

Sustainability and Environmental Policy

Our commitment

We are committed to sustainability being at the core of our strategy and how we make decisions. The objective of this policy is to ensure Mercury continues to be a sustainable business in the ever-changing environment we operate within.

Sustainability is embedded into our strategic framework anchored by our purpose: **Tiakina te anamata, mā te tūhono i ngā tāngata me ngā wāhi o te inamata | Taking care of tomorrow: connecting people and place today**, and brought to life through our five aspirations across Stewardship | Kaitiakitanga, Partnerships | Kōtuitanga, Customer | Kiritaki, Our People | Ngā tāngata, and Commercial | Arumoni.

We are focused on creating sustainable value over the long-term, benefiting our shareholders, lenders, customers, employees, business partners, tangata whenua and the communities in which we operate.

This policy applies to all directors and employees (including any secondee, consultant or contractor) of Mercury.

KAITIAKITANGA | STEWARDSHIP



We are focused on:

- > Enabling Aotearoa New Zealand's low-carbon future through renewable generation
- > Exceeding environmental compliance and holding partners to our standards
- > Continually improving our Environmental Management System
- > Managing climate and nature-related risks and opportunities
- > Setting goals to improve performance, reduce emissions, and build resilience
- > Drawing on established leading practice, including mātauranga Māori, to inform our approach

KŌTUITANGA | PARTNERSHIPS



We are focused on:

- > Supporting the low-carbon transition while balancing security and affordability
- > Upholding Te Tiriti o Waitangi and recognising tangata whenua's relationship with te taiao
- > Partnering with iwi/hapū, communities and stakeholders to create shared value

KIRITAKI | CUSTOMER



We are focused on:

- > Being a trusted provider of essential services
- > Caring for all our customers, including those who are vulnerable
- > Providing a seamless experience for our customers across our product suite
- > Delivering renewable energy and supporting our customer's transition to a low-carbon future

NGĀ TĀNGATA | OUR PEOPLE



We are focused on:

- > Employee health, safety, and wellbeing
- > Embedding diversity, equity, inclusion and belonging
- > Paying our employees a fair, living wage
- > Providing a safe, respectful, and inclusive workplace
- > Supporting career growth and skill development
- > Upholding rights to fair work conditions and representation

ARUMONI | COMMERCIAL



We are focused on:

- > Operating with integrity and legal compliance
- > Considering impacts on all value drivers
- > Acting honestly and delivering on commitments
- > Expanding renewable generation to support New Zealand's low-carbon future
- > Managing contracts fairly and sustainably
- > Expecting high standards from our suppliers as extensions of our business

Engaging with our partners and stakeholders informs our approach

At Mercury, we operate in a complex environment where strong, enduring relationships with stakeholders are essential to creating long-term value. Our stakeholders include customers, employees, partners, shareholders, government and regulators, communities, Māori/iwi, suppliers, and industry participants.

Our approach to strategy recognises the interconnectedness of economic performance, social expectations, and environmental responsibility. It is based on a deep understanding of the matters that are most material to our many stakeholders and to ourselves. We recognise that what is important to these groups will change over time, so engagement needs to be regular and enduring, using appropriate direct and online communication channels. At regular intervals we seek and collect feedback from representatives of these groups to inform our understanding of what matters most to them and identify common goals.

We value our relationships with all our iwi partners, which are built on honesty and trust. We acknowledge iwi rights and interests in New Zealand are complex and have many challenges. By supporting our iwi partners in their aspirations, we believe this develops and maintains enduring long-term mutually beneficial partnerships.

Our contribution to the Sustainable Development Goals

Our activities contribute to the United Nations Sustainable Development Goals (SDGs), namely:

- > SDG7: Affordable and Clean Energy
- > SDG8: Decent Work and Economic Growth

And also supports: SDG3: Good health and well-being, SDG 5: Gender Equality, SDG9: Industry, innovation and infrastructure, SDG 10: Reduced inequalities, SDG11: Sustainable Cities and Communities, SDG13: Climate action, SDG14 Life Below Water, SDG15: Life on Land, and SDG17: Partnerships for the goals.

Governance and Responsibilities

- > **The Board** ensures sustainability is integrated into Mercury's strategy and decision-making.
- > **Executive leadership** embeds and actively promotes this integrated thinking and decision making across the business, ensuring alignment with Mercury's purpose and aspirations. This is embedded in communications and reinforced by the Chief Executive and Executive Leadership Team, both directly with the Company's employees, and through commercial partnerships, business and stakeholder relationships.
- > **All employees** play a role in upholding our commitment to sustainability in daily operations and decision-making.

We report on sustainability performance through Interim and Annual Reports, Climate-related Disclosures (including our Climate Statement, Greenhouse Gas (GHG) Emissions Inventory, and our Climate Action Plan), stakeholder engagement, standalone reports, digital platforms and social media as and when required.

Any known non-compliance with this policy should be discussed with your People Leader, HR Business Partner or General Counsel, and will be addressed in accordance with The Mercury Code and Whistleblowing Policy.

Policy Review

The Board has approved this policy. The Chief Sustainability Officer will review this policy as required but at a minimum, every two years to ensure it remains relevant and effective. Any updates must be approved by the Board.

Effective Date: 18 August 2025

Review Date: 18 August 2027

