

Genesis Energy

Jarden Australasian Decarbonisation Conference



genesis With you. For you.



Marc England
Chief Executive

Genesis Energy Overview



HUNTLY
1203
Peak Capacity/MW



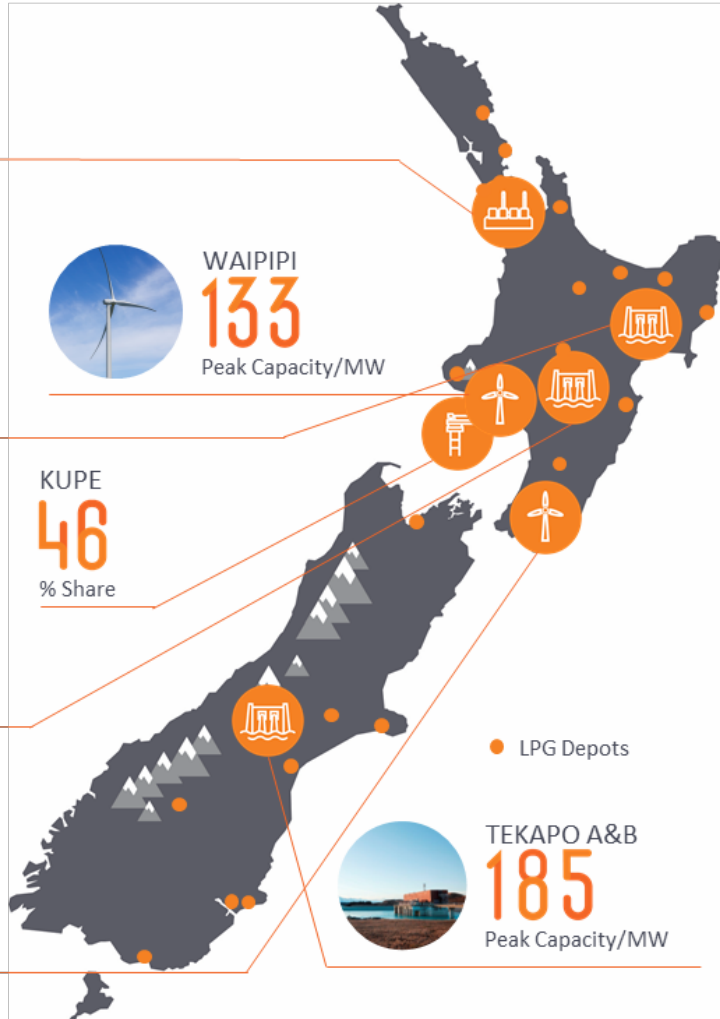
WAIKAREMOANA
138
Peak Capacity/MW



TONGARIRO
362
Peak Capacity/MW



HAU NUI
8
Peak Capacity/MW



480,000

customers

22% electricity market share

38% gas market share

19% LPG market share

1.3
products per
customer

Financial Performance

Key Information

Revenue (FY21): NZ\$3.2 billion

EBITDAF (FY21): NZ\$358 million

Gross Dividend Yield *: 7.1%

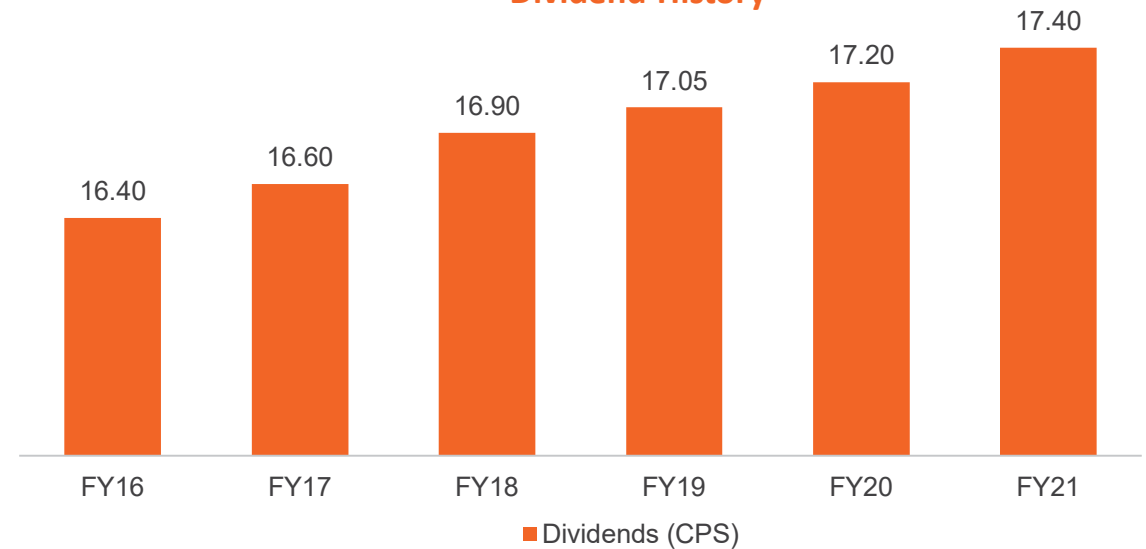
Share Price *: NZ\$3.25

Market Capitalisation *: NZ\$3.4 billion

Credit Rating: BBB+ (Standard & Poors)

* Calculation as of 29 October 2021

Dividend History



Dividend policy :

Genesis' intention is to provide shareholders with a consistent, reliable and attractive dividend. The company aims to pay out between 70% and 90% of its free cash flow.

FY22 Guidance:

\$420 million to \$440 million EBITDAF subject to normal hydrological conditions, any material one-off expenses or other unforeseen circumstances.

New Zealand Regulatory Comparison

New Zealand

- Proportional representation system, frequent multi-party governments
- One house, no upper house or states

- Legislated net-zero emissions by 2050 with near unanimous support in Parliament
- 50% net carbon reductions by 2030
- Electricity sector 5% of emissions
- Major emissions from agriculture, industrial and transport sectors
- Mandatory emissions trading scheme since 2010

- Electricity sector seen as an enabler not an obstacle to emissions reductions
- Electricity market largely unchanged since 1990s de-regulation
- Already 85% renewable; expected to be more than 95% renewable by 2030
- No retail price caps

Australia

- Bicameral Parliament system nationally
- Federal system across six states

- Recently committed to net-zero by 2050 after considerable political debate
- Electricity sector accounts for 32% of emissions
- Climate change regulations are highly political and have frequently changed
- Emissions trading scheme introduced then revoked

- Heavy and disjointed mix of federal and state policies
- Mixture of subsidies and interventions to induce renewable generation
- Regulated solar feed-in tariffs
- Frequent negative wholesale pricing
- Retail price caps set by state

United Kingdom

- Bicameral Parliamentary system
- Less predictable regulatory environment

- Net zero target by 2050 and target of 78% reduction by 2035
- Transport largest emitting sector

- Government direct investment in electricity generation
- Subsidies for wind, solar and nuclear
- Retail price caps set by regulator

Political System

Climate Regulation

Electricity Regulation

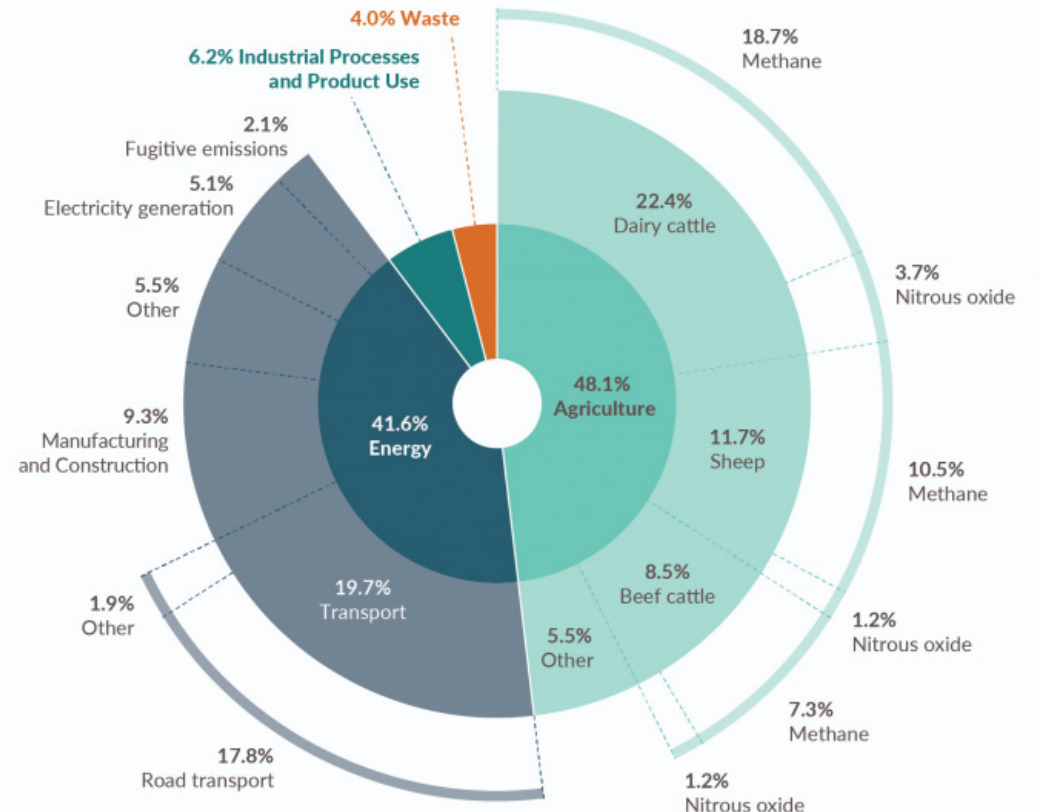
New Zealand's Climate Commitments and Emissions Reduction Plan

- New Zealand has recently announced an increase in its Nationally Determined Contribution (NDC) to the Paris Agreement.
- The new NDC is a 50% reduction of gross 2005 levels by 2030 (up from 30%) and is consistent with limiting global warming to 1.5 degrees.
- The provisional emissions budget for the new NDC is 571 Mt, down from 623 Mt.

The Government has released a draft Emissions Reduction Plan to set the direction to reduce emissions across New Zealand. The plan includes:

- Developing an energy strategy and a renewable energy target.
- Developing a plan to decarbonise the industrial sector. This includes a national direction for industrial emissions and a ban on coal boilers.
- Identifying the level of support the Government could provide for the development of low-emissions fuels, such as bioenergy and hydrogen, to support decarbonisation of industrial heat, electricity and transport.
- Supporting the regulatory environment for electricity distribution

New Zealand Gross Greenhouse Gas Emissions (2019)



Empowering New Zealand's Sustainable Future

Breaking down our purpose

Enabling New Zealand to make lower carbon choices



Leading a sustainable business in NZ

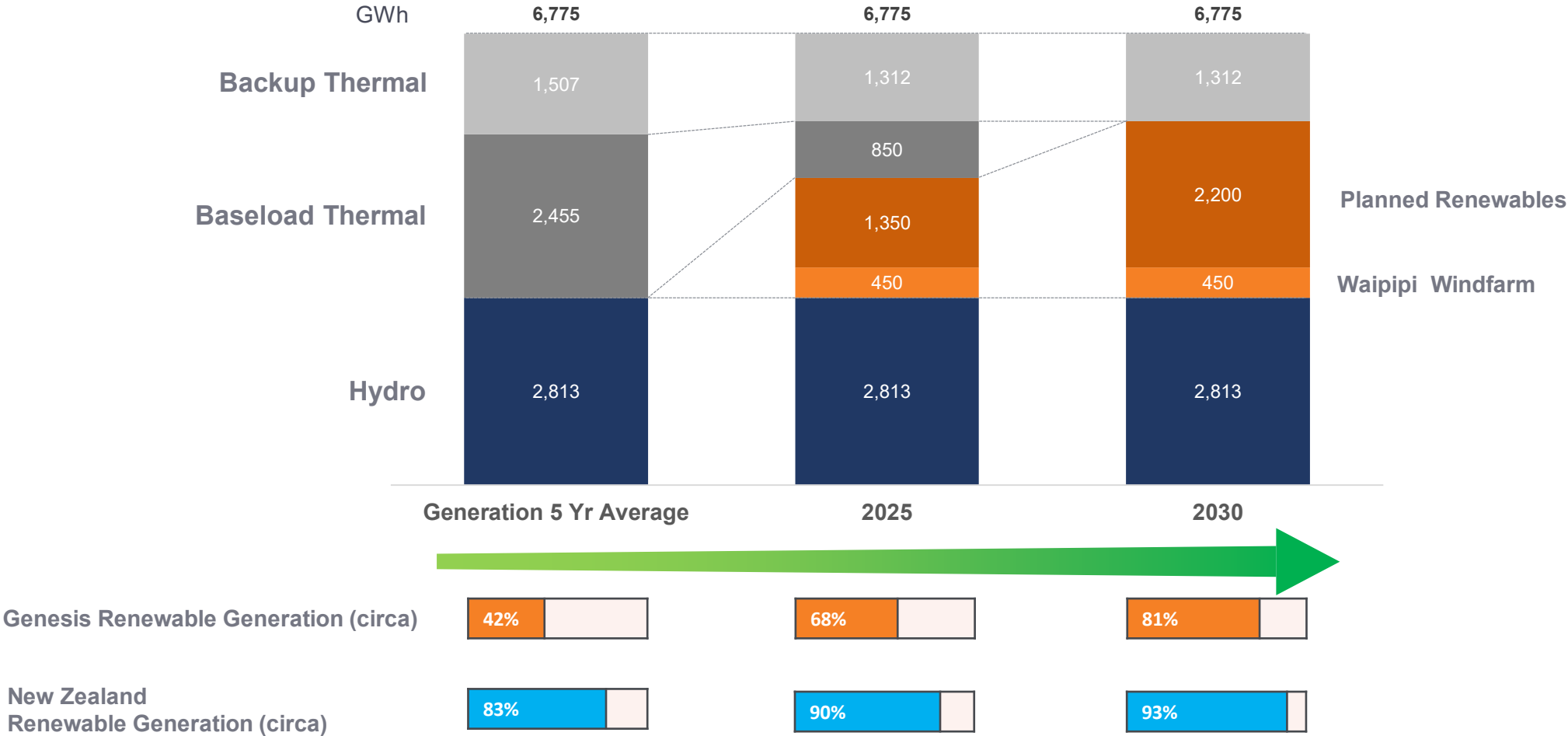


Playing our part as individuals for a more sustainable future



The Future-gen strategy will displace baseload thermal

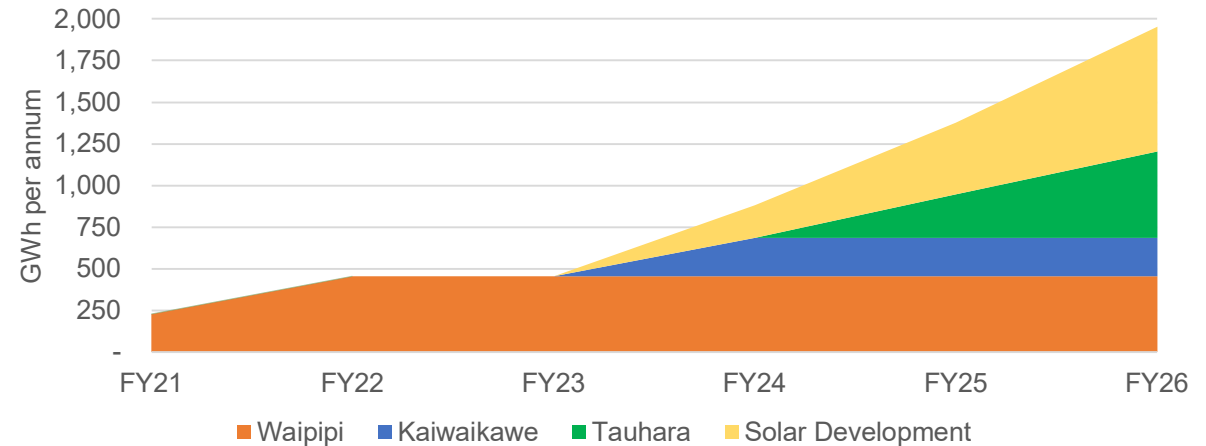
PORTFOLIO CHANGES ASSUMING FLAT DEMAND



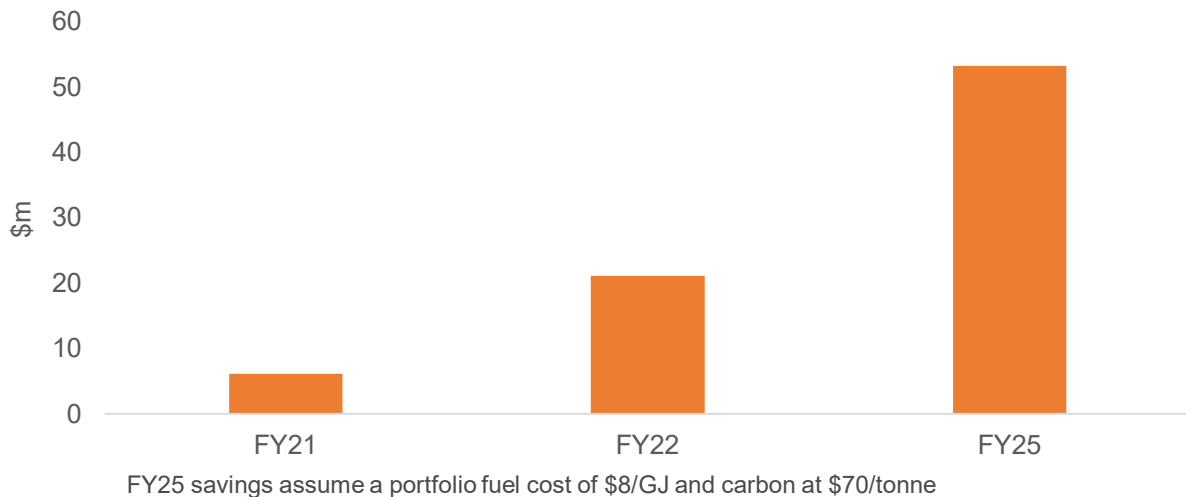
New renewables cheaper than current thermal options

- Genesis has committed to three major renewable projects to progress our Future-gen strategy:
 - The Waipipi Wind Farm** PPA became fully operational in March 2021 and is expected to provide 450 GWh of energy.
 - Kaiwaikawe** PPA will provide an additional 230 GWh of renewable energy. The Northland location will provide generation close to demand and with a favourable GWAP.
 - Tauhara** PPA partnership with Contact to support the development of 1.3 TWh of geothermal plant. Genesis has contracted 41% of the output capacity for the first 10 years.
- Genesis is to become co-developer of large scale solar in New Zealand and intends to build up to 500MW of solar capacity.

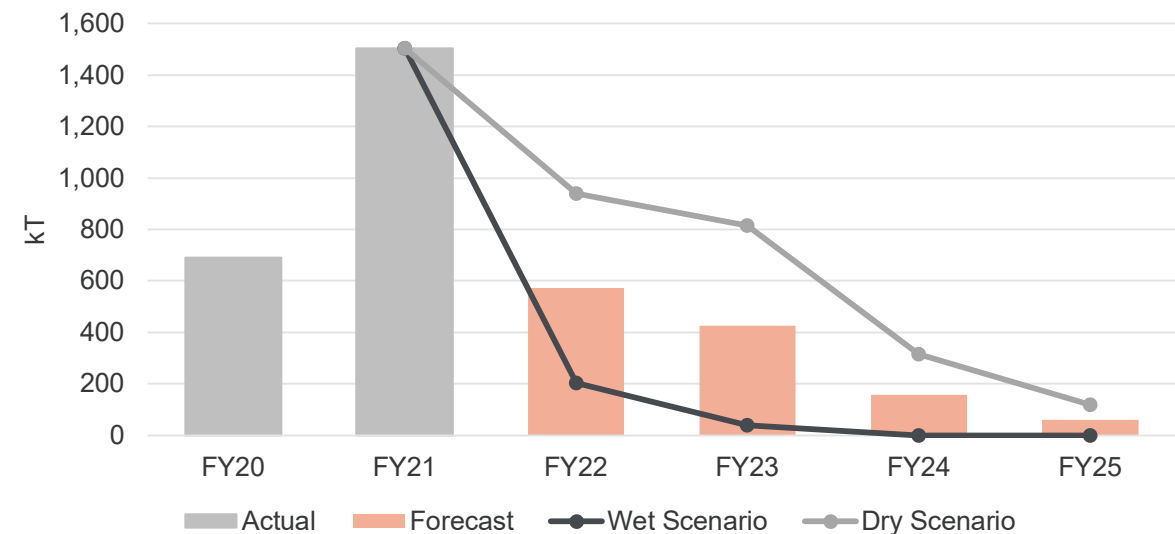
Future-gen Portfolio Pipeline



Future-gen Cost Savings



Coal Generation Expected To Rapidly Decline From FY22



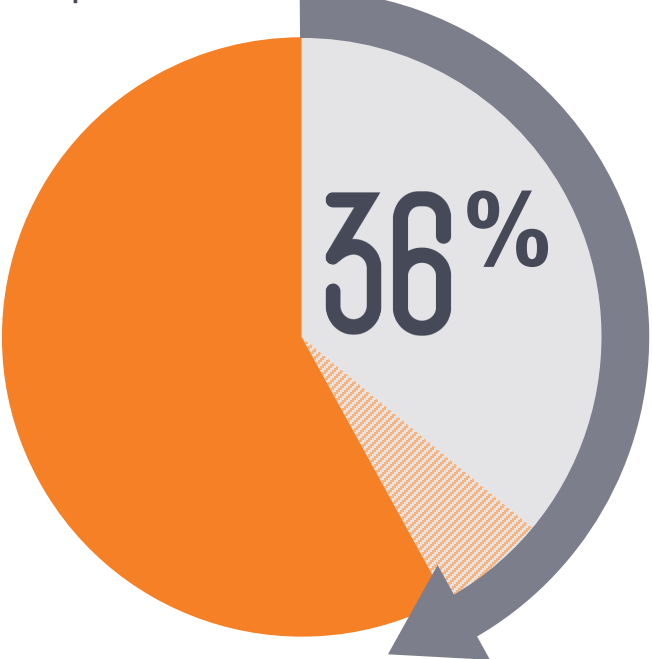
Genesis has committed to an ambitious Science Based Target to reduce carbon emissions

Target Year ¹:
2025

Reduce emissions²
by at least
1.2 million tonnes

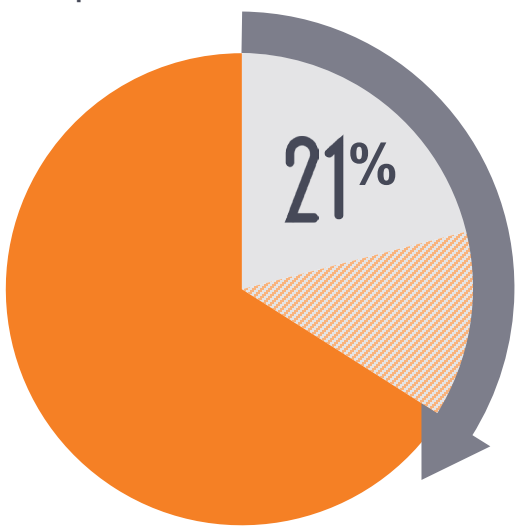
1. Target is based on our FY20 as the base year.
2. Combined scope 1, 2 & 3

Reduce direct emissions
Scope 1 & 2



Reduction for 1.5°C

Reduce indirect emissions
Scope 3



Genesis ambition

Remaining emissions



Investor relations enquiries

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