



OUR ANNUAL SHAREHOLDERS' MEETING.

As an owner of Mercury NZ Limited, you are invited to our Annual Shareholders' Meeting.

Our 2022 Annual Shareholders' Meeting is being held as a hybrid meeting - attendance is available in person, or online via webcast.

Date: Thursday 22 September 2022

Time: 10:00am (NZ time)

IN PERSON:

Venue: Event Cinemas, Westfield Newmarket, Level 4/309 Broadway, Newmarket, Auckland 1023.

VIRTUAL:

You can attend the meeting virtually through the Computershare Meeting Platform
<https://meetnow.global/nz>.

To access the meeting:

- click 'Go' under the Mercury meeting
- click 'Join Meeting Now'
- Select 'Shareholder' on the login screen and enter your CSN/Securityholder Number and post code (or country of residence if outside of New Zealand)

The safety of our people and shareholders is our number one priority. If COVID-19 related restrictions are in place which prevent us from holding a physical meeting, or the Board otherwise determines a physical meeting is inappropriate in the circumstances, we may decide to hold a virtual only Annual Shareholders' Meeting. If this occurs, we will provide shareholders with notice through an announcement to the NZX and on our website.

LETTER FROM THE CHAIR.

Dear Shareholder,

I am pleased to invite you to our 2022 Annual Shareholders' Meeting (ASM) hosted in-person and online on 22 September. We look forward to updating our owners on Mercury's business performance and strategic priorities.

Retirement of Andy Lark

As disclosed to the market on 3 August, Andy Lark will retire at the end of the ASM after over 8 years as a director. Andy has generously contributed his extensive experience in different jurisdictions and across a range of industries to Mercury. In particular, his inputs into the evolution of Mercury's retail business and marketing and digital identity have been invaluable. On behalf of the Board, I would like to thank Andy for his significant contribution to the Board and to Mercury.

The importance of succession

Planning for director succession, to ensure that over time the Board as a whole has the capability and experience to oversee Mercury's complex business, is one of the most important aspects of my role as Chair. If Mercury is to achieve its strategic objectives, and deliver long-term value for shareholders and other stakeholders including the communities in which we operate, it requires directors with appropriate skills and experience and who represent diverse backgrounds and perspectives.

Succession planning must balance current and future governance needs. Over the next few years, it is likely that several of the longest-serving and most experienced Mercury directors will retire from the Board. To best prepare for and manage a transfer of institutional knowledge and experience, and taking account of Andy Lark's retirement, the Board has appointed two new directors, both of whom will retire at the ASM and stand for election by the shareholders.

Andy Lark's retirement and the appointment of two new directors will increase the number of directors to nine. This is intended as a temporary increase only, to allow for a suitable period of overlap between new directors and experienced directors and a transfer of knowledge and experience. It is intended that the total number of directors will revert to eight at the 2023 ASM.

Mercury has a director fee pool based on eight directors. In accordance with the Listing Rules, the Board intends to meet the fees of the additional director by increasing the remuneration payable to the directors in aggregate on a pro rata basis.

Formal business

As part of the formal business for the meeting, there is one resolution relating to the re-election of current director James Miller, along with two resolutions for the election of Lorraine Witten and Susan Peterson, who were appointed to the Board with effect from 1 September 2022.

James Miller is retiring by rotation this year and is offering himself for re-election. The Board unanimously supports James' re-election.

The Board is of the view that James' expertise and experience is critical in the short term in two respects in particular: first, Mercury is going through a sustained period of building new renewable generation and growing its business. James' deep knowledge of energy markets and the fundamentals of major capital investment is critical; second, James currently chairs Mercury's Risk Assurance and Audit Committee and he will play an important role in building the capability of whomever the Board determines is best placed to succeed James in that role when he ultimately retires from the Board.

Lorraine and Susan are experienced directors with diverse business and governance backgrounds. Both are well qualified to contribute to the retention and efficient transfer of knowledge and experience as longer serving directors retire.

As Board appointees, Lorraine and Susan are required to retire at the ASM and stand for election by the shareholders. Lorraine and Susan offer themselves for election with the unanimous support of the Board.

Your Board looks forward to hosting you at this year's meeting. You can also cast a postal or proxy vote for the meeting (either by post or online).

Yours sincerely



PRUE FLACKS // CHAIR

BUSINESS.

A. CHAIR'S WELCOME AND STRATEGIC OVERVIEW

B. CHIEF EXECUTIVE'S REPORT ON FINANCIAL AND BUSINESS PERFORMANCE

C. ORDINARY RESOLUTIONS

The following ordinary resolutions will be voted on at the meeting:

Resolution 1: Re-election of James Bruce Miller

That James Bruce Miller, who retires and is eligible for re-election, be re-elected as a director of the company.

Resolution 2: Election of Lorraine Witten

That Lorraine Witten (appointed by the Board as a director with effect from 1 September 2022), who retires and is eligible for election, be elected as a director of the company.

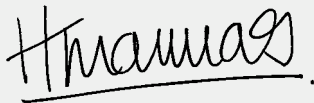
Resolution 3: Election of Susan Peterson

That Susan Peterson (appointed by the Board as a director with effect from 1 September 2022), who retires and is eligible for election, be elected as a director of the company.

D. OTHER BUSINESS

To consider any other matter raised by a shareholder at the meeting.

By order of the Board

A handwritten signature in black ink, appearing to read "H Thomas", with a horizontal line underneath.

HOWARD THOMAS
COMPANY SECRETARY
24 August 2022

EXPLANATORY NOTES.

RESOLUTION 1: RE-ELECTION OF JAMES BRUCE MILLER AS DIRECTOR

Under the NZX Listing Rules, a Mercury director must not hold office (without re-election) past the third Annual Shareholders' Meeting following the director's appointment, or 3 years, whichever is longer. If they wish, they may seek re-election.

James Miller is retiring in 2022, and is seeking re-election. James is an Independent Director (as determined by the Board, applying the definition in the NZX Listing Rules) and stands for re-election with the unanimous support of the Board.

JAMES BRUCE MILLER
APPOINTED MAY 2012
Last re-elected September 2019

James Miller was appointed a director of Mercury in May 2012 and is Chair of the Risk Assurance and Audit Committee and the Nominations Committee. He is Chair of NZX and a director of Channel Infrastructure Limited and Vista Group International. He has specialist expertise in utility economics and 15 years' experience in capital markets. James' prior roles included director and Head of NZ Wholesale Equities with Craigs Investment Partners, and Head of Equities and Head of Research at ABN AMRO. James is a Fellow of the Institute of Finance Professionals and the New Zealand Institute of Chartered Accountants.



RESOLUTION 2: ELECTION OF LORRAINE WITTEN AS DIRECTOR

Under the NZX Listing Rules, any person appointed as a Mercury director by the Board must retire at our next Annual Shareholders' Meeting. If they wish, they may seek election.

Lorraine Witten was appointed as a director by the Board with effect from 1 September 2022 and is therefore required to retire at the 2022 Annual Shareholders' Meeting. Lorraine is eligible and is seeking election.

Lorraine is an Independent Director (as determined by the Board, applying the definition in the NZX Listing Rules) and stands for election with the unanimous support of the Board.

LORRAINE WITTEN
APPOINTED WITH EFFECT FROM 1 SEPTEMBER 2022

Lorraine is an experienced director and business leader with an extensive background in the telco, technology and ICT sectors. Lorraine currently chairs MOVE Logistics Group and Rakon, and is an independent director of Pushpay Holdings. Lorraine has energy sector experience, having been a director of Horizon Energy Group.

Lorraine's previous appointments include as an Advisory Board Member and Audit Committee Chair of the Department of Corrections, Board member WREDA, and director and chair of Kordia Group for several years.

Lorraine will bring to the Mercury board deep governance and executive experience, strong commercial acumen, extensive experience in innovation and high change environments, experience in the energy network and telco sectors, major project governance experience and extensive experience in governance of Health & Safety and Risk and Audit Committees.



RESOLUTION 3: ELECTION OF SUSAN PETERSON AS DIRECTOR

Under the NZX Listing Rules, any person appointed as a Mercury director by the Board must retire at our next Annual Shareholders' Meeting. If they wish, they may seek election.

Susan Peterson was appointed as a director by the Board with effect from 1 September 2022 and is therefore required to retire at the 2022 Annual Shareholders' Meeting. Susan is eligible and is seeking election.

Susan is an Independent Director (as determined by the Board, applying the definition in the NZX Listing Rules) and stands for election with the unanimous support of the Board.

SUSAN PETERSON
APPOINTED WITH EFFECT FROM 1 SEPTEMBER 2022

Susan is an experienced director and business leader with a particular interest in helping companies to drive growth through technology, innovative customer solutions and organisational culture. She currently chairs Vista Group, is an independent director of Xero, Arvida, Property for Industry and Craigs Investment Partners and is a Trustee on the Board of Global Women.

Susan is a past director of Trustpower, ASB Bank, The New Zealand Merino Company and Compaq Sorting. Susan has been a Tribunal member on the New Zealand Markets Disciplinary Tribunal, a Ministerial Appointee to the National Advisory Council for the Employment of Women, a member of the Board of IHC and was a finalist in the Women of Influence Awards in 2014. Susan is a lawyer whose professional career primarily involved several senior roles in the ANZ Bank group.

Susan will bring to the Mercury board strong governance skills, experience of innovative customer businesses, strong commercial skills and investor relationships, and energy industry experience through her time as a director of Trustpower.



IMPORTANT INFORMATION

PERSONS ENTITLED TO VOTE

Voting on all resolutions put before the meeting will be by poll. **Voting entitlements for the meeting will be fixed as at 5pm (NZ time) on Tuesday 20 September 2022.** Only people registered as shareholders at that time will be able to vote at this meeting and only on their shareholdings at that time.

HOW TO ATTEND THE MEETING

Shareholders can attend the meeting in person at Event Cinemas, Westfield Newmarket, or virtually through the Computershare Meeting Platform <https://meetnow.global/nz>.

To access the meeting, click 'Go' under the Mercury meeting and then click 'Join Meeting Now'. Select 'Shareholder' on the login screen and enter your CSN/Securityholder Number and post code (or country of residence if outside of New Zealand).

By using the meeting platform, you will be able to watch the meeting, vote and ask questions online using your smartphone, tablet or desktop device. Please refer to the enclosed Virtual Meeting Guide for more information. You will need the latest version of Chrome, Safari, or Edge to access the meeting. Please ensure your browser is compatible.

PROXIES AND CORPORATE REPRESENTATIVES

Any shareholder entitled to vote at the meeting may appoint a proxy (or representative, in the case of a corporate shareholder) to attend and vote on their behalf. A proxy does not have to be a Mercury shareholder. You may appoint the Chair of the meeting or any director as your proxy. The Chair of the meeting and the directors will vote in favour of resolutions marked "Proxy's Discretion", even if they have an interest in the outcome of the resolution.

If you've ticked the "Proxy's Discretion" box and your named proxy does not attend the meeting or you haven't named a proxy, the Chair of the meeting will act as your proxy.

POSTAL VOTING

You can cast a postal vote instead of attending the meeting in person or appointing a proxy to attend. Howard Thomas, the Company Secretary, has been authorised by the Board to receive and count postal votes at the meeting.

PROXY AND POSTAL VOTING FORM

A Voting/Proxy Form is attached to this Notice of Meeting. Completed Voting/Proxy Forms must be received at Computershare Investor Services, no later than 10:00am (NZ time) on Tuesday 20 September 2022.

Any Voting/Proxy Form received after that time will not be valid for the meeting. Please see the Voting/Proxy Form for more information on how to return your proxy or postal vote.

ONLINE PROXY AND POSTAL VOTING

Proxy appointments or postal votes can be lodged online at www.investorvote.co.nz

To vote online you must enter your CSN/Securityholder number, Postcode/Country of Residence and the secure access Control Number that is located on the front of your Voting/Proxy Form or advised in the email notification you received.

To cast a postal vote or appoint a proxy, select your preferred voting method and follow the prompts online.

RESOLUTIONS

Resolutions 1, 2 and 3 are ordinary resolutions, meaning they can be approved by a simple majority (more than 50%) of the votes cast.

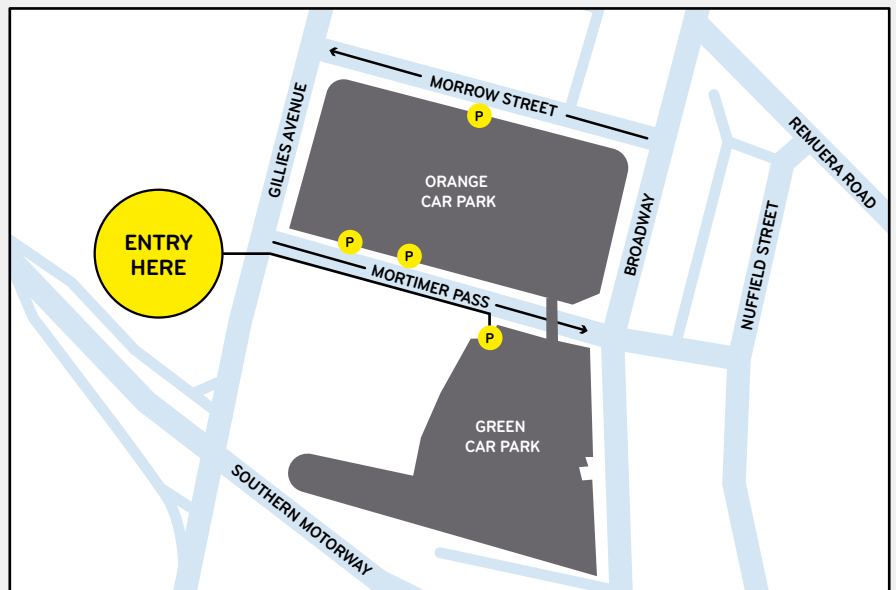
SHAREHOLDER QUESTIONS

Shareholders attending in person or using the online platform will have the opportunity to ask questions during the meeting. If you cannot attend the meeting but would like to ask a question, you can submit these by returning with your Voting/Proxy Form or by going to www.investorvote.co.nz and completing the online validation process.

> DIRECTIONS TO EVENT CINEMAS

**WESTFIELD NEWMARKET
LEVEL 4,
309 BROADWAY,
NEWMARKET**

- Park in the Green Carpark, Level 4, entry via Mortimer Pass Express Ramp.
- A bus stop is located at the front of Westfield Newmarket on Broadway, near Morrow Street, and it's only a short walk from Newmarket train station.
- If taking a taxi, direct your driver to the basement car park, entry via Mortimer Pass. On departure, go to the basement car park – there are allocated taxi parks near the centre entrance.



Get up to 4 hours free parking with the Westfield Plus app when you attend the Mercury Annual Shareholders' Meeting – here's how:

- Download the [Westfield Plus app](#) and follow the prompts to create your account and accept the terms and conditions. This will automatically give you 2 hours free parking.
- At the ASM registration desk, a person in a Mercury t-shirt can help you register for an additional 2 hours free parking (4 hours total) using either the Westfield Plus app or the Event Cinema validation kiosk.

RSVP > ANNUAL SHAREHOLDERS' MEETING

To help with our planning, please let us know if you would like to attend our Annual Shareholders' Meeting. All you need to do is tick the boxes below and send this form back to us in the free-post envelope enclosed. The meeting is being held at Event Cinemas, Newmarket, Auckland, on Thursday 22 September 2022 starting at 10:00am.

Please tick:

- ☐ Yes, I will attend the meeting in person
- ☐ I wish to be accompanied by my spouse, partner or companion (only one guest per shareholder)

Shareholder name: _____

NOTICE OF REPORT AVAILABILITY

Our Annual and Interim Reports are, or will be, available on our website www.mercury.co.nz/investors

If you would like to receive free printed copies or electronic copies of our Annual and Interim Reports, please email ecomms@computershare.co.nz at any time.

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