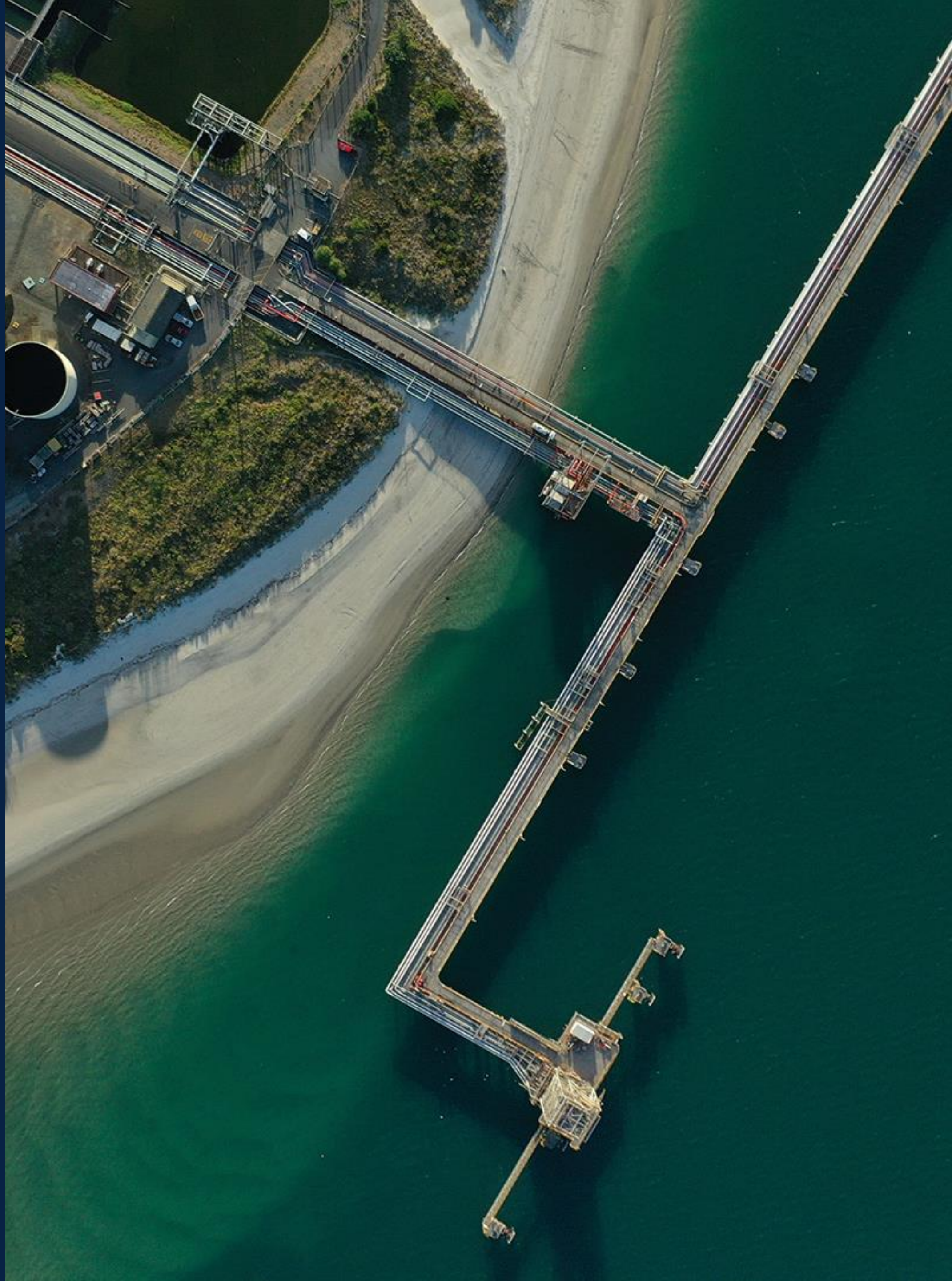
Channel
Infrastructure NZ

Rapid Insights Conference

26 June 2024



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Our Investment proposition

- Ownership of critical infrastructure
- Long-term customer contracts
- Stable inflation linked earnings and cash flows with strong balance sheet
- 11% Free Cash Flow yield, 8% Dividend yield
- Infrastructure resilient through New Zealand's transition to liquid renewable fuels
- Focused Growth opportunities

Providing resilient infrastructure needed to support the energy transition

Channel's customers import **c.3.4** billion litres of fuel through Channel's infrastructure

New Zealand's only natural deep water harbour.
Two jetties capable of receiving refined product ships amongst the largest in the world

170km pipeline to Auckland
Only pipeline capable of transporting liquid fuels to Auckland

~400 million litres
tank capacity available for conversion

~280[1] million litres
of shared and dedicated storage in service

Fuel supply into Northland

Fuel supply into Auckland

Key supply route to Auckland International Airport

40% of New Zealand's transport fuel demand

80% of New Zealand's jet demand

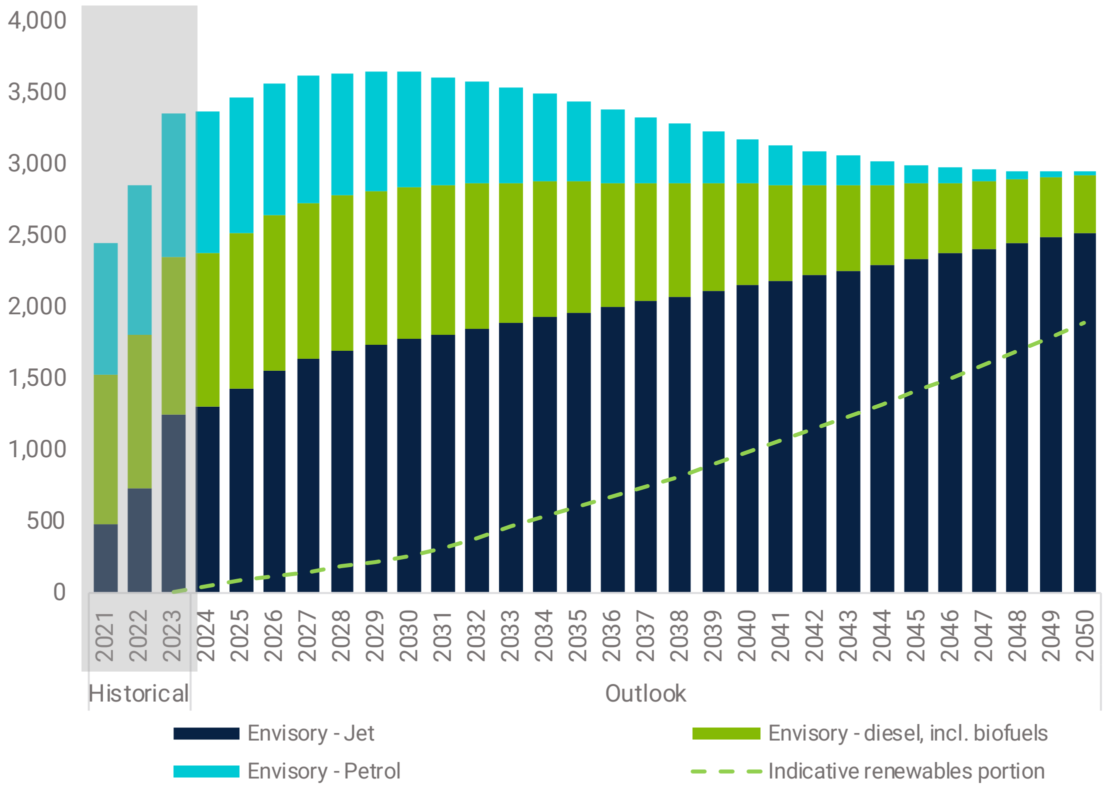
- 180ha of land of which only 1/3 is currently in use
- 120 ha of unutilised land with a book value of c.$15million.
- 35 year industrial zoning resource consent renewed in 2021
- Industrial gas, water and electricity grid connections

Renewable fuels will 'drop in' to our existing infrastructure, replacing today's fossil fuels over time, and keeping New Zealand moving throughout the energy transition

[1] excludes additional storage contracted November 2022

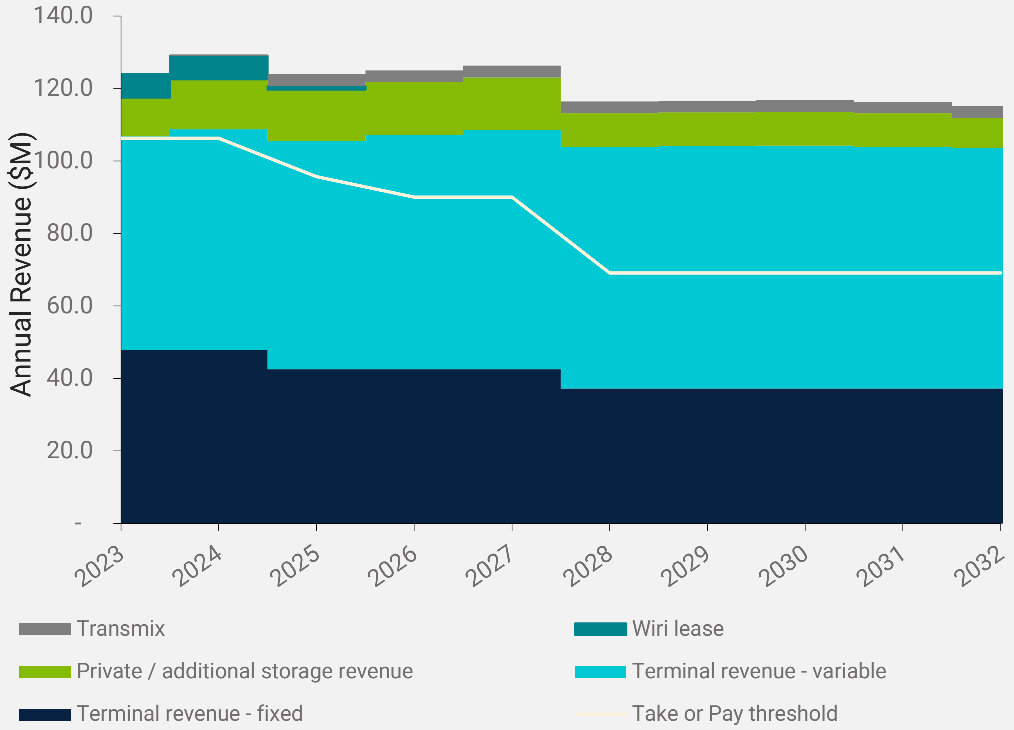
Long-term business underpinned by jet fuel demand, inflation linked revenues

Marsden Point Throughput (Million Litres)



- Throughputs of 921 million litres in Q1 2024, continued to track above the Envisory fuel demand outlook
- Jet throughput 13% above the Envisory forecast in Q1 2024

Contracted revenue outlook using Envisory fuel demand outlook - (2023 terms [1] excluding PPI Indexation)



- 10-year customer contracts with two five year rights of renewal
- All fees subject to Producer's Price Index (PPI) indexation which provides protection in an inflationary environment

[1] All revenue is in 2023 terms and does not include any price indexation. Outlook uses Envisory base case assumptions and subject to change based on Envisory fuel demand outlook

Stable and predictable infrastructure returns

Stable and predictable earnings

91%
Revenue indexed to PPI

$92-$96m
FY24 EBITDA guidance

Stay-in-business capital expenditure
8%
of revenue

EBITDA Margin
67%

Strong cashflow and balance sheet

EBITDA to FCF Conversion
71%

Free Cash Flow yield [1]
11%

Leverage [3]
3.6x
EBITDA

Targeting credit metrics consistent with a shadow credit rating
BBB+

Capital allocation framework to deliver to shareholders

Total FY23 Dividend
12
cents per share

Stable Ordinary Dividend Yield [2]
8%

Dividend policy
30-40%
Normalised FCF available for deleveraging or growth

Investment criteria
- Above WACC returns
- Contracted Revenue

All metrics are as at 31 December 2023, unless otherwise stated
[1] Normalised free cash flow is calculated as net cash flow from continuing operations less maintenance capex (excluding conversion costs and growth capex). The dividend policy is subject to the Board's due consideration of the Company's medium term asset investment programme; a sustainable financial structure for Channel Infrastructure, recognising the targeted investment grade rating; and the risks from short and medium term economic and market conditions and estimated financial performance
[2] Based on the 24 June 2024 share price of $1.46 and includes special dividend declared

Helping fuel NZ's future to 2050 and beyond

OUR VISION

World-class energy infrastructure company

OUR PURPOSE

Delivering resilient infrastructure solutions to meet changing fuel and energy needs

OUR STRATEGIC PRIORITIES

World-Class Operator
- Strong safety systems and culture
- Resilient infrastructure
- Long-term asset management
- Customer focused

High Performance Culture
- People and capability development
- Future focused
- Continuous Improvement
- Adaptive

NZ's Infrastructure Partner of Choice

Grow from the Core
- Brownfield opportunities at Marsden Point
- Consolidator of fuels infrastructure
- Supply chain optimisation for our customers

Support Energy Transition
- Repurposing Marsden Point
- Support transition of aviation to lower carbon fuels
- Marsden Point Energy Hub

Grow Through Supporting the Energy Transition

Disciplined Capital Management
- Target credit metrics consistent with a BBB+ shadow credit rating
- Deliver above WACC returns
- Cost management
- Stable dividends

Good Neighbour, Good Citizen
- Reducing environmental impacts
- Community engagement and iwi relations
- Just transition
- Transparency and disclosure

More Sustainable Future

Key supply route for jet fuel to Auckland International Airport

- NZ is geographically isolated and reliant on long-haul air travel to connect people and markets
- Tourism is New Zealand's largest export industry and directly employs 8.4% of New Zealand's workforce[1] and air freight carries 16% of exports and 22% of imports [2]

- Auckland International Airport is New Zealand's key international port with 75% of all international travel in New Zealand originating from Auckland
- Channel is a key supply route for jet fuel to Auckland International Airport which accounts for 80% of New Zealand's jet fuel demand

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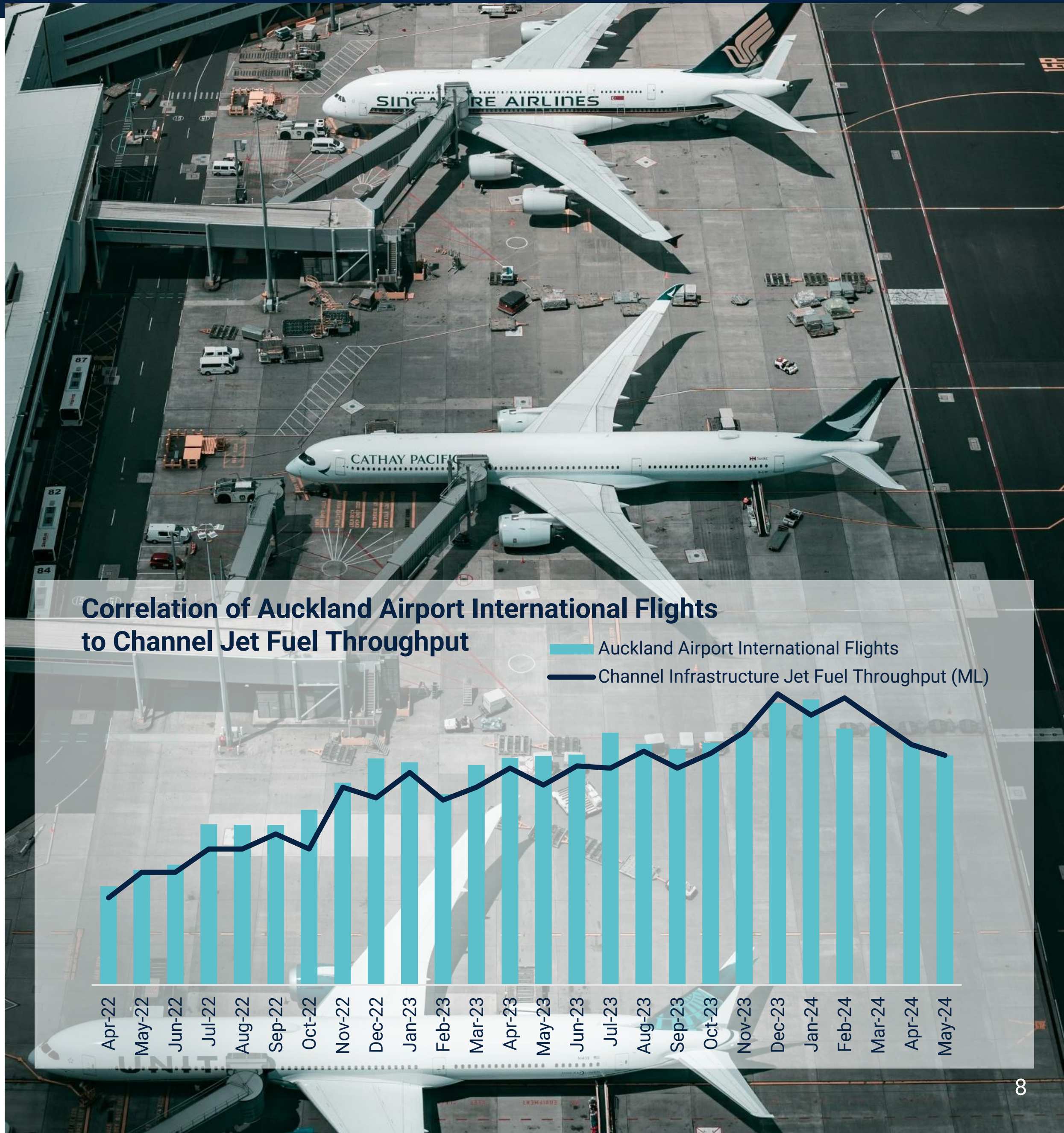
Jet fuel demand is forecast to increase c.50% by 2050 driven by:

- Economic development in India and China expected to grow middle class by 350 million households in the next 10 years. There is a strong correlation between household income and propensity to travel
- Growing e-commence and evolving supply chain networks are anticipated to grow demand for cargo freighters



[1] Pre-COVID, https://www.tourismnewzealand.com/insights/industry-insights/
[2] By dollar value. Transport.govt.nz, Stats NZ
[3] Auckland Airport Traffic Statistics

Sustainable Aviation Fuel only plausible pathway to aviation decarbonisation

Liquid sustainable aviation fuel is a ‘drop in’ fuel that can utilise the existing supply chain and airport infrastructure and existing aircraft fleets

	2020	2030	2040	2050
Regional • 30-90 minute flights • 3-4% of AIA flights	SAF	SAF, Hydrogen fuel cell, Electric	SAF, Hydrogen fuel cell, Electric	SAF, Hydrogen fuel cell, Electric
Short Haul • 45-120 minute flights • 8-9% of AIA flights	SAF	SAF	SAF, Hydrogen	SAF, Hydrogen
Long Haul • 150 minute + flights • 88% of AIA flights	SAF	SAF	SAF	SAF

> “Sustainable aviation fuel is currently the only solution to significantly reduce emissions from long haul flight... the SAF industry will need to scale significantly.”
> – Dame Therese Walsh, Chair of Air New Zealand

> “SAF is the best tool we have to decarbonize airplanes, but we don't have enough of it.”
> – Andrew Chang, Managing Director of United Airlines Ventures

> “I don't see where we will get the supply [of Sustainable Aviation Fuels] in the volumes we need.”
> – Michael O'Leary, CEO, Ryanair

Source: ATAG, Envisory
Note: This table was published in 2021. Some industry pundits believe the that Hydrogen circles might move further to the right and upward.

SAF: SAF
H_2: Hydrogen
Electric
Hydrogen fuel cell

Growth opportunities

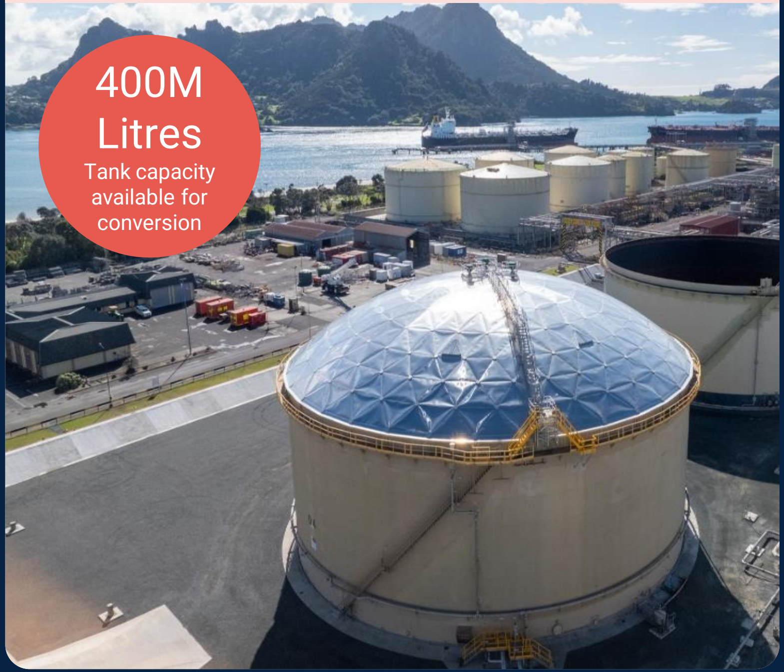
Focused on opportunities with above WACC returns and customer contracts that provide revenue certainty

Near term growth at Marsden Point

SUPPORTING FUEL RESILIENCE

Continue to support customers as they look to meet the incoming minimum stockholding obligations

Continue to support customers to create supply chain efficiencies



Repurposing of surplus land

FUTURE FUELS

Master plan for the site being developed to assess highest value and best use of land

Potential Sustainable Aviation Fuel production could utilise some available land

Growth Outside Marsden Point

ACQUISITION OF OTHER INFRASTRUCTURE

Fuel markets undergoing transition

Demonstrating world-class operations is key to positioning for these opportunities

Potential opportunities as assets are consolidated