



**Contact Energy
Green Borrowing Programme
Update Report FY23**



Update Report

The Green Borrowing Programme is described in Contact's Sustainable Finance Framework, which aligns with the Green Bond Principles and is certified by the Climate Bonds Initiative (CBI) under Climate Bond Standard V3.0 with assurance from EY. The Framework, CBI certification and EY's annual assurance statement are available on our [website](#).

Contact confirms to the best of its knowledge that its Green Borrowing Programme continues to remain in compliance with the CBI certification in place, including the requirements of the Climate Bonds Standard V3.0.

Allocation Reporting

Contact tracks the receipt and use of proceeds of all Green Debt Instruments and Green Assets under the Programme. These are set out in a register which is summarised in Appendix 1 of this document.

In June 2023, Contact's Green Ratio was compliant with the Green Borrowing Ratio at **1.68x** (2022: 1.90x).

Eligibility Reporting

Contact includes certain Geothermal projects which satisfy the CBI Geothermal criteria and are therefore applicable for certification under the Climate Bonds Standard. The outline of which is set out below:

- a) New and existing geothermal projects with direct emissions of less than 100 gCO₂/kWh, OR
- b) Geothermal projects with mitigation technologies that will render the non-condensable gas releases to the atmosphere negligible OR
- c) Geothermal projects that have been reviewed and registered under the Clean Development Mechanism

Geothermal assets in Contact's generation portfolio that do not satisfy the above criteria are not considered to be a Green Asset.

Impact Reporting

Contact measures the emissions from all its Geothermal generation assets, emissions intensity details can be found in the green register in Appendix 1.

Additional reporting around emissions and other environmental impacts of these assets can be found in Contact's annual report which is publicly available on our website at: <https://contact.co.nz/aboutus/investor-centre>

Appendix 1 - Green Register

This table set out the total green asset values and total green debt instruments for the current reporting period and confirms that the Green Ratio is met at 1.68.

For the year ending 30 June 2023

Asset Name	CBI Taxonomy - Asset Type & Specifics	Commissioned	Location	Capacity (MW)	2023 Generation (GWh)	Emissions Intensity (gCO ₂ e/KWh)	Book Value (\$m)
Poihipi	Geothermal Generation - Flash Steam	1996	Taupo	55	308	39.25	137.1
Tauhara	Geothermal Generation - Flash Steam	Under construction	Taupo	N/A	N/A	N/A	916.5
Te Mihi	Geothermal Generation - Flash Steam	2014	Taupo	166	1380	36.69	466.0
Te Huka	Geothermal Generation - Binary Cycle	2010	Taupo	28	176	49.27	97.9
Wairakei	Geothermal Generation - Flash Steam / Binary Cycle	1958, 2005	Taupo	132	998	19.50	743.0
Te Huka expansion	Geothermal Generation - Binary Cycle	Under construction	Taupo	N/A	N/A	N/A	107.2
Tenon and Nature's Flame	Geothermal Generation - Direct Heat Exchange	2006	Taupo	20 of heat	195	8.09	7.7
Eligible Green Asset total/average					3,057	30.24	2,475.3
Total Green Debt							1,473.8
Green Asset Ratio							1.68

Post-Issuance reporting FY23

In October 2022, Contact issued CEN070, a \$250m Green Retail Bond which was certified by CBI. The net proceeds were used to refinance green bond CEN040 (\$100m) and for Tauhara Capex (\$150m).

In April 2023, Contact issued CEN080, a \$300m Green Retail Bond which was certified by CBI. The net proceeds were used for Tauhara and Te Huka Capex (\$300m).