



2025

NAPIER^o
PORT
Te Herenga Waka o Ahuriri

**CLIMATE CHANGE
RELATED DISCLOSURE
REPORT**

PERIOD ENDED 30 SEPTEMBER 2025

NAPIER^o
PORT
Te Herenga Waka o Ahuriri

This report is prepared in compliance with the Aotearoa New Zealand Climate Standards (NZ CS) 1- *Climate Related Disclosures*, 2 - *Adoption of Aotearoa New Zealand Climate Standards*, and 3 - *General Requirements for Climate-related Disclosures*.

The New Zealand External Reporting Board (XRB) in December 2022 issued the NZ CS, which are effective for reporting periods commencing on or after 1 January 2023. These new mandatory climate standards are based on the Taskforce on Climate-Related Financial Disclosures (TCFD) framework which this report also adheres to. Napier Port has not applied any of the adoption provisions that are permitted under NZ CS 2.

This report also adheres to the *International Financial Reporting Standards (IFRS) S2 - Climate-related Disclosures standards (IFRS S2)*.

The currency used in this report is the New Zealand dollar (NZD) which is also the functional currency used in the Napier Port Holdings Group financial statements. This report also follows the same reporting period as the financial statements.



CONTENTS



Governance

P4



Risk Management

P6



Strategy

P8



Metrics and Targets

P20

Important information for readers: Quantifications in this report of financial impacts of climate change are estimates and are not intended to constitute earnings guidance. No representation is made as to their accuracy, completeness or reliability. These risks and opportunities may not eventuate and, if they do, the actual impact may differ materially from these estimates. Other material risks and opportunities may exist or eventuate that are not included within this report.

s1 Governance

NZ CS requirements:

- Describe the board's oversight of climate-related risks and opportunities
- Describe management's role in assessing and managing climate-related risks and opportunities

The Napier Port Board of Directors are ultimately responsible for identifying the principal risks faced by Napier Port and taking reasonable steps to ensure that appropriate internal controls and monitoring systems are in place to manage and, to the extent reasonably possible, reduce the impact of these risks, including material climate-related risks. The Board reviews Napier Port's Risk Management Policy annually. The Board also considers climate-related risks and opportunities when overseeing the implementation of Napier Port's strategy and its decisions on major transactions and considers any trade-offs associated with those risks and opportunities.

The Audit and Risk Management Committee supports the Board in this function by ensuring that management is implementing Napier Port's overall risk management framework and policy and monitoring corporate risk assessments and ensuring that risk controls are implemented. The Audit and Risk Management Committee reviews Napier Port's overall risk management framework on a six-monthly basis and the Committee proceedings are reported back to the Board.

The Health, Safety and Sustainability Committee (HSSC) reviews annually a Climate Change Risk Assessment (CCRA) inclusive of a climate-related risk register specifically for the management of climate-related risks and opportunities. This is part of the HSSC's wider role to identify and consider relevant environmental, social and governance (ESG) matters to provide strategic guidance and feedback to the Board and management on Napier Port's ESG related strategies, policies, frameworks, initiatives, performance and reporting.

The HSSC meets at least three times per year to review progress on the implementation of Napier Port's Sustainability Strategy, the assessment of climate-related risks and opportunities documented within the CCRA, and progress and track achievements

against climate-related metrics. The Committee proceedings are reported back to the Board.

The Board maintains a director skills matrix, which includes a specific category for sustainability expertise. The skills matrix is an important recruitment consideration when a new director is being considered to join the Board. The Corporate Governance Statement found within the 2025 Annual Report (page 72) shows the Director skills matrix and the attendance at HSSC meetings.

As climate-related issues, including the new Aotearoa New Zealand Climate Standards, are rapidly evolving, directors are continuing to develop their knowledge, including by attending courses and presentations.

The Chief Executive and Senior Management Team are responsible for ensuring that risks to the business, including climate-related risks and opportunities, are identified and evaluated, effective responses and control activities developed, and appropriate monitoring and timely re-evaluation

conducted in accordance with Napier Port's Risk Management Policy.

The General Manager – Assets and Infrastructure has overall responsibility for the development and implementation of the sustainability strategy, including the assessment of climate-related risks and opportunities and reports on progress to the HSSC.

Board and management utilise external advice and expertise for climate-related issues where appropriate.

Remuneration policies for the CEO and Senior Management Team are outlined in the Governance Statement in the 2025 Annual Report (page 77), and for the CEO and certain executives includes remuneration linked to the achievement of sustainability strategy related objectives.

The different levels of responsibilities and the supporting Risk Management Policy that governs the management of climate-related risks at Napier Port are illustrated in figure 1.



Figure 1. Governance of climate-related risks at Napier Port

RISK MANAGEMENT POLICY

- Provides the overarching framework for identifying, assessing, managing and monitoring risk at Napier Port, including climate-related risks.
- Objectives of the policy include ensuring that Napier Port operates in a sustainable manner and protects the Port environment in accordance with its sustainability strategy.

BOARD OF DIRECTORS

- The Board is ultimately responsible for identifying the principal risks faced by Napier Port and taking reasonable steps designed to ensure that appropriate internal controls and monitoring systems are in place to manage and, to the extent possible, reduce the impact of these risks, including material climate-related risks.
- The Board receives reports and recommendations from, and has access to management reports provided to, the Audit and Risk Management Committee, in relation to Napier Port's overall risk management framework, and reviews the Risk Management Policy annually.
- The Board is also responsible for setting the strategic direction of Napier Port. This includes ensuring that the environmental, social and governance risks and opportunities in Napier Port's sustainability strategy, including climate-related risks and opportunities, are integrated into the Group's long-term strategy and investment decision making.
- The Board receives reports and recommendations from and has access to management reports provided to the HSSC, and reviews the HSSC Charter annually.

AUDIT AND RISK MANAGEMENT COMMITTEE

- Ensures that management is implementing Napier Port's overall risk management framework and policy.
- Monitors corporate risk assessments and ensures internal controls are implemented.
- Reports to the Board whether Napier Port's overall risk management framework and processes are sufficient.
- Responsible for overseeing the assessment of financial and economic impacts within the disclosures that relate to the expected physical and transitional impacts of climate change.
- Overall responsibility for the relevant internal controls and external review and audit processes in relation to the preparation of the Climate Change Related Disclosure Report.

HEALTH, SAFETY AND SUSTAINABILITY COMMITTEE

- Oversees the development of Napier Port's ESG strategy and ESG workplan and monitor progress.
- Make recommendations and report to the Board on material ESG matters requiring governance decisions.
- Acts as a formal forum for free and open communication between the Board and management with respect to ESG matters.
- Facilitate a common and aligned Board understanding of what is within the scope of ESG matters.
- Ensure an appropriate framework is maintained for the management of ESG related risks; and
- Oversee and reviews underlying ESG reporting processes.

CHIEF EXECUTIVE AND SENIOR MANAGEMENT TEAM

- The Chief Executive and senior management team are responsible for ensuring that risks to the business, including climate-related risks, are identified and evaluated, effective responses and control activities developed, and appropriate monitoring and timely re-evaluation conducted, in accordance with Napier Port's Risk Management Policy.
- The Chief Financial Officer, working with senior management, updates Napier Port's overall risk management framework and reports to the Audit and Risk Management Committee on a six-monthly basis.
- The General Manager – Assets and Infrastructure has overall responsibility for the development and implementation of the sustainability strategy, including assessment of climate-related risks, and reports on progress to the HSSC.

KEY STAFF TASKED WITH RISK MANAGEMENT ACTIVITIES (FROM INFRASTRUCTURE, FINANCE AND OPERATIONS TEAM)

- Provide support with identifying, monitoring and assessing climate change risks and ensuring appropriate management actions are taken in relation to them.
- Responsible for maintaining the safety, performance and capability of Napier Port's infrastructure assets and plant and equipment over their projected economic lives.
- Maintain long term asset management plans.

s2

Risk Management

NZ CS requirements:

- Describe the organisation's processes for identifying and assessing climate-related risks (for both transition risks and physical risks)
- Describe the organisation's processes for managing climate-related risks
- Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management

Napier Port's Risk Management Policy provides the overarching framework for identifying, assessing, managing and monitoring risk at Napier Port, including climate-related risks and opportunities. Each Napier Port business unit is responsible for establishing and maintaining risk documentation to monitor and report risks that threaten achievement of business objectives. The Chief Executive and Senior Management Team are responsible for ensuring that risks to the business are identified and evaluated, that effective responses and control activities are developed, and appropriate monitoring and timely re-evaluation is conducted. The Chief Financial Officer, working with senior management, updates the Napier Port enterprise risk register, drawing on business units' documentation, and reports this register to the Audit and Risk Management Committee at least on a six monthly basis.

An output of the CCRA process is a climate-related risk register specifically for the management of climate-related risks and opportunities. Napier Port has also benchmarked this against recommendations of the NZ CS, IFRS S2 and the TCFD for identifying and assessing climate-related risks.

Napier Port's Assets & Infrastructure team which includes environmental & sustainability subject matter experts, supported by others as required, are tasked with staying up-to-date with the latest climate-related research, facilitating regular risk assessments and performing detailed climate change analysis. The Board and Management of Napier Port are also continually monitoring developments to existing and emerging regulatory requirements related to climate change as part of their risk assessment processes.

In November 2020, Envirolink, Gisborne District Council, and Hawke's Bay Regional Council collaborated to commission a review of climate change projections and their impacts on the Tairāwhiti (Gisborne) and Hawke's Bay regions. This was conducted by the National Institute of Water

and Atmospheric Research (NIWA)¹ and was used as the basis for the scenario analysis contained within our original 2021 financial year report. For our subsequent reports, Napier Port has incorporated new data from various sources including the Intergovernmental Panel on Climate Change (IPCC)², and the recently released 2025 Hawke's Bay Climate Change Risk Assessment. These data sources have a direct or indirect impact on the identification of Napier Port's key climate related risks and helps to determine potential shifts in sea levels, wind patterns, temperatures, and extreme weather events. These data inputs enable us to analyse a range of potential future scenarios and assess how they may affect Napier Port's assets, operations, financial plans, and business model.

Future climate projections strongly depend on estimates for future global mean temperature rise resulting from greenhouse gas concentrations. In turn, those concentrations depend on global greenhouse gas emissions that are driven by factors such as economic activity, population changes, technological advances and policies for mitigation and sustainable resource use. Napier Port now uses the IPCC's more recent Sixth Assessment Report (IPCC AR6) as its basis for future climate change modelling and projections. The IPCC AR6 refers to Shared Socioeconomic Pathways (SSPs)³ for future projected socioeconomic global changes used to derive greenhouse gas emissions scenarios based on different climate policies.

SSPs are a set of scenarios that describe different ways society might develop and how these changes could affect future greenhouse gas emissions. Each SSP is based on a distinct narrative about global trends – including sustainable development, regional rivalry, growing inequality, and fossil fuelled development.

For the IPCC global scale SSP modelling to be useful for Napier Port's CCRA process the results need to be downscaled to a Hawke's Bay regional level. Complete regional climate

projections for Hawke's Bay have now been released by NIWA and subsequently adapted into an accessible format by the Ministry for the Environment (MfE).

Napier Port's climate-related risk assessment process now considers the below three SSP scenarios based on the downscaled data that is available.

- SSP1-2.6 is the 'green growth' pathway where global warming is limited to a range of between 1.3 and 2.4 degrees by 2100.
- SSP2-4.5 is the 'middle of the road' pathway where socio-economic factors follow their trends, with no significant change in reducing current temperature rise projections and global warming could increase to within a range of 2.1 to 3.5 degrees by 2100.
- SSP3-7.0 represents the 'regional rivalry' pathway where rising nationalism and regional conflicts lead countries to focus more on domestic or regional issues. Environmental policies receive little global attention, causing serious damage in some areas. Global warming could increase to within a range of 2.8 to 4.6 degrees by 2100.

These three scenarios were chosen to align with NZ CS, which requires three scenarios to be analysed:

- one where global temperature increase is limited to 1.5 degrees Celsius (with an emissions pathway aligned to SSP1-2.6),
- another where the temperature is 3 degrees Celsius or greater (aligned to SSP3-7.0),
- a third scenario of the reporting company's choice. Napier Port has chosen a scenario which looks to limit global temperature increases to a range between 2.1 and 3.5 degrees Celsius (aligned to SSP2-4.5). The reason for choosing this pathway is that SSP2-4.5 has been recognised by members of the climate science community as a most likely pathway to eventuate out of the five SSPs⁴.



Climate-related risks and opportunities are assessed annually to ensure they continue to reflect material changes in our knowledge, business strategy, and operating environment."

For climate-related risk management, we believe a medium to long-term horizon is appropriate. This time frame is aligned with the economic lives of our infrastructure assets and Napier Port's asset management plan. As a result, we have used the following timeframes to assess the likelihood of climate-related risks and opportunities occurring under each scenario: Short-term 0-20 years (using SSP scenarios up until 2040); Medium-term 20-70 years (using SSP scenarios up until 2070); and Long-term 70 plus years (using SSP scenarios up until 2100).

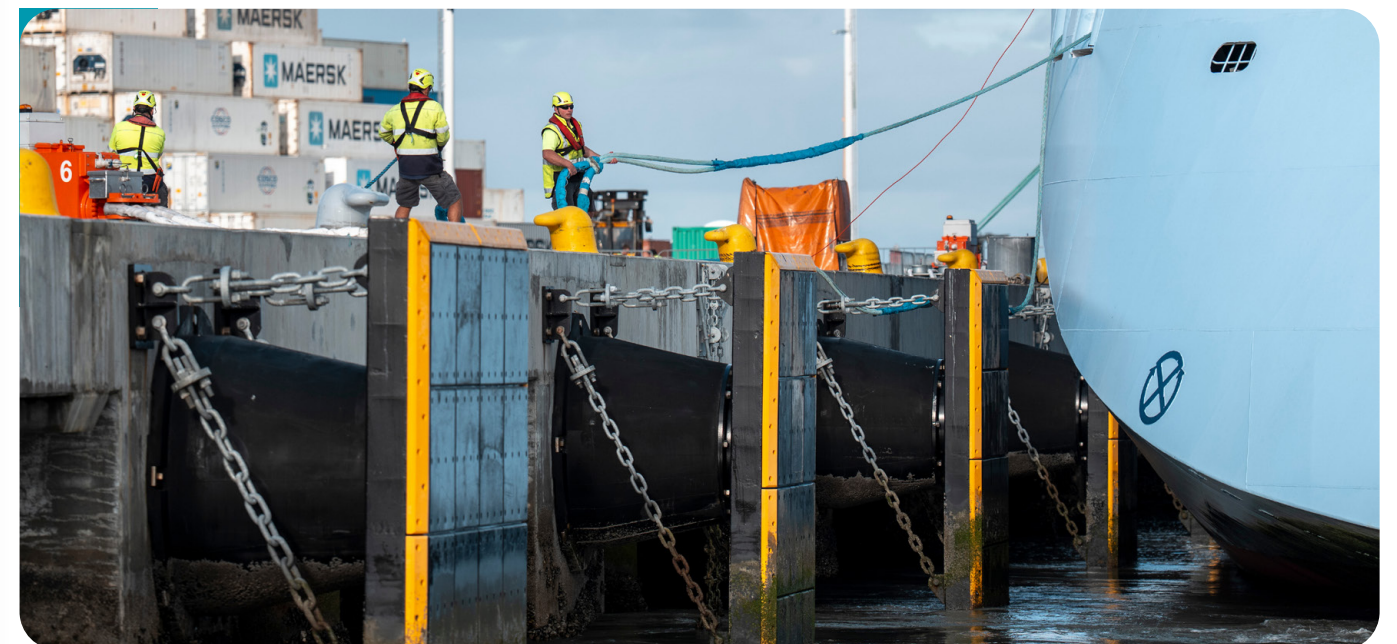
In accordance with Napier Port's Risk Management Policy, we assess the significance of each identified climate-related risk using a likelihood and consequence matrix. The climate-related risk register assesses the likelihood of risks occurring during the short-term, medium-term and long-term timeframes outlined above,

to recognise the longer-term nature of climate-related risks. This varies from the overall risk management framework which assesses the likelihood of a risk occurring based on whether it is probable to occur within the next 12 months. For both, the consequence of the identified risk is assessed based on the potential level of impact on our people, assets/infrastructure, operations and systems, environment, reputation and financial planning. Based on the likelihood and consequence, levels of risk are categorised as either very high, high, moderate or low. This allows us to determine the appropriate response for each issue identified. Climate-related risks and opportunities are assessed annually to ensure they continue to reflect material changes in our knowledge, business strategy, and operating environment.

Napier Port's CCRA includes parts of its value chain outside the operational control

of its business. This includes climate change impacts affecting our key local growers and upstream transportation links. However, there are parts of the value chain that are excluded based on immateriality and/or data collection complexity. For further value chain inclusions and exclusions, refer to the scope 3 tables found in the metrics and targets section of this report.

During 2025, using the process described above, we updated our Climate Change Risk Assessment – looking at infrastructure resilience, trade forecasting, land levels, weather conditions, emergency preparedness and habitat modification. The current assessment has identified 69 climate-related physical and transition risks and 24 opportunities. An overview of the top physical and transition impacts is contained in our strategy disclosures section.



s3 Strategy

NZ CS requirements. An entity must disclose:

- A description of its current climate-related impacts
- A description of the scenario analysis it has undertaken
- A description of its climate-related risks and opportunities it has identified over the short, medium and long-term
- A description of the anticipated impacts of climate-related risks and opportunities
- A description of how it will position itself as the global and domestic economy transitions towards low emissions, climate resilient future state

The diagram below depicts Napier Port’s strategy and how we create value for all stakeholders.



Refreshing Our Strategic Framework

Strategy drives everything we do at Napier Port: how we manage and operate our assets, how we provide innovative solutions to customers, and how we partner with our suppliers and operate within our community and environment.

This year we undertook a comprehensive strategy refresh process to prepare for the challenges and opportunities we could face over the next decade – looking out to 2035.

Our purpose remains the same: **Together, we build a thriving region by connecting you to the world.**

Our four pillars have been enhanced and refocused to:

- **Growing our Port Plus+** - Grow value for customers and ourselves.
- **Delivering Excellence to the Core** - Profitable, sustainable business operations.
- **Building Alliances** - Achieving more together and where it matters the most; and
- **Learning and Leading Port** - Adopting technology and embracing innovation.

Sustainability and future climate resilience is a core part of Napier Port’s business model and is integrated into our strategy. Sustainability principles are continually being embedded throughout all areas of our business.

Our business is also exposed to climate-related risks outside our port gate, including transport links and the impact of climate change on our community and customers. We work collaboratively with relevant territorial authorities and community groups, sharing information and developing solutions, to deliver a more resilient business and region.

Napier Port recognises that climate change is currently impacting the way we operate, as outlined on the following pages.



Current impacts of climate change

Current physical climate impacts

Tropical Cyclone Gabrielle in February 2023 caused widespread flooding and property damage to the Hawke's Bay region. Although the physical impact on Napier Port's infrastructure was not significant, it was a reminder of the devastating impact severe weather events can have and the potential consequential effects arising from this. Flooding and infrastructure damage outside the port gate resulted in decreased cargo being exported from the region via our port. Such losses represented millions of dollars of lost earnings for Napier Port. There were no physical climate impacts to disclose in 2025.

Current transition climate impacts – Including impacts on Napier Port's business model and value chain

As part of its asset management programme, Napier Port continues to assess how it can utilise technological advancements and alternative equipment choices to shift its fuel intensive heavy equipment and marine fleet assets towards lower emission and more energy efficient options. However, in most cases the procurement of 'greener' equipment carries additional cost premiums when compared with the traditional internal combustion engine equivalent. For example, Napier Port introduced five new Eco Reachstackers into the container handling mobile plant fleet during 2025 and each carry a capital cost premium of approximately 15% over the price of the base model reachstacker.

Napier Port will continue to consider a broad range of objectives including the financial implications and its obligations as a lifeline asset and significant regional infrastructure as it considers pathways and the timeframes it adopts to transition its mobile plant equipment and marine assets.

Capital expenditures will be financed according to its long-term planning and from its general balance sheet. Additionally, Napier Port has established a Sustainable Finance

Framework to source forms of sustainable financing to fund eligible sustainability expenditures and assets where the criteria is met.

During 2025 Napier Port commenced a transformation project which will significantly change the operating model within its container terminal and is one of the key emissions reduction enablers to help Napier Port meet its 2050 net zero emissions commitment.

This project will see the introduction of battery electric autonomous truck and trailers to undertake horizontal transport of containers within the boundary of Napier Port. The project is expected to be completed during 2027. Once completed the project is expected to significantly reduce overall diesel fuel usage and carbon emissions across our mobile plant fleet, while also lowering annual maintenance costs as our container handling forklifts will be used more in line with their intended design due to shorter travel distances.



During 2025 Napier Port commenced a transformation project which will significantly change the operating model within its container terminal and is one of the key emissions reduction enablers to help Napier Port meet its 2050 net zero emissions commitment."

Napier Port also has a focus on improving work practices which reduce fuel usage across its mobile fleet of assets which in turn has contributed to a reduction in future carbon emissions. Examples of successfully implemented work change initiatives include:

1 Reducing fuel usage of tugs:

Tug boats are the largest single consumer group of fuel at Napier Port, consuming between 11,500 – 14,500 litres of fuel per month on average. With the next tug replacement not expected in the short term, more efficient tug operating practices have been put into operation to reduce the carbon footprint of our tug fleet of 3 vessels.

These initiatives include:

- Prioritising the use of the most fuel efficient tug whenever possible;
- Switching to synthetic shorelines to reduce the amount of pushing required by tugs during berthing manoeuvres; and
- Reducing the number of moves required during a vessel visit.

It is estimated the outcome of these operational initiatives has contributed approximately 198 tCO₂e in reduced fuel emissions to date.

2 Reducing container operations fuel usage:

Key initiatives actioned in this area include:

- Reductions in the amount of engine idle time across the forklift and light vehicle fleet. This has been achieved from insights generated from our integrated Internet of Things (IOT) system which highlighted an elevated engine idle time across our container operations fleet and a positive change in operator behaviour;
- Terminal optimisation and planning changes to reduce transit distances i.e. the distances a forklift needs to travel between a container stack and the vessel loading point;
- Machine deployment optimisation lowering emissions through use of optimum machine e.g. smaller, lower emitting machinery can be used for moving empties (empty container handlers) and reserving the use of large machinery (reachstackers) for full containers. This has created an opportunity to further reduce fuel usage by an approximate 10 litres per hour on an empty container handler vs legacy reachstacker machine.

Terminal optimisation and machine deployment initiatives are interim measures being utilised until the new autonomous electric vehicle operating model is delivered.

The impacts of severe weather events such as extreme rainfall and tropical cyclones (like Cyclone Gabrielle) can have an adverse impact on our insurance renewal programme for our material damage and business interruption policies. As a result of Cyclone Gabrielle trading losses incurred by Napier Port, policy premiums and insurance capacity have been negatively affected, however the direct financial impact on insurance is not determinable.



Terminal optimisation and machine deployment initiatives are interim measures being utilised until the new autonomous electric vehicle operating model is delivered."

Future impacts of climate change

For Napier Port, a warmer world in 2100 consistent with the SSP3-7.0 scenario would result in potential physical impacts on our infrastructure, create uncertainties as to how our region would be affected and be required to adapt, and what our business may look like as a result. The transition impacts of climate change caused by strong climate action policy will also create a mix of risks and opportunities for our business. We have identified and assessed these risks and opportunities, undertaking analysis of the potential impacts for our business.

The physical and transition risks included below are from Napier Port's latest CCRA and are rated very high, in accordance with the risk management policy and specific climate-related timeframes noted above. This assessment is based on the likelihood of the risk occurring (likely or almost certain) and consequence (greater than \$5 million), in at

least the SSP3-7.0 scenario in the medium to long-term. Under SSP2-4.5 (3 degrees or lower scenario), these risks are also present, although they would manifest themselves at a later date.

From the analysis undertaken, at this stage, we do not consider that the effects of climate change materially change our overall strategy. Sustainability will continue to be embedded into our ways of working as we continue to collaborate to look after people, planet and place, including completing the actions contained in our sustainability strategy.

The more financially material infrastructure improvement actions are required over the medium to long-term to ensure that we continue to have a resilient and agile infrastructure network. Planning to address this is being embedded within our overall

infrastructure masterplan. In the short-term, we will continue to complete more detailed investigations of climate-related effects and ensure these are considered in Napier Port's master planning process.

To support our sustainability strategy action plan implementation we include climate-change considerations within Napier Port's procurement processes and policies. This involves consideration of alternative lower emission options related to plant and equipment procurement and, in the case of more significant investment business cases, emission scenario and financial analysis including the consideration of shadow emission pricing. Work in these two respective areas continues to progress as new information comes to hand.

Physical Risks

Climate change related effects result in several risks to Napier Port infrastructure, due to its coastal location and susceptibility to sea level rise. All our tangible assets are susceptible to physical risks today, including from acute weather and natural disaster events. Climate change modelling indicates that higher temperatures will increase the likelihood of extreme weather events that may affect operations and damage infrastructure and there will be ongoing impacts of sea-level rise, extreme rainfall, and intensifying tropical cyclones which may cause coastal inundation, erosion and flooding. Napier Port's breakwater and sea defence asset (our largest infrastructure asset with a net book value of \$161m in 2025) is the most exposed to the impacts of climate change and accordingly forms an important part of our assessment of future physical climate risks.

The physical impacts of climate change considered most material to Napier Port are described below:

i) Increase in sea level

One of the major and most certain consequences of increasing concentrations of atmospheric greenhouse gases and associated warming is the rising sea level. SSP scenario modelling has confirmed the pace of sea level rising is also accelerating.

Interim guidance on the use of sea level rise projections from the Ministry for the Environment⁵ recommends using data from the NZSeaRise research programme, which uses SSP sea level data on a localised scale across New Zealand. These projections include not only sea level rise (SLR) (relative to 2005), but also vertical land movement (VLM), from satellite data, at 2km spacing across all of NZ's coastlines. By combining both SLR and VLM, we can understand relative sea level rise (RSLR).

There are three sites in NZSeaRise within the Napier Port footprint and these sites are reported subsiding at an average rate of 2.83mm/year (2.7-3.0mm/year). When this rate of VLM is combined with the various rates of SLR, dependent upon the emissions scenario, overall RSLR is higher.

With sea levels continuing to rise, even under low emission scenarios, there is high confidence in the increased frequency and severity of coastal flooding⁶.

In respect of extreme coastal flooding, in the short term (2040), there is no difference seen between different SSP pathways and inundation risk remains manageable. However, projected temporary inundation in a one in one-hundred-year event shows the previously identified northern log yard areas experiencing greater levels of inundation corresponding with escalating temperature over time. This trend expands under all SSPs in 2070, and eventually, in 2100 under all SSPs, coastal flooding projections show a large portion of the Napier Port site could be potentially impacted during a one in one-hundred-year event.

Furthermore, as sea levels rise, high-energy waves that strip sediment can reach higher up the shoreline and cause erosion⁷. Due to the nature of Napier Port, being built directly on the coast, coastal erosion could cause loss of usable land area and damage

to existing infrastructure if not prepared for. Among the three beach areas within the port boundaries, risk exposure is materially present within the two easternmost stretches. Whilst these areas undergo continuous natural movements due to wave action, these areas serve as natural sea defences, safeguarding critical structures and operational zones from potential inundation.

In 2025, the establishment of a rock bag revetment structure was completed in the eastern beach area between the Plant Services workshop and eastern Security hut providing protection for infrastructure against coastal erosion. Climate-related risks such as an anticipated rise in RSLR, coupled with heightened cyclone/rainfall intensity, are expected to increase erosion forces in this area. In the long-term a more substantial hard structure may be required in this and other similar areas to provide long-term protection.

Risk Driver: Increase in Sea Level (RSLR)

Scale	High to Very High
Likelihood	Almost certain
Timeframe	Medium to Long-term
Financial Implications	Fortification of eastern boundary sea defences: \$6-100 million (depending on the extent of engineered structure – can range from flexible rock bag solutions to establishing a land based breakwater sea defence)
Methodology	Potential financial impact is estimated capital expenditure required, based on current civil construction costs in today's money
Risk Mitigation	- Northern log yards may eventually need to be further developed to raise the level of pavement - Ensure the western reclamation area is developed to levels to meet future extreme sea levels due to climate change - Detailed investigation and potential design of sea defences to provide long-term protection in the eastern beach area where a more substantial hard structure may be required in these areas and other similar areas in the long term



ii) Extreme rainfall events

Climate change is expected to result in an increase in the frequency and intensity of extreme rainfall events. The NIWA report notes that short duration rainfall events have the largest relative increases compared with longer duration rainfall events. Rainfall depths for 1-in-50 year and 1-in-100 year events are projected to increase across the SSP scenarios and future time periods⁸.

Napier Port has seen minor issues with storm water management in recent years due to extreme rainfall events that the systems were not designed for. The storm water system will be further compromised by sea level rise with more outlets likely to be below sea level which impacts the system's ability to discharge effectively resulting in backing

up of storm water. This is likely to result in inundation if the extreme rainfall coincides with extreme sea levels. Detailed modelling is to be completed to better understand the system capacity both currently and under future scenarios so appropriate plans can be put in place. Likely options include additional drainage networks or pumping stations.

Risk Driver: Extreme Rainfall Events	
Scale	High to Very High
Likelihood	Almost certain
Timeframe	Long-term
Financial Implications	\$5-\$10 million
Methodology	Potential financial impact is estimated capital expenditure required based on the installation of two pumping stations and current civil construction costs in today's money
Risk Mitigation	- Modelling of the stormwater system capacity under future scenarios - Assess capacity of the outer breakwater drain under future scenarios and increased frequency of drain cleaning - Likely mitigation options could include additional drainage works or pumping stations

iii) Tropical Cyclones

Tropical cyclones are predicted to be more severe under all temperature scenarios, yet there is still a large amount of uncertainty on the changes in frequency of tropical cyclones⁹. Potential damage caused by tropical cyclones can be quantified using the power dissipation index (PDI), which considers maximum sustained wind speeds, and the distance/time the cyclone has travelled. Projections for future severity of cyclones aligned with SSP findings show increases across all scenarios, with the

greatest increase in PDI seen in SSP3-7.0 (19%).

The implications of Cyclone Gabrielle provided insight into the susceptibility of Napier Port's breakwaters and sea defences to damage. Anticipated synergies between relative sea level rise and the amplification of cyclone PDI appear to forecast an uptick in the magnitude of damage sustained per event. Such powerful weather events have the potential to dislodge or displace the

armour units (akmons) that help protect the breakwater structure.

With a projected increase in cyclone PDI for storms arriving at Napier, proactive maintenance through a program of continual akmon renourishment is required, not only for dissipating wave energy and upholding the structural integrity of the breakwater itself, but also for the protection of the infrastructure sheltered behind it.

Risk Driver: Increase Tropical Cyclones	
Scale	High to Very High
Likelihood	Almost certain
Timeframe	Medium to Long-term
Financial Implications	\$10-\$15 million
Methodology	Potential financial impact is estimated capital expenditure planned plus potential enhancements in the medium term, based on current civil construction costs for shore protection in today's money
Risk Mitigation	The akmon unit "top-up" program is embedded within the Asset Management Plan and the post cyclone breakwater reinstatement works was completed during 2025 at a total cost of \$2.5 million

Transition Impacts

The transition impacts of climate change caused by strong climate action policy are also a mix of risks and opportunities for our business.

Government regulation to encourage a shift to a low carbon economy (like the Aotearoa New Zealand Emission Reduction Plan) may result in:

- increased fuel costs particularly for Napier Port's mobile plant;
- requirements to invest in new technologies, equipment and supporting infrastructure to move away from diesel powered plant; and
- policies to increase the use of rail which may require additional infrastructure investment and changes to Napier Port's operating model.

The transition impacts considered most material to Napier Port are:

i) Government Regulation to Encourage a Shift to a Low Carbon Economy Resulting in Higher Fuel Costs

Government policy may increase emissions taxes on fuel by greater amounts to encourage the significant reduction in emissions required to achieve net zero emissions by 2050. This will likely increase diesel fuel costs and operating costs for Napier Port which is currently reliant on diesel fuel to power tugs, mobile harbour cranes, and container handling equipment. By way of illustration using 2025 data, a \$0.20 per litre increase in the cost of diesel would increase operating costs by approximately \$0.5 million per annum.

The higher fuel costs may encourage the shift to alternative fuels throughout the region which may ultimately reduce the fuel imported through Napier Port and the revenue that this generates.

Risk Driver: Government Regulation to Encourage a Shift to a Low Carbon Economy Resulting in Higher Fuel Costs	
Scale	High to Very High
Likelihood	Moderate risk in short term. Almost certain in medium to long term
Timeframe	Short to Medium term
Financial Implications	Unknown impact and timing
Risk Mitigation	- Ensure fuel price escalation risk is considered in forecasting - Implementation of sustainability strategy actions to reduce dependence upon and quantities consumed of diesel fuel

ii) Government Regulation to Encourage Shift to Alternative Fuels

Combined with the above it is highly likely there will be government policy to either ban, limit the procurement of, or otherwise disincentivise the use of, internal combustion engine powered machines and encourage a shift towards machines powered by renewable and low emission energies (e.g. electricity, hydrogen). It is expected that import restrictions will precede any outright ban of diesel equipment, which will provide some time to adapt.

Napier Port is expected to transition in a planned orderly way with emission reduction pathways under development as part of the wider sustainability strategy and through targeted emission reduction plans. The transition triggers are likely to be a mix of fuel and other price pressures, investment cycles, the availability of alternative energy equipment able to deliver comparable operational capability and resilience.

The development of the required infrastructure is expected to occur over a longer period and require additional capital investment.

Our Electrical Master Plan outlines a pathway to meet future electrical demand. There are, however, numerous policy risks which may affect the electrification programme:

- A ban on the importation of diesel equipment within a short timeframe may result in the need to accelerate infrastructure investment, uneconomically extending the lifetime of existing plant or affecting expansion aspirations;
- An early ban in the importation of diesel equipment may result in effective and reliable alternative low emission options not being readily available;
- Policy that results in dramatic increase in fuel price may result in earlier than expected move to an electric fleet. If electrical infrastructure is not available, continued use of internal combustion engine powered equipment may result in higher than desired operating costs.

Failure to consider transitional climate-related risks throughout an asset's lifecycle during procurement may lead to stranded assets in the future whereby either the fuel required to operate them is either unavailable or cost prohibitive or equipment becomes technically obsolete and unserviceable. In particular, key plant such as tugs and mobile harbour cranes have operating lives of up to 30 years. To manage this transition risk, Napier Port's Procurement Policy requires consideration of ESG factors alongside economic factors in significant expenditure and procurement decisions. Additionally, our approach to asset management ensures periodic reviews are undertaken to evaluate aspects such as remaining useful life, and the residual value of key assets potentially impacted by climate-related pressures.

Risk Driver: Government Regulation to Encourage Shift to Alternative Fuels	
Scale	High to Very High
Likelihood	Almost certain
Timeframe	Medium to Long-term
Financial Implications	Unknown impact and timing The 2025 net book value of diesel powered plant held by Napier Port is \$49 million Potential electrical infrastructure upgrades: \$25 to \$35 million
Risk Mitigation	- Consider flexibility in electrical infrastructure development as part of the Electrical Master Plan - Consider future fuel cost risk and other ESG matters in equipment purchasing and investment business cases - Consider equipment that can be retro-fitted in investment decision making process - Regularly assess the remaining life and residual value of key equipment because of climate-related changes

iii) Rail

Rail transport typically has significantly lower emissions per tonne compared to road freight, and provides other benefits, in particular reducing the number of trucks on New Zealand's roads. In the short-term, a lack of national and regional rail infrastructure is and will remain a major hindrance to a significant step change in the use of rail.	In the medium term, it is likely that road transport will continue or accelerate the adoption of green energy technology to reduce their emissions. In the long-term (70+ years), it is expected that New Zealand's rail network will be effectively emission free, running on	alternative fuels such as hydrogen for long haul routes or potentially a fully electrified network, which may result in a significant uptake of rail. A significant increase in cargo transported by rail would require changes in Napier Port's operational layout and associated infrastructure investment.
--	---	---

Risk Driver: Government Regulation to Encourage Increased Use of Rail	
Scale	High to Very High
Likelihood	Almost certain
Timeframe	Long-term
Financial Implications	\$10-\$15 million
Financial Implications	Potential financial impact is a high-level estimate of capital expenditure required, in today's money
Risk Mitigation	- Changes to Napier Port's operational layout in line with existing provisions in the Master Plan to increase our on-port rail infrastructure - Further consideration of climate change related effects will be included in Napier Port's master planning process

iv) Commercial and regional climate impacts

Napier Port's performance is strongly linked to the strength and resilience of the Hawke's Bay regional economy. With around 80% of Napier Port's cargo made up of exports—predominantly from local primary industries—it is important to understand how climate change could affect these sectors and, by association, future port activity.

Whilst the extent of potential impact is not conclusive, climate change is expected to influence land-based production by affecting the quantity, quality, and types of crops and forestry products that can be grown and harvested. Increased weather variability is likely to cause greater year-to-year fluctuations in yields, while long-term changes in temperature, rainfall, and sea level will

alter the regional suitability for different commodities.

Acute hazards such as flooding, landslides, and coastal inundation, alongside shifting pest and disease pressures, will pose additional risks to agricultural, horticultural, and forestry operations¹⁰. Rising sea levels may also gradually reduce the area of land available for primary industries in low-lying parts of the region – especially after considering managed retreat for residential activities.

Forestry, agriculture and horticulture are all significant primary industries within the Hawke's Bay region accounting for around 9% of regional GDP and 12% of the regional

workforce¹¹. Napier Port plays an important role within these industries, by connecting suppliers with international customers. These sectors are vulnerable to the impacts of climate change (i.e. potential increases in rainfall intensity, mean temperatures and drought severity). While changes in production may not directly affect Napier Port, there is a significant indirect risk to revenue should these industries suffer from the effects of a changing climate. While these risks are significant, they can be partly managed through proactive adaptation—such as changing crop types, improved land management, and resilient infrastructure.

a) Forestry

The Hawke's Bay region supports approximately 165,000 hectares of plantation forest, dominated by Pinus radiata, the country's primary commercial timber species. In 2025, around 2.7 million tonnes of logs were exported through the Port of Napier and logs make up approximately 66% of total exported cargo by weight.

Gradual shifts in climate, coupled with rising atmospheric CO₂ concentrations, are projected to provide moderate gains in forestry productivity for some sites by increasing photosynthesis and extending the growing season.¹² Warmer temperatures

can also increase the rate of organic matter decomposition and nitrogen mineralisation, improve soil fertility and support tree growth.¹³

However, benefits may be offset by the increasing frequency and severity of extreme weather events, such as storms, high intensity rainfall, flooding, and landslides.¹⁴ Such hazards pose a significant risk to plantation forests by damaging tree stands, increasing erosion and sedimentation, compromising access roads and harvesting infrastructure, and raising operational costs. As climate risks intensify, adaptive forest management practices and infrastructure

planning will be required to maintain productivity and protect asset value across the region's forestry sector. The anticipated climate change effects on the Hawke's Bay forestry industry are linked to SSPs as outlined in the table below. However, the future financial implications of these climate impacts are still to be determined.

Table - The anticipated climate change effects on the Hawke's Bay forestry industry under different SSPs.¹⁵

Forestry	
SSP1-2.6	- Increased productivity due to longer growing season and increased CO2 availability - Some drought stress but manageable - Fire risk elevated but moderate - Landslide and flood risk low, localised slips still possible - Extreme weather events infrequent but isolated windthrow damage possible
SSP2-4.5	- Drought stress increase particularly for east-facing slopes - Fire risk increases - Increased CO2 may partially offset losses - Pest and disease pressure increases with warmer winters - More frequent landslides, flooding of forest roads and culverts - Increased frequency of storms/strong wind events causing windthrow and localised damage
SSP3-7.0	- Productivity declines, particularly on shallow or lower quality soils - Pest incursions increase - Reduced economic viability of dry sites - Higher risk of severe erosion, landslides, flood damage and damage from more frequent severe storms/cyclones

b) Horticulture

The top five horticultural crops in Hawke’s Bay are apples, wine grapes, squash, peas and beans, and onions. In 2025, apples made up around 7% of exported cargo managed by Napier Port.

Projected temperature increases are expected to negatively affect growth rates and growing seasons, as well as crops’ ability to take up water, likely resulting in damaged crops or reduced quality.¹⁶

Adaptation will require a combination of short- and long-term strategies to maintain the region’s horticultural productivity. Growers are already investing in improved water storage and irrigation efficiency, trialling new crop varieties better suited to warmer conditions, and strengthening on-orchard resilience to extreme weather events through protective infrastructure and improved drainage. Continued investment in research, water storage, coordinated biosecurity measures, and proactive land-use planning will be

critical to ensure the sector remains viable as climate risks intensify.¹⁷

Climate effects on the Hawke’s Bay horticulture industry are linked to SSPs outlined in the table below. However, the future financial implications of these climate impacts are still to be determined.

Table - The anticipated climate change effects on the Hawke’s Bay horticulture industry under different SSPs.¹⁸

Horticulture	
SSP1-2.6	- Longer growing seasons may benefit some crops (such as apples and grapes) - Increased disease and pest pressure - Water availability relatively stable if effective water management and moderate rainfall changes - Fewer frost days impacting crops that need winter chilling - Occasional extreme rainfall events may cause local flooding and soil erosion
SSP2-4.5	- Significant increase in summer heatwaves; possible heat stress and sunburn damage to fruit crops (pip fruit, grapes, berries) - More droughts place pressure on irrigation - Higher pest and disease risks - Reduced winter chilling may lower fruit set for pip fruit and stone fruit - More frequent extreme weather events, including storms and heavy rainfall, may damage orchards and infrastructure
SSP3-7.0	- Frequent extreme heat events damage fruit quality and yields - Severe water scarcity due to prolonged droughts - Major winter chill deficits for pip fruit and stone fruit - Increased pest/disease burden, including subtropical pests - Market quality and export reliability are at risk - Severe storms and extreme rainfall events could cause significant crop losses, flooding, erosion, and infrastructure damage

c) Agriculture

Drought, in particular, has been highlighted as one of the key risks for Hawke’s Bay, with some of the largest increases to the annual number of days of soil moisture deficit compared to other parts of the country¹⁹. The largest impact is expected to be in the meat industry due to the sector’s strong dependence on reliable water availability and consistent pasture growth makes it particularly vulnerable to climate variability and long-term changes in rainfall patterns, drought frequency, and temperature extremes. Increased droughts coupled with occasional heavy rainfall could have major adverse effects on soil stability.

Climate effects on the Hawke’s Bay sheep and beef farming industry are linked to SSPs outlined in the table below.

Table - The anticipated climate change effects on the Hawke’s Bay agriculture industry under different SSPs.²⁰

Agriculture	
SSP1-2.6	- Pasture growth may show slight improvement due to longer growing seasons and increased CO2 availability - Water availability relatively stable if effective water management and moderate rainfall changes - Slight drought stress but manageable - Landslide and flood risk low, localised slips are still possible, which can reduce pasture availability - Livestock productivity remains stable or slightly improved
SSP2-4.5	- Increased frequency and duration of droughts causing intermittent pasture shortages - Greater variability in pasture growth, dry summers reducing feed availability - Increased irrigation demand stresses water supplies - Higher heat stress causes reduction in weight gain, fertility and increased susceptibility to disease for livestock - Soil degradation risk increases due to more frequent drought and overgrazing during feed shortages
SSP3-7.0	- Frequent severe droughts causing major pasture deficits - Water scarcity substantial - Significant heat stress to livestock, causing reduced growth rates, disease, fertility and increased mortality - Soil erosion and land degradation reduces carrying capacity - Significant declines in overall livestock numbers

Key adaptation priorities for sheep and beef farming include enhancing pasture resilience through drought-tolerant forage species and regenerative grazing, securing water via improved storage, rainwater harvesting, and efficient irrigation, and protecting livestock welfare with shade, shelter, and heat- or disease-resilient breeds.²¹

The meat industry is a significant exporter through Napier Port and drought therefore poses a risk to revenue in the medium term and almost certainly in the long term. In 2025, meat made up 4% of Napier Port’s exported cargo.

Risk Driver: Drought - commercial and regional climate impacts	
Scale	High to Very High
Likelihood	Almost certain
Timeframe	Medium to Long-term
Financial Implications	\$15-\$20 million Trade loss exposure estimated as 15%-25% of annual (TEU) exports
Methodology	Potential financial impact is an estimate of the annualised impact on trade volume in today’s dollars assuming a complete loss of current refrigerated container trades without replacement by other substitute produce
Risk Mitigation	Napier Port has limited direct control in managing this risk. Napier Port will keep an active interest in potential impacts and how that might change export volumes, shipping patterns and changes in exports through our ongoing engagement with cargo customers, and in our master planning process



Transition Opportunities

Addressing climate change potentially offers various chances for growth and improvement. These include the opportunity for Napier Port to become more resource-efficient, using cleaner energy sources, creating innovative service offerings, and enhancing supply chain resilience.

Opportunities may include a reduction in recurring expenses over the long term or additional revenue streams from requirements for ships to use shore power while in port and opportunities to partner in the supply chain to provide low carbon or zero emission solutions for customers.

Additionally, climate change might create new opportunities as crops dynamically shift, allowing the horticulture sector to cultivate new thermally resistant species and varieties. Napier Port considers that if climate change alters the primary sector, crop substitution opportunities will become available.

s4 Metrics and Targets

NZ CS requirements. An entity must disclose:

- The metrics that are relevant to all entities regardless of industry and business model
- Industry-based metrics relevant to its industry or business model used to measure and manage climate-related risks and opportunities
- Any other key performance indicators used to measure and manage climate-related risks and opportunities; and
- The targets used to manage climate-related risks and opportunities, and performance against those targets.

Greenhouse Gas (GHG) Emissions Methodology

Napier Port has been measuring their GHG emissions for several years which have been reported in the 2025 Annual Report (page 48) and on the Napier Port website. These emissions are classified under the following categories:

Scope 1 – Direct GHG emissions occurring from sources that are owned or controlled by the company.

Scope 2 – Indirect GHG emissions occurring from the generation of purchased electricity, heat and steam consumed by the company.

Scope 3 – Emissions that occur because of the company's activities, but from sources not owned or controlled by the company.

Since our initial report in 2021, we have continued to refine the GHG inventory and collect the associated data to expand the scope of our reported emissions which helped to establish our baseline year in 2022. From 2022 onwards Napier Port's reported emissions have been independently assured as part of GHG limited assurance engagements. During 2025 Napier Port has added additional Scope 3 emissions that have not been previously reported. These can be identified along with the reasoning for their inclusions in Table 1.

EY has provided limited assurance on behalf of the Office of the Auditor General on our 2025 GHG disclosures for the first time (2022 – 2024 GHG disclosures were

independently verified by Toitū Envirocare). The 2025 unqualified GHG disclosures limited assurance report can be found on page 32 and on our website at:

www.napierport.co.nz/sustainability/climate-change-related-disclosure-report

Napier Port has measured its GHG emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard (together the "GHG Protocol").

Napier Port is also a participant in the NZ Ports Environmental and Sustainability Group (NZ Ports) which has established a common approach to measuring and reporting on carbon emissions that would fairly represent comparable industry climate-related risks and opportunities. An essential part of NZ Ports work was the creation of Scope 3 GHG Emissions: Preliminary guidance for New Zealand Ports (NZ Ports Scope 3 guidance). The NZ Ports Scope 3 guidance relies heavily on the GHG Protocol and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard. This guidance was finalised during 2025 and used by Napier Port in assessing its 2025 scope 3 emissions inventory.

How Napier Port calculates emissions

Napier Port uses BraveGen as our GHG emission management software. Data is collected and uploaded monthly into BraveGen by Napier Port staff. Emission calculations are then based on multiplying activity data (e.g. litres of fuel or kilowatt-hour (kWh) electricity) by an emissions factor (EF).

The primary source of Scope 1 and Scope 2 EFs for calculating emissions data is obtained from the Ministry for the Environment (MfE), Measuring Emissions Guide 2025. This edition uses Global Warming Potential (GWP) values with a 100 year time horizon sourced from the IPCC Fifth Assessment Report.

Scope 3 EFs are sourced from a range of guidelines and the significant ones are outlined below.

- MfE Measuring Emissions Guide 2025
- Market Economics (M.E.), 'Table 5 Consumption Emissions Modelling', March 2023
- UK Government GHG Conversion Factors for Company Reporting (2025)
- AusLCI Carbon Emissions Factors

All these international guidelines directly or indirectly use GWP values with a 100 year time horizon sourced from the IPCC Fifth or Fourth Assessment Report.

The latest relevant EF guidance available at the end of each reporting period is used for our full year GHG emissions reporting.

Restatement of Prior Year Emissions

To provide consistency and comparability across reporting periods Napier Port has restated previously reported emissions for the 2024 comparative period. Earlier reporting periods were not restated as the adjustments are deemed immaterial and have no material impact on the baseline year.

The restatement relates to transferring tenant electricity from Scope 2 emissions and disclosing it as part of Scope 3 emissions under category 13 (Downstream leased assets). There is no change to 2024 total emissions because of the comparative restatement.

The following table summarises the impact of the restatement*:

Emissions Category	2024 Previously Reported (tCO ₂ e)	2024 Restated (tCO ₂ e)	Change (%)
Scope 1	6,785	6,785	0%
Scope 2	1,012	979	-3.4%
Scope 3	943	976	3.5%
Total	8,740	8,740	0%

*The restated 2024 emissions have not been subject to assurance procedures.

Napier Port Emission Scope Boundary

The GHG emissions sources included in our inventory were identified with reference to the methodology in the GHG Protocol. GHG emission sources are reported on a comparable basis, while adding further scope 3 emission sources where they are within our boundary, the emissions data is considered to be material and the data is available. For example, increased capital project activity together with additional supplier supplied data during 2025 has led to the inclusion of additional scope 3 emission category

measures for capital goods and purchased goods and services.

Organisational boundaries were set with reference to the methodology described in the GHG Protocol standards. Within the GHG Protocol, Napier Port has elected to use an operational control consolidation approach to account for emissions. Accordingly, Napier Port's joint ventures are excluded due to a lack of operational control over them i.e. Napier Port does not have ultimate authority to implement or change any operating

policies relating to the joint ventures. These joint ventures are treated as Scope 3 – Category 15 Investments but have been deemed immaterial.

Table 1 on the following page outlines the emission sources included in Napier Port's inventory, including the data source, methodology and the assessed level of data quality.

Table 1 - Emissions Category Inventory:

Scope	Emissions Category	Sub Category	Activity	Data Source	Data Collection Unit	Methodology, Data Quality, Uncertainty (Qualitative)	New Emissions Included from 2025
Scope 1	Mobile Combustion		Diesel fuel for: - Mobile plant (cranes, forklifts & trucks) - Floating plant (tugs and pilot vessel) - Light Vehicles	Invoice/Fuel records from provider	Litres	Fuel based method. Accurate records from billing system. Low uncertainty	No
Scope 2	Purchased Electricity		Electricity consumption (excluding tenant electricity disclosed under category 13)	Invoice/Billing data from supplier	kWh	Location based method. Sub metering used for billing. High quality data and low uncertainty due to complete invoice sets.	No
Scope 3	Purchased Goods & Services (Category 1)	Water supply	Water consumption at all Napier Port sites that operate within organisational boundary	Invoice data from Napier City Council	K/litres	Average data method. Assume all water usage use is captured on invoices. Accurate records from billing system. Low uncertainty	No
		Suppliers spend - opex	Napier Port spend on operational/material opex	Supplier spend records	\$	Basic Spend based method. Higher level of uncertainty as calculation based on spend. Emission factors are adjusted for CPI. Emissions for suppliers with annual spend \$30,000 and less was calculated using an average across the supplier emission factors used . This category also includes GHG emissions associated with maintenance of capital goods. Approach to emissions calculation was based on NZ Ports Scope 3 Guidance which was finalised during 2025.	Yes
	Capital Goods (Category 2)	Construction Projects (Napier Port Transformation project)	Emissions generated from diesel fuels, materials, freight, and waste through significant construction project work by contractors at Napier Port	Monthly work reports from project contractors	Diesel: Litres Freight: Tonne-Km Materials: Steel: Tonnes, Cement: Kg, Concrete: m³	Project specific method used for Civil works part of the project. Involves collecting annual data on fuel, electricity, and waste/materials associated with the project (excluding any electricity or fuel already captured in Scope 1 & Scope 2) and multiplying them by material based emission factors. High quality data and lower uncertainty due to data received directly from contractor. Approach to emissions calculation was based on NZ Ports Scope 3 Guidance which was finalised during 2025.	Yes
		Other Construction Projects (based on materiality)	Emissions generated from other material construction projects	Contractor spend records	\$	Basic Spend based method. Higher level of uncertainty as calculation based on spend. Emission factors are adjusted for CPI. Approach to emissions calculation was based on NZ Ports Scope 3 Guidance which was finalised during 2025.	Yes
		Suppliers spend - high value fixed assets	Napier Port spend on high value fixed assets	Supplier spend records	\$	Basic Spend based method. Higher level of uncertainty as calculation based on spend. Emission factors are adjusted for CPI. Approach to emissions calculation was based on NZ Ports Scope 3 Guidance which was finalised during 2025.	Yes
	Fuel and energy related activities (Category 3)	Fuel - Well to Tank	Emissions generated from the production & distribution of scope 1 diesel and petrol	Invoice/Fuel records from Fuel provider	Litres	Fuel based method. Accurate records from billing system. Medium uncertainty as EFs are UK based. Approach to emissions calculation was based on NZ Ports Scope 3 Guidance which was finalised during 2025.	Yes
		Electricity T&D losses	Transmission and distribution losses associated with Scope 2	Invoice/Billing data from supplier	kWh	Average data method. Accurate records from billing system. Sub metering used for billing. Low uncertainty	No
	Upstream transportation & distribution (Category 4)	Freight as a Service	Out of region cargo coming into Napier Port via rail and road	Monthly rail freight TEU reports from relevant departments & Kiwirail	tkm (net tonne kilometres)	Distance based method. Medium to low uncertainty. Using MfE emission factor multiplied by calculated tkm. Data accuracy has improved with the use of Kiwirail TEU weight information this year.	No
	Waste generated in operations (Category 5)		Emissions associated with end-of-life waste disposal to landfill.	Monthly reports from Waste Management	Tonnes	Average data method. Assumed weights correct. Low uncertainty. Waste to landfill with gas recovery EFs are used.	No
	Business Travel (Category 6)		International air travel	Air New Zealand Emissions reports	tCO2e	Distance based method. High quality data and low uncertainty due to accuracy of reports provided by airline	No
			Domestic air travel				
	Employee Commuting (Category 7)		Emissions from the use of personal vehicles to commute to and from work	Manual data collection. Survey completed by staff, average distance is from suburb using GIS mapping.	pkm	Average data method. Higher level of uncertainty due to calculation assumptions e.g. an assumption has been made that people are commuting 5 days per week (for all available working days). For those that have not completed the survey, it is assumed 75% drive a petrol car and 25% diesel. High/medium uncertainty.	No
	Downstream Leased Assets (Category 13)		Electricity onsold to Napier Port tenants	Electricity records from sub-metering of tenant sites at Napier Port	kWh	Average data method. High quality data and low uncertainty due to complete invoice sets. Note - Tenant emissions were reported as part of Scope 2 purchased electricity in 2024. Accordingly the 2024 Scope 3 comparative has been restated.	Yes

Additional Scope 3 categories are not reported where they are not relevant or material to our business or where there is a lack of data. These excluded categories were determined after Napier Port conducted a materiality assessment across all the emission categories. In accordance with NZ CS 3 an emissions source is considered to be material if omitting it could reasonably expect to influence decisions primary users make

which are based on Napier Port's climate related disclosures. Furthermore, materiality is entity-specific, based on the nature, magnitude, or both, of the items to which the information relates. Visiting ship emissions, in particular, was considered as part of Category 11 (Use of Sold Products) but we have concluded it should be excluded as part of Napier Port's scope 3 emissions inventory. This is due to the underlying data currently

being inaccessible and the excessive cost/resource commitment required to follow any internationally recognised calculation methodology.

Napier Port have applied an emissions exclusion materiality threshold of less than 5% of total emissions, for any single source emission or in aggregate. The excluded scope 3 categories are shown in Table 2 below:

Table 2 – Emission Inventory Exclusions:

Scope	Emissions Category	Activity	Reason for Exclusion
Scope 1	Fugitive Emissions	Refrigerant used by: Office buildings Vehicles	Calculated to be immaterial. Less than 5% of total emissions. High uncertainty.
Scope 3	Electricity (scope 2) - Well to Tank (Category 3)	Emissions generated from the production & distribution of scope 2 electricity	Calculated to be immaterial. Less than 5% of total emissions.
	Indirect GHG emissions from transportation (Category 4)	Fuel use associated with freight, couriers and post of the port's cargo	Calculated to be immaterial and is based on transport operator spend. High uncertainty. Less than 5% of total emissions.
	Indirect GHG emissions from products used by the organisation (Category 5)	Waste to composting from own operations	Only applies where Napier Port has contractual ownership over any waste sent for composting. Calculated to be immaterial. Less than 5% of total emissions.
		Processing of recycled waste from own operations	Calculated to be immaterial - less than 5% of total emissions
		Wastewater treatment from own operations and third parties operating at Napier Port	Calculated to be immaterial. Medium to high data uncertainty. Less than 5% of total emissions
	Business Travel (Category 6)	Fuel use in rental vehicles Fuel use in taxis Accommodation associated with business travel	Calculated to be immaterial. Less than 5% of total emissions
	Employee Commuting (Category 7)	Energy used by employees while working from home	Immaterial emission source. Less than 5% of total emissions
	Use of sold products (Category 11)	Visiting vessels fuel use while within Port boundary	Unclear emissions boundary. Very high uncertainty and no easy way to quantify due to inaccessible data. Excessive cost/resource commitment associated with following any internationally recognised methodology.
		Fuel use by visiting trucks and rail (within Port boundary)	Trucks - immaterial emissions source. Less than 5% of total emissions. Also high uncertainty in data. Rail - already included in freight emissions.
	Downstream leased assets (Category 13)	Leased land	Emissions from activities on leased land estimated to be immaterial. Less than 5% of total emissions.
Scope 3	Investments (Category 15)	Applies to financed emissions and the downstream impacts of Longburn Intermodal Freight Hub	Share of JVs scope 1 & 2 emissions are immaterial. Less than 5% of total emissions
	Not deemed to be relevant to Napier Port		
	Upstream leased assets (Category 8)	Leased buildings and assets where a port entity is a tenant (electricity, fuel and gas) if not included in Scope 1 & 2	Not relevant. Napier Port does not lease any upstream assets.
	Processing of sold products (Category 10)	Processing of wholesale products sold in the reporting year by downstream companies	Not relevant. Napier Port is not in the business of processing wholesale goods and onselling them.
	End of life treatment of sold products (Category 12)	Rendering waste	Not relevant. Napier Port does not engage in this activity.
	Franchises (Category 14)	Applies to franchise operations	Not relevant. Napier Port does not have any franchise operations.



Industry Based Metrics

Napier Port measures and reports total Tonnes of Carbon Dioxide Equivalents (tCO₂e), and tCO₂e per tonne of cargo as our industry based metrics as they are considered to be most relevant to our business activity and the entire New Zealand port industry, whether significant container operations exist or not.

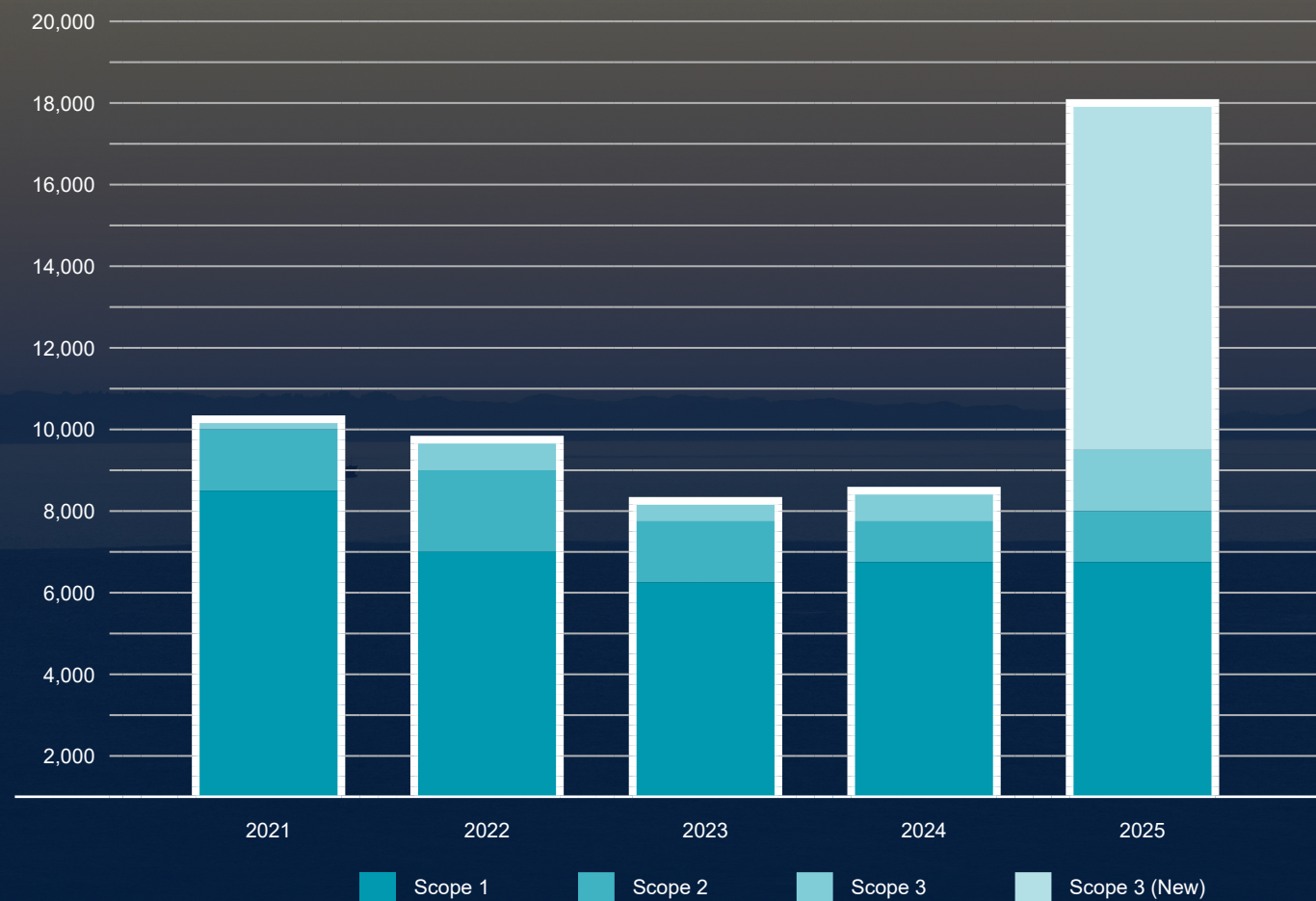
Napier Port is currently using an internal shadow emissions price per tCO₂e when undertaking emission scenario and financial analysis when assessing procurement and business case opportunities. The central base price used is aligned to the central region carbon shadow price as developed by New Zealand Treasury (2025: \$101/tCO₂e, 2024: \$100/tCO₂e), 2023: \$96/tCO₂e) however this may be varied depending on the analysis being undertaken.

GHG Emissions Reporting

In 2025, our total carbon emissions were 18,037 tCO₂e which was an increase of 106% from 8,740 tCO₂e tonnes in 2024 and an increase of 107% from 8,712 tCO₂e tonnes in 2023. This is principally due to the inclusion of new Scope 3 emissions categories for the first time which is discussed below. As 2024 and 2023 total emissions are similar, any 2024 versus 2025 trend analysis also applies to 2023 unless stated otherwise.

This is shown in figure 1 below.

Figure 1 : Total Carbon Emissions tCO₂e



Capital Deployment

Napier Port undertakes long term planning including infrastructure master planning and financial models to capture its current plans and forecasts. Financial forecasts incorporate future climate related spending plans where identified and quantifiable, and in the cases where future spend is considered probable but not yet reasonably quantified, general capital provisions are incorporated into forecasts and reviewed periodically.

To date, Napier Port has had limited expenditure directly and solely related to climate-related risks and opportunities. It recently undertook capital works to reinstate sections of its sea defences that experienced some damage during Cyclone Gabrielle in 2023 and to deploy rock bag protection to its eastern beach area to protect against future

site and infrastructure damage from erosion. The combined cost of these projects was \$3.3m and were completed during 2025. Additionally, Napier Port is currently in the process of renewing elements of its mobile plant fleet with lower emitting replacements. This will see some diesel powered plant being replaced by battery electric or lower emissions emitting plant. In addition, Napier Port is continuing its programme of replacing port site lighting with LED equivalents. The value of spend on such projects during 2025 was \$3.7 million. These projects are in progress and are expected to see increased levels of investment in the next financial year.

2025 scope 1 emissions (tCO₂e) were 7,110 tonnes, up 325 tonnes from the 6,785 tonnes recorded in 2024. Higher container volumes due to a favourable growing season have resulted in increases in crane, forklift, truck and stationary energy (diesel generators) fuel usage. Partially offsetting this increase were reduced marine emissions due to smaller vessels calling this year which require less marine tug assistance with berthing. Additionally, fewer secondary vessel movements were required also decreasing marine tug requirements. Prioritising the use of our more fuel-efficient tug, Kaweka, wherever possible continues to add positively to the minimisation of marine emissions.

Our purchased electricity (scope 2) emissions increased to 1,161 tonnes from 979 tonnes in 2024. This increase has occurred despite a 13% reduction in electricity consumed during the year. The main factor behind the increase was the 39% increase in the Ministry for the Environment (MfE) purchased electricity emission factor used by Napier Port in each reporting year. These emission factors are used to convert electricity consumption into

tCO₂e. This follows an equivalent reduction in the electricity emission factor used in 2024 of 38% when compared with the emission factor used in 2023.

Scope 3 emissions increased to 9,766 tonnes from 976 tonnes in 2024. The increase was primarily due to the reporting of Scope 3 emissions that have not been disclosed previously. These include:

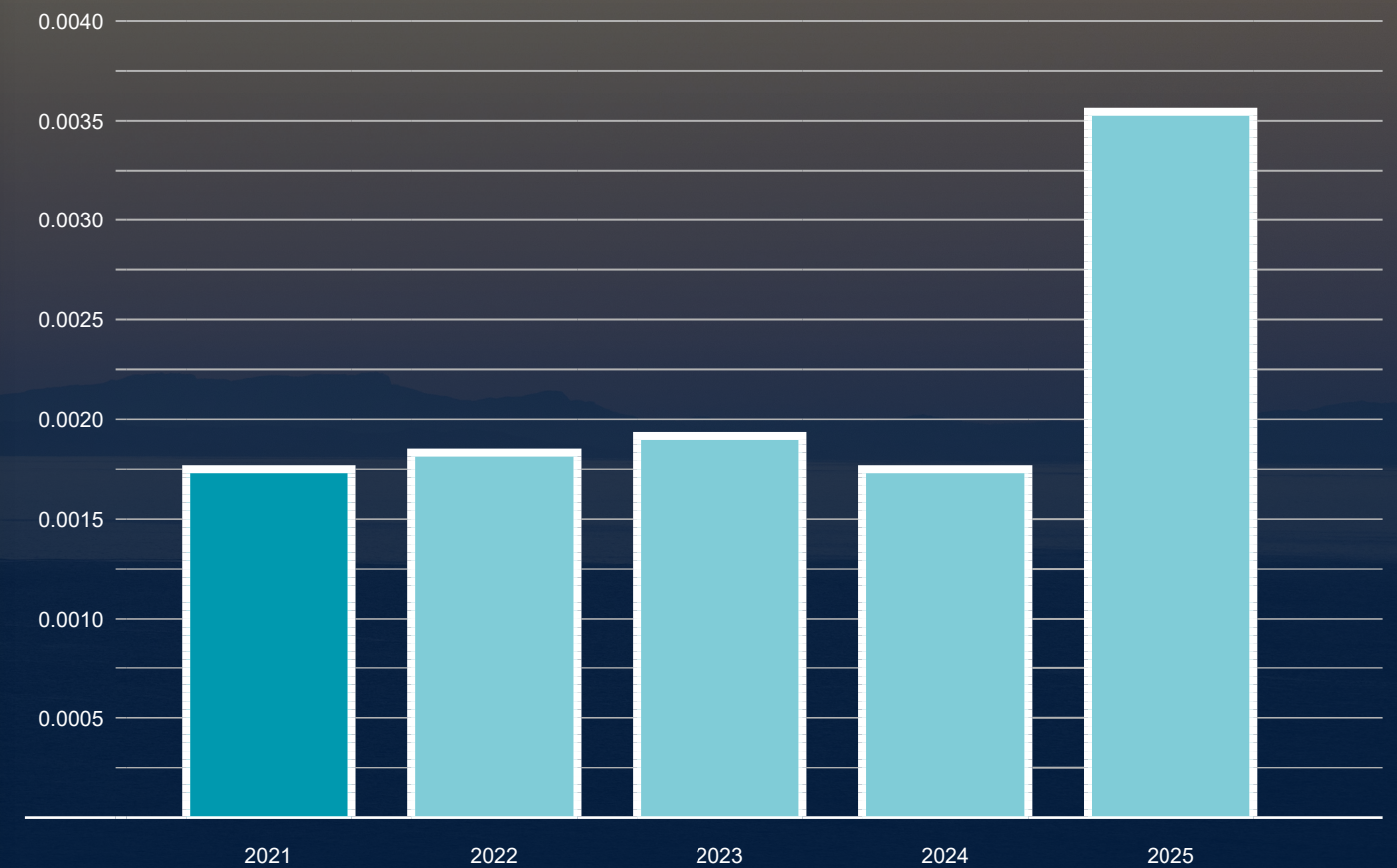
- GHG Protocol Category 1: Emissions from purchased goods and services, including any capitalised maintenance spend on capital goods
- GHG Protocol Category 2: Capital Goods: Emissions from construction projects and high value assets
- GHG Protocol Category 3: Fuel and energy related activities (Fuel-Well to Tank): Emissions generated from the production & distribution of scope 1 diesel and petrol

No data for these categories is included for reported 2024 emissions due to its unavailability. These three categories have

collectively contributed 8,550 tonnes of the overall 8,790 tonnes increase in 2025 (97% of the total increase). However, on a like for like basis (excluding the new category inclusions), Scope 3 emissions increased by 3%, and total emissions increased by 8.5%.

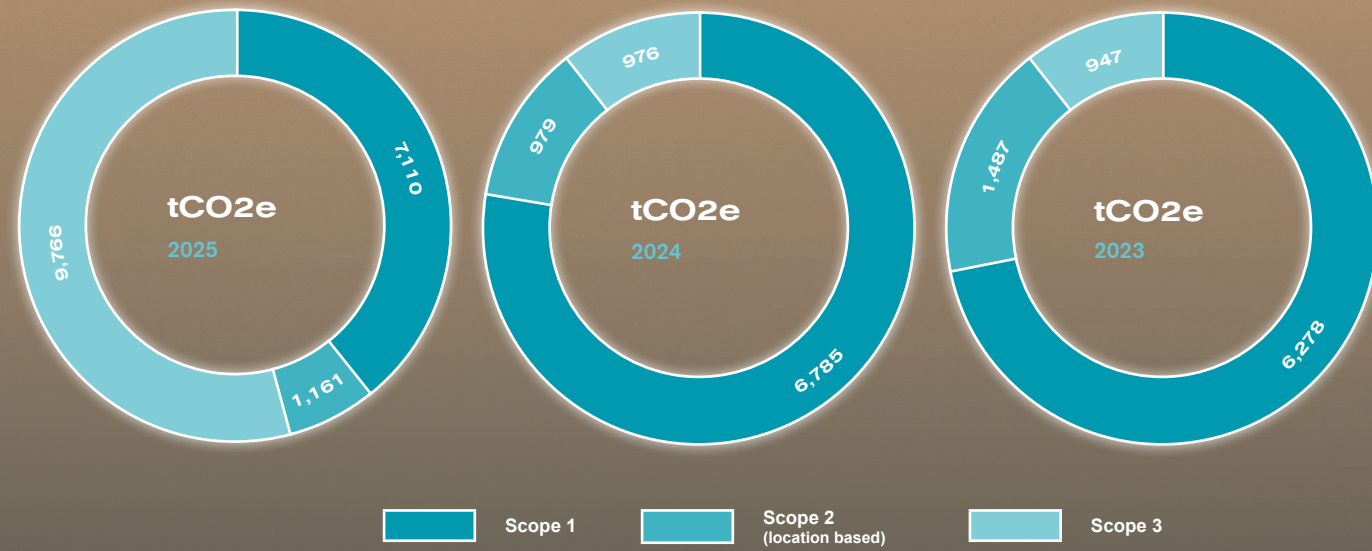
Our 'per cargo tonne' intensity metric increased 103% to 0.00356 tCO₂e/tonne in 2025, from 0.00175 tCO₂e/tonne in 2024, as shown in the below chart. This is primarily attributable to the impact of including the new scope 3 emissions described above which increased the total emissions base by 97% while there was a 1.5% increase in annual cargo tonnage for the year. On a like for like basis (excluding the new category inclusions), the intensity of total emissions increased by 6.9% as a result of container activity increasing relative to bulk cargo, including the 51.3% increase in other container movements which do not contribute to total cargo tonnes measure, and the MfE electricity emission factors increasing significantly without any corresponding change in cargo activity.

Figure 2: Carbon Emissions tCO₂e Per Tonne



Key insights into our carbon footprint and our 2025 emissions are represented by the charts below:

1) Total emissions broken down by scope



2) Scope 1 emissions broken down by top emission sources

Scope 1 emissions produced by mobile plant and marine assets contribute 39% of Napier Port's total 2025 emissions (down from 78% in 2024). Stationary energy had the highest usage increase during the year (16%). More generators were required due to container terminal planning changes which relocated some refrigerated ('reefer') container stacks closer to the vessels but provided no immediate access to a powered substation, hence generators were needed to be utilised.

The make-up of Scope 1 emissions is represented in the charts below:

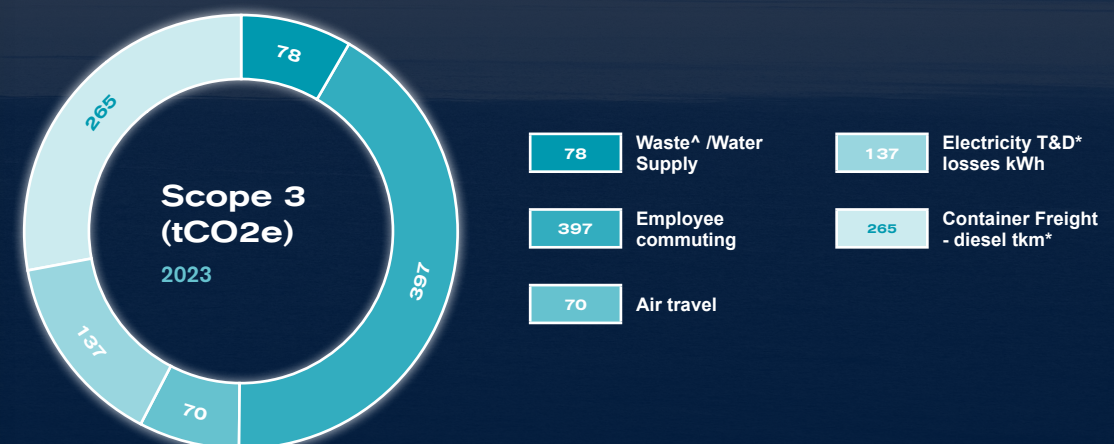
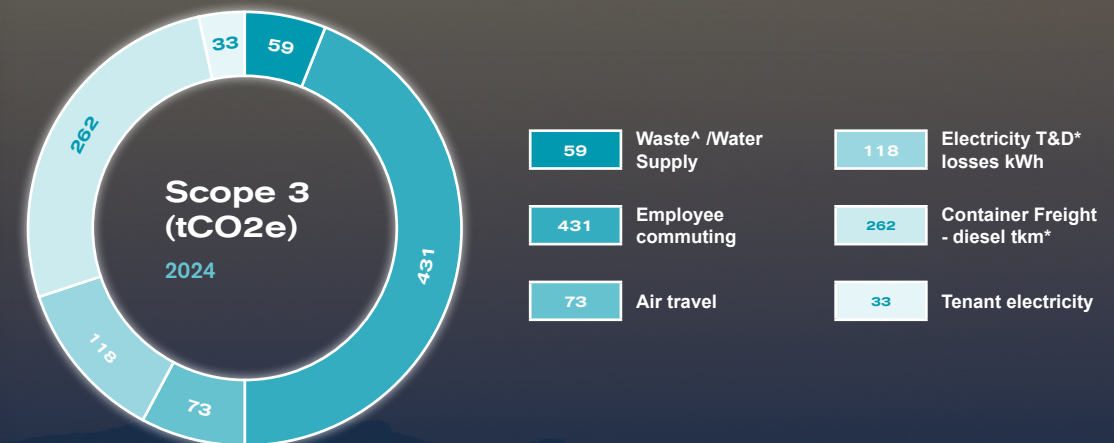
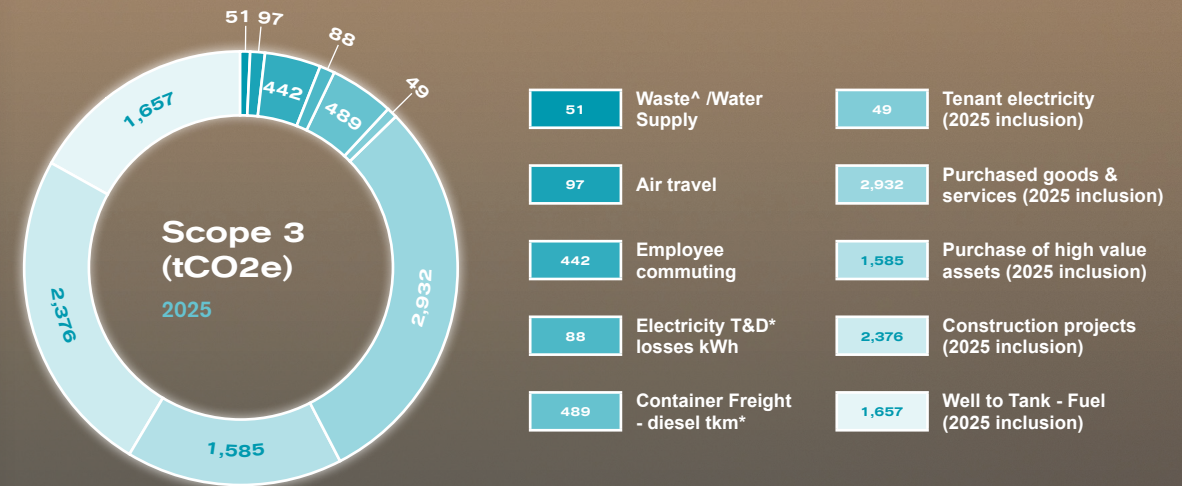


3) Scope 2 emissions broken down by top emission sources

7% of Napier Port's total 2025 emissions related to scope 2 emissions (2024: 11%, 2023: 9% to 17%) which arise from purchased electricity off the national electricity grid. Consistent with 2024, the top emission sources within this category are powering reefer containers, operational wharf and site lighting towers, and tug shore power and related infrastructure.

4) Scope 3 emissions broken down by top emission sources

54% of Napier Port's total 2025 emissions related to scope 3 emissions which is increased from 11% in 2024. Breaking down the scope 3 emissions data further, 30% of total scope 3 emissions are attributable to purchased goods and services, 24% is attributable to construction projects, 17% is attributable to fuel usage – well to tank, and 16% relates to purchase of high value assets. These are categories which have been included in 2025 for the first time. The remaining 13% of Scope 3 emissions had small movements when compared with 2024 and 2023, other than container rail freight (category 4) which increased by 228 tCO2e (87%). Out of the 87% increase only 28% contributed to the change in methodology while the rest was due to an increase in TEUs during the year. This was partly due to obtaining more accurate TEU weight information from Kiwirail in 2025, rather than using internally calculated weight estimates.



* Landfill with gas recovery

*T&D = transmission and distribution

*tkm = tonne-kilometre

Setting Targets - Decarbonising Napier Port

Napier Port is committed to decarbonisation and reaching net zero greenhouse gas emissions by 2050. Our initial Emissions Reduction Strategy illustrates incremental progress over time aligned to the removal of technological and economic adoption barriers. Consequently, Napier Port is not able to set any realistic short or medium time-bound reduction targets at this time. Achievable reduction targets will be set once the appropriate asset masterplans have been refreshed to incorporate the feasible emission reduction technologies required to achieve the ultimate net zero by 2050 outcome.

Our sustainability strategy includes placing a focus on climate action and energy and supporting national net zero 2050 targets. As a result, our initial Emissions Reduction Strategy was developed, providing a framework for possible adoption of low emission technology and to establish a high-level pathway for Napier Port to reach net zero by 2050.

At a high level, the strategy aims to:

- Focus on the reduction of diesel consumption given it is the primary source of our current emissions
- Align investment in low emissions technology with
 - Our asset renewal program
 - Any future transformation of Napier Port container terminal operating modes
 - The availability of emerging technology
- Grow our electrical infrastructure through potential electrical capacity upgrades.
- Establish a decision-making framework that considers low emission technologies and incorporates emission considerations in investment or business development decisions

This strategy framework will continue to be further developed and involves further investigations into the viability of alternative fuel sources and the array of new low emissions technology.

Current emission reduction initiatives integrated within our business:

- The operation of eight Eco Reachstackers within the forklift fleet (up from three in 2024)
- A continual program of light retrofitting with low energy consumption LED alternatives to our light towers and storage sheds
- Replacement of clear lite cladding systems to reduce the need for interior lighting during daylight hours
- Deliberate deployment prioritisation of lower fuel consuming tugs
- Reduction in unproductive usage (idle) hours across our container handling mobile plant through the leveraging of IOT data and technology systems

- Procurement policy commitments to consider and evaluate renewable energy technologies and outcomes as a step within the procurement of higher value assets.

Napier Port recently adopted a Sustainable Finance Framework to support progressive action towards the implementation of its sustainability strategy. This framework positions Napier Port to access sustainable loans and/or bonds to finance investment into eligible assets. Napier Port's Sustainable Finance Framework has been independently reviewed by Sustainable Fitch, a global provider of independent ESG research and opinions specialising in sustainable finance, and its Second-Party Opinion confirmed that Napier Port's Sustainable Finance Framework has 'Good' alignment with global sustainable finance standards.

Napier Port has recently renewed its banking facilities including the incorporation of sustainable loan provisions in accordance with its recently established Sustainable Finance Framework. This means that as Napier Port invests in eligible assets, including those related to clean transportation, pollution prevention and control and energy efficiency, it receives financial support from its lenders to do so.

Underpinning our existing Emissions Reduction Strategy and supporting our wider Sustainability Strategy, Napier Port currently has the following initiatives underway, each with the potential to support the decarbonisation of our operation:

- Progressing a decarbonisation and alternate energies assessment to evaluate in further detail, potential future pathways of reaching net zero emissions. It will evaluate currently available renewable energy alternatives, their wider adoption for use, and the whole-of-life cost and impact to integrate into our operations. Aligned with broader industry momentum and appreciating economic factors, a key output is expected to be the delivery of a more detailed action plan for progressing decarbonisation within our operations.
- Developing a comprehensive energy transformation strategy. This will consolidate earlier strategy documents and will look to:
 - establish baseline energy loads upon which a series of transition pathways will be modelled representing varying levels of ambition,
 - define ways in which Napier Port could meet its Net Zero targets, while also providing practical guidance on the timing and scale of future electrical investments,
 - assess energy and financial market dynamics, by including guidance on participation in wholesale energy purchasing.

- Entering long-term collaboration arrangements with energy partners such as the Energy Efficiency and Conservation Authority (EECA) to identify, implement and promote energy efficiency and renewable energy opportunities
- The adoption of battery electric powered truck and trailer units as substitutes for heavy plant undertaking horizontal transport in our container terminal operation
- The adoption of battery electric forklifts for use within our Port Pack operation
- Partnering with equipment suppliers to evaluate proof of concept renewable energy alternative equipment.

Napier Port's Sustainability Strategy and Action Plan is available on our website at:

www.napierport.co.nz/investor-centre/

References:

1. *Climate change projections and impacts for Tairāwhiti and Hawke's Bay* – Prepared for Envirolink, Gisborne District Council and Hawke's Bay Regional Council – November 2020;
2. Hawke's Bay Regional Council (2025). *Hawke's Bay climate change risk assessment*. Climate Action Joint Committee.
3. 2021 IPCC Sixth Assessment Report.
4. *Aotearoa New Zealand climate change projections guidance: Interpreting the latest IPCC WG1 report findings*. Prepared for the Ministry for the Environment, Report number CR 501, 51p. Bodeker, G., Cullen, N., Katurji, M., McDonald, A., Morgenstern, O., Noone, D., Renwick, J., Revell, L., & Tait, A. (2022).
5. *Interim guidance on the use of new sea-level rise projections*. Wellington: Ministry for the Environment (2022).
6. *Climate Change 2022: Impacts, Adaptation, and Vulnerability. Contribution of Working Group II to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change*. IPCC AR6, WGII, Chapter 11. Cambridge University Press. Lawrence, J., et al. (2022).
7. Coastal erosion, global sea-level rise, and the loss of sand dune plant habitats. *Frontiers in Ecology and the Environment*, 3(7), 351-404. Feagin, R. A., Sherman, D. J., & Grant, W. E. (2005), and Future changes in built environment risk to coastal flooding, permanent inundation and coastal erosion hazards. *Journal of Marine Science and Engineering*, 9(1011). Stephens, S. A., Paulik, R., Reeve, G., Wadhwa, S., Popovich, B., Shand, T., & Haughey, R. (2021).
8. *Climate change projections and impacts for Tairāwhiti and Hawke's Bay* – Prepared for Envirolink, Gisborne District Council and Hawke's Bay Regional Council – November 2020 (page 14).
9. *Coupled atmosphere-ocean simulations of contemporary and future South Pacific cyclones*. EGU sphere. Williams, J., Behrens, E., Morgenstern, O., Gibson, P. B., & Teixeira, J. C. M. (preprint, 2023).
10. *WIRES Climate Change*. Climate change and Aotearoa New Zealand, 6(6), 559-583. Hopkins, D., Campbell-Hunt, C., Carter, L., Hingham, J. E., & Rosin, C.
11. Hawke's Bay Regional Council (2025). *Hawke's Bay climate change risk assessment*. Climate Action Joint Committee.
12. (i) *Impacts of Climate Change on Land-based Sectors and Adaptation Options*. Stakeholder Report to the Sustainable Land Management and Climate Change Adaptation Technical Working Group, Ministry for Primary Industries. Clarke et al.
(ii) *Forest resilience and tipping points at different spatio-temporal scales: approaches and challenges*. *Journal of Ecology*, 103(1), 5-15. Reyer et al.
13. *Modelling spatial variation in radiata pine slenderness (height/diameter ratio) and vulnerability to wind damage under current and future climate in New Zealand*. *Frontiers in Forests and Global Change*, 6. Watts et al, (2018).
14. Hawke's Bay Regional Council (2025). *Hawke's Bay climate change risk assessment*. Climate Action Joint Committee.
15. Napier Port, *2025 Climate Change Risk Assessment (page 33)*.
16. *New Zealand kiwifruit growers' vulnerability to climate and other stressors*. Regional Climate Change. Cradock-Henry, N. A. (2017), 17
17. *MPI: Impacts of climate change on land-based sectors and adaption options* - Chapter 6: Horticulture
18. Napier Port, *2025 Climate Change Risk Assessment (page 34)*.
19. *Climate change projections and impacts for Tairāwhiti and Hawke's Bay* – Prepared for Envirolink, Gisborne District Council and Hawke's Bay Regional Council – November 2020 (page 15).
20. Napier Port, *2025 Climate Change Risk Assessment (page 35)*.
21. *MPI: Impacts of climate change on land-based sectors and adaption options* - Chapter 4: Sheep and Beef.

INDEPENDENT LIMITED ASSURANCE REPORT
TO THE SHAREHOLDERS OF NAPIER PORT HOLDINGS LIMITED

Under section 461ZH(3) of the Financial Markets Conduct Act 2013, the Auditor-General is the assurance practitioner of Napier Port Holdings Limited and its subsidiaries (the Group). The Auditor-General has appointed me, Pip Best, using the staff and resources of Ernst & Young Limited, to carry out a limited assurance engagement, on his behalf, on the greenhouse gas (GHG) emissions information (GHG disclosures) disclosed in the Group's 2025 Climate change related disclosure report (Climate Statement), for the year ended 30 September 2025.

Scope of the engagement

The GHG disclosures below are within the scope of our limited assurance engagement:

- The gross emissions, in metric tonnes of carbon dioxide equivalent, classified as Scope 1, Scope 2 (calculated using the location-based method) and Scope 3, on page 28.
- The statement describing that GHG emissions have been measured in accordance with The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (revised edition) and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, on page 20.
- The approach used to consolidate GHG emissions (operational control), on page 21.
- The sources (or references to sources, where applicable) of emission factors and the global warming potential rates used, on pages 20.
- The summary of specific exclusions of Scope 1, Scope 2 (calculated using the location-based method) and Scope 3 GHG emissions, emissions sources, including facilities, operations or assets with a justification for their exclusion, on page 24.
- The description of the methods and assumptions used (including the rationale for doing so, where applicable) to calculate or estimate Scope 1, Scope 2 (calculated using the location-based method) and Scope 3 GHG emissions, and the limitations of those methods, on pages 20, 22 and 23.
- The description of any uncertainties relevant to the Group's quantification of its Scope 1, Scope 2 (calculated using the location-based method) and Scope 3 GHG emissions, including the effects of these uncertainties on GHG disclosures, on pages 22 to 23.
- The explanation for base year GHG emissions restatements (where applicable) relating to Scope 1, Scope 2 (calculated using the location-based method) and Scope 3 GHG emissions, on page 21.

The Group has stated on page 2 that the Climate Statement adheres to the Task Force on Climate-Related Financial Disclosures (TCFD) framework and International Financial Reporting Standards (IFRS) Sustainability Disclosure Standard S2 *Climate-related Disclosures* (IFRS S2) issued by the International Sustainability Standards Board (ISSB) as well as complying with the Aotearoa New Zealand Climate Standards (NZ CS). We have not been engaged to provide any assurance in addition to the scope explained above, and so we do not provide any assurance that the Climate Statement adheres to the TCFD framework or IFRS S2.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Group's GHG disclosures within the scope of our limited assurance engagement for the year ended 30 September 2025, are not fairly presented and prepared, in all material respects, in accordance with Aotearoa New Zealand Climate Standards, issued by the External Reporting Board.

Other matters

Certain elements of the comparative information, being the 2021 GHG disclosures on page 26 and the restated 2024 Scope 2 and Scope 3 – Downstream leased assets GHG disclosures on page 21, have not been subject to assurance. As such, they are not covered by our assurance conclusion.

Other elements of the comparative information, being the 2022 - 2024 GHG disclosures on pages 26, 28 and 29 were assured by Toitū Envirocare in the firm's own capacity. Toitū Envirocare expressed unmodified reports dated 14 November 2022, 01 November 2023 and 01 November 2024 respectively.

Key matters

Key matters are those matters that, in our professional judgement, were of most significance in carrying out this limited assurance engagement on GHG disclosures for the current year.

Key matters were addressed in the context of our limited assurance engagement on GHG disclosures, and in forming our conclusion thereon. We do not provide a separate conclusion on these matters.

The key matters are described on the following pages:

Exclusion of Scope 3 emission source - Use of sold products (visiting vessel emissions)

Description of key matter	How we addressed this matter
In considering which emissions to include in its reporting, the Group is required to consider if material emission sources are included within its value chain. Scope 3 GHG emissions from vessels visiting the Port, including emissions from their fuel use, are a source of emissions which required consideration in this assessment of whether they should be reported under the GHG Protocol's Scope 3 – Use of sold product emissions category. The Group has elected not to disclose these emissions, with the reasons for this decision explained on page 24 including: • lack of access to data to perform a reasonable estimate of the emission, and • cost and resourcing required to follow an internationally recognised calculation methodology. If these emissions were included in the reporting amounts, it is likely that they would be significant to the overall reported GHG emissions amounts. As a result, the judgment involved in excluding these emissions and the disclosure of the reasons for this were a focus of our procedures.	In assessing the exclusion of Scope 3 – Use of sold products emissions (emissions from visiting vessel fuel use), we: • Gained an understanding of the process taken by Management to identify and assess emissions sources within its value chain. • Reviewed Scope 3 emissions reported by the Port's peers domestically and internationally and investigated the existence of applicable methodologies for calculating this emissions source. • Received management representation on the reasons for the exclusion of this emissions sources. • Considered the appropriateness of the reasons for exclusion against NZ CS disclosure requirements and available guidance. • Reviewed the adequacy of the disclosures related to the exclusion in the GHG disclosures.

Spend-based methods used in measurement of Scope 3 - Purchased goods and services and Capital goods

Description of key matter	How we addressed this matter
As disclosed on page 22 and 23 of the Climate Statement, the Group measured elements of the GHG emissions from Scope 3 – Purchased goods and services and Capital goods using the spend-based calculation method per the GHG Protocol. The Scope 3 emissions calculated using the spend-based calculation method make up approximately 36% of the Group's total GHG emissions and approximately 66% of Scope 3 emissions for the period ended 30 September 2025. This method estimates emissions by multiplying the cost of the applicable items with sector specific average spend-based emission factors. This approach carries an inherent uncertainty which may result in significant differences between estimated and actual emissions. Future changes to the calculation method or assumptions could lead to material changes and restatements of previously reported amounts.	In performing our procedures we: • Gained an understanding of the spend-based calculation method, assumptions and estimation uncertainties through enquiries of management. • Considered the alignment of the Group's methodology with the GHG Protocol. • Considered the reasonableness of the selected emission factors and their application. • Reviewed the sector categorisation of the Group's expenditures on goods and services and capital goods. • Considered the adequacy of the disclosures related to the calculation method, assumptions and uncertainties in estimating this emission source, included on pages 22 and 23 of the Climate Statement.



Shape the future
with confidence

The board of directors' responsibilities

Subparts 2 to 4 of the Financial Markets Conduct Act 2013 set out requirements for a climate reporting entity in preparing a Climate Statement, which includes proper record keeping, compliance with the climate-related disclosure framework and subjecting it to assurance.

The Aotearoa New Zealand Climate Standards have been issued by the External Reporting Board as the framework that applies for preparing and presenting a Climate Statement. The board of directors of the Group are therefore responsible for preparing and fairly presenting a Climate Statement for the year ended 30 September 2025, in accordance with those standards.

The board of directors are also responsible for the design, implementation, and maintenance of internal control relevant to preparing the Climate Statement that is free from material misstatement, whether due to fraud or error.

Our responsibilities

Section 461ZH of the Financial Markets Conduct Act 2013, requires the GHG disclosures included in the Group's Climate Statement to be the subject of an assurance engagement.

NZ CS1 *Climate-related disclosures*, paragraph 25 requires such an assurance engagement at a minimum to be a limited assurance engagement, and paragraph 26 specifies the scope of the assurance engagement on GHG disclosures.

To meet this responsibility, we planned and performed procedures (as summarised below), to provide limited assurance in accordance with New Zealand Standard on Assurance Engagements 1 *Assurance Engagements over Greenhouse Gas Emissions Disclosures*, and International Standard on Assurance Engagements (NZ) 3410 *Assurance Engagements on Greenhouse Gas Statements*, issued by the New Zealand Auditing and Assurance Standards Board.

Summary of Work Performed

The procedures we performed were based on our professional judgement and included enquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above:

- We obtained, through enquiries, an understanding of the Group's control environment, processes and information systems relevant to the preparation of the Scope 1, Scope 2 and Scope 3 disclosures. We did not evaluate the design of particular control activities or obtain evidence about their implementation.
- We obtained, through enquiries, an understanding of the Group's process for identifying emissions sources within its operational boundary or value chain and how materiality of the excluded emission sources was determined. We evaluated the appropriate disclosure of any excluded material emission sources.
- We evaluated whether the Group's methods for developing estimates are appropriate and had been consistently applied. Our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the Group's estimates.

- We performed analytical procedures on particular emission categories by comparing the expected GHG emissions to recorded GHG emissions and made inquiries of management to obtain explanations for any significant differences we identified.
- We evaluated the appropriateness of the emission factors applied in the Scope 1, Scope 2 and Scope 3 measurement process.
- We evaluated the overall presentation and disclosure of the Scope 1, Scope 2, and Scope 3 disclosures.
- We obtained director representation.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Inherent limitations

As outlined on pages 22 and 23, GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Other information

The Group's Climate Statement contains information other than the GHG disclosures and the assurance report thereon. The board of directors is responsible for the other information.

Our assurance engagement does not extend to any other information included, or referred to, in the the Group's Climate Statement on pages 01 to 21 and 25 to 31, and therefore, no conclusion is expressed thereon. We read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the GHG disclosures, or our knowledge obtained in the assurance engagement, or otherwise appears to be materially misstated.

Where such an inconsistency or misstatement is identified, we are required to discuss it with the board of directors and take appropriate action under the circumstances, to resolve the matter. There are no inconsistencies or misstatements to report.

Independence and quality management

We complied with the Auditor-General's independence and other ethical requirements, which incorporate the requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* (PES 1) issued by the New Zealand Auditing and Assurance Standards Board. PES 1 is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. These principles for example, do not permit us to be involved in the preparation of the current year's GHG information as doing so would compromise our independence.



Shape the future
with confidence

We have also complied with the Auditor-General's quality management requirements, which incorporate the requirements of Professional and Ethical Standard 3 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* (PES 3) and Professional and Ethical Standard 4 *Engagement Quality Reviews* issued by the New Zealand Auditing and Assurance Standards Board (PES 4). PES 3 requires our firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. PES 4 deals with an engagement quality reviewer's appointment, eligibility, and responsibilities.

In addition to this engagement, we have carried out assignments in the areas of financial statement audit, interim financial statements review, agreed-upon procedures and other assurance engagements which are compatible with those independence requirements. Other than this engagement and these assignments, we have no relationship with or interests in the Group.

Pip Best
Ernst & Young Limited
On behalf of the Auditor-General
Auckland, New Zealand
18 November 2025



NAPIER^o PORT

Te Herenga Waka o Ahuriri

