



## Our Disclosures

Todd's disclosures with reference to the core level guidelines of the Global Reporting Initiative (GRI) and the External Reporting Board Aotearoa New Zealand Climate Standards (NZ CS).

These disclosures provide an overview of The Todd Corporation Limited's sustainable development approach and performance for the year ending 31 December 2025 and cover Todd's core operating energy businesses. The reporting entities are the business units of Todd Energy, Nova Energy and Todd's corporate services function. Todd's non-energy investment portfolio is excluded from the scope of these disclosures.

For these disclosures:

- Nova Energy includes Wise Prepay Energy and Megatel as trading brands in scope.
- Sunergise International, an entity associated with Nova Energy, is out of scope. This business was divested in February 2026.

Todd has retained ownership of the 6.9 MW Tongatapu Solar Farm in Tonga. As per previous disclosures, this data has not been included in this report.

These disclosures are provided on a voluntary basis with reference to the GRI and NZ CS and are not intended to fully address all applicable reporting requirements. These disclosures are designed to complement, and should be read together with, our [2025 Report on Sustainable Development](#).

The information provided in this document gives a general summary of Todd and its activities and does not aim to be exhaustive in all aspects. These disclosures have been prepared based on our current knowledge and understanding, and in good faith. The information has not been subjected to external audit or assurance, with the exception of Todd's Greenhouse Gas (GHG) Inventory data, which has undergone limited assurance.

### **NZ CS**

Todd is not classified as a Climate Reporting Entity and is therefore not subject to mandatory compliance with the NZ CS. These disclosures are provided voluntarily and are not intended to satisfy all requirements of the NZ CS. We have chosen to disclose voluntarily because this information is important to our stakeholders and serves as a valuable tool in demonstrating the resilience of our business model.

### **Forward-looking statements**

These disclosures may include forward-looking statements and metrics that should not be considered as guarantees, predictions, or forecasts of future outcomes or performance. These statements are subject to known and unknown risks, uncertainties, and other factors, many of which are beyond Todd's control.

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## Our Disclosures: Global Reporting Initiative (GRI)

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## GRI 2: General Disclosures 2021

GRI #	Disclosure Title	Detail
<b>The organisation and its reporting practices</b>		
<b>Disclosure 2-1</b>	Organisation details	The Todd Corporation Limited (Todd) New Zealand Limited Company (Unlisted) 95 Customhouse Quay, PO Box 3142, Wellington 6140, New Zealand In scope: New Zealand
<b>Disclosure 2-2</b>	Entities include in the organisation's sustainability reporting	In scope are the business units of Todd Energy, Nova Energy and Todd's corporate services function. Todd's non-energy investment portfolio is excluded from the scope of these disclosures. Information is collected on an equity basis, unless otherwise stated.
<b>Disclosure 2-3</b>	Reporting period, frequency and contact point	Reporting is on an annual basis. These disclosures were published in April 2026, data is current as at 31 December 2025. Contact email: sustainability@todd.co.nz
<b>Disclosure 2-4</b>	Reinstatements of information	n/a
<b>Disclosure 2-5</b>	External assurance	These disclosures are not subject to external audit or assurance, with the exception of Todd's GHG Inventory data which has undergone limited assurance.
<b>Activities and workers</b>		
<b>Disclosure 2-6</b>	Activities, value chain, and other business relationships	Todd is a future-focused, family-owned business in New Zealand. We produce and supply energy locally, and partner with investors here and abroad across diverse other industries. More information is available in our <a href="#">2025 Report on Sustainable Development</a> , under <a href="#">Who we are</a> and <a href="#">How we operate</a> .
<b>Disclosure 2-7</b>	Employees	<a href="#">Data Tables tab</a>
<b>Disclosure 2-8</b>	Workers who are not employees	Todd's employee data excludes skill-based contractors who are typically deployed for specific tasks of a short-term nature, and have industry qualifications and competencies relevant to the task. Approximately 2,400 contractors were employed across 2025.
<b>Governance</b>		
<b>Disclosure 2-9</b>	Governance structure and composition	Todd is governed by our Board of Directors and managed by our Executive team. Our Board consists of 7 members. Board composition is: <ul style="list-style-type: none"> <li>• Two Directors are female</li> <li>• One Directors is aged 30-50, and six Directors are over 50.</li> </ul> More information is available in our <a href="#">2025 Report on Sustainable Development</a> , under <a href="#">Governance</a> , or at <a href="https://todd.co.nz/leadership">https://todd.co.nz/leadership</a> .
<b>Disclosure 2-10</b>	Nomination and selection of the highest governance body	Board constitution and charters outline the nomination and selection process for the Board and each of its committees. The constitution requires that a minimum of 25% of Directors are members of the Todd Family and 25% are Independent. As at 31 December 2025, there are two Todd Family members and four Independent Directors.
<b>Disclosure 2-11</b>	Chair of the highest governance body	The Chair of the Board of Directors is non-Executive.
<b>Disclosure 2-12</b>	Role of the highest governance body in overseeing the management of impacts	The Board governs our approach to sustainability with the Board's Audit and Risk Committee (ARC) having formal oversight of the programme. More information is available in our <a href="#">2025 Report on Sustainable Development</a> , under <a href="#">Governance</a> .
<b>Disclosure 2-13</b>	Delegation of responsibility for managing impacts	The Executive manages our approach to sustainability with day-to-day management sitting with a wide range of teams and personnel across Todd. More information is available in our <a href="#">2025 Report on Sustainable Development</a> , under <a href="#">Governance</a> .

<b>Disclosure 2-14</b>	Role of the highest governance body in sustainability reporting	<a href="#">Material Topics tab</a>
<b>Disclosure 2-15</b>	Conflicts of interest	The Board interest register for TCL Directors is managed by the Group Company Secretary, as required by the Companies Act.
<b>Disclosure 2-16</b>	Communication of critical concerns	Todd conducts a bi-annual compliance certification process to provide assurance to our Board that we are complying with applicable laws, rules and standards. Critical H&S risks and all other material risks are managed using a risk register that is reviewed at the Executive level and reported to the Board. Todd's approach to community and stakeholder grievances is disclosed in <a href="#">Disclosure 2-24</a>
<b>Disclosure 2-17</b>	Collective knowledge of the highest governance body	Relevant information, including the Board Skills Matrix summarising the key skills and experience represented on the Board, is available in our <a href="#">2025 Report on Sustainable Development</a> , under <a href="#">Governance</a> .
<b>Disclosure 2-18</b>	Evaluation of the performance of the highest governance body	The Board via the People and Culture Committee periodically evaluates the performance and composition of the Directors to ensure they are performing, have the right skills and experience and represent the Todd Family appropriately.
<b>Strategy, policies and practices</b>		
<b>Disclosure 2-22</b>	Statement on sustainable development strategy	A statement on behalf of the Board and Executive is available in our <a href="#">2025 Report on Sustainable Development</a> , under <a href="#">Letter from the Todd Chair and CEO</a> .
<b>Disclosure 2-23</b>	Policy commitments	Responsible business conduct is integrated into our governance framework and is not addressed through a standalone policy. Our commitments are guided by our operating values - Care & Safety, Trust & Empower, Own It & Improve It, Connect for Impact - and implemented through our policy management system, which includes policies, standards, procedures and guidelines. Requirements related to responsible business conduct are incorporated across several documents, including the Anti-Bribery and Corruption Standard, Code of Conduct Standard, Diversity, Equity and Inclusion Policy, Health and Safety Policy, Environmental Policy, and Supplier Code of Conduct. The Health and Safety Policy, Environmental Policy, and Supplier Code of Conduct are available at <a href="https://todd.co.nz/sustainability/reports-resources">https://todd.co.nz/sustainability/reports-resources</a> .
<b>Disclosure 2-24</b>	Embedding policy commitments	Our policies define expected behaviours for our people and support compliance with our business, regulatory and social responsibilities. Policy governance is managed through our Policy Framework, which outlines requirements for the development, approval, implementation and review of policies, including the allocation of approval authorities across corporate levels. Mandatory online training is required for key policies and must be completed and refreshed at defined intervals. In addition, compliance surveys are conducted bi-annually to provide assurance to the Board that the organisation is meeting applicable laws, rules and standards.
<b>Disclosure 2-25</b>	Processes to remediate negative impacts	We recognise that our operational activities may result in a range of impacts on local communities. We aim to address and resolve complaints in a timely manner and take appropriate action to rectify issues where they occur. Todd received 26 complaints across 2025 (69% noise, 23% vehicle - speed or heavy vehicles and 8% land access). Of the 26 complaints, 15 complaints related to noise associated with the McKee Power Plant remain unresolved. A noise mitigation project is well advanced and is scheduled for execution in early 2026.
<b>Disclosure 2-26</b>	Mechanisms for seeking advice and raising concerns	Todd maintains a Whistleblowing Policy that provides a mechanism for raising concerns about serious wrongdoing involving the Company, its entities, Directors, Executives or employees. An independent whistleblower service provider is available to support this process and enables individuals to make disclosures anonymously.
<b>Disclosure 2-27</b>	Compliance with laws and regulations	Todd has not identified any significant non-compliance with laws and/or regulations in 2025. For completeness, and while not categorised as significant: <ul style="list-style-type: none"> <li>Nova Energy Limited trading as 'Megatel' is currently being investigated by the EA for a self-reported and expected (but still unverified) breach of newly enacted 'Customer Care Obligations' in the Electricity Code, which involved electrical disconnection of a potentially medically dependent Megatel customer in 2025.</li> </ul>

<b>Disclosure 2-28</b>	Membership associations	<p>Todd is a member of, or provides support to, a range of New Zealand-based industry and professional associations.</p> <p>In two cases our involvement is more significant: Energy Resources Aotearoa (ERA) and the Electricity Retailers' and Generators' Association of New Zealand (ERGANZ). Both are voluntary, New Zealand-based industry advocacy organisations.</p> <ul style="list-style-type: none"> <li>• ERA's mission is to create a successful and sustainable energy resources sector that makes New Zealand a better place, through and beyond the transition to lower emissions. Todd Energy's CEO currently serves as Chair of the ERA Board.</li> <li>• ERGANZ's primary objective is to promote and enhance a competitive and sustainable electricity market for the benefit of customers.</li> </ul> <p>In addition, Nova Energy is involved in the Powering Change initiative which showcases how companies across the energy sector are working to reduce emissions while maintaining reliable and affordable energy options for consumers, and helped develop the Energy Transition Framework which outlines a shared approach to delivering secure, affordable, and abundant energy for New Zealand.</p>
<b>Stakeholder engagement</b>		
<b>Disclosure 2-29</b>	Approach to Stakeholder Engagement	<p>Todd actively engages with stakeholders affected by its business activities, including shareholders, employees, hapū and iwi, local communities, government, regulators, customers, lenders, business partners, insurers, and suppliers. Regular interactions provide opportunities for feedback and are tailored to each group's needs.</p>
<b>Disclosure 2-30</b>	Collective bargaining agreements	<p>All Todd employees in New Zealand are paid above the statutory minimum wage, and all permanent employees receive wages that meet or exceed the Living Wage.</p>



## GRI 3: Material Topics 2021

GRI #	Disclosure Title	Detail
<b>Disclosure 3-1</b>	Process to determine material topics	<p>In 2023, Todd undertook a comprehensive review of its material topics to ensure they accurately reflects its significant sustainable development impacts. This process was informed by extensive stakeholder engagement, including an anonymous employee survey, internal workshops with senior management and subject matter experts, and interviews with external stakeholders such as central and local government representatives, suppliers, customers, tangata whenua, local communities, lenders, business partners, and insurers. As a result of this engagement, four key sustainable development pillars were identified and subsequently endorsed by the ARC. These pillars, comprising interrelated material topics, now provide the framework that underpins the organisation's sustainable development work programme.</p>
<b>Disclosure 3-2</b>	List of material topics	<p>Our material topics remain unchanged from 2024 and continue to be structured around Todd's four sustainability pillars:</p> <ul style="list-style-type: none"><li>• Todd's contribution to New Zealand's transition: GHG emissions; Role in the NZ energy sector; Net-zero strategy; Transitional risk.</li><li>• Our Communities: Tangata whenua investment and contribution; Community investment and contribution.</li><li>• Our Environment: Biodiversity and land use; Water management.</li><li>• Our People: Health &amp; safety; Equity and belonging.</li></ul>
<b>Disclosure 3-3</b>	Management of material topics	<p>Our approach to managing our material topics is outlined within each pillar chapter of the <a href="#">2025 Report on Sustainable Development</a></p>

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# Todd's Contribution to New Zealand's Transition

GRI #	Disclosure Title	Detail
<b>GRI 102: Climate Change 2025</b>		
<b>Disclosure 102-1</b>	Transition plan for climate change mitigation	<a href="#">NZ CS Disclosures tab</a>
<b>Disclosure 102-2</b>	Climate change adaption plan	<a href="#">NZ CS Disclosures tab</a>
<b>Disclosure 102-3</b>	Just transition	<a href="#">Data Tables tab</a>
<b>Disclosure 102-4</b>	GHG emissions reduction targets and progress	
<b>Disclosure 102-5</b>	Scope 1 GHG emissions	Relevant information is available in our <a href="#">2025 Report on Sustainable Development</a> , under <i>Metrics and Targets</i>
<b>Disclosure 102-6</b>	Scope 2 GHG emissions	
<b>Disclosure 102-7</b>	Scope 3 GHG emissions	
<b>Disclosure 102-8</b>	GHG emissions intensity	
<b>Disclosure 102-9</b>	GHG removals in value chain	Todd has biodiversity projects that will function as carbon sinks. Because the removal volumes are not measured and removals cannot be applied to a gross target, this ancillary benefit is not counted towards our 2030 intermediate target.
<b>Disclosure 102-10</b>	Carbon credits	Todd does procure carbon units but this is purely to meet its compliance obligations as a mandatory participant in the New Zealand Emissions Trading Scheme.
<b>GRI 305: Emissions 2016</b>		
<b>Disclosure 305-1</b>	Direct (Scope 1) GHG emissions	
<b>Disclosure 305-2</b>	Energy indirect (Scope 2) GHG emissions	
<b>Disclosure 305-3</b>	Other indirect (Scope 3) GHG emissions	<a href="#">GRI 102: Climate Change 2025</a> (above)
<b>Disclosure 305-4</b>	GHG emissions intensity	
<b>Disclosure 305-5</b>	Reduction of GHG emissions	



# Our Communities

GRI #	Disclosure Title	Detail
<b>GRI 411: Rights of indigenous peoples 2016</b>		
<b>Disclosure 411-1</b>	Incidents of violations involving rights of indigenous peoples	Todd did not identify any incidents of violations involving the rights of indigenous peoples in 2025.
<b>GRI 11: Oil and Gas Sector 2021</b>	Describe the approach of engaging with indigenous peoples	Todd engages and maintains relationships with local iwi and hapū in the areas where its operations and projects are located. In 2025, Todd introduced a unified approach to tangata whenua engagement, embedding consistent engagement and partnership communication protocols across the business. For larger projects, Todd establishes dedicated kaitiaki forums or groups (e.g. Te Rahui Solar Farm, wellsite extensions and consent renewals of water takes or discharges).
	Report if the organization has been involved in a process of seeking free, prior and informed consent (FPIC) from indigenous peoples	Todd does not formally request FPIC from indigenous peoples. Project-specific engagement and consultation are included within local regulator consent applications which are publicly available following submission.
<b>GRI 413: Local communities 2016</b>		
<b>Disclosure 413-1</b>	Operations with local community engagement, impact assessments, and development programs	<p>All operations have regularly reviewed stakeholder engagement plans specific to each site which include stakeholder mapping. For any new activities an assessment of environmental effects (AEE) is completed. Within an AEE the 'environment' includes all traditional environmental impacts but also includes cultural, economic, social and community level effects. The process of compiling an AEE includes consultation with affected stakeholders and provides an opportunity for stakeholders to feed into the process. AEEs and associated monitoring are made publicly available when submitted to a local body regulator.</p> <p>Todd has a community framework titled 'Sustainability in our communities'. This framework includes core areas of focus - community wellbeing, tangata whenua, child and youth wellbeing, environment and biodiversity, education and training, and the energy industry. The framework guides social investment, mitigation and compensation ensuring accountability and setting actions.</p> <p>Engagement pathways include face-to-face and online meetings, regular open forum and community meetings, kaitiaki forums and reference groups, and a toll-free number available for local communities to call 24 hours a day, 7 days a week. Community engagement helps identify any vulnerable community members or groups so specific engagement can be undertaken, if required. There is a formal grievance process to follow which is detailed within all stakeholder management plans.</p>
<b>Disclosure 413-2</b>	Operations with significant actual and potential negative impacts on local communities	The level of complaints in 2025 indicates a generally low operational impact across Todd's communities, see <a href="#">Disclosure 2-25</a> . However, there were 15 complaints attributed to the McKee Power Plant in relation to noise. In 2025 noise monitoring confirmed compliance with regulatory requirements, however, local residents provided feedback regarding noise. Direct mitigation measures were implemented with affected residents, and an engineering-based mitigation project has progressed to reduce noise on a permanent basis. This project is scheduled for execution and installation in early 2026.
<b>GRI 11: Oil and Gas</b>	Describe the approach to identifying stakeholders within local communities and to engaging with them	<p>Todd undertakes engagement in line with the International Association for Public Participation (IAP2) framework. Personnel responsible for leading engagement activities are required to be working towards, or to have completed their certificate of Engagement.</p> <p>Todd stakeholders within local communities are:</p> <ul style="list-style-type: none"> <li>• landowners/residents</li> <li>• tangata whenua groups</li> <li>• local and regional councils</li> </ul>

- regulatory authorities
- local schools within our areas of operation
- local environmental groups within our operation

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Describe impacts on the health of local communities as a result of exposure to pollution caused by operations or use of hazardous substances.

Todd recorded two environmental incidents with potential for off-site impacts in 2025. Both were immediately reported to the regulator and tangata whenua. Environmental monitoring concluded that there was no community exposure or pollution impacts from these incidents.

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Report the number and type of grievances from local communities identified

[Disclosure 2-25](#)

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## Our Environment

GRI #	Disclosure Title	Detail
<b>GRI 101: Biodiversity 2024</b>		
<b>Disclosure 101-1</b>	Policies to halt and reverse biodiversity loss	Todd prioritises net-gain biodiversity outcomes and works with tangata whenua to protect and enhance waterways and biodiversity where we operate. While Todd does not have a standalone biodiversity policy, biodiversity is incorporated into our Environment Policy, which commits us to responsible, sustainable operations. This policy requires the integration of effective environmental management practices across our activities, including environmental management practices that support biodiversity enhancement.
<b>Disclosure 101-2</b>	Management of biodiversity impacts	<p>Todd's biodiversity enhancement activities focus on partnership and collaboration with iwi and hapū to deliver projects within or near our key areas of operation. These projects focus on creating or maintaining biodiversity corridors, maintaining and enhancing aquatic ecosystems and wetlands, and improving river margins.</p> <p>Between 2021 and 2025, Todd planted or placed under management ~35 ha of biodiversity area, including around ~20 hectares at Te Rahui Solar Farm, and removed several hectares of wilding pines to help re-establish indigenous biodiversity.</p> <p>All Todd operational sites are required to avoid, remedy, or mitigate environmental effects in line with relevant regulations. Pollution risks are managed through consent conditions, including water-quality and atmospheric-discharge standards, as well as contingency planning.</p>
<b>Disclosure 101-3</b>	Access and benefit-sharing	Todd does not use genetic resources for research or development purposes.
<b>Disclosure 101-4</b>	Identification of biodiversity impacts	Todd has not reviewed its supply chain to determine biodiversity impact.
<b>Disclosure 101-5</b>	Locations with biodiversity impacts	<p>None of Todd's operational sites experienced notable negative biodiversity impacts in 2025. Todd's biodiversity activities are focused on areas near or within operational sites, with key enhancement projects located at or adjacent to these areas. Activities include planting, fencing, ongoing maintenance, collaboration with local tangata whenua, and water-quality improvements.</p> <p>Key biodiversity-enhancement outcomes to date include:</p> <ul style="list-style-type: none"> <li>• Te Rahui Solar Farm: 20 ha</li> <li>• Mangahewa D well site: 8 ha</li> <li>• Mangahewa Stream: 1.5 ha</li> <li>• Mangahewa G well site: 3 ha</li> <li>• McKee Peaker: 1.5 ha</li> <li>• Junction Road Peaker: 5.6 ha</li> </ul> <p>These areas are located near the following ecologically sensitive sites:</p> <ul style="list-style-type: none"> <li>• Te Rahui Solar Farm is adjacent to two Priority Biodiversity Sites (PBS1) - the Matea Road Wetland and the Otangimoana Stewardship Area - and contains one PBS2 site within its boundary.</li> <li>• Mangahewa D well site is located near a Significant Natural Area that includes a culturally significant site and a remnant ngahere area of ecological importance.</li> <li>• McKee Mangahewa Production Station and the McKee Peaker are near or within the Onaero (Mangahewa Stream) and Waitara River catchment areas, which are identified in the Regional Freshwater Plan for Taranaki as having high natural, ecological, and amenity values.</li> <li>• Junction Road Peaker is within the Mangorei Stream catchment area, which is also identified in the Regional Freshwater Plan for Taranaki as having high natural, ecological, and amenity values.</li> </ul>
<b>Disclosure 101-6</b>	Direct drivers of biodiversity loss	Todd's operational sites have been developed on land with lower biodiversity values, such as farmland, and are generally surrounded by dairy or dry-stock farming areas. Our sites often have areas of higher biodiversity

value nearby or adjacent, which creates opportunities for Todd to restore and enhance biodiversity through targeted planting, habitat improvement, and long-term management initiatives.

Todd's biodiversity enhancement activities, outlined above, focus on areas previously subject to intensive farming. The removal of stock and pest weeds, along with the replanting of indigenous species, enhances both biodiversity and water quality in these areas.

<b>Disclosure 101-7</b>	Changes to the state of biodiversity	Todd does not have quantified baseline information for most biodiversity enhancement projects, with the exception of water-quality data. To date, our measurement approach has focused on determining the area planted or managed (in hectares) and the number of indigenous trees or stems established.
<b>Disclosure 101-8</b>	Ecosystems services	Todd recognises that its activities interact with a range of ecosystem services that support ecological integrity, community wellbeing, and cultural values. Our biodiversity enhancement projects are designed to deliver positive outcomes for local ecosystems, including cultural and social benefits for tangata whenua and improved water quality for downstream users.

### GRI 303: Water and effluent 2018

<b>Disclosure 303-1</b>	Interactions with water as a shared resource	<p>Water is sourced from consented or permitted stream, bore, and dam takes, as well as reticulated/ potable supplies. All water-take consents and permits include limits on volumes and rates of abstraction, and no water is taken from areas under water stress. All consented water takes are digitally metered in line with environmental good practice.</p> <p>To ensure robust water stewardship and environmental management, Todd works closely with local tangata whenua, communities, and regulators.</p>
<b>Disclosure 303-2</b>	Management of water discharge-related impacts	<p>Todd discharges water through several controlled methods, including deep-well injection, stormwater discharges, contaminated-water removal by accredited operators, and treated-effluent discharges. Water-discharge impacts are managed and communicated in accordance with the specific conditions of each site's resource consent, taking into account local water sources, discharge points, community and environmental needs, and regulatory requirements.</p> <p>Key mechanisms for managing discharge-related impacts include:</p> <ul style="list-style-type: none"> <li>• <b>Monitoring and compliance:</b> Regular internal and regulatory monitoring, along with adherence to all permit and consent conditions, which were developed by the regulator to minimise and manage discharge impacts.</li> <li>• <b>Internal management systems:</b> Water-management plans, HSE and spill-management frameworks (e.g. site audits and best-practice management plans). Any spill incidents are investigated to determine root cause, with corrective actions implemented.</li> <li>• <b>Engagement and collaboration:</b> Ongoing consultation with regulators, tangata whenua, communities, and local stakeholders – particularly potentially affected landowners – to support good-practice water outcomes. Todd shares information on water takes, discharges, and consent processes before finalisation and throughout operations.</li> </ul>
<b>Disclosure 303-3</b>	Water withdrawal	<a href="#">Data Tables tab</a>
<b>Disclosure 303-4</b>	Water discharge	<a href="#">Data Tables tab</a>
<b>Disclosure 303-5</b>	Water consumption	<a href="#">Data Tables tab</a>
<b>Disclosure 303 (O&amp;G)</b>	Water discharge - produced water	<a href="#">Data Tables tab</a>



## Our People

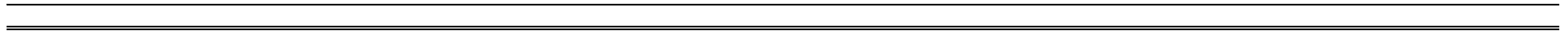
GRI #	Disclosure Title	Detail
<b>GRI 401: Employment 2016</b>		
<b>Disclosure 401-1</b>	New employee hires and employee turnover	Todd has undergone a transformation process to simplify its operating model to enable us to navigate and respond effectively to our operating environment. The impact of this process is reflected in the employee data presented in the <a href="#">Data Tables tab</a>
<b>Disclosure 401-2</b>	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Todd does not differentiate between full-time and part-time employees; however, some benefits require a minimum period of service to be eligible.
<b>Disclosure 401-3</b>	Parental leave	<a href="#">Data Tables tab</a>
<b>GRI 11: Oil and Gas</b>	Minimum notice periods regarding operational changes	The notice period varies by the impact of the operational change, generally it is 4 weeks plus. Engagement may occur through conversation, email, letter, or consultation materials, with defined timeframes for feedback. The method of engagement is determined by the subject matter.
	Programs for upgrading employee skills and transition assistance programs	Outplacement Support and Career Transition are provided to employees in the case of redundancy.
	New suppliers that were screened using social criteria	Social impact requirements and reporting were assessed for two suppliers and incorporated into the relevant contracts.
	Negative social impacts in the supply chain and actions taken	Key risks identified in 2025 relate to modern slavery risks associated with photovoltaic modules, inverters, and tracker technology. Refer to <a href="#">Disclosure 414-1</a> in regard to action taken.
<b>GRI 403: Occupational health and safety 2018</b>		
<b>Disclosure 403-1</b>	Occupational health and safety management system	<p>Todd's HSEMS provides a control framework for identifying and managing health, safety, and environmental risks across operations. It is based on various international standards and established industry systems from relevant industrial sectors.</p> <p>The HSEMS provides a framework for:</p> <ul style="list-style-type: none"> <li>• Effective management of personal and critical hazard safety;</li> <li>• Setting HSE objectives and priorities;</li> <li>• Establishing clear roles and responsibilities to achieve those objectives;</li> <li>• Assuring that Todd complies with its legal obligations; and</li> <li>• Continuous reduction of risk and improvement in performance.</li> </ul> <p>Improvement is supported through annual objectives, improvement plans, internal and external audits of HSE systems and risk, with indicators used to monitor performance. The system is supported by qualified HSE professionals and subject matter experts, underpinned by HSE Standards that incorporate legislative and good-practice requirements.</p>
<b>Disclosure 403-2</b>	Hazard identification, risk assessment, and incident investigation	<p>Todd applies a comprehensive suite of hazard-identification processes across the lifecycle of its plants, projects, operations, and processes. Operations apply good business-practice requirements which include contemporary risk management methods:</p> <ul style="list-style-type: none"> <li>• Risk management principles are based on ISO31000 and set through company risk management standards and 'as low as reasonably practicable' (ALARP) guidelines, supported by techniques such as Layer of Protection Analysis, Process Hazard Analysis, Safety Integrity Level assessments, and BowTie analysis. Risks and associated management practices are subject to regular independent audits and management reviews, with findings tracked to closure and incorporated into continuous improvement plans.</li> </ul>

- A permit-to-work system is used to control activities that may affect or have the potential to affect personnel safety, plant integrity, or the environment.
- A formal Management of Change process ensures that operational changes are assessed and implemented in a manner to minimise unintended consequences.

There are various means for employees to raise safety concerns/improvement suggestions and it is company policy to report hazards and incidents, which are then tracked and investigated as per Todd's Incident and Investigation Standard. Todd's HS policy empowers anyone to stop any job they do not believe is safe, this policy requirement is constantly promoted by all levels of management.

<b>Disclosure 403-3</b>	Occupational health services	Each Division undertakes health risk assessments to identify employee and contractor health hazards, using independent industrial hygienists or competent in-house staff for lower-risk assessments. Local occupational health providers conduct annual health checks aligned with identified hazards. Todd's Industrial Hygiene and Occupational Health Standard defines requirements for managing biological, chemical, physical, ergonomic, and psychosocial hazards. Once a hazard is identified, appropriate control measures are identified. Control effectiveness is categorised using the hierarchy of control, with PPE as the lowest level of control, and residual risks must be reduced to ALARP. Industrial hygiene risks are managed against defined exposure limits, with mitigation and monitoring measures in place to ensure ongoing effectiveness, particularly for biological, chemical, and physical hazards.
<b>Disclosure 403-4</b>	Worker participation, consultation, and communication on occupational health and safety	Todd maintains an employee engagement and participation standard aligned with Australian and New Zealand legal requirements. Operating sites have health and safety committees, comprising worker representatives, that conduct hazard reviews and reviews issues/suggestions raised. Todd's safety culture promotes regular safety education, with training delivered through monthly site safety meetings, daily pre-start meetings, and company-wide sessions, with employees also presenting safety topics.
<b>Disclosure 403-5</b>	Worker training on occupational health and safety	All employees and contractors receive a general HSE induction, with site-specific inductions provided at operating facilities. These cover relevant hazards and emergency procedures. Employees and contractors performing licensed or certified tasks must maintain current qualifications. Task-specific hazard training is delivered through task procedures, and all training is tracked through the training and competency programme and conducted during work hours at the company's cost. Hazardous work is managed under a work-permit system, with contractor licences and training verified at permit issue. Training needs are defined by job role and applicable company, industry, and regulatory requirements. In New Zealand, NZQA-authorized providers or subject matter experts deliver awareness training.
<b>Disclosure 403-6</b>	Promotion of worker health	Across the Group, each Division and facility delivers an annual programme of wellness and wellbeing initiatives promoting physical activity, fitness, nutrition, and mental resilience. Voluntary health checks are available for blood pressure, glucose, and cholesterol. An employee assistance programme provides counselling, financial and career guidance, and personal legal support for employees and their families.
<b>Disclosure 403-7</b>	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	All risks that may impact the organisation, its employees, contractors, or the public must be managed to 'as low as reasonably practicable' (ALARP) in accordance with company policy.
<b>Disclosure 403-8</b>	Workers covered by an occupational health and safety management system	The HSEMS applies to all Todd-operated workplaces, employees, contractors, and operations. It is audited annually through external certification or regulatory bodies, as well as internally by focusing on specific elements each year.
<b>Disclosure 403-9</b>	Work-related injuries	Relevant information is available in our <a href="#">2025 Report on Sustainable Development</a> , under <a href="#">Our People</a> .
<b>Disclosure 403-10</b>	Work-related ill health	Todd has not identified any work-related ill health in 2025.
<b>GRI 405: Diversity and equal opportunity 2016</b>		
<b>Disclosure 405-1</b>	Diversity of governance bodies and employees	Refer to <a href="#">Disclosure 2-9</a> and <a href="#">Data Tables tab</a>

<b>Disclosure 405-2</b>	Ratio of basic salary and remuneration	Todd's gender pay gap as at 31 December 2025 was 44%.
<b>GRI 11: Oil and Gas</b>	Proportion of senior management hired from the local community	Todd's Executive are residents or citizens of New Zealand.
	Incidents of discrimination and corrective actions taken	Todd has not identified any incidents classified as discrimination in 2025.





# Disclosure Data Tables

## Key production / generation metrics

Metric	Unit	2025	2024	2023
Natural gas produced	PJ	35	40	48
Condensate produced	kbbbl	1,017	1,096	1,353
LPG produced	kt	40	40	39
Electricity generated*	GWh	697	717	717

\* includes 100% of electricity generation from cogen units

## Flared gas by field

Site	Unit	2025	2024	2023
Kapuni	TJ	51	102	77
McKee & Mangahewa	TJ	205	66	139
Pohokura*	TJ	13	10	10
Other	TJ	-	-	-
<b>Total</b>	<b>TJ</b>	<b>269</b>	<b>178</b>	<b>226</b>

\* Todd equity

## Consented and permitted subsurface and surface water takes

Company and Site	Unit	2025	2024	2023	Source
<b>Nova Energy</b>					
McKee power plant	ML	77	88	99	Mangaone Stream
McKee power plant	ML	52	72	Not reported	Mangaone Stream through Mangahewa water treatment plant
<b>Todd Energy</b>					
Kapuni gas treatment plant	ML	618	727	781	Kapuni Stream
McKee & Mangahewa production station	ML	25	28	22	Mangahewa Stream
Mangahewa C wellsite	ML	1	< 1	4	Groundwater bore - subsurface aquifer
Mangahewa D wellsite	ML	19	2	< 1	Manganui River and groundwater bore
Mangahewa G wellsite	ML	0	0	6	Wyatt Dam from an unnamed tributary of the Mangahewa Stream

## Reticulated and potable water takes

Company and Site	Unit	2025	2024	2023	Source
<b>Nova Energy</b>					
Fonterra cogeneration unit	ML	235	222	251	Otumahi reticulated supply
Junction road power plant	ML	114	57	87	New Plymouth reticulated supply
<b>Todd Energy</b>					
Kapuni gas treatment plant	ML	2	< 1	3	Waimate West reticulated supply
Kapuni production treatment plant	ML	2	2	11	Waimate West reticulated supply
New Plymouth office	ML	2	2	2	New Plymouth reticulated supply
Combined low reticulated water use sites	ML	8	1	13	Mixed - New Plymouth and Waimate West reticulated supplies

### Total water withdrawn from all sources

Company and Site	Unit	2025	2024	2023
Nova Energy	ML	478	439	437*
Todd Energy	ML	677	763	843
<b>Total</b>	<b>ML</b>	<b>1,155</b>	<b>1,202</b>	<b>1,280</b>

\* Some data was not previously gathered/reported meaning reported values are lower than actual

### Water discharged

Company and Site	Unit	2025	2024	2023	Source
<b>Nova Energy</b>					
McKee power plant	ML	25	16	12	Mangone Stream
McKee power plant	ML	18	25	35	Waitara River
Junction road power plant	ML	29	14	16	Mangorei Stream
<b>Todd Energy</b>					
Kapuni field combined DWI	ML	100	87	138	Mainly produced water DWI into high salinity aquifers
Kapuni storm water run off (est.)	ML	110	110	180	Various catchments
McKee & Mangahewa fields combined DWI	ML	184	166	249	Mainly produced water DWI into high salinity aquifers
McKee & Mangahewa storm water run off (est.)	ML	250	246	250	Various catchments

Note: Minor reticulated water use at Todd offices, which are shared with other entities, was not collated. DWI = Deep Water Injection

### Employees by employment contract

Employment contract	Identity	2025	2024	2023
Permanent (566)	Female	33%	35%	34%
	Male	67%	65%	66%
	Other	0%	0%	0%
Other (15)	Female	66%	42%	52%
	Male	33%	58%	48%
	Other	0%	0%	0%
<b>Total</b>		<b>581</b>	<b>728</b>	<b>764</b>

### Permanent employees by employment contract

Employment contract	Identity	2025	2024	2023
Full-time (527)	Female	29%	30%	30%
	Male	70%	70%	70%
	Other	0%	0%	0%
Part-time (39)	Female	85%	81%	82%
	Male	15%	19%	18%
	Other	0	0%	0%
<b>Total</b>		<b>566</b>	<b>704</b>	<b>741</b>

Note: The 2024 and 2023 data excluded individuals who were eligible but had not met the entitlement threshold as at 31 December of each respective year. For 2025 (and future years) the data includes individuals who had not yet met the entitlement threshold.

**New employees by age group**

Age group	Identity	2025	2024	2023
Under 30 (12)	Female	67%	54%	61%
	Male	33%	46%	39%
	Other	0%	0%	0%
30-50 (11)	Female	64%	54%	48%
	Male	36%	46%	52%
	Other	0%	0%	0%
Over 50 (12)	Female	58%	0%	25%
	Male	42%	100%	75%
	Other	0%	0%	0%
<b>Total</b>		<b>35</b>	<b>41</b>	<b>96</b>

**Turnover by age group**

Age group	Identity	2025	2024	2023
Under 30 (18)	Female	67%	46%	41%
	Male	33%	54%	59%
	Other	0%	0%	0%
30-50 (68)	Female	41%	58%	37%
	Male	59%	42%	63%
	Other	0%	0%	0%
Over 50 (57)	Female	30%	39%	35%
	Male	70%	61%	65%
	Other	0%	0%	0%
<b>Total</b>		<b>143</b>	<b>95</b>	<b>119</b>

**Employees eligible for Todd Parental Leave**

Identity	2025	2024	2023
Female	33%	34%	68%
Male	66%	66%	32%
Other	0%	0%	0%
<b>Total</b>	<b>566</b>	<b>677</b>	<b>664</b>

**Employees commenced Parental Leave or Partner Leave**

Type	2025	2024	2023
Parental leave	13	26	not reported
Partner leave	14	14	not reported
<b>Total</b>	<b>27</b>	<b>40</b>	<b>32</b>

**Employees returned from Parental Leave or Partner Leave**

Type	2025	2024	2023
Parental leave	12	19	not reported
Partner leave	14	14	not reported
<b>Total</b>	<b>26</b>	<b>33</b>	<b>34</b>

**Employees returned from Parental Leave still employed 12 months later**

Retention rate		2025	2024	2023
Parental leave		17 from 26	14 from 20	18 from 30
Total retention rate		65%	70%	60%

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## Our Disclosures: Climate-Related Disclosures

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Climate-Related Disclosures

Additional Information





# Climate-Related Disclosures

Disclosure	Detail
<p>Todd is not classified as a Climate Reporting Entity and is therefore not subject to mandatory compliance with the NZ CS. The disclosures presented herein are provided on a voluntary basis and are not intended to meet, nor should they be relied upon as meeting, the requirements of the NZ CS. Todd has elected not to disclose current or anticipated financial impacts as part of these disclosures.</p>	
<p><b>Governance</b></p>	
<p>Governance body responsible for oversight of climate-related risks and opportunities</p>	<p>Todd's governance approach in relation to climate-related matters is outlined in the <a href="#">2025 Report on Sustainable Development</a>, under <a href="#">Governance</a>. The Board's Audit and Risk Committee (ARC) serves as the primary governance body with responsibility for oversight of climate-related risks and opportunities.</p>
<p>Governance body's oversight of climate-related risks and opportunities</p>	<p><u>Process and frequency</u>            In 2025, climate-related topics were presented to the ARC in April, August and December. This reporting is supported the CEO and CFO reports to the Board, issued at each Board meeting, which provide further climate-related insights international and domestic policy and the New Zealand carbon market.</p> <p><u>Skills and competencies</u>            Todd has an ongoing programme to upskill the Board in relevant areas. The Todd Board has developed a Board Skills Matrix to ensure it has the capabilities needed for effective governance, which is provided in the <a href="#">2025 Report on Sustainable Development</a>, under <a href="#">Governance</a>. An education session on Effective Climate Governance was delivered an external provider at the December ARC.</p> <p><u>Governance of strategy</u>            Todd's transition planning is refreshed annually, endorsed by the ARC and approved by the Board.</p> <p><u>Governance of metrics and targets</u>            The Todd Board has responsibility for approving Todd's emissions targets. Progress against Todd's emissions and other sustainability targets is provided to the ARC at each committee meeting and reported externally via the Sustainable Development Report. Executive and employee performance incentives are linked to the Todd scorecard creating a direct linkage with remuneration. For 2025, sustainability performance contributed 15% to the scorecard included continuing progress towards Todd's 2030 intermediate emissions target and commencing the construction Te Rahui Solar Farm.</p>
<p>Management's role in assessing and managing climate-related and opportunities</p>	<p><u>Assignment of climate-related responsibilities</u>            Todd's management approach is outlined in the <a href="#">2025 Report on Sustainable Development</a>, under <a href="#">Governance</a>, with CFO holding responsibility at the Executive level.</p> <p><u>Organisational structure</u>            Todd's sustainable development governance framework is illustrated in the <a href="#">2025 Report on Sustainable</a> under <a href="#">Governance</a>.</p> <p><u>Organisational structure</u>            In addition to ARC reporting, climate-related risks and opportunities are presented to the Executive when there are material changes. In 2025, Todd refreshed the anticipated financial impacts of climate-related risks, which were presented to the Executive in November and to the ARC in December.</p>
<p><b>Strategy</b></p>	
<p>Current climate-related impacts</p>	<p>As a major energy provider, Todd is increasingly exposed to transitional impacts. Transitional impacts, to date, have been focused on three areas:</p> <ul style="list-style-type: none"> <li>• Cost. Todd has heightened exposure to carbon pricing due to owning natural gas assets. Kapuni is the Todd asset most exposed due to the comparably high CO<sub>2</sub> content of the produced natural gas, which needs to be removed from the gas stream prior to sale.</li> </ul>

	<ul style="list-style-type: none"> <li>• Policy. New Zealand lacks a durable and coherent policy framework that clearly outlines the role that natural gas need to play as New Zealand transitions to a low-emissions economy, and which enables investment in energy. This lack of policy clarity has harmed investment in the gas sector and has constrained the speed at which renewable generation can be brought to market.</li> <li>• Debt. Increased difficulty in obtaining debt funding for fossil-fuel related investment as lenders seek to manage (and reduce) their exposure to fossil fuels.</li> </ul> <p>To date, Todd has experienced minimal physical impacts across its New Zealand assets.</p>
Scenario analysis undertaken	<p>Todd's three climate scenarios (Orderly Transition, Challenging Transition and Hothouse World) are shared on the tab and have been developed with reference to the External Reporting Board (XRB) guidance material.<sup>1</sup> These scenarios were developed across 2023 and 2024. In developing these scenarios, Todd drew on the following sources, consistent with XRB guidance:</p> <ul style="list-style-type: none"> <li>• Intergovernmental Panel on Climate Change (IPCC) scenarios for global socio-economic projections.</li> <li>• Network for Greening the Financial System (NGFS) scenarios for global climate-policy, emissions and pathways.</li> <li>• NIWA's summary of projected regional climate change hazards based on the IPCC Representative Concentration Pathways (RCP).</li> <li>• Climate Change Commission's (CCC) scenarios from <i>Ināia tonu nei: a low emissions future for Aotearoa advice</i>.</li> <li>• The Aotearoa Circle's published Energy Sector Climate Change Scenarios.</li> </ul>
Climate-related risks and opportunities	<p>Todd's three climate scenarios were used to identify Todd's climate-related risks and opportunities, which are on the next tab. In future, it is intended to incorporate this work more explicitly into Todd's wider risk management approach to ensure alignment.</p> <p>When considering climate-related risks and opportunities, Todd uses the following timeframes:</p> <ul style="list-style-type: none"> <li>• Short term: 2026-2028</li> <li>• Medium term: 2029-2035</li> <li>• Long term: 2036-2050</li> </ul> <p>These timeframes align with Todd's planning horizons and New Zealand's emissions budgets and targets.</p>
Anticipated climate-related impacts	<p>In 2025, Todd estimated the potential financial impacts of its climate-related risks through two lenses: impact and likelihood. This assessment enables the risks to be evaluated against Todd's Risk Assessment Matrix, which categorises risks via four levels (severe, high, medium or low) and allows climate-related risks to be ranked alongside non-climate risks. As a privately owned company, Todd does not disclose detailed financial information.</p>
Transition planning	<p>Todd's transitional planning is guided by the UK's Transition Plan Taskforce: Oil and Gas Sector Guidance and our ambition to build a resilient, diversified business by:</p> <ul style="list-style-type: none"> <li>• Decarbonising in a manner that is aligned with New Zealand's transition. Todd has set a 2030 intermediate target aligned with New Zealand's Nationally Determined Contribution (NDC) and a net-zero target aligned with Zealand's 2050 emissions target.</li> <li>• Contributing to an economy-wide transition. Todd is increasing its investment in renewable energy with a focus on grid-scale solar generation, with Te Rahui solar farm being our first material project in this space.</li> <li>• Responding to Todd's climate-related risks and opportunities. While Todd remains committed to its core energy assets, it will also focus on opportunities for renewal and improvement to ensure the company is future focused.</li> </ul>
<b>Risk management</b>	
Processes for identifying, assessing and managing climate-related risks	<p>Todd bases its risk management framework on recognised standards. Todd's Risk Management Policy sets out how is managed at Todd, including roles and responsibilities and the overall process. Todd uses a Group Risk Matrix to assess risk, which is a framework that considers the impact and likelihood of risks occurring, as well as the effectiveness of mitigation efforts, to determine a risk rating. The risk rating determines the level of governance to review and evaluate the controls and risk reduction measures in place.</p> <p>In 2024, Todd established a cross-functional team to update and quantify climate-related risks. The assessed using internal stakeholder engagement, discounted cash-flow modelling, peer benchmarking, and</p>

monitoring of regulatory and market developments. This work was completed in 2025 and presented to the Executive and the Audit and Risk Committee.

How processes for identifying, assessing and managing climate-related risks are integrated into its overall risk management processes

Todd's risk approach in relation to climate-related matters is outlined in the [2025 Report on Sustainable](#) under [Risk management](#)

## Metrics & Targets

GHG emissions and other metrics

### GHG emissions

Todd's GHG emissions are provided in the [2025 Report on Sustainable Development](#), under [Metrics and targets](#). GHG emissions are measured in accordance with the GHG Protocol and consolidated on an equity approach. The majority of emission factors used are either determined by direct measurement or are taken from the Ministry for the Environment publications, and AR5 global warming potentials are used. In preparing Todd's GHG Inventory measurement we prioritise Todd's core assets, material emission sources and alignment with Todd's emissions targets. In accordance with this, Todd only reports one Scope 3 category (Category 11) and does not include associated with non-energy investments.

### Other

Todd uses an internal emissions price path and, as per above, Executive and employee remuneration is linked to sustainability performance.

Relevant industry-based metrics used to manage climate-related risks and opportunities

Todd prepares disclosures with reference to the GRI, including the GRI's Oil and Gas Sector 2021 Standard.

Key performance indicators used to manage climate-related risks and opportunities

*Relevant information is available in the [2025 Report on Sustainable Development](#), under [Evaluating progress: How performed against our 2021-2025 targets](#).*

Targets used to manage climate-related risks and opportunities

### Targets

Todd's emissions targets, and its performance against them, are provide in the [2025 Report on Sustainable Development](#), under [Metrics and targets](#).

### Rationale

Todd's 2030 intermediate emissions target has been developed to align with New Zealand's commitments under the Paris Agreement, which aims to hold the increase in global average temperature to well below 2°C and pursue efforts limit warming to 1.5°C above pre-industrial levels. New Zealand's first Nationally Determined Contribution (NDC1) commits to reducing net greenhouse gas emissions to 50% below gross 2005 levels by 2030. When applied through a multi-year emissions budget beginning from New Zealand's 2020 emissions target, NDC1 corresponds to a 41% reduction.<sup>2</sup> Todd's decision to align its 2030 target with NDC1 reflects the close connection between New Zealand's national decarbonisation pathway and Todd's own transition trajectory as a major energy provider.

1. Staff Guidance Entity Scenario Development, September 2023, XRB

2. Submission under the Paris Agreement. New Zealand's first Nationally Determined Contribution. Updated 4 November 2021.



# Climate-Related Disclosures: Additional Information

Todd's hypothetical climate change scenarios

	Orderly Transition 1.5 °C	Orderly Transition 1.5 °C	Orderly Transition 1.5 °C
Transitional risk	Low	High	Low
Physical risk	Low	Low	High
<b>Global scenarios</b>	IPCC: Sustainability NGFS: Net-zero 2050	IPCC: Middle of the road NGFS: Delayed transition	IPCC: Fossil fuel development NGFS: Current policies
<b>New Zealand scenario alignment</b>	RCP 2.6 CCC Tailwinds	RCP 4.5 CCC Headwinds	RCP 8.5 CCC Current Policy
<b>Aotearoa Circle alignment</b>	Coordinated effort	Trailblazer Slow follower	Hot house
<b>Policy &amp; technology change</b>	Fast	Delayed	Slow
<b>Carbon dioxide removal</b>	High	Medium	Low
<b>Regional policy variation</b>	Medium	High	Low
<b>Carbon price</b>	Medium	High	Low
<b>Global context</b>	<p>Global commitment and collaboration on climate action accelerates, driving more stringent climate policies and technological innovation. These developments support a least-cost global transition to net zero.</p> <p>The transition progresses in an orderly manner that balances the energy trilemma, with limited disruption to markets and supply chains.</p>	<p>A more fragmented global landscape leads to contested international commitments and a shift in domestic economies toward prioritising resilience over efficiency.</p> <p>The delayed start to coordinated action, combined with uneven levels of commitment across countries, results in reduced innovation and technology sharing, and increased pressure on supply chains. The transition ultimately occurs, but it is more volatile, more expensive, and more disruptive than in an orderly scenario.</p>	<p>Limited global effort to accelerate the transition results in the world continuing along an energy-intensive pathway, leading to significant global warming.</p> <p>Although this scenario produces relatively high global GDP, economies rely on this additional wealth to absorb the increasingly severe and unavoidable physical impacts of climate change.</p>
<b>New Zealand context</b>	<p>New Zealand establishes a durable and coherent policy framework that is closely aligned with the transition to a low-emissions economy.</p> <p>Natural gas continues to play a core, though gradually declining, role in the national energy mix, supporting electrification and providing a transitional pathway to emissions reduction through to 2050 alongside other energy sources. Significant investment occurs across a broad range of electricity-generation technologies, including peaking capacity and solar.</p>	<p>The absence of a durable and coherent policy framework leads New Zealand to pursue a higher-cost pathway to net-zero emissions.</p> <p>Reduced investor confidence results in insufficient upstream investment in natural gas to meet demand, compromising security of supply for electricity generation. This slows the transition and increases reliance on forestry to achieve emissions-reduction targets.</p>	<p>New Zealand does not prioritise the transition away from fossil fuels, resulting in slower decarbonisation. The country becomes increasingly reliant on imported fossil fuels to meet demand, and no practical or cost-effective alternative to thermal peaking is identified or required.</p> <p>As global emissions continue to rise, this scenario leads to more frequent and severe extreme weather events, particularly in the second half of the century. Physical risks intensify, placing growing pressure on infrastructure, communities, and supply chains.</p>

**Summary of key climate-risks and opportunities for Todd**

ASSET VULNERABILITY AND MANAGEMENT			
TIME HORIZON	MEDIUM TO LONG-TERM	RISK CATEGORY	PHYSICAL
<b>RISK</b>		<b>OPPORTUNITY</b>	
<p><b>Increased frequency/severity of extreme weather events and/or impact of long-term climate trends</b></p> <p>Results in increased damage, maintenance requirements and operating constraints for Todd’s assets, and increased risk of periodic loss of access to third-party infrastructure, e.g. pipelines and storage.</p> <p>Cost of insurance increases as global temperatures rise and may become unavailable for certain areas or hazards.</p>		<p><b>Firming/storage capability to support intermittent renewable energy supply</b></p> <p>Results in a greater reliance on Todd’s firming generation and a need to develop energy storage solutions to manage intermittent demand.</p>	
MARKET EVOLUTION AND INVESTOR UNCERTAINTY			
TIME HORIZON	SHORT TO MEDIUM-TERM	RISK CATEGORY	TRANSITION
<b>RISK</b>		<b>OPPORTUNITY</b>	
<p><b>Natural gas demand destruction</b></p> <p>Reduces the need for supply side investment in the upstream business and, in the extreme case, could result in reduced cash flow, stranded assets, and accelerated decommissioning costs.</p> <p><b>Failure of the sector to adequately invest in/develop low emissions energy assets</b></p> <p>Due to constraints on the ability of the sector to invest, there is a risk of underinvestment which undermines energy security, leads to deindustrialisation and/or increases reliance on imported energy.</p> <p><b>Availability of debt and insurance</b></p> <p>Greenfield upstream investment becomes more challenging as the financial services industry seeks to reduce its exposure to fossil fuels.</p>		<p><b>New markets for low-emissions energy sources and associated downstream products</b></p> <p>Todd’s immediate opportunity is the investigation of opportunities adjacent to the existing business such as solar, batteries, biogas, biomass, EV charging, geothermal drilling and carbon capture, utilisation and storage.</p> <p>Over time expectation is that more renewable and low emissions fuel/technology will be developed that will seek investors to help grow the opportunity.</p>	
POLICY AND REGULATORY UNCERTAINTY			
TIME HORIZON	SHORT TO MEDIUM-TERM	RISK CATEGORY	TRANSITION
<b>RISK</b>		<b>OPPORTUNITY</b>	
<p><b>Lack of a coherent and durable policy framework</b></p> <p>For the energy sector, this undermines market confidence reducing investment in natural gas infrastructure and development, and constrains the speed at which renewable and other low emissions alternatives can be brought to market.</p> <p><b>Resource consenting becomes more challenging</b></p> <p>For the energy sector, this undermines market confidence, as per above.</p> <p><b>Increased volatility and/or cost of carbon</b></p> <p>Has similar impacts to natural gas demand destruction. In addition, pricing volatility weakens the market signal to decarbonise, undermining investment in renewables and low-emissions opportunities.</p>		<p><b>Sector-led coordination, in partnership with Government, to accelerate the transition</b></p> <p>Supported by durable policy settings, this will help enable Todd’s renewable developments through appropriate partnerships and ensure natural gas is prioritised for customers/needs without viable low emissions alternatives.</p>	

SOCIAL LICENCE			
TIME HORIZON	MEDIUM TO LONG-TERM	RISK CATEGORY	TRANSITION
<b>RISK</b>		<b>OPPORTUNITY</b>	
<p><b>Climate-related litigation</b>            Could require legal defence costs, significant management focus and, if successful, potential financial penalties and changes to strategy or operations.</p> <p><b>Loss of support for Todd's activities and inability to attract/retain employees</b>            Companies perceived as lagging will lose social licence for continued operations in New Zealand, potentially facing difficulties in consenting, operational disruptions, higher decommissioning costs and reduced access to debt. This risk will be heightened if New Zealand decarbonises more slowly than planned and public concern about the impact of climate change strengthens.</p>		<p><b>Enabling affordable and resilient energy that supports an equitable transition</b>            Enabling Todd to maintain social licence by using natural gas to support energy security whilst developing a long-term sustainable business based on a diverse range of renewable energy and storage opportunities.</p> <p><b>New employment and partnership opportunities with community stakeholders</b>            Combined with a need to support a Just Transition for regions that will be most impacted by the transition.</p>	

