



Director Remuneration Policy

1. Purpose

Contact is committed to ensuring that the remuneration of its directors is transparent, fair and reasonable. This Policy sets out the guidelines and requirements of Contact in relation to the setting and payment of director remuneration.

2. Application

This policy applies to directors of Contact Energy Limited.

3. Key principles

- Director remuneration is designed to attract, reward and retain high performing people who are able to enhance the company's performance.
 - Contact regularly reviews and benchmarks director remuneration to ensure it is attracting and retaining top level talent for its growing business from both the domestic and international talent pools. Director remuneration is key to securing the appropriate skills and experience necessary to achieve business objectives and to generate shareholder value. It is set at a level that recognises the time commitment and responsibilities of the role.
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4. Remuneration components

- Directors' remuneration comprises:
 - (a) For the Chair, a fixed annual cash base fee reflective of the complexity, time commitment and responsibilities of the role of Chair.
 - (b) For each other director, a fixed annual cash base fee reflective of the complexity, time commitment and responsibilities of the role of director.
 - (c) Additional fees paid to individual directors (though not to the Board Chair) for Board committee roles, reflecting the additional responsibilities and time commitments of those positions; and
 - (d) Board-approved payments from the director fee pool for work performed, or time spent, in addition to directors' usual Board and committee responsibilities. This may include additional fees paid to overseas-based directors to reflect time spent travelling to Board meetings.
- Contact does not provide equity-based remuneration to directors. However, subject to personal circumstances, directors are encouraged to hold a minimum of 20,000 Contact shares within three years of appointment, to further align their interests with those of Contact's shareholders.
- Directors will not receive a retirement allowance or any equivalent fee at the end of their term of office.
- Directors will not receive loans from the company and the company will not provide any guarantees for loans to directors.

5. Remuneration determination

- Director remuneration is reviewed by the People Committee each year taking into account the time commitment, responsibilities, skills and performance of directors and the complexity of matters considered by the Board, with recommendations made to the Board for approval. From time-to-time specialist consultants may be engaged by the Board to provide independent advice on the appropriate level of director fees including benchmarking against relevant comparators.
 - The total amount of fees available to be paid to directors each year is approved by shareholders (the **Fee Pool**). The allocation of actual fees paid to directors each year must not exceed the Fee Pool. Where an increase to the Fee Pool is considered appropriate, the Board will engage an independent consultant to undertake a benchmarking exercise to assess the appropriateness of the fees being paid to directors. If, following review of the consultant's report, the Board considers that an increase to the Fee Pool is appropriate, a recommendation will be made to shareholders to increase the Fee Pool at the next Annual Shareholder Meeting. A summary of the findings of the independent consultant's report will be made available for shareholders to consider before the meeting.
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6. Expenses and expenditure

- Directors are entitled to the reimbursement of expenses incurred during the course of their duties. Contact will meet the costs of:
 - All travel directly associated with attendance at Board and committee meetings, Board trips and Board business
 - Any costs associated with a director's attendance at functions where the director is representing the Company; and
 - Any other costs directly associated with the director's performance of his or her role.
 - All directors' expenses are approved by the Board Chair. The Chair's expenses are approved by the Chair of the Audit and Risk Committee.
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7. Compliance and Reporting

- Compliance with this Policy will be periodically monitored by the General Counsel and Company Secretary.
 - In accordance with the NZX Corporate Governance Code and section 211(1)(f) of the Companies Act 1993, actual director remuneration will be clearly disclosed in the Company's annual report, including a breakdown of remuneration for committee roles and for fees and benefits received from any other services provided to Contact Energy Limited.
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8. Document control

Approved	May 2024	Document owner	General Counsel and Company Secretary
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