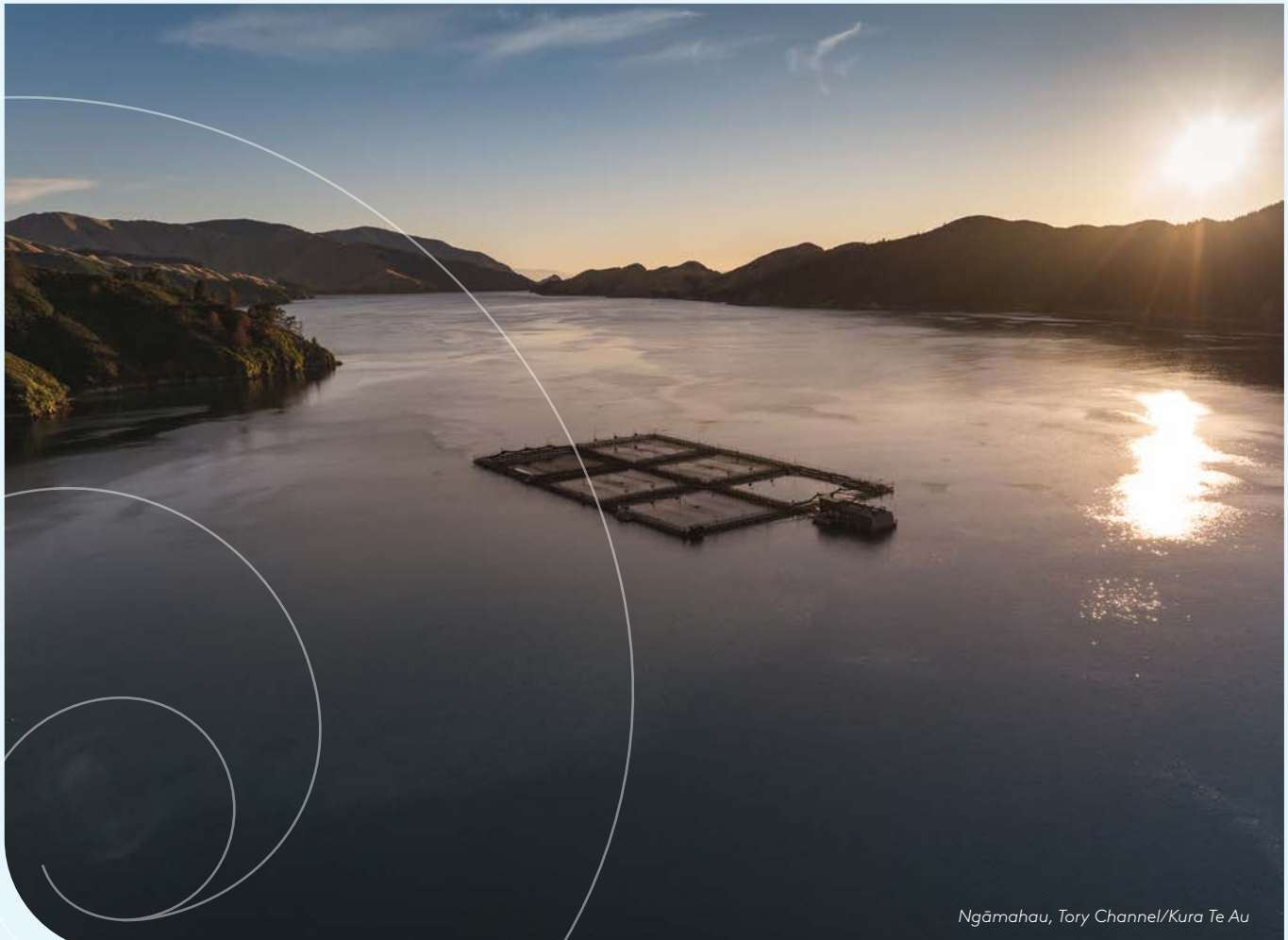
Climate-Related Disclosures FY25

New Zealand King Salmon



Cover image: Te Pangu, Tory Channel/Kura Te Au

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Introduction

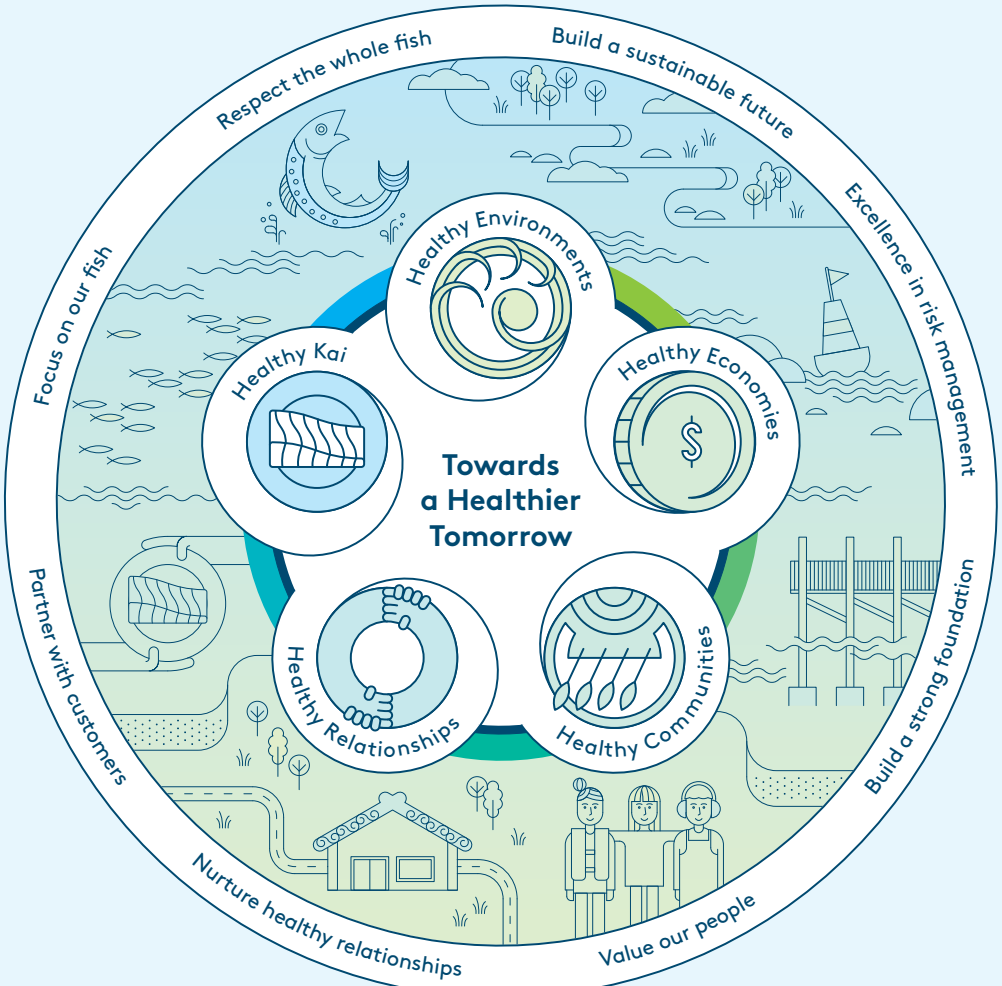
Introduction

New Zealand King Salmon Investment Limited's Climate-Related Disclosures

New Zealand King Salmon Investments Limited (NZKS) is pleased to present its second Climate-Related Disclosure (CRD) in accordance with the Aotearoa New Zealand Climate Standards. NZKS is a climate-reporting entity under the Financial Markets Conduct Act 2013. This report covers the period from 1 February 2024 to 31 January 2025 (FY25).

NZKS introduced a new purpose statement in FY25; 'Towards a Healthier Tomorrow'. This broad and aspirational purpose acknowledges that health is at the core of the company and our efforts focus on five key dimensions: healthy environments, healthy economies, healthy communities, healthy relationships and healthy kai. A focus on broader sustainability can be seen across all these dimensions, including fish health projects, supporting community initiatives, working on the optimisation of the whole fish in our operations and investment in better understanding climate risks.

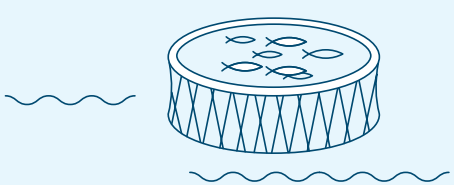
'Healthy Environments' as a key dimension illustrates NZKS' continued focus on its climate journey by understanding its carbon footprint and the current and anticipated impact of the changing climate on operations. NZKS acknowledge that climate-related disclosures are only one part of the sustainability journey, but it is an important tool in communicating how NZKS is measuring its impact and addressing climate risks and opportunities.



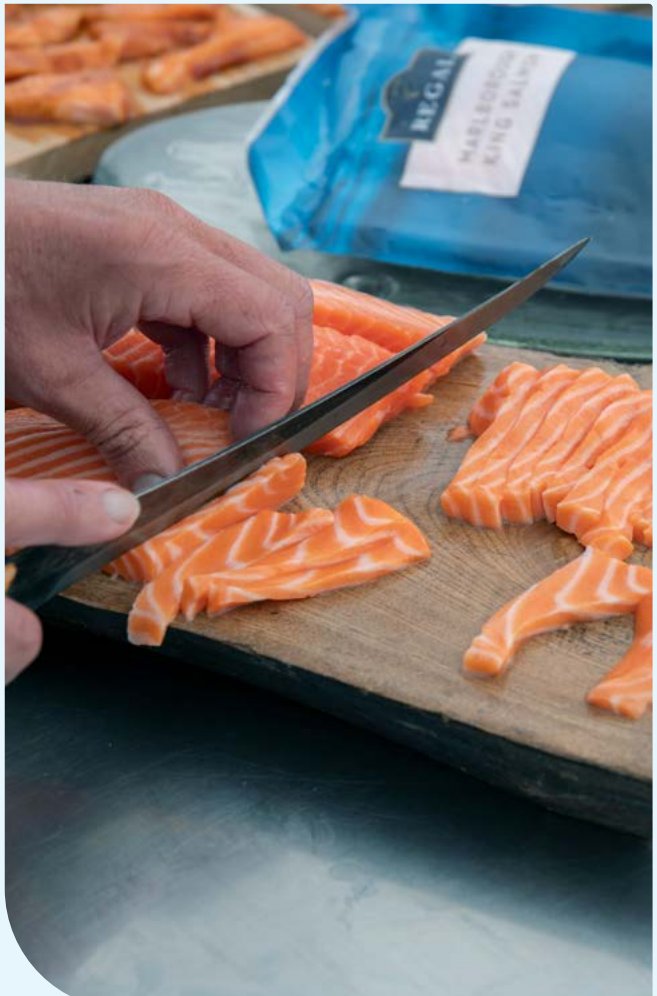
As a primary sector organisation fundamentally reliant on the natural environment, climate change can significantly influence NZKS' trajectory. As a business, NZKS takes a proactive approach to identifying and addressing climate-related risks, evidenced by the completion of the hydrological mapping of freshwater sites to enable better future asset planning. Additionally, the NZKS ensilage plant has been fully implemented during FY25, reducing landfill impact with the ensilage plant output subsequently being processed by a third party into liquid fertiliser or biogases that can be used to create electricity.

NZKS understands that being in the business of growing a food source will always have an environmental impact but do continuously seek to identify opportunities to minimise the footprint of our operations. In saying this though, NZKS acknowledges the opportunity it has as the world's largest King salmon farmer, producing a premium, nutritious and low-carbon animal protein.[1] The aquaculture sector in New Zealand has been identified by the New Zealand Government as a growth sector and as consumer demand grows for healthy, low-carbon protein alternatives NZKS is focused on expanding to meet that demand. NZKS maintains a commitment to responsible and sustainable growth as it continues to expand, with the Blue Endeavour pilot underway and planning work to support a greenfields site ongoing with a view to accommodate higher future production volumes.

This disclosure details NZKS' strategic approach to identifying risks and opportunities from climate change and acknowledges that the maturity of our sustainability reporting will continue to evolve as we deepen our understanding of climate-related risks and opportunities. During FY25, NZKS has looked at our operations with a sustainability lens and sought to embed Environmental, Social and Governance (ESG) principles throughout the company strategy. Applying these principles and strategically focusing on climate risk, ensures that NZKS becomes a more resilient and sustainable business.



[1] thinkstep-anz. (2023). LCA Report – King Salmon from New Zealand. Wellington: thinkstep-anz.



Statement of Compliance

These climate-related disclosures comply with the Aotearoa New Zealand Climate Standards, and the November 2024 Amendment, issued by the XRB External Reporting Board. In preparing NZKS' Climate-Related Disclosures, the Board and Management have elected to use the following Adoption Provisions[2]:

Adoption provision 2: Anticipated financial impacts

This adoption provision exempts NZKS from disclosing its anticipated financial impacts of climate-related risks and opportunities in its first or second reporting period.

This adoption provision also includes exemption from:

a. Paragraph 15 (c) of NZ CS 1, where NZKS is required to disclose a description of the time horizons over which the anticipated financial impacts of climate-related risks and opportunities could reasonably occur.

b. Paragraph 15 (d) of NZ CS 1, where NZKS is required to explain why it is unable to disclose quantitative information for paragraph 15 (b) of NZ CS 1.

Adoption provision 6: Comparatives for metrics

This adoption provision exempts NZKS from complying with the disclosure requirement in Paragraph 40 of NZ CS 3. Paragraph 40 of NZ CS 3 requires that for each metric disclosed in the current reporting period an entity must disclose comparative information for the immediately preceding two reporting periods. This adoption provision allows for an entity in its second reporting period, to provide one year of comparative information for each metric. NZKS has disclosed comparative data for the preceding period being FY24.

Adoption provision 7: Analysis of trends

This adoption provision exempts NZKS from disclosing an analysis of the main trends evident from a comparison of each metric from previous reporting periods to the current reporting period, referenced in NZ CS 3, clause 42, in its first or second reporting period.

[2] Aotearoa New Zealand Climate Standard 2 *Adoption of Aotearoa New Zealand Climate Standards* (NZ CS 2). Incorporates amendments to 27 November 2024.

Disclaimer

NZKS has used reasonable efforts in the preparation of this CRD to provide accurate information, but cautions reliance being placed on representations that are necessarily subject to significant risks, uncertainties or assumptions. This report contains forward looking statements, including climate-related metrics, climate scenarios, targets, assumptions, estimated climate projections, forecasts, statements of NZKS' future intentions, estimates and judgements that may not evolve as predicted. These statements necessarily involve assumptions, forecasts and projections about NZKS' present and future strategies and NZKS' future operating environment. Such statements are inherently uncertain and subject to limitations, particularly as inputs, available data and information are likely to change. NZKS has used its best efforts to provide a reasonable basis for forward-looking statements and is committed to progressing our response to climate-related risks and opportunities over time but is constrained by the novel and developing nature of this subject matter.

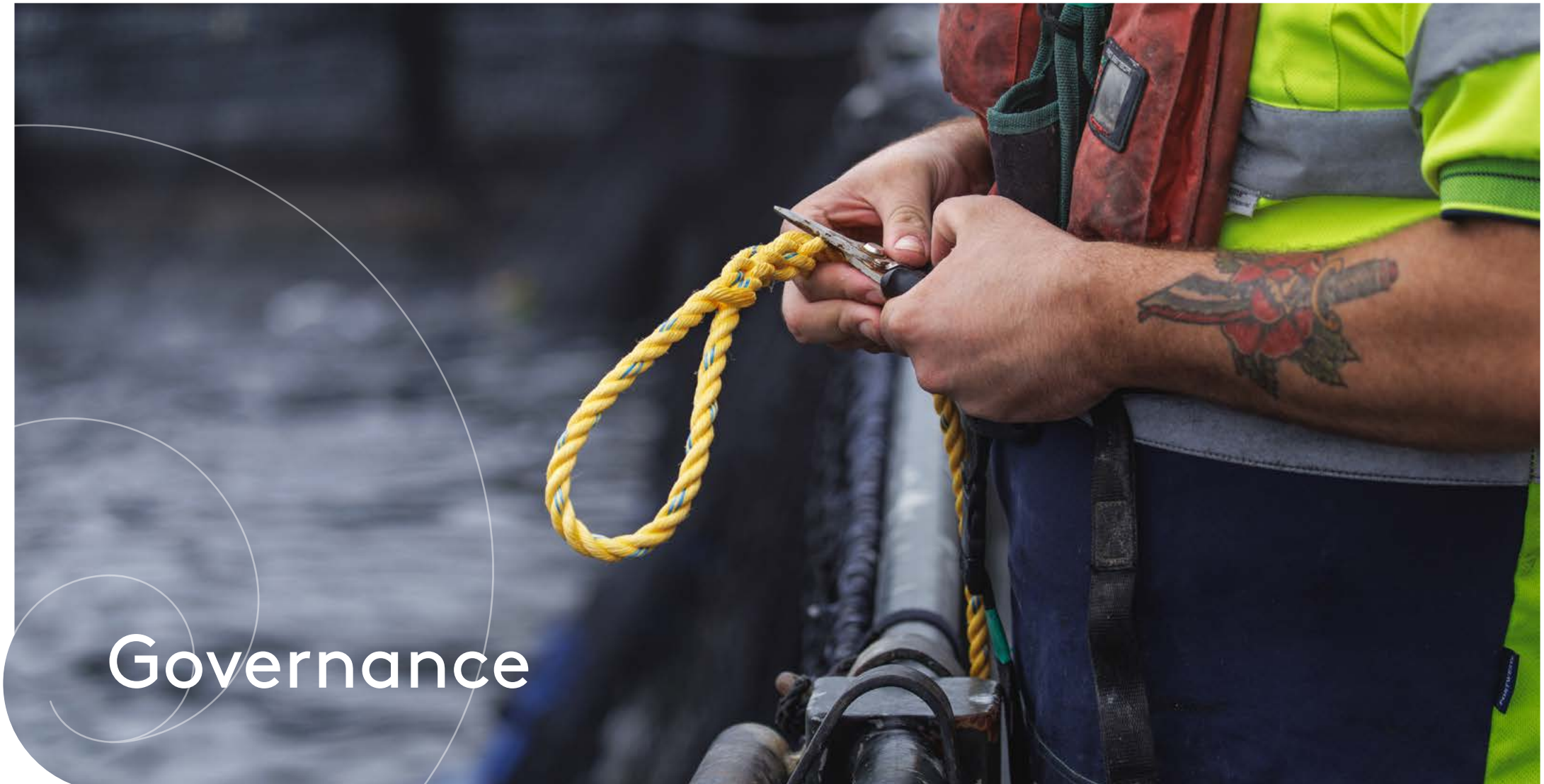
Climate-related risk management and reporting of metrics and targets is an emerging area, and often uses data and methodologies that are developing and uncertain. Climate-related forward-looking statements may therefore be less reliable than other statements NZKS may make in its annual reporting.

We have based these statements on our current knowledge as of May 2025. There are many factors that could cause NZKS' actual results, performance or achievement of climate-related metrics (including targets) to differ materially from that described, including economic and technological viability, as well as climatic, government, consumer, and market factors outside of NZKS' control. Nothing in this report should be interpreted as capital growth, earnings or any other legal, financial, tax or other advice or guidance.

Mark Dewdney
Chair
28 May 2025

Paul Munro
Chair - Audit, Finance & Risk Committee
28 May 2025

Ruakākā, Queen Charlotte Sound/Tōtaranui



Governance

Governance

Board oversight of climate-related risks and opportunities

The NZKS Board of Directors (the Board) maintain direct responsibility and oversight of risks and opportunities, including those related to climate change. At each Board meeting, Management reports on climate-related matters to ensure the Board remains informed and can set the direction of Management response to climate-related risks and opportunities. Several Board Directors are also members of Chapter Zero New Zealand, a global network of board directors committed to acting on climate change. This ensures that the Board is exposed to and aware of external trends and best practice relating to climate risk and governance. In FY25, several Directors have completed further education to expand their knowledge on sustainability. As NZKS enters its second year of climate reporting the Board has maintained clear visibility of the reporting process, and the subsequent management of risks and opportunities.

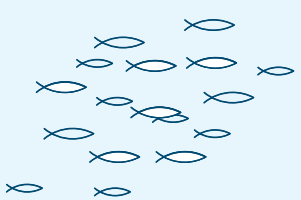
To manage climate-related matters, the Board delegates part of its responsibilities to the Audit, Finance and Risk Committee (AFRC). For FY26 this Committee will become the Audit, Finance, Risk and Project Development Committee. The AFRC assumes the key responsibility for overseeing the CRDs and reporting back to the Board. The AFRC also supports the Board by performing reviews of NZKS' primary business risks and its risk management policy. The AFRC meets on a quarterly basis and hold additional meetings as required in response to new data, analysis or risk identification.

To ensure appropriate risk management is in place and relative to the level of risk that has been assessed, the Board receives reports and briefings from the AFRC. In FY25 the Board completed an internal risk appetite review, which provides a risk reference framework for Management and the AFRC to consider when forming risk management responses. The Board has access to all reports presented by Management for both Committee and Board meetings. During Board meetings, Directors also have the opportunity to discuss and understand Management's response to how risks, including climate-related matters, are being addressed. This supports appropriate risk oversight by the Board. During FY25 the Board received briefings and updates on various climate-related matters, which included:

- A review of the Greenhouse Gas (GHG) emissions inventory and trends across the period.
- Hydrological mapping for each freshwater site was presented across two meetings. The meetings included the external experts who prepared the reports, allowing the Board to ask specific questions on these reports.
- An update on the sustainability risk review, led by Management, outlining how risks changed — or remained the same — following the formalisation of climate risks in FY24.
- General updates on the consultations that related to the climate-reporting disclosures and Management's view on the various proposed changes.

The Fish Farming Committee (FFC), also supports the Board in its oversight of climate-related risks and opportunities, through the identification of the risk and opportunities specific to fish farming operations. This approach supports the ongoing focus on improving fish health and performance and farming strategies. Climate change and the associated risk is a critical consideration of this committee. Specific internal reporting delivered by the FFC to the Board relates to:

- Consideration of water temperature on sea farms and resultant interactions;
- Progress on the breeding programme and specifically thermotolerance;
- Harvest progress during summer at NZKS sea farms; and
- Fish welfare indicators.



Tools and mechanisms

The Board uses the following mechanisms to provide oversight of Management in relation to climate-related risks and opportunities, and to set objectives for climate-related issues:

Risk Management Framework:

Annual reviews of the NZKS Risk Management Framework are conducted to ensure alignment with the climate-related considerations and stay up to date with indicators and the latest climate science. In FY25 risks have been reviewed and reassessed and are referenced in the NZKS FY25 Annual Report released in late March 2025.

NZKS Strategy:

The Board was involved in the establishment of a company strategy refresh during FY24, that was refined and finalised in FY25 to deliver the new purpose statement, "Towards a Healthier Tomorrow". Sustainability is a central consideration in this whole of company strategy. In FY25 the sustainability team continued to ensure an ESG focus in the Board approved work plan.

Risk Matrix Tools:

Ensuring that key climate risks identified in risk matrix reviews are reported to the Audit, Finance and Risk Committee and addressed appropriately. When GHG emission reduction targets are set, this committee will also be responsible for overseeing the reporting and progress on this. In FY25, the focus was on continuing to work through understanding the emissions profile including working with a third party to identify any decarbonisation projects. External assurance for GHG emissions was undertaken for FY25 across Scope 1, 2 and 3.

Reporting:

Review of the Enterprise Performance Report, which includes a section on sustainability, carbon emissions, an overview of any significant movements in emissions and other general sustainability matters.

Policy:

Annual reviews are conducted of relevant policies. Management is in the process of reviewing a specific sustainability policy that will be delivered in FY26 and which supports the new NZKS strategy.

Remuneration:

Specific sustainability remuneration metrics for the Senior Leadership Team, under the existing Short-Term Incentive (STI) scheme have been under consideration by the People and Performance Committee (for FY26 this committee will become the People, Performance and Safety Committee). Currently remuneration has not been aligned specifically to climate-related risks and opportunities or sustainability metrics, however, as the commercial viability and performance of NZKS is inherently linked to advancing the sustainability agenda the existing incentive structure for the Senior Leadership Team does by default reflect achievement and progress in sustainability. As trends emerge from multiple years of disclosure and analysis, STIs linking to climate-related risks and opportunities and specific metrics will be considered.

Management's role in assessing and managing climate-related risks and opportunities

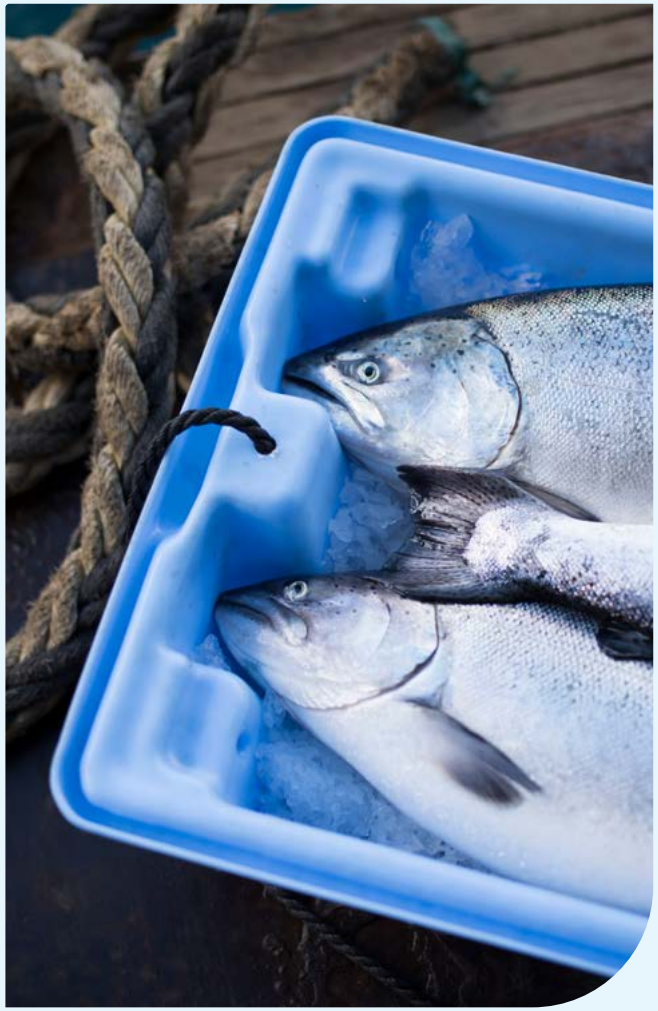
The Board delegates climate-related responsibilities to the NZKS Executive and monitors this through specific mechanisms such as a standing agenda item at Board meetings and ensuring relevance of internal policies outlined previously. The Executive comprises the Chief Executive Officer, the Chief Financial Officer and relevant General Managers. This Executive group is assigned the responsibility for advancing the company strategy, which includes sustainability, and the oversight of climate-related risks and opportunities in the business.

The Executive is supported by the sustainability team who is tasked with overseeing the implementation of sustainability-related parts of the strategy across the business as well as regular reviews of the business' climate-related risks and opportunities. The sustainability team in FY25 includes the:

- Head of Finance & Sustainability
- Sustainability Manager; and the
- Sustainability Finance Manager.

This core sustainability team work together closely and meet frequently to specifically discuss the sustainability work programme. This team also meets twice a year with the Chief Financial Officer and the General Manager who oversee the risk register to review and amend climate-related risks and opportunities as required. This team reports through to the Board on any key sustainability developments and any newly identified risks, assisting the Board in fulfilling its responsibilities related to identifying, assessing, monitoring, and managing climate-risk. The sustainability team provides updates to the Board and AFRC at every Board meeting, involving various levels of Management in the process (refer to Governance structure on page 12).

The sustainability team also leads the internal Sustainability Committee. This committee is made up of the Chief Executive Officer, Chief Financial Officer, relevant General Managers and other key team members across the business, who join project discussions as required. This often includes NZKS' Research & Development Manager and Head of New Product Development. The Sustainability Committee meets multiple times a year and is responsible for assessing internal sustainability projects and reporting on any projects or sustainability initiatives delivered in the business. The sustainability team is also responsible for preparing the sustainability section of the Enterprise Performance Report that is reported through to the Board. During FY25, the sustainability team has brought in an internal consultant to help evolve the reporting and modelling of the climate risks to enhance the understanding of key risks and related metrics, as well as commencing work on establishing an appropriate internal methodology to quantify the potential financial impact from climate change. This is important to ensure focus is placed on the most significant risks.



Governance structure for climate-related responsibilities

An outline of the Governance structure and the frequency of updates and monitoring on key climate-related responsibilities is provided below.

Board Oversight

NZKS Board
(meets ~10 times annually)

- Approves NZKS strategy including supporting strategies e.g Sustainability Strategy
- Ensures Board skills, size and composition are fit for purpose
- Reviews and supports management processes in relation to the risks and opportunities of the business including climate risks
- Supports the development and implementation of climate-related metrics and targets to enable the Board to effectively review and monitor the progress of the Company in future years
- Reviews remuneration policies and short term incentive schemes of Senior Leadership

Main Climate Reporting Committee

Audit, Finance & Risk Committee
(meets at a minimum quarterly)

- Ensures risks are managed in accordance with NZKS risk management framework. This includes key climate risks being brought to the committee for detailed review annually
- Oversees NZKS' reporting requirements including climate-related disclosures as well as the broader ESG work programme

Supporting Committees

Fish Farming Committee
(meets as required)

- Responsible for the identification of the risks and opportunities specific to the fish farming operations and review of the management of these risks
- Focused on the ongoing improvement in fish health and farming strategies

People & Performance Committee
(meets quarterly)

- Responsible for making recommendations to the Board as to its size and composition to ensure that the Company has access to the most appropriate balance of skills, qualifications, experience, and background to effectively govern the Company
- Responsible for making recommendations with respect to executive incentive remuneration plans having regard to financial and non-financial goals and how these align with Company strategy and performance objectives

Management

Executive Team
(reports to all Board meetings and AFRC meetings)

Includes Chief Executive Officer, Chief Financial Officer and relevant General Managers

- Responsible for implementation of strategy across the business and oversight of the climate risks and opportunities

Key Management Roles reporting to Executive Management

Core Sustainability Team

Includes Head of Finance & Sustainability, Sustainability Manager, Sustainability Finance Manager

- Responsible for preparation of carbon inventory and preparation of climate-related disclosures
- Responsible for supporting the Executive in driving the sustainability strategy in the business and reporting through to Executive and Board on sustainability projects
- Supporting the Executive with the identification and review of NZKS' climate-related risks and opportunities

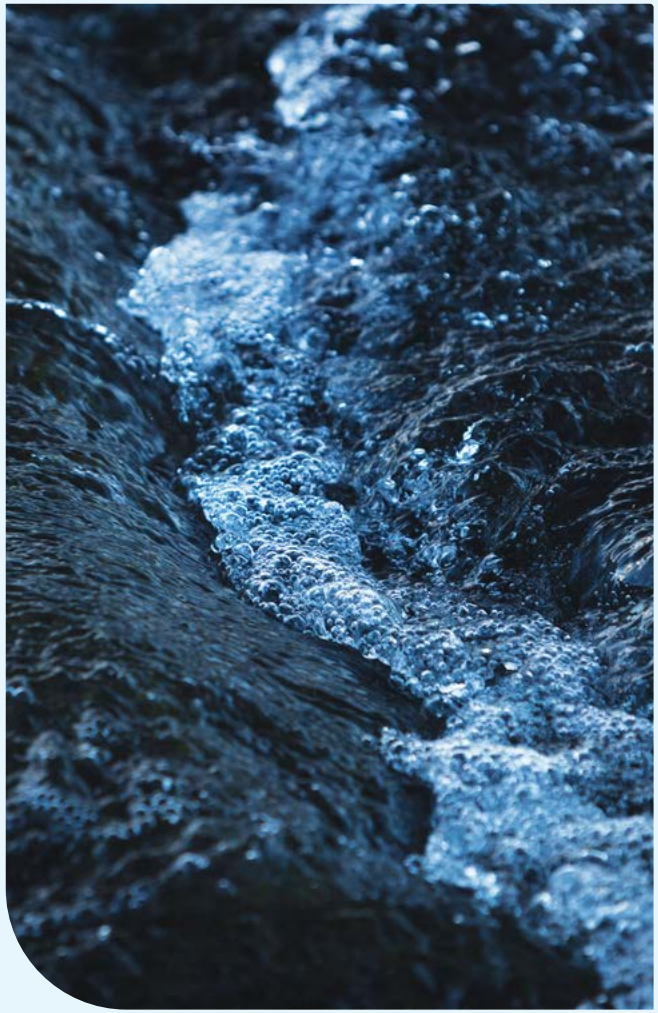
Sustainability Committee
(meets ~6 times annually)

- Responsible for overseeing and reporting on sustainability projects and initiatives across the business

Other

- Key team members across all aspects of the business, including finance, aquaculture and strategy, provide practical and pragmatic support and advice to the sustainability governance structure as required
- External independent advisers also provide support where required

Strategy



Strategy

NZKS has continued to use the same climate-related risk assessment framework and climate scenarios as the previous reporting period (31 January 2024).

This internal framework and the scenarios used, support NZKS' understanding of the potential climate-related risks and opportunities that may impact operations, and how certain climate indicators may change under the various scenarios. Risks determined not identified pre FY24 were subsequently included in the enterprise risk register to ensure appropriate Board and Management review and consideration. The combination of internal risk considerations, alongside climate scenarios allows for proactive management of these risks.

The climate-related risk assessment framework established in FY24 was based on workshops with various internal stakeholders and ranked the risks using the NZKS risk matrix to identify risks that were of a priority nature i.e., the risks that may have a significant impact on NZKS' operations. A further workshop considered these risks and opportunities over the NZKS risk assessment time horizons and how risk and opportunities may differ under the various climate scenarios. This assessment was considered again in FY25 by Management. As there have been no significant operational changes and no other significant impacts on the business in relation to these risks, the identified risks and opportunities have not changed.

The climate scenarios used for both FY24 and FY25 were built on the foundation of The Aotearoa Circle's 'Climate-related risk scenarios for the 2050s', specific for the Marine/Seafood Industry in addition to, a scenario from the Network for Greening the Financial System. They have been adapted by NZKS to make them more specific for the risks and opportunities identified by the business. The scenario frameworks used also align to the scenarios used by other Climate Reporting Entities (CREs) in the aquaculture industry.

In FY25, NZKS became a partner to The Aotearoa Circle. This enabled the involvement and active collaboration with key stakeholders in the seafood industry to help the development of the Seafood Nature, Climate and Te Ao Māori Scenarios. This is an ongoing project that will be finalised in FY26. The process is facilitated by an external sustainability advisory firm and involved multiple workshops and meetings. As this scenario work is an ongoing project it has not been utilised in the current reporting. The outcome of this work is expected to be refined and tailored to NZKS, for use in future climate-related disclosures. NZKS does not expect updated scenarios to change how the business currently responds or assesses climate-related risks or opportunities. Rather, the intent is to ensure alignment with the wider industry and to consider any new risks or opportunities that may not yet have been identified. Based on the scenario work to date, NZKS does not see the currently disclosed risks or opportunities materially changing.

A description and specific characteristics of each scenario considered are detailed in the table below.

Scenario	Kahawai 2050 "Orderly transition"	Disorderly "Delayed transition"	Mako 2050 "Intense and severe outcomes"
Description	This scenario describes a 2050 world that has succeeded in implementing the Paris Agreement (net zero by 2050). The NZ Government has implemented legislation that has acted as key drivers in the country's transformation. By mid-century, New Zealand's aquaculture and fisheries sectors have become carbon-neutral, powered by new technologies. New Zealand's marine governance system becomes more flexible and collaborative, enhancing the resilience of aquaculture operators. Due to the transparency, sustainability and social equity of our marine governance and food production systems, New Zealand enjoys a strong comparative advantage in the global marketplace.	This scenario describes a world where annual emissions have not started decreasing until 2030. The slow initial response has required strong national and global policies to limit warming to below 2°C. The commercialisation of lower carbon technology is only emerging in response to the later legislative changes, meaning a slower decarbonisation pathway for business in New Zealand. Actions taken by businesses affected by climate change are reactive rather than proactive, which means solutions are more expensive.	This scenario describes a 2050 world where change moves rapidly through the marine domain, a failure to curb emissions has meant significant climate disruption. The consequences of climate change have increased the stressors on the environment and in turn increased economic pressures on businesses that rely on the environment for survival. Government policies are slow to change and the costs of adaptation to climate change is prohibitive to some businesses and industries.
Policy Ambition	1.5°C (<2°C)	2°C	>3°C
RCP/SSP Combination Used	RCP 2.6 SSP1	RCP 2.6 SSP2	RCP 8.5 SSP3
Physical Risk Severity	Low - Moderate	Moderate	Extreme
Policy Reaction	Immediate and smooth	Delayed - strong policies once implemented	Lagging, minimal change from current policy
Technology Change	Fast Changes	Slow/Fast Change	Slow Changes
Global Population	8.5b	8.26b	11b
Marine Bio-Physical Impacts (To 2050)	+0.8°C coastal sea surface temperature	+0.8°C coastal sea surface temperature	+1.5°C coastal sea surface temperature
	+0.23 m sea level rise	+0.23 m sea level rise	+0.28 m sea level rise
	8.0 pH ocean acidification	8.0 pH ocean acidification	7.94 pH ocean acidification
	1% decline in dissolved oxygen	1% decline in dissolved oxygen	2% decline in dissolved oxygen

These scenarios enable a level of comparability to other aquaculture businesses as they have been used by others in the sector when assessing climate risks and opportunities. For the purposes of the climate scenario analysis, the time scale is longer term. For internal risk assessment, NZKS have used nearer term, time horizons. However, NZKS climate risks and opportunities have been informed by the above climate scenarios. NZKS has used the time horizons as the broader NZKS enterprise risks, to support the appropriate prioritisation of climate-related risks by the Board and Management. Under all scenarios the level of uncertainty increases over the longer term, as the effects of climate change become more evident, yet the outcomes are increasingly uncertain.

Time Frames:

	Scenario Analysis Time Scale	Risk Assessment Time Horizon
Short term	2025 to 2030	1-3 years
Medium term	2031 to 2050	4-10 years
Long term	2051 to 2100	>10 years

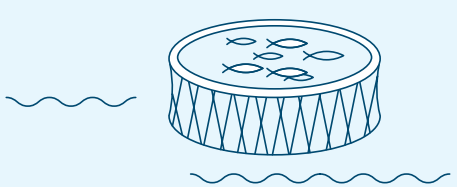
A comprehensive examination of the value chain from hatchery to distribution was completed to determine the potential physical and transition risks from changes to the climate. The climate risk assessment included locations and operations that are deemed important and material to NZKS, including hatcheries in Takaka and Tentburn, sea farms in Tory Channel, Queen Charlotte Sound, and Pelorus Sound, as well as the Nelson-based processing site. The climate risk assessment was predominantly limited to New Zealand and focused on logistics operations under NZKS' control. Transitional risks considered the broader supply chain in the context of export markets, consumer preferences and government policies, as exports form a significant part of the NZKS business.

The value chain was reassessed for FY25 and was considered to remain appropriate. One operational change for FY26 will be the Blue Endeavour pilot farms becoming operational. In the value chain assessment, the pilot farms will fall under the sea farm locations. There is no expectation that the additional farm will change the currently identified sea farm risks. However, the additional water space may mitigate the risk of livestock being held across only one channel in the warmer summer months. This mitigation of risk cannot be fully assessed until the pilot is completed.

The climate scenarios informed the assessment of NZKS' climate-related physical and transition risks and opportunities. NZKS note that climate-related risks and opportunities are dynamic and as such this section does not (and does not purport to), set out all the climate-related risks and opportunities that may affect NZKS. This is due to the risks and opportunities either being unknown, or currently assessed as lower priority based on internal risk assessments. All risks have been reviewed to ensure they have remained relevant for FY25. A key evolving risk which has been highlighted in the NZKS FY25 Annual Report, is access to suitable water space. This specific risk is noted under the regulatory and legal section of the climate-related risk/opportunity table on pages 17-19 and is a key consideration in an uncertain regulatory environment.

The table outlines the material, current and anticipated physical and transition climate-related risks and opportunities, identified and agreed by the Board and Management. NZKS has determined risks as material if they have been identified as priority 1 or 2 on NZKS' risk matrix. The table also discloses the current financial impact in relation to the identified physical and transition risks and opportunities. NZKS has utilised the exemption available and has not disclosed the anticipated financial impact of the identified physical and transition risks.

Risk/Opportunity Level	Action
High	Highest priority for Management effort to mitigate or eliminate
Medium	Monitor closely
Low	Maintain awareness



High Medium Low

Climate-Related Risk/Opportunity	Current Impact	Anticipated Impact	Risk Assessment Time Horizon			Management Responses Identified to Date
			1-3 years	4-10 years	>10 years	
Marine heatwaves cause more persistent high summer sea temperatures (Physical Risk)	There has been no physical impact on the business during FY25 from this risk. There was no material financial impact in FY25 in relation to this risk.	Warming waters are expected under all scenarios. Expectation on increased capital expenditure for additional water space requirements and research and development expenditure on thermotolerance. Prolonged warming waters may contribute to elevated mortality by providing the environment for additional stressors to impact the livestock in the water, such as bacteria, algae blooms etc.				Management is investing in thermotolerance, which is a long-term breeding project to increase resilience of salmon in warmer water temperatures. Management is allocating significant capital to the Blue Endeavour open ocean pilot to provide additional water space for NZKS to farm in the medium/long-term.
More frequent and longer dry spells and drought (Physical Risk)	There has been no physical impact on the business during FY25 from this risk. There was no material financial impact in FY25 in relation to this risk.	There is an increased risk of drought and water restrictions at multiple production sites.				Management has conducted a hydrology mapping exercise on the two freshwater sites to better understand the risks of drought. This enables better planning and use of capital to mitigate risks in the medium/long-term. Management has considered improvements around water recirculation and is actively working on a Recirculating Aquaculture Systems (RAS) project in the short-term for the Tentburn site. Freshwater planning is also being undertaken by the aquaculture team in determining the medium to long term projects. Water use improvements at the current processing site are being considered, however Management's key focus is understanding this risk on a greenfield site.
Coastal and estuarine flooding: increasing persistence, frequency and magnitude (Physical Risk)	There has been no physical impact on the business during FY25 from this risk. There was no material financial impact in FY25 in relation to this risk.	There is expected to be an increase of flooding at freshwater sites, which may cause damage to infrastructure.				Management has conducted a hydrology mapping exercise on the two freshwater sites to better understand the risk of floods. This enables better planning and use of capital to mitigate risks in the medium/long-term. Management has mitigated short-term flooding risk by improvements to culverts at Tentburn. Management is also investigating other capital spend options to decrease flood risk as part of resilience planning. All future business cases for capital expenditure now take into account the hydrology reports to ensure new projects are built at an appropriate level to mitigate the impacts of a flood.

High Medium Low

Climate-Related Risk/Opportunity	Current Impact	Anticipated Impact	Risk Assessment Time Horizon			Management Responses Identified to Date
			1-3 years	4-10 years	>10 years	
Increased storm and extreme wind events (Physical Risk)	There has been no physical impact on the business during FY25 from this risk. There was no material financial impact in FY25 in relation to this risk.	As storms become more frequent and severe, there is a potential risk that sea farm assets, roading networks, and potentially other key infrastructure may be affected, adversely impacting the NZKS supply chain from harvest to distribution.				NZKS has alternate routes to get harvest from seawater sites and domestic/export logistics has experience in moving goods when routes are closed.
Regulatory and legal (Transition Risk and Opportunity)	The nature of this risk and opportunity is that there is always a current impact on the business that must be considered. In FY25 outside standard consent processes and current compliance obligations, there have been some additional opportunities identified. There was the opportunity to mitigate future risks in relation to offshore renewable energy infrastructure, which was done via a submission to parliament on the Offshore Renewable Energy Bill. Depending on Management's next steps in relation to renewable energy infrastructure, the ongoing consideration of this risk area would fall under the 'new and emerging technology' risk/opportunity section of this analysis. There was no material financial impact in FY25 in relation to this risk or opportunity.	Yet to be determined, future regulatory requirements around resource consents including monitoring and reporting obligations. Alternatively, the regulatory environment could be an opportunity as salmon is a low carbon protein, which may be seen as an industry for the Government/ Councils to support via more flexible resource consent conditions.				NZKS is actively involved in regional processes led by industry groups including being a part of active discussions on the Marlborough Environment Plan. NZKS is also actively focussing on engaging with wider stakeholders of the business such as iwi, NGOs, central and local government. The regulatory and legal environment is being actively monitored by NZKS. Current management focus is on the short-medium term, as – like any transitional risk – it is an evolving space and outcomes can be difficult to predict. Management processes therefore need to remain flexible to adapt quickly to new frameworks.
Financial (Transition Risk)	There has been no impact on the business in relation to this risk/opportunity during FY25. There was no material financial impact in FY25 in relation to this risk.	Potential increased costs to the business, such as freight costs, introduction of carbon taxes/ regulations, insurances and reporting obligations. Increase in the need for capital expenditure for business resilience to mitigate the effect of climate change.				Management is investigating options and viability of moving air freight to sea freight to reduce carbon emissions. Management proactively manages NZKS' risk-based insurance programme. Management understands that capital expenditure is likely to be required to support the business in adapting to a lower emission business, this is currently being considered in future capital planning.

High Medium Low

Climate-Related Risk/Opportunity	Current Impact	Anticipated Impact	Risk Assessment Time Horizon			Management Responses Identified to Date
			1-3 years	4-10 years	>10 years	
New and emerging technology (Transition Risk and Opportunity)	There has been no impact on the business in relation to this risk or opportunity during FY25. There was no material financial impact in FY25 in relation to this risk or opportunity.	NZKS expects improvements in technology will provide the opportunity to become more efficient and therefore reduce carbon intensity measures. NZKS will continue to assess the risks and opportunities of adopting emerging technology as part of future capital investment decisions.				Management is exploring potential projects, such as a greenfield processing site to drive lower emissions and adoption of more efficient technologies. As part of the decarbonisation pathway work undertaken in FY25, Management identified potential new and emerging technologies that they will continue to monitor closely. This will enable NZKS to identify opportunities early and mitigate the risk of being slow to adapt compared to others in the industry.
Market access/ consumer demands (Transition Risk and Opportunity)	There has been no impact on the business in relation to this risk or opportunity during FY25. There was no material financial impact in FY25 in relation to this risk or opportunity.	There is potential risk around increased regulation on packaging, entry requirements and tariffs to gain access to export markets. Alternatively, this could be an opportunity as salmon is a low carbon protein, which may be seen as a preferred import product. Consumer preference may also move to a lower carbon protein choice.				This is currently monitored by Management to identify any market access/consumer changes that may impact on operations. Management utilise resources such as New Zealand Trade and Enterprise (NZTE) to stay informed on the changing regulatory environments overseas.
Reputational (Transition Risk and Opportunity)	There has been no impact on the business in relation to this risk or opportunity during FY25. There was no material financial impact in FY25 in relation to this risk or opportunity.	An increased focus on the climate space has the ability to be both a risk and an opportunity for NZKS, depending on how stakeholders interpret climate-related disclosures and other ESG actions.				NZKS has prepared this report which sets out its CRDs. NZKS continues to achieve third-party certifications such as the Best Aquaculture Practices (BAP) certification, which supports the company's commitment to responsible operational practices and therefore it's reputation as a trusted operator. Management is committed to better understanding its GHG emissions and how to practically implement carbon reduction projects identified in FY25.

Financial Impacts

Management have assessed that there is no material current financial impact in relation to any climate-related risks disclosed in the previous table. In assessing and quantifying the current financial impact attributable to climate change, Management determine what component of cost exceeding forecasts can be attributed directly to climate-related risks or opportunities, and is therefore not related to other seasonal, Management, or operational decisions or challenges. This assessment can be difficult and is often judgement-based. NZKS is working to improve the tracking of these costs and the development of an internal climate risk attribution methodology, to enable easier reporting for years where climate-risks do have a material impact on operations. Before climate-related disclosures were required, NZKS experienced impacts that could have been attributed partially to climate risks. Management is using these impacts to support the formation of the financial impact methodology. Examples of the impacts include elevated mortality occurrences and increased freight costs due to road closures.

NZKS has elected to not disclose the anticipated financial impacts in relation to the physical and transition risks identified. However, during FY25, Management commenced work on developing systems and models that allow for this to be carried out in future financial periods. It is important to note that there is currently no prescribed methodology available for this.

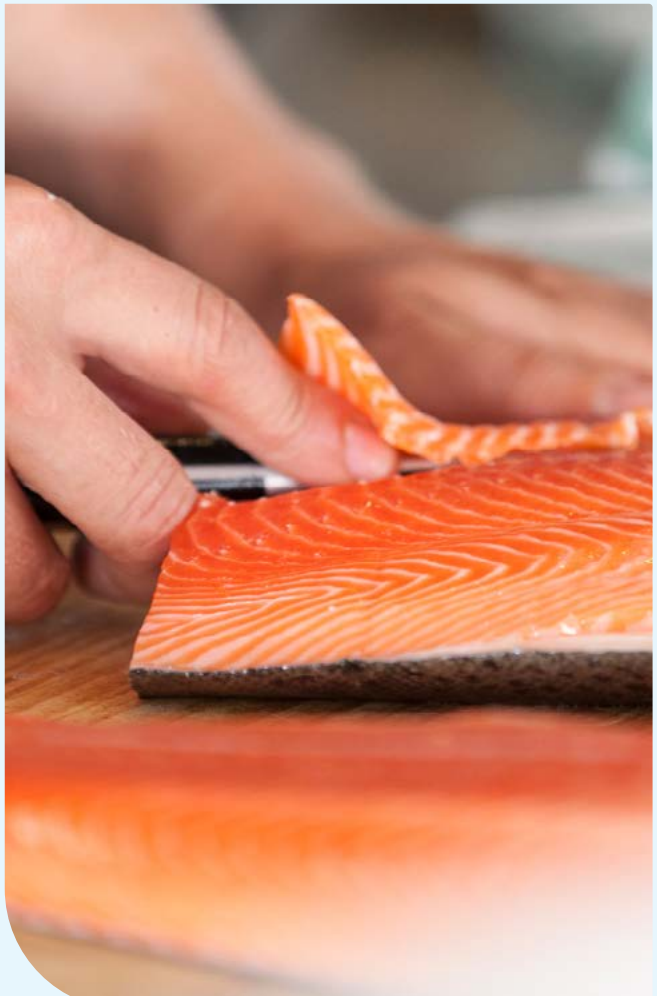
At a high level, NZKS will assess the anticipated financial impact of an event based on two key considerations:

1. Financial magnitude of event, in terms of maximum potential financial impact; and
2. Probability of event occurring on an annual basis.

The potential financial impact of a risk materialising is based on first looking at actual historical data from an event occurring and then adjusted for any mitigations or business model changes that would make the data no longer representative of that risk. Where the risk event has not occurred previously, the financial cost has been calculated from looking at the impact of the event on current and future production, along with any other financial impacts due to repair or remediation. Where there is no ability to determine specific cost or financial impact due to the range of variables, an estimate range has been used to ensure each risk is considered appropriately. This is a pragmatic and efficient approach to quantification of financial risk and allows for focus on risks that are more significant.

Probability is the second key consideration in calculating anticipated financial impact. Where possible, as a first step, specific data would be utilised to support this, however it is often not possible to obtain a specific probability. The second step is to look at frequency of event over the past decade and consider whether this is likely to continue at the same rate or increase under the different climate scenarios. Again, research can provide some guidance, but specific probabilities are inherently difficult to determine with precision. Lastly, in assessing probability, a Management thought discussion will be conducted with relevant key stakeholders who have experience in the areas of risks to look at the possible occurrence over the next 30 years and this is then converted into an annual probability estimate.

The finalisation of this internal methodology to quantify climate risks, will be a key focus of FY26. As with any methodology that relies on historical data and significant judgements in relation to the future, the expectation is that the anticipated financial impact disclosure would be disclosed as a financial range, and would be caveated with the limitations that are inherent with judgments being made.



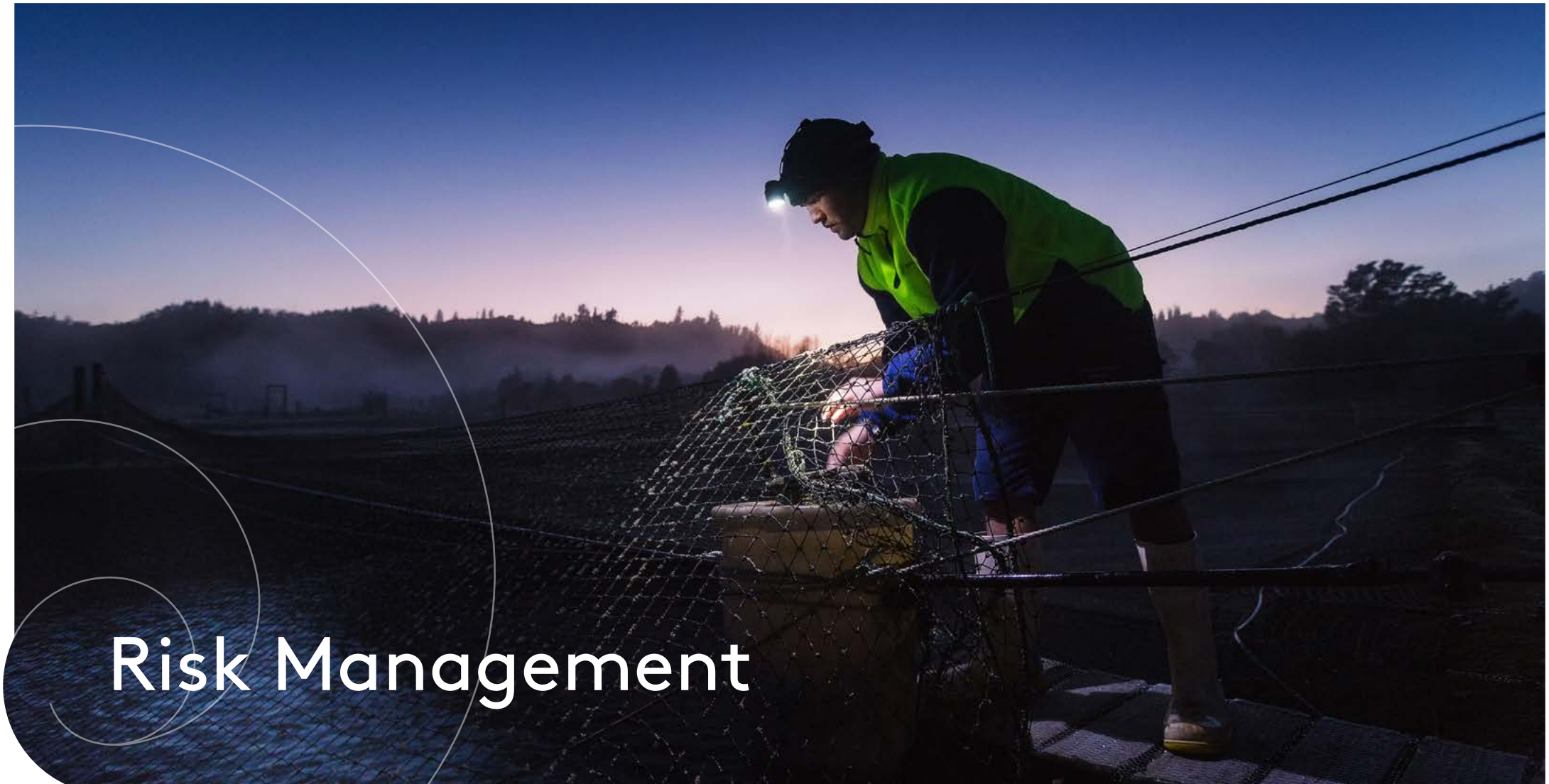
Transition Plan

The identified climate-related risks and opportunities have been integrated into broader business planning and capital allocation decisions, to ensure that NZKS is taking proactive steps towards transitioning to a lower carbon future and to mitigate potential risks to the business. The current Management response to the identified risks and opportunities do not differ significantly under the various climate-related scenarios. This is due to the current Management response either being the most commercially viable option available to NZKS and/or limited optionality available to mitigate the risk. Or further information is required to fully form a Management response to the climate-related risk or opportunity.

Due to the long term nature of the climate scenarios, it is expected the Management response will change over time, as the anticipated climate impacts become clearer and definitive information is more readily available.

The climate risk assessment undertaken annually will continue to utilise the scenarios to consider plausible future risks and opportunities to ensure NZKS response is more proactive than reactive, within the various limitations on the business.

As noted in the Governance section, the current business strategy supports an increased focus on sustainability and risk management. When projects are presented to the Board seeking approval of capital expenditure, there is a deliberate focus on sustainability outcomes and emissions reductions. As part of capital allocation decisions, ESG is also considered as an input into a project's hurdle rate (i.e with all other variables being held consistent the better the ESG outcome would generate a lower hurdle rate - therefore improving the prioritisation of the project). This embedding of sustainability has also created a focus on making the business more resilient to climate and broader ESG risks and allows for early identification of potential opportunities for NZKS.



Risk Management

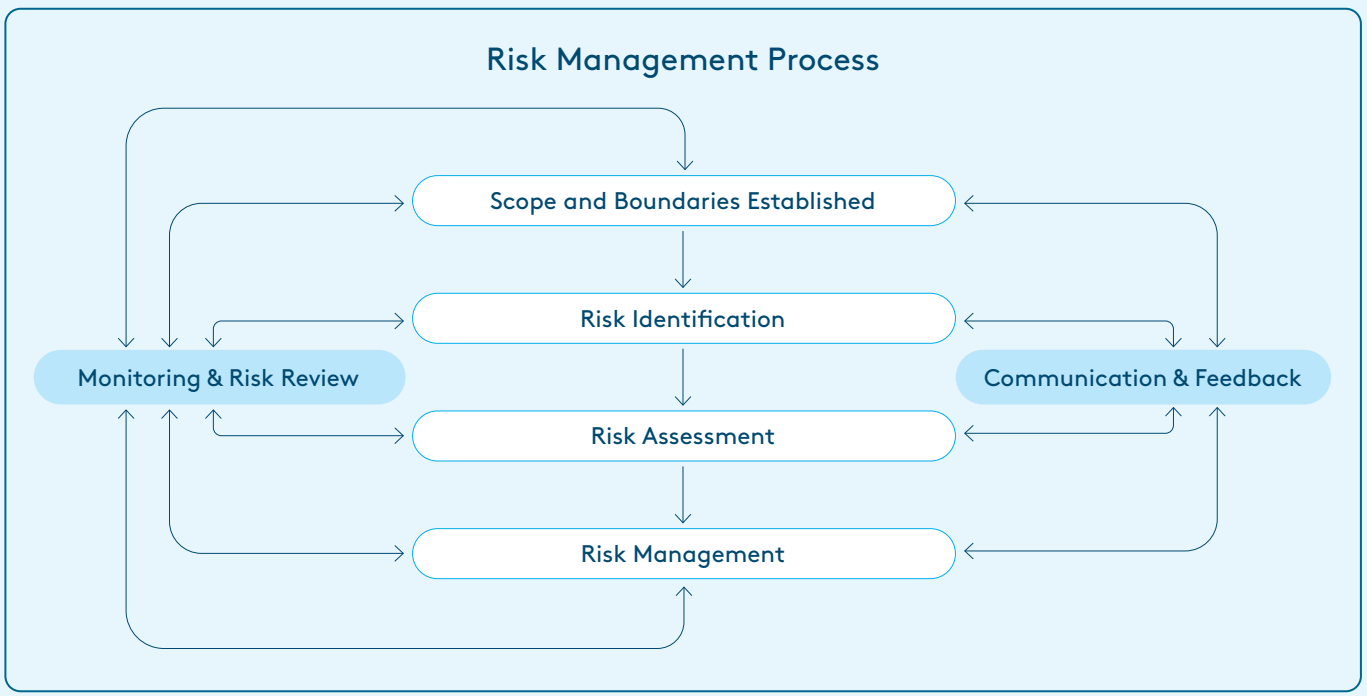
Risk Management

NZKS employs a structured risk management approach that utilises a 5x5 matrix of consequence severity and likelihood.

The risk management framework enables the Board and Management to assess various business and climate-related risks, potentially impacting our operations, environment and communities. This allows the business to take appropriate steps to mitigate and manage these risks effectively.

NZKS utilises the risk assessment framework to rate and compare climate-related risks against other business risks. There is a bi-annual review of sustainability risks within the NZKS risk framework by the sustainability team and risk leaders. There is also an annual workshop with the Chief Executive Officer, Chief Financial Officer, relevant senior leaders, and the sustainability team, to reassess and update the climate-related risks and opportunities, to ensure the full defined value chain is considered. This also supports NZKS' continued commitment to sustainability, transparency, and responsible business practices.

The risk rating system used for wider business risks is also employed for climate-related risks, considering the likelihood and severity of their associated consequences. The risks are prioritised based on their severity and categorised into priorities 1-4. Those rated as priority 1 require immediate action, where possible, to proactively manage risk and limit exposure. The climate-related risks that have been rated priority 1 or 2 from the climate-risk workshops have been condensed and included in the Company's overall enterprise risk register. This ensures climate-related risks are considered in the same way as other business risks.



Metrics and Targets

Metrics and Targets

NZKS recognises the importance of monitoring and mitigating GHG emissions.

In FY24, NZKS undertook a comprehensive assessment and reporting exercise of its Scope 1, 2 and 3 GHG emissions with reference to the Greenhouse Gas Protocol, and set FY24 as the baseline for future target setting and evaluation. FY25 GHG emissions build on this prior foundation.

NZKS emissions profile

NZKS measures its GHG emissions in accordance with the requirements of the 'Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard'. As reporting of climate-related metrics and targets is an emerging area, often the data and methodologies used are developing and uncertain. NZKS reports its GHG emissions in tonnes of CO_2 equivalents (tCO_2e), in compliance with the requirements set by the Aotearoa New Zealand Climate Standards. There has also been guidance from the following sources:

- Greenhouse Gas Protocol – Corporate Value Chain (Scope 3) Accounting and Reporting Standard
- Greenhouse Gas Protocol -Technical Guidance for Calculating Scope 3 Emissions (version 1.0)

Emission factors utilised in FY25 have been from the following sources:

- Ministry for the Environment (MfE) 2024 'Measuring Emissions: A guide for organisations' (NZ)
- Department for Environment Food & Rural Affairs (DEFRA) 2024 'Greenhouse gas reporting: conversion factors' (UK)
- Department of Climate Change, Energy, the Environment and Water (DCCEEW) - Hydrofluorocarbon refrigerants – global warming potential values and safety classifications (Australia, 2024)
- Environmental Product Declaration (EPD) product specific emission factors for similar items to products purchased (2023)
- Motu Economic and Public Policy Research 'Consumption-based greenhouse gas emissions input-output model' (2007)
- Supplier specific emission factors for feed (2023, 2024 & 2025)

The emission factor sources are based on global warming potentials (GWPs) varying from AR4-AR6.

NZKS boundary

NZKS applies the financial control approach when calculating emissions. Determination of control follows the same approach taken when consolidating New Zealand King Salmon Investments Limited for financial statement purposes. Organisational boundaries were applied with reference to the methodology described by the GHG Protocol. NZKS has financial control over all the entities that comprise New Zealand King Salmon Investments Limited Group. Emissions in NZKS control are Scope 1 and Scope 2 emissions and are identified from across the entire NZKS operations - hatcheries, sea farms, processing operations, distribution and office areas.

The current GHG Protocol guidance suggests leases that have the characteristics of operating leases are reported as Scope 3, 'Category 8: Upstream leased assets' for reporting entities with a financial control approach. However, consistent with the principles of NZ IFRS 16 Leases, NZKS recognises lease assets in the statement of financial position as a right of use asset and has determined that, during the lease period, NZKS has the right to control the use of the asset as well as the right to substantially all of the related economic benefits and therefore have included the related emissions in Scopes 1 and 2.

Emissions from sources over which NZKS does not have financial control, but forms part of the NZKS value chain, are included as Scope 3 indirect emissions.

Emissions sources excluded

The basis for exclusion of emissions from NZKS GHG emissions calculations in FY25 are either that they are:

- Not applicable to NZKS operations, or
- Not material in the context of the GHG inventory (not greater than 5% of a particular scope of emissions), or
- Not technically feasible or cost effective to be quantified with accuracy at present

Estimates and assumptions were applied in situations where there was a lack of available data.

The below outlines the categories excluded and the reasoning for this:

- Category 7 - Employee commuting: Information is not tracked, estimated impact is immaterial to overall emissions based on estimates.
- Category 10 - Processing of sold products: Partial exclusion. Emissions from processing of sold offal into fish meal are included in Category 10. Emissions from all other types of further processing are excluded, due to the unknown nature of these processes and insufficient data, or the volumes being deemed insignificant. Data quality challenges mean that the uncertainty associated with this estimation is high.
- Category 11 - Consumer use of sold product: As no specific data is available, we have estimated emissions based on assumed cooking techniques and sold weights, however at present the emissions are immaterial, and the uncertainty associated with this estimation is high.
- Category 13 - Downstream leased assets: No specific data available and NZKS does not lease out any significant assets. Therefore the estimated impact is immaterial.
- Category 14 - Franchises: Not applicable due to no franchised business.
- Category 15 - Investments: Not applicable.

Metrics and Targets

NZKS' total GHG emissions and GHG emission intensities for FY25 are disclosed in the tables below. The emissions are the total GHG emissions measured in accordance with the Greenhouse Gas Protocol guidance. Methodologies, assumptions, and estimation uncertainties in preparing the GHG emissions are set out in the Appendix. Scope 1, Scope 2 and Scope 3 GHG emissions for FY25 are subject to limited assurance by PwC. Refer to the PwC assurance report on page 38 to 43 for further details.

Absolute GHG emissions by Scope

Scope	FY25 tCO_2e	FY24 tCO_2e (restated)[A]	YoY % (decrease)/ increase[A]	% of total emissions FY25[A]
Scope 1[B]	2,408	2,434	(1.1%)	2.84%
Scope 2	528	525	0.6%	0.62%
Total Scope 1 and 2	**2,936**	**2,959**	**(0.8%)**	**3.46%**
Scope 3 [B,C]	81,999	78,257	4.8%	96.54%
Total Scope 1, 2 and 3	**84,935**	**81,216**	**4.6%**	**100%**

[A] No assurance by PwC is provided for the FY24 tCO_2e, the YOY % (decrease)/ increase and the % of total emissions FY25.

[B] For FY25 NZKS determined that fuel consumed by barging contractors previously reported as Scope 1 was outside of its operational boundary. This has resulted in a reclassification between Scope 1 and Scope 3 emissions of 1,185 tCO_2e for the previously disclosed balance in FY24.

[C] Subsequent to the FY24 CRD being released a calculation error within the carbon emissions software was identified by NZKS. The result of this error resulted in FY24 Scope 3 disclosure being understated by 2,229 tCO_2e and the FY24 Scope 2 disclosure being understated by 10 tCO_2e.

The FY24 Scope 1 and Scope 3 emissions and Total Scope 1 and 2 and Total Scope 1, 2 and 3 emissions have been restated to reflect the correction of the calculation error and reclassification identified in footnote B and C.

GHG emissions Intensity

Intensity indicators	FY25 - Liveweight (tCO_2e/t)	FY24 - Liveweight (tCO_2e/t)	YoY % (decrease)/ increase	FY25 - G&G (tCO_2e/t)	FY24 - G&G (tCO_2e/t)	YoY % (decrease)/ increase
Scope 1,2 & 3 emissions per tonne (tCO_2e/t)	11.03	11.46	(3.75%)	12.53	13.03	(3.84%)
Scope 1 & 2 emissions per tonne (tCO_2e/t)	0.38	0.42	(9.52%)	0.43	0.47	(8.51%)

In FY25 Scope 1 and 2 emissions comprised 3.46% of the NZKS total GHG inventory. At an absolute level, Scope 1 and 2 GHG emissions stayed relatively flat from the prior year, with a decrease in emissions of 0.8%. This was achieved through operational efficiencies and improving organisational awareness of emissions, rather than specific decarbonisation projects. These emissions were generated in the context of both harvest volumes and sales volumes increasing by 9% and 12% respectively in FY25, as disclosed in NZKS' Annual Report.

The largest source of Scope 1 emissions is attributable to fuel consumption across sea farm operations at 73%. Scope 2 emissions are mainly driven by electricity consumed at the Tentburn hatchery and Nelson processing site.

Scope 3 emissions at 96.54% of total emissions, is made up of primarily upstream freight emissions; driven by the airfreight related to the sale of predominantly fresh product to export markets (53% of Scope 3), and the purchased goods and services emissions via the purchase of salmon feed (26% of Scope 3). The increase in Scope 3 as a percentage from prior year, is mainly attributable to the increased airfreight emissions.

From an emissions intensity perspective, there has been an improvement across all metrics for FY25, based on emissions increasing at a smaller percentage than the overall increase to biomass harvested (liveweight and G&G) compared to the FY24 period.

NZKS, as an exporter of a low carbon protein has plans to expand though increased harvest production in the medium term via expansion into open ocean salmon farming. Currently NZKS' Blue Endeavour open ocean pilot is in progress with the first harvest expected in FY27. If the pilot phase goes well and harvest volumes grow, it is expected that NZKS' absolute emissions will increase. NZKS intend to dedicate effort into understanding steps that can be taken to improve NZKS' emissions intensity indicators, so that the business becomes more carbon efficient. Therefore, to have a flat Scope 1 and 2 in FY25 with the increased harvest is a positive for NZKS, and highlights that the future growth of the business does not necessarily coincide with a proportionate increase in Scope 1 and 2 emissions.

Targets

For FY25, NZKS has not set absolute, or intensity GHG emission reduction targets from the FY24 base year. The limitations for NZKS around setting targets in a meaningful way is outlined in more detail below. Overall, the decision to not set targets, was primarily based on the inability to build a robust, actionable reduction plan that Management could accurately measure against. The decarbonisation options considered either were already occurring and had minimal impact, did not have enough GHG reduction potential to make the time or cost to build a specific target appropriate for external disclosure reasonable or the information required to appropriately set a target were not available.

The decision to not set reduction targets was mainly driven from the decarbonisation report commissioned in FY25, with third party energy consultants. The focus for that report was kept to Scope 1 and 2 emissions, as in general, Scope 1 and 2 are the emission sources generally considered easier to quantify and control. This is because they are directly or indirectly attributable to an entity's operations.

In this report, various options were identified as having the potential to create a decarbonisation pathway for NZKS. The options ranged from smaller incremental changes such as swapping out Halogen lighting for LED bulbs, through to major changes and advances in renewable or sustainable fuels. To assess the viability of the decarbonisation options a marginal abatement cost calculation (MAC) was used to determine whether a project should proceed.

Management assessed these opportunities and outside some of the shorter-term projects, the options identified were not reasonable to pursue at this time due to extremely high MACs. This is reflective of the technology, or renewable resource, not being commercially available at scale, and as such the cost to implement and operationalise these options sits well above the acceptable range for commercial entities. Although the options identified did not allow for immediate decarbonisation projects to be implemented, they did provide other benefits. This included broadening Management's understanding of future decarbonisation potential and put in place thinking that could support these projects in the future.

The largest, longer-term opportunity identified in the report related to the use of renewable diesel. This would replace current diesel consumption, which is the largest Scope 1 emission for NZKS. At present the MAC cost for alternative diesel, combined with supply constraints, makes this currently not a viable option. The decarbonisation assessment highlighted renewable diesel as one of the larger future opportunities for NZKS. This had not previously been a major longer-term consideration for NZKS, however, carrying out this work has enabled a new focus on key alternative fuels and technologies in New Zealand. This will allow these decarbonisation options to be realised as soon as it's a commercially viable option for NZKS.

A greenfield processing factory was also considered as a key driver in GHG emission reductions. This project is acknowledged as active, and the expectation is it will lead

to a reduction in the intensity of emissions. This expectation is based on the current site being old and close to end-of-life, and due to the layout of the site, processes are not optimised for emission related efficiencies. Due to the availability of information based on the stage of the project, and important considerations that need to be made that would affect the emission reduction options available, Management is not able to meaningfully determine a reduction target for this project.

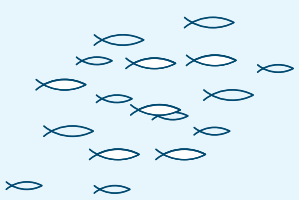
Despite the challenges of high abatement costs driven by a lack of commercially available options for some of the larger opportunities, NZKS is making practical decarbonisation steps where possible. This includes the shorter-term LED lighting opportunity identified. This option has already been implemented prior to the receiving of the decarbonisation report and is a significant way though completion and is being done on a replacement basis. The other projects that have been identified in relation to energy use around aquaculture sites have limited GHG reduction potential for the cost associated, but will continue to be reassessed annually to ensure nothing has changed in the business, or a change in the availability of commercially viable solutions that could allow NZKS to deliver the GHG reductions in a commercially reasonable way.

Where possible, NZKS is continuing to maintain awareness of risks and opportunities that may affect future decarbonisation projects. For example, when Management aimed to better define the costs associated with a renewable energy option for the sea farms, they consulted with external legal counsel to assess potential consent-related challenges. This identified the potential impact of the Offshore Renewable Energy Bill on NZKS' operations. This resulted in NZKS making a submission to this Bill. The submission was to highlight and attempt to prevent unintended consequences that may have prevented NZKS generating its own renewable energy on farm. The ability to generate renewable energy on sea farm sites from offshore solar and wind is a key decarbonisation option for NZKS. Therefore, it is important to be aware of potential impacts to operations, and be proactive where possible to reduce possible future risks.

NZKS is committed to better understanding its environmental impact and as part of this, Management continues to better understand current operational practices, which may identify further opportunities to reduce NZKS' emissions profile or other non GHG emission reduction impacts. Positive sustainability projects that have had an impact in FY25, include the ensilage facility and kidney line project. The ensilage plant commissioning is complete and is fully functional. This project removes organic waste from landfill and in turn reduces NZKS waste to landfill carbon emissions. The kidney line project, identified in FY25, highlighted the opportunity to capture the kidney line earlier in the processing of fish at the factory. This was then put into further processing to become a key ingredient in nutrient-rich fish meal for non-salmon applications. This outcome is far more positive compared to being captured at the end of the process in the trade waste, which is an expensive and not optimised use of this remaining raw material.

In relation to Scope 3 emissions, NZKS do not intend to set any immediate reduction targets. This is mainly due to the reliance on third parties and the rapidly evolving external landscape, where measurement benchmarks and standards are continuing to evolve, making it difficult to meaningfully report against targets. As Scope 3 emissions account for over 95% of NZKS emissions, NZKS acknowledge this provides the largest potential for overall emissions reductions and will remain an ongoing focus in the short term. In FY25 the NZKS' focus has included engaging with key freight suppliers to discuss the use of Sustainable Aviation Fuel and working with feed companies to better understand the emissions related to salmon feed. As this space continues to mature a broader understanding of various stakeholder requirements outside large suppliers is continuing to be better considered, i.e. large customer expectations and sustainability objectives. This ongoing work will allow NZKS to plan future projects with a sustainability lens in a more strategic, focussed way.

In terms of intensity targets, NZKS is still maturing in its understanding of the drivers of emissions. This makes it challenging to set an accurate intensity reduction target that is based off a robust, documented reduction plan. However, this year, NZKS managed to increase production but keep Scope 1 and 2 emissions stable. Further work is required by Management to better understand the correlation between emissions and harvest and sales volumes. To improve that understanding in FY26, the carbon inventory will be split not just by category and location but also by supplier, which may provide better insights to support intensity target setting. Another consideration for FY26, is the potential for the Blue Endeavour pilot project to skew emission intensity metrics as it will not be operated in an optimised way. This is due to certain expenditure on the Blue Endeavour operations only being commercially viable once the pilot is proved out and operations are at commercial scale. To attempt to mitigate this skewing of metrics, Management intends to try and isolate Blue Endeavour related operations' GHG emissions, so intensity indicators can be disclosed from both a business-as-usual production sites perspective, and with the inclusion of Blue Endeavour operations. There have been no Blue Endeavour related emissions in the FY25 period.



Other Climate-Related Metrics

As required by Aotearoa Climate Reporting Standards, NZKS has also considered other metrics outside the specific GHG emission disclosure requirements in relation to Scope 1, 2, and 3.

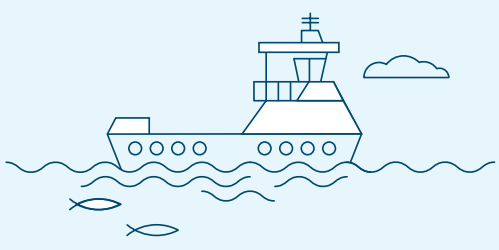
NZKS' value chain extends from egg to plate, it is fully interconnected. Management therefore considers that business activities are combined. This is aligned with Management's assessment of the business as one cash-generating unit for financial reporting purposes. Therefore, like other aquaculture entities and given the nature of the business and in the absence of mitigation, up to 100% of business activities are vulnerable to the climate-related physical risks identified above; and up to 100% of our business activities are also vulnerable to the transition risks identified. The same can be said for any opportunities identified.

As noted in the transition plan section of this document, the identified climate risks and opportunities have been integrated into broader business planning and capital allocation decisions. No specific financing has been obtained in relation to climate risks and opportunities.

NZKS currently does not have a set internal carbon price, instead considering each decarbonisation project on broader benefits and risk mitigation as discussed earlier. As NZKS continues on a decarbonisation assessment and implementation pathway, setting an internal carbon price is something that may be considered in the future.

As discussed in the Governance section, there is no remuneration that has been aligned specifically to climate-related risks and opportunities. The existing incentive structure for the Senior Leadership Team is cognisant of achievement and progress in sustainability and as trends emerge from multiple years of disclosure and analysis, STIs linking to specific climate-related risks and metrics will be possible.

There are no other specific industry metrics or key performance indicators identified or used in measuring or managing climate-related risks and opportunities outside those already disclosed.



Glossary and Appendix

Glossary

AFRC

Audit, Finance & Risk Committee

AR4

Fourth Assessment Report from the IPCC

AR6

Sixth Assessment Report from the IPCC

BAP

Best Aquaculture Practices

CRD

Climate-related disclosures

ESG

Environmental, Social and Governance

EPD

Environmental Product Declarations

G&G

Gilled and gutted

GHG

Greenhouse gas

GWP

Global warming potential

IPCC

Intergovernmental Panel on Climate Change

LCA

Life Cycle Assessment

Liveweight

Weight of harvested fish before gilling and gutting, in tonnes

NGOs

Non-governmental organisations

NZ CS 1

Aotearoa New Zealand Climate Standard 1 Climate-related Disclosures

NZ CS 2

Aotearoa New Zealand Climate Standard 2 Climate-related Disclosures

NZ CS 3

Aotearoa New Zealand Climate Standard 3 Climate-related Disclosures

NZKS

New Zealand King Salmon Investments Limited

NZTE

New Zealand Trade and Enterprise

RCP

Representative Concentration Pathway

SSP

Shared Socio-economic Pathways

STI

Senior Leadership Short Term Incentive

tCO_2e

Tonnes of CO_2 equivalents

WTT

Well-to-tank

Appendix: GHG methodologies, assumptions, and estimation uncertainties

GHG emission quantification is inherently uncertain because of incomplete scientific knowledge used to determine emission factors and the values needed to combine emissions of different gases.

Scope	Category	GHG emissions source	Data sourced	Calculation methodology, assumptions, uncertainty (qualitative)	Source of emission factors
Scope 1	Stationary / mobile combustion	Fossil fuels used across business	Supplier data	Fuel-based method. Low uncertainty.	MfE (2024)
	Fugitive emissions	Refrigerant used in refrigeration systems	Maintenance records	Top-up method. Considers top-ups on equipment (including leased assets) on NZKS sites. Low uncertainty.	MfE (2024), DCCEEW (2024)
Scope 2	Electricity	Electricity consumption	Supplier data	Location-based method. Low uncertainty. Picton usage estimated based on percentage of lease outgoings applied to activity data (~7% of scope 2).	MfE (2024)
Scope 3	Category 1: Purchased goods and services	Feed	Emission factors provided by supplier. General ledger used for quantities.	Supplier-specific method. High uncertainty. Supplier-specific feed emission factors reflect specific cradle-to-gate emissions and are specific to the feed composition purchased by NZKS. The emission factors are developed by feed suppliers and based on their life cycle assessments. NZKS have a lesser degree of knowledge and influence on suppliers' data source quality and collection processes. NZKS rely on suppliers' methodologies which include complex models, assumptions, estimations. These data challenges contribute to higher uncertainty. In preparing the LCA, suppliers use internationally recognised standards and relevant product environmental footprint category rules. In applying the standards, suppliers use primary and secondary data sources, including databases, to prepare the calculations. Adjustments are made relevant to the circumstances of NZKS i.e. feed origin and composition specific to NZKS feed, geographic validity and transport distances to NZKS sites. Suppliers apply technical expertise in selecting critical methods, estimates, assumptions and judgements in preparing the LCA models, such as the assessment of Life Cycle stages and climate change impacts, the allocation method (economic allocation) and selection of GWPs. Emissions factors are updated on an annual basis and due to changes in estimates and assumptions in the calculation, this could lead to significant variation in Scope 3 emissions between feed suppliers and over time.	Feed suppliers (2023, 2024 & 2025)

Scope	Category	GHG emissions source	Data source	Calculation methodology, assumptions, uncertainty (qualitative)	Source of emission factors
Scope 3		Packaging	General ledger	Average-data method. Purchases based on general ledger reports. Low uncertainty.	DEFRA (2024)
	Category 1: Purchased goods and services	Purchased salmon and petfood ingredients	General ledger	Average-data method. Purchases and third-party manufacturing based on general ledger reports. Medium uncertainty due to generic nature of emission factors, due to unavailability of relevant emission factors. In relation to purchased petfood inputs, a generic food emission factor has been used.	Similar products environmental product disclosure (EPD, 2023) and DEFRA (2024) for third party manufacturing.
		All other consumables, raw materials and other expenditure	General ledger	Spend-based method. High uncertainty as emission factors is applied to a broad category of spend and not based on specific activity data or supplier specific emission factors.	Motu (2007), with annual inflation applied
	Category 2: Capital goods	Purchase or construction of capital items	General ledger	Spend-based method, emissions recognised when asset capitalised in general ledger. High uncertainty as emission factors are applied to a broad category of spend and not based on specific activity data or supplier specific emission factors.	Motu (2007), with annual inflation applied
	Category 3: Fuel- and energy-related activities not included in Scope 1 or Scope 2	Electricity transmission and distribution losses (T&D)	Supplier data	Average-data method. Emissions from T&D losses estimated based on scope 2 data. Low uncertainty.	MfE (2024)
		Electricity and fuel well-to-tank (WTT)	Supplier data	Average-data method. Emissions from WTT losses are estimated based on scope 1 & 2 data. Low uncertainty.	DEFRA (2024)
	Category 4: Upstream transport and distribution	Transport of items between internal locations by third parties (road and sea transport) Transport of finished goods to consumer (air, road and sea transport)	Supplier data	Fuel-based method. Low uncertainty. Distance-based method. Medium uncertainty as all distances were estimated, assuming direct routes between origin and destination location for all modes of transport. Distance information was sourced from a generic internet search. In addition, mass data, was estimated where not provided by suppliers (road freight).	MfE (2024), DEFRA (2024)
		Transport of feed (sea)	Supplier data	Supplier-specific method. Suppliers provide freight emission factor, multiplied with quantities purchased from general ledger. Low uncertainty.	Feed suppliers (2024)

Scope	Category	GHG emissions source	Data source	Calculation methodology, assumptions, uncertainty (qualitative)	Source of emission factors
Scope 3	Category 4: Upstream transport and distribution	Transport of packaging (air, road and sea) Transport of purchased salmon (sea)	General ledger data with distance assumptions based on supplier location	Distance-based method. Medium uncertainty as all distances were estimated, assuming direct routes between origin and destination location for all modes of transport. Distance information was sourced from a generic internet search. In addition, mass data, was estimated from internal accounting system.	DEFRA (2024), MfE (2024)
		Transport of all other goods purchased	General ledger	Spend-based method for freight paid on all remaining purchased goods that have not been identified separately above. High uncertainty as emission factors are applied to a broad category of spend and not based on specific activity data or supplier specific emission factors.	Motu (2007), with annual inflation applied
	Category 5: Waste generated in operations	Waste - landfill	Supplier data	Average-data method. Low uncertainty.	MfE (2024)
	Category 6: Business travel	Air travel, car rentals and hotels and accommodation	Supplier data	Distance-based method used for air travel using emission factors with radiative forcing factors and car rentals. Nights-stayed method was used for hotels and accommodations. Low uncertainty.	MfE (2024), DEFRA (2024)
	Category 8: Upstream leased assets	Fuel & electricity used in leased assets	N/A	Due to the inability to split data these emissions have been captured in Scope 1 and Scope 2.	
	Category 9: Downstream transportation and distribution	Travel from retailer to end consumer	Assumptions	Distance-based method. High uncertainty as a distance of five kilometres by car was assumed for the transportation from the retailer to the end-customer.	DEFRA (2024), MfE (2024)
	Category 10: Processing of sold products	Processing of salmon block into meal	Internal sales data, assumptions	Average-data method. High uncertainty.	Feed suppliers (2024)
	Category 12: End of life treatment of sold products		LCA Report – King Salmon from New Zealand (thinkstep-anz. (2023)), internal sales data	Waste-type specific method. High uncertainty as waste quantities were estimated, assuming 0% flesh waste and 30% inedible overall waste from whole fish, and 10% overall waste from all other products. Assumed all waste goes to landfill without gas recovery.	MfE (2024)

Independent Assurance Report

Independent Assurance Report

To the Directors of New Zealand King Salmon Investments Limited

Limited Assurance Report on New Zealand King Salmon Investments Limited's Greenhouse Gas (GHG) Disclosures

Our conclusion

We have undertaken a limited assurance engagement on the gross GHG emissions, additional required disclosures of gross GHG emissions, and gross GHG emissions methods, assumptions and estimation uncertainty (the GHG Disclosures), as outlined within the Scope of our Limited Assurance Engagement section below, included in the Climate-Related Disclosures report (the Climate Disclosures report) of New Zealand King Salmon Investments Limited (the Company) and its subsidiaries (the Group or NZKS) for the year ended 31 January 2025.

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 GHG Disclosures are not fairly presented and are not prepared, in all material respects, in accordance with the Aotearoa New Zealand Climate Standards (NZ CSs) issued by the External Reporting Board (XRB), as explained on page 6 of the Climate Disclosures report.

Scope of our limited assurance engagement

We have undertaken a limited assurance engagement over the following GHG Disclosures on pages 25, 26 and 34 to 36 of the Climate Disclosures report for the year ended 31 January 2025:

- gross GHG emissions:
  - Scope 1 GHG Emissions on page 26;
  - Scope 2 GHG Emissions (calculated using the location-based method) on page 26; and
  - Scope 3 GHG Emissions on page 26;
- additional required disclosures of gross GHG emissions on pages 25, 26, and 34 to 36; and
- gross GHG emissions methods, assumptions and estimation uncertainty on pages 26, and 34-36.

Our assurance engagement does not extend to any other information included, or referred to, in the Climate Disclosures report on pages 4 to 24 and 27 to 33. The comparative information for the year ended 31 January 2024 disclosed in the Group's Climate Disclosures report is not covered by the assurance conclusion expressed in this report. We have not performed any procedures with respect to the excluded information and, therefore, no conclusion is expressed on it.

Key Matters to the GHG assurance engagement

In this section we present those matters that, in our professional judgement, were most significant in undertaking the assurance engagement over the GHG Disclosures. These matters were addressed in the context of our assurance engagement, and in forming our conclusion. We did not reach a separate assurance conclusion on each individual key matter.

Description of the key matter	How our assurance engagement addressed the key matter
Accuracy of Scope 3 feed emissions	
GHG emissions from feed (included in Scope 3 - Category 1: Purchased goods and services) are 26% of the total Scope 3 GHG emissions for the year ended 31 January 2025. The Group uses the supplier-specific method to measure emissions from feed as explained on page 34. The Group relies on their suppliers' Life Cycle Assessments (LCA) to provide cradle-to-gate emission factors specific to their feed composition. We engaged directly with the suppliers to understand the methods, estimates and assumptions made in the LCA models because: • The Group has a lesser degree of knowledge and influence over information prepared by their suppliers, not having visibility over controls or processes over information prepared by their suppliers. • The LCAs prepared by the suppliers and used in calculating the emission factors are not publicly available. The LCAs have not undergone independent assurance or verification; and • Critical selections and assumptions are used, which can vary significantly between feed suppliers and over time, such as the choice of LCA framework, use of primary or secondary data, and allocation methods. Consequently, this required a significant level of attention in our assurance engagement.	To evaluate the emissions factors applied to feed, we enquired directly with the Group's two largest feed suppliers to understand: • The selection of standards and product environmental footprint category rules and how they determined they provided an appropriate basis for their methodology in preparing their emissions factors. • Our understanding confirmed that the suppliers had identified, and had access to, primary and secondary data sources, including databases, to prepare the calculations that were relevant to NZKS. • Through these enquiries, the feed suppliers demonstrated the basis upon which they prepared their emissions factors in accordance with the standards and applied that methodology to the circumstances of the Group. • We also gained an understanding of the assumptions applied and considered the differences in those adopted by the suppliers. We considered whether disclosures by the Group in the Appendix fairly present the complexities and uncertainties involved in the suppliers' calculations.

Description of the key matter	How our assurance engagement addressed the key matter
Completeness of excluded Scope 3 emission sources	
The Group excluded emission sources that are not applicable, not material, or, where insufficient data or the unknown nature of downstream processes meant that it was not technically feasible or cost effective for emissions to be quantified with accuracy. Determining that the emission sources excluded on page 26 were appropriately justified, and that the reported emission sources were materially complete, required a significant level of attention in our assurance engagement due to: • The scale of the business and different types of activities included in the Group's operational boundary including hatcheries, sea farms, processing operations, distribution and office areas, increased the extent of procedures we were required to perform. • The Group's use of estimates and assumptions, which were applied in situations where there is a lack of available data. • The estimation uncertainties arising from downstream activities where the nature of processes and cooking techniques beyond the Group's point of sale which are unknown (Category 10 Processing of sold products and Category 11 Use of sold products).	To evaluate the estimates and assumptions made by the Group in excluding Scope 3 emissions, we: • Enquired with management on their operational and organisation boundary and their operating activities to gain an understanding of emission sources and management's assessment of materiality. • Obtained management's assessment of their boundary and value chain and assessed; — the approach the Group used to identify and quantify applicable and material Scope 3 GHG emission sources was sufficient; and — assumptions used in the excluded emission quantification process were appropriate in the circumstances. • Where necessary, we developed an independent estimate of excluded emissions to quantify the risk of material omission.

Emphasis of matter

We draw attention to the disclosure 'NZKS boundary' on page 25 which explains how the Group has classified certain emissions from leased assets within the Scope 1 and Scope 2 reported emissions. In our judgement, this disclosure is of such importance that it is fundamental to the users' understanding of the GHG Disclosures. Our assurance conclusion is not modified in respect of this matter.

Other matter - comparative information

The comparative GHG Disclosures (that is, GHG Disclosures for the year ended 31 January 2024) have not been subject to assurance. As such, these disclosures are not covered by our assurance conclusion.

Directors' responsibilities

The Directors of the Company are responsible on behalf of the Company for the preparation and fair presentation of the GHG Disclosures in accordance with NZ CSs. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation of GHG Disclosures that are free from material misstatement whether due to fraud or error.

Inherent Uncertainty in preparing GHG Disclosures

As discussed on page 34 of the Climate Disclosures report, the 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.

Our independence and quality management

This assurance engagement was undertaken in accordance with NZ SAE 1 New Zealand Standard on Assurance Engagements 1 *Assurance Engagements over Greenhouse Gas Emissions Disclosures* (NZ SAE 1), issued by the External Reporting Board (XRB). NZ SAE 1 is founded on the fundamental principles of independence, integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We have also complied with the following professional and ethical standards and accreditation body requirements:

- Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand);
- Professional and Ethical Standard 3: Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements; and
- Professional and Ethical Standard 4: Engagement Quality Reviews.

In our capacity as auditor and assurance practitioner, our firm also provides audit services. Our firm carries out other assignments in the areas of other services relating to treasury advisory. The firm has no other relationship with, or interests in, the Group.

Assurance practitioner's responsibilities

Our responsibility is to express a conclusion on the GHG Disclosures based on the procedures we have performed and the evidence we have obtained. NZ SAE 1 requires us to plan and perform the engagement to obtain the intended level of assurance about whether anything has come to our attention that causes us to believe that the GHG Disclosures are not fairly presented and are not prepared, in all material respects, in accordance NZ CSs, whether due to fraud or error, and to report our conclusion to the Directors of the Company.

As we are engaged to form an independent conclusion on the GHG Disclosures prepared by management, we are not permitted to be involved in the preparation of the GHG information as doing so may compromise our independence.

Summary of work performed

Our limited assurance engagement was performed in accordance with NZ SAE 1, and ISAE (NZ) 3410 *Assurance Engagements on Greenhouse Gas Emissions*. This involves assessing the suitability in the circumstances of the Group's use of NZ CSs as the basis for the preparation of the GHG Disclosures, assessing the risks of material misstatement of the GHG Disclosures whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the GHG Disclosures.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

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. In undertaking our limited assurance engagement on the GHG Disclosures, we:

- Obtained, through enquiries, an understanding of the Group's control environment, processes and information systems relevant to the preparation of the GHG Disclosures. We did not evaluate the design of particular control activities, or obtain evidence about their implementation;
- Evaluated the Group's organisational and operational boundaries to assess completeness of GHG sources;
- Evaluated whether the Group's methods for developing estimates are appropriate and had been consistently applied. Where we considered it to be appropriate, we tested, on a limited sample basis, the data on which the estimates are based. In some instances, we separately developed our own estimates against which to evaluate the Group's estimates;
- Undertook site visits at Group's head office and fish processing site to assess the completeness of the emissions sources and to inspect source data;
- Tested a limited number of items to, or from, supporting records, as appropriate;

- Assessed a limited number of emission factor sources and reperformed a limited number of emissions calculations for mathematical accuracy;
- Performed analytical procedures on particular emission categories by comparing the expected GHGs emitted to actual GHGs emitted and made inquiries of management to obtain explanations for any significant differences we identified; and
- Considered the presentation and disclosure of the GHG Disclosures.

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 we performed a reasonable assurance engagement and does not enable us to obtain assurance that we would become aware of all significant matters that we otherwise might identify. Accordingly, we do not express a reasonable assurance opinion on these GHG Disclosures.

Inherent limitations

Because of the inherent limitations of an assurance engagement, together with the internal control structure, it is possible that fraud, error or non-compliance may occur and not be detected.

Who we report to

This report is made solely to the Company's Directors, as a body. Our work has been undertaken so that we might state those matters which we are required to state to them in our assurance report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Directors, as a body, for our procedures, for this report, or for the conclusions we have formed.

The engagement partner on the engagement resulting in this independent assurance report is Victoria Ashplant.

For and on behalf of:

PricewaterhouseCoopers
Auckland
28 May 2025


New Zealand
King Salmon