



**Building a better working world**

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## Independent assurance report on Greenhouse Gas (GHG) emissions to the Directors of Contact Energy Limited

### Our Conclusions:

#### Reasonable Assurance Opinion for Scope 1, Scope 2 and Scope 3 (use of sold products) GHG emissions

- ▶ In our opinion, the Scope 1, Scope 2 and Scope 3 (use of sold products) GHG emissions for the year ended 30 June 2023, as reported in the 2023 Greenhouse Gas Emissions Inventory Report, are presented, in all material respects, in accordance with the Criteria defined below.

#### Limited Assurance Conclusion for Scope 3 GHG emissions except for use of sold products

- ▶ Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe Contact Energy Limited’s Scope 3 GHG emissions, except for use of sold products (which has reasonable assurance, as noted above), for the year ended 30 June 2023, as reported in the 2023 Greenhouse Gas Emissions Inventory Report, has not been prepared, in all material respects, in accordance with the Criteria defined below.

### Reasonable Assurance Scope

We have undertaken a reasonable assurance engagement for Contact Energy Limited (“Contact”) over the following GHG emissions sources contained in Contact’s 2023 Greenhouse Gas Emissions Inventory Report, (the “Report”):

Scope	Category
Scope 1	Stationary Combustion
	Mobile combustion
	Fugitive emissions
	Simply Energy - Mobile combustion
	Western Energy - Mobile combustion
Scope 2	Electricity consumption (location based)
	Simply Energy - Electricity consumption (location based)
	Western Energy - Electricity consumption (location based)
Scope 3	Use of sold products

### Limited Assurance Scope

We have undertaken a limited assurance engagement for Contact over the following Scope 3 GHG emissions contained in Contact’s 2023 Greenhouse Gas Emissions Inventory Report:

Scope	Category
Scope 3	Purchased goods and services
	Capital goods
	Fuel and energy related activities
	Upstream distribution and transportation
	Waste
	Business travel
	Employee commuting
	Downstream leased assets
	Franchises

Together, Scope 1, Scope 2 and Scope 3 GHG emissions are referred to as the “Subject Matter”.

Other than as described in the preceding paragraphs, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express an opinion on this information.

### Criteria applied by Contact

In preparing the Subject Matter, Contact applied the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (“the GHG Protocol”) (Criteria). The Criteria can be accessed on the Greenhouse Gas Protocol’s website. GHG emissions factors are sourced from:

- ▶ New Zealand Ministry for the Environment’s 2022 Guidance for Voluntary Corporate



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- Greenhouse Gas Reporting
- ▶ Geothermal field unique emissions factors approved under the Climate Change (Unique Emissions Factor) Regulations 2009
- ▶ Geothermal field default emissions factors set under the Climate Change (Stationary Energy and Industrial Processes) Regulations 2009
- ▶ IPCC (2007) Fourth Assessment Report
- ▶ UK Government GHG Conversion Factors for Company Reporting
- ▶ Motu (2014) New Zealand: A Preliminary Consumption-Based Analysis

### Contact's responsibilities

Contact's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Report such that it is free from material misstatement whether due to fraud or error.

### EY's responsibilities

Our responsibility was to express limited and reasonable assurance conclusions on the noted Reasonable and Limited assurance scopes.

We conducted our engagement in accordance with the International Standard for Assurance Engagements (New Zealand) ISAE 3410 Assurance engagements on Greenhouse Gas Statements ('ISAE (NZ) 3410') and the International Standard for Assurance Engagements (New Zealand) ISAE 3000: Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE (NZ) 3000), and the terms of reference for this engagement as agreed with Contact on 20 December 2022. For the reasonable assurance engagement, these standards require that we plan and perform our engagement to obtain reasonable assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. For the limited assurance engagement, these standards require that

we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report.

The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

### Our independence and quality management

We have maintained our independence and confirm that we have met the requirements of the Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our ethical responsibilities in accordance with these requirements. We confirm we have the required competencies and experience to conduct this assurance engagement.

Ernst & Young applies Professional and Ethical Standard 3 which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

### Description of assurance procedures performed

The limited assurance procedures we performed were based on our professional judgement and included, but were not limited to:

- ▶ Conducting interviews with personnel to understand the business and reporting process
- ▶ Assessing organisational and operational boundaries to test completeness of GHG emissions sources
- ▶ Identifying and testing assumptions supporting the calculations
- ▶ Undertaking analytical procedures on the GHG emissions and energy data to check the



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- ▶ reasonableness of trends
- ▶ Testing that emissions factors and methodologies have been applied in accordance with the criteria
- ▶ Reviewing the presentation of the information within the 2023 Greenhouse Gas Emissions Inventory Report

Additional assurance procedures performed for the reasonable assurance scope were based on our professional judgement and included, but were not limited to:

- ▶ Conducting a site visit to Te Mihi geothermal power station
- ▶ Checking the physical locations of measurement devices for completeness
- ▶ Checking the flow of information from site measurement devices through to calculation spreadsheets
- ▶ Assessing the application of calculations for geothermal emissions
- ▶ Checking calibration certificates for a sample of measurement devices

We believe that the evidence we have obtained is sufficient and appropriate to provide the basis for our reasonable and limited assurance conclusions.

### Inherent Limitations

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

The Greenhouse Gas quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of GHGs. Additionally, GHG procedures are subject to estimation and measurement uncertainty resulting from the measurement and calculation processes used to

quantify emissions within the bounds of existing scientific knowledge.

### Additional Inherent Limitations - Limited Assurance Scope

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

### Additional Inherent Limitations - Reasonable Assurance Scope

While our procedures performed for our reasonable assurance engagement are of a higher level of assurance, due to the use of sampling techniques, it is not a guarantee that it will always detect material misstatements.

### Other matters

We have not performed assurance procedures in respect of any information relating to prior reporting periods, including those presented in the Subject Matter.

### Restricted use

This report is intended solely for the information and use of Contact and is not intended to be and should not be used by anyone other than those specified parties.

11 August 2023  
Ernst & Young Limited  
Auckland