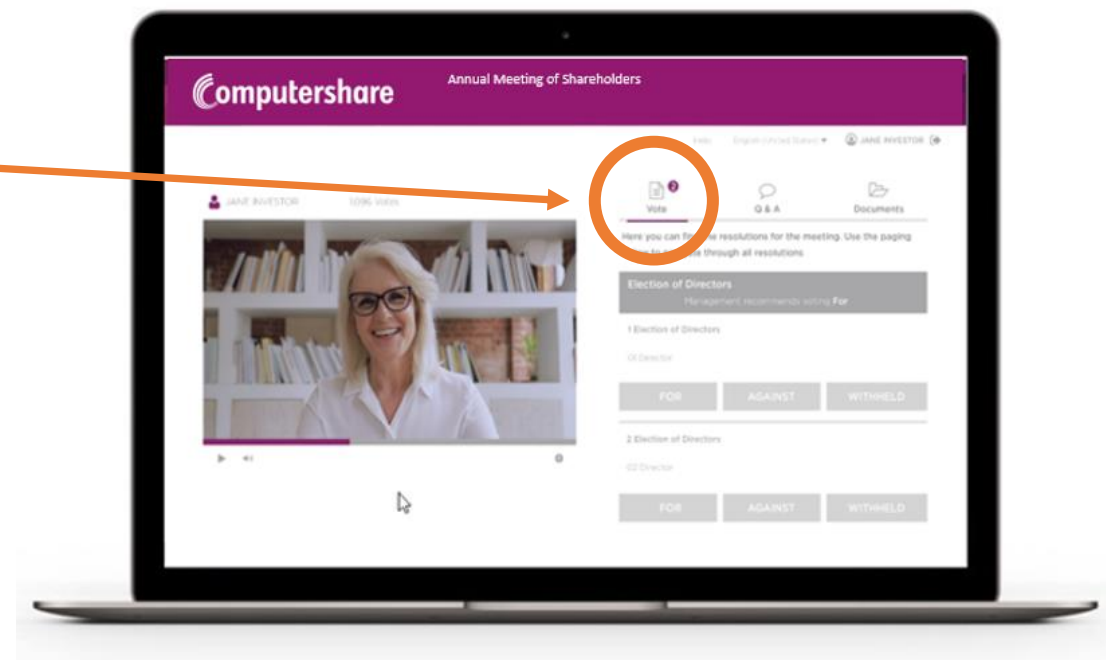
How to vote

Shareholder & Proxyholder Voting

Once the voting has been opened, the resolutions and voting options will allow voting.

To vote, simply click on the Vote tab, and select your voting direction from the options shown on the screen. You can vote for all resolutions at once or by each resolution.

Your vote has been cast when the tick appears. To change your vote, select 'Change Your Vote'.



Board and Leadership Team



Paul Bacon
General Manager Markets



Kevin Baker
Director



Sara Broadhurst
General Manager People & Culture



Peter Calderwood
General Manager Strategy & Growth



Peter Coman
Director



Stephen Fraser
General Manager Generation



David Gibson
Director



Kevin Palmer
Chief Financial Officer and Company Secretary



Susan Peterson
Director



David Prentice
Chief Executive & Director



Paul Ridley-Smith
Chair



Fiona Smith
General Manager Customer Operations



Keith Turner
Director



Matt van Deventer
General Manager Technology & Delivery

Update from the Chair

Paul Ridley-Smith

Trustpower's Strategy Focus

Strategic focus areas for Trustpower in FY21 and subsequent months have been:

- Impacts of COVID-19: Generation operations have been relatively unaffected and aggregate national energy demand, while suppressed during Level 3 and 4 lockdowns, has not materially reduced. But for some consumers the effects have been severe and Trustpower has worked hard to mitigate these.
- Climate change & electrification: The mega trend that will lead to decarbonisation and electrification. The challenges are not in the direction of travel, but in pace of change and implementation.
- Safe & efficient operation of generation schemes: Trustpower's core business, which we seek to improve year on year.
- Building new renewable generation: An increased focus on building new schemes to help meet the electrification needs.
- Regulatory & market structure: Challenges arising from the 100% renewable electricity target, the NZ Battery/Lake Onslow projects and RMA reforms.



Introducing Manawa Energy (MNW)

- Gifted to us by Ngāti Hangarau hapū, who hold mana whenua over the area where our Kaimai scheme is located.
- Directly acknowledges our shared whakapapa with Ngāti Hangarau and has special significance to them.
- It speaks to the heritage of the business from its beginnings in the establishment of electricity generation on the Omanawa River in the Kaimai area during the early 20th century.



Chief Executive Overview

David Prentice

2021 Snapshot

\$30.7

million

Group NPAT
down 68.5%

\$200.2

million

Group EBITDAF
up 7.3%

\$94.2

million

Group underlying earnings
up 24.9%

1,708

GWh

Generation Volume
down 2.9%

\$154.1

million

Generation EBITDAF
no change

\$47

million

Retail EBITDAF
up 32.9%

10.9c

Earnings per share
down 64%

Final Dividend of

18.5c

Per share (including 1.5c per
share special dividend)
bringing full year dividend to
35.5 cents per share



421,000

Total customer
connections
up 2.4%

More than

99%

Of our power is
generated from
renewable sources,
through hydroelectric
generation

Total Recordable Injury
Frequency Rate

1.50 0.79 0.60



FY19 FY20 FY21

10

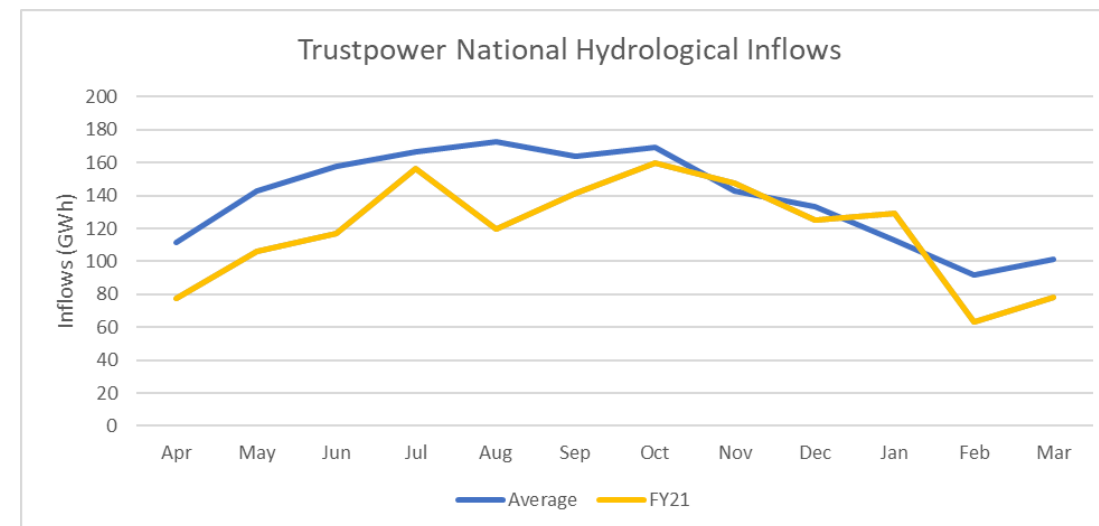
Environmental incidents
across 3,500 resource
consent conditions

FY2021 Overview

Strong performance in both generation and retail contributes to a positive FY2021 result.

Extended dry weather sequences impacted inflows nationwide. Trustpower managed this risk through:

- Careful management of our balanced portfolio of geographically dispersed run of river and high storage volume generation assets, and
- Upholding our commitment to ongoing asset maintenance and enhancements, and
- Astute placement of product to market amidst wholesale spot price peaks.



Our commitment to high value customer propositions continues to pay off in retail, where:

- Customer migration to high value fibre plans has seen a significant increase in telco revenue, and
- The introduction of mobile to our bundled product set has further strengthened our position as the market leader in bundled utility services.

Generation

Trustpower is responding to increased demand for renewable energy as New Zealand pursues greater electrification by:

Sound asset management practices:

- Asset management transformation project in full swing.
- Focuses include a deeper understanding of asset criticality and health, using digital to enable data-informed decisions, and improvements in the reliability and availability of our higher production volume assets.

Enhancing existing assets:

- An enhancement programme for existing assets is well underway.
- Enhancements have added 9.5GWh to our annual generation output this year.
- Tracking towards completion of enhancements that will realise circa 68GWh of additional output over the next five years.



Current Major Generation Projects

Unprecedented level of material upgrades to existing assets (circa \$83m over next 5 years) - which also secure additional production volumes:

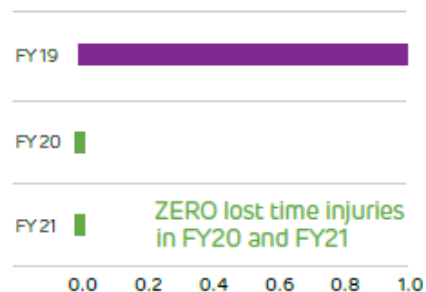
- Cobb: 2 Generators for Replacement – 2.5GWh/yr Completed by Jun-22 (\$9m)
- Branch: New Weir Intake Structure – 11GWh/yr Completed by May-22 (\$8m)
- Waipori Station: 2 Generators for Replacement – Completed by Mar-23 (\$11m)
- Highbank: Generator Replacement – 5.5GWh/yr Completed by May-24 (\$21m)
- Coleridge: 2 Turbines for Replacement – 15GWh/yr Completed by May-24 (\$7m)
- Matahina: 2 Turbines for Replacement – 18GWh/yr Completed by Jul-24 (\$14m)
- Arnold: New Standalone Generator – 16GWh/yr Completed by Dec-24 (\$13m)

Total additional production volumes circa 68GWh/yr within 5 years

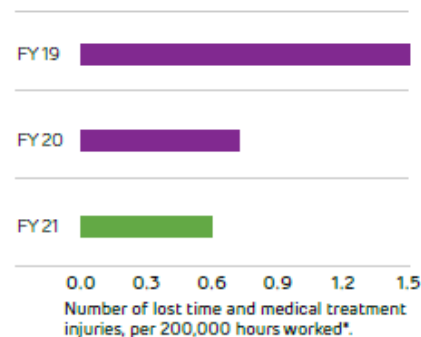


Health, Safety, Wellbeing & Environment

Lost time Injuries



Total Recordable Injury Frequency Rate (TRIFR)



National Finalist for the New Zealand Workplace Safety Awards

Jason Graham from our Waipori Generation team was a finalist in the New Zealand Workplace Safety Awards for his invention of the rescue mat – a mat used for confined-space maintenance, enabling quicker and safer rescue of a worker, if required. This is a fantastic example of health and safety at the forefront of work.



Our engineer Jason Graham's innovative Rescue Mat design.

10

Environmental non-compliant incidents across 3,500 resource consent conditions



Lake Sylvester Residual Flow at our Cobb Hydroelectric Power Scheme.

Trustpower maintains a point of difference in an increasingly price competitive retail environment by:

Continuing to augment and promote our bundled utility proposition:

- Launch of Trustpower Mobile
- High quality customer base demonstrates its value again in a difficult year

Using technology to deliver customer experience excellence in an evolving work environment:

- Delivery of Amazon Connect cloud telephony platform in just ten days, enabling ~300 service and sales agents to service our customers from home

Investing to create a carrier-grade ISP network:

- Expansion of our international suite of sites from the USA into Asia with a point of presence now operational in Singapore



Our Approach to Sustainability

Sustainability Parameters	Trustpower Strategic Aspiration	United Nations Sustainable Development Goals
Diversity and Inclusion	 	   
Safety and Wellbeing	  	 
Adding value to customers and community	  	    
Staff satisfaction and development		  
Ecology (biodiversity and freshwater habitat)		  
Lifecycle thinking for our products, services and procurement	  	  
Climate change adaptation and risk	  	   

Climate Change

To contribute positively to New Zealand's climate change effort, we have:

- Set new emissions reduction targets, and
- Committed to reporting against the Task Force on Climate-Related Financial Disclosures (TCFD) framework.



Trustpower already supports a variety of local and national community initiatives – through COVID-19 and regional emergencies we've stepped up this support, including:

- \$10,000 donations to both the Ashburton and Buller Mayoral Funds to support flood relief efforts
- \$40,000 donation to Foodbank to support communities following the August 9 power outage
- The introduction of Community Funds in Tauranga and Oamaru





Looking Ahead

Manawa Energy setup

- Manawa Energy's head office will remain in Tauranga
- A team of ~230 people (~170 in Tauranga and ~60 at our generation sites)
- Relocate from Trustpower's Durham Street office to new premises within 12 months (remaining in Tauranga)
- Focus on new generation growth, operational excellence for existing assets, attracting and retaining Commercial and Industrial customers
- Recruitment of Corporate, Regulatory and Risk, and Growth and Trading General Manager positions underway – excellent calibre of candidate
- Strategy in development



Manawa Energy – Core Focus Areas

Core Focus Areas

- Operational excellence to maintain and operate the generation fleet efficiently, safely and within the broader licence to operate the existing generation fleet.
- Energy trading, hedging and risk management.
- Developing and building new renewable generation assets, leveraging on the relative strengths of Trustpower:
 - Excellence in operating small and diverse assets
 - Excellence in understanding transmission and distribution of energy
 - Excellence in risk management and energy trading



Development Options

Generation Business Core Focus Areas

- Electricity demand is set to grow by 50 to 70% over the next 30 years from electrification of transport and industry.
- Targeting a diverse pipeline of value adding generation development options of circa 500MW/2,000GWh that have the potential to be executed by 2030.
- Not limited to green field development lifecycle as some technologies can be very long – looking at options that will shorten time to market, such as partnerships, mergers and acquisitions.
- Looking primarily at wind (near term best cost/MWh at present and depth in terms of existing resource capability) and utility solar.



Society and Regulatory Change

Freshwater Management

Recent Freshwater Management reforms have placed greater requirements on improving the water quality of rivers and lakes, requiring a 'river first' approach to freshwater management.

TPM

We remain concerned around the implications for the industry associated with Transmission Pricing Methodology (TPM) reform and don't consider that the Authority's decision to approve the new TPM Guidelines last year was well justified.

Resource Management Reform

A more supportive environmental regulatory framework, with clear and coherent policy direction, is required to meet New Zealand's carbon reduction targets.



Questions

Annual Shareholder Meeting 22nd September 2021

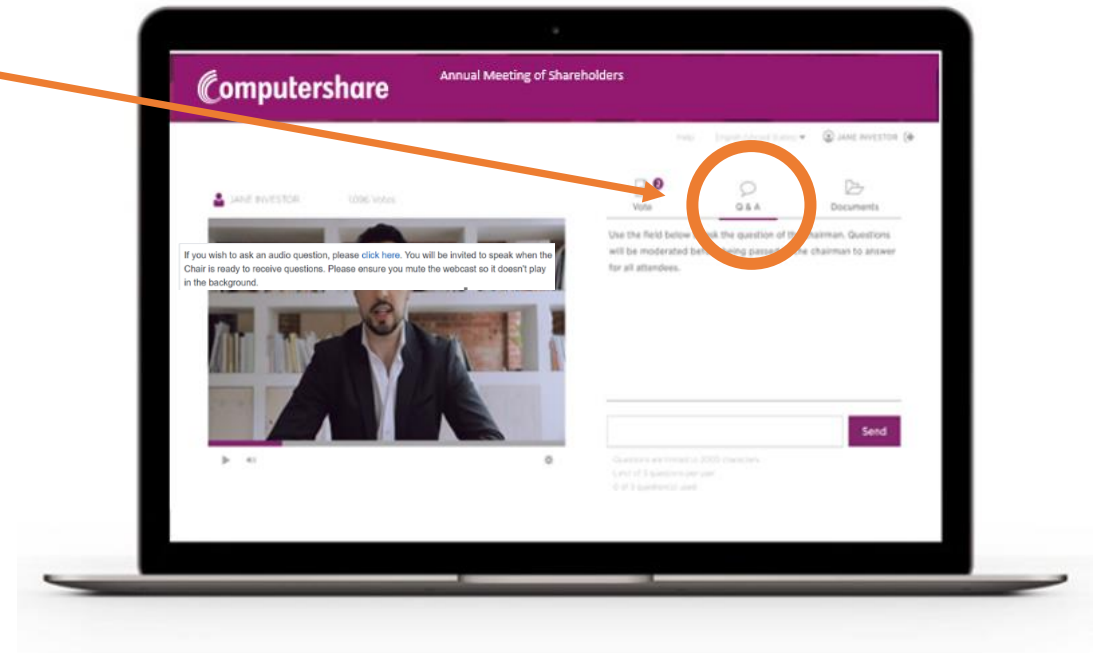


How to ask questions

Shareholder & Proxyholder Q&A Participation

Written Questions: Questions may be submitted ahead of the meeting. If you have a question to submit during the live meeting, please select the Q&A tab on the right half of your screen at anytime. Type your question into the field and press submit. Your question will be immediately submitted.

Help: The Q&A tab can also be used for immediate help. If you need assistance, please submit your query in the same manner as typing a question and a Computershare representative will respond to you directly.



Resolutions

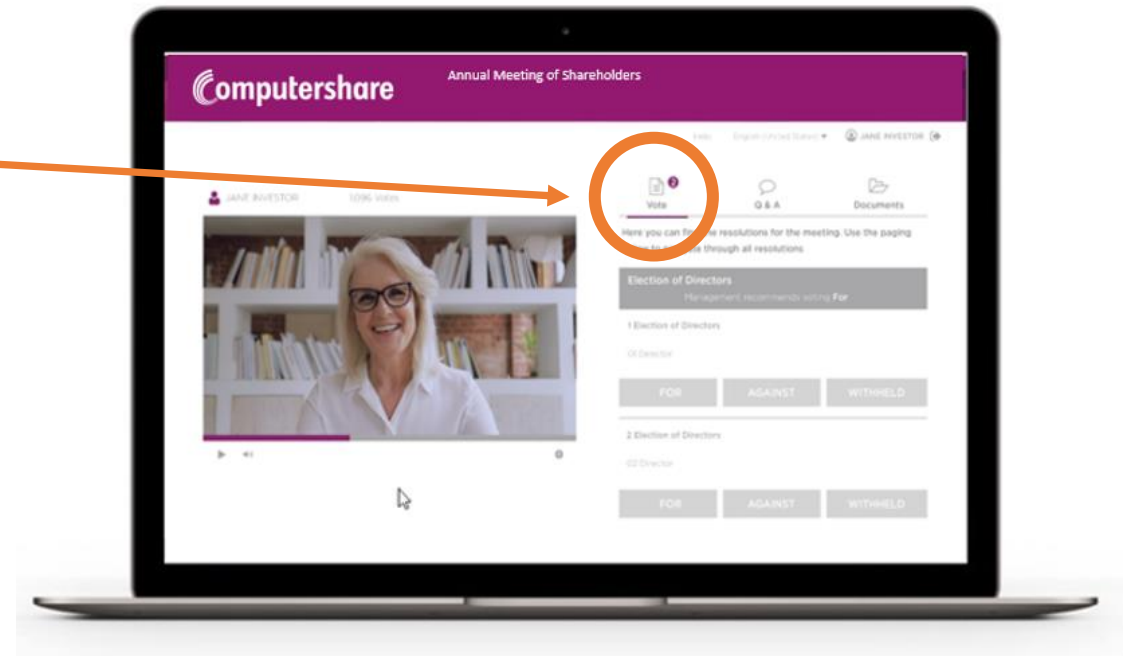
How to vote

Shareholder & Proxyholder Voting

Once the voting has been opened, the resolutions and voting options will allow voting.

To vote, simply click on the Vote tab, and select your voting direction from the options shown on the screen. You can vote for all resolutions at once or by each resolution.

Your vote has been cast when the tick appears. To change your vote, select 'Change Your Vote'.



Trustpower's Strategic Review

In January 2021, Trustpower announced a strategic review to test market interest in its retail business and explore the business case for a standalone generation business.

Following a careful and deliberate process, and advice from a range of experts and professional advisers, the Board has determined that:

- A standalone generation business is viable and strategically well placed to meet New Zealand's electrification needs over the next 30 years.
- The New Zealand wholesale electricity market operates sufficiently well to allow a generator-only business with a strong wholesale and Commercial & Industrial sales capacity to be successful.
- The retail utility market will become more competitive, with significant investment necessary in order to continue to compete sustainably.
- Extensive market testing and a competitive tender process has ensured the Proposed Transaction is value accretive for Trustpower.

In June, the conditional sale of the retail business to Mercury was announced.



Transaction Summary

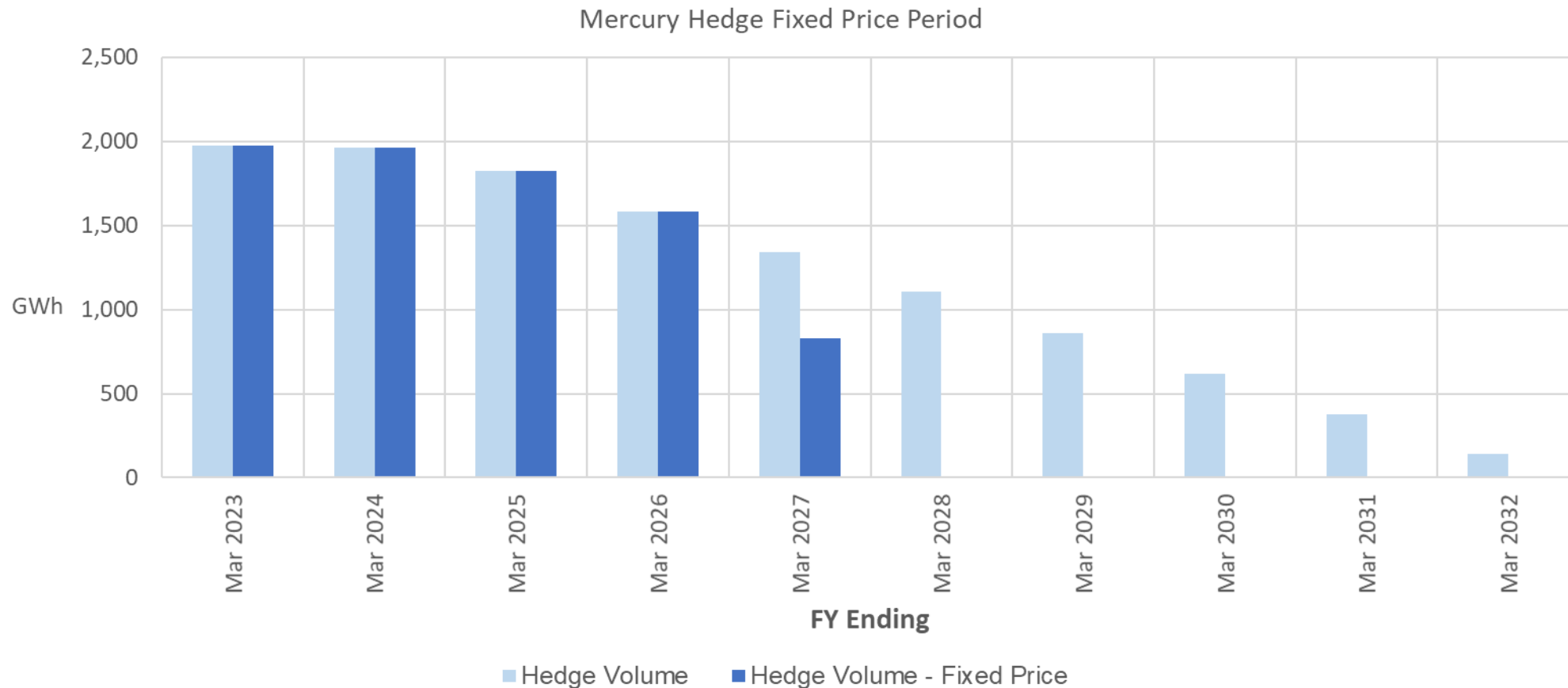
Conditional sale of retail business to Mercury NZ Limited for \$441million, subject to post-completion adjustments

- Retail business comprises the gas, telecommunications and retail electricity supply business (excluding the supply of electricity to commercial and industrial customers).
- Sale of the retail business will take effect following the conditions of sale being met, late 2021 or early 2022.
- Key conditions of sale include:
 - Commerce Commission approval;
 - Approval by Trustpower's shareholders;
 - Completion of the TECT restructure; and
 - Other usual conditions of a transaction of this nature.
- An electricity hedge structure has been agreed to support the customer retail demand.
- All assets used in the retail business including debtors and other working capital will be transferred.

**OVERALL SALE
PRICE OF
~\$1,900
PER CUSTOMER**

**PROFORMA STANDALONE FY21
EBITDAF MULTIPLE OF 9 TIMES**

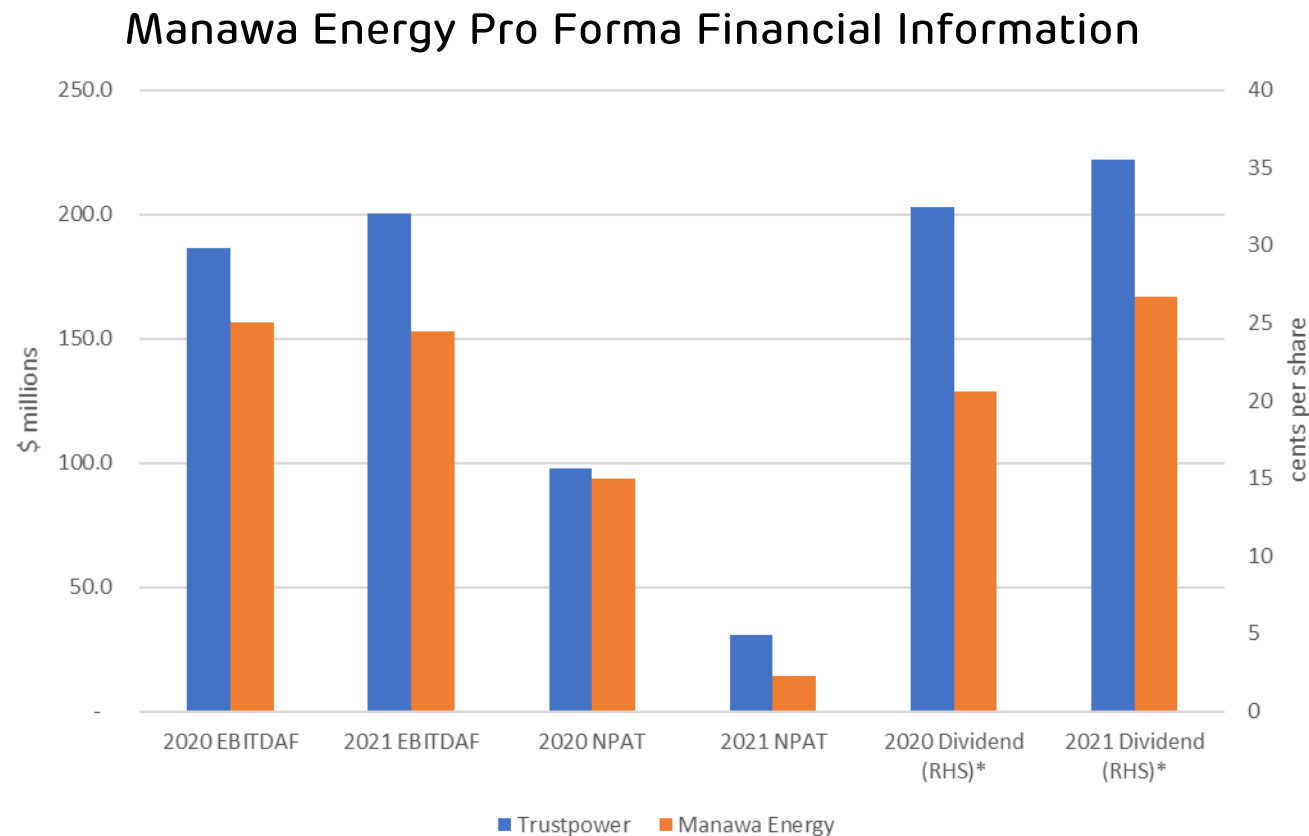
Energy Price Risk – Hedge with Mercury



The hedge with Mercury provides:

- Price certainty in the short term.
- A gradual reduction in volume allowing Manawa Energy to manage its electricity price risk in an orderly manner.

Financial Implications



Trustpower intends to pay a special dividend early in FY2023 of up to 65 cents per share (approximately \$200 million). Manawa Energy expects gearing to be 2.6 – 2.8x EBITDAF at the end of FY2023.

*Manawa Energy dividend assumes middle of policy range.



General Business

Annual Shareholder Meeting | 22nd September 2021





Thank you