



Dividend Reinvestment Plan

Offer Document

30 March 2021

This is an important document, prepared in accordance with the Financial Markets Conduct Act 2013 and Financial Markets Conduct Regulations 2014, and contains a description of the Contact Energy Limited Dividend Reinvestment Plan and its terms and conditions. If you have any questions in relation to the Contact Energy Limited Dividend Reinvestment Plan, please consult your financial adviser.



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Key Features

Shares instead of dividends

The Contact Energy Limited (**Contact**) Dividend Reinvestment Plan (**Plan**) provides you, as a holder of Contact Energy Limited ordinary shares, with an opportunity to invest the net proceeds of the cash dividends payable on your shares in additional fully paid ordinary shares in Contact (**shares**). This is a convenient method of increasing your investment by acquiring further shares free of brokerage charges. If you wish to continue to receive dividends declared by Contact in cash, no action is required.

Additional shares acquired under the Plan may, at the discretion of the Contact board, be new shares issued by Contact, existing shares acquired by Contact or its nominee or agent, or any combination of new shares and existing shares.

Eligibility

As at the date of this Offer Document, the Plan is only available to holders of Shares who have an address on the Contact share register in New Zealand or Australia. However, the Board may amend this policy at any time, in its sole discretion. Participation in the Plan is optional at the election of a shareholder.

Full or partial participation

You may elect to participate in the Plan in respect of all or part of your shares.

Flexible joining, variation and withdrawal arrangements

Shareholders can join the Plan, vary their participation or withdraw from the Plan at any time by making an online election or forwarding a written notice to that effect to the Share Registrar, Link Market Services Limited (the **Share Registrar**).

You have until 5.00pm (New Zealand time) on the Business Day (which for the purpose of this Offer Document has the meaning given to it in the NZX Listing Rules) following a record date for a dividend

to elect to participate in the Plan for that dividend. Any notice received after 5.00pm (New Zealand time) on the Business Day following a record date for a dividend will be effective only from the next following dividend.

A Participation Form is enclosed with this Offer Document if you wish to participate in the Plan. Alternatively, you can elect to participate online by visiting the website of Contact's Share Registrar at <https://investorcentre.linkmarketservices.co.nz> for New Zealand Register holders <https://investorcentre.linkmarketservices.com.au> for Australian Register holders.

A new Participation Form (available from the Investor section of Contact's website at <https://contact.co.nz/> or, on request, by contacting the Share Registrar at the address set out in the Directory) will need to be completed if you wish to vary your participation in the Plan.

Application of the Plan

The Contact board will determine whether the Plan will apply to a particular dividend. If the board determines that the Plan will apply to a particular dividend, then the Plan will apply if you have previously elected or elect to participate in the Plan and you have not withdrawn from the Plan as at 5.00pm (New Zealand time) on the Business Day following the record date for that particular dividend.

If the board determines that the Plan will not apply to a particular dividend, then notwithstanding that you may have previously elected or elect to participate in the Plan, the Plan will not apply to that particular dividend and you will receive the dividend declared by Contact in cash.

Shares at or around market price

Under the Plan, additional shares acquired by participating shareholders in respect of a dividend will be acquired at their market price or, at the Contact board's discretion, at a discount as determined by Contact's board from time to time.

Shares acquired rank equally and may be sold

Additional shares acquired under the Plan will rank equally in all respects with existing Contact shares and may be sold at any time.

Details will be sent to you

If you elect to participate in the Plan, details of your total entitlement and the number of shares acquired by you under the Plan will be sent to you after each dividend payment.

Dividend policy

Details of Contact's dividend policy will be available on its website at <https://contact.co.nz/>.

Terms and Conditions

1. Introduction

Contact's board of directors (**board**) has approved the establishment of the Contact Energy Limited Dividend Reinvestment Plan (**Plan**). Under the Plan, holders of ordinary shares in Contact (**shares**) may elect to forgo their right to dividends on all or any of their fully paid ordinary shares in Contact and receive fully paid ordinary shares in Contact (**Additional Shares**) instead. This Offer Document sets out the terms and conditions of the Plan and is issued in compliance with the exclusion for dividend reinvestment plans contained in Schedule 1 to the Financial Markets Conduct Act 2013 and the Financial Markets Conduct Regulations 2014. Accordingly, no product disclosure statement or prospectus is required in respect of the Plan.

2 The Offer

2.1 Offer to all shareholders

Subject to clauses 2.4 to 2.6, Contact offers to all shareholders the right to elect to participate in the Plan.

2.2 Available options

Shareholders may elect to participate in the Plan by exercising one of the following options:

- **Full Participation**
If you elect full participation, participation in the Plan will apply to all of your shares.
- **Partial Participation**
If you elect partial participation, only the proportion of shares nominated by you will be eligible for participation in the Plan.
- **Non-Participation**
If you do not wish to participate and you wish to receive dividends in cash, you are not required to do anything.

2.3 Information for Australian shareholders

The offer of Additional Shares under the Plan does not need disclosure for the purposes of section 708 of the *Corporations Act 2001* (Cth). Accordingly, this Offer Document will not be lodged with the Australian Securities and Investments Commission (**ASIC**).

Australian resident shareholders should note that Contact is not licensed to provide financial product advice in relation to the shares offered under the Plan. There is no cooling-off regime that applies in respect of the acquisition of Additional Shares offered under the Plan. This Offer Document does not take into account shareholders' personal objectives, financial situations or needs. Shareholders should consider obtaining their own financial product advice in relation to the offer from an independent person who is licensed by ASIC to give such advice.

2.4 Ability to exclude overseas shareholders from the Plan

The board may, in its absolute discretion, elect not to offer participation under the Plan to shareholders whose address is outside New Zealand if the board considers:

- that to do so would risk breaching the laws of places outside New Zealand; and
- it would be unreasonable having regard to the associated costs of ensuring that the laws of those places are complied with.

2.5 Representations and warranties from overseas shareholders

Shareholders who apply to participate in the Plan and who reside outside New Zealand or Australia represent and warrant to Contact that the offer of the Plan and their participation in it would not breach any laws in their country of residence.

Any person residing outside New Zealand or Australia who holds shares through a New Zealand or Australian resident nominee should not allow their nominee to participate in the Plan if participation in respect of their shares would be contrary to the laws of their country of residence.

Any person residing outside New Zealand or Australia who participates in the Plan through a New Zealand or Australian resident nominee will be deemed to represent and warrant to Contact that they can lawfully participate through their nominee.

Contact accepts no responsibility for determining whether a shareholder is able to participate in the Plan under laws applicable outside of New Zealand or Australia.

2.6 Exclusion where liens or charges over shares

Any shares over which Contact has a lien or charge in accordance with Contact's constitution or other requirements of law will not be eligible to participate in the Plan.

3 Method of Participation

3.1 Participation Form

To participate in the Plan you must make a participation election in one of the following ways:

- **Online Election** – by visiting the website of Contact's Share Registrar, Link Market Services: <https://investorcentre.linkmarketservices.co.nz> for New Zealand Register holders
<https://investorcentre.linkmarketservices.com.au> for Australian Register holders.

Once you have created a portfolio and logged in, you should click "Payment and Tax", then "Reinvestment Plans", and then "Edit Instruction" to participate in the Plan. If you make an online election, you will be required to confirm that you have read, understood and complied with the terms and conditions of the Plan; or

- **Participation Form** – by completing the Participation Form which accompanies this Offer Document in accordance with the instructions on that notice and forwarding it to the Registrar at the address in the Directory, or to such other person or address as Contact may determine.

3.2 Participation cut-off

Participation will be effective as to dividends payable from the Business Day following the first record date after receipt by the Share Registrar of a

properly completed Participation Form (including, for the avoidance of doubt, the dividend to be paid in respect of that record date). Any notice received after 5.00pm (New Zealand time) on the Business Day following a record date for a dividend will be effective only from the next following dividend.

4 Additional Share Entitlement

4.1 General

The number of Additional Shares to be acquired by a shareholder who has elected to participate in the Plan will be:

- based on the net amount of the dividend the shareholder would otherwise have received; and
- calculated on the basis that the issue price of the Additional Shares will be the market price of shares less a discount (if any), as determined in accordance with the formula set out in clause 4.2.

4.2 Formula for calculation of number of Additional Shares

The number of Additional Shares to be acquired by a shareholder who has elected to participate in the Plan will be calculated in accordance with the following formula:

$$\text{Additional Shares} = \frac{(S \times D) + B}{C \times (1 - E)}$$

Where:

S is the number of shares in respect of which an election to participate in the Plan has been made by the shareholder.

D is the amount of the dividend (expressed in cents and fractions of cents and after deduction of any amounts of resident withholding, or other taxes, if any, payable by Contact in respect of the dividend) payable per share which would otherwise have been payable to a shareholder if the shareholder had not elected to participate in the Plan.

B is the amount (if any) held to the order of the shareholder under the Plan in accordance with clause 4.3 below as a result of rounding the number of Additional Shares to be acquired by the shareholder when the Plan last operated.

C is the volume weighted average sale price for a share (expressed in cents and fractions of cents) calculated on all sales of shares which took place through the NZX main board market (**NZX Main Board**) operated by NZX Limited (**NZX**) on the five trading days commencing on the Ex Date (which has the meaning given to it in the NZX Listing Rules). If no sales of shares occur during the five trading days commencing on the Ex Date, then the volume weighted average sale price shall be deemed to be the first sale price for a share which took place on the NZX Main Board after the Ex Date.

Any volume weighted average sale price so determined may be reasonably adjusted by the board to allow for any bonus or dividend or other distribution expectation. If, in the opinion of the board, any exceptional or unusual circumstances have artificially affected the volume weighted average sale price so determined, the board may make such adjustment to that sale price as it considers reasonable.

E is the percentage discount determined by the board from time to time (if any) in its absolute discretion.

4.3 Fractional entitlements

Where the number of Additional Shares to be acquired by a participating shareholder calculated in accordance with the formula in clause 4.2 includes a fraction, then the number of Additional Shares to be acquired shall be rounded down to the nearest whole number.

Any net amount of the dividend as described in the definition of 'D' plus the amount 'B' in clause 4.2 above which is not applied to acquire part of an Additional Share because of this clause 4.3 shall be held to the order of the shareholder and be applied under the Plan on the shareholder's behalf the next time the Plan operates.

Should a shareholder:

- terminate his or her participation in the Plan under clause 7.4; or
- cease to be a shareholder,

any amount which at the time is held to the order of the shareholder under this clause 4.3 will be forfeited.

4.4 Share price information publicly available

Contact will ensure that at the time the price for the Additional Shares is set under clause 4.2 it will have no information that is not publicly available that would, or would be likely to, have a material adverse effect on the realisable price of the shares if the information was publicly available.

5 Operation of the Plan

5.1 Additional Shares

The board will, on the day that a shareholder who has elected to participate in the Plan would otherwise have been paid a dividend, either issue or arrange the transfer of the Additional Shares to that shareholder in accordance with clause 4.

5.2 Terms and ranking of Additional Shares

Additional Shares acquired by shareholders under the Plan will be issued or transferred on the terms set out in this Plan and, subject to the rights of termination, suspension and modification set out in clause 7, will not be issued or transferred on any other terms and will all be subject to the same rights as each other. The Additional Shares acquired by shareholders under the Plan will, from the date of issue or transfer, rank equally in all respects with each other and with all other ordinary shares of Contact on issue as at that date.

5.3 Source of Additional Shares

Additional Shares to be acquired by shareholders under the Plan may, at the board's discretion, be:

- new shares issued by Contact;
- existing shares acquired by Contact or a nominee or agent of Contact; or
- any combination of new shares and existing shares.

5.4 Compliance with laws, listing rules and constitution

The Plan will not operate in relation to a dividend (either generally or in respect of a particular shareholder who has elected to participate in the Plan) to the extent that the issue or transfer of Additional Shares under the Plan to such

shareholder(s) would breach any applicable law, the listing rules of any stock exchange on which the shares are listed, or any provision of Contact's constitution. If and to the extent that the Plan does not operate for such reason in respect of a shareholder who has elected to participate in the Plan, the relevant dividend on such participating shares will, until such time as the issue is resolved, be paid in the same manner as in respect of shares which are not participating in the Plan.

5.5 Restriction on participation

The board may, in its absolute discretion, notwithstanding an election by a shareholder to participate in the Plan, decide not to issue or transfer, or decide to restrict the number of such Additional Shares issued or transferred to the shareholder under the Plan if the issue or transfer of such Additional Shares would result in that shareholder holding 20% or more of the shares on issue, or would otherwise result in a shareholding which, in the board's reasonable discretion, would have a materially adverse effect on Contact. In such event, the relevant dividend on such participating shares will be paid in the same manner as in respect of shares which are not participating in the Plan.

6 Statements to Shareholders

Subject to clauses 2.4 to 2.6, Contact will send to each shareholder who has elected to participate in the Plan, on each dividend payment date, a statement detailing in respect of that shareholder:

- the number of shares of the shareholder as at the relevant record date;
- the amount of the cash dividend used to subscribe for Additional Shares and the amount paid in respect of shares nominated for participation in the Plan and shares not nominated for participation in the Plan (if applicable);
- the amount of any taxation deduction;
- the number of Additional Shares acquired by the shareholder under the Plan and the issue price of those Additional Shares (including any discount (if any)) determined by the board under clause 4.2;
- the amount held to the order of the shareholder under clause 4.3; and

- advice as to the amount of any imputation or other taxation credits.

7 Termination, Suspension and Modification

7.1 Termination, suspension or modification by Contact

The board may at any time and from time to time in its sole discretion:

- terminate or modify the Plan. If the Plan is modified, then a Participation Form will be deemed to be a Participation Form under the Plan as modified unless that Participation Form is withdrawn by the shareholder; or
- suspend the operation of the Plan so that it will not apply to the whole or part of any dividends; or
- resolve that participation will not apply to the whole or part of any dividend and that the dividend or the balance of the dividend (as the case may be) will be paid in cash; or
- resolve that the price at which Additional Shares may be acquired shall be at a discount to the market price of shares in accordance with clause 4.2; or
- resolve that in the event of the subdivision, consolidation or reclassification of the shares into one or more new classes of shares, that a Participation Form will be deemed to be a Participation Form in respect of the shares as subdivided, consolidated or reclassified unless such Participation Form is subsequently changed or withdrawn by the participating shareholder; or
- resolve that a Participation Form will cease to be of any effect; or
- resolve that the Plan may be underwritten on such terms as agreed between Contact and an underwriter.

7.2 Prior notice

Notice of any modification or termination by the board will be given to all shareholders participating in the Plan.

7.3 When no notice required

Notwithstanding clause 7.2, Contact may at any time, without the need of any notice:

- modify the Plan to comply with Contact's constitution, the listing rules of any stock exchange on which the shares are listed or any law; or
- make minor amendments to the Plan where such amendments are of an administrative or procedural nature.

7.4 Variation or termination by a participating shareholder

A shareholder may, at any time:

- increase or decrease the number of their shares which are participating in the Plan by completing and sending a new Participation Form to the Share Registrar; or
- terminate their participation in the Plan by written notice to that effect to the Share Registrar.

7.5 Variation or termination effective

A variation or termination under clause 7.4 will take effect immediately upon receipt by the Share Registrar of the new Participation Form or the written termination notice, as the case may be, provided that any notice received after 5.00pm (New Zealand time) on the Business Day following the record date for a dividend will be effective only from the next following dividend.

7.6 Death of participating shareholder

If a shareholder participating in the Plan dies, participation by that shareholder in the Plan will be terminated by Contact upon receipt by Contact of a notice of death in a form acceptable to Contact. Death of one of two or more joint shareholders will not automatically terminate participation.

8 Reduction or Termination of Participation where no Notice Given

8.1 Dispositions where partial participation

If you dispose of any of your participating shares, you will be deemed to have terminated your participation in the Plan with respect to the participating shares you disposed of from the date that Contact registers a transfer of those participating shares.

8.2 Dispositions of all of shares

If a shareholder disposes of all of their holding of shares without giving the Share Registrar written notice terminating their participation in the Plan, the shareholder will be deemed to have terminated participation in the Plan from the date that Contact registers a transfer of those shares.

9 Taxation

The taxation consequences for each Shareholder should they elect to participate in the Plan will differ depending upon their particular circumstances. Accordingly, each Shareholder should consult their own tax adviser as to the taxation implications of the Plan. Contact does not accept any responsibility for the financial or taxation effects of a Shareholder's participation or non-participation in the Plan.

10 Costs

There are no charges for participation or withdrawal from the Plan. No brokerage costs will be incurred on the acquisition of Additional Shares.

11 Stock Exchange Quotation

Contact will apply for quotation of Additional Shares which may be issued under the Plan on the NZX Main Board and the official list of the Australian Securities Exchange (**ASX**) after they have been allotted. However, neither NZX nor ASX accepts any responsibility for any statement in this Offer Document.

12 Governing Law

This Offer Document and the Plan, and its operation, are governed by the laws of New Zealand.

13 Other Information

You have the right to receive from Contact, free of charge, a copy of Contact's most recent annual report and audited consolidated financial statements (complying with the Financial Reporting Act 2013) by downloading them from the Investor Centre section of Contact's website at <https://contact.co.nz/> or, on request, by contacting Contact at the address set out in the Directory.

Directory

Registered office

Contact Energy Limited

Harbour City Tower
29 Brandon St
Wellington 6011

Phone +64 4 499 4001

www.contact.co.nz

Solicitors

Bell Gully

Level 21
ANZ Centre
171 Featherston Street
Wellington 6011

Level 21
Vero Centre
48 Shortland Street
Auckland 1010

Auditor

KPMG

PO Box 996
Wellington 6140

Share registrar

New Zealand

Link Market Services Limited

PO Box 91976, Auckland 1142

New Zealand

Phone +64 9 375 5998

www.linkmarketservices.co.nz

enquiries@linkmarketservices.co.nz

Australia

Link Market Services Limited

Locked Bag A14

Sydney South

NSW 1235

Australia

Phone +61 1300 554 474

enquiries@linkmarketservices.com





Dividend Reinvestment Plan Participation Form



DO NOT COMPLETE THIS FORM IF YOU WISH TO RECEIVE IN CASH ALL DIVIDENDS DECLARED.

Name and Address

Description of Shares

CSN/Holder/HIN/SRN No.

Shares Held

Registered Holder(s)

The Contact Energy Limited (**Contact**) Dividend Reinvestment Plan (**Plan**) allows you to elect to forgo your right to receive dividends on all or any of your fully paid ordinary shares in Contact in cash, and instead to reinvest all or part of the net proceeds of your cash dividends in fully paid ordinary shares in Contact. Full details of the Plan are set out in the accompanying Dividend Reinvestment Plan Offer Document dated 30 March 2021 (**Offer Document**).

If you wish to participate, or vary an existing participation election, in the Plan, please complete this Participation Form and send it to Contact's Share Registrar at your earliest convenience. Alternatively, you can do so online by visiting <https://investorcentre.linkmarketservices.co.nz> for New Zealand register holders; or <https://investorcentre.linkmarketservices.com.au> for Australian register holders (refer to clause 3.1 of the Offer Document for further details).

Choose One Alternative Only

I/We elect to participate in the Plan at the level of participation nominated below and elect to renounce my/our right to have dividends declared in respect of participating shares paid in cash accordingly:

Full Participation

Include all fully paid ordinary shares from time to time registered in my/our name(s). For full participation please tick (✓) here: ☐

Partial Participation

Include the proportion of fully paid ordinary shares registered in my/our name(s) shown below. For partial participation please tick (✓) here: ☐

Please specify proportion as a percentage:

 %

Note: If you do not complete the above in relation to full participation or partial participation, you will be deemed to have elected not to participate in the Plan.

I/We acknowledge I/we have received and read a copy of the Offer Document.

I/We agree to be bound by the terms and conditions of the Plan as set out in the Offer Document.

I/We acknowledge that this election will continue to apply in respect of any dividend that Contact determines the Plan will apply until varied or terminated by written notice in accordance with the terms and conditions of the Plan.

I/We warrant that if at any time I/we reside outside New Zealand or Australia and accept or continue to participate in the Plan, the offer of the Plan and my/our participation in it does not breach any laws in my/our country of residence.

Signature(s)

Dated

This Participation Form is not valid unless duly completed and signed. Joint holders must each sign. Companies must execute by an authorised officer or attorney. If signed by an attorney, the power of attorney must either have been previously produced to Contact or must accompany this Participation Form and a certificate of non-revocation of the power of attorney needs to be enclosed.

This Participation Form may be returned at any time to the Registrar by one of the methods below:

By Post (New Zealand)

Contact Energy Limited
c/- Link Market Services Limited
PO Box 91976
Auckland 1142

By post (Australia)

Contact Energy Limited
c/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235

Scan and email

enquiries@linkmarketservices.com

(Please put Contact Energy Limited in the subject line for easy identification)