Date: July 2026
Business unit: Generation & Trading

Non-discrimination Policy for trading of Risk Management Contracts

1. Purpose

Contact Energy is committed to fostering a competitive and transparent electricity market. This Policy sets out how Contact complies with the six Non-discrimination Obligations (“**NDOs**”) under the Electricity Industry Participation Code ("**the Code**") when trading Risk Management Contracts.

2. Application

This Policy applies to:

- all employees (including secondees, contractors, and consultants) of Contact and its subsidiaries, involved in:
  - the supply, pricing, negotiation, approval, and management of Risk Management Contracts; and
  - retail pricing decisions relevant to the Retail Price Consistency Assessment (**RPCA**);

and

- all interactions:
  - between Contact’s retail business unit and other areas of Contact’s business involved in the supply, pricing negotiation, approval, and management of Risk Management Contracts, and
  - with external Buyers of Risk Management Contracts.

3. Non-discrimination Commitment

3.1 Contact is committed to conducting its wholesale trading activities in a manner that is fair, transparent and non-discriminatory.

3.2 In supplying and managing Risk Management Contracts, Contact will act in good faith and ensure that all Buyers are treated even-handedly, and that its internal business units do not receive preferential treatment over external counterparties.

3.3 This commitment applies across all aspects of our dealings, including supply, pricing and non-price terms, credit and collateral requirements, access to commercial information, and the handling of confidential information. Any differences in treatment will be based on legitimate, objectively justifiable factors and supported by appropriate evidence.

3.4 Contact will maintain appropriate systems, controls and records to demonstrate compliance with these obligations.

3.5 The processes Contact will apply to comply with the six Non-discrimination Obligations and avoid Discriminatory treatment are set out in a Non-discrimination Procedure.

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4. Definitions

For the purposes of this Policy:

Buyer: means the entity who is seeking to obtain a Risk Management Contract and:

(a) in respect of a contract for differences, the fixed-price payer, being the party obliged to make payments at a fixed price from time to time during the term of the contract; or

(b) in respect of a fixed-price physical supply contract, the purchaser of electricity; or

(c) in respect of an options contract, the party paying the premium, or if there is no premium, the party specified as the buyer in the contract.

Characteristics: means the type of Risk Management Contract, timing, volume, shape, location, term, duration, load factors (including seasonal demand), conditions of interruptibility, plant availability (including outages).

Discrimination: means engagement in differential treatment except to the extent a particular difference in treatment is for Objectively Justifiable Reasons; and Discriminate and Discriminatory have corresponding meanings.

Generation Investment Risk Management Contract: means a subset of Risk Management Contracts that serve to underwrite generation investments for Contact. Examples include long-term offtake PPAs or Risk Management Contracts that are linked to a generation source. The supply and pricing considerations of these contracts is assessed on a different basis to standard Risk Management Contracts due to their role in underwriting new generation investment, and their commercial value and risk. Further detail on the process for negotiating these types of contracts can be found in Contact's Non-discrimination Procedure.

Intolerable Risk: Contact will determine whether or not an intolerable risk position arises with reference to Contact's:

(a) Commodity Risk Management System (CRMS), which includes the Board-approved risk exposure limits in the Commodity Risk Management Policy and Management approved CRMS Directives. The relevant tests are outlined in Contact's Non-discrimination Procedure.

(b) Channel Management, which reflects Contact's expectation of its forecast ability to offer Risk Management Contracts backed by its portfolio in the medium- to long-term having regard to the volume and diversity of sales across its sales channels.

For example, an Intolerable Risk position may arise where Contact's expected forecast ability to back the requested Risk Management Contract with generation is insufficient having regard to the amount of generation that Contact reasonably expects to need to supply electricity to its meet its existing commitments.

Objectively Justifiable Reason: means a reason for differential treatment of a Buyer that is reasonable, proportionate and based on legitimate commercial, legal or risk-based considerations, supported by appropriate evidence and applied consistently and in good faith.

An Objectively Justifiable Reason may include, without limitation:

- the Risk Management Contract would give rise to an Intolerable Risk position for Contact;
- the creditworthiness or risk profile of the Buyer including Contact's overall exposure to the Buyer;
- whether the Risk Management Contract will be backed using Contact's portfolio or using other risk management products (such as ASX futures);
- the requested Risk Management Contract is not a product, structure or transaction type approved under Contact's Commodity Risk Management System (CRMS), or would otherwise fall outside the scope of Contact's approved trading mandates, policies or delegated authorities;
- the prevailing wholesale electricity market and carbon market conditions, including price and liquidity, at the relevant time of the request for a Risk Management Contract;
- the Characteristics of the requested Risk Management Contract;
- the requested Risk Management Contract would not be commercially viable, having regard to demonstratable portfolio risk, market risk, or optionality foregone;
- concentration risk in respect of (i) a particular sales channel, (ii) the Characteristics of a Risk Management Contract, (iii) counterparty, or (iv) the total face value of Risk Management Contracts sold in any month;
- the Risk Management Contract is a 'Generation Investment Risk Management Contract';
- pricing outcomes determined through a competitive market-based process, including open tenders;
- discounts for social purposes that may be applied to certain limited customer groups, for example serving vulnerable customers, or to support hardship services; and/or
- the need to comply with, or to manage, legal, regulatory, competition law or market conduct risk arising from applicable laws, regulations, industry codes or market rules.

Risk Management Contract: means

(a) a contract for differences; or

(b) a fixed-price physical supply contract; or

(c) an options contract; or

(d) any other contract prescribed by the Electricity Authority as a risk management Contract, but

(e) does not include a Financial Transmission Right (FTR); and

(f) does not include a Materially Large Contract (MLR) regulated under subpart 7 of Part 13 of the Code.

5. Obligation 1 – Non-Discriminatory supply and pricing

Supply and Pricing of Risk Management Contracts

5.1 Contact will offer Risk Management Contracts in response to all reasonable Buyer requests, unless it has an Objectively Justifiable Reason not to do so. In determining the terms of any Risk Management Contract offered, Contact will take into consideration prevailing market prices.

5.2 When pricing or supplying Risk Management Contracts, Contact will not Discriminate:

- between Buyers; or
- against Buyers in favour of its own internal business units,

except to the extent a particular difference in treatment is for an Objectively Justifiable Reason.

5.3 In determining whether an Objectively Justifiable Reason exists, Contact will assess the relevant circumstances at the time of the decision and be satisfied that the proposed difference in treatment:

- is based on legitimate commercial, legal, regulatory or risk management considerations;
- has a clear and rational connection to the circumstances giving rise to the decision;
- is proportionate in the circumstances;
- can be substantiated by appropriate evidence and analysis;
- is applied consistently and in accordance with this Policy having regard to comparable circumstances; and
- is consistent with Contact's risk management framework, including its Commodity Risk Management Policies and Directives, delegated authorities and governance requirements.

5.4 Contact will retain appropriate records and evidence to support its assessment, which may include (as applicable):

- A record of the request, the decision and the rationale for the outcome;
- Documentation to evidence any determination of an Intolerable Risk position;
- Generation forecasts, portfolio positions, and documentation evidencing Contact’s ability (or inability) to support the requested Risk Management Contract, having regard to its existing commitments;
- Analysis relating to expected generation requirements for existing and prospective contracts which are expected to conclude imminently;
- Credit assessments and supporting financial, exposure and risk data;
- Market data, pricing inputs, or forward price assessments used to determine Contact’s view of market pricing at the relevant time;
- Analysis of prevailing market conditions;
- Documentation relating to the Characteristics of the request;
- Tender documentation for any competitive or market-based processes;
- Legal or regulatory analysis, where relevant; and
- Any other relevant information or analysis reasonably relied upon in making the decision.

5.5 Further details of the processes Contact has in place to meet the non-discriminatory supply obligation are set out in the Non-discrimination Procedure.

5.6 Where Contact is unable to offer a Risk Management Contract in response to a Buyer's reasonable request due to an Objectively Justifiable Reason, Contact will, for the relevant period or circumstances, not supply Risk Management Contracts with comparable characteristics, backed by its own generation, to its internal business units, except where required to meet existing commitments.

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6. Obligation 2 – Obligation to trade in good faith

6.1 Contact will ensure that our engagement with Buyers is fair, consistent, and undertaken in good faith. This will be based on the approach set out in the Voluntary Code of Conduct For Participants in New Zealand's OTC Market and underpinned by trading practices and processes set out in the Non-discrimination Procedure.

6.2 Contact's engagement with Buyers will be underpinned by trading practices and processes which are reasonable, efficient, and transparent:

- Contact will engage with Buyers in a collaborative manner and will communicate clearly and transparently.
- Contact will act honestly and without intent to mislead Buyers.

6.3 Contact will ensure that our staff trading Risk Management Contracts will have the requisite skills, training, and support to perform their roles efficiently, effectively and professionally.

6.4 Contact will engage with Buyers in a timely and constructive way and will use reasonable endeavours to meet the required timelines of Buyers' requests. Contact will indicate where it may not be able to achieve a Buyer's requested timeline, and communicate delays, issues or constraints as soon as reasonably practicable.

6.5 Buyers are expected to engage with Contact in a collaborative manner consistent with reasonable commercial practice. This includes:

- Submitting requests that are clear and complete to Contact's Forward Markets team at fmarkets@contactenergy.co.nz.
- Submitting requests in good faith, including only issuing a request for a Risk Management Contract where there is a genuine intention to transact, and acting honestly and without intent to distort market outcomes.
- Allowing reasonable timeframes for Contact to assess and respond to requests, having regard to their complexity and size.
- Engaging constructively with Contact and providing relevant information where reasonably required to support assessment (including credit information).

6.6 Contact is committed to supporting the integrity and effective operation of New Zealand's wholesale electricity market. Where Contact becomes aware of Buyer conduct that it reasonably considers may be inconsistent with applicable laws, regulations, industry codes, market rules, or the principles of good faith participation described in this Policy, Contact may take such steps as it considers appropriate in the circumstances. This may include seeking further information, engaging with the relevant Buyer, maintaining records of the conduct, and, where appropriate, raising the matter with the Electricity Authority or another relevant regulatory body.

7. Obligation 3 – Objective credit assessments

7.1 Contact will ensure that its credit terms and collateral arrangements relating to the supply of Risk Management Contracts to Buyers reflect a reasonable, consistent and transparent assessment of the risk of trading with each Buyer.

7.2 Contact will achieve this by:

- Following an established and consistent process for the assessment and management of credit risk for Buyers of Risk Management Contracts.
- Assessing creditworthiness using a range of relevant information, including information provided by the Buyer, such as the Buyer's corporate structure and ownership, financial information, market risks, previous payment history, external credit ratings, and Contact's overall exposure to Buyer.
- Conducting credit assessments in a timely, efficient and transparent manner, and advising Buyers of the reasons for credit decisions.
- Advising Buyers when a credit decision is reasonably expected, and notifying them of any delays, issues, or decisions.
- Offering credit terms that are consistent with the outcome of the assessment, and, where appropriate, considering and discussing a range of credit options with the Buyer.

7.3 Further details of the credit assessment process Contact has in place to meet this obligation are set out in the Non-discrimination Procedure.

8. Obligation 4 – Equal access to commercial information

8.1 Contact will manage access to commercial information relating to Risk Management Contracts in a fair and non-discriminatory manner. In particular, Contact will ensure that our internal business units that compete with Buyers do not receive a competitive advantage over Buyers through access to such information.

8.2 Contact will achieve this by:

- Ensuring that any commercial information relating to Risk Management Contracts made available to internal business units that compete with Buyers is also made available to Buyers at the same time.
- Withholding certain commercially sensitive information from both our internal business units that compete with Buyers and external Buyers, where necessary to protect against public disclosure of that information.
- Ensuring that any commercial information provided to our internal retail business units in relation to Risk Management Contracts is not used in a manner that undermines the Non-discrimination Obligations.

8.3 Contact will not share commercial information relating to Risk Management Contracts with internal business units that compete with Buyers where such sharing could undermine fair and effective competition, including by facilitating tacit collusion or distorting competitive dynamics. This includes circumstances when Contact's internal business unit would receive the information exclusively or ahead of the rest of the market. For example, Contact will not share methodologies for pricing of Risk Management Contracts or forecasts of Contact's current or future capacity to supply Risk Management Contracts.

8.4 Further details of the information management requirements and supporting controls are set out in the Non-discrimination Procedure and the Information Control Procedure.

9. Obligation 5 – Protection of Buyer confidential information

9.1 Contact will protect Buyer confidential information and will not use that information for any purpose other than that for which it was provided.

9.2 Contact will not disclose Buyer confidential information to any of our internal business units that compete with Buyers where disclosure would, or would be likely to, provide a competitive advantage to those internal business units.

9.3 Contact will not disclose Buyer confidential information to any third party except where necessary for the provision of Risk Management Contracts to that Buyer.

9.4 Further details of the information management requirements and supporting controls are set out in the Non-discrimination Procedure and the Information Control Procedure.

10. Obligation 6 – Record keeping

10.1 Contact will establish, maintain and retain records sufficient to demonstrate compliance with the Non-discrimination Obligations and this Policy, including:

- Contact's methodologies for the pricing of Risk Management Contracts;
- Decisions relating to the supply and pricing of Risk Management Contracts, including any Objectively Justifiable Reasons for differential treatment of Buyers or where a Buyer request for a Risk Management Contract is declined;
- Internal approvals, reviews, and assurance activities;
- Any complaints relating to conduct that may constitute a breach of the Non-discrimination Obligations, including the investigation and outcome in each case;
- Calculations and supporting data for the Retail Price Consistency Assessment; and
- Documented methodologies and assumptions underpinning the Retail Price Consistency Assessment.

11. Retail Price Consistency Assessment (RPCA)

11.1 Contact will undertake a Retail Price Consistency Assessment (RPCA) at the intervals required by the Code, to assess the margin between its retail pricing and input costs, including the expected cost of electricity supply. This will support its compliance with the obligation not to Discriminate against Buyers in favour of its own internal business units when pricing Risk Management Contracts.

11.2 The RPCA will be prepared in relation to the customer groups specified in the Code for each network reporting region, as well as on an aggregated national basis.

11.3 Contact will maintain appropriate records and supporting data for the RPCA, including methodologies, inputs, the composition of the hypothetical hedge portfolio, key assumptions and material judgements made, and the results.

12. Training, Compliance & Monitoring

12.1 Contact will provide training to all persons to whom this Policy applies to ensure they have the knowledge and skills required to comply with the Non-discrimination Obligations. Contact will also provide appropriate managerial and organisational support to underpin compliance.

12.2 Contact will carry out regular monitoring and internal assurance reviews of compliance with this Policy and the Non-discrimination Obligations.

13. Breach and Complaints Procedure

13.1 Breaches of this Policy will be addressed in accordance with Contact's established governance, compliance, and disciplinary frameworks for the identification, reporting and management of non-compliance. This includes escalation to the General Counsel, and investigation and remediation in accordance with the Code of Conduct.

13.2 Where any person raises a concern or complaint with Contact about conduct that may constitute a breach of the Non-discrimination Obligations, Contact will ensure that the matter is investigated and appropriate action taken in response.

14. Monitoring, Assurance, and Audit

14.1 Contact will:

- monitor compliance with this policy;
- respond promptly to any identified issues or potential non-compliance; and
- support any internal assurance processes required under the Code, or as part of our internal audit planning, in accordance with our Business Assurance Framework;
- support external audits in line with our External Audit Policy.

15. Roles and Responsibilities

Policy Owner	Chief Financial Officer
Trading of Risk Management Contracts	Head of Wholesale Market
Credit assessments	Treasury Enterprise Lead
Record Keeping	Market Risk Enterprise Lead, Finance
Internal compliance reviews	Head of Risk
Monitoring of obligations	Regulatory and Legal teams
System and document access controls	Technology Team

16. Policy Governance

16.1 This policy is approved by Contact's Board.

16.2 It will be reviewed at least annually, and whenever material changes occur to the:

- Non-discrimination Obligations;
- Retail Price Consistency Assessment requirements; or
- relevant Code provisions.

17. Related Documents

List of related documents:

- Non-discrimination Procedure
- Information Control Procedure
- Commodity Risk Policy
- CRMS Directives

18. Document control

Version	1
Approved	June 2026
Document owner	Chief Financial Officer
Next review date	June 2027