



**Contact Energy
Green Borrowing
Update Report FY25**



Allocation, Eligibility & Impact Reporting

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. All climate related objectives of the Green Borrowing Programme are highlighted in our Sustainable Finance Framework, available on our website at: <https://contact.co.nz/aboutus/sustainability/financial-sustainability>

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.

At June 2025, Contact's Green Ratio was compliant with the Green Borrowing Ratio at 2.02x (2024: 2.40x).

Impact Reporting

Impact reporting can be found in the Assets section of Appendix 1. This is inclusive of all the emissions and generation from its Geothermal and Hydropower assets.

Additional reporting around the impact of these assets and Global Reporting Initiative (GRI) reporting can be found in Contact's annual report which is publicly available on our website at: <https://contact.co.nz/aboutus/investor-centre>

Eligibility Reporting – Geothermal Assets

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.

Allocation, Eligibility & Impact Reporting

Eligibility Reporting – Hydropower Assets

As of 2024, Contact also includes its Hydro projects which satisfy the CBI Hydropower criteria and are therefore eligible in our Green Borrowing Programme. The outline of which is set out below:

Mitigation component

A hydropower facility in operation before 2020 is eligible if it has either a power density $> 5\text{W/m}^2$; OR GHG emissions intensity $< 100\text{g CO}_2\text{e/kWh}$.

Adaptation and resilience component

The facility seeking inclusion in a Certified Climate Bond must have undergone an assessment under the ESG Gap Analysis Tool. This analysis must have been carried out by an Accredited Assessor. This assessment will identify any significant gaps that the facility demonstrates against international good practice. If any significant gaps are identified, an Environmental and Social Action Plan (ESAP) must be established to address those gaps including details on how and when these gaps will be closed.

AND

The Approved Verifier must verify that this assessment demonstrates:

- No more than 10 significant gaps have been found in total across the assessment. N.B. If some section(s) are not deemed applicable for a particular facility, and no assessment is made for that section(s) then this maximum gap threshold will be reduced proportionally accordingly;
- No more than 2 significant gaps in each section assessed;
- None of those gaps would mean that the Mitigation Criteria above are not met (see Clarification Note 4) or relate to FPIC (see Clarification Note 5).

AND

- Where an ESAP has been necessary to address any significant gaps, the Approved Verifier must verify that the ESAP demonstrates:
 - The majority (i.e., $> 50\%$) of significant gaps identified will be closed within 12 months;
 - All remaining significant gaps will be closed within 24 months.

AND

- The issuer commits to re-engage the Accredited Assessor to confirm that these gaps have indeed been closed within the timeframe(s) specified in the ESAP.

Appendix 1 - Green Register

These tables set out the total green asset value and total green debt instruments for the current reporting period, and confirms that the Green Ratio is met at 2.02

Green Ratio for FY25

Asset Name	Book Value \$m
Eligible Green Assets	\$ 4,668.6
Total Green Debt Instruments	\$ 2,314.3
GREEN ASSET RATIO	2.02

Allocation of Net Proceeds for FY25

All debt instruments within the green borrowing programme are for the financing and refinancing of the geothermal and hydropower assets in the green asset pool.

In FY25 Contact issued a NZD\$250m Capital Bond and a AUD\$400m AMTN for the development of the Te Huka 3 and Te Mihi 2 geothermal powerstations.

Assets certified as Green under the Climate Bonds Initiative (CBI) as at 30 June 2025

Asset Name	CBI Taxonomy - Asset Type & Specifics	Commissioned	Location	Capacity (MW)	Lake Area (km2)	Power Density (W/m2)	2025 Generation (GWh)	Emissions Intensity (gCO2e/KWh)	Book Value \$m
Clyde	Hydropower Gravity Dam	1992	Otago	432	25	17.3	1,852	-	\$ 956.7
Roxburgh	Hydropower Gravity Dam	1956 - 1962	Otago	320	5.9	54.2	1,445	-	\$ 765.8
Hawea Plant	Hydropower Gravity Dam	1955 - 1958	Otago	-	-	-	-	-	\$ 4.5
Hydropower Assets - Total							3,297	-	\$ 1,726.9
Poihipi	Geothermal Electrical Generation - Flash Steam	1996	Waikato	55	-	-	300	44.09	\$ 132.2
Tauhara	Geothermal Electrical Generation - Flash Steam	2024	Taupo	174	-	-	1,255	40.96	\$1,098.0
Te Mihi	Geothermal Electrical Generation - Flash Steam	2014	Taupo	166	-	-	1,287	38.94	\$ 467.9
Te Huka	Geothermal Electrical Generation - Binary Cycle	2010	Taupo	28	-	-	210	4.37	\$ 85.6
Wairakei	Geothermal Electrical Generation - Flash Steam / Binary Cycle	1958, 2005	Taupo	132	-	-	986	20.43	\$ 646.4
Te Huka 3	Geothermal Electrical Generation - Binary Cycle	Not Commissioned	Taupo	51	-	-	229	1.65	\$ 318.9
Te Mihi 2 ¹	Geothermal Electrical Generation - Binary Cycle	Not Commissioned	Taupo	N/A	-	-	-	-	\$ 192.6
Geothermal Assets – Totals / Average					-	-	4,266	31.92	\$ 2,941.6
TOTAL ELIGIBLE GREEN ASSETS									\$ 4,668.6

1. Te Mihi 2a is currently under construction and not yet running, it will be re-assessed for emissions against the CBI requirements once construction is complete