



**Building a better
working world**

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Independent Limited Assurance Report to the Directors and Management of Contact Energy Limited Contact

Assurance Conclusion

Based on our limited assurance procedures described below, nothing has come to our attention that causes us to believe that the Sustainable Finance Framework of Contact Energy Limited ('Contact') dated 25 October 2022, ('the Subject Matter'), do not meet, in all material respects, the requirements of the Loan Market Association's *Sustainability-Linked Loan Principles (March 2022)* and *Green Loan Principles (February 2021)*, the International Capital Markets Association's *Sustainability-Linked Bond Principles (June 2020)* and *Green Bond Principles (June 2022)*, the *Climate Bond Initiative's Standard V3.0*, and the International Swaps and Derivates Association's *Sustainability-linked Derivatives: KPI Guidelines (September 2021)* ('the Criteria').

Scope

Ernst & Young Limited ('EY') has performed a limited assurance engagement in relation to Contact's Sustainable Finance Framework ('Framework'), in order to conclude that nothing has come to our attention that the Framework does not meet, in all material respects, the requirements of the Loan Market Association's *Sustainability-Linked Loan Principles (March 2022)* and *Green Loan Principles (February 2021)*, the International Capital Markets Association's *Sustainability-Linked Bond Principles (June 2020)* and *Green Bond Principles (June 2022)*, the *Climate Bond Initiative's Standard V3.0*, and the International Swaps and Derivates Association's *Sustainability-linked Derivatives: KPI Guidelines (September 2021)*.

Subject Matter and Criteria

The Subject Matter for this limited assurance engagement is Contact's Sustainable Finance Framework dated 25 October 2022.

The criteria applied is the Loan Market Association's *Sustainability-Linked Loan Principles (March 2022)* and *Green Loan Principles (February 2021)*, the International Capital Markets Association's *Sustainability-Linked Bond Principles (June 2020)* and *Green Bond Principles (June 2022)*, the *Climate Bond Initiative's Standard V3.0* and the International Swaps and Derivates Association's *Sustainability-linked Derivatives: KPI Guidelines (September 2021)*.

Management Responsibility

The management of Contact is responsible for the collection, and presentation of the Subject Matter in accordance with the criteria and for maintaining adequate records and internal controls that are designed to support assertions made in the Framework.

Assurance Practitioner's Responsibility

EY's responsibility is to express a limited assurance conclusion on the noted Subject Matter as defined above. We are also responsible for maintaining our independence and confirm that we have met the requirements of APES 110 *Code of Ethics for Professional Accountants* including independence and have the required competencies and experience to conduct this assurance engagement.

Level of Assurance

A limited assurance engagement consists of making enquiries and applying analytical, and other evidence-gathering procedures sufficient for us to obtain a meaningful level of assurance as the basis for providing a negative form of conclusion. The procedures performed depend on the assurance practitioner's judgement including the risk of material misstatement of the specific activity data, whether due to fraud or error. While we considered the effectiveness of Management's internal controls when determining the nature and extent of our procedures, these procedures were not designed to provide assurance on internal controls. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Our Approach

We conducted our procedures in accordance with the *Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (New Zealand)* ('ISAE 3000 (NZ)') and the terms of reference for this engagement as agreed with Contact on 7 September 2022.



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

- ▶ Reviewing policies and procedures related to the Framework to assess whether they were aligned to the relevant sustainable financing Principles.
- ▶ Assess eligibility categories listed in the Framework for their alignment with the relevant sustainable financing Principles

Limitations on scope

There are inherent limitations in performing assurance - for example, assurance engagements are based on selective testing of the information being examined - and it is possible that fraud, error, or non-compliance may occur and not be detected. There are additional inherent risks associated with assurance over non-financial information including reporting against standards which require information to be assured against source data compiled using definitions and estimation methods that are developed by the reporting entity. Finally, adherence to ISAE 3000 (NZ), and the Loan Market Association's *Sustainability-Linked Loan Principles (March 2022)* and *Green Loan Principles (February 2021)*, the International Capital Markets Association's *Sustainability-Linked Bond Principles (June 2020)* and *Green Bond Principles (June 2022)*, the *Climate Bond Initiative's Standard V3.0*, and the International Swaps and Derivates Association's *Sustainability-linked Derivatives: KPI Guidelines (September 2021)* is subjective and will be interpreted differently by different stakeholder groups.

Our assurance was limited to the Subject Matter and did not include statutory financial statements. Our assurance is limited to policies and procedures in place as of 27 October 2022, ahead of the publication of Contact's Sustainable Finance Framework.

Independence

We confirm that EY has complied with all professional regulations relating to Independence in relation to this engagement. EY has stringent policies and procedures in place to ensure independence requirements are addressed and monitored on a timely basis.

Use of Report

Our responsibility in performing our assurance activities is to the Directors and Management of Contact only, and in accordance with the terms of reference for this engagement, as agreed with Contact. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organisation. Any reliance any such third party may place on the Subject Matter is entirely at its own risk. No statement is made as to whether the Criteria are appropriate for any third-party purpose.

Ernst & Young Limited
27 October 2022