Kiwis getting real

How authenticity is driving Electric Kiwi
Kiwiland
NZ electricity market was de-regulated in 1987, and full retail competition began in 1999 but it wasn’t until ~2010 that the Regulator began to encourage independent retailers into the market to increase competition for consumers.
Opportunity for disruption – smart meter rollout

~NZD$1 billion investment in smart meter infrastructure but incumbent players don’t use the data

[Bar chart showing the number of meters from Jan-13 to Jan-21, with a steady increase each year.]
NZ generation is ~87% renewable, with thermal generation typically used only across the peak periods.

Load shifting can unlock value for customers by aligning more load with cheaper and cleaner renewable generation.
<table>
<thead>
<tr>
<th><strong>The Electric Kiwi thesis</strong></th>
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</thead>
<tbody>
<tr>
<td>NZ’s first <strong>purely digital</strong> electricity offer with customer service performed via live chat, social media and app.</td>
</tr>
<tr>
<td>Full ownership of a proprietary end-to-end open-source <strong>technology stack</strong>.</td>
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<tr>
<td>Use <strong>smart meter data</strong> to keep overheads low and encourage customers to consume electricity at a lower financial and carbon cost.</td>
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<tr>
<td><strong>Innovative customer offer</strong> with guaranteed savings, no contracts and a free off-peak Hour of Power every day.</td>
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<tr>
<td>Expertise in management of electricity market risks. Credible, aggressive campaigning for better <strong>regulatory</strong> settings.</td>
</tr>
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</table>
Electric Kiwi is a digital challenger

**Digital platform**
- We only serve smart meters allowing for propositions that use that rich data
- We built our own IT systems using open source platforms so that we can automate almost everything and build superior customer experiences while cutting costs
- A own version of agile with a laser focus on prioritisation to achieve our strategic goals
- Minimal manual touch

**Digital product**
- Products designed to appeal to digitally savvy customers
- Hour of power enable gamification of power use, and encourages load shifting (green gamification and cost reducing)
- EK app allows customers to adjust settings on their account without interacting with us
- Probably the best mobile joining experience in NZ

**Digitally savvy customers**
- Our brand is designed to appeal to the digitally savvy Kiwis who are profitable for us
- We do not spend time and effort outside of our target markets
- Customers happy to chat with us online, pay online, and 90% join online without us having talked to them

**Digital channels**
- We target digitally savvy customers using segmentation
- Social media is a key acquisition channel, both via ads and community management
- Even our awareness layer is highly targeted via on-demand TV as opposed to traditional awareness layers
A low cost, high value IT stack

Open source
- Has gone mainstream
- Leverages worldwide software development
- Changes easier and lower cost to implement
- Removes client/vendor relationship complexity

Agile
- Minimum viable product
- Constant focus on priorities

Automation
- What can we automate? Nearly everything
- Team focus on working on high value customer interactions, not low value task processing
Innovative proposition

Guaranteed savings
We're so sure you'll save in your first year, we guarantee it.

No contracts
No break fees. No catches.

Award winning service
Proud recipients of a 2020 Consumer People’s Choice Award, and the 2020 Canstar Blue Most Satisfied Customers Award - Electricity.

The Electric Kiwi App
Update your Hour of Power, analyse your usage and more.

Free hour of off-peak power daily
All electricity used during that hour is free each day. Change your hour as often as you like.

Flexible billing options
Pay weekly, fortnightly or monthly on the day that you choose.

Pick your Plan
We have three pricing plans - Kiwi, Loyd Kiwi and Stay Ahead 200. Pick the plan that suits you.
Brand on a page

The heart of the Electric Kiwi brand is to Do business the Kiwi way

Brand personality

Challenger
the smaller guy here to find a better way, with Kiwi smarts and ingenuity

Humble Kiwi
down to earth, optimistic, not taking itself too seriously, sometimes quirky, sometimes self-deprecating and always...

Honest
straight-up but friendly, we do call out the bullshit when needed, but in a non-accusing Kiwi kind of way.

Nostalgic
we nod to the simple times when our families grew up or the NZ they want for their kids (freedom, uncomplicated, egalitarian). The life we stand for, protect and celebrate.

The role of the brand is to help us achieve our vision which is to be NZ’s most loved power company.

We represent an honest and humble representation of Kiwi life, and we empower our people to be themselves to make this real and authentic. We are not a big corporate and we are proud of that. As with most Kiwis, we enjoy having a bit of fun, generally at our own expense, but if we see something that is not how it should be, we will call that out.
We are different

We bring authenticity to every interaction, making us nothing like anybody else.

<table>
<thead>
<tr>
<th>Compelling products</th>
<th>Authentic</th>
<th>Customer advocates</th>
</tr>
</thead>
<tbody>
<tr>
<td>We offer Guaranteed savings, no contracts and an hour of free of peak power every day. That alongside our flexible billing and award winning service provide a compelling rational reason to join us.</td>
<td>Since late 2018 all Electric Kiwi adverts have been made in house with employees of Electric Kiwi and their kids, in addition the writing, shooting and production is managed in house by our marketing team.</td>
<td>We are not shy of calling out bad behaviour from the other power companies, and we have been a strong voice for change in NZ this includes being instrumental in a recent UTS complaint (undesirable trading situation) as well we the removal of win backs from our market.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Simple Innovation</th>
<th>Award winning service</th>
<th>Agile</th>
</tr>
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<tr>
<td>We always look for simple, fair and clever ways to solve issues. An example is our Loyal Kiwi plan. This plan gives customers a better rate in exchange for their loyalty. But there is no contract or penalty for leaving. We just take people on their word. This is a very Kiwi way to do business.</td>
<td>We serve most of our customers via live chat, and this is open 7 days and has very low wait and abandon times. Recently we were rewarded by winning the two most prestigious awards for customer service in NZ (from Consumer and Canstar Blue)</td>
<td>Electric Kiwi have used open source platforms to develop its internal CRM, online customer experience and mobile app. This allows Electric Kiwi to be nimble in an ever-changing environment while continue to keep costs down.</td>
</tr>
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</table>
The Key: Our People
Authentic alignment between our brand values and our core values

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Core Values
Make a Dent
We want to make a difference for our people, our customers and our world. We think BIG. If we get it wrong we try even harder.

Be Brave
We have the courage to take a risk. We trust and empower our people to be their best. We lead. We do the right thing even when it hurts.

Good Eggs
We warmly welcome people and ideas. We are straight up Kiwis who have respect for others.

Enjoy the ride
We have fun. We don’t take ourselves too seriously. We enjoy our work and we celebrate our success.

The role of the brand is to help us achieve our vision which is to be NZ’s most loved power company.
Outcomes

New Zealand’s most loved power company

Switching Preference

Electric Kiwi has become even more competitive when it comes to preference, showing a significant increase in score over the past quarter. This has resulted in Electric Kiwi becoming the most preferred provider to switch to in the NZ Energy market as of August 2020.

Q. Of those companies you would consider changing to, which would be your main preference to change to?

<table>
<thead>
<tr>
<th>Company</th>
<th>August 2020</th>
<th>Past 12 Months Trending</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electric Kiwi</td>
<td>12%</td>
<td>12%</td>
</tr>
<tr>
<td>Meridian Energy</td>
<td>8%</td>
<td>7%</td>
</tr>
<tr>
<td>Genesis Energy</td>
<td>8%</td>
<td>7%</td>
</tr>
<tr>
<td>Contact Energy</td>
<td>8%</td>
<td>5%</td>
</tr>
<tr>
<td>Mercury Energy</td>
<td>6%</td>
<td>5%</td>
</tr>
<tr>
<td>Trustpower</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>Nova Energy</td>
<td>6%</td>
<td>5%</td>
</tr>
<tr>
<td>Powershop</td>
<td>5%</td>
<td>4%</td>
</tr>
<tr>
<td>Flick Electric</td>
<td>3%</td>
<td>2%</td>
</tr>
<tr>
<td>Slingshot Power</td>
<td>3%</td>
<td>2%</td>
</tr>
<tr>
<td>Pulse Energy</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Electricity</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>EnergyClub</td>
<td>1%</td>
<td>0%</td>
</tr>
</tbody>
</table>

Base: All except current customers.
NZ Headwinds….

NZ Wholesale Electricity Prices (average monthly final price)

- A sustained period of high wholesale prices
- Wholesale prices predominantly set by fossil fuels even though fossil fuels are only the marginal fuel ~30% of the time
- EA wholesale market review confirms that Meridian is pivotal ~90% of the time
- Increasing acceptance that the market is no longer fit for purpose
- 100% renewable target hard to achieve when all generators are rewarded for fossil fuels being the marginal fuel
- Separation between wholesale and retail price paths…
- Flood of exits by non vertically integrated retailers
- Switching rates (competition) is declining

Entry/Exit of retailers- NZ Electricity Market

NZ Switching Rates
What to do…

Like lots of Kiwis faced with a lack of opportunity at home….
- Look abroad
- Now the fastest growing electricity retailer in Australia
- ~70,000 customers in Australia
- Investigating 2 northern hemisphere markets
Electricity
Authority
Certification

Electric Kiwi
Soft launch

Start up
Challenger
Prefered brand
Accelerate
Energy expansion

Canstar Blue award - Most satisfied customer for electricity providers

Deloitte FAST50
Fastest growing NZ business

Most loved power company in NZ. NPS over 60.

100% NZ coverage

South Australia launch

Victoria launch

ReAmped launch in QLD and NSW

Gas in AU

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