

NZX RELEASE

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Climate Change Legal Proceedings – update

As previously announced to the market, Channel Infrastructure, formerly Refining NZ, is one of seven named respondents in proceedings brought in the Supreme Court relating to carbon emissions deriving directly or indirectly from the respondents' activities (*Michael John Smith v Fonterra Co-Operative Group Limited And Ors*).

The Supreme Court has today allowed the appeal of the decision of the Court of Appeal which had unanimously struck out this case against the respondents as being legally untenable. This means that Channel, and the six other respondents would need to go to a full High Court hearing on Mr. Smith's claim.

Like the other respondents in this case, Channel believes that Parliament, not the courts, is the appropriate place to determine public policy on matters of significant public interest such as climate change.

Since these proceedings were originally filed in 2019, Channel Infrastructure has already taken significant steps to decrease the environmental impact of its business through the permanent cessation of refining activities and transition to an import terminal model, the contracting of long-term renewable electricity supply, and other on-site initiatives at Marsden Point. As a result of the conversion of Marsden Point to import terminal operations, the company has reduced its emissions by over 98% (>1 million tonnes of CO₂ per annum) and meeting all our electricity needs from renewable sources would mean that Channel will have largely eliminated its direct emissions from 2024 - some six years ahead of the company's target. Channel is also now actively supporting the transition to lower-carbon fuel options for New Zealand, including through its ongoing study with Fortescue Future Industries on the potential establishment of a green hydrogen and eSAF manufacturing facility at Marsden Point to support decarbonisation of the aviation sector.

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Authorised by

Chris Bougen
General Counsel and Company Secretary

Investor Relations contact:

Anna Bonney
investorrelations@channelnz.com

Media contact:

Laura Malcolm
communications@channelnz.com



About Channel Infrastructure NZ

Channel Infrastructure's vision is to be a world-class infrastructure company, delivering resilient infrastructure solutions to help meet changing fuel and energy needs.

Channel Infrastructure's assets are a critical part of the Northland and Auckland fuel supply chain, supplying around 40% of New Zealand's transport fuel demand and all of the jet fuel to the Auckland International Airport. Utilising the deep-water harbour and jetty infrastructure at Marsden Point, as well as 280 million litres of storage tanks, and the 170-kilometre pipeline from Marsden Point to Auckland we receive, store, test and distribute fuel owned by our customers. Channel Infrastructure's wholly-owned subsidiary, Independent Petroleum Laboratory Limited, provides fuel quality testing services at Marsden Point and around New Zealand.

Channel Infrastructure will seek to support New Zealand's decarbonisation ambitions, by utilising our strategically-located assets and our expertise in supply chain infrastructure. The Company remains focused on its future growth opportunities at the Marsden Point site and beyond, including additional fuel storage to support fuel security and studies underway with partners on hydrogen and sustainable aviation fuel opportunities.

For more information on Channel Infrastructure, please visit: www.channelnz.com