

INDEPENDENT ASSURANCE REPORT ON LYTTLETON PORT COMPANY'S GREENHOUSE GAS (GHG) DISCLOSURES

TO THE DIRECTORS OF LYTTLETON PORT COMPANY

Our Assurance Conclusion

This report and our conclusion are provided to Lyttelton Port Company Limited to fulfil the requirements to provide verified GHG metrics and targets to Christchurch City Holdings Limited (CCHL). CCHL are a Climate Reporting Entity and reporting in accordance with the Aotearoa New Zealand Climate Standards.

Reasonable Assurance Conclusion

In our opinion, the gross GHG emissions, additional required disclosures of gross GHG emissions, and gross GHG emissions methods, assumptions and estimation uncertainty, within the scope of our reasonable assurance engagement (as outlined below) included in the climate statements for the year ended 30 June 2024, are fairly presented and prepared, in all material respects, in accordance with Aotearoa New Zealand Climate Standards issued by the External Reporting Board (XRB).

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the gross GHG emissions, additional required disclosures of gross GHG emissions, and gross GHG emissions methods, assumptions and estimation uncertainty, within the scope of our limited assurance engagement (as outlined below) included in the climate statements for the year ended 30 June 2024, are not fairly presented and not prepared, in all material respects, in accordance with Aotearoa New Zealand Climate Standards issued by the External Reporting Board (XRB).

Scope of the assurance engagement

We have undertaken a reasonable assurance verification engagement over the following GHG disclosures within the climate statements for the year ended 30 June 2024:

- GHG Emissions Scope 1, 8,631 tCO₂e, on page 17.
- GHG Emissions Scope 2, 993 tCO₂e, on page 17.

We have undertaken a limited assurance verification engagement over the GHG disclosures within the climate statements for the year ended 30 June 2024:

- GHG Emissions Scope 3, 35,635 tCO₂e, on page 17.

It is important to note that the level of assurance obtained in a limited assurance engagement is considerably lower than that involved in reasonable assurance engagement.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our assurance is limited to policies, and procedures in place as of 29 August 2024, ahead of the release of Lyttelton Port Company's climate-related disclosure for FY2024 to CCHL.

Our assurance engagement does not extend to any other information included, or referred to, in the climate statements on pages 1 to 16 and 18 to 22. We have not performed any procedures with respect to the excluded information and, therefore, no conclusion is expressed on it.

Key matters to the GHG assurance engagement

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

Key Matter	Procedures to address the Key Matter
<ul style="list-style-type: none"> • Ship emissions reported represent 42% of total emissions. The methodology has inherent uncertainty and include significant assumptions. • Purchased goods and services where there was no supplier data available were calculated using the dollar spend methodology. • Both methodologies have inherent uncertainty and include significant assumptions. 	<ul style="list-style-type: none"> • Checked the justification for using the USEPA methodology for ship emissions, reviewed the methodology statement against the USEPA guidance, review of the transfer of data from database to the calculations, review of the assignment of shipping type, and a review of completeness. • Checked for double-counting of dollar spend against activity data reported separately, checked the categorisation of spend to align with the appropriate emission factors, checked the treatment of GST was aligned with the emission factor methodology.

Other Matter

- We draw attention to the expansion in reporting boundary in FY24 and the decision to not recalculate historic years due to lack of data or reinstate the base year. This has been explained in the LPC GHG Inventory Report and can be accessed using the link on page 17 of the disclosure. The inventory report includes the presentation of data that allows for meaningful comparison of FY24 with historic periods.
- We draw attention to the uncertainty and assumptions which are detailed in the LPC GHG Inventory Report and can be accessed using the link on page 17 of the disclosure.
- The emissions calculations incorporate the latest emission factor for electricity and transmission and distribution losses released in May 2024.

Materiality

Based on our professional judgement, determined quantitative materiality for the GHG disclosures as 1% for individual emission sources, and not totalling more than 5%. Qualitative materiality has been determined with due consideration to relevance to users of the climate statement (CCHL), as well as the potential impact of omission, misstatement, or obscurement of any information.

Competence and experience of the engagement team

Our work was carried out by an independent and multi-disciplinary team including sustainability assurance and environmental practitioners. The engagement lead retains overall responsibility for the assurance conclusion provided.

Lyttelton Port Company's responsibilities for the GHG disclosures

Lyttelton Port Company is responsible for the preparation and fair presentation of the GHG disclosures in accordance with the Aotearoa New Zealand Climate Standards (NZ CSs). This responsibility includes designing, implementing and maintaining a data management system relevant to the preparation and fair presentation of GHG disclosures that is free from material misstatement.

Inherent Uncertainty in preparing GHG disclosures

As discussed on page 3 of the climate statements, the GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our Responsibilities

Our responsibility is to express an opinion on the GHG disclosures based on our verification. We are responsible for planning and performing the verification to obtain assurance that the onsite GHG disclosures are free from material misstatement.

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

Other relationships

Other than in our capacity as assurance practitioners, and the provision of the assurance for this engagement and the provision of assurance over Lyttelton Port Company's separate Greenhouse Gas Report, we have no relationship with, or interests, in Lyttelton Port Company.

Independence and Quality Management Standards applied

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

Professional and ethical standards are held in high regard and our quality management system aligns with the standards ISO 9001:2015 and ISO 14065:2020 and we comply with the Carbon and Energy Professionals New Zealand Code of Ethics and Code of Professional Conduct

Summary of Work Performed

Our verification strategy used a combined data and controls testing approach. Evidence-gathering procedures included but were not limited to:

- Enquiries of management to obtain an understanding of the overall governance and internal control environmental, risk management processes and procedures relevant to GHG information;
- Evidence to support the reporting boundaries, organisational and legal structure reported;
- Recalculation of the GHG emissions;
- Analytical review and trend analysis of the GHG information;
- Evaluation of relationships among GHG and non-GHG data;
- Interview of personnel involved in data collection;
- Site visits to inspect the completeness of the inventory including interview of site personnel to confirm operational behaviour, any standard operating procedures and sample of site based

- records;
- Review of emissions factors used within the calculations for source appropriateness;
- Review of uncertainty and data quality;
- Review of the assumptions, estimations and quantification methodologies; and
- Seeking management representation on key assertions.

Reasonable and Limited Assurance Conclusion

Our reasonable assurance verification engagement was performed in accordance with NZ SAE 1, and ISO 14064-3: 2019 – *Specification with guidance for the verification and validation of greenhouse gas statements*, issued by the International Organization for Standardization (ISO). This requires that we comply with ethical requirements (as outlined above), and plan and perform the verification to obtain reasonable assurance (Scope 1 & 2) and limited assurance (Scope 3) that the GHG disclosures are free from material misstatement.

Reasonable assurance procedures	Limited assurance procedures
<ul style="list-style-type: none"> • Sample testing, tracing and retracing of data trails back to primary data including fuel, fugitive gases and electricity records • Site visits to inspect the completeness of the inventory including interview of site personnel to confirm operational behaviour, any standard operating procedures and sample of site based records. 	<ul style="list-style-type: none"> • Limited sample testing, tracing and retracing of data trails back to primary data including shipping databases, business travel, purchased goods and services, staff commuting, waste management, water supply and waste water, freight records; and • Electricity transmission and distribution calculations.

The data examined during the verification were historical in nature. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Jeska McHugh, Assurance Lead
 CEP NZ Certified Carbon Auditor (#CCA1005)
 McHugh & Shaw Limited
 Christchurch, New Zealand
 28 August 2024



May Stewart, Independent Reviewer
 May Stewart Consulting
 On behalf of McHugh & Shaw Limited
 Christchurch, New Zealand
 29 August 2024

This report including the opinion expressed herein, is solely for the use of the management and Directors of Lyttelton Port Company for the purpose of disclosure their GHG emissions to CCHL and is not intended to be and should not be used by anyone other than those specified parties. Any correspondence regarding this report can be directed to info@mchugh-shaw.co.nz.