

Continuous Disclosure Policy

Corporate Policy No. CP08

1. Policy

This policy is effective from 29 February 2008. It replaces Corporate Policy 010 (Continuous Disclosure and Corporate Communications), previously approved on 4 June 2003, except that the corporate communications policy elements from the previous Corporate Policy 010 are now contained in new Operational Policy OP09 (Corporate Communications).

2. Statement of Commitment

The Contact Energy Limited group of companies (**Contact**) is committed to the provision of timely, full and accurate disclosure and compliance with the continuous disclosure requirements of the Securities Markets Act and the NZSX Listing Rules.

3. Purpose

3.1 The purpose of this continuous disclosure policy is to:

- ensure Contact achieves best practice in complying with its continuous disclosure obligations under the Securities Markets Act and NZSX Listing Rules;
- ensure that all of Contact's shareholders have access to material information about the company and its prospects; and
- ensure Contact and individual officers do not contravene the Securities Markets Act or the NZSX Listing Rules (which carry serious penalties).

3.2 This will be achieved by ensuring that procedures are in place for:

- identifying all material information;
- reporting such potential information for review; and
- timely disclosure of material information.

3.3 This policy should be considered in conjunction with Contact's Corporate Policy CP07 (Securities Trading and Disclosure), which deals with the trading of Contact securities by Directors and employees.

4. Application

This policy applies to:

- all Directors and senior management of Contact and its subsidiaries; and

- all employees (including any secondee, contractor or consultant) of Contact and its subsidiaries.
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5. Material Information

- 5.1 The Securities Markets Act and the NZSX Listing Rules require Contact to disclose material information to the New Zealand Stock Market (**NZSX**) immediately upon the company becoming aware of that information.
- 5.2 Material information in this policy means any information that a reasonable person would expect, if it were generally available to the market, to have a material effect on the price of Contact's securities subject to various exemptions.
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6. Accountabilities

- 6.1 The Board is accountable for approving the Continuous Disclosure Policy and any amendments to it.
- 6.2 Individual Directors are responsible for discussing with the Chairman (and Chief Executive if necessary) whether any information he or she may hold requires disclosure in accordance with this Policy.
- 6.3 Senior Management Team (**SMT**) members are responsible for making a recommendation to the Chief Executive as to whether he or she believes information raised by an employee requires disclosure to NZX in accordance with this Policy, having first consulted with the Chief Financial Officer, General Counsel and the General Manager responsible for investor relations.
- 6.4 The Chairman in conjunction with the Chief Executive (in relation to information raised by a Director) and the Chief Executive (in relation to information raised by an employee) are accountable for making the final decision as to whether or not information requires disclosure under this Policy.
- 6.5 The General Counsel is accountable for:
- establishing and reviewing the Continuous Disclosure Policy and submitting it to the Board for approval from time to time when appropriate;
 - communicating the policy to persons accountable under this Policy;
 - providing guidelines to help determine what is material information under this Policy; and
 - ensuring that material information is disclosed to NZX in accordance with this Policy.
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7. Procedure to be followed for communicating potential material information raised by employees

- 7.1 As soon as any Contact employee becomes aware of information that:
- is or may be material information; and

- is not generally available to the market (i.e., the information in question has not been included in any annual report, NZX release or other publication of the company),

they must provide to the relevant SMT member all relevant information which, depending on the circumstances, will include:

- a general description of the matter;
- details of the parties involved;
- the relevant date of the event or transaction;
- the status of the matter (e.g., final/negotiations still in progress/preliminary negotiations only);
- the estimated value of the transaction;
- the estimated effect on Contact's finances, operations or reputation; and
- the names of any in-house or external advisers involved in the matter.

- 7.2 The relevant SMT member will consult with the Chief Financial Officer, General Counsel and General Manager responsible for investor relations. The relevant SMT member shall, following such consultation, make a recommendation to the Chief Executive as to whether or not the information requires disclosure to NZX under the Policy. The recommendation shall be in writing and be accompanied by appropriate supporting materials/signoffs (in the form prescribed by management from time to time) from those persons with whom the SMT member has consulted.
- 7.3 The Chief Executive shall be responsible for making the final decision as to whether or not the information requires disclosure to NZX under this Policy. Appropriate records of the Chief Executive's decision shall be made.
- 7.4 If an employee becomes aware of information that is based on rumour or speculation that may give rise to a false market in the company's securities (i.e., the development or subsistence of a market for Contact securities which is materially influenced by false or misleading information) they should provide to the relevant SMT member the following information:
- detail of the rumour or speculation;
 - the source of the information; and
 - the effect of the information if true on Contact's finances and operations (if known).
- 7.5 In order for employees to comply with their obligations under this Policy, they must implement procedures to ensure employees under their control are aware of the obligations in the Policy and establish lines of communication to ensure that, if any employees become aware of material information, they will promptly notify them of that information.
- 7.6 All employees are responsible for reporting material information under this Policy.

8. Procedure to be followed for communicating potential material information raised by Directors

- 8.1 As soon as any Contact Director becomes aware of information that is or may be material information and is not generally available to the market, or may give rise to a false market in the company's securities, they must advise the Chairman of all relevant information, including those factors set out in paragraphs 7.1 and/or 7.4 above. The Chairman must then consult with the Chief Executive as to whether or not the information requires disclosure to NZX under this Policy.
- 8.2 The Chairman shall be responsible for making the final decision whether or not to disclose the information to NZX. Appropriate records of the Chairman's decision shall be made by the Chief Executive.
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9. Exceptions to disclosure requirements

There are exceptions under the NZSX Listing Rules to the requirement for disclosure of certain material information. The decision as to whether an exception applies will form part of the decision making processes outlined above. The possible application of an exception should not derogate from the obligation to communicate information within Contact under this Policy. Directors and employees must keep all material information confidential until it is released and becomes generally available.

10. Form of disclosure of material information

- 10.1 The General Counsel and the General Manager responsible for investor relations are accountable for approving the form of disclosure of material information to the market. The Chief Executive must review and authorise the form of any release considered under this Policy that includes key operational and/or financial information. Any release considered under this policy which includes a profit projection or forecast must be reviewed by the Board prior to release and approved by the Chairman of the Board in addition to other approvals required under this Policy. It will be at the Chief Executive's and General Counsel's discretion whether any other statement should be referred to the Chairman of the Board, Board Audit Committee or other Board Committee for review prior to release.
- 10.2 The General Counsel will:
- co-ordinate the actual form of disclosure with the relevant members of management; and
 - co-ordinate the disclosure to NZX as required,

in accordance with management's prescribed procedures as set out from time to time. The General Manager responsible for investor relations is responsible for liaising with the Chief Executive Officer on each announcement and for ensuring final Chief Executive Officer sign-off prior to approving the release of material information to NZX.

- 10.3 The General Manager responsible for investor relations will ensure that all material information that is released to NZX and copies of presentation material are promptly posted on the company's website to give investors and shareholders access to company information.
- 10.4 Material information must not be released to any third party until Contact has received confirmation from NZX that the **material information has been disclosed to the market.**

Analysts/Shareholders

- 10.5 All communications with market analysts shall be conducted by the Chief Executive Officer, the Chief Financial Officer, the General Manager responsible for investor relations or the General Manager, Development and Acquisitions.
- 10.6 No other employee shall communicate with analysts or shareholders on material information unless specifically authorised by the Chief Executive Officer or General Manager responsible for investor relations.

Media

- 10.7 No employee shall communicate to the media any material information that has not been the subject of an NZX release or is not generally available to the market.
- 10.8 All media enquiries must also be dealt with in accordance with Operational Policy OP09 (Corporate Communications).

Other external communications

- 10.9 Information or presentations provided to, and discussions with, professional bodies or any other person, are also subject to this Policy. Material information must not be selectively disclosed (e.g., to analysts, specific shareholders, professional bodies, the media, customers or any other person) prior to being announced to the NZX and only publicly available information should be used in these external communications.
- 10.10 If material information is provided to analysts, the media or other external parties without first being disclosed to NZX, the General Counsel should be notified of the disclosure immediately.

11. Questions

Questions about this Policy should be referred to the General Counsel.

12. Other policies

Employees must ensure they are familiar, and read this Policy in conjunction, with all of the Company's policies, in particular:

- Corporate Policy 002 (Delegations)
- Corporate Policy CP07 (Securities Trading and Disclosure)
- Corporate Policy 007 (Contract Execution)
- Operational Policy OP09 (Corporate Communications)

- Other operational policies in force from time to time regarding communications, including management's prescribed procedures for disclosing information to NZX, and sign-off procedures for customer and other communications, including email use.
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13. Compliance

- 13.1 Contact requires all of its employees and Directors to comply with this Policy. Compliance with this Policy will be periodically monitored by the General Counsel. Any known or suspected instances of non-compliance will be reported to the General Counsel for full investigation and appropriate disciplinary action.
- 13.2 Employees should be aware that breaches of this Policy may result in summary dismissal and may also attract civil or criminal legal penalties.