

Climate-related Disclosures

Period ended 30 June 2025

Reporting basis

This report represents the second Climate-related Disclosure (CRD) that Lyttelton Port Company Limited (LPC) has prepared under the Aotearoa New Zealand Climate Standards (NZ CS) issued by the External Reporting Board (XRB).

Our shareholder Christchurch City Holdings Limited (CCHL) is a climate reporting entity and is required to produce group climate statements prepared in accordance with the NZ CS.

As a subsidiary of CCHL, LPC is required to prepare climate-related disclosures to support CCHL to prepare its group climate statements. The information contained in this report has been provided to CCHL. For the avoidance of doubt, LPC is not a climate reporting entity.

This CRD Report was prepared for the 2025 Financial Year (FY25) period of 1 July 2024 to 30 June 2025. In preparing this FY25 CRD report, LPC has elected to use NZ CS 2 Adoption provision 2: Anticipated financial impacts.

All currency values referenced within this report are stated in New Zealand Dollars (NZD).

Disclaimer

This report sets out LPC's current understanding of and response to climate-related risks and opportunities, which in many respects is subjective in nature. This report contains forward-looking statements, including but not limited to climate-related risks and metrics, climate scenarios, targets, assumptions, estimates, projections, forecasts and judgements, as well as statements of LPC's future intentions, that may change and evolve over time. These statements necessarily involve assumptions about LPC's present and future strategies, LPC's future cashflows and access to funding, and LPC's future operating environments.

Users of these disclosures are advised to exercise caution and avoid placing undue reliance on these statements, given the inherent uncertainties in climate-related risks, modelling and data, and reliance on assumption and factors that are complex and may be difficult to predict or influence. These limitations, along with the numerous assumptions and risk factors, may lead to actual results differing significantly from those anticipated in this report.

LPC has taken all reasonable care in preparing this report and making these forward-looking statements. These statements, together with the risks and opportunities, and our strategies to achieve our targets, may not eventuate or may be more or less significant than anticipated.

LPC and its Directors and officers shall not accept any liability for any loss or damage arising from or in connection with reliance on any information provided in or omitted from this report.

This report is dated 30 October 2025, and is signed for an on behalf of the Board:

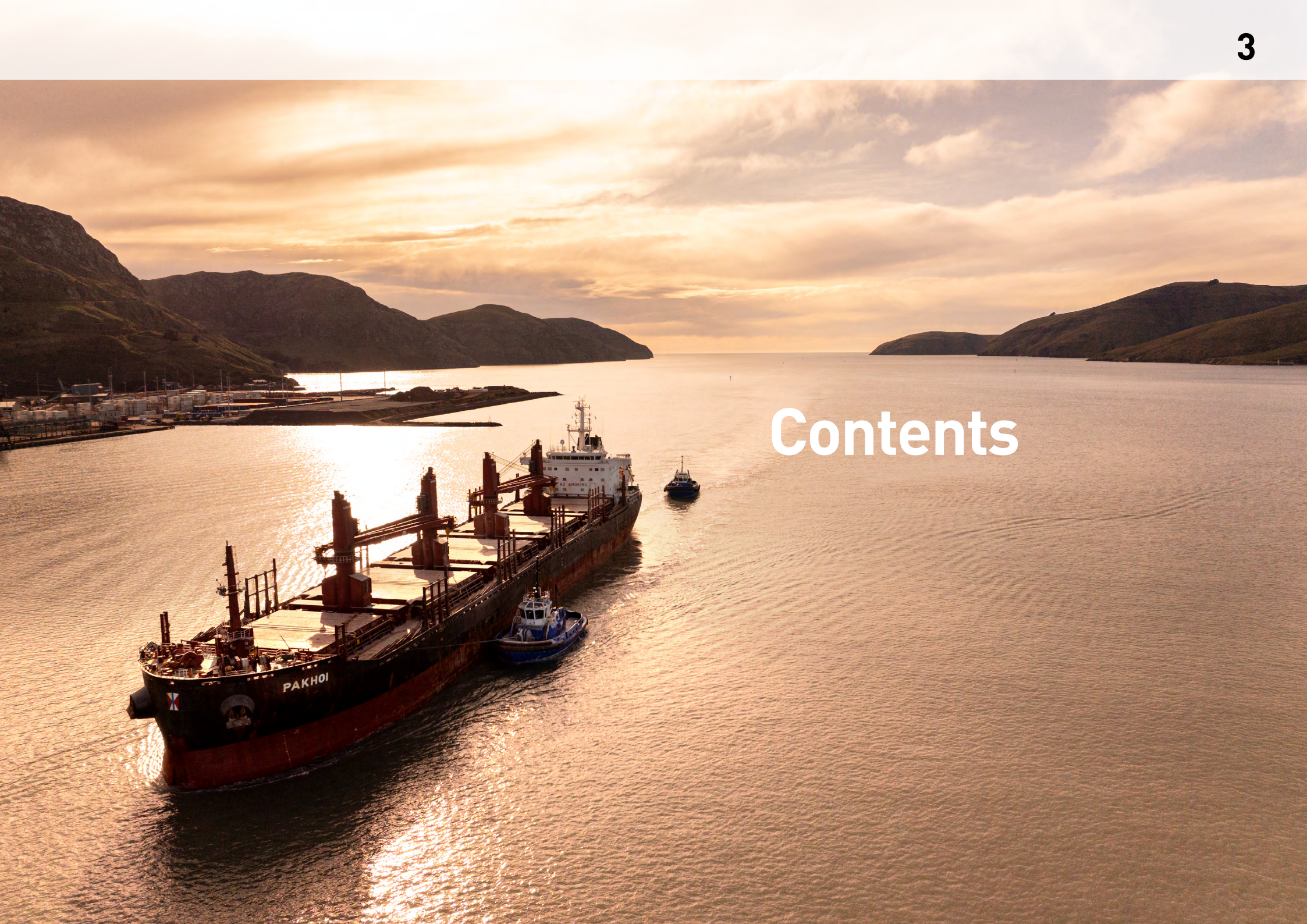


Barry Bragg
Chair



Graeme Sumner
Chief Executive Officer

30 October 2025



Contents

Introduction

Lyttelton Port Company (LPC) plays an integral role in the Canterbury region and wider Aotearoa New Zealand as the largest international trade gateway for the South Island.

Aotearoa New Zealand's ports are critical enablers of the national economy, facilitating 99% of the country's international trade by volume. As an island nation, Aotearoa New Zealand is inherently dependent on maritime connectivity to move goods efficiently in and out of the country, from key exports such as dairy, meat, and logs, to essential imports such as fuel, machinery, and consumer goods. The performance and reliability of the ports sector directly influences supply chain stability, national productivity, and the ability for our regional and national economies to grow.

Our sector, like many others, is increasingly facing the challenge of responding to and adapting to climate change. Sea level rise, more frequent extreme weather events, and climate-driven disruptions threaten port infrastructure, operations, and the continuity of supply chains. Disruption caused by climate-related events can have knock-on impacts throughout entire supply chains, affecting everything from delivery times and trade competitiveness to food and fuel security. Additionally, regulatory and stakeholder pressure is intensifying for ports to decarbonise and contribute to Aotearoa New Zealand and global emissions reduction targets.

To remain a resilient and reliable trade hub, LPC is taking steps to plan for and adapt to a changing climate. This means investing in new and existing critical infrastructure that can withstand extreme weather-related disruptions, diversifying our supply chain, using smart technology and systems for forecasting weather-related risks, and planning with long-term climate scenarios in mind. At the same time, we will need to support the transition to a low-emissions future by decarbonising our own operations, supporting our customers and suppliers with their decarbonisation journey, and facilitating greener shipping practices through initiatives such as investing in shore power and alternative fuel infrastructure.

We are committed to reducing our emissions across our value chain to contribute towards keeping global temperature rise below 1.5°C and have made progress on our goals. However, there is still much to be done, and several challenges remain. Collaborative action is key and there are exciting opportunities for ambitious companies such as LPC to grow while reducing our emissions.

Our Transition Planning demonstrates our commitment to addressing climate change and enhancing transparency in our decarbonisation journey towards our near-term 2030 and long-term 2050 targets, contributing towards the Paris Agreement. This report outlines our continued progress in identifying, assessing, and managing the impacts of climate change on our business. It reflects the lessons learned from our first year of reporting, updates on our emissions profile and risk outlook, and the steps we are taking to future-proof our seaport and inland depots.

Governance

This section enables users to understand the role that the LPC Board plays in overseeing climate-related risks and opportunities, and the role that management plays in assessing and managing those climate-related risks and opportunities.

Christchurch City Holdings Limited

LPC is wholly owned by Christchurch City Holdings Limited (CCHL), the investment arm of Christchurch City Council (CCC). CCHL is the ultimate governing body of the Group of subsidiaries including LPC, Christchurch International Airport (CIAL), Orion, Enable, Citycare, and EcoCentral.

CCHL issues an annual letter of expectation setting out general expectations across the Group and expectations specific to each subsidiary. The FY25 letter included expectations relating to climate change action, including strengthening the Group's Climate Strategy and an expectation to prepare climate-related disclosures that meet the Group's requirements. In addition, there was a specific requirement for LPC to explore how to reduce international shipping emissions to contribute to CCC's climate targets.

Board oversight of climate-related risks and opportunities

LPC's Board of Directors (the Board) is the governance body responsible for the oversight of the company's risks and opportunities, including those related to climate change. As part of its governance function, the Board sets LPC's risk appetite through a formal Risk Appetite Statement, which can be found in our Annual Report (page 24). This statement outlines areas with little or no appetite for risk and provides guidance on expected mitigation responses by management in response to identified risks.

The Board considers climate-related risks and opportunities when approving budgets, business plans, and investment decisions. An annual Board Strategy Day includes a robust review of specific areas of the business, including sustainability.

The Board exercises oversight over climate-related matters through its three standing Committees and reports from management.

Board committees

Health, Safety, Environment and Sustainability Committee

LPC's Health and Safety Committee was reconstituted as the Health, Safety, Environment, and Sustainability Committee (HSESC) in FY25. This change was made to provide a mechanism for monitoring environment and sustainability topics, including climate-related risks and opportunities, in greater detail. The HSESC has also taken over some of the functions previously carried out by the Audit and Risk Committee (ARC) including delegated authority for reviewing and recommending the annual CRD report to the Board for approval. The HSESC includes three Directors, Chief Executive

Officer (CEO), Chief Health and Safety Officer, and Chief Bulk Cargo, Engagement and Sustainability Officer, with an open invitation to all Directors to attend.

Information papers and performance updates are provided to the HSESC ahead of each meeting. Meetings are attended by the Head of Environment and Sustainability and Head of Risk and Assurance to discuss progress towards LPC's sustainability strategy targets (e.g., decarbonisation, waste, biodiversity), and updates on the annual CRD workstream.

Audit and Risk Committee

The Audit and Risk Committee (ARC) has delegated responsibility for overseeing LPC's risk management framework (RMF) and associated procedures for the effective identification and management of the company's financial and strategic business risks, including climate-related risks. Members of the ARC include the Board Chair and three Directors. In addition, the CEO, Chief Financial Officer (CFO), and Chief Legal Risk Officer (CLRO) attend all ARC meetings.

The ARC completes a detailed annual review of LPC's strategic risks and Risk Appetite Statement, and reviews LPC's overall Risk Management Policy and Framework every two years, recommending changes for Board approval. The ARC's CRD related responsibilities are limited to the audit and assurance aspects of the CRD and GHG emissions reporting.

People and Performance Committee

LPC's People and Performance Committee (PPC) is responsible for setting the approach to remuneration. Currently, LPC does not include key performance indicators (KPIs) or have short-term or long-term incentive schemes for Executive Leadership (ELT) or Senior Leadership Team (SLT) members or staff for specific sustainability or climate-related measures.

Board skillset

LPC's Directors are appointed to the Board by its shareholder CCHL. CCHL ensures appropriate skills and capability are available to provide effective oversight of climate-related risks and opportunities through a matrix of Director skills. Our Directors bring experience relevant to climate change, including financial, supply chain, sustainability, and general governance roles across a range of industry sectors such as transport, agriculture, energy, infrastructure, and oil and gas. Our Board skills and competencies are regularly reviewed and updated in the Governance section of LPC's Annual Report (page 16).

Two current Directors are members of Chapter Zero New Zealand, an initiative hosted by the Institute of Directors (IOD) to support governance of climate-related issues. Within FY25, the majority of LPC Directors completed the IOD Climate Governance Essentials Course. Climate-related topics are also incorporated into Board induction programs, ongoing training and site visits to assist the Directors in their oversight. External climate and sustainability expertise is engaged where necessary to support Board understanding and decision-making on complex issues.

Setting and monitoring progress against metrics and targets

The Board met 11 times during FY25 with climate-related issues regularly on the agenda. The Board monitors progress through monthly Board reports which detail our achievements against emissions reduction metrics and targets and key environmental, climate-related strategic initiatives, and management responses to climate-related risks and opportunities. The Board is kept informed through information papers, progress updates from management, presentations from external subject matters experts, and reports from the Chair of each Committee following meetings. The three standing Committees are normally scheduled to take place before each Board meeting.

Management and assessment of climate-related risks and opportunities

The day-to-day governance of climate-related risks and opportunities are delegated to the ELT, which includes the CEO. The CEO reports climate-related information to the Board in the monthly board report and through company-wide KPIs which measure our performance against financial, operational, health and safety, environment and sustainability, people, and asset management targets.

The ELT meets fortnightly and periodically there will be discussions on the progress of LPC's emissions reduction plan, including initiatives and performance within each Business Unit. The LPC's Chief Bulk Cargo, Engagement and Sustainability Officer has executive responsibility for the development of LPC's sustainability strategy and preparation of the annual CRD report. This includes the consideration and integration of climate-related risks and opportunities from

engagement with relevant owners. LPC's CLRO is responsible for LPC's risk management framework and compliance. Both report 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 Head of Environment and Sustainability and Head of Risk and Assurance are responsible for providing expertise in relation to climate related risks and opportunities.

The SLT have the day-to-day responsibility for the assessment and management of risks within their respective teams, including those related to climate change. The Environment and Sustainability Team drives the implementation of environmental and sustainability initiatives across the business. The team meets bi-monthly with SLT members and relevant operational leads to monitor performance within the respective Business Units. This hands-on involvement ensures that climate actions are embedded into daily operations and enables consistent progress monitoring. The team uses the fortnightly internal staff newsletter called 'Portal' to raise awareness and celebrate successes, regularly publishing stories related to our sustainability commitments. LPC also utilises this platform to promote opportunities to get involved in the Port Saddle and Gollans Bay ecological restoration sites, where our staff have supported on native planting projects and learnt about the role of planting in climate mitigation.

LPC engages independent experts to assist management in facilitating appropriate climate risk reviews and mitigations, and provide the assurance required for reporting of GHG emissions metrics and targets in compliance with the CRD climate standards.

Board and management governance of climate-related risks and opportunities



Christchurch City Holdings Limited (CCHL)

Ultimate governing body of subsidiaries including LPC, CIAL, Orion, Enable, Citycare, and EcoCentral. The Head of Impact & Performance is responsible for day-to-day management of CCHL's sustainability strategy and chair of the Sustainability Working Group.

Board of Directors

Meets 11 times a year

Governance body ultimately responsible for oversight and implementation of CCHL's strategy. CCHL's core role includes monitoring of Council's infrastructure investments, understanding and management of the business risks, including climate-related risks and opportunities and approving the sustainability strategy.

Impact Committee

Meets at least 4 times a year

Responsible for overseeing CCHL's strategies, policies and practices in relation to the Impact Programme which encompasses the Group's approach to ESG issues, including external reporting in relation to those areas.

Audit and Risk Management

Meets at least 4 times a year

Responsible for overseeing CCHL's strategies, policies and practices in relation to the Impact Programme which encompasses the Group's approach to ESG issues, including external reporting in relation to those areas.

Sustainability Working Group (SWG)

21 meetings within FY25

Comprised of representatives from CCHL and each of the CCHL subsidiaries who progress priority areas of sustainability including mitigating climate change (i.e., reducing GHG emissions), biodiversity, circular economy, integrated reporting, and climate-related disclosures. The SWG meets fortnightly throughout the year and reports progress to the CCHL Impact Committee after each meeting



Board of Directors

11 meetings within FY25

Our Board sets the strategic direction of LPC approves Risk Management Policy and Framework, Risk Appetite Statement, Sustainability Strategy, and Environmental Policy. Approves OPEX and CAPEX budgets for sustainability related projects and receives reports from the HSESC and ARC. Provides final approval on our annual reporting which includes this CRD report and our Taskforce on Nature-Related Financial Disclosures (TNFD) report.

Audit and Risk Committee

4 meetings within FY25

Completes a detailed annual review of LPC's strategic risks, including climate related risks. Reviews and updates LPC's Risk Management Policy and Framework, and Risk Appetite Statement every two years. Reviews the audit and assurance related aspects of the annual CRD report.

Health, Safety, Environment and Sustainability Committee

4 meetings within FY25

Monitors progress and initiatives against LPC's sustainability strategy (including CRD workplan) and related KPI's, metrics and targets. Reviews and recommends the annual GHG Emissions Inventory Report and CRD report for Board approval.

Executive Leadership Team

21 meetings within FY25

Owners of risks including climate-change risk within their individual business units. Responsible for ensuring effective mitigation of climate-related risks, and optimisation of climate-related opportunities. The Chief Bulk Cargo, Engagement and Sustainability Officer has executive responsibility for the annual CRD report and reports regularly on sustainability targets to the Board and ELT.

Individual Business Units

Responsible for managing day-to-day risks that are business unit specific including sustainability

Senior Leadership Team Roles with Climate-Related Responsibilities

- Head of Environment and Sustainability
- Head of Engineering and Projects
- Head of Asset Management and Planning
- Head of Procurement
- Head of Risk and Assurance

Climate-related Policies and Documents

- Environmental Policy
- Sustainability Strategy
- Asset Management Policy and Strategy
- Risk Management Policy
- Risk Appetite Statement
- Risk Management Framework
- GHG Base Year Recalculation Policy

Strategy

This section enables users to understand how climate change is currently impacting LPC, how we anticipate it will do in the future, and our current business model and strategy, including the Transition Planning aspects of our strategy

Business model and strategy

LPC's business strategy, vision and purpose statements (Figure 1) reflect our strengths as a Port, with an unrivalled ability to increase our infrastructure and capacity, our commitment to sustainable operations and supporting and enriching our communities, and the key role that we play as the South Island's trade gateway.

LPC's Sustainability Strategy focuses on protecting and enhancing the natural environment. Managing climate change risk and prioritising emissions reduction initiatives and targets are critical elements which in turn support LPC's Environmental Policy objectives.

Our business strategy is supported by the five capitals we have identified as the key themes for us to deliver and measure our performance under. We have also developed a comprehensive set of organisational KPIs which measure our performance against financial, operational, health and safety, environmental, people, and asset management targets.

Purpose

To facilitate the growth of trade for Christchurch, Canterbury and the wider South Island.

Vision

To be New Zealand's most sustainable and innovative maritime gateway, enriching our communities and driving economic prosperity.

Strategy

Profitably, safely and collaboratively deliver an efficient import and export maritime gateway using the ability to expand our already unique infrastructure capacity, connected landside supply chains, improved systems and technology. This will be driven by a performance culture.

Our five capitals

 **Sustainable Profitability**
Financial Capital



 **Whanaungatanga**
Human and Intellectual Capital



 **Infrastructure for the Future**
Manufactured Capital



 **Manaakitanga**
Social and Relationship Capital



 **Kaitiakitanga**
Natural Capital



Figure 1: LPC business statements and key themes

LPC sits at the heart of a hub and spoke model, with cargo arriving via both coastal shipping and road/rail for transshipment to larger vessels for international export (Figure 2). As Aotearoa New Zealand's third-largest deep-water port and the South Island's biggest port, we handle 55% of the South Island's import and export volume including over 450,000 TEUs (20-foot equivalent units) of containerised cargo each year. Facilitating the movement of \$7.58 billion in exports and \$6.38 billion in imports annually, we provide critical global market access for Canterbury and wider South Island businesses.

LPC is committed to making sure we develop a profitable Port to ensure that it can handle the projected growth in volumes and is sustainable in the long term, while delivering value to both our shareholder and the people of our region.

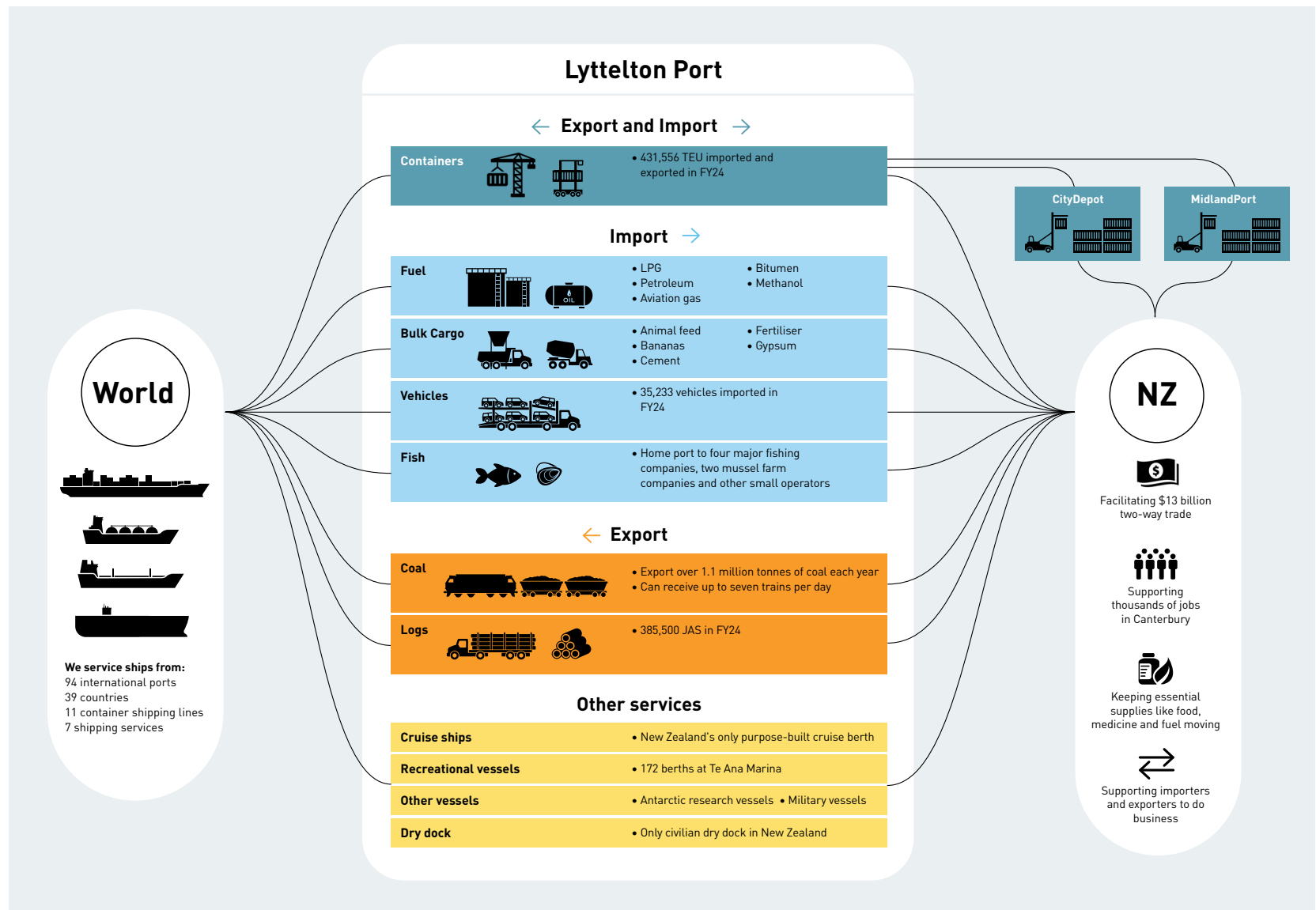


Figure 2: LPC Value Chain

Scenario analysis

Within FY22, LPC conducted climate-related scenario analysis in accordance with the Taskforce on Climate-Related Financial Disclosures (TCFD) recommended guidelines to assess LPC's physical and transition risks and opportunities. The climate scenarios analysed did not include the 1.5 degrees aligned climate-related scenario. Consequently, our scenario analysis was revised in FY24 to align with scenario analysis requirements outlined in the NZ CS.

Within FY25, LPC's scenario analysis was revised again to meet CCHL's annual letter of expectation of aligning our time horizons and climate scenarios with the Group CRD framework (Table 1).

Time horizons

LPC's short, medium, and long-term scenarios are consistent with the time horizons used by the CCHL Group.

- Short-term: Present day – 2030
- Medium-term: 2030 – 2050
- Long-term: 2050 – 2100

Climate scenarios

The three climate scenarios used in the scenario analysis are consistent with the NZ CS and CCHL Group requirements. They include:

- **Orderly – SSP1-1.9 (1.5°C climate-related scenario):** Used to assess climate-related transition risks and opportunities. **The Sustainability (SSP1)** narrative assumes a future where the world moves towards a sustainable path driven by a strong commitment to development goals, leading to reduced inequality and a focus on sustainable practices.
- **Disorderly – SSP2-4.5 (Other scenario):** Used as a sensitivity check for climate-related physical risks to understand the variance in plausible alternative futures and to assess climate-related transition risks and opportunities. The **Middle of the Road (SSP2)** narrative assumes global and national institutions work toward but make slow progress in achieving sustainable development goals.
- **Hot house world – SSP5-8.5 (3°C climate-related scenario):** Used to assess climate-related physical risks and opportunities. **The Fossil-Fueled Development (SSP5)** narrative assumes that policies will prioritise economic growth and energy-intensive lifestyles, with strong investments in education and technological advancement, rapid economic development, and a reliance on fossil fuels driving continued emissions and environmental pressures.

These scenarios were supported by information included in the sector-level scenarios relevant to our operations and value chain, including:

- Transport sector climate scenarios¹, which provided context on LPC's freight and logistics operations, particularly around rail, road, and sea freight
- Tourism sector climate scenarios², which provided context on tourism for LPC, particularly for cruise ships
- Agriculture sector climate scenarios³, which provided context for most of LPC's key import and export commodities (e.g., dairy, timber, meat, fertiliser)

¹ www.theaotearoacircle.nz/transport-sector-climate-scenarios

² www.theaotearoacircle.nz/reports-resources/tourism-sector-climate-change-scenarios

³ www.theaotearoacircle.nz/reports-resources/agri-sector-climate-change-scenarios

Table 1: Climate scenario narratives

Category	Orderly	Disorderly	Hot house world
IPCC Shared Socio-economic Pathway (SSP)	SSP1-1.9	SSP2-4.5	SSP5-8.5
Headline narrative	The world succeeds in limiting warming to within 1.5° C. Ambitious decarbonisation goals and policies are introduced immediately, and emissions decline rapidly and steadily to achieve net zero by 2050.	We succeed in limiting warming to approximately 2°C. Significant decarbonisation is delayed until the 2030s.	No additional policies are introduced to curb emissions, and emissions continue to rise with warming reaching >3°C.
Detailed narrative	The transition to a low-emissions economy occurs both locally and globally in an immediate, aggressive, and coordinated manner across all sectors of society. The global shift emphasises more inclusive and sustainable development that respects environmental and planetary boundaries.	Aotearoa New Zealand and the developed world are delayed in their transition to a low-emissions economy in the short term, and continue to follow a path in which social, economic, and technological trends do not shift markedly from historical precedent. Realisation occurs in 2030 that climate action is urgently needed to reduce GHG emissions, resulting in disjointed, abrupt, and poorly coordinated policy and market changes.	The transition to a low-emissions economy fails as Aotearoa New Zealand and the world fail to implement key GHG emissions reduction policies and abandon net zero targets. Dependence upon fossil fuels continues into the short, medium, and long term, resulting in rising global GHG emissions.
Risk	The scenario assumes moderate transition risk in order to meet net zero 2050 goals and limited exposure to physical risks.	This scenario assumes the highest transition risk as NZ rushes to meet net zero 2050 goals and moderate exposure to physical risk due to delayed action.	This scenario assumes limited transition risks but extreme physical climate risks.
Severity of physical climate impacts	Lowest (but not none)	Moderate to high	Highest
Severity of transition-related impacts	Moderate (greatest in short-term)	Low initially, then very high	Lowest (steadily increasing, but also giving businesses more time to adapt)
Global warming (above pre-industrial levels)	2041–2060: 1.6°C 2081–2100: 1.4°C	2041–2060: 2.0°C 2081–2100: 2.7°C	2041–2060: 2.1°C 2081–2100: 3.9°C
Mean sea level rise	2100: +0.4m	2100: +0.5m	2100: +0.8m
Carbon price	2030: NZ\$138 per tCO ₂ e 2050: NZ\$250 per tCO ₂ e	2030: NZ\$60 per tCO ₂ e 2050: NZ\$250 per tCO ₂ e	2030: NZ\$35 per tCO ₂ e 2050: NZ\$35 per tCO ₂ e
NZ GDP impact	Moderate GDP impacts	High GDP impacts	High GDP impacts
Global population	2030: 8.0 billion 2050: 8.5 billion	2030: 8.3 billion 2050: 9.2 billion	2030: 8.1 billion 2050: 8.6 billion
NZ population	2030: 5.44 million 2040: 5.82 million 2050: 6.13 million	2030: 5.44 million 2040: 5.82 million 2050: 6.13 million	2030: 5.44 million 2040: 6.29 million 2050: 6.93 million

Scenario analysis process

LPC undertook scenario analysis to review and assess the climate-related risks and opportunities which may impact our business model and strategy across each time horizon (short-, medium-, and long-term) identified in FY24.

Members of our Board, ELT, SLT, and other team members attended a workshop to review our physical and transition risks and opportunities from FY24, identify management responses, and assess each risk and opportunity in alignment with our risk management framework. Our SLT then revised what these climate-related risks and opportunities collectively mean for our current business model and strategy. The output of this analysis and implications for LPC have been presented to the HSEC Committee and our full Board.

We have identified management responses to improve the efficacy of controls and evaluate financial implications. As we have not yet completed the quantitative financial modelling for this work, we have utilised Adoption Provision 2 outlined in NZ CS 2.

Noting that the revisions undertaken in FY25 have resulted in amendments to the structure of these disclosures in comparison to our FY24 disclosure.

Climate-related physical and transition impacts

Within FY22, LPC completed a climate risk assessment to identify climate-related physical risks and opportunities at a portfolio level. This included a detailed assessment of five priority asset classes, which were reviewed in FY25 and found to still be relevant and accurate. These five priority classes include:

- Three waters
- Transport assets (road, rail, and channel)
- Dry dock precinct
- Wharves and jetties
- High voltage electrical assets

Physical risks and opportunities

Within FY25, the climate-related risk register was updated to align with CCHL requirements and to account for business developments since FY24. Our physical risks were prioritised by rating the likelihood and consequence across each scenario and time horizon in alignment with our Risk Management framework (RMF). The priority risks, outlined in Table 2 were identified using our materiality threshold. Our physical opportunities were prioritised using *Scale of Impact* and *Degree of Control* criteria. Through this assessment, all physical opportunities were identified to be immaterial. Therefore, no priority climate opportunities have been disclosed. Please refer to Risk Management for further information.

Significant physical events

In April 2025, there was an extreme weather event that prompted state of emergency declarations for Christchurch, Banks Peninsula, and Selwyn Districts, due to the impact of the extreme rainfall causing significant flooding, landslips, and falling trees. Christchurch recorded 80.2 mm of rain within 24 hours, one of the wettest days in the city's history since record keeping began. The storm caused flooding in LPC's coal storage yard, log yards, and dry dock. It also infilled our navigation channel with sediment. However, the volumes of infill were significantly less than what we experienced during Cyclone Gabrielle in 2023. Additionally, the recovery costs were insignificant in alignment with our organisational consequence criteria. Therefore, this has been identified as an immaterial impact. Infrastructure upgrades, both completed and planned, will likely reduce the adverse effects of similar adverse weather events in the future.

Physical risks

Our priority climate-related physical risks are those we may experience under any of our climate scenarios and are identified in Table 2.

Table 2: Climate-related physical risks

● Medium ● High ● Extreme

Climate hazard	Risk	Risk element	Current impact	Anticipated business impact / financial impact	Management response	Scenario	Time horizon		
							2030	2050	2100
Extreme rainfall and flooding	Increased persistence, frequency and magnitude of rain events leading to flood related damage, disruption to and from Port facilities, and increased operations and maintenance costs	Three waters – coal stormwater treatment plant	The coal stormwater treatment plant struggles to treat runoff from the 7ha coal yard during heavy wet weather flows, and once inundated, there is a loss of performance	Untreated or partially treated stormwater is discharged directly to the harbour. Future discharges beyond consented limits can lead to fines, or enforcement action	LPC is working to improve the efficiency of the coal yard stormwater treatment plant. This includes upgrading infrastructure both within the coal yard i.e. pumping stations and within the treatment plant, to improve capture and treatment capacity	Scenario			
		Location							
		• Lyttelton Port							
			LPC has received non-compliance notices due to untreated discharges during storm events. This discharge has not entered the harbour to date	Damage to coal conveyor and electrical systems, treatment plant pumps and filtration systems leading to increased capital and operational expenditure	Hydrological modelling has been undertaken to assess current and future capacity under various rainfall scenarios	Orderly	●	●	●
			Emergency pumping was required during the April 2025 state of emergency event	Lost productivity from downtime in the coal yard due to stockpiles becoming saturated or slumping, leading to decreased revenue	LPC is working closely with Environment Canterbury to align improvements with regulatory expectations	Disorderly	●	●	●
						Hot house	●	●	●
		Container terminal and log yard operations	Our container terminal and log yards in Lyttelton have experienced localised flooding	Increase in the number of interruptions to operations and increased costs to accommodate delays to wider supply chain	LPC is investing in GIS applications and aerial drone imagery to map port assets, including pavements, stormwater and electrical infrastructure	Scenario			
		Locations							
		• Lyttelton Port							
		• CityDepot	CityDepot is located within a flood plain and the stacking yards experience flooding due to a high groundwater table		LPC is prepared to accept certain levels of flooding	Orderly	●	●	●
						Disorderly	●	●	●
						Hot house	●	●	●
		Built infrastructure, three waters assets, pavements, electrical network		Increased rainfall impacting on stormwater systems (causing flooding) and wastewater infrastructure (causing overflows) - requiring capacity upgrades	Most of the Lyttelton Port's assets were rebuilt following the 2010/2011 earthquakes.	Scenario			
		Locations							
		• Lyttelton Port							
		• MidlandPort							
		• CityDepot							
						Orderly	●	●	●
						Disorderly	●	●	●
						Hot house	●	●	●

● Medium ● High ● Extreme

Climate hazard	Risk	Risk element	Current impact	Anticipated business impact / financial impact	Management response				
Combined extreme weather events	Increase in extreme weather events such as storms and tropical cyclones, combination of wind, infragravity waves, and sea surge	Channel and berth pockets Location • Lyttelton Port	Increase in the amount of silt in the harbour from Pegasus Bay and surrounding harbour hillside resulting in additional dredging campaigns An additional 100,000 m³ infilled the channel during the April 2025 state of emergency event	Access to Lyttelton Port becomes limited, ships are unable to navigate the harbour Longer and/or more frequent dredging campaigns to maintain a navigable channel and berth pockets for port operations Increased operational expenditure, loss of revenue	LPC undertakes regular maintenance dredge campaigns. Dredging depths are currently adequate as identified through bathymetric surveys and regular monitoring of the channel and berth pockets Planting in high-risk erosion areas on LPC owned land and within the wider harbour catchment to reduce sediment loads	Scenario	Time horizon		
							2030	2050	2100
						Orderly	●	●	●
						Disorderly	●	●	●
Storms and high winds	Higher and stronger windspeeds leading to halted operations and damage to assets	Portfolio – Operations and maintenance Locations • Lyttelton Port • MidlandPort • CityDepot	Delays to berthing/unberthing ships, stevedoring containers, bulk cargo handling/unloading, mooring vessels and other activities Delays are generally short-lived	Increase in the number of interruptions to Port operations Damage to cargo and additional costs for repairs and repositioning of vessels Delays to dry goods handling/unloading, sandblasting, and lost revenue	LPC has invested in advanced weather and maritime monitoring systems for monitoring wind and sea swell with operational thresholds that trigger warnings LPC implements stacking container configuration in a pyramid structure, suspension of crane and container-carrier movements when winds exceed safe limits	Scenario	Time horizon		
							2030	2050	2100
						Orderly	●	●	●
						Disorderly	●	●	●
Sea level rise and storms	Storm surges and sea level rise, leading to coastal inundation/tidal intrusion, resulting in either permanent or temporary damage to assets, disruption to access to and from Port facilities, and increased operations and maintenance costs	Portfolio – Operations and maintenance Dry dock precinct, transport, and wharves and jetties Locations: • Lyttelton Port • CityDepot	Both Lyttelton Port and CityDepot may be affected by sea level rise There is an inundation risk from acute storm surge events in the short and medium term	Strong waves, storms and high tides can cause damage to port structures such as wharves, piers, breakwaters and cranes The risk of chronic sea level rise inundating Lyttelton's infrastructure is low	LPC's assets are protected from erosion through sea walls, rip-rap, and hard protection across its coastal border Engagement and coordination with CCC Coastal Hazards team Emergency and Crisis Management Plans, resourcing and exercises	Scenario	Time horizon		
							2030	2050	2100
						Orderly	●	●	●
						Disorderly	●	●	●
						Hot house	●	●	●
		Three waters, transport assets, drainage and culvert systems Location • Lyttelton Port	Inundation risk more acute for drainage and culvert systems	Anticipated impacts in the short term considered low	Stormwater drainage infrastructure updated Ongoing maintenance and monitoring of drainage systems	Scenario	Time horizon		
							2030	2050	2100
						Orderly	●	●	●
						Disorderly	●	●	●
						Hot house	●	●	●

Physical opportunities

LPC has not disclosed any climate-related physical opportunities as those that were identified within FY25 were assessed to be immaterial, having little to no impact on LPC and / or LPC have a low degree of control over the opportunity.

Transition risks and opportunities

Within FY25, the climate-related risk register was updated to align with CCHL requirements and to account for business developments since FY24. Our transition risks were prioritised by rating the consequence of each risk in alignment with our Risk Management framework (RMF). Our transition opportunities were prioritised using *Scale of Impact* and *Degree of Control* criteria. The priority transition risks and opportunities, outlined below (Table 3 and Table 4) were identified using our materiality thresholds. Please refer to Risk Management for further information.



Transition risks

Our priority climate-related transition risks are those we may experience under any of our climate scenarios and are identified below.

Table 3: Climate-related transition risks

Driver	Risk	Current impact	Anticipated business impact / Financial impact	Management response	Scenario	Time horizon
Market, Reputation 	LPC cannot access funding for decarbonisation of assets due to market access and uncertainty	- The cost of certain zero or low emissions plant and equipment is approximately two or three times the cost of current diesel-powered plant and equipment - Certain low emissions alternatives are either not available or feasible, or are still being developed	LPC is not able to transition and does not meet its GHG reduction targets and commitments within the timeframes required by CCHL and the Climate Leaders Coalition	LPC has strong banking relationships and shareholder support. LPC is continuing work towards having strong longer term financial planning and performance that will support access to the additional funding required	Orderly	Short-term Within 5-10 years
Market, Technology 	Technological changes required to meet energy and emissions reduction performance standards for handling cargo and managing operations may not be available within the timeframes required, and within affordable economic parameters	- Costs to decarbonise may be prohibitive - Technological advancements may not permit decarbonisation within the required timeframes	Port industry continues to be challenged by the decarbonisation commitments and imperatives, and the low or non-carbon alternative energy sources available	LPC will collaborate with Orion and external vessel stakeholders on asset upgrades and potential fleet size to account for alternative refuelling/charging	Orderly	Short-term Within 5-10 years
Market, Financial 	LPC exports and imports carbon intensive sectors such as mining, fossil fuels, and agriculture which will be at risk from the decarbonisation transition	Adverse impacts in the short term are not anticipated to be material	- Repurpose vacant land and port facilities - Change in composition of operations and infrastructure	LPC has built strong relationships with key stakeholders in the supply chain and continues to improve its customer engagement. Strong commercial partnerships provide new supply chain opportunities to support low carbon industries	Orderly / Disorderly	Medium-term Within 10-20 years
Reputation 	Increased public and stakeholder scrutiny towards climate change and port/shipping related emissions	No material impact but our community and regulators are increasing their focus and pressure on the need to decarbonise port operations	Increased difficulty to renew consents and permits. Loss of social licence	LPC will continue to engage closely with the community and stakeholders to understand potential concerns and to respond to these appropriately. LPC will ensure transparent and consistent communication on sustainability matters	Orderly / Disorderly	Medium-term Within 10-20 years
Policy and Legal 	Increased regulations related to emissions, carbon pricing, and environmental standards	No material impact but our community and regulators are increasing their focus and pressure on the need to decarbonise port operations	- Increased difficulty to renew consents and permits - Supply chain disruption or price volatility, including rising costs of carbon intensive materials - Project delays and rising development costs, compliance challenges, legal action, reduced access to capital, or increased cost of capital, and/or fines and penalties	- Monitor and ensure compliance with new and existing regulations - Monitor carbon pricing and plan for potential financial commitments that may arise	Orderly / Disorderly	Medium-term Within 10-20 years

Transition opportunities

Our priority transition opportunities are those we may experience under any of our climate scenarios and are identified below.

Table 4: Climate-related transition opportunities

Driver	Risk	Current impact	Anticipated business impact / Financial impact	Management response	Scenario	Time horizon
Market, Reputation 	Opportunity to develop the Port as a hub for the production and distribution of low-emission fuels, and repurpose facilities made available by the transition away from fossil fuels and/or coal	Limited opportunity in short term dependent on technological advancements and new market developments	A modest impact is anticipated in the medium term	Active monitoring of technological and market changes and development. Ongoing collaboration with stakeholders. Maintain close alignment with shareholder	Orderly	Medium-term Within 10-20 years
Technology, Resilience, Reputation 	Opportunity to invest in low carbon fuel options, reduce fossil fuel energy consumption and emissions, and demonstrate commitment to the transition to a low carbon economy	• Transition away from GHG fuelling of mobile plant has commenced • Timeline for substantial transition away from fossil fuels set for next 5 years aligned with LPC's decarbonisation commitments. • While higher capital outlays are inevitable, lower energy cost benefits are anticipated	• Significant reduction in direct GHG emissions anticipated with transition away from carbon fuels for mobile plant. • Other investment in low carbon fuel options likely to be more modest and dependent on technical advances and the market response	Opportunity to demonstrate commitment and contribution to regional efforts to meet emissions reduction and carbon neutrality targets, resulting in improved support for strategic initiatives and strategic growth initiatives (i.e., growth in infrastructure)	Orderly	Short-term Currently observed, or within next 5 years
Market 	Opportunity to support the shipping industry transition and establishment of green corridors	• Limited opportunities anticipated in the short term • Requires take up by shipping companies and port industry in general	With anticipated global pressure for the shipping industry to support and achieve decarbonation objectives, opportunities are likely, but are anticipated to be modest for LPC	Active monitoring of technological and market changes and developments. Ongoing collaboration with shipping companies and industry stakeholders	Orderly / Disorderly	Medium-term Within 10-20 years

Current impacts

Current business impacts from climate-related risks and opportunities are considered in our financial statements, within our Annual Report, and may manifest through changes in revenue, operating costs, asset valuations, and capital allocation. Other than inclusion of capital amounts required to support decarbonisation activities (refer Metrics and Targets), no material impact has been identified on the recognition or measurement of transactions and balances reported within FY25.

Strategic response to climate-change

LPC are committed to future proofing our operations by making certain that we have facilities that meet customer needs for the future and support the lifestyle of all people living in Christchurch, Canterbury and the wider South Island.

With the post-earthquake rebuild behind us, LPC is focused on expanding and modernising its infrastructure to meet the forecasted Canterbury freight volumes, which are expected to more than double over the next 30 years. We need to shape Lyttelton Port in a way which increases capacity, and we need to do it efficiently. LPC's 30-year Master planning addresses key physical and transition risks, including sea-level rise, increasing vessel size, and the shift to lower-emission supply chains.

LPC's strategic response to its climate-related risks and opportunities, and how these are integrated into our business model and strategy, is set out below.

Transition plan framework

Our transition planning framework (Table 5) has been developed with reference to the Transition Plan Taskforce (TPT). The framework is presented in three key areas:

- Decarbonising the entity
- Responding to the entity's climate-related risks and opportunities
- Contributing to an economy-wide transition



Table 5: Transition planning framework overview.

Our vision is to be Aotearoa New Zealand's most sustainable and innovative maritime gateway, enriching our communities and driving economic prosperity. Our strategy is to profitably, safely, and collaboratively deliver an efficient import and export maritime gateway using the ability to expand our already unique infrastructure capacity, connected landside supply chain, and improved systems and technology. This will be driven by a performance culture.			
Ambition	Reduce our GHG emissions We are committed to reducing our GHG emissions in-line with a 1.5 degrees of warming pathway.	Strengthen port resilience and financial stability in a changing climate We are committed to taking a strategic, forward-looking approach to identifying and managing climate-related risks, supporting a resilient transition to a low-emissions future for our business, community, and region.	Support the resilience of our community to the impacts of climate change We are committed to developing a resilient and profitable Port to ensure that it is able to handle the projected growth in volumes and is sustainable in the long-term, supporting the transition of the region.
Actions	- Continue to implement and manage our GHG emissions reduction plan in line with our FY30 and FY50 targets, aligning it to our Asset Management Policy and Strategy. - Collaborate with CCHL and other subsidiaries to investigate high integrity local carbon / biodiversity offset projects to meet our long-term target in FY50. - Develop a comprehensive Scope 3 Stakeholder Engagement Plan to identify opportunities with our stakeholders to collectively reduce GHG emissions within our value chain. - Ensure availability of low to zero GHG emissions coal handling equipment and low to zero GHG emissions marine vessels to meet our long-term target in FY50.	- Undertake scenario analysis to identify anticipated climate-related risks. - Position Lyttelton Port as the main hub in the South Island through the Te Awaparahi Bay Terminal Expansion - Maintain robust risk management and health and safety systems and processes. - Effectively budget for anticipated climate-related risks affecting operations, assets, and services when relevant. - Reduce GHG emissions and exposure to transition risks through diversity of import and export commodities. - Engage stakeholders throughout the business to manage climate-related risks and opportunities.	- Engage with local and national government agencies so that they understand the importance of the Lyttelton Port, CityDepot, and MidlandPort sites and assets. - Engage with CCHL and subsidiaries through the CCHL SWG to support the transition of the region. - Engage with Sustainable Business Council, Climate Leaders Coalition, NZ Ports, and others to support decarbonisation initiatives. - Support customers to meet their emissions reduction targets by offering carbon efficient logistics solutions and tools.
Accountability	LPC's Board of Directors (the Board) is the governance body responsible for the oversight of climate-related risks and opportunities. The Executive Leadership Team (ELT), which includes LPC's Chief Executive Officer (CEO), is ultimately responsible for meeting the expectations of the Board in relation to its climate-related goals. The Senior Leadership Team (SLT) have the day-to-day responsibility for the assessment and management of risks within their respective business units, including those related to climate change.		

Our climate targets

We have set two greenhouse gas (GHG) emissions reduction targets aligned with the Paris Agreement's goal of limiting global temperature rise to 1.5°C.

- **Short-term target:** LPC commits to reducing absolute scope 1 and 2 emissions by 50% and absolute selected scope 3 emissions by 30% by 2030, against a 2018 baseline.
- **Long-term target:** LPC commits to reducing absolute scope 1, 2 and selected scope 3 emissions by 90% by 2050, against a 2018 baseline.

LPC has set these targets with reference to guidance from the Science Based Targets initiative (SBTi) Corporate Near-Term Criteria and Corporate Net-Zero Standard, which provide a rigorous framework for aligning corporate decarbonisation pathways with the Paris Agreement. LPC has utilised the cross-sector absolute contraction approach to develop the target reduction pathways and are aligned to the SBTi's 1.5°C of warming pathway.

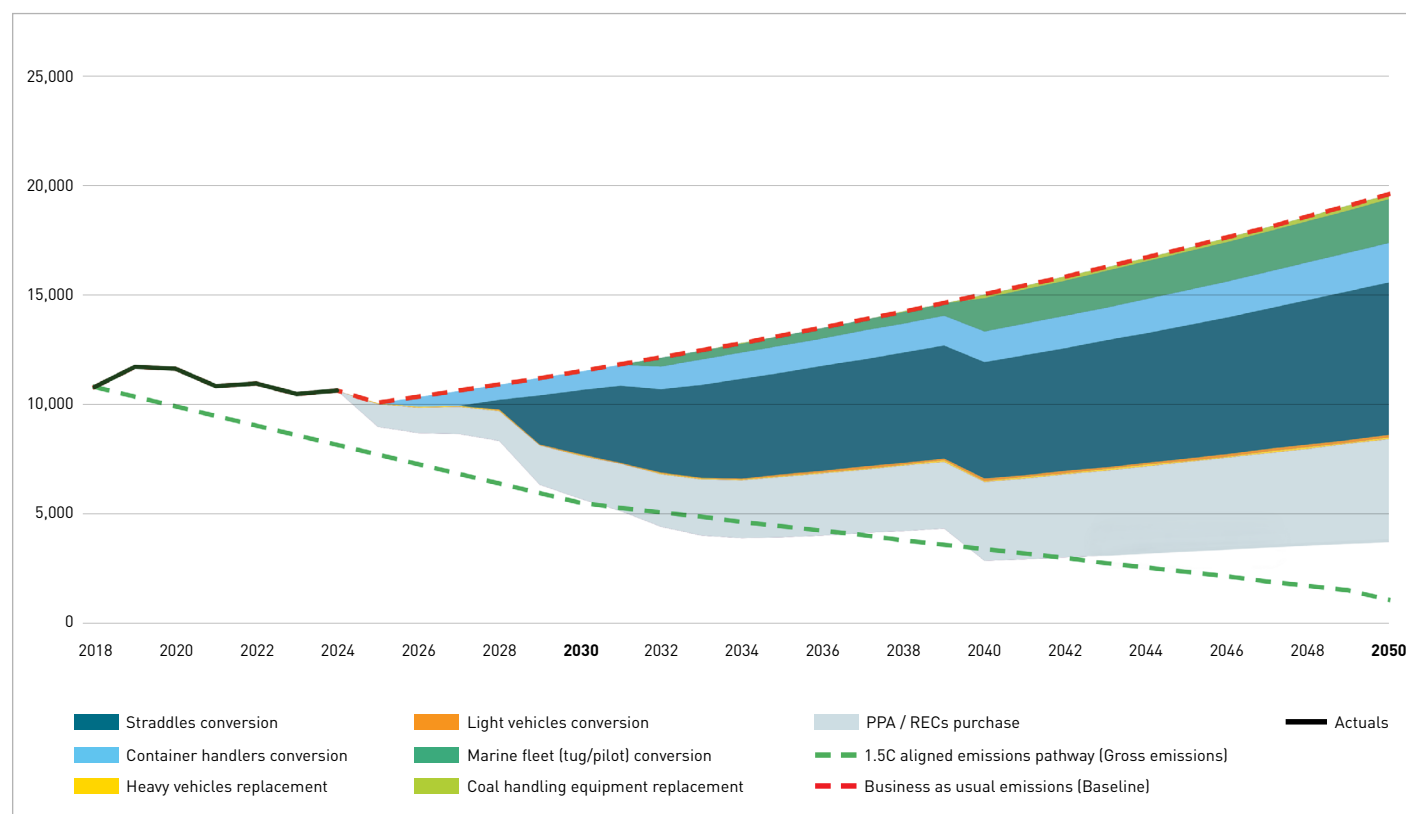
Scope 3 emission sources that are included within the scope of both targets include business travel, waste generated, T&D losses, downstream leased assets and upstream transportation paid for by LPC only. Additional Scope 3 emissions sources, including purchased goods and services, capital goods, upstream leased assets, ship's emissions, and employee commuting that have been quantified within the FY24 and FY25 reporting periods are not included within the scope of both the short-term and long-term targets. LPC has elected to focus its decarbonisation efforts on the emission sources that are easier to abate, in alignment with guidance from our shareholder.

LPC does not claim that these targets are compliant with the SBTi Corporate Near-Term Criteria or Corporate Net-Zero Standard, and nor have these targets been submitted to or validated by the SBTi.

Pathway to our targets

LPC's core emissions come from diesel use in our straddles, marine fleet, inland port container handling equipment and electricity. Our pathway to our targets, as shown below (Figure 3) revolves around replacing our assets with low or zero-carbon alternatives and continuing to purchase certified renewable energy. We expect to achieve the largest reductions from 2028 onwards to the Scope 1 emission reductions needed from our straddle fleet.

Figure 3: Emissions reduction pathway to short-term and long-term target



Container Terminal Transition and Straddle Decarbonisation

LPC's existing container terminal operates a diesel-electric straddle carrier fleet, which is currently one of the Port's highest sources of direct emissions. In partnership with our current equipment supplier, Konecranes, we are assessing the performance and suitability of fully electric straddles to replace the existing units. This transition requires significant investment, not only in the machines themselves, but also in supporting infrastructure such as charging systems, grid capacity upgrades, and revised maintenance and workforce training. Key operational factors such as battery life, charging time, and service continuity are being carefully evaluated to ensure that port productivity is not compromised during the transition.

At the same time, LPC is progressing its long-term strategic shift toward a new container terminal at Te Awaparahi Bay. This future facility will likely operate under a different container handling model designed from the outset to be more energy-efficient and lower-emissions intensive. While the new terminal will ultimately reduce our reliance on high-emission equipment like straddles, we must carefully manage the timing and sequencing of both transitions.

The Te Awaparahi Bay Expansion is essential for accommodating the growth in container vessel size. With modern ships now regularly reaching 5,000 TEU, and global lines requesting capacity for 10,000 TEU vessels, the Port must evolve to remain competitive and provide the most cost-effective freight options for exporters and importers. The new terminal will feature a deeper berth, larger cranes, and a state-of-the-art container yard built for both future volumes and future fuels. It will also enable the relocation of some general cargo operations from the Inner Harbour to Cashin Quay, supporting our Port to the East vision and increasing operational efficiency across our waterfront.

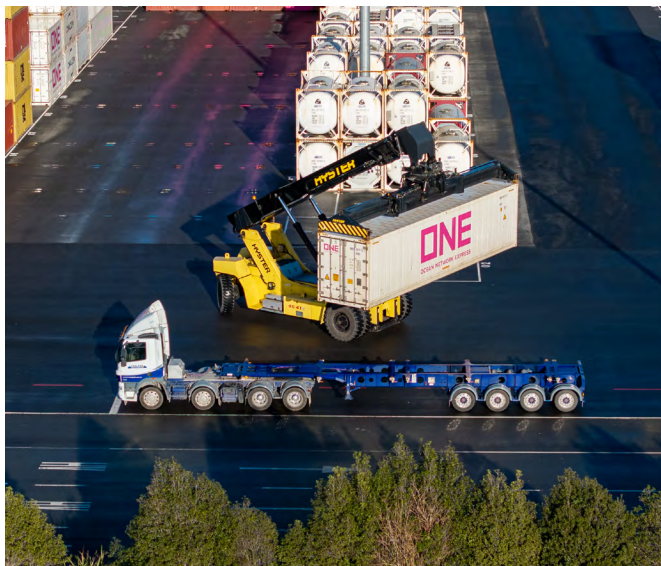


Together, these parallel actions of electrifying our existing terminal under BAU and building a next-generation low-emissions facility, will form a key part of LPC's pathway to meeting our climate targets whilst securing long-term port capacity and resilience.



Marine Fleet

We are actively investigating alternative propulsion technologies for our marine fleet to reduce reliance on diesel. This includes evaluating the feasibility of deploying electric and alternative-powered tug and pilot boats, inspired by successful implementations such as the fully electric tug Sparky at Ports of Auckland and hydrogen-powered vessels in Europe and North America. We are closely monitoring these developments and assessing how similar technologies could be adapted to our operational environment. Operational improvements, such as optimising vessel deployment and speed profiles, are implemented by our vessel crews to enhance fuel efficiency. We are also assessing the feasibility of using biofuels and are engaging with industry and stakeholders to support the trial and adoption of low-emissions marine biofuel.



Inland Port Container Handling Equipment

Throughout FY25, we progressed our inland port decarbonisation strategy by evaluating the performance of electric reach stackers and empty container handlers from various suppliers, to determine their suitability at MidlandPort and CityDepot. We also incorporated learnings from other Aotearoa New Zealand ports.

The transition of our container handling fleet supports the removal of diesel bulk storage and dispensing infrastructure at both sites, contributing to both emissions reduction and safety improvements. Operational efficiencies are being implemented in parallel, targeting reductions in idle time and overall fuel consumption through increased use of telemetric data.



Electricity

Our engagement with the wider CCHL Group is helping shape a coordinated approach to renewable energy adoption across the subsidiaries offering a mix of baseline hydro generation combined with locally generated daytime solar under long term contracts.

We have an electrical focus group that meets regularly to update our planned consumption focus, which is intrinsically tied to our Asset Management Strategy. Updates are driven by improvements in technology and shared with our local lines company, Orion, for their asset management planning and network development. We have an ongoing Energy Efficiency Programme encompassing both infrastructure and equipment upgrades, such as installing energy-efficient LED lighting across our operational zones.

Our Value Chain

We have reduction programmes in place for the selected Scope 3 emissions that are included in our targets, however the majority of our Scope 3 emissions lie outside of these sources (Figure 4). While we are not directly responsible for these emissions, we uphold our responsibility to enable and influence emission reductions, partnering with customers, suppliers and others in our value chain.

Stakeholder Partnership Plans

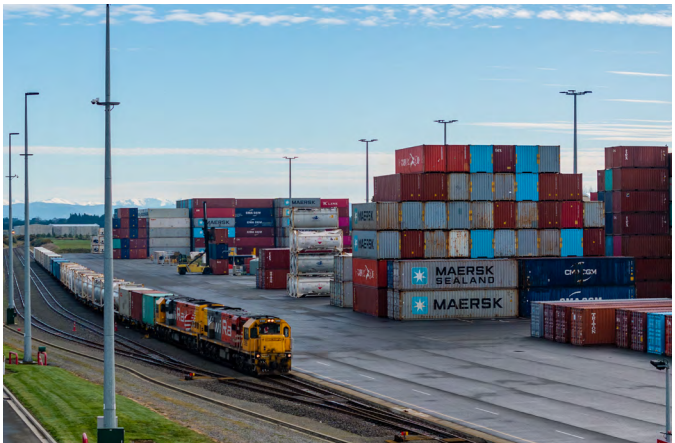
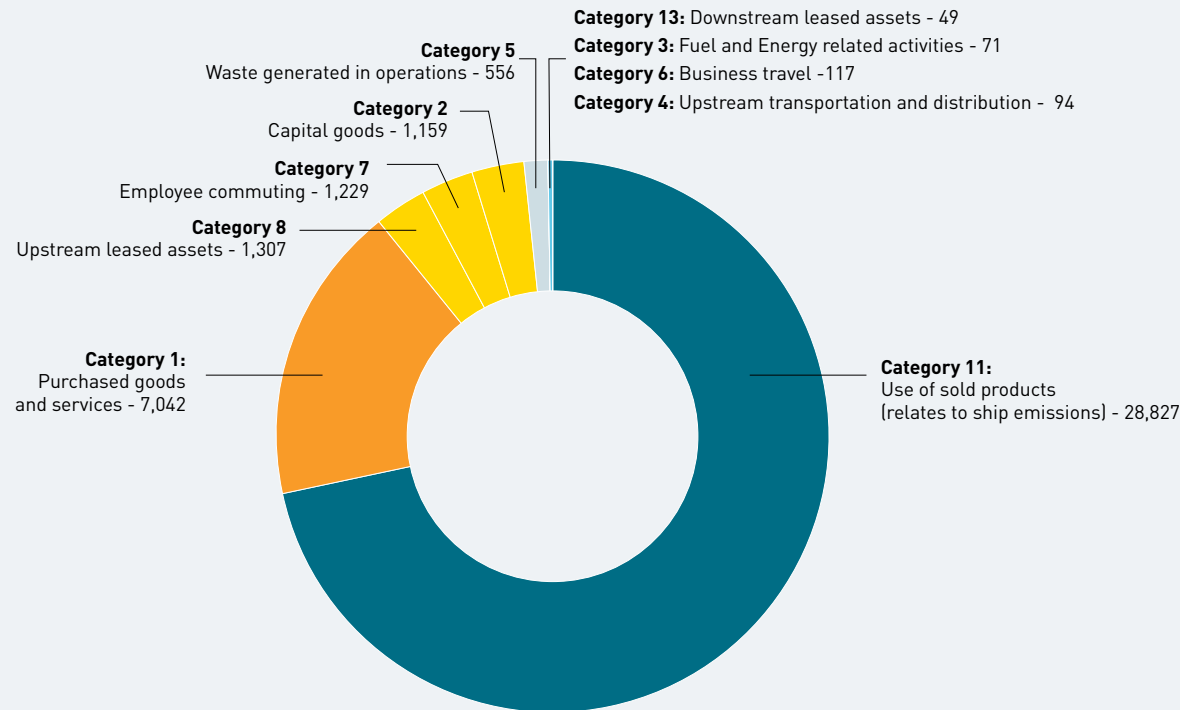
Reducing emissions from purchased goods and services involves engaging and setting requirements with suppliers to jointly reduce emissions whilst also improving our procurement practices.

Multi-modal connections

We are continuing to develop our two inland depots, MidlandPort and CityDepot, which play a vital role in decarbonising the regional freight network by enabling greater use of rail for cargo movement into and out of Lyttelton. LPC established MidlandPort in 2016, an inland hub where freight is consolidated and transferred by rail between Lyttelton and Rolleston. Since it was established, over 20% of the Port's volume now moves through MidlandPort, with capacity to reach 40%.

In 2016, two or three trains a week were moving containers to and from Midland to the Port. Now, KiwiRail operate up to sixteen return services a week from Midland. Not only is this taking around 320 one-way truck trips off the road each day, but it is also ensuring that containers are moved to and from the Port efficiently without traffic delays and at lowest cost to customers. With many of our customers having strong commitments to sustainability and ambitious carbon emission reduction targets, we are focused on helping them achieve those targets by offering carbon efficient logistics solutions and tools to accurately evaluate different options.

Figure 4: FY25 Scope 3 Emissions



Construction Emissions

We are continuing to manage our construction emissions, especially embodied emissions from materials such as steel and concrete, across our capital projects. This includes choosing lower-carbon materials where possible, working closely with suppliers to understand the embodied emissions of their products, and incorporating lifecycle carbon assessments into our design and procurement decisions. We are also building our internal capability and processes to better measure and manage embodied emissions.



Ship Emissions

Maritime GHG emissions represent around 3% of global emissions, or approximately 800 million tCO₂e. If shipping were a country, it would represent approximately the sixth largest global carbon emitter.

In 2018 the International Maritime Organisation (IMO) approved the first ever GHG strategy to reduce emissions from international shipping. In 2023 they updated their initial GHG strategy and they are now aiming for net-zero GHG emissions from international shipping by or around 2050.

The sector faces significant uncertainties about how new fuel technologies will develop, with many different alternative low-carbon fuel options (e.g., methanol, ammonia, hydrogen, and electrification) and no 'one size fits all' solution. Amongst other challenges are concerns about the future direction of regulation, end customer support and willingness to pay, demand from other sectors, and competition risks to early adopters.

Additionally, the transition to lower carbon fuels will require the right infrastructure from Ports to support it. This could take the form of shore power, alternative fuel bunkering and storage, and the production, import, and export of alternative fuels. Whilst LPC is committed to supporting the shipping industry's transition to a low-carbon future, investing in infrastructure can be costly and with uncertainty around the demand and supply of alternative fuels, it is difficult for LPC to make long term commercial decisions.

Therefore, we are starting small. Within FY25, LPC received funding from the Energy Efficiency Conservation Authority (EECA) through round 15 of its Low Emission Transport fund¹ to upgrade electrical infrastructure on three inner harbour jetties. With these upgrades, shore power enabled fishing vessels will

be able to plug into our network. The project will allow LPC to gain firsthand experience with shore power infrastructure at a smaller scale, manage the technical challenges of connecting vessels, and coordinating with vessel operators to ensure adoption. Additionally, we will learn more about energy management in our operations and electrical system, as there will be higher energy demand when vessels are connected. While shore power addresses multiple risks, including GHG emissions, air pollutants at the local level, and ships generator noise, it is challenging from the perspective of the electricity infrastructure that is required.

Our approach to carbon offsetting

We don't use carbon credits to achieve our targets. However, when and if deemed appropriate, we might implement a carbon-removals strategy to achieve high quality nature-based removal projects. This will ensure we develop a robust, credible, and cost-effective approach for delivery from 2030 onwards.

1. <https://www.eeca.govt.nz/co-funding-and-support/co-funded-transport-projects/>

Risk management

This section is intended to enable users to understand how climate-related risks and opportunities are identified, assessed, and managed by LPC and how it is integrated into the existing risk management process.

Identifying, assessing, and managing climate-related risks and opportunities

LPC's climate-related risks and opportunities are identified, assessed and managed in accordance with our Risk Management Policy and Risk Management Framework (RMF). Our RMF provides a common methodology for classifying and assessing climate-related impacts relative to other types of risks. A risk matrix considers quantitative (e.g., extreme weather events leading to the failure of infrastructure, resulting in operational costs and revenue losses) and qualitative impacts (e.g., weak national and regional policies on climate-related risk and adaptation resulting in a decreased capacity of LPC's ability to manage climate change risks and respond to opportunities).

Physical risks and opportunities

The approach adopted for LPC's climate-related physical risk assessment aligns with AS5334-2013 - Climate change adaptation for settlements and infrastructure - A risk-based approach and ISO31000:2009 Risk Management Principles and Guidelines.

Physical risk impacts were considered across the portfolio which focused on the top five priority asset classes. Selection of the asset classes were based on the following criteria:

- **Location:** assets located within a climate hazard zone
- **Criticality:** the assets, systems and processes required to maintain functionality
- **Condition:** the management of assets, level of service and state of repair
- **Performance:** the performance of assets during past climate events
- **Existing controls:** current adaptation measures in place to mitigate and manage risk
- **Exposure:** the exposure of assets to key climate acute shocks and chronic stress.

Our risks and opportunities are based on direct and indirect impacts, considering value chain interdependencies, from five climate hazards and the cumulative and/or compounding impact of events. The consequence to LPC focuses primarily on financial profit and loss outcomes, with annual adverse impacts greater than \$5 million considered major to catastrophic, and lesser amounts considered minor, moderate or serious. However, consequences to safety, health, environment, quality, financial (adverse impacts), legal, community, digital / cyber, and reputation were also considered.

LPC's physical risks were prioritised in alignment with the likelihood and consequence criteria of our risk management RMF. The likelihood and consequence of each risk was rated across each time horizon and climate scenario, with ratings informed by publicly available downscaled climate projection data and the consequence criteria detailed within our RMF. This process utilises publicly available climate projection data specific to Lyttelton Port, MidlandPort, and CityDepot, including storms and high winds, temperature changes, extreme rainfall and flooding, sea level rise, groundwater rise, drought, and wildfire. The materiality threshold for identifying our priority physical risks is those with an overall 'extreme' risk rating, calculated across all scenarios and time horizons. Priority climate-related physical risks and the anticipated impacts are summarised in Table 2.

The physical opportunities were prioritised based on the scale of impact (extent to which the risk or opportunity will financially impact LPC's assets, services or operations) and degree of control (extent to which LPC's can control or influence the impact of the risk or opportunity to our assets, services, or operations and financial impacts to LPC and value chain).

No priority physical opportunities were identified as they had little to no impact on LPC or LPC only have an ability to advocate on with little to no operational control.

Transition risks and opportunities

The approach adopted for LPC's climate-related transition risk assessment aligns with ISO 31000:2018 Risk Management – Guidelines and draws on relevant industry frameworks to ensure a structured, consistent, and forward-looking approach to identifying and managing policy and legal changes, market shifts, reputational risks, resource efficiency, and technology shifts associated with the transition to a low-emissions economy.

These triggers are occurring within a suite of national and local government policy changes which are focusing on climate adaptation and emissions reduction across a number of sectors in Aotearoa New Zealand. These general policy shifts have impacts across how markets and technology shifts behave to meet the agenda of the government of the day.

LPC's climate-related transition risks were prioritised using the consequence criteria detailed in our RMF whilst the transition opportunities were prioritised based on the scale of impact and degree of control criteria. The materiality threshold for identifying our priority transition risks is those identified to have a 'serious', 'major' or 'extreme' consequence in alignment with the consequence criteria in our RMF (Table 3). Priority transition opportunities were those identified to have a direct impact on LPC and which LPC will have full operational control over (Table 4).

Management responses

Management responses were identified for all physical transition risks and opportunities, with an owner from ELT and SLT assigned to each to ensure the consideration and integration of planned actions within day-to-day management. Within FY25, this process included reviews with key stakeholders with workshops and discussions facilitation by external experts. Within FY26, these reviews will be conducted on a quarterly basis with oversight provided by the Head of Risk and Assurance.

Time horizons

The time horizons were identified based on the CCHL Group Climate Disclosure Framework, as described in Strategy. The physical risks and opportunities were assessed against the short-term (2030), medium-term (2050) and long-term (2100) time horizons. This allowed for the identification of physical impacts from high emissions intensive scenarios which will materialise in the latter half of the century. Meanwhile, the transition risks and opportunities were assessed against the short-term (present day to 2030) and medium-term (2030 to 2050) time horizons in alignment with our near-term and long-term emissions reduction targets and national transition.

Value chain exclusions

The scope of the climate risk assessment included all LPC operations, and no part of the value chain were excluded. Values of mana whenua are considered as a part of the value chain and are holistically included in the risk assessment. LPC acknowledge considering actions against climate-related physical and transition risks and opportunities are inherently beneficial for mana whenua communities, their values, and shared objectives with LPC.

Frequency of assessment

LPC reviews and updates the identified climate-related risks and mitigations at least annually, with oversight and support from the Risk and Assurance, Engineering and Infrastructure, Asset Management and Environment and Sustainability teams. Bi-annual or quarterly reviews of each risk and opportunity by the identified owners are being considered for FY26.

Climate change risk is included as one of the risks within our Strategic Risk Register, which is under the governance oversight of the Board. Climate adaptation and mitigation plans and actions to address identified priority climate-related risks are under ongoing development and refinement.



Metrics and targets

This section is intended to enable users to understand how LPC measures and manages its climate-related risks and opportunities.

Greenhouse gas (GHG) emissions

LPC has measured and publicly reported on its GHG emissions since 2018. LPC's FY25 GHG Inventory Report is published on our [website](#) and provides all the information required to support our alignment with NZ CS 1-3 including methodologies, exclusions, trends, and restatements. Within these disclosures, we have provided a high-level overview of our GHG inventory. For further information, please refer to LPC's FY25 GHG Inventory Report.

Our emissions are prepared in accordance with and guidance from the *GHG Protocol Corporate Accounting and Reporting Standard*, the *GHG Protocol: Scope 2 Guidance*, the *GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard* and the *Scope 3 GHG Emissions Preliminary Guidance for New Zealand Ports* (Tonkin & Taylor, 2025).

No base year recalculations have been made within FY25 in accordance with our base year recalculation policy, which requires us to restate our base year where there has been:

- A change in calculation methodology or improvements in the accuracy of emissions factors or activity data that result in a change greater than 5% in our emissions inventory;
- A significant error has been identified; or
- Significant structural changes to the business.

We have elected not to recalculate our FY18 base year to include the additional scope 3 emissions sources (e.g., purchased goods and services, capital goods, ship's emissions, employee commuting) which have been measured and reported in FY24 and FY25. The decision was made to not recalculate our base year as our short-term and long-term targets do not include these new emission sources. Additionally, accurate and complete data from FY18 is not readily available for all scope 3 emission sources. The effect of this decision means that our FY18 base year is under-reported.

Within FY25, LPC's total gross emissions were 49,861 tCO₂e and total net emissions were 48,520 tCO₂e (Table 6).

While the port industry has not yet formally adopted a standard set of industry-based metrics to measure and manage climate-related risks and opportunities, LPC's GHG emissions intensity analysis is focused on measuring and monitoring the direct emissions (Scope 1) per TEU (Twenty Foot Equivalent Unit Container) from the Lyttelton Container Terminal (LCT) and direct emissions per thousand dollars of revenue (not adjusted for inflation) as benchmarks.

Within FY25, the intensity of direct emissions per TEU decreased by 2.1% from FY24 and is now 17.7% below the FY18 base year emissions. Additionally, the intensity of direct emissions per thousand dollars of revenue decreased 12.1% on FY24 and is now 46.9% below the FY18 base year emissions per thousand dollars of revenue.

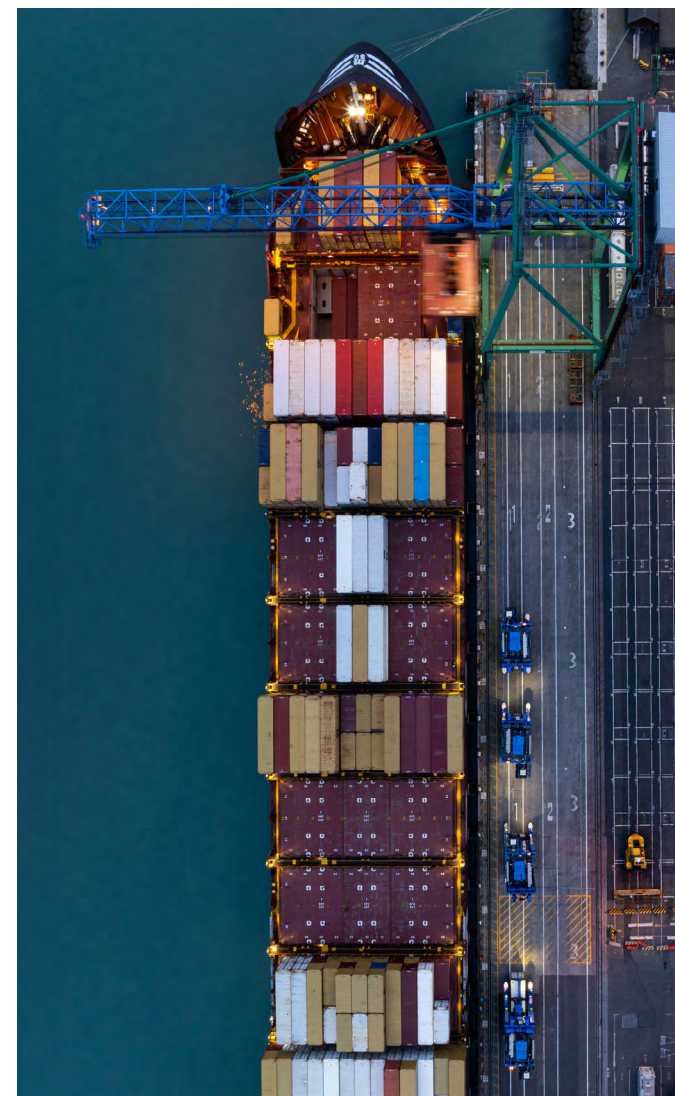


Table 6: FY25 GHG emissions inventory summary – tCO₂e.

Scope	FY18 (base year)	FY23	FY24	FY25	% change since base year
Scope 1¹ Direct emissions (diesel, petrol)	8,991	8,844	8,762	8,069	-10.2%
Scope 2 (location-based) Indirect emissions from imported energy, including RECs	1,162	981	1,386	1,341	15.4%
Scope 2 (market-based)¹ Indirect emissions from imported energy	1,162	0	0	0	-100%
Sub-total: Scope 1 and 2 (location based)	10,153	9,825	10,149	9,410	-7.3%
Sub-total: Scope 1 and 2 (market based)	10,153	8,844	8,762	8,069	-20.5%
Scope 3¹ Indirect emissions from business travel, waste generated, T&D losses, upstream transportation paid by LPC, downstream leased assets	658	937	843	886	27.3%
Sub-total: Scope 1, 2 and 3 (location-based, excluding additional scope 3)	10,812	10,762	10,992	10,296	-5.2%
Sub-total: Scope 1, 2 and 3 (market-based, excluding additional scope 3)	10,812	9,781	9,605	8,956	-17.6%
Scope 3 (additional) Purchased goods & services, capital goods, upstream leased assets, ship's emissions, employee commuting	0	0	34,794	39,564	n/a
Total gross emissions: Scope 1, 2, and 3 (location-based)	10,812	10,491	45,785	49,861	n/a
Direct removals	0	0	0	0	n/a
Indirect emissions negated due to purchase of NZ Certified Renewable Energy Certificates (NZRECs)	0	981	1,386	1,341	n/a
Total net emissions: Scope 1, 2, and 3²(market-based)	10,812	9,510	44,399	48,520	n/a
Additional intensity metrics					
Direct emissions tCO₂e/ TEU³	0.0113	0.0095	0.0096	0.0092	-18.8%
Direct emissions tCO₂e/ Total Revenue in \$000s	0.0736	0.0487	0.0445	0.0391	-47.0%

1. LPC's short and long-term targets are set against Scope 1, Scope 2 (market-based), and Scope 3 emissions, excluding Scope 3 (additional) emissions.

2. Total net emissions are calculated using market-based methodology. Renewable Energy Certificates (REC's) have been purchased since FY21.

3. LPC's GHG emissions intensity analysis is focused on measuring and monitoring the emissions per TEU (Twenty Foot Equivalent Unit Container) from the Lyttelton Container Terminal (LCT).

LPC Boundary

LPC applies an operational control consolidation approach (as defined by the GHG Protocol) to define its organisational boundary for the purposes of calculating its GHG emissions. This allows us to focus on those emissions sources that we have greater control over and can influence in line with our targets.

For emissions reporting purposes, the operations within LPC have been divided into physical operational areas. Data on activities creating emissions is collected from these 12 areas within the business. The following emissions sources have been excluded because they are not relevant to our business:

- Downstream transportation and distribution
- End of life treatment of sold products
- Franchises
- Investments

LPC uses BraveGen as our GHG emission management software. Data is collected and uploaded monthly or annually by LPC staff or directly from suppliers. Activity data is multiplied by the relevant emission factors to calculate the tCO₂e. LPC uploads the emissions factors and Global Warming Potential (GWP) rates to BraveGen. Within FY25, we used a combination of 2025 and prior year emissions factors and GWP rates including:

- Ministry for the Environment, MFE 2024 and 2025 'Measuring Emissions: A guide for organisations'
- Department for Environment Food & Rural Affairs (DEFRA), 'Greenhouse gas reporting: conversion factors 2023'
- Market Economics (M.E.), 'Table 5 Consumption Emissions Intensities for the Year Ending 2019'
- EPA's Port Emissions Inventory Guidance: Methodologies for estimating Port-Related and Goods Movement Mobile Source Emissions.



Climate-related risks and opportunities

This section sets out the amount or percentage of LPC's assets and business activities that are vulnerable to physical and transition risks and aligned with climate-related opportunities.

Business activities vulnerable to physical risks

Within the short-term (present day to 2030), the assets most at risk from climate-related hazards comprise the identified five priority classes of assets. It is unlikely that the total 'book value' of these assets will be impacted by physical risks. Within the medium (2030 to 2050) the assets most at risk are the five identified priority classes of assets but hazards will be worsened by impacts of sea level rise. Slow onset events will manifest over the long-term (2050 to 2100), which will allow time for planning, while acute events will be infrequent and uncertain in terms of their occurrence. Therefore, the average annualised damage and associated loss to LPC will be related to the level of damage caused and associated repair, likely far less than total book value, and the probability that an event could occur in any given year.

Business activities vulnerable to transition risks

Asset exposure

Within the short term (present day to 2030), the assets most at risk comprise LPC's diesel-powered plant and equipment at our Inland Ports, Lyttelton Container Terminal, coal handling and marine fleet. This represents approximately 30% of the total book value of LPC plant and equipment.

Within the medium-term (2030 to 2050), the assets most at risk comprise the balance of the diesel-powered plant and equipment that requires either conversion to or replacement by low/zero emissions plant. This represents approximately 10-15% of the total book value of LPC plant and equipment. While this covers 'assets at risk,' there will be other parts of LPC's value chain which also face transition risks which may be more material. For example, it is anticipated that shipping and trade will start to be impacted by national and geopolitical pressure to decarbonise the supply chains and install infrastructure to support these transitional developments. These are difficult to quantify at present, as zero-emission pathways for some sectors are yet to be determined. Successful implementation will require significant collaboration across the port network.

Export and import commodity exposure

Within FY25, we completed an analysis of the import and export commodities handled by LPC that are exposed to decarbonisation activities. We have identified relevant management responses to these vulnerabilities against the relevant transition risks.

LPC has identified commodities within industries that have a higher emissions intensity and are likely to be more vulnerable to transition risks than those in lower emissions intensive industries. To further understand our exposure to these higher emissions intensive industries, we referenced work completed by the Ministry of Business, Innovation & Employment (MBIE) in 2021¹ that calculated the emission intensity of 106 sub-industries across the Aotearoa New Zealand economy and

categorised them by emissions intensity. Within FY25, we mapped the commodities that move through LPC to these sub-industries with a particular focus on the high-emissions intensity category.

Based on this analysis, we estimated that 18.1% of our container import commodities and 32.1% of our container export commodities are from industries within the high emission intensity category. With regards to bulk cargo, an estimated 83.3% of commodities that are handled by LPC are from industries within the high emission intensity category. Therefore, we have identified these as significantly vulnerable to transition risk as the decarbonisation of the global economy will significantly impact these industries. The high emission intensity categories include agricultural industries, food manufacturing, heavy manufacturing, and extraction and distribution. Management responses to this exposure have been identified as outlined below (Tables x and x).

Business activities aligned with climate-related opportunities

Through Aotearoa New Zealand's adaptation to climate change and transition to a low-carbon economy, associated physical and transition impacts can present opportunities for LPC if managed well. This is a challenge faced by the broader port industry and it will be important to drive adaptation and resilience across the value-chain through partnerships and advocacy. LPC's transition planning, as described in Strategy, considers our role in supporting the national transition to a low emissions future.

Opportunities for LPC in the short and medium term will be focused on supporting and investing in facilities for shipping and storage of non-fossil fuel alternatives and working with the shipping industry to support their decarbonation objectives and initiatives. We are continuing to align our asset management plans and wider-business activities with our business strategy to ensure most, if not all, are in alignment with our climate-related opportunities.

1. MBIE. (2021). The emissions exposure of workers, firms, and regions. <https://www.mbie.govt.nz/dmsdocument/13781-the-emissions-exposure-of-workers-firms-and-regions>

Capital deployment

Initiatives related to GHG emissions reductions and climate risk mitigation / resiliency are funded through a mix of capital and operating expenditures (Table 7). While the post-earthquake rebuild of our infrastructure has provided a firm footing for reinvestment in assets and new infrastructure, continual investment is fundamental to LPC's long term strategy and improved climate resiliency



Table 7: FY25 capital and operational expenditure

Project	Spend	Category	Description
Electrical systems and infrastructure	\$144,616	Capital	The amount reflects spend on upgrades to network cabling, LED lighting and isolation upgrades.
Stormwater and drainage	\$565,426	Capital	This amount includes spend related to upgrades to infrastructure across our Lyttelton and CityDepot sites to improve capture of stormwater and treatment capacity.
Coal yard water treatment plant	\$10,218	Capital	This amount includes spend related to upgrading pumping stations and improving capture of stormwater and treatment capacity.
Te Awaparahi Bay Terminal Expansion	\$7,181,127	Capital	This amount includes spend towards design and construction of the Te Awaparahi Bay Terminal Expansion.
Maintenance and resilience of wharves and jetties	\$295,622	Capital / Operational	This amount includes spend towards increasing the durability and resilience of LPC's wharves and jetties.
Fleet replacement	\$4,106,134	Capital / Operational	Includes spend on the new Pilot launch and container handling equipment.

1. Excluding ships emissions, employee commuting, upstream leased assets, purchased goods and services, capital goods and one-time construction emissions that are capitalised

Table 9: Other climate-related metrics

Metrics	Unit	Detail	FY24	FY25
Import and export commodities exposed to transition	Amount of import and export commodities by containers, bulk, and revenue (#, \$ or %)	LPC are considering the impact of the economy-wide transition to the import and export commodities within its strategy	Not disclosed within FY24	Commodities from higher emissions intensive industries: • 18.1% of container import commodities • 32.1% of container export commodities • 83.3% of bulk cargo commodities
Port volume moved through MidlandPort, instead of via road	Amount of the Port's volume that moves through MidlandPort (%)	LPC are focused on modal shift – moving more freight by rail instead of road. MidlandPort is an inland hub where freight is consolidated and transferred by rail between Lyttelton and Rolleston.	Around 20% of the Port's volume moved through MidlandPort	No change from FY24. Around 20% of the Port's volume moved through MidlandPort with capacity for up to 40%
Closures of Lyttelton Port, MidlandPort, and/or CityDepot due to extreme weather	Days that the port / depot cannot operate due to extreme weather (#)	LPC may experience closures of its operations due to extreme weather events but are working to ensure the resilience of assets	No full-day closures identified within FY24	No full-day closures identified within FY25
Closures of Lyttelton Port due to coastal inundation	Days that the port cannot operate due to coastal inundation (#)	LPC may experience closures of its operations due to coastal inundation but are working to ensure the resilience of assets	No full-day closures identified within FY24	No full-day closures identified within FY25



Internal emissions pricing

LPC has chosen not to set a direct internal pricing scheme for carbon. However, LPC will continue to review this decision annually and will move to implement an internal carbon price if deemed necessary.

Remuneration linked to climate-related risks and opportunities

LPC does not currently include key performance indicators for staff and executive leadership team members for addressing climate-related impacts.

Assurance of GHG Emissions

The GHG emissions disclosed under the metrics and targets section have been subject to an independent assurance engagement conducted by McHugh & Shaw.

[McHugh & Shaw independent assurance statement on LPC website ↗](#)



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