



# Infratil Limited

*Reporting of  
Greenhouse Gas Emissions,  
Key Emissions Metrics &  
Progress Against Emission Reduction Targets  
Basis of Preparation*

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# Greenhouse Gas Emissions Report

## 1. Introduction and context

This document sets out the Basis of Preparation for reporting of greenhouse gas (GHG) emissions for Infratil Limited (Infratil) for FY2025 to support clarity, consistency, and accuracy over time.

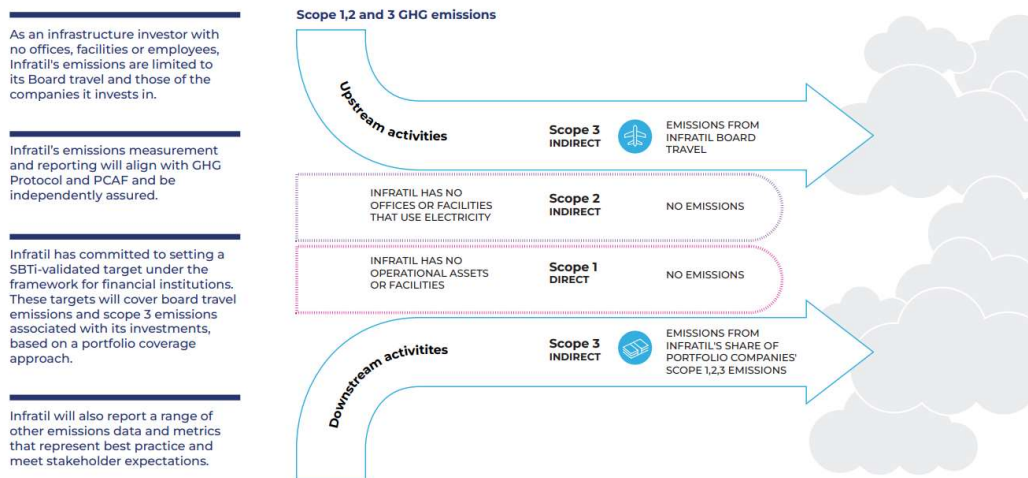
The primary sources of emissions for Infratil are in relation to board travel and its portfolio companies. Therefore, Infratil’s emissions reporting will focus on two categories of emissions: Scope 3, Category 6 (board travel) and Scope 3, Category 15 (investments).

Infratil supports and encourages its portfolio companies to measure and report their emissions in line with best practice. This helps those companies to understand their emissions footprint and identify opportunities to reduce emissions and set targets. Quality reporting from the portfolio companies enables Infratil to provide better information to its stakeholders.

Below is a graphical summary of Infratil’s emissions profile, with some accompanying explanations.

Figure 1:

### Emissions Measurement & Reporting Approach



## 2. Approach

Infratil measures and reports its emissions to:

- identify and prioritise opportunities to manage and reduce emissions;
- meet stakeholder expectations, particularly Primary Users<sup>1</sup>;
- demonstrate the emissions characteristics of Infratil’s portfolio; and
- meet our reporting obligations under the Aotearoa New Zealand Climate Standards ('NZ CS')<sup>2</sup>.

<sup>1</sup> As set out on page 3 of Infratil's 2024 CRD

<sup>2</sup> Aotearoa New Zealand Climate Standards

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Infratil will prepare annual emissions reporting in accordance with:

- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (revised edition);
- The Greenhouse Gas Protocol: GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard;
- The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard (together, the 'GHG Protocol'); and
- PCAF (2022) The Global GHG Accounting and Reporting Standard Part A: Financed Emissions, Second Edition. ('PCAF')

In particular, Infratil notes the:

- GHG Protocol's principles of relevance, completeness, consistency, transparency, and accuracy;
- principles set out in NZ CS3 (page 7), namely that information should be relevant, accurate, verifiable, comparable, consistent, and timely; and
- ultimate aim of the Aotearoa New Zealand Climate Standards to *"support the allocation of capital towards activities that are consistent with a transition to a low-emissions, climate resilient future."*

Infratil reports its portfolio companies' emissions on **an operational control basis**. Using this methodology, Infratil will report *all* its portfolio emissions in Scope 3 Category 15. Infratil's shareholding varies across its different investments, which means treatment of portfolio companies varies under financial consolidation. In this respect, the proposed approach for emissions reporting deviates from the accounting treatment. The rationale for including all portfolio emissions in Scope 3 Category 15 is as follows:

- Infratil is an **investment vehicle**, and its investment approach is broadly consistent across the portfolio regardless of the level of shareholding i.e. asset management and board governance are the key mechanisms for influence. Infratil's portfolio companies are long term investments, they are not "operational subsidiaries" – each entity sets its own policies, procedures, standards and practices;
- Infratil's shareholding in its portfolio companies can change from time to time, for example Infratil's shareholding in Manawa was about 30% in 2005, compared with 51% currently. Classifying all portfolio company emissions in Scope 3 Category 15, regardless of the level of shareholding, means Infratil's emissions reporting approach will be consistent across the portfolio and across time;
- it enables clear, consistent comparison against Infratil's peer companies (other diversified infrastructure investment portfolios);
- it will provide clear distinction between the emissions associated with Infratil's operations and those associated with its portfolio companies;
- this is the recommended approach by the SBTi ([4.1.4](#)). Infratil's emissions reduction targets have been validated by SBTi;
- it can be easily understood by Infratil's stakeholders, in particular its investors, lenders and other stakeholders such as ESG rating agencies; and
- it will reduce the chance of double counting of the portfolio companies' emissions assuming each lender and investor associated with each portfolio company reflects their proportion of emissions on a similar PCAF basis.

Infratil has received independent, expert advice that supports this approach.

Infratil expects its portfolio companies to measure and report emissions in line with the GHG Protocol.

### **3. Organisational boundaries – inclusions and exclusions**

In line with the GHG Protocol principles, Infratil has set its organisational boundaries to:

- **include:**
  - Infratil Limited; and
  - the companies in the Infratil Group set out in Table 1 on the next page; and
- **exclude:**
  - companies or operations discontinued or sold during the period; and
  - investments held for sale (unless stated otherwise in the emissions report); and
  - investments acquired or established during the period that do not yet have sufficiently robust emissions measurement and reporting in place.
  - investments outside of Infratil’s core sector platforms, providing that these are (a) clearly disclosed and (b) do not comprise more than 5% of the total market value of the portfolio.

By way of illustration, for FY 2025, this means the operational entities not included in emissions reporting are:

- Infratil Infrastructure Property Limited (IIPL) – as it is held for sale; and
- Clearvision Ventures – as it is not listed as a “significant company”.

In addition to its investments in operational portfolio companies, Infratil has several non-operational companies in the Group. These include holding companies, finance entities and entities not deemed sufficiently material to be deemed a “significant company” for the purposes of financial reporting as described earlier. In relation to emissions reporting, the organisational boundary follows the same logic, noting that these entities have no or de minimis emissions associated with them.

The entities included in Infratil’s emissions reporting for FY2025 and FY2024 are set out in the following table. There were no material changes in ownership from last year.

**Table 1. Organisational boundaries for Infratil and portfolio companies**

Entity	Principal Activity	Type	Shareholding at 31/03/2025	Included in FY25?	Included in FY24?	Country
Infratil Limited	Infrastructure investment	NZX listed	--	✓	✓	New Zealand
One NZ	Telco	Privately held	99.9%	✓	✓	New Zealand
Fortysouth	Telco – towers	Privately held	20.0%	✓	✓	New Zealand
CDC	Data centres	Privately held	49.8%	✓	✓	Australia & New Zealand
Kao Data		Privately held	54.0%	✓	✓	UK
Manawa Energy	Renewable energy development and generation	NZX listed	51.1%	✓	✓	New Zealand
Longroad Energy		Privately held	37.2%	✓	✓	US
Mint Renewables		Privately held	73.0%	✓	✓	Australia
Galileo		Privately held	38.0%	✓	✓	Europe
Gurīn Energy		Privately held	95.0%	✓	✓	Asia ex China
RHC Group	Healthcare and retirement villages	Privately held	51.8%	✓	✓	New Zealand
Qscan Group		Privately held	57.2%	✓	✓	Australia
RetireAustralia		Privately held	50.0%	✓	✓	Australia
Wellington Airport	Airport	Privately held	66.0%	✓	✓	New Zealand

#### 4. Operational boundaries – inclusions and exclusions

As set out in the GHG Protocol, emissions are classified under the following categories:

- Direct GHG emissions (Scope 1): emissions from sources that are owned or controlled by the business.
- Indirect GHG emissions (Scope 2): emissions from purchased electricity.
- Indirect GHG emissions (Scope 3): emissions that occur because of the businesses activities but from sources not owned or controlled by the business.

The GHG Protocol also suggests 5% as a materiality threshold, which Infratil references when determining materiality.

As mentioned above, Infratil has no offices or facilities, produces no products or services and has no directly employed staff. It owns no material assets other than its investments in portfolio companies and cash deposits from time to time. Therefore, it has no, or

negligible, Scope 1 or 2 emissions. The material sources of emissions for Infratil therefore all reside in Scope 3.

Table 2 sets out the Scope 3 categories of emissions sources, context, and our position on materiality for each. This position will be reviewed if there is a material change in the nature or emissions intensity of Infratil's supply chain.

**Table 2. Scope 3 Operational boundaries for Infratil at 31 March 2025**

Category	Description	Relevance to Infratil	Materiality	Report?
1	Purchased goods & services	Infratil has some low emission intensity purchased goods and services, largely professional services (advisory, audit, legal etc) and expenses associated with investor relations activities (comms, catering etc).  Infratil's key contract is with Morrison for management of its investment portfolio.	Infratil's suppliers are generally low emissions intensity businesses. Where relevant and practicable, emissions are considered when selecting options.  Based on Infratil's estimated share of Morrison's Scope 1 & 2 emissions (which relates predominantly to electricity consumption in NZ offices), this is deemed as immaterial.	No.  No. We note Morrison has set an SBTi target.
2	Capital Goods	Infratil does not purchase any material capital goods.	Immaterial.	No.
3	Fuel & Energy Related Activities	Infratil has no energy consumption, physical inputs, or waste.	Nil.	No.
4	Transportation & Distribution			
5	Waste			
6	Business Travel	Infratil's Board travels to board meetings and occasionally other meetings and events.	Not material relative to the portfolio emissions, but outside of that, Infratil's most material operational emissions source.	Yes - air travel only. Emissions to be considered when selecting land transport and hotel options.
7	Employee Commuting	Other than the Board, Infratil has no direct staff in its organisational boundary for emissions.	Nil.	No.
8	Leased Assets	Infratil has no leased assets.	Nil.	No.
9-12	Categories associated with Sold Products	Infratil has no sold products.	Nil.	No.
13	Leased Assets	Infratil does not own any assets that could be leased.	Nil.	No.
14	Franchises	Infratil has no franchises.	Nil.	No.
15	Investments	Infratil holds investments in portfolio companies.	Material.	Yes.

Infratil is focused on capturing and reporting its portfolio companies' Scope 1 and 2 emissions and Scope 3 data where it is available with acceptable data quality. Recognising the importance of Scope 3 emissions, over time, Infratil will seek to expand its operational boundary to cover increasing levels of portfolio company material Scope 3 emissions.

In FY2025, Infratil endeavoured to include Scope 3 categories 3, 5 and 6 from as many of its portfolio companies as possible. Additionally, under PCAF, Infratil is required to disclose any Scope 3 emissions that have been assured by a third party, and for Wellington Airport to the extent they are available. A table showing the Scope 3 emissions included for each portfolio company is in the appendix.

## **5. Data collection & quantification**

Infratil has implemented a SaaS platform, Persefoni, to support accurate and robust emissions measurement and reporting. Persefoni is designed to enable companies to measure and report emissions in alignment with the above-mentioned standards and frameworks. The platform also supports assurance through comprehensive tracking of data and changes and enabling Auditors' access to outputs.

**Infratil's data** for board travel is sourced from Infratil's travel provider, CTM, supplemented by direct invoices and expense claims.

We used the DEFRA 2022 Emissions Factors ('EF') for Infratil's FY2023 emissions calculations. Since then, DEFRA 2023 EF have been released. These are materially higher, to reflect ostensibly lower capacity factors resulting from Covid. However, it is our observation that 2023 airline capacity factors are close to pre-pandemic levels, and higher than in 2022. Based on this, and a desire to maintain consistency and comparability, we have elected to use the DEFRA 2022 EF for calculating the emissions associated with Infratil's Board travel.

Infratil's emissions reporting includes all travel emissions for all Infratil Directors (including Jason Boyes, the Infratil CEO, who is an Executive Director) to travel to all Board meetings that occur within the reporting period. We also include travel for the independent directors (excluding Jason Boyes) to any Infratil Investor Days, AGM and other ad hoc Infratil-related events that involve one or more Directors. Any incremental emissions relating to an upgrade paid for by the Director will not be counted in Infratil's emissions.

Where return travel occurs outside year end but relates to an event (e.g. Board meeting) that occurred within the reporting year, the travel emissions will be included in that reporting year. For example, if a return flight is on 1 April 2025 for a Board meeting held on 31 March 2025, the emissions from the return flight will be included in FY2025 emissions reporting.

Morrison staff sometimes undertake travel in relation to its role as manager of Infratil. Morrison measures these emissions, which fall into Morrison's Scope 3 emissions and therefore outside Infratil's emissions reporting boundary.

**Portfolio company data:** Infratil encourages each of its portfolio companies to measure their emissions in line with GHG Protocol for Scope 1 and 2 emissions and, increasingly over time, a greater degree of Scope 3 emissions. These are calculated with reference to

recognised sources for emissions factors for each jurisdiction. The boundaries, emissions factors, GHG measurement and calculations, and assumptions for each portfolio company is covered by the external assurance process. A table of emissions factor sources used by Infratil's portfolio companies is set out in Appendix 1.

There were no new companies acquired during the FY2025 period. As noted above, there was no material movement in ownership from prior period, however there were minor changes in the shareholding of CDC, Kao, Longroad, Galileo, RHC Group and Qscan.

Persefoni assigns a data quality score for each portfolio company's emissions depending on the type of input (gross emissions, activity data) and level of assurance. In accordance with the PCAF framework, Persefoni determines a data quality score<sup>3</sup> for each component of Infratil's reported emissions. Data quality scores range from 1 = highest quality, where emissions are verified as being in line with GHG Protocol, to Score 3 = using sector or peer averages, to 5 = estimation with limited data.

Infratil reports portfolio companies' Scope 2 (electricity) emissions using a market-based approach. This will enable Infratil to demonstrate the impact of its portfolio companies entering into contracts to secure renewable electricity, often a key strategy these companies deploy to reduce their overall emissions footprint. Infratil may also look to report on a location basis to provide further useful information to its stakeholders.

**Attribution factors:** in alignment with PCAF, Infratil attributes a proportion of emissions from each portfolio company that represents Infratil's equity investment as a proportion of total capital (debt + equity). In determining the attribution factors, Infratil uses the following inputs, each as at 31 March of the reporting year (unless a different date has been used in preparation of Infratil's financial statements):

- total equity (fair value<sup>4</sup>) in the portfolio company's home currency. Where available, we use independent, unadjusted (gross) valuations as the fair value (in the company's home currency). Otherwise, we use Infratil's NZD book value for the company, divided by Infratil's ownership (%);
- total face value of gross<sup>5</sup> debt excluding accrued interest in the portfolio company's home currency (before any deferred financing cost adjustments and excluding accrued interest);
- Infratil's ownership (% of total equity); and
- for listed entities, where they have an investment with minority interests reported in their accounts (e.g. Manawa's financial statements set out a value for minority interests in its investment in King Country Energy), the value of the minority investments is included in the calculation of total capital.

**PCAF calculations:** Persefoni calculates attribution factors to provide PCAF-aligned financed emissions outputs. The attribution factor is the proportion of emissions attributable to Infratil that reflects our share of total capital (debt and equity) in each portfolio company.

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<sup>3</sup> [The Global GHG Accounting and Reporting Standard for the Financial Industry \(carbonaccountingfinancials.com\)](https://www.carbonaccountingfinancials.com) – page 142

<sup>4</sup> We have elected to use fair values as these are disclosed for each portfolio company in Infratil's Annual Reports, and it aligns with our SBTi portfolio coverage target.

<sup>5</sup> We use gross debt because we expect lenders will allocate emissions based on this value rather than net debt. We do not include shareholder loans as this is reflected in the fair value of the investment.

## 6. Impact of uncertainty

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.

Any historic variances subsequently identified will be reported and explained and Infratil will provide data quality scores as part of its emissions reporting. Infratil aims to seek continuous improvement of its overall weighted average (by emissions) data quality score.

## 7. Reporting Year and Base Year

**Reporting year:** Infratil reports on emissions based on its financial year, which ends on 31 March each year. Almost all Infratil's portfolio companies have the same financial year, so consolidation will be based on the same reporting periods. Longroad and Fortysouth prepare emissions reporting on a calendar basis (for the 12 months ending 31 December). As this is the best data available for these companies, Infratil has incorporated it into its emissions reporting. We note that limited seasonality in these businesses means the impact of a three-month lag is immaterial.

**Base year:** The Base Year for Infratil's emissions reporting, from which it has set emissions reduction targets, is the year ending 31 March 2023.

The Base Year has been chosen because it is assessed as being representative from the following perspectives:

- travel, which is the only material source of operational emissions for Infratil, had normalised by FY2023; and
- Infratil's portfolio underwent significant change and global expansion prior to this period, and by FY2023 was geographically diverse.

A change to the base year will be considered if:

- there is a material change in the characteristics of Infratil's portfolio or business; or
- there is a substantial change in the scope of reporting; or
- better data becomes available resulting in a greater than 5% change in historic emissions.

## 8. Targets & Metrics

Where relevant, the boundaries and approach for Infratil's emissions reduction targets are the same as the boundaries for its emissions reporting. In line with SBTi requirements, Infratil will disclose progress against its SBTi targets at least annually.

Infratil will disclose operational Scope 3 emissions and portfolio emissions on a gross basis in tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e) as well as various metrics commonly used in the financial sector that provide useful insights to management and stakeholders, such as:

- company and / or portfolio emissions intensity based on revenue (known as “Weighted Average Carbon Intensity” or WACI, represented as tCO2e/\$million revenue). This will be calculated using revenue in the portfolio company’s home currency and the output will be reported on an NZD and USD basis; and
- company and / or portfolio emissions intensity per dollar invested, based on the fair value of Infratil’s portfolio (tCO2e/\$million invested). This will be reported on an NZD and USD basis.

**WEIGHTED AVERAGE CARBON INTENSITY**

$$\sum_n^i \text{Portfolio weight}_i * \frac{\text{Issuer's emissions}_i}{\text{Issuer's sales}_i}$$

**CARBON EMISSIONS PER \$M INVESTED**

$$\left( \frac{\sum_n^i \frac{\$ investment_i}{\text{Issuer's full mcap}_i} * \text{Issuer's emissions}_i}{\text{Portfolio mkt value}_i} \right) * 1,000,000$$

The above metrics are automatically calculated by the Persefoni platform, making them easily accessible with a high degree of confidence in terms of the calculation methodology. Over time, Infratil will be able to provide trend data and associated insights.

Refer to our FY2025 CRD for details of Infratil’s metrics and targets.

**9. GHG removals and reductions**

Infratil does not currently purchase carbon credits or offsets for its emissions. SBTi has commenced development of a science-based framework for the formulation and assessment of net-zero targets in the financial sector. Once a Net Zero Framework for Financial Institutions is finalised (anticipated to be some time in 2025), Infratil will consider if it is desirable to set a net-zero target to complement its portfolio coverage and operational targets.

**10. Governance, Review, Assurance & Reporting**

The governance for Infratil’s emissions measurement and reporting is part of the overall ESG governance, set out on pages [6-8] of Infratil’s FY2025 CRD.

In relation to emissions measurement and reporting, Morrison, as Manager of Infratil, is responsible for engaging with the portfolio companies on emissions data, GHG measurement, and reporting. Morrison also prepares the internal and external reporting for Infratil. The Infratil Board has responsibility for oversight of the sustainability strategy and public reporting, including emissions reporting.

Portfolio company management and boards are responsible for their internal processes, data management, GHG calculations, and reporting of emissions. Infratil encourages its portfolio companies to follow best practice in relation to their emissions, including having internal and external review processes.

KPMG has provided limited assurance over Infratil’s FY2025 GHG emissions data.

**Appendix 1: Portfolio company sources: Emissions Factors, GWP rates & Scope 3 categories**

Entity	Jurisdiction	Sources: Emissions Factors & GWP rates	Scope 3 categories
One NZ	New Zealand	Ministry for Environment (NZ): <a href="#">Measuring-emissions Detailed-guide 2024 ME1829.pdf</a>	3,5,6
Fortysouth	New Zealand	Ministry for Environment (NZ): <a href="#">Measuring-emissions Detailed-guide 2024 ME1829.pdf</a> <a href="https://bravetrace.co.nz/residual-supply-mix/">https://bravetrace.co.nz/residual-supply-mix/</a> Emission Factors for New Zealand: GHG Intensities for Commodities and Industries	3,5,6
CDC	Australia	Australian sites: <a href="#">Australian National Greenhouse Accounts Factors</a> New Zealand sites: <a href="#">Measuring-emissions Detailed-guide 2024 ME1829.pdf</a>	3,5,6,13
Kao Data	UK	<a href="#">GHG reporting: conversion factors 2024 - GOV.UK</a>	3,5,6,13
Manawa Energy <sup>6</sup>	New Zealand	Ministry for Environment (NZ): <a href="#">Measuring-emissions Detailed-guide 2024 ME1829.pdf</a>	3,5,6
Longroad Energy	US	Gasoline <a href="#">Emissions Factors for Greenhouse Gas Inventories (epa.gov)</a> Fuel <a href="#">Energy conversion calculators - U.S. Energy Information Administration (EIA)</a> Electricity <a href="#">Energy conversion calculators - U.S. Energy Information Administration (EIA)</a> Waste: <a href="#">Greenhouse gas reporting: conversion factors 2024 - GOV.UK</a>	3,5,6
Mint Renewables	Australia	Travel (Climate Active) <a href="#">Guidance - Organisations - Public Disclosure Statement</a> Waste (NGA) <a href="#">Greenhouse gas reporting: conversion factors 2021 - GOV.UK</a> Electricity: <a href="#">Australian National Greenhouse Accounts Factors</a>	3,5,6
Galileo	Europe	<a href="#">Residual Mixes and European Attribute Mix</a>	3,5,6
Gurīn Energy	Asia ex China	Electricity <a href="#">Terms - IEA</a>	6 (Air travel only)
RHCNZ	New Zealand	Vehicle Fleet/Electricity <a href="#">Measuring-emissions Detailed-guide 2024 ME1829.pdf</a> Travel: Orbit Carbon Emissions report, <a href="#">MFE 2024</a> Waste: Waste Management NZ Ltd reports	3,5,6
Qscan Group	Australia	Vehicle fuel: Fuel card reports Electricity: <a href="#">Australian National Greenhouse Accounts Factors, vendor reports</a> Waste: <a href="#">Australian National Greenhouse Accounts Factors, vendor reports</a> Fuel & energy related activities: <a href="#">Australian National Greenhouse Accounts Factors, vendor reports</a> Business travel: <a href="#">vendor reports</a>	3,5,6
RetireAustralia	Australia	<a href="#">Australian National Greenhouse Accounts Factors</a>	3,5,6
Wellington Airport <sup>6</sup>	New Zealand	Ministry for Environment (NZ): <a href="#">Measuring-emissions Detailed-guide 2024 ME1829.pdf</a>	All material categories

<sup>6</sup> PCAF requires disclosure by asset class and for some sectors. For FY2025, Manawa was Infratil's only listed investment and Wellington Airport was the only company in PCAF's emissions-intensive sector category. These companies are both Climate Reporting Entities and therefore have published climate disclosures for FY2025 setting out their respective operational emissions, which can be found on their respective websites.