
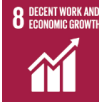











FY2023 Allocation of Proceeds Report

All proceeds from Mercury's Green Financing as at 30 June 2023 have been fully allocated against a selection of eligible assets as detailed below.

Eligible categories ¹	Sub-category	Project / asset name	Allocation of Green Financing Proceeds ²	% of Book Value Allocated ²	Generation (FY2023) ^{3,4,5}	Annual GHG emissions (FY2023) ^{3,4}	Assessed GHG impact if generation replaced by thermal generation (FY2023) ^{3,6}
  	Wind energy	Turitea wind farm	\$445.4m	62%	453 GWh 	0 ktCO ₂ e 	178 – 441 ktCO ₂ e
		Waipipi wind farm	\$230.5m	45%	425 GWh 	0 ktCO ₂ e 	167 – 414 ktCO ₂ e
		Kaiwera Downs 1 wind farm (under construction)	\$90.0m	97%	0 GWh 	0 ktCO ₂ e 	0 ktCO ₂ e
	Geothermal energy	Ngā Tamariki geothermal plant	\$141.4m	26%	736 GWh 	30 ktCO ₂ e ⁷ 	260 – 687 ktCO ₂ e
Total			\$907.3m		1,614 GWh	30 ktCO ₂ e	606 – 1,572 ktCO ₂ e

¹ The icons depict alignment with the United Nations Sustainability Development Goals of Affordable and Clean Energy, Decent Work and Economic Growth and Climate Action

² As at 30 June 2023

³ Based on 100% of plant generation, unadjusted for % of book value allocated under Green Financing Framework

⁴ The trend line represents FY2021 – FY2023 performance.

⁵ The trend line for Waipipi wind farm reflects generation contribution since Mercury acquired Tilt Renewables' New Zealand operations on 3 August 2021

⁶ In the absence of demand growth, an increase in renewable generation will typically displace thermal generation. Conversely, decreasing renewable generation would have the effect of increasing thermal generation (and emissions). Note that hydro inflow variability impacts on renewable generation (and thermal generation), and that New Zealand demand has been flat for the past 16 years. The assessed GHG impact range is based on emission intensity factors for CCGT gas plants (low end of range) and coal plants (high end of range). The emission intensity factors are estimated based on MED (2008), New Zealand Energy Greenhouse Gas Emissions 1990-2007.

⁷ Ngā Tamariki's emissions intensity has reduced by 21% since FY2021. Contributing to this reduction is a pilot project that commenced in FY2022 to capture and reinject non-condensable gases.