

Our transition to a sustainable future

Sustainability Report 2021



Channel

Infrastructure NZ

About this report

Our reporting

Channel Infrastructure NZ Limited's (Channel Infrastructure) 2021 environmental, social, and governance (ESG) disclosures comprise this Sustainability Report (Report), the 2021 Annual Report, and its Governance Statement. These documents form an integrated suite of reports and should be read in conjunction with each other, and where possible, we have drawn links between each. They are all available for download at: www.channelnz.com, alongside several underlying documents and policies referred to throughout this Report.

This report

While Refining NZ has reported on ESG issues since 1996, this is the Company's first standalone Sustainability Report and the first report published as our new business: Channel Infrastructure.

This Report provides an overview of our approach, progress and performance in relation to Channel Infrastructure's most material ESG issues. This report is provided for the benefit of all our stakeholders as a clear and concise summary of Channel Infrastructure's sustainability performance during the reporting period and our objectives for the year ahead. This Report discloses performance information for the year ending 31 December 2021. The data presented in this report is unaudited, however, in the case of Scope 1 and 2 emissions, is subject to review by the Ministry of Environment under our Negotiated Greenhouse Agreement.

We intend to continue this reporting on an annual basis. We are committed to continuous improvement of our ESG reporting practices and value our stakeholder perspectives. We welcome feedback on this Report and our performance. To do so, please email us at investorrelations@channelnz.com.

Alignment with reporting standards

As a pioneer in New Zealand's climate transition, Channel Infrastructure is also committed to being a leader in climate disclosure and reporting. In September 2020, the New Zealand Government announced that climate-related financial disclosures, based on the Taskforce on Climate-related Financial Disclosures (TCFD) recommendations, will be mandatory for all publicly listed companies and expected to apply for years starting from 2023 onwards.

In 2022, Channel Infrastructure has published its first Sustainability Report, aligned with the recommendations of the TCFD, more than a year ahead of mandatory reporting in 2023. We have done this to signal our ongoing commitment to climate action, and to ensure a long-term sustainable future for our business. We intend to continue improving our climate-related financial disclosures and to monitor and respond to evolving and emerging domestic and international ESG reporting standards and industry best practice as they develop.

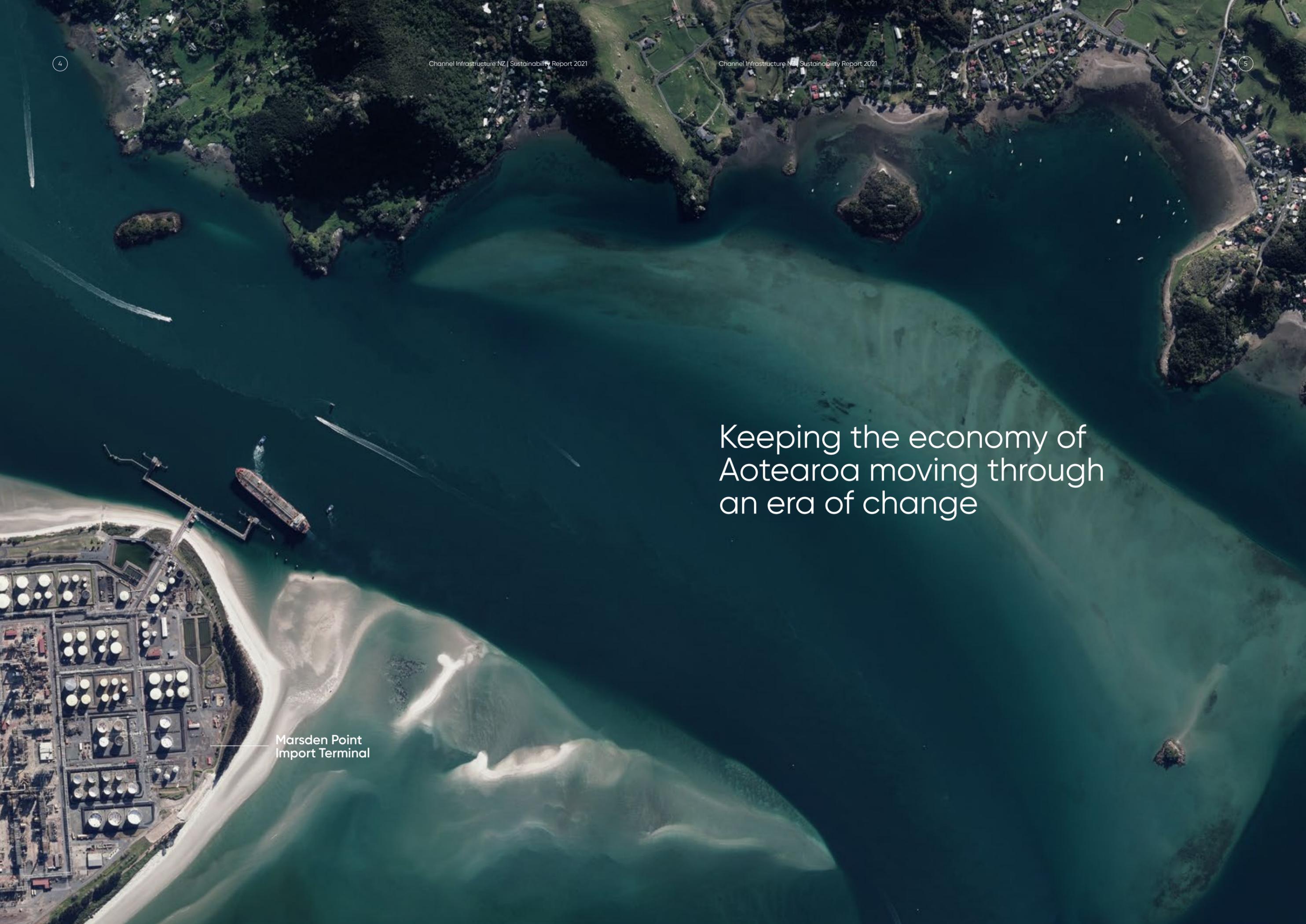
This Report has been prepared in consideration of relevant climate and ESG reporting standards, including the TCFD recommendations and the Global Reporting Initiative Standard (GRI): Core Option (which the Company has reported against since 2017). It is also prepared in compliance with the NZX Corporate Governance Code and ESG Guidance Note.

Contents

01 About Channel Infrastructure	6	Transition & ESG Reporting	25
02 Message from the CEO	8	05 Sustainability Management & Governance	26
		2021 Sustainability Highlights	27
Refining NZ to Channel Infrastructure: Our Transition Journey	13	Identifying Our Most Material Sustainability Issues	28
03 Our Climate Change Position Statement	14	Corporate Governance	31
04 Our Transition Pathway	16	06 Climate Change and TCFD	34
Context	17	Governance	36
Our Transition	18	Strategy	37
The Role of Channel Infrastructure in the Climate Transition	20	Risk Management	47
Our Transition Roadmap	22	Metrics and Targets	47
Our Targets	24	07 Environmental Performance	48
		08 People, Diversity & Community	54
		Health, Safety and Wellbeing	55
		Diversity & Community	59
		09 Annexure	64

Keeping the economy of
Aotearoa moving through
an era of change

Marsden Point
Import Terminal



01

About Channel Infrastructure

Channel Infrastructure is New Zealand's leading fuel infrastructure company and builds upon the proud 60-year history of Refining NZ, and our operations at Marsden Point.

Following a Strategic Review to determine the most viable way forward for our business, we have ceased refining operations in 2022 and our core business is now the operation of the fuel import terminal. Channel Infrastructure imports, stores, tests and distributes fuel owned by our customers.

Channel Infrastructure utilises Marsden Point's deep-water harbour and jetty infrastructure, 280-million litres of storage tanks and the 170-kilometre Marsden Point to Auckland Pipeline to distribute fuel to the Auckland and Northland regions.

Our transition from New Zealand's only oil refinery has meant a big change to how we keep New Zealand moving. We have a proud 60-year history of operating our heavy industrial site safely and efficiently, and we have a long-term commitment to continuing operations on our site in a way that brings benefit to our wider community.

In addition to the terminal business, Channel Infrastructure is well positioned to support New Zealand's changing future fuel needs.

We are here to keep Aotearoa New Zealand's economy moving through an era of change, and as New Zealand moves towards a lower-carbon future, our infrastructure will be essential as New Zealand's fuel and energy needs evolve.

Channel Infrastructure NZ Limited

Energy to keep things moving

OUR VISION

New Zealand's leading fuel infrastructure company

OUR STRATEGIC PRIORITIES



02

—
 Message
 from the CEO

Naomi James
 Chief Executive Officer



It is with great pleasure that I present the first Sustainability Report for Channel Infrastructure, New Zealand's leading fuel infrastructure company.

We know that the world is warming and that carbon emissions from human activity, including transport, are contributing to this. We are all seeking new and more efficient energy solutions, which are lower-carbon, affordable and available when we need it. Infrastructure has a critical role to play as we work together to find these solutions.

Channel Infrastructure is already contributing, delivering fuel to New Zealand's largest population centre, Auckland, via the Marsden Point to Auckland Pipeline, with one tenth of the emissions of the equivalent delivery of fuel via road. But we know there is more we can – and will – do to support New Zealand's transition towards a lower-carbon economy.

Our business is in a period of huge change, as we recently shifted from operating New Zealand's only oil refinery, a role we proudly held for almost 60-years, to become a fuels import terminal, and provider of critical energy infrastructure. This change in our operations has established a strong base for long-term sustainable operations at Marsden Point, and we hope this will also support a change in New Zealand's long-run fuel mix and the decarbonisation of the transport sector.

We have been proud to support New Zealand's transport needs for the past six decades, and we're looking forward to working with our stakeholders, our community and our government for many more as a partner in New Zealand's energy transition and a critical infrastructure provider to keep Aotearoa moving.

Our climate commitment

Since the Paris Agreement came into force in 2016, the international community has coalesced around a common goal to limit global warming. Channel Infrastructure is committed to doing our part to align with the targets set under the Paris Agreement to keep warming well below 2 degrees and to pursue efforts to limit the temperature increase to 1.5 degrees. This commitment reflects the latest science and is aligned with the New Zealand Government's ambitions in the Zero Carbon Act, which itself informs our local operating environment.

We recognise that fuel and the transport sector significantly contribute to climate change. Emissions from transportation, which is still largely powered by fossil fuels, make up around 21 per cent of New Zealand's annual greenhouse gas emissions. Supporting New Zealanders to transition to low carbon transport options is therefore essential.

Channel Infrastructure not only takes responsibility for, and commits to reducing our direct greenhouse gas emissions, but also recognises our responsibility in enabling decarbonisation beyond our operations and across New Zealand's transport sector. It is therefore our ambition to keep Aotearoa moving towards a greener future, and to play an enabling role in this future by utilising the full potential of our infrastructure and the Marsden Point site to support decarbonisation efforts.

As the world transitions to a low carbon economy, we will be increasingly exposed to a suite of climate transition risks – from increasing carbon prices to reduced fuel demand caused by an uptake in electric vehicles and the challenge of keeping transport energy affordable and available to everyone. We see these challenges as opportunities for leadership, inclusive growth, and adaptation. It is our hope that Channel Infrastructure's transition, and how we execute this transition, will set industry best practice for an effective and just transition.

Our transition journey

Refining NZ has been a leader in investment in decarbonisation in New Zealand over the last two decades, being the first company to sign a Negotiated Greenhouse Agreement in 2003 and delivering a 120,000 tonne reduction in CO₂ emissions per annum through the Te Mahi Hou project in 2015.

Through our change from refinery to import terminal operations in early 2022, our Scope 1 and 2 emissions are reducing by 98 per cent or over 1 million tonnes of CO₂ per annum,¹ contributing approximately one-third of New Zealand's first five-year Emissions Reduction Plan.²

Initially, direct Scope 1 and some indirect Scope 2 emissions will move upstream in our value chain. However, our throughput volumes will fall, and we expect the intensity of the emissions associated with the fuel passing through our infrastructure will decrease with the opportunity for our customers to source fuel from larger, more energy efficient refineries in Asia. As such, even as the position of our value chain emissions changes, we anticipate that due to the above efficiencies and volume changes, the overall emissions relevant to our value chain will fall. We are committed to actively working with our customers to measure and monitor Scope 3 emissions and to mitigate these to the best of our abilities, including by pursuing the use of our facilities to support biofuel consumption in New Zealand.

Our transition is also reducing the broader environmental impact of our operations, with reduced demand for electricity and water, no requirement for gas, and reductions in other emissions from our site. Our reduced demand for electricity and gas should lower demand for thermal generated electricity, particularly coal-fired electricity generation in New Zealand. This should also benefit New Zealanders by providing relief from the supply shortages present in electricity and gas markets.

While our transition will have very little impact for most New Zealanders, it involves significant change for our workforce and local community. We are focused on playing our role in a just transition, by supporting our workforce with retraining and finding new jobs, looking for growth opportunities at our site which can create new jobs and working with our local community to attract new opportunities to the Northland region. We know that many families have been a part of the Refining NZ story over generations, and this year we are acknowledging and celebrating the proud legacy of Marsden Point, which is on display at our Visitor Centre – open to the public from April to June 2022.

Our plans for the future

As we transition to our new business model as a provider of critical energy infrastructure, we are focused on establishing a strong base for the future sustainability and growth of our business.

A key part of this work is the release of this Sustainability Report which includes our first TCFD disclosure and decarbonisation targets. Our targets are focused on those areas where our actions can have the greatest impact in mitigating the risks and realising the opportunities from climate change for our business.

Our immediate focus is on supporting those impacted by the change from refinery to terminal operations, setting ourselves a target in 2022 to have at least 90 per cent of people impacted by the changes in new

jobs or retraining within six months. As we complete this transition, our focus will shift to addressing our remaining direct emissions, being our Scope 2 emissions from electricity consumption. We see opportunity to move to fully renewable energy supply through our Maranga Rā solar project, with other solar projects and batteries also being planned for the Northland region.

Over the longer term, our ambition is to explore how we can use our infrastructure to help address customer emissions from the transport sector across the value chain, with opportunities to use our Marsden Point infrastructure to support the biofuels mandate due to come into effect in 2023 and to support the future transition to Sustainable Aviation Fuel (SAF).

We are also looking at the potential for alternate forms of energy to be produced or stored at Marsden Point; with Fortescue Future Industries (FFI), undertaking a study into industrial scale green hydrogen production at Marsden Point.

Marsden Point has much potential, with a long-term site resource consent in place, deep harbour and jetty access, industrial electricity and gas connections, and proximity to the largest population base in New Zealand. The future is hard to predict, but with these fundamentals and investments in low carbon energy opportunities, Marsden Point will always have an important role to play in the New Zealand energy system.

In addition to setting targets for our mitigation actions, we have been undertaking further work to assess the potential financial and physical risks of climate change to our business. While demand for petrol and diesel is expected to start to decline by the end of this decade, jet fuel demand is expected to continue to grow and, in the future, our infrastructure has the potential to play a key role in the transition to SAF. We also have further work planned this year to develop the adaptation measures that might be required to ensure our Marsden Point site remains resilient to rising sea levels.

Our commitments as a responsible operator

We have proudly been a part of the Northland community for over 60 years, and our commitment to being a responsible operator and corporate citizen remains unchanged.

We have partnered with tangata whenua who have mana whenua over the land and sea upon which we operate. We have a commitment to recognising the intergenerational impact our operations have had on iwi cultural values.

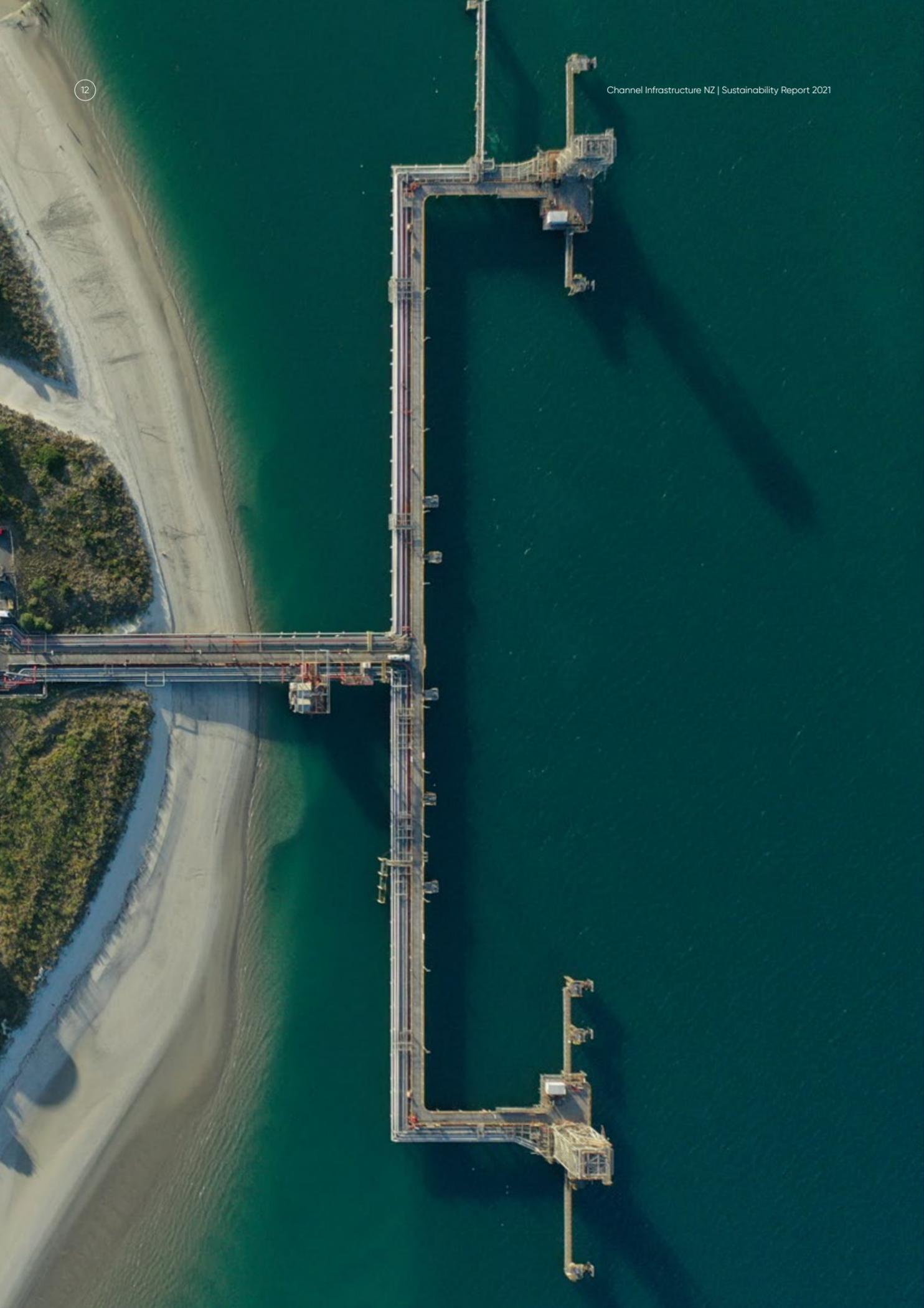
Working with our iwi partners, and the wider community, we are committed to maintaining and enhancing (where possible) the environment in which we operate. We have a 35-year resource consent to continue operating a heavy-industrial site at Marsden Point. The conditions of our consent include strict protections to maintain the environmental standards that we have in place at Marsden Point, and the length of this consent underlines our commitment to remaining a part of this community for generations to come.

The safety of our people remains our number one priority, and in everything that we do, now and in the future, we have strong safety protocols and procedures in place to ensure that each and every member of our team can go home safely every day. We are proud of our record, as we recently passed the significant milestone of two years without a recordable injury on site.

As we look to the future of our new business, we do so with a clear plan and a commitment to the role we will play – both in our business transition and through the contribution we will make to New Zealand's energy transition.

¹ Compared to 2019 CO₂ emissions.

² This figure has been calculated with reference to the New Zealand Government's proposed carbon budgets for 2022-25 (<https://environment.govt.nz/assets/publications/Emissions-reduction-plan-discussion-document.pdf>).



Refining NZ to Channel Infrastructure: Our transition journey

03

Our Climate Change Position Statement

Our Position

Channel Infrastructure is committed to doing its part to align with the Paris Agreement target to keep warming well below 2 degrees and to pursue efforts to limit the temperature increase to 1.5 degrees. This commitment reflects the latest science and is aligned with the New Zealand Government's ambitions in the Zero Carbon Act, which itself informs our local operating environment.

We recognise that fuel and the transport sector significantly contribute to climate change.

Climate change will impact our company, the local community, New Zealand and the planet, including through rising sea levels, temperature change and unpredictable weather patterns. Climate change presents operational and financial risks to the company, as well as opportunities.

Our Approach

Our approach to climate change considers both the risks and opportunities arising from climate change and the necessary transition to a low carbon economy. We consider these activities to be core to our business as part of our strategic objective to deliver continued value to our shareholders and our customers.

Our role is to keep Aotearoa New Zealand moving. We believe infrastructure has a critical role to play in finding solutions which deliver low-carbon transport energy which is affordable and available when we need it.

We will seek to reduce our carbon footprint, build resilience to the physical and transition risks related to climate change, and contribute responsibly to the achievement of New Zealand's decarbonisation goals. We will also seek to utilise our strategic infrastructure to support others, particularly through innovation in the energy and fuels sector, to reduce carbon emissions.

Our Commitments

Channel Infrastructure is committed to:

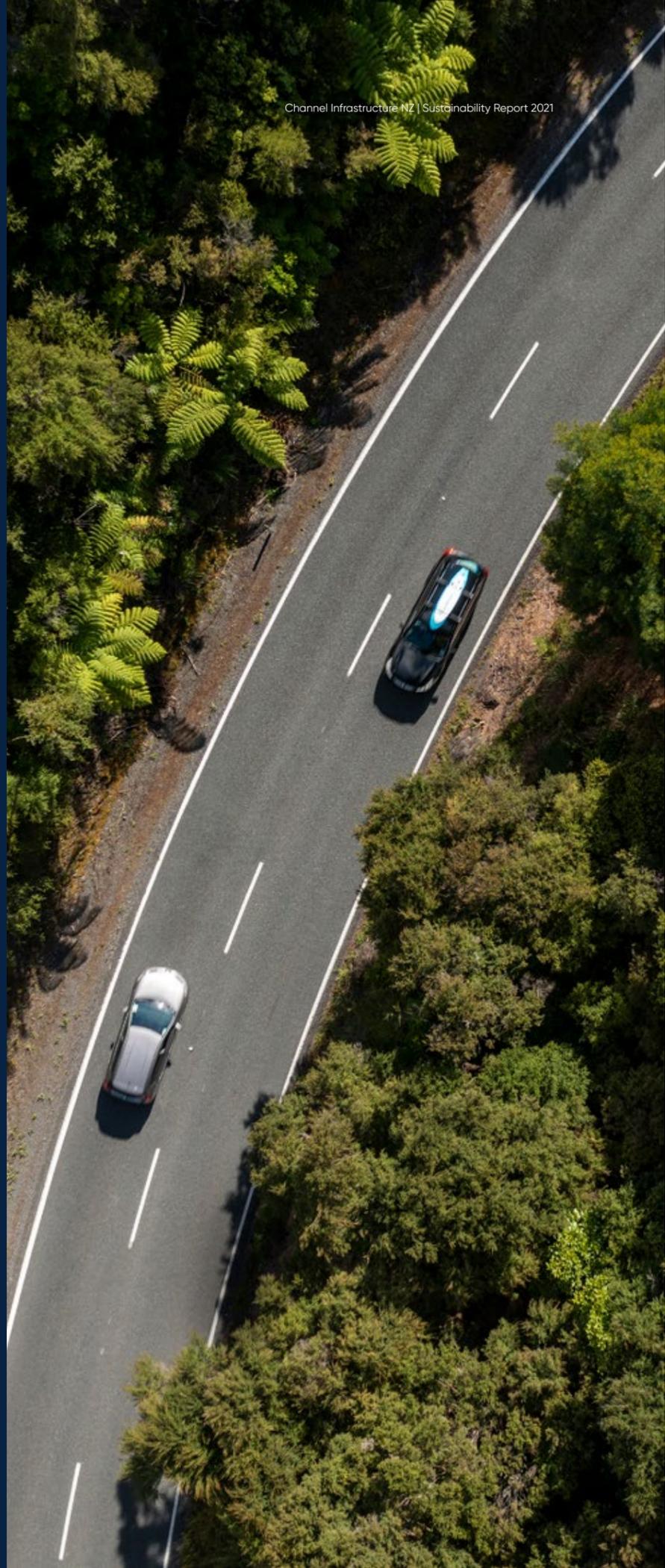
- Identifying, assessing and managing material physical and transition related climate driven risks to the long-term sustainability of our business;
- Setting and publishing meaningful short, medium and long-term targets to encourage innovation and drive reductions in our Scope 1 and 2 greenhouse gas emissions;
- Exploring opportunities to reduce customer Scope 3 emissions and contribute to the decarbonisation of the New Zealand transport sector by enabling the supply of low-carbon fuels and zero-carbon fuels to New Zealand;

- Working with customers, suppliers, Government, and our local community on a just transition to a low-carbon economy; and
- Annually reporting on our climate approach, progress and performance in alignment with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Ongoing review

The Board commits to annually reviewing this Climate Change Position Statement and the company's performance in delivering on the commitments in this Statement.

04

Our
Transition
Pathway

Context

We are undertaking our transition in a rapidly moving policy environment which is supporting changes in our operations and driving change in our customers' needs and behaviours.

Refining NZ had a long history of working with the New Zealand Government to reduce emissions, and a proud history of investing to ensure we remain leaders in this area. Refining NZ was the first company to agree a Negotiated Greenhouse Agreement (NGA) with the Crown in 2003. Between 2003 and 2019, the refinery increased its capacity to process crude oil. Despite the increase in volumes, energy intensity reduced by 12 per cent and the Te Mahi Hou project delivered CO₂ emissions reductions of 120,000 tonnes per annum.

In 2021, we made the decision to transition from refinery to import terminal operations. The decision followed an 18-month Strategic Review, involving extensive engagement with a range of stakeholders including customers and the Government. The Strategic Review was undertaken in the context of historically low levels of refining margins exacerbated by the impacts of COVID-19, and structural challenges to the competitiveness of the refinery due to the relatively small scale and higher cost of operating in New Zealand, when compared to newer Asian refineries, including significant increases in electricity and gas costs.

In addition, we have been conscious of the global movement towards, and New Zealand's focus on, reducing carbon emissions, with the emergence of new challenges and opportunities expected in the transition to low-carbon transport fuels over time. Following the introduction of New Zealand's national 2050 target to reach net zero greenhouse emissions (excluding biogenic methane), we identified that our existing business model would have been increasingly exposed to cost pressures presented by the national Emissions Trading Scheme.

We also expect change in the future of transport fuels. Prior to the COVID-19 impacts on jet fuel demand, our supply to Auckland and Northland comprised c. 30%

petrol, c.30% diesel and c.40% jet fuel. The Climate Change Commission (CCC)'s advice to Government suggests that light vehicles are likely to decarbonise via electrification over the next 30 years, while biofuels and hydrogen-based solutions, are expected to be the main solution used in heavy transport, aviation, and shipping.³ Although there are a range of potential scenarios, most forecasts (including those we use) predict a decline in petrol followed by diesel demand due to the uptake of electric vehicles commencing sometime in the coming decade, but an increase in jet fuel demand over time.

Channel Infrastructure has the opportunity to support and provide for these changing transport fuel needs. Increasing New Zealand's biofuel supply is one example. In December 2021, the Ministry of Business, Innovation and Employment (MBIE) and the Ministry of Transport (MoT) released the final policy design for the Sustainable Biofuels Mandate,⁴ which encourages increased biofuel uptake of land transport fuels in New Zealand.⁵ MBIE and Air New Zealand are currently partnering to explore options for Sustainable Aviation Fuel (SAF) in New Zealand, with Air New Zealand setting a 10 per cent target for use of SAF by 2030. Production at Marsden Point is one option being considered.

Our Marsden Point infrastructure will be able to support increasing imports of biofuels. Our Marsden Point to Auckland pipeline, which can transport second-generation fuels, can deliver these fuels to market at one-tenth of the emissions of equivalent transport by road.⁶ As a key part of the transport fuels supply chain into New Zealand's largest market (Auckland), Channel Infrastructure's import terminal infrastructure is well placed to benefit from the increasing volumes of low-carbon transport fuels that will be needed to keep New Zealand moving in the future.

³ CCC budgets include a near-term focus on increased electrification of passenger vehicles, and a target for biofuel production of 270 million litres by 2035 (c.3.5% of forecast total liquid fuel demand including international transport).

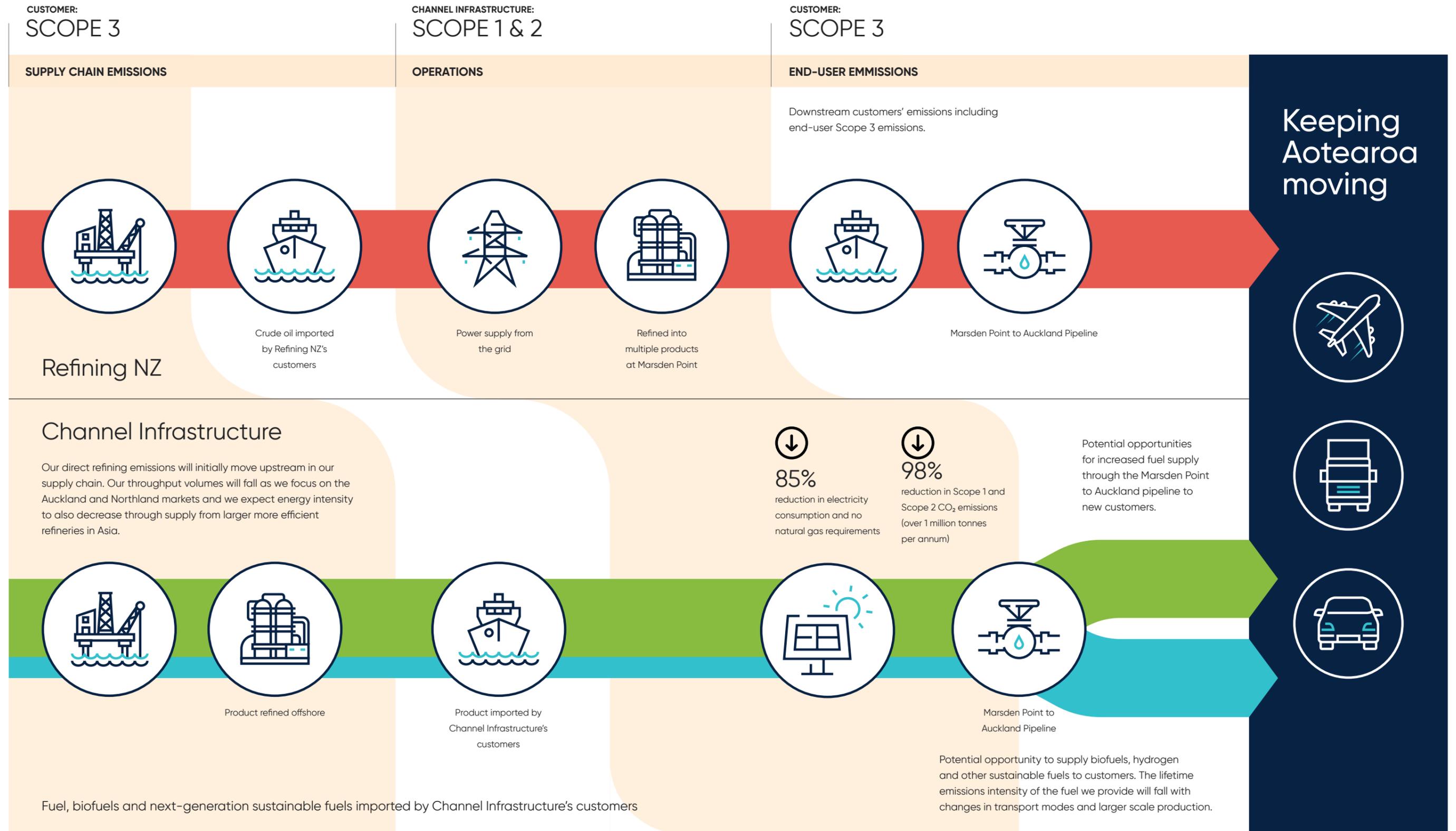
⁴ The proposal is for reduction beginning at 1.2% p.a. Greenhouse Gas (GHG) emissions in 2023, ramping up to approximately 9% GHG emissions reductions p.a. by 2035 (<https://www.mbie.govt.nz/dmsdocument/18366-sustainable-biofuels-mandate-final-policy-design-proactiverelase-pdf>).

⁵ Excludes aviation fuel.

⁶ While second-generation biofuels are suitable for use on the multi-product Marsden Point to Auckland pipeline, first-generation fuels such as ethanol-blends are not.

Our Transition

Our business is undergoing a major change as depicted in the following info-graphic:



The role of Channel Infrastructure in the climate transition

1. KEEP AOTEAROA MOVING

We receive, store, test and distribute transport fuels safely, reliably, and efficiently to the Northland and Auckland markets.

2. CHAMPION A JUST TRANSITION

We support our workforce, local community, iwi partners, and New Zealand's economy to prosper through our transition.

3. ENABLE DECARBONISATION OF NEW ZEALAND'S TRANSPORT SECTOR

We use our strategic infrastructure to facilitate the use of low-carbon future fuels which are affordable and available when we need them.

Channel Infrastructure supports a just transition to a resilient, low-carbon economy. We believe that we can play an essential role in the transition as New Zealand's leading independent fuel infrastructure company. Refining NZ's transformation from an oil refinery to Channel Infrastructure, not only supports the transition of New Zealand's transport system but puts us in a position to enable low-carbon reliable transport energy.

Channel Infrastructure has 'switched off' Refining NZ's oil refinery and we are now an import terminal for the fuel needed to keep New Zealand's economy moving. On behalf of our customers, we receive, store, test and distribute transport fuels safely, reliably, and efficiently to the Northland and Auckland markets. We utilise the deep-water harbour and jetty infrastructure of Marsden Point and the Marsden Point to Auckland Pipeline to deliver fuel direct to where it is needed most. Our import terminal is expected to handle between 3 and 3.5 billion litres of transport fuels annually, supplying the Auckland and Northland regions which make up approximately 40 per cent of New Zealand fuel demand.

In some respects, this transformation will be world leading. While we follow in the footsteps of other oil

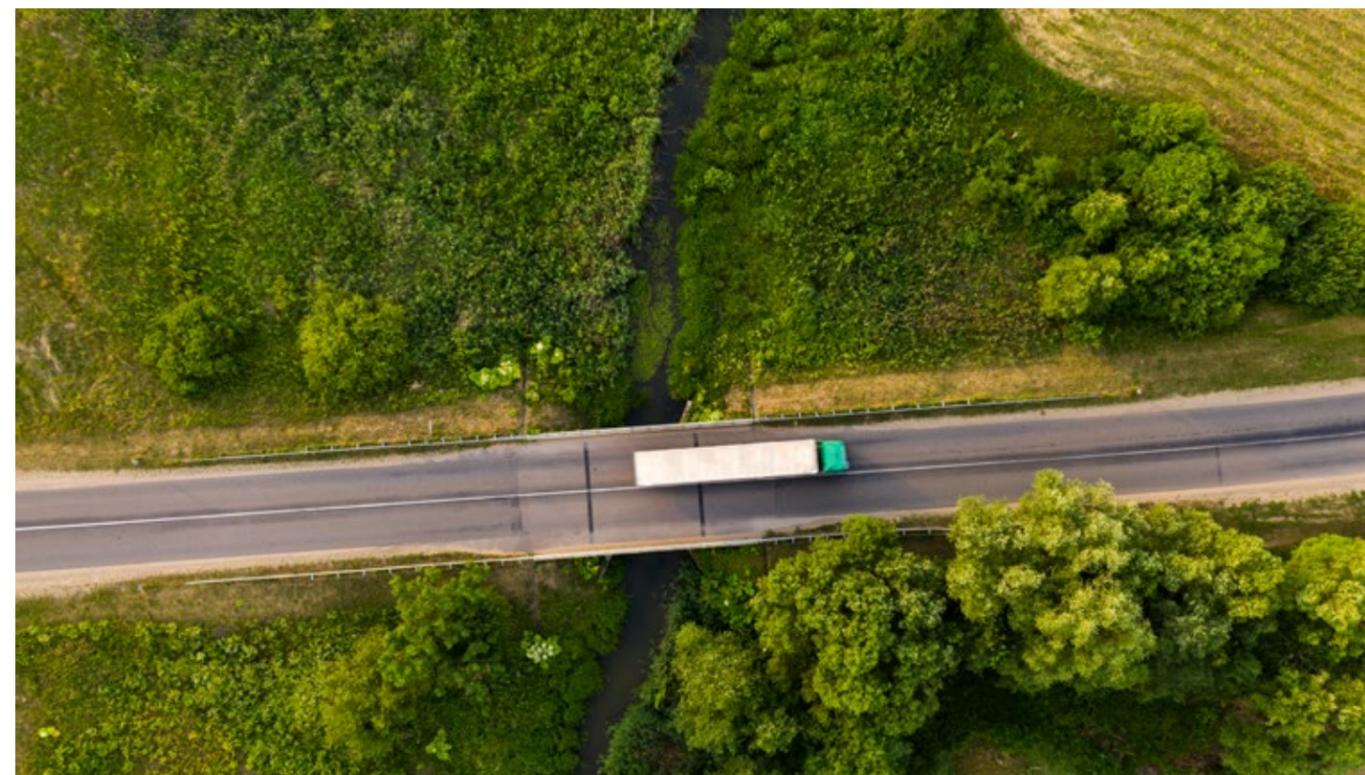
refineries across the globe transitioning to import terminals, how we execute this transition is what sets us apart. Channel Infrastructure is strongly committed to our people, our community and our iwi partners, our environment, and our economy. As part of our transition plan, we are not only committed to transitioning our business, but also ensuring that our workforce have transition pathways open to them. We hope that our transition can be a proof of concept demonstrating that a just, low-carbon transition is not only possible, but sustainable and fair for local communities and other businesses.

This transformation is a small part of a much bigger transition for New Zealand. Fossil fuels have a role to play in keeping Kiwis and the New Zealand economy moving for many years to come. However, in the medium and longer term, Channel Infrastructure's highly strategic assets and transport energy infrastructure can also support New Zealand's changing energy needs. The 'Transition Roadmap' set out on page 22, represents the start of Channel Infrastructure's low-carbon journey but is also part of the journey for New Zealand. The Marsden Point import terminal is the core of our business, however there are exciting

opportunities for us to diversify what we do, as we look to build an energy hub for the North of New Zealand. We are looking at how we can repurpose, diversify, and capitalise on our strategic assets and infrastructure, in a way that supports decarbonisation across New Zealand's transport sector, supports the growth of our business, and reduces our customers' emissions over time. We believe we can support the introduction of biofuels, including SAF, and contribute to ensuring a secure, reliable, and affordable supply chain for the mix of future fuel options that New Zealand will require.

Channel Infrastructure builds on Refining NZ's proud history as a reliable, responsible, and effective operator in New Zealand's transport system, by having a long-term plan for the business and our stakeholders and outlining the role we can play in an inclusive low carbon future.

While we follow in the footsteps of other oil refineries across the globe transitioning to import terminals, how we execute this execute is what sets us apart.



Our Transition Roadmap

Channel Infrastructure's Transition Roadmap is our plan to keep New Zealand moving in a low-carbon future. This Transition Roadmap sets out our ambition, commitments, and actions to reduce direct and indirect emissions across our value chain and help support New Zealand's transition to a low-carbon future.

Refining NZ

PAST

1962 – 2022

OUTLOOK

- Refining NZ has played an essential role in New Zealand's energy supply chain providing nearly all jet fuel and the majority of diesel and petrol.
- Refining NZ faced historically low refining margins exacerbated by COVID-19, and structural challenges to the competitiveness of the refinery compared to newer Asian refineries. It also faced higher costs of operating in New Zealand, increasing exposure to the NZ Emissions Trading Scheme, climate regulation, high energy costs, and decreased access to capital.

ACTIONS

2003 – Refining NZ was the first New Zealand company to enter into a Negotiated Greenhouse Agreement (NGA) with the Crown, putting us on a path towards managing our greenhouse gas emissions.

2015 – Commissioned a Continuous Catalyst Regeneration unit which improved refinery processing efficiency and reduced CO₂ emissions by c.120,000 tonnes per year.

2020 – Refining NZ undertook a Strategic Review to determine the best future operating model for our business in the face of a difficult operating environment.

2021 – Our shareholders (with 99 per cent in favour) voted to transition NZ's only oil refinery to an import terminal, with a name change to Channel Infrastructure.

2021 – We undertook an initial assessment of the range of repurposing options for the Marsden Point site and signed an Memorandum of Understanding (MOU) with Fortescue Future Industries to undertake a study of the potential for hydrogen production at Marsden Point.

Channel Infrastructure

HORIZON 1

Present – 2025

- New Zealand will still need diesel, petrol and jet fuel to keep moving and Channel Infrastructure, through its infrastructure, will continue to provide fuel to Kiwis to satisfy their transport needs.
- The New Zealand Government is introducing measures to protect New Zealand's fuel security and increase the use of biofuels, which will require infrastructure.

2022 – The Marsden Point oil refinery has closed and Channel Infrastructure is now operating as an import terminal – this will result in a 98 per cent reduction in Scope 1 and 2 emissions (versus 2019 baseline).

2022 – Channel Infrastructure releases its first Sustainability Report, including TCFD reporting.

2022 – Channel Infrastructure has committed to supporting its workforce impacted by the change in operations to find new roles or retraining within six months. This goal is reflected in our Company Scorecard.

2022 – Channel Infrastructure has developed private storage arrangements with customers which will enable increased fuel storage capacity at Marsden Point.

2023 – Channel Infrastructure will undertake an extensive materiality assessment alongside its changing internal and external stakeholder make-up to identify its new material issues going forward.

HORIZON 2

2025 – 2035

- Following the conversion of our refinery to an import terminal, Channel Infrastructure will continue to have some residual Scope 1 and Scope 2 emissions primarily from electricity consumption.
- Demand for petrol and diesel is expected to peak and begin to decline as electric and hybrid cars increase and biofuel demand grows.
- Jet fuel demand is expected to continue to grow and Sustainable Aviation Fuel to enter the fuel mix.

2025+ – We are already exploring opportunities to develop renewable energy supply through our Maranga Rā solar project, with other solar projects and batteries also being planned for the Northland region. These will help reduce Channel Infrastructure's Scope 2 emissions.

2025+ – Channel Infrastructure will continue operating as an import terminal and will seek opportunities to utilise its strategic infrastructure to support the supply of biofuels, including Sustainable Aviation Fuel, to the New Zealand market.

HORIZON 3

2035 +

- Customer Scope 3 emissions which largely represent the emissions of end users in the transport sector, will continue until more sustainable fuel solutions become available.
- Hydrogen is expected to become commercially viable in the long-term, and Sustainable Aviation Fuels use more widespread.

2035+ – Channel Infrastructure will continue to explore opportunities to produce or store alternate forms of energy (such as hydrogen and second-generation biofuels). Work is already underway with Fortescue Future Industries to undertake a study into the potential for hydrogen production at Marsden Point.

Our Targets

To hold ourselves to account and ensure we focus our efforts on where we can make the most impact along our Transition Roadmap, we have set a range of transition targets.

JUST TRANSITION

At least 90 per cent of employees seeking new employment find new roles or are retraining within six months

- While conversion from refinery to import terminal operations will deliver a 98 per cent reduction in Scope 1 and 2 emissions, it will also have a significant impact on our workforce.
- We are committed to supporting our workforce impacted by these changes through their own personal transition. We are doing this by providing 1:1 career counselling, access to training and development, support to set up their own businesses or in finding a new job.
- We are creating time and space to do this by providing at least six months' notice and at least six months' redundancy pay.
- This commitment will be a measure of our success through our transition and forms a part of our 2022 Company Scorecard.

NET ZERO

Net zero Scope 1 and 2 emissions by 2030

- After transition, our remaining direct emissions will come primarily from our electricity use and the use of some diesel for vehicles and pumps on our site.
- We will seek to eliminate our residual Scope 1 and 2 emissions through operational improvements, renewable electricity supply and the use of high quality offsets, where emissions reductions are not otherwise accessible.
- We see opportunity to move to renewable electricity supply through our Maranga Rā solar project and the potential to develop solar and battery capacity in the region in partnership with others.

CUSTOMER SCOPE 3

Our infrastructure is utilised to support the decarbonisation of New Zealand's transport sector and facilitate customer Scope 3 emissions reduction by 2030

- Customer emissions, including end-user Scope 3 emissions, will make up the majority of Channel Infrastructure's supply chain emissions profile in the future.
- Channel Infrastructure has a critical role to play in finding solutions to deliver transport fuel which is low-carbon, affordable and available when we need it.
- Our goal is to ensure that our existing infrastructure is utilised to support the decarbonisation of New Zealand's transport sector through the use of biofuels and Sustainable Aviation Fuel.
- We are committed to working with customers to measure and manage Scope 3 emissions.

Transition & ESG reporting

05

Sustainability Management & Governance



2021 Sustainability Highlights



WOMEN REPRESENT:

29%

of Board

38%

of Corporate Leadership Team

18%

of workforce

CORPORATE LEADERSHIP TEAM:



50%

of the Corporate Leadership Team is under 50 years of age

RECORDABLE AND LOST TIME INJURY FREQUENCY RATES:



0

per 200,000 hours worked for the second consecutive year

PROCESS SAFETY INCIDENTS:



2

tier-1 process safety incidents⁷

0

tier-2 process safety incidents⁸

↑ 244.0
Direct CO₂ emissions intensity (kgCO₂/t of product)

↓ 11.6
Total fuel usage (petajoule)

↑ 857,042
Direct CO₂ emissions (Scope 1) (tCO₂)

↑ 0.96
Electricity usage (petajoule)

↑ 141,940
Indirect CO₂ emissions (Scope 2) (tCO₂)

↓ 1.46
Water usage (million tonnes)

↓ 0.06
Flare (Amount of flare as mass % of feedstock)

↓ 3,341
Sulphur dioxide emission (tonnes)



LOOKING FORWARD:

Transitioning from Refining NZ to Channel Infrastructure, and closing our refinery operations, will **eliminate 98 per cent of our Scope 1 and 2 CO₂ emissions**,⁹ representing a reduction of approximately 1 million tonnes of CO₂ per annum.

Our electricity usage will reduce by circa 85 per cent and we will have no requirement for natural gas.

This will reduce New Zealand's emissions overall – contributing to approximately **one-third of New Zealand's first Emissions Reduction Plan**.¹⁰

⁷ Tier 1 Process Safety Event: An unplanned or uncontrolled release of any material, including non-toxic and non-flammable, from a process which results in one or more of the following: a Lost Time Injury (LTI) and/or fatality; a fire or explosion resulting in greater than or equal to \$100,000 of direct cost to the Company; a release of material greater than the threshold quantities given in Table 1 of API 754 in any one-hour period; an officially declared community evacuation or community shelter-in-place.

⁸ Tier 2 Process Safety Event: An unplanned or uncontrolled release of any material, including non-toxic and non-flammable, from a process which results in one or more of the following: a recordable injury; a fire or explosion resulting in greater than or equal to \$2,500 of direct cost to the Company; a release of material greater than the threshold.

⁹ Compared to 2019 CO₂ emissions.

¹⁰ This figure has been calculated against the New Zealand Government's proposed carbon budgets for 2022–25 (<https://environment.govt.nz/assets/publications/Emissions-reduction-plan-discussion-document.pdf>).

Identifying our most material sustainability issues

Channel Infrastructure closely considers the impact we have on the community and the environment in which we operate. We use an assessment of materiality to frame the Company's approach to ESG risk management, performance, and reporting. Our last materiality assessment was conducted in 2018 (see page 15 of Refining NZ's 2020 Annual Report). Given the change in our business, we saw value in a review of our impacts, particularly with a view on recent changes in the regulatory environment in New Zealand. As such, Channel Infrastructure revisited the materiality analysis in early 2022 to ensure it was relevant to better guide our sustainability priorities as we look to the future of our new business.

The first step in our materiality review process was to assess Channel Infrastructure's current and future organisational context. This was a natural extension of our Strategic Review initiated in 2020 and the extensive stakeholder engagement which was involved throughout this period.

We then identified Channel Infrastructure's actual and potential impacts by reviewing all issues identified in the previous assessment and adding new issues that are relevant to our changed business. We consulted a wide range of sources including relevant reference material from the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB) and engaged external sustainability advisors.¹¹ We considered a large group of relevant issues, including long and short-term issues, those stemming from high and low-likelihood events, and those affecting a diverse range of stakeholders both inside and outside the company.

Our next step was to assess the significance of each impact from a variety of stakeholder angles. Through an expert-facilitated workshop, we assessed

the severity of each impact using considerations of scale and scope, and reversibility with a team from across our business. The process built upon the extensive stakeholder engagement effort which informed the Company's Strategic Review and transition planning, and included consultation with employees, iwi partners, investors, customers, suppliers, neighbours, and local and national government.

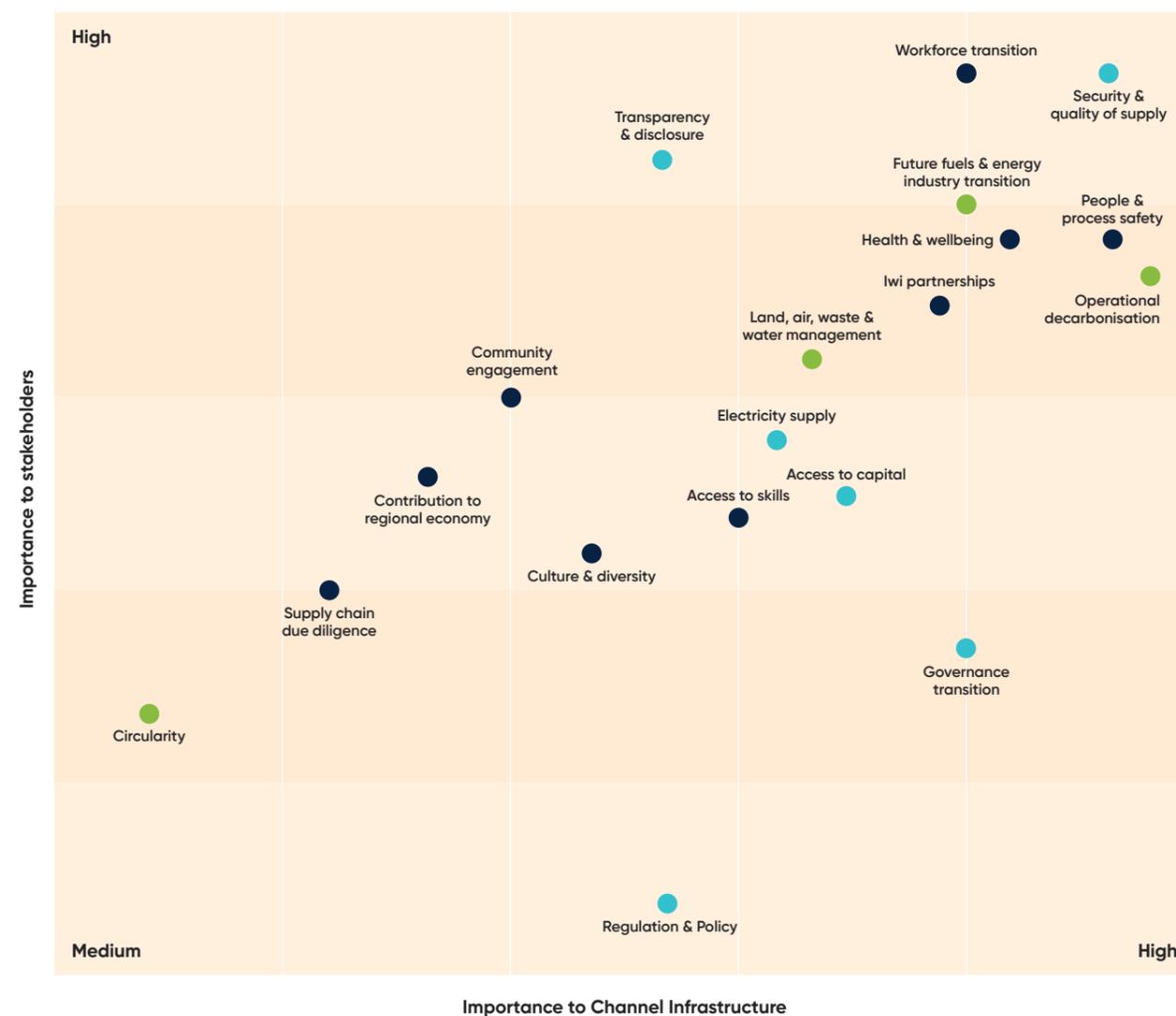
The final step we undertook to complete our materiality review was to prioritise the Company's most significant impacts for ongoing management and reporting. Issues were categorised into three overarching categories: environmental performance; people and community; and governance and financial performance. Each issue within the different categories was arranged from most to least significant, and a threshold of significance was determined. From this, an updated and relevant list of Channel Infrastructure's material sustainability issues was determined and approved by the Board of Directors in February 2022.

We are committed to going through this process in greater depth following the completion of the Company's transition in 2023.

Channel Infrastructure's Board of Directors are responsible for the oversight and governance of our material sustainability issues, while day-to-day management is the responsibility of the Chief Executive Officer and is further delegated accordingly. The three material issue categories noted above allow for the streamlined management and reporting of our ESG impacts. The following sections of this Report use this categorisation, but mostly omit elements related to financial performance as these are covered extensively in the Company's Annual Report 2021.

¹¹ Consulted reference material at this stage included: GRI 11 Oil and Gas Sector 2021; SASB Infrastructure Sector Standards; and SASB Oil & Gas Sector Standards

Figure 1 – ESG Materiality Matrix



● Environmental performance ● People & community ● Governance & financial performance

Table 1 – Material ESG Issues and Framework

 ENVIRONMENTAL PERFORMANCE	 PEOPLE & COMMUNITY	 GOVERNANCE & FINANCIAL PERFORMANCE
<p>Operational decarbonisation Addressing carbon emissions from our business operations, business travel, and purchased goods and services to reduce our impact on climate change</p> <p>Future fuels and energy industry transition Enabling and participating in New Zealand's transition to more sustainable future fuels and energy</p> <p>Land, air, waste & water management Minimising operational impacts on land, water and air while managing existing site contamination to reduce it over time. Working with our partners to enhance biodiversity</p> <p>Circularity Increasing material and operational efficiency to, where possible, attain zero waste and divert from landfills back into our supply chain</p>	<p>Workforce transition Conducting an ethical and just transition to an import terminal that minimises negative impact on our people and the community</p> <p>People & process safety Maintaining focus on people and process safety that surpass regulatory expectations</p> <p>Health & wellbeing Cultivating and maintaining a healthy working environment which values employee wellbeing</p> <p>Iwi partnerships Recognising Iwi responsibilities as Mana whenua and kaitiaki over Poupouwhenua and partnering to maintain and enhance the cultural health of our operational site and the surrounding coast, and informing our partners of potential changes and accounting for their views</p> <p>Access to skills Maintaining access to skilled labour for our industry and bridging capability gaps through training</p> <p>Culture & diversity Attracting, supporting, and maintaining a diverse workforce and healthy working culture</p> <p>Community engagement Engaging our local community to partner in impactful ways and to continue as a responsible corporate citizen and neighbour</p> <p>Contribution to regional economy Making an impactful and sustainable contribution to the regional economy in which we work, as well as to New Zealand more broadly</p> <p>Supply chain due diligence Increasing transparency throughout our supply chain to promote a high standard of human rights</p>	<p>Security and quality of supply Ensuring our services support the delivery of reliable, high-quality fuel supply for our customers to accommodate their changing needs and maintain their competitiveness</p> <p>Governance transition Conducting an orderly, timely and seamless transition of our governance systems and processes to the new terminal business</p> <p>Access to capital Maintaining access to lending and financial capital amid changing stakeholder expectations for an environmental and social license to operate</p> <p>Electricity supply Supporting affordable and reliable access to electricity for our business</p> <p>Transparency & disclosure Providing accurate and timely information about our sustainability impacts and performance</p> <p>Regulation & policy Complying with, supporting and anticipating future regulations and policy</p>

Corporate governance

Channel Infrastructure takes its role as a responsible operator seriously. We have a number of sustainability governance measures and structures in place in order to ensure that we identify, manage and respond to environmental, social and governance issues effectively, and that we can continue to operate in a sustainable and responsible manner, including through our transition.

Board responsibilities and its committees

Channel Infrastructure's Corporate Governance framework sets out our governance practices and processes to provide accountability to our diverse array of stakeholders, including on the environmental, social, and governance aspects of sustainability. Channel Infrastructure is listed on New Zealand Stock Exchange's ("NZX") Main Board as CHI and is subject to regulatory control and monitoring by both the NZX and the Financial Markets Authority ("FMA").

A complete suite of Channel Infrastructure's governance documents can be publicly viewed within the "Investor Centre" of our website (www.channelnz.com), which includes detailed reporting against the NZX Corporate Governance Code, board and committee governance documents, and our suite of policies, including those which govern sustainability.

The Board is responsible for setting the Company's strategic direction and for providing oversight of the management of the Company, with the aim of increasing shareholder value and ensuring the obligations of the

Company are properly met. This includes the Company's full scope of sustainability impacts identified as material in Figure 1 on page 29, and any impacts identified as material in the future. Day-to-day management of the Company is delegated to the Chief Executive Officer. The Board uses committees to address specific issues which require detailed consideration by members of the Board who have specialist knowledge and experience. The Board retains ultimate responsibility for the functions of its committees and determines their responsibilities. The sub-committees are as follows:

- Audit, Risk and Finance Committee;
- People, Nominations and Remuneration Committee;
- Independent Directors Committee;
- Health, Safety, Environment and Operations Committee; and
- Transition Committee which was formed in 2021 to assist the Board with the transition of the Company from a refinery ("Refining NZ") to a fuels import terminal/infrastructure business ("Channel Infrastructure").

The respective roles of the Board, its Committees and Management (the Corporate Lead Team) are set out in the Board and relevant Committees' Charters. Committees annually evaluate their own performance, processes and procedures to ensure that they are appropriate to assist the Board in effectively fulfilling its role and meeting its duties.

Independence of Directors

The Board currently consists of a majority of independent directors.

Independence of our directors is assessed in accordance with the NZX Main Board Listing Rules criteria.

In addition to being major shareholders of the Company, bp, ExxonMobil and Z Energy are also customers, either directly or through wholly owned subsidiaries, and currently have representation on the Board which could lead to a conflict of interest. Clause 8.16.1 of the Constitution allows for the Independent Directors to act as the Board in respect of matters that pose a conflict of interest if raised at the full Board. The role of the Independent Directors also includes acting as the Board where all other Directors have a disqualifying interest, and to act as a Committee in relation to matters concerning the major customers and any other conflicts of interest to ensure transparency.

Governance of Sustainability

The Board's responsibility for setting the Company's strategic direction and overseeing management includes setting the strategic direction for sustainability. The Board approves the material sustainability impacts for Channel Infrastructure as well as all corresponding targets to ensure they are achieved. This includes approval of sustainability reports, including this Report.

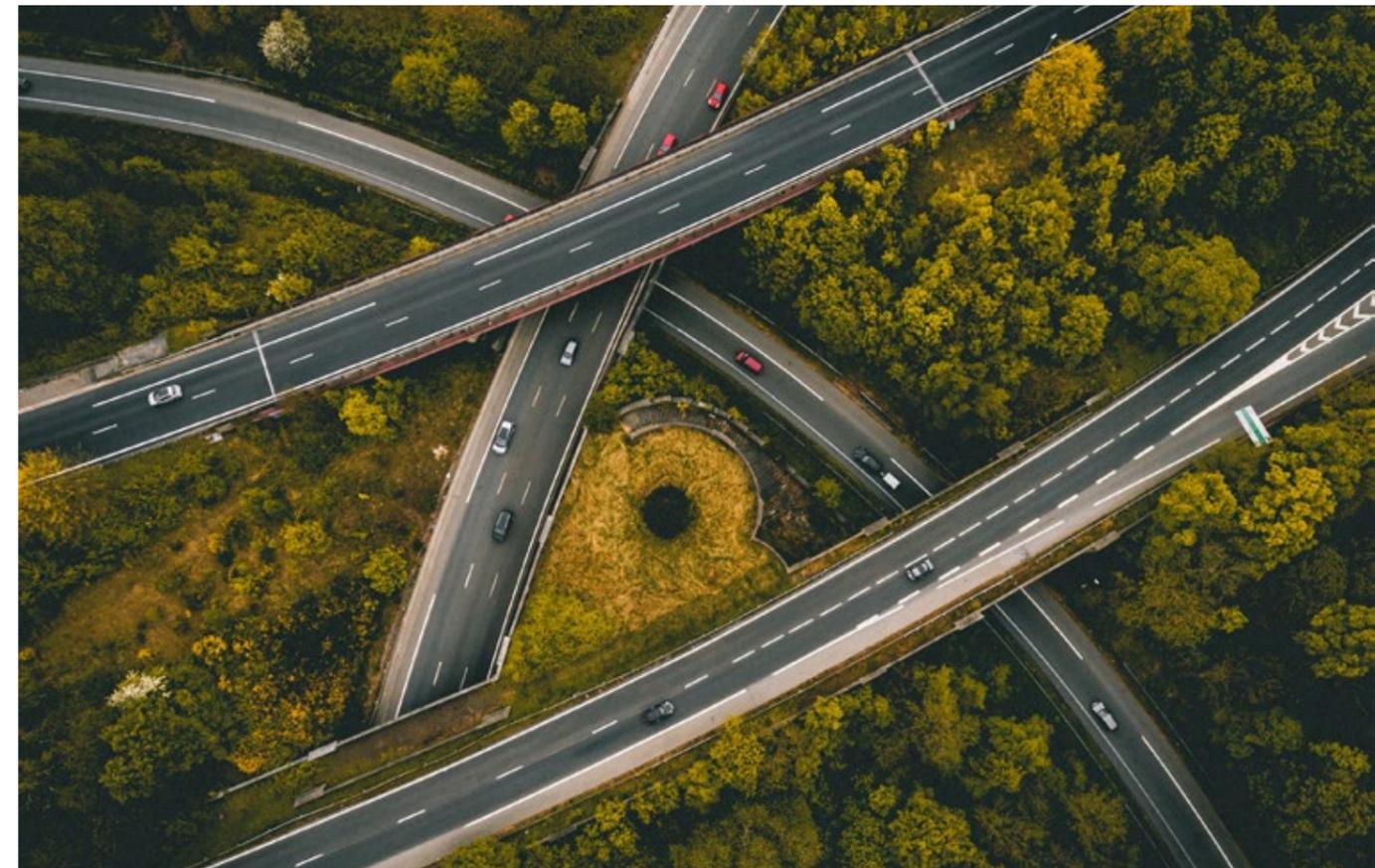
To assist the Board, strategic direction and oversight of sustainability is delegated to four sub-committees according to relevance of topic. Below we include the breakdown of sustainability-related responsibilities by subcommittee.

- **Audit, Risk and Finance Committee:** Supervises the integrity of our sustainability reporting and the internal control systems for ESG data and performance, as well as working with company management to exercise due diligence on material risks, including those driven by climate change and other sustainability impacts;
- **People, Nominations, and Remuneration Committee:** Supervises the social aspects of sustainability, including people, diversity and inclusion, community engagement, and human rights;
- **Health, Safety, Environment, and Operations Committee:** Supervises the environmental aspects of sustainability, as well as various elements around health, safety, and operational quality.
- **Transition Committee:** Considers climate change and other sustainability drivers in its review and feedback on transition strategies and plans.

The Corporate Lead Team also closely considers sustainability issues and is responsible for proposing targets to the Board and then achieving those that are approved. The Corporate Lead Team approves the portfolio of sustainability programmes to achieve targets, and assigns management accountability for implementation. This includes the day-to-day responsibility for implementing the Company's commitments to addressing climate change. The primary point of responsibility for sustainability within the Corporate Lead Team is the Chief Executive Officer, but additional climate change and sustainability responsibilities are held by the Chief Financial Officer, General Manager Operations, Business Development

Manager, Environmental, Health and Safety Manager, and several others.

Sustainability priorities are galvanised within Channel Infrastructure's governance, by a remuneration plan which includes key performance indicators specifically linked to climate change, sustainability, and our just transition for employees and the community. For example, our CEO's KPIs are linked to future sustainability and growth (50 per cent) and the company-wide scorecard (50 per cent) which include issues such as transitioning to import terminal operations and successfully implementing a just transition for our stakeholders.



06

Climate Change and TCFD



-  **Operational decarbonisation**
-  **Future fuels and energy industry transition**
-  **Governance transition**
-  **Transparency and disclosure**
-  **Security and quality of supply**
-  **Regulation and policy**

The Taskforce on Climate-related Financial Disclosures was formed by the Financial Stability Board. Its recommendations proposed a disclosure framework to encourage transparent, consistent reporting on relevant climate change impacts facing companies (with an emphasis on financial impacts) and how these matters are managed through governance, strategic planning, risk management and target-setting activities.

The TCFD reporting framework has been widely accepted by businesses since its release and is understood to be a preferred form of reporting for use by investors. In line with Channel Infrastructure's commitment

to leadership, we have accelerated our efforts to align with the recommendations of the TCFD ahead of the New Zealand Government's mandatory reporting requirements. We anticipate that the release of the final reporting guidance will prompt further development in our approach and reporting, and we are committed to deepening our reporting in line with best practice as this develops over time.

The following sections provide our disclosures against the four key pillars of the TCFD's reporting framework, as shown in Figure 2.

Figure 2 – TCFD Recommendations and Supporting Recommended Disclosures

GOVERNANCE	STRATEGY	RISK MANAGEMENT	METRICS AND TARGETS
Disclose the company's governance around climate-related risks and opportunities.	Disclose the actual and potential impacts of climate-related risks and opportunities on the company's businesses, strategy, and financial planning where such information is material.	Disclose how the company identifies, assesses and manages climate-related risks.	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Governance

As noted above, the Board is responsible for setting the company's strategic direction and overseeing company management. It's aim is to increase shareholder value and ensuring the obligations of the company are properly met. This includes assessment and management of climate change related risks and related matters, noting that these are highly relevant to the day-to-day operations of Channel Infrastructure as an energy infrastructure company embedded in an emissions-intensive supply chain.

To assist the Board, the **Audit, Risk and Finance Committee** works with company management to exercise due diligence and care in material financial risks, including those driven by climate change (more information is provided in the Risk Management section on page 38 of this report). In addition, a **Transition Committee** was established in 2021 to assist the Board with the transition of the Company from a refinery (Refining NZ) to a terminal/infrastructure business (Channel Infrastructure). This Committee also considers climate change drivers in its review and feedback on transition strategies and plans.

During 2021, the Board was briefed on a number of climate change related matters, particularly to review and endorse the Marsden Point site repurposing plan. This included discussions on fuel demand outlooks under various climate policy and technology scenarios, options to decarbonise electricity supply, and the potential role of low-carbon fuels in the company's future plans.

Channel Infrastructure's Corporate Lead Team also consider climate change matters in ongoing optimisation of financial and operational performance as well as forward planning for the company's transition. The Chief Executive Officer, Chief Financial Officer, General Manager Operations and Business Development Manager all hold responsibilities which

necessarily require an understanding and oversight of climate-related risks and opportunities. These include consideration of energy demand and price forecasts, impacts of climate policy developments such as carbon pricing, and consideration of the physical impacts of climate change on operational safety and continuity. The Corporate Lead Team also holds day-to-day responsibility for the implementation of the company's commitments to addressing climate change.

At the operational level, the company's General Manager Operations and supporting team members oversee ongoing activities on-site, including climate-related issues including efficiencies to minimise input costs such as fuel and electricity, and appropriate responses to extreme weather events. The Environmental, Health and Safety Manager is responsible for relevant reporting and compliance obligations.

To reflect the strategic importance of climate-related risks and opportunities to the business, our 2022 remuneration plans include key performance metrics which address our priorities in this area. Specifically, our CEO's KPIs linking to future sustainability and growth (50 per cent weighting) include supporting the transition to lower carbon fuels as one of six explicit strategic priorities set out in Channel Infrastructure's strategic frame. Consideration of climate-related drivers are also indirectly referenced in other strategic priorities, including growth and diversification. Our company-wide scorecard, which applies to employees (and constitutes the remaining 50 per cent of our CEO's KPIs), also includes an explicit measure to support a just transition for employees leaving the business, representing a 10 per cent weighting across the scorecard.

Strategy

In the past two years, our company has undertaken a comprehensive Strategic Review to determine the optimal business model and capital structure to maximise shareholder returns and deliver secure, competitive fuel supply to New Zealand. As an oil refinery operation for the last 60 years, our Strategic Review necessitated deep, strategic consideration of the climate change-related risks and opportunities associated with future business model options.

The shareholder endorsed outcome of the Strategic Review to convert Refining NZ's Marsden Point site into a dedicated fuel import terminal was based on several fundamental drivers. Climate change considerations were directly linked to two of these drivers:

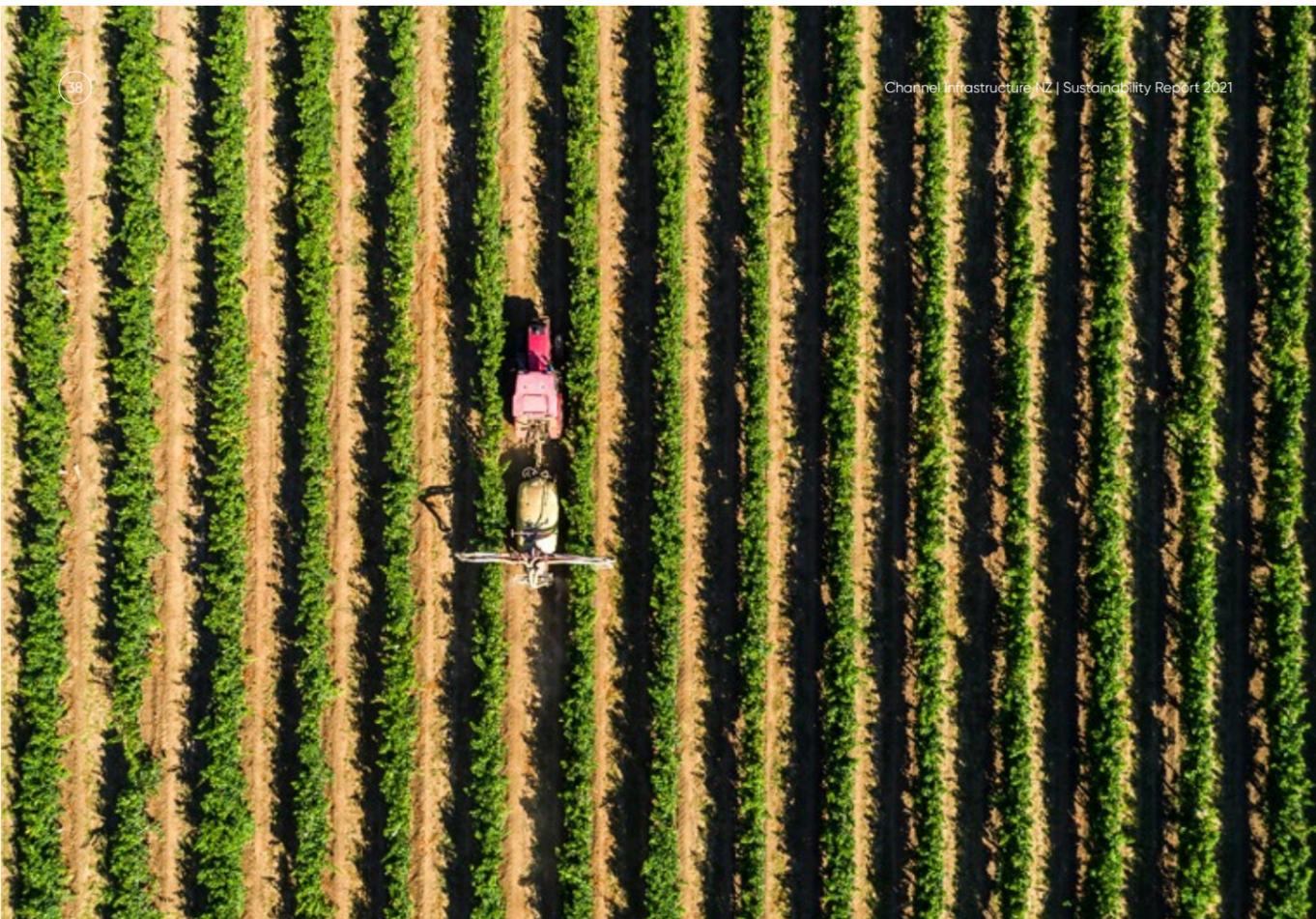
- the substantial mitigation of growing exposures to compliance costs under the New Zealand policy changes including the New Zealand Emissions Trading Scheme (NZ ETS), as well as electricity and gas costs and supply uncertainty, and
- the strong position the company would be in to participate in emerging opportunities as the New Zealand energy market decarbonises.

Moving forward through the operational transition at Marsden Point and beyond, we recognise the need to maintain a strong understanding of the climate change driven impacts relevant to our financial and strategic-planning. These include the transition impacts from decarbonisation of the transport fuel and broader energy sector, as well as the foreseeable physical impacts from unavoidable climate change over the life of our infrastructure and assets. To articulate our approach and priorities, we have developed a Climate Change Position Statement on page 15, with core commitments in place to steer our progress.

In line with TCFD Recommendations, we have summarised the climate-related risks and opportunities considered relevant to our business in Table 2 below. This table builds on information previously disclosed in our Annual Reports, and The Marsden Point conversion Proposal – Explanatory Booklet (released on 5 July 2021 and located under the ticker 'CHI' on www.nzx.com).

Risks and opportunities have been considered across three future time horizons (consistent with our transition roadmap outlined on page 22 of this Report), as summarised below:

- **Short term time horizon** – Present to 2025: Period during which New Zealand is still expected to need diesel and petrol to keep moving. Channel Infrastructure, through its infrastructure, will continue to provide fuels to Kiwis to satisfy their transport needs. The New Zealand Government is introducing measures to protect fuel security and increase the use of biofuels, which will require infrastructure such as Channel Infrastructure's.
- **Medium term time horizon** – 2025 to 2035: Period during which demand for diesel and petrol is expected to peak and begin to decline as electric and hybrid cars increase and biofuel use grows. Jet fuel demand is expected to continue to grow and Sustainable Aviation Fuel will enter the fuel mix. Channel Infrastructure will continue to operate as an import terminal and will continue to have some residual Scope 2 emissions from electricity consumption.
- **Long-term time horizon** – Beyond 2035: Period during which hydrogen is expected to become commercially viable, and Sustainable Aviation Fuels' use more widespread. Channel Infrastructure's customer emissions, including end-user Scope 3 emissions, will make up the majority of supply chain emissions in the future until more sustainable fuel solutions become available.



Climate risks and opportunities

Table 2

TOPIC	DESCRIPTION OF RISK/OPPORTUNITY	MANAGEMENT ACTIONS AND PLANS
Policy	<p>Risks – Short term: New Zealand’s Climate Change Response (Zero Carbon) Amendment Act passed in 2019, setting a legislated target to reduce net emissions of all greenhouse gases (except biogenic methane) to zero by 2050. The New Zealand Emissions Trading Scheme (NZ ETS) is a key policy lever in the achievement of the 2050 target, based on forecast emissions budgets which will inform the allocation of NZ carbon credits to industry and through other mechanisms.</p> <p>Refining NZ was scheduled to join the NZ ETS from January 2023 as an Emissions-Intensive Trade-Exposed (EITE) business, with an industrial allocation of units based on a prior year baseline which would gradually be reduced towards 2030. Due to the conversion to an import terminal, Channel Infrastructure is substantially less exposed due to much lower Scope 1 and Scope 2 emissions (98 per cent reduction on a 2019 baseline). The remaining direct exposure is associated with Scope 2 emissions from electricity consumption with the cost reflected in the wholesale electricity price, noting electricity consumption will also decrease (by approximately 85 per cent) following conversion.</p>	<p>Direct exposure to national climate policy is substantially lower following the Marsden Point conversion on the basis that direct (Scope 1 and 2) emissions are significantly lower. To further mitigate our carbon pricing risk exposure, we will continue to explore opportunities to develop renewable energy supply through our Maranga Rā solar project and other battery/solar projects planned for the region – either on a standalone basis or with partners.</p>

TOPIC	DESCRIPTION OF RISK/OPPORTUNITY	MANAGEMENT ACTIONS AND PLANS
Policy cont.	<p>Risks – Medium term: Following conversion, our direct Scope 1 and some indirect Scope 2 emissions will move upstream in our value chain, increasing upstream emissions in the shift. We would expect supply chain emissions intensity (i.e. per unit of product used by customers) to decrease over time with the opportunity to source fuel from larger, more energy efficient refineries in Asia. Our large storage capacity at Marsden Point has the capacity to support larger shipping vessels, providing opportunity for further improvement in emissions efficiency of delivered fuel and lower upstream emissions intensity.</p> <p>Our business will, however, still be engaged in distributing refined oil products. As the NZ ETS increases pressure on emissions-intensive businesses, unpredictable carbon price impacts may result along our value chain (linked to customer emissions). These include the potential for indirect impacts if our customers in the fossil fuel sector experience financial stress.</p> <p>Different pacing of policy development in New Zealand compared to other regions may also result in volatile supply/demand dynamics across the transport fuel sector more broadly. In an extreme case, these dynamics may negatively influence the affordability of fuel and consumer purchasing decisions in New Zealand.</p> <p>Opportunities: The fuel and the transport sector significantly contribute to climate change. In New Zealand, emissions from transportation (still mostly powered by fossil fuels) make up 21 per cent of the country’s annual greenhouse gas emissions. The New Zealand Climate Change Commission’s official 2021 carbon budgets highlighted that the transport sector must electrify and increase its use of biofuels, recommending a near-term focus on electric light vehicle uptake and decarbonisation of heavy transport and aviation fuels over a longer period of time. A Sustainable Biofuels Mandate subsequently released by the Government in December 2021 requires transport fuel suppliers (excluding aviation fuels) to reduce greenhouse gas emissions by a set percentage annually through the supply of biofuels. A separate mandate is planned for Sustainable Aviation Fuel in the future.</p> <p>For Channel Infrastructure, the conversion from an oil refinery to an import terminal operation provides strong opportunities to support New Zealand’s decarbonisation policies. Our strategic location and existing infrastructure assets can readily be used to import, store and distribute biofuel quantities across our primary Auckland and Northland markets. Longer term, opportunities may also exist for the company to be involved in direct manufacture of these fuels, should this be viable.</p>	<p>We have a long history of working with the New Zealand Government to reduce emissions, and continue to advocate for effective policy design and implementation. Our intent is to work with the Government to support and facilitate the objectives of climate change policy while considering the need for a smooth and fair transition for emissions-intensive industries.</p> <p>We have submitted our considered feedback to recent Government consultation processes in this area, including New Zealand’s first emissions reduction plan as well as the Sustainable Biofuels Mandate. We will continue to closely monitor the policy environment to understand implications for our sector and customers and, where appropriate, work with officials on supporting policy design.</p> <p>In addition, we are committed to actively working with our partners to measure and monitor customer Scope 3 emissions and to mitigate these to the best of our abilities, including by pursuing the use of our facilities to support biofuel consumption in New Zealand by 2030.</p> <p>As discussed in detail in Our Transition Pathway from page 16, our Marsden Point conversion plan includes a strategic focus on supporting New Zealand’s transition to a lower-carbon economy. To this end, we will investigate medium-term opportunities including the import, storage and production of second-generation biofuels (including Sustainable Aviation Fuels). Longer-term opportunities being explored include production or storage of new energy sources such as hydrogen.</p> <p>Please see the ‘Business Planning’ on page 43 for further information on the fuel demand models used to underpin our valuation and planning.</p>

TOPIC	DESCRIPTION OF RISK/OPPORTUNITY	MANAGEMENT ACTIONS AND PLANS
Markets	<p>Risks – Short, medium and long term: Uncertainty in some market signals may affect our business planning following the conversion of Marsden Point into a fuels import terminal. For example, electric vehicle uptake rates, market adoption of biofuels and use of hydrogen in transport and other applications will all influence the volumes and types of fuel commodities imported, distributed and potentially manufactured by our business over time.</p> <p>First generation biofuels, which can only be blended in small volumes, cannot be distributed via the pipeline to Auckland due to the risk of contamination of jet fuel supply, meaning that these fuels will need to be distributed via truck/road to the Auckland market, potentially by-passing our infrastructure.</p>	<p>As announced in November 2021, Channel Infrastructure successfully entered into long-term agreements with our three existing customers (bp, Mobil and Z Energy) for the provision of import terminal services. Long-term agreements have also been executed with customers to provide dedicated private storage. These agreements provide security for our business to navigate near term changes in supply and demand of different fuel commodities while exploring future opportunities to import/store and potentially manufacture lower carbon fuels, and in support of our customers' needs for fuel stockholdings to be held onshore.</p> <p>Please see the 'Use of scenarios section' on page 43 for further information on the fuel demand models used to underpin our valuation and planning.</p>
	<p>Opportunities: As New Zealand tackles the challenge of decarbonisation, new markets for low/zero carbon fuels and associated storage and infrastructure requirements are expected to evolve and grow in response to policy drivers (as discussed above). In practice, decreasing costs and shifting customer preferences towards these fuels may further accelerate market growth, presenting strong opportunities to diversify Channel Infrastructure's core business services and products.</p> <p>Second-generation biofuels (including Sustainable Aviation Fuel), which can be blended in much higher volumes, are suitable for distribution via the pipeline to Auckland, at one tenth of the emissions of equivalent road transport.</p>	<p>As discussed in detail in Our Transition Pathway from page 16, our Marsden Point conversion plan includes a strategic focus on supporting New Zealand's transition to a lower-carbon economy. Please refer to the management actions summarised in the Policy topic above for more information.</p>
Legal	<p>Risks – Short, medium and long term: Channel Infrastructure has on-going responsibilities to disclose and manage foreseeable risks, including climate change.</p> <p>Recent years have also seen an increase in climate-related litigation claims by parties including climate activist groups and shareholders. For example, Refining NZ was one of seven defendants in High Court proceedings brought by a Northland climate change activist in 2020 attempting to legally force a reduction in greenhouse gas emissions (the claim was struck out, which the applicant has appealed). Execution of the Marsden Point conversion is expected to significantly reduce the risk of similar direct litigation in future, however we will continue to be linked to the fossil fuel supply chain more broadly in the short to medium term.</p>	<p>As detailed in the Governance section of this Report on page 36, our Board is regularly briefed on climate change-related issues, including detailed discussions pertaining to the substantive Strategic Review and resulting plan to convert the Marsden Point site.</p> <p>The Board's oversight is also reflected in the endorsement of the company's Climate Change Position Statement (published on page 15 of this Report and on our website). This Sustainability Report, including climate disclosures, align with the recommendations of the TCFD.</p> <p>We also continue to monitor climate change litigation in our sector to ensure awareness of potential indirect impacts on our business.</p>

TOPIC	DESCRIPTION OF RISK/OPPORTUNITY	MANAGEMENT ACTIONS AND PLANS
Reputation and social licence	<p>Risks – Short to medium term: Investors and other stakeholders (including our workforce and local communities) take an active interest in our approach to managing climate-change related risks to, and opportunities for, the business. This is of particular relevance as the company undertakes a substantial transition to move away from fossil fuel refining to a more flexible import terminal system, aligned with New Zealand's decarbonisation goals. In particular, the expected reduction of Refining NZ's workforce from around 300 to approximately 70 employees during the Marsden Point conversion, has the potential to affect our social licence within the local and broader community if not executed with care.</p> <p>Channel Infrastructure will still be engaged in storing and distributing refined oil products post conversion; as such some exposure also remains to negative public attitude towards fossil fuels. Among other impacts, this could affect our ability to attract and retain talent.</p>	<p>We work closely with our investors, iwi, local community, and other stakeholders to ensure we understand and meet their expectations on climate change-related matters. The strong shareholder endorsement of the Marsden Point conversion Proposal indicated alignment on fundamental strategic direction of the business, including acknowledgement of key climate-related issues. We will continue to proactively disclose our approach and progress on climate change-related risks and opportunities, including periodic reviews and updates to this Report.</p> <p>Our immediate focus is on supporting those impacted by the change from refinery to terminal operations this year, setting ourselves a target to have at least 90 per cent of people impacted by the changes either in new jobs (those who want new jobs) or retraining within six months. Other key commitments, discussed in full in Our Transition Pathway from page 16, include a minimum six month notice period and six months' redundancy pay, as well as access to a broad range of training and placement programmes.</p>
	<p>Opportunities: The changes Channel Infrastructure will be undertaking over the coming years provide a valuable opportunity to enhance our reach and reputation by designing and executing an industry best-practice and just transition for our people. By demonstrating leadership, inclusive growth and adaptation, we can ensure our social licence is maintained and reputation is strengthened, putting us in a strong position to execute a successful transition and implement future growth strategies.</p> <p>We see further opportunities to strengthen our reputation through active involvement in the provision of low-carbon fuels to the New Zealand market in the medium to long term.</p>	<p>As discussed above, we have made a number of commitments and investments to prioritise a just transition for those affected by the conversion of the Marsden Point operation.</p> <p>To further support our business-wide commitment to a just transition, our 90 per cent target for employees finding a new role or retraining within six months (described above) has been integrated into remuneration for all employees via inclusion in the Company Scorecard.</p>
Technology	<p>Opportunities: Technological advancements in the manufacture, transport and end-uses of low carbon fuels may accelerate their uptake across the New Zealand economy. This represents a sustainable growth opportunity for Channel Infrastructure to diversify our role as a provider of critical energy services to the economy.</p>	<p>During 2021, we completed a comprehensive review of opportunities for repurposing components of the Marsden Point site following the conversion. This included careful consideration of technological feasibility and maturity of different options, with extensive consultation undertaken across subject matter experts, potential partners and international refineries.</p> <p>This review has identified a number of prospective options across the three future time horizons considered. These will be explored further over the coming year, with a view to undertake feasibility studies where appropriate.</p> <p>In addition, we continue to monitor domestic and international technology developments which may represent commercially attractive opportunities for our business.</p>

TOPIC	DESCRIPTION OF RISK/OPPORTUNITY	MANAGEMENT ACTIONS AND PLANS
Physical – acute/chronic	<p>Risks – Short, medium and long term (flooding disruptions): Channel Infrastructure's Marsden Point operation is located on the east coast of New Zealand, at the entrance to Whangarei Harbour and about 140 kilometres north of Auckland. Following the conversion, the terminal will import, store, and distribute refined transport fuels on behalf of customers (primarily to Auckland and Northland markets) via either the Marsden Point to Auckland Pipeline to Wiri or a short pipeline to a truck loading facility adjacent to the site for distribution by road.</p> <p>Due to the location of the refinery and import terminal at the entrance to the Whangarei harbour, the operation is vulnerable to extreme (acute) weather events such as storm surge or storm tide events. These may increase in frequency and severity over time, due to climate change. Subsequent flooding of the site could result in asset damage and business disruption including impacts along the supply chain.</p> <p>In addition, chronic impacts such as rising sea levels may reduce future effectiveness of the natural fore-dune barrier (between 6-12 metres) protecting the Marsden Point site, which is situated 4.3 metres above mean sea level.</p>	<p>To date, storm surge events have been prepared for and managed using existing operational processes and business continuity plans.</p> <p>We maintain Material Damage and Business Interruption insurance for property damage and consequential business interruption as a financial mitigation of these risks. On conversion from the existing refinery to import terminal operations, the scope of cover will be adjusted to reflect that of the terminal business.</p> <p>We also continue to monitor Climate Change Projections for New Zealand prepared by the Ministry for the Environment (which draw on climate model simulations from the Intergovernmental Panel on Climate Change).</p>
	<p>Risks – Short, medium and long term (erosion impacts): Increasing frequency and severity of extreme weather events increase the risk of significant one-off erosion events at the Marsden Point site, noting that existing coastal processes have already been observed to be causing ongoing erosion issues.</p> <p>In addition, climate change induced sea level rise over time will increase erosion related risks.</p>	<p>A coastal erosion hazard management strategy has been in place for the site since 2013. The plan was prepared with consideration of the adapted risk-based framework of the Ministry for the Environment (MfE) Coastal Hazards and Climate Change Guidance Manual (2008).</p> <p>Surveys of the coastal foreshore around the location are undertaken regularly, with the next planned for this coming year. Information collected is used to inform and manage the risks from coastal erosion, integrated with the latest inundation maps and predicted coastal erosion lines from the local Northland Regional Council.</p> <p>The company hold consents to undertake further coastal erosion protection works if required.</p>

Business Planning

Business planning including scenario analysis has been an important tool for us as we have assessed options through our Strategic Review process and planned and navigated our transition. We have been undertaking scenario analysis for fourteen years now, and these exercises centrally informed our decision to transition from a refinery to an import terminal.

Our scenario analysis has focused on the fuel passing through our infrastructure, as in our view this is the most material climate transition impact for our business.

Channel Infrastructure uses fuel demand forecasts formulated by third party oil and gas market experts, Hale & Twomey, for its business planning, with base planning scenarios presented in the charts set out on page 44. The Business New Zealand Energy Council (BEC) has recently issued updated energy scenarios (TIMES-NZ 2.019),¹² with the Tui scenario representing a future in which climate change is one of several competing priorities and the Kea scenario representing a future in which climate change is seen as the most pressing issue and in which the New Zealand economy is largely decarbonised by 2040. These scenarios are shown in the chart set out on page 44 as a comparison against the Hale & Twomey forecast volumes. The BEC scenarios indicate the range of potential views on the rate of decarbonisation of transport fuels, with the Hale & Twomey forecasts used by Channel Infrastructure more closely aligned with the BEC Kea scenario.

According to the Hale & Twomey forecast demand outlook, petrol and diesel demand will start declining from circa 2025 and circa 2030, respectively and

continue to decline through to 2050. While there is significant uncertainty in relation to future demand and demand peaks, this outlook is largely in line with the Climate Change Commission's report on New Zealand's carbon budget issued in June 2021. This report contemplates a 1.5 degree aligned pathway for New Zealand.

Jet fuel demand forecasts have a wide range due to uncertainty around the recovery from COVID-19 impacts and viable alternative sources of energy for air travel.

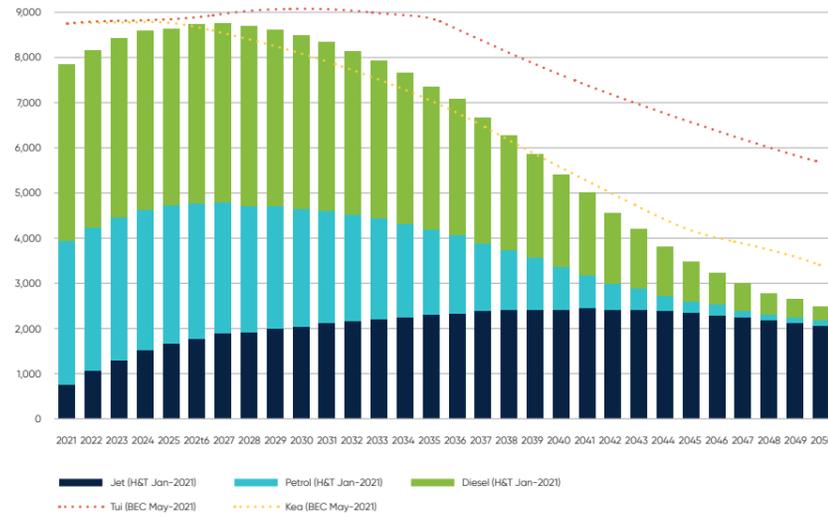
Expert forecasts expect New Zealand jet fuel demand to continue to grow through to the 2040s before declining based on expected technology improvements and possible fuel substitution (potentially electric, Sustainable Aviation Fuels or hydrogen fuel cells). SAF has been identified as the primary solution for decarbonising long-haul flights which drives the majority of jet fuel demand and has not yet been included in these forecasts. Any SAF imported into, or manufactured at, Marsden Point, would likely utilise the same terminal infrastructure as fossil jet fuel i.e. jetties, tanks and pipeline.

In line with this, national pathway assessment efforts undertaken by the Climate Change Commission have identified that road transport fuel is the primary site of change for New Zealand's transport system in a Paris Agreement consistent world, with few alternatives in place for long-haul air borne transport other than SAF. Our existing business planning assumptions have reflected these conclusions, assessing declines in petrol and diesel demand and growth in jet fuel demand, in line with the identified impacts of a national 1.5 degree scenario.

¹² BusinessNZ Energy Council energy scenarios published in 2021: bec.org.nz/our-work/scenarios/times-nz-2.0.

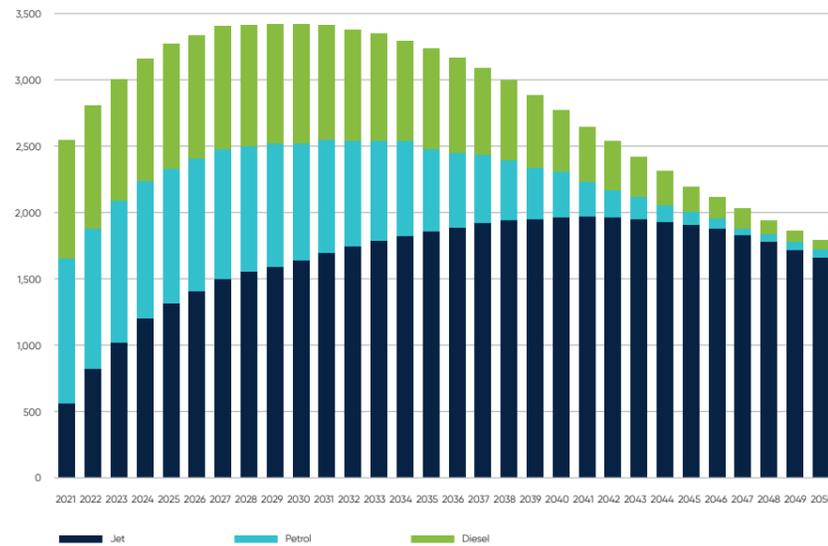
Fuel demand projections for New Zealand

New Zealand Product Demand (million litres)



Fuel demand projections for markets supplied by Channel Infrastructure (Auckland and Northland)

Auckland + Northland Product Demand (million litres)



Channel Infrastructure's import terminal assets were recently revalued at fair value by an independent valuer at \$793 million, using the Hale & Twomey fuel demand forecasts (refer to note 11 of the Consolidated Financial Statements for the year ended 31 December 2021). The actual rate of future fuel transition remains uncertain, and may occur faster or slower than these forecasts assume. For this reason, we have included a sensitivity to this valuation in our financial statements, which shows the impact on asset value if fuel volumes through our import terminal facilities were to be 10% higher or 10% lower than assumed in the forecasts. The sensitivity of the fair value assessment of our import terminal assets to such a change is +\$55 million and -\$52 million.

Scenario analysis will continue to form part of our strategic toolkit, and we anticipate that our approach will develop over time, including as best practice for TCFD disclosures in our region develops. Areas for further investigation include jet fuel forecasts as the feasibility of SAF is demonstrated. These also include physical risk, as although we have undertaken specific assessment of event risk for storm surges and inundation at the site, we have yet to undertake a broader scenario analysis for physical climate risk.





Case Study – Repurposing Opportunities at Marsden Point

Our transition from New Zealand's only oil refinery means a big change to how we keep New Zealand moving, but as we make this change, there are exciting opportunities for us to diversify what we do, beyond our core business of operating the import terminal.

We are talking to a range of parties about options to utilise the highly strategic assets we have at Marsden Point. We have a long-term resource consent to operate, deep harbour and jetty access, industrial electricity and gas connections, and proximity to the largest population base in New Zealand. We have near-term, and longer-term plans, all of which are underpinned by our long-term commitment to operating at Marsden Point.

We are exploring options to progress the Maranga Rā solar project, which in combination with battery storage, has the potential to eliminate remaining Scope 2 emissions and fully decarbonise Marsden Point terminal operations.

We are actively talking with customers about opportunities to decarbonise their Scope 3 emissions, through infrastructure support for the biofuels mandate and we are involved in the Air New Zealand-led Sustainable Aviation Fuel feasibility study.

Discussions are underway to explore the import and storage of other bulk liquids at Marsden Point, and we expect the findings of the Fortescue Future Industries study looking at green hydrogen production on our site, to be delivered later in 2022.

Our transition from New Zealand's only oil refinery means a big change to how we keep New Zealand moving.

Risk management

The Channel Infrastructure Board is responsible for reviewing and managing risks, including those related to climate change, as outlined in our Governance Statement (available on our website). Day-to-day risk management is delegated to the Chief Executive Officer, with risk assessments conducted by the Corporate Lead Team.

We have an enterprise-wide risk management system in place, covering preventative/recovery or mitigating barriers or controls. As at January 2022, three risks linked to climate change are recorded and managed in this Enterprise Risk Register. An audit programme is also in place to verify that operational controls (barriers) are functioning as documented and to assess the efficiency and effectiveness of internal controls. The Corporate Lead Team and the Board obtain additional assurance of the adequacy of the Company's management system from detailed operational reports and monitoring controls covering both leading and lagging indicators as well as independent risk assessments carried out by independent third parties.

Metrics and Targets

Our direct emissions in 2021 totalled 998,982 tonnes CO₂-equivalent (tCO₂e), with 857,042 tCO₂e arising from direct (Scope 1) emissions sources and 141,940 tCO₂e arising indirectly (Scope 2) through consumption of electricity generated offsite. This represented a small (1.6 per cent) increase on 2020 levels, reflecting the impact of COVID-19 on 2020 production levels, and a larger 20 per cent reduction on 2019 levels. Further historical data is provided in the environmental performance section of this report on page 48.

Following conversion, emissions from direct (Scope 1) sources are expected to be minimal, arising from small quantities of fuel combustion in vehicles, off road equipment, boilers, pumps and generators, as well as some ongoing fugitive emissions from tanks, valves and flanges. Scope 2 emissions are also expected to decrease by 85 per cent as electricity demands for the import terminal and storage operations are expected to be significantly lower than the more energy intensive refinery operations. Some of these Scope 1 and Scope 2 emissions will move upstream in our value chain, increasing upstream supply chain emissions in the shift. Nonetheless, the emissions intensity of the fuel we provide to customers is expected to decrease over time as discussed in Our Transition Roadmap and Table 2 on page 38. We are committed to working with customers to identify opportunities to utilise our infrastructure to support the decarbonisation of New Zealand's transport sector, including by pursuing the use of our facility to support biofuel consumption in New Zealand by 2030.

In this context, we have set the following emissions reduction targets for our business to drive progress and set clear commitments to our stakeholders. These are described in full in Our Transition Pathway (Our Targets section).

- Net Zero – Net zero Scope 1 and 2 emissions by 2030.
- Customer Scope 3 – Target: Our infrastructure is utilised to support the decarbonisation of New Zealand's transport sector and facilitate customer Scope 3 emissions reduction by 2030.

07

Environmental
performance

-  Operational decarbonisation
-  Future fuels and energy industry transition
-  Land, air, waste & water management
-  Circularity

Channel Infrastructure is committed to maintaining the highest standard of environmental performance and protecting the unique environment in which we operate. We take these commitments very seriously, as we also live and work at Marsden Point and the surrounding community.

As noted above, Channel Infrastructure seeks to reduce our carbon footprint, build resilience to climate change risks, and responsibly contribute to achieving New Zealand and global decarbonisation targets. We seek to do this while acting as responsible managers of the land and sea upon which we operate. Moreover, our environmental commitments extend beyond carbon emissions to include waste, wastewater, land contamination and erosion, all of which must be managed responsibly.

We are conscious of our responsibility for minimising the impact of our operations on the surrounding environment. This has been underpinned by a 'no spill' policy and our previous c.\$25 million investment in site cleaning, preventing hydrocarbons leaving the site, and bolstering the resilience of our water treatment systems. Our transition to import terminal operations will reduce the impact of our operations on the surrounding environment and we will be maintaining our focus on reducing legacy hydrocarbon impacts to groundwater through the ongoing operation of our network of groundwater monitoring and recovery wells.

Our Marsden Point site was recently granted by the Northland Regional Council a Resource Consent to operate for another 35-year term, based upon a detailed environmental impact assessment of our

processes, and operations. This assessment reviewed our operations' effects on the harbour, land, air quality and the surrounding community. As a condition of the resource consent, we have committed to strict protections to maintaining the current level of high environmental standards, and to ensure any current and future operations that take place on our site do so in a responsible manner.

Our environmental management systems include monitoring of our discharges to air and water, soil and groundwater management, awareness and permit to work controls, as well as cleaning and remediation of all leaks or spillage. More information on our environmental management systems can be attained on the Environment section of our website.

Greenhouse Gas emissions: Following closure of the refinery in 2022, we expect our Scope 1 and 2 greenhouse gas emissions will decline by 98 per cent from 2019 levels, a reduction of over 1 million tonnes of carbon dioxide per annum. The closure of the refinery alone will deliver upon one third of Aotearoa New Zealand's first emissions reduction budget. We anticipate an approximate 85 per cent reduction in electricity consumption, and no natural gas requirements following this transition. It will open significant opportunities to participate in decarbonisation of New Zealand's transport fuels and energy through our existing infrastructure and repurposing of the Marsden Point site.

Our emissions intensity increased in 2021 to 244 (kgCO₂/t of product) since the prior year where it was 218.4. This was reflective of higher production levels compared to 2020 (when we shut the refinery down for six weeks),

as well as a less efficient mode of operating the plant with lower production levels than would be optimal, given the ongoing impacts of COVID-19. Our Scope 1 emissions increased marginally from 2020 to 857,042 tCO₂ but remained below the 2019 level of 1,080,041 tCO₂. Our Scope 1 largely comprised of emissions from process furnaces, industrial processes, and fugitive emissions. The 2021 emissions increase should be seen in the longer-term context as a minor change ahead of a wholesale decline of Scopes 1 and 2 emissions expected in 2022. Gas usage in 2021 was lower than in 2020 due to the unavailability of gas supply in New Zealand at levels required to optimally run the refinery, increasing use of refinery produced fuel.

Our Scope 2 emissions also increased slightly to 141,940 tCO₂, up from 134,927 for the previous reporting year.¹⁴ Going forward, our emissions profile will predominantly comprise of Scope 2 emissions. We are investigating pathways for further reduction beyond the expected 98 per cent¹⁵ in 2022, including via the use of process improvements and renewable electricity.

Waste: Steel, aluminium, paper and other waste from the refinery is recycled responsibly. As part of our waste management programme, we recycle more than 190 tonnes of material, including steel, aluminium and paper every year.

Releases outside consent: The Company recorded unauthorised releases outside of consent in 2021 when non-compliant firefighting foam was used during fire training exercises. Our testing indicates a low risk to the surrounding environment from these releases. The Company has taken action to mitigate the effects of the discharge and to further strengthen on-site controls, with on-going testing to determine if any further treatment or remediation is required.

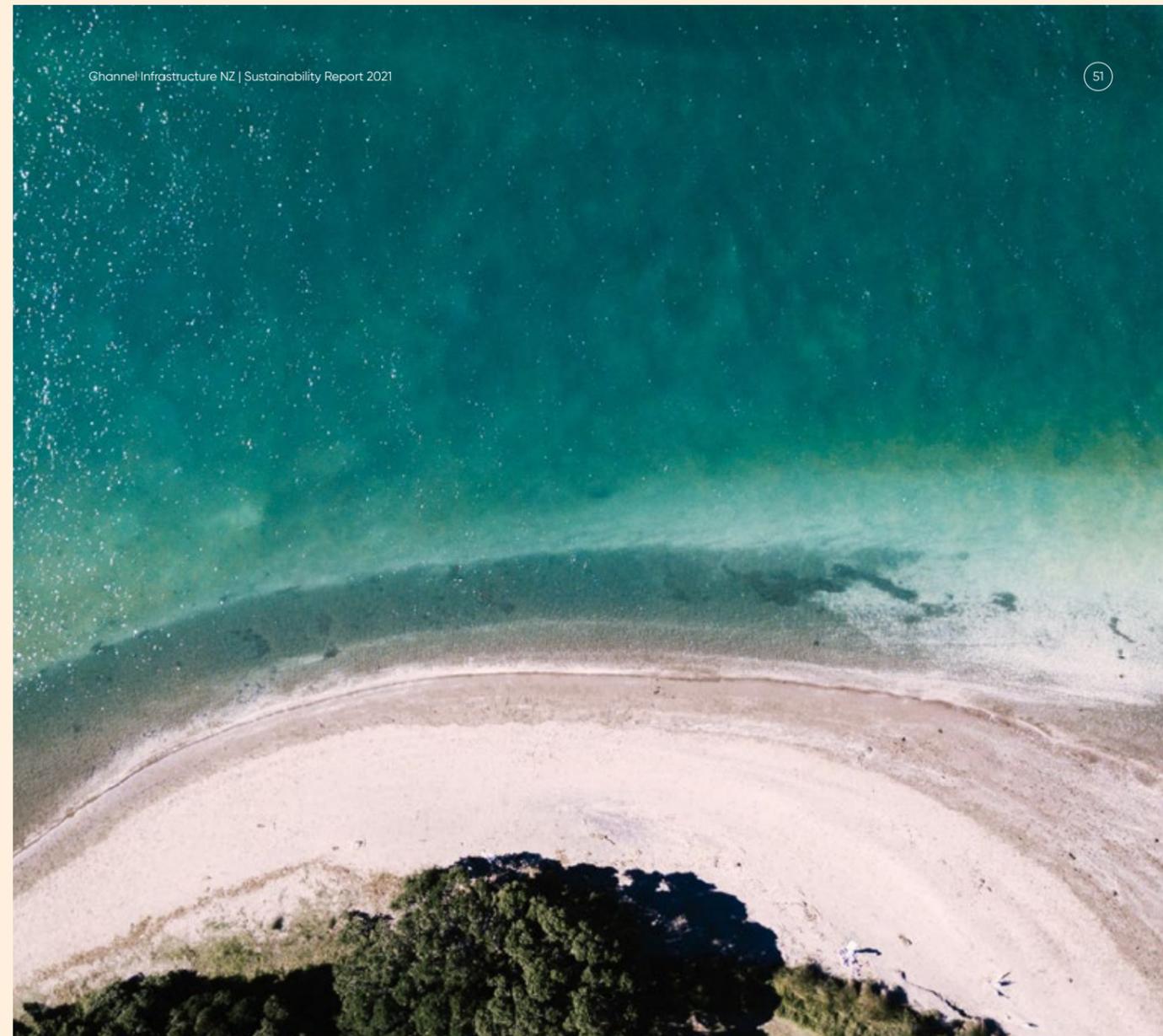
Wastewater: All wastewater from process units, stormwater, the effluent water treatment plant and the groundwater recovery system is collected in our stormwater basin prior to discharge to the Whangarei Harbour. Our discharge is continually monitored to ensure it remains within the strict quality limits of our resource consent. In recent years, we have invested c.\$25 million in improving our wastewater collection and treatment systems to ensure they remain robust, particularly during heavy weather events.

Erosion management strategy: Recent studies have observed and confirmed evidence of erosion at the site boundary, and identified the future possibility of ongoing erosion events, such as storms and tsunamis aggravated by sea level rise and changing weather patterns because of climate change. Our erosion management strategy aims to manage the dynamic coastal environment in which we operate in a way that provides resilience to our nationally significant infrastructure while appropriately recognising its wider social, cultural, and environmental values.

We have identified key assets that may be at risk in future years and corresponding responses, including options for at-risk assets. We are also considering a range of short and long-term coastal erosion management options since much of the infrastructure at the site cannot be easily relocated. To manage these environmental risks, we have developed a strategic erosion management framework which includes monitoring, thresholds, and a decision-making matrix to determine appropriate responses.

¹⁴ Correction: in our 2020 Annual Report on Page 18 we incorrectly cited our 2020 Indirect Scope 2 emissions at 56,100 tCO₂, this number should be 134,927 tCO₂, as cited in this Report.

¹⁵ Compared to 2019 CO₂ emissions.



Case Study – Erosion Management

As a coastal site, we are subject to a range of environmental impacts which are increasing as our climate changes.

In 2013, the site experienced significant coastal erosion events, to the point that the beach surrounding the site eroded right back to our fence in one location, which was subsequently washed away. As the seasons change, and prevailing wind and storm direction shifts, this kind of significant event is becoming more common.

In the immediate aftermath of the 2013 'washout', we undertook coastal works to build a buried seawall, re-establish the beach and dunes over the seawall, and develop a comprehensive Coastal Erosion Management Strategy. The strategy includes monitoring of the dunes

of the coastal foreshore to track movement or recession over time. Our mapping, along with information from the Northland Regional Council, has been used to predict and track expected retreat of the dunes over the next 35 to 50 years so that we can make the necessary investments now to manage the potential retreat from land that is most at risk of weather-related impacts over this time period.

Periodically, when required, we also undertake proactive dune planting to shore up the dunes and reinforce natural protection barriers.

We are currently developing a coastal landscape Management Plan with iwi which will, among other things, include dune planting to improve dune resilience to erosion events.

Table 3 – Emissions Data

RELEASES OUTSIDE CONSENT

10 

2020: 5 2019: 1 2018: 5 2017: 4

DIRECT CO₂ EMISSIONS (SCOPE 1)

857,042 ^{tCO₂} 

2020: 848,621 2019: 1,080,041 2018: 972,018 2017: 1,045,595

FLARE

0.06 ^{Amount of flare as mass % of feedstock} 

2020: 0.17 2019: 0.02 2018: 0.05 2017: 0.02

DIRECT CO₂ EMISSIONS INTENSITY

244.0 ^{kgCO₂/t of product} 

2020: 218.4 2019: 206.1 2018: 195.9 2017: 199.4

INDIRECT CO₂ EMISSIONS (SCOPE 2)

141,940 ^{tCO₂} 

2020: 134,927 2019: 177,132 2018: 162,753 2017: 175,788

SULPHUR DIOXIDE EMISSIONS

3,341 ^{Tonnes} 

2020: 3,345 2019: 4,329 2018: 3,404 2017: 3,695

Table 4 – Resource Usage

TOTAL FUEL USAGE

11.6 ^{Petajoule} 

2020: 11.2 2019: 14.3 2018: 13.2 2017: 14.2

NATURAL GAS USAGE

1.9 ^{Petajoule} 

2020: 2.4 2019: 3.5 2018: 3.4 2017: 2.8

WATER USAGE

1.46 ^{Million tonnes} 

2020: 1.49 2019: 1.68 2018: 1.65 2017: 1.7

EX-CRUDE (REFINERY PRODUCED FUEL)

9.8 ^{Petajoule} 

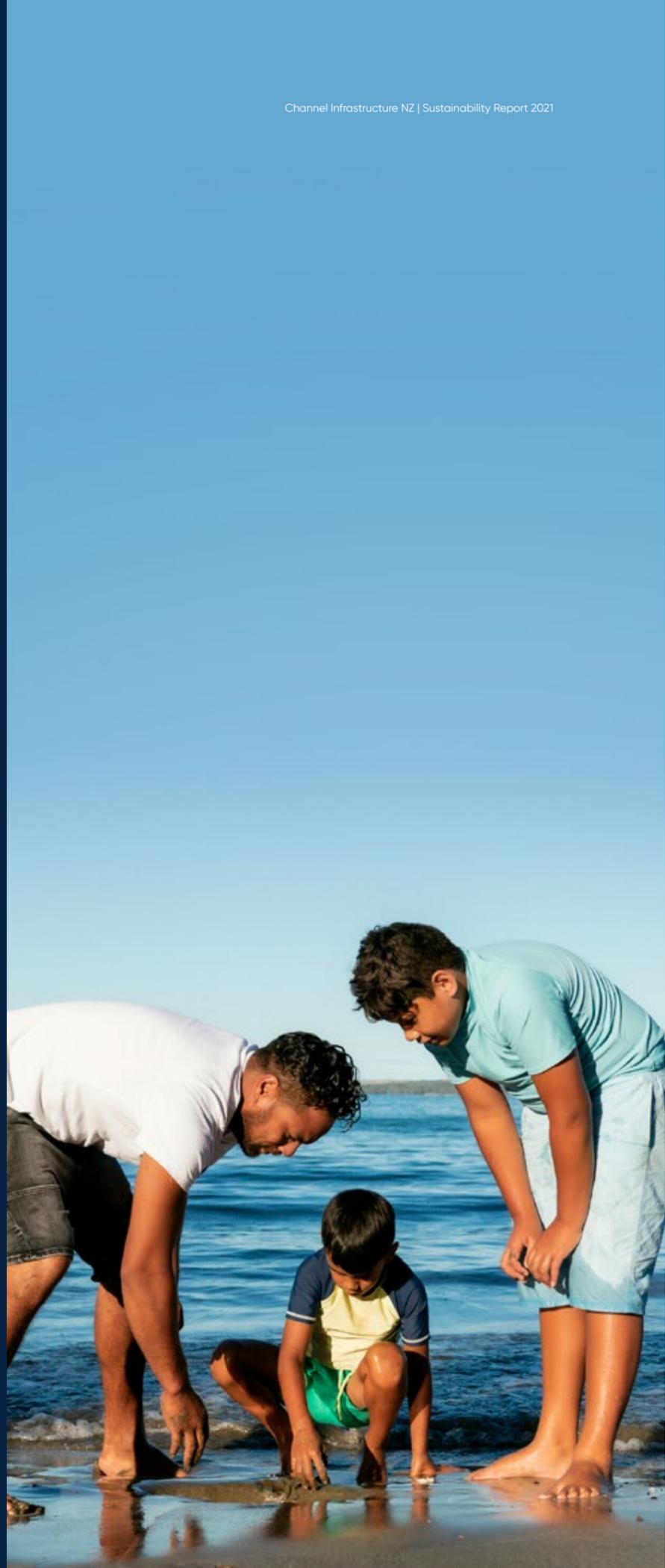
2020: 8.8 2019: 10.7 2018: 9.8 2017: 11.4

ELECTRICITY USAGE

0.96 ^{Petajoule} 

2020: 0.92 2019: 1.23 2018: 1.14 2017: 1.22

08

People,
Diversity &
Community

-  Health and wellbeing
-  People and process safety
-  Access to skills

Health, Safety and Wellbeing

The safety of our workplace and the health and wellbeing of our people are core company values, at the heart of the on-site culture.

We see safety as inclusive of the physical, mental, and social aspects to the issue. We have a responsibility to provide safe and healthy working conditions for all employees and contractors working for us. This responsibility is a core aspect of our business and is grounded in the United Nations Guiding Principles on Business and Human Rights (UNGP) and the UN SDG 3 Good Health and SDG 8 Decent Work and Economic Growth.

We maintain our commitment of 'Everyone Safely Home Every Day' and actively value and protect the physical and mental health and safety of our employees and contractors. We acknowledge this is a critical responsibility and that our operations contribute to the welfare of our people and the surrounding communities. We also acknowledge the International Labour Organization (ILO) and United Nations Guiding Principles on Business and Human Rights (UNGP) definitions for workplace health and safety¹⁶, as well as the link to a universal human right to work safely.

Our transition from a refinery to an import terminal has created change and uncertainty for many of our people; supporting them through this period, not just in future employment opportunities but in their mental health, has been a huge focus for the business. Our workforce is incredibly diverse, so ensuring we have a broad range of mental health support services available was, and continues to be, key to contributing to the wellbeing of our staff. We developed the E Tū Tangata safety culture programme, which continues to have a strong impact on our health, safety and wellbeing culture today, and is explained further in the case study on page 57.

Alongside E Tū Tangata, we have the 'Care' framework. This framework provides key support services to ensure all employees have options available if they ever need assistance with their mental health. The Care framework includes the Manaaki team, a group of people from across the business whose mahi (work) is focused on supporting anyone at any time, providing kanohi-ki-te-kanohi (face-to-face) support, as well as online and physical resources. Care also includes our 'Grow Hub' which provides ongoing transition support in the form of workshops, coaching and, lunch and learns. Our Wellbeing Workshops are designed to help our people

¹⁶ The ILO considers health, safety, and wellbeing in the workplace – often referred to as occupational health and safety (OHS) as the "discipline dealing with the prevention of work-related injuries and diseases, as well as the protection and promotion of the health of workers". The UNGP defines occupational safety and health as the improvement of working conditions and working environments for workers to ensure their safety and health are maintained while working and provide compensation if a work-related injury occurs. These international instruments are grounded in the Universal Declaration of Human Rights Article 3, which states "everyone has the right to life, liberty and security of person".

learn tools to manage their mental health through times of change and uncertainty, and so far these have achieved high participation with over 160 employees attending. Free counselling services have been made available to our employees over the transition period with dedicated counsellors available to support staff and Employee Assistance Program (EAP) support services providing 24/7 confidential, one-to-one counselling.

As we operate a high hazard facility, we work within a system of stringent safety policies and controls to comply with New Zealand's Health and Safety at Work Act 2015. To demonstrate our ability to operate safely with control over potential hazards, we developed a comprehensive Safety Case which was accepted in 2020 by WorkSafe. We continue to update the Safety Case as we transition to import terminal operations, whilst continuing to progress identified risk reduction projects.

The acceptance by WorkSafe of our Safety Case in early 2020 marked a significant milestone for our business and our safety journey. The Safety Case details the hazards that, left unchecked, could result in major incidents; along with the measures used to prevent such incidents occurring and the emergency response systems to reduce consequences should an incident occur. We are proud of our team and the work that has gone into developing the Safety Case, which further strengthens the effectiveness of personal and process safety management at Channel Infrastructure. For more detail, refer to our Safety Case Summary available on our website.

Underpinning the safety initiatives and structures are our Hauora Hikoi (Safety Walks) and Hauora Kōrero (Safety Talks), which are undertaken by people across the business. This programme won the Engagement category of the NZ Workplace Health & Safety Awards for 2020 and remains something we are proud of today.

The programme is being adapted and improved as we transition into our new business model.

Our personal safety performance in 2021 was strong, with recordable and lost time injury frequency rates being zero per 200,000 hours worked for the second consecutive year (0 TRCFR, 0 LTIFR)^{17,18}. We consider the above to be very significant achievements by our employees and contractors working on site considering that we operate in an environment requiring constant vigilance regarding hazards, and have achieved these results through a period of significant change and uncertainty.

We had in 2021 two Tier 1 and zero Tier 2 process safety incidents, an increase of two from the last two years.^{7,8} These incidents have been closely investigated to ensure we put in place measures to address their causes and strengthen our existing controls. We strive for zero incidents and know that we can achieve this, even during an ongoing global pandemic and complex structural changes to our business.

We conducted 14 major emergency exercises in 2021, a decrease from the 16 conducted in 2020. This decrease mostly resulted from the ongoing impacts of COVID-19 and the associated medical guidance which limited our ability to gather safely in groups. We plan to assess our major emergency exercises in 2022 in accordance with the prevailing medical advice and our own risk assessments.

To operate through an ongoing pandemic while undertaking a wholesale transition from a refinery to an import terminal, and to do so safely, was an outstanding achievement and a testament to the capability and commitment of our people.

¹⁷ TRCFR (Total Recordable Case Frequency Rate): The number of lost time incidents, restricted work cases, medical treatment cases and fatalities per two hundred thousand manhours worked.

¹⁸ LTIFR (Lost Time Injury Frequency Rate): The sum of work-related injury cases per 200,000 hours worked, where the injured person is deemed medically unfit for any work as a result of the injury.



Cory Abraham accepting, on behalf of the Company, the NZ Workplace Health & Safety Awards, Engagement category.

Case Study - E Tū Tangata, safety culture in practise

To support the Company's focus on safety and mental wellbeing across site, we developed the E Tū Tangata (Stand in the Gap) safety culture programme. This employee-led initiative incorporates values from Te Ao Māori into the culture strategy and celebrates diversity, which has contributed greatly to improved safety performance. The programme was recognised for its effectiveness when it won the 'Best initiative to encourage worker involvement in health and safety' in the Safeguard New Zealand Workplace Health and Safety Awards in 2020.

E Tū Tangata is a call for all workers across site to own our safety culture and to stand as one to be the voice for safety and wellbeing. As a high-hazard site, making sure every one of our people gets home safely every day is our number one priority. The group, all of whom volunteer to be involved, champion safety initiatives, and lead by example in their day-to-day work.

This includes organising themselves into the Manaaki group, to provide wellbeing support to colleagues which has been critical during ongoing COVID-19 disruptions and the business transition to an import terminal. The Manaaki team has also been recognised for their tactile approach to well-being support for the wider team at Refining NZ. They are finalists for the NIB New Zealand Best Emerging Programme Award in the national Headfit awards.

E Tū Tangata is celebrated each quarter through the Kaihautū (Leader) safety awards which aims to empower front-line workers to take ownership of themselves and their teams' safety, and recognises a member of the team who has had a tangible impact on safety across the site.

The transition of Refining NZ to Channel Infrastructure represents a big change for our people, but through the E Tū Tangata programme, they have supported each other to stay safe and take care through this time.

Table 5 – Safety Performance

TOTAL RECORDABLE CASE FREQUENCY RATE (TRCFR)/ 200,000 HOURS



LONG-TERM INJURY FREQUENCY RATE (LTIFR)/ 200,000 HOURS



TIER 1 PROCESS SAFETY INCIDENTS



TIER 2 PROCESS SAFETY INCIDENTS



NUMBER OF EMERGENCY EXERCISES



- Workforce transition
- Culture & diversity
- Community engagement
- Iwi partnerships

Diversity & community

Diversity and inclusion are important aspects of our business culture at Channel Infrastructure and were identified by our materiality assessment as impactful to the Company. We value diverse backgrounds and experience as a source of strength, which is particularly relevant now during our transition to Channel Infrastructure and the many associated challenges that come from such a major change to our business. We recognise the importance of adaptability and are committed to improving the ways we respect, connect with, and empower, our diverse workforce to improve the Company as a whole.

Our commitments to a diverse and inclusive work culture contribute to UN SDG 5 Gender Equality and should be considered with reference to international instruments including the UN Convention on Discrimination Against Women and the UN LGBTI Standards of Conduct for Business. Channel Infrastructure's specific values and commitments are detailed in our Diversity and Inclusion Policy (available on the website under Governance), noting that the Company commits to four core diversity principles:

- Diversity will be pervasive and evident throughout all levels of the organisation,
- We will gain and retain top talent by attracting a diverse candidate pool,

- Our decision making will be enhanced by the richness of the experiences and backgrounds of our people,
- The way we lead and the way we behave will demonstrate the value we place on diversity.

These diversity principles practically manifest through our recruitment, talent management, inclusive communication, performance management, corporate culture programmes, and succession planning.

The Diversity and Inclusion Policy also states the Company's definition of diversity, and details what metrics are captured and monitored.¹⁹ These metrics are recommended to the Board by the Corporate Lead Team with the Board annually assessing progress towards diversity objectives while also making any required updates or revisions to the policy. Our 2021 diversity and inclusion metrics are depicted in the data table in this section and referenced in our annual report.

2021 saw various areas of progress towards increasing diversity within the Company. 38 per cent of our Corporate Leadership Team identify as female with 50 per cent of that team under 50 years old. We are proud that at the end of the year, Channel Infrastructure had employees from 13 different countries and a variety of ethnicities working at the Marsden Point site.

¹⁹ Channel Infrastructure's Diversity and Inclusion Policy defines diversity to include gender, gender identity, disability, sexual orientation, religion, age, ethnicity, backgrounds, cultures, and worldly experiences.

Two female board members, together with our CEO Naomi James, CFO Denise Jensen and Chief People Officer, Caz Jackson, played key parts in the Company's Strategic Review and the Transition Committee throughout 2021. They provided integral leadership and guidance during one of the most challenging periods in the Company's history. We believe that amidst organisational transitions and other challenging times are when strong diversity pays dividends by improving problem solving and expanding the range of considerations used to make and execute on strategic decisions. We are proud of the gender diversity across our Board and senior leadership and our commitment to prioritising this advantage into the future.

Channel Infrastructure is committed to pay-equity, already taking steps to ensure equity for all employees. Channel Infrastructure will continue to review and monitor pay-equity into the future.

Most of the changes in our diversity and inclusion metrics stem from a higher-than usual degree of change resulting from our strategic transition to an import terminal, which is resulting in a significant draw-down of our employee and contractor size. Once the transition is complete, we expect to be able to draw new base-year data, reset our targets, and begin making marked improvement towards becoming as diverse as possible, which we believe is an important pillar of any organisation's long-term strategic sustainability.

Stakeholder and community engagement is an essential aspect of how we work and was identified by the Company's materiality assessment as impactful. We are committed to creating benefits for our people, their families, our neighbouring iwi partners, local communities, and all other relevant stakeholders. Our transition to an import terminal and future operations are built around international human rights standards, as our refinery operations have been for the past 60 years.

Our commitment to the communities and the people we interact with contributes to UN SDG 8 Decent work and Economic Growth and should be considered with reference to the UN Guiding Principles on Business and Human Rights as well as the International Trade Union Confederation's Just Transition Centre. See more information and examples of our community engagement and iwi partnerships on our website under Community and Sustainability.

Stakeholder and community engagement in 2021 has most clearly manifested through our ongoing focus on a just transition as Refining NZ becomes Channel Infrastructure. For context, a Just Transition secures the future and livelihoods of workers and their communities in the transition to a low-carbon economy.²⁰

From the start of the Company's Strategic Review, our Corporate Leadership Team has committed to treating everyone with respect and dignity, as we worked through what changes might be required in the future plans for our business. As an interim step, in 2021 we simplified our refinery operations to create time to develop plans for a long-term sustainable future and obtain the required stakeholder support for these plans. We used this initial change as an opportunity to work on how we would help those leaving the company to find new jobs or begin training, recognising a much larger change was ahead of us. We set ourselves the target of supporting all of our people impacted by the simplified refinery changes seeking employment to be in new jobs or undertaking retraining within six months of leaving the Company.

By the end of 2021, we were at about 96 per cent of our re-employment/retraining target for people impacted by the refinery simplification changes. Progress was largely due to various initiatives and collaborations organised as part of our comprehensive Transition Support Programme. We partnered with local support providers including: the Ministry of Social Development to help employees write CVs and master interviewing skills; with the Whangarei Budgeting Services to run workshops on best-practice management of redundancy payouts; with Vitae to increase their onsite presence as part of

²⁰ Just Transition Centre, ituc-csi.org/just-transition-centre

We believe that in challenging times and periods of significant organisational change strong diversity pays dividends, by improving problem solving and expanding the range of considerations used to make and implement strategic decisions.

our continued Employee Assistance Programme; and through the Northland Refinery Transition Working Group to attract new opportunities to the region for our people. We also organised a Careers Expo with some 20 employers with relevant vacancies to fill. We have taken our learnings from supporting workforce transition through the simplified refinery changes forward as we prepare for the much larger change that will occur in 2022 as we transition from refinery to terminal operations.

We maintained close engagement and communication channels with our employees throughout the 2021 organisational changes. We launched a pulse survey in late 2020 called 'Your Voice' focused on safety and wellbeing, simplification, communication, leadership, accountability, development, energy and values. This survey continued regularly throughout 2021 and will be used again in 2022. The Company also established the Manaaki group under the broader health and safety programme E Tū Tangata to specifically support mental health and wellbeing around the transition. Manaaki was provided with training in psychological first aid, learning some of the key elements in this process – Look, Listen and Link – supporting our people and leaders through the change.

While the Company is conducting this transition with great care and concern for our stakeholders, it has not been easy, and we do not take the departures from our dedicated workforce lightly. As part of our transition beginning in late 2020, we have reduced our workforce by around 23 per cent from 382 people down to 294 people in December 2021. In total over the restructure, we have had some 90 employees leaving the Company either through redundancies, retirements or resignations.

Contractor numbers also reduced from 264 to 109 over that same period. Employee numbers will reduce again through 2022, and we will report on the workforce transition from refinery to import terminal operations in our next Sustainability Report.

In 2020, the Northland Refinery Transition Working Group was established to assist with assessing and mitigating the impact of terminal conversion on refinery employees, and the regional economy. The scope of works is varied and includes identifying opportunities around regional and national redeployment, training, and regional economic plans. The group is made up of local Councils, community leaders, iwi, Government agencies, and unions.

Channel Infrastructure remained dedicated throughout 2021 to the community in which we operate through ongoing engagement and communication. We partner with local stakeholders on long-term projects supporting the environmental, health, safety, and education of the surrounding area. For example, we partner with Patuharakeke Trust Board around environmental and educational projects. We also regularly engage our neighbours via our Facebook page and the Marsden Point Liaison Committee, and our CEO regularly speaks to different community groups and meetings across the district to keep them informed of any relevant activities or changes that could affect them. The community knows who to contact within the Company if they have critical safety concerns, if a hazardous event occurs, or if they have questions about our Safety Case summary which is publicly available on our website.



Case Study – Partnering with mana whenua

Channel Infrastructure has strong and enduring partnership with the kaitiaki over the land upon which we operate, and we are proud of our work to understand and acknowledge iwi perspectives because we recognise the intergenerational impact our business has had on tangata whenua from our region.

We are proud to have formal relationship agreements with two of our nearest iwi partners. This mechanism means we have a way to recognise our differences and to provide the framework to allow us to work together in a positive way as we move forward. We are committed to upholding the principles of Te Tiriti o Waitangi, as we manage the impact of our operations on the site, and harbour, at Marsden Point

Our strong and enduring relationship agreement with Patuharakeke as ahi kā is a testament to this commitment. It is our formal agreement to consult and discuss changes we are planning on site, and while we do not always agree, we respect each other's position. Wherever possible, we look to consider the impact of any changes on mana whenua of the site on which we operate.

Our iwi partners are committed to the protection of our environment and their responsibility as kaitiaki, and we recognise our obligations as well. We are working closely with our community and local iwi to ensure we minimise our impacts on the coastline and land upon which we operate, through active environmental management plans, and a firm understanding of how we can mitigate the risks of operating our consented heavy-industrial site.



We have also committed to ongoing consultation and open and honest communication between Channel Infrastructure and iwi partners, to ensure they are informed of any activities on site that may have an impact on them as kaitiaki.

For many of our team based at Marsden Point, this is their community too, so we have a strong personal commitment to preserving and protecting the taonga that surrounds us.

Table 6 – Staff And Contractor Data

NUMBER OF STAFF

294

2020: 344 2019: 412 2018: 344 2017: 344 2016: 338

NUMBER OF CONTRACTORS

109

2020: 105 2019: 251 2018: 265 2017: 269 2016: 174

Table 7 – Diversity Data

	2021						2020					
	BOARD		CORPORATE LEAD TEAM		WORKFORCE		BOARD		CORPORATE LEAD TEAM		WORKFORCE	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
GENDER												
Male	5	71%	5	62%	234	82%	5	71%	4	57%	280	84%
Female	2	29%	3	38%	52	18%	2	29%	3	43%	57	16%
Other ²¹	-	-	-	-	-	-	-	-	-	-	-	-
ETHNICITY												
NZ European/Pākeha	4	57%	6	75%	173	60%	5	71%	5	71%	193	57%
Other European	3	43%	2	25%	43	15%	2	29%	2	29%	58	17%
Māori & NZ European	-	-	-	-	16	6%	-	-	-	-	22	7%
Māori	-	-	-	-	16	6%	-	-	-	-	22	7%
Asian	-	-	-	-	9	3%	-	-	-	-	10	3%
Other ²²	-	-	-	-	29	10%	-	-	-	-	32	9%
NATIONALITY TOTAL												
New Zealand	-	-	-	-	233	77%	-	-	-	-	271	77%
United Kingdom	-	-	-	-	12	4%	-	-	-	-	14	5%
Australia	-	-	-	-	12	4%	-	-	-	-	13	4%
South Africa	-	-	-	-	8	2%	-	-	-	-	12	3%
Other	-	-	-	-	34	12%	-	-	-	-	25	7%
Information not provided	-	-	-	-	2	1%	-	-	-	-	16	4%
AGE												
Under 30	-	-	-	-	12	4%	-	-	-	-	23	7%
30-50	2	29%	4	50%	164	57%	3	43%	4	57%	193	56%
Over 50	5	71%	4	50%	110	39%	4	57%	3	43%	121	35%

²¹ Other, for the purpose of gender diversity, includes: transgender, non-binary, agender, genderfluid, polygender, and any other form of gender identification.

²² Other, for the purpose of ethnic diversity, includes Māori & Other Ethnicity, Pacific Islander, Pacific Islander & Other Ethnicity, African, Indian, Middle Easterner, Pakistani, Sri Lankan, South American, North American, and Information not provided.



GRI Index

Statement of use:

Channel Infrastructure has reported the information cited in this GRI content index for the period 1 January 2021 to 31 December 2021 with reference to the GRI Standards

GRI 1 used | GRI 1: Foundation 2021

GRI Standard	Disclosure	2021 Sustainability Report (SR) 2021 Annual Report (AR)
GRI 2: General Disclosures 2021	2-1 Organizational details	2, 9 AR
	2-2 Entities included in the organization's sustainability reporting	35 AR
	2-3 Reporting period, frequency and contact point	1 Jan 2021 to 31 Dec 2021; Annual reporting period; communications@channelnz.com 35, 84, AR
	2-4 Restatements of information	50 SR
	2-5 External assurance	None
	2-6 Activities, value chain and other business relationships	17-19 SR
	2-7 Employees	54-63 SR
	2-8 Workers who are not employees	54-63 SR
	2-9 Governance structure and composition	35-36 SR 10 AR
	2-10 Nomination and selection of the highest governance body	10 AR
	2-11 Chair of the highest governance body	10 AR
	2-12 Role of the highest governance body in overseeing the management of impacts	31-33 SR
	2-13 Delegation of responsibility for managing impacts	31 SR
	2-14 Role of the highest governance body in sustainability reporting	31-33 SR
	2-15 Conflicts of interest	32 SR
	2-16 Communication of critical concerns	28-30 SR
	2-17 Collective knowledge of the highest governance body	10 AR
	2-18 Evaluation of the performance of the highest governance body	10 AR
	2-20 Process to determine remuneration	31-33 SR 13 AR
	2-21 Annual total compensation ratio	17 AR
	2-22 Statement on sustainable development strategy	15, 17, 24, 35, 43 SR
	2-23 Policy commitments	15 SR
	2-24 Embedding policy commitments	15, 17 SR
	2-25 Processes to remediate negative impacts	31-33 SR
	2-26 Mechanisms for seeking advice and raising concerns	61 SR
	2-27 Compliance with laws and regulations	2, 9 SR 35 AR
	2-28 Membership associations	Business and Parliament Trust, Business NZ, Hugo Group, Institute of Directors, Northland Chamber of Commerce, Petroleum Skills Association, Business Leaders, Health and Safety Forum, The New Zealand Initiative

GRI Standard	Disclosure	2021 Sustainability Report (SR) 2021 Annual Report (AR)
GRI 2: General Disclosures 2021 (continued)	2-29 Approach to stakeholder engagement	28-30 SR 61 AR
	2-30 Collective bargaining agreements	Not reported
GRI 3: Material Topics 2021	3-1 Process to determine material topics	28-29 SR
	3-2 List of material topics	28-30 SR
	3-3 Management of material topics	31-33 SR
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	53 SR
	302-3 Energy intensity	17 SR
	302-4 Reduction of energy consumption	10-11, 17-18 SR
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	6, 20, 46 SR
	303-5 Water consumption	27, 53 SR
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	27, 47, 49, 52 SR
	305-2 Energy indirect (Scope 2) GHG emissions	27, 47, 49, 52 SR
	305-4 GHG emissions intensity	27, 50, 52 SR
	305-5 Reduction of GHG emissions	10-11, 18, 52 SR
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	53 SR
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	63 SR
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	55-56 SR
	403-2 Hazard identification, risk assessment, and incident investigation	55-56 SR
	403-3 Occupational health services	55-56 SR
	403-4 Worker participation, consultation, and communication on occupational health and safety	55-56 SR
	403-6 Promotion of worker health	55-56 SR
	403-9 Work-related injuries	58 SR
GRI 404: Training and Education 2016	404-2 Programmes for upgrading employee skills and transition assistance programmes	41 SR
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	59 SR



Channel Infrastructure is the essential connection in New Zealand's energy network.



Channel

Infrastructure NZ