



Sharing our progress on sustainability

Sustainable Development
Report 2023





Our sustainable development programme will focus on:

Making a positive contribution to Aotearoa New Zealand's energy transition while fostering social and economic improvement that preserves our local environment and promotes opportunity and equality.



Contents

Overview	4	Our Pillars	24
Letters from the Todd CEO and Todd Chair	5	Todd's contribution to Aotearoa New Zealand's transition	25
About us and Operating Principles	7	Our Communities	31
Todd investments	8	Our Environment	38
2025 targets	9	Our People	44
Executive Summary	10	Appendices	51
Key performance highlights	11	Climate-Related Financial Disclosures	52
Our emissions reduction targets	12	Global Reporting Initiative Index	57
Our Sustainable Development Pillars	14	Data Tables	68
		Glossary	75
TCFD	21	Te reo Māori used	76

The Taranaki region of New Zealand – home to the majority of Todd's natural gas and electricity assets.

About this report

This report provides an overview of The Todd Corporation Limited's sustainable development approach and performance for the year ended 31 December 2023.

The Todd Corporation Limited is referred to as Todd throughout this report. References to the "Board" or the "Board of Directors" is a reference to Todd's Board of Directors. Todd's Board of Directors approved this report. All data is in New Zealand dollars unless otherwise stated.

Scope

This report covers Todd's key operating businesses. The reporting entities are the business units of Todd Energy and Nova Energy, as well as Todd's corporate offices.

For this report:

- Unless otherwise stated, references to Todd Energy are to Todd Energy New Zealand's upstream businesses and do not include Todd Energy Canada (TEC). TEC is used when referencing Todd's Canadian upstream business.
- Todd Solar Limited, which sat within Nova Energy, is not reported on as this business was divested in April 2023.
- Sunergise International, which sits within Nova Energy, is not included. Todd recognises the need for additional efforts to enhance data collection and organisation before the Sunergise Group can be incorporated into the scope of this report.

For more information, see [Todd Investments](#).

Reporting frameworks

Todd reports with reference to the Core level of the Global Reporting Initiative (GRI), the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations, and the External Reporting Board Aotearoa New Zealand Climate Standards (NZ CS).

Other important information

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

This report contains information regarding Todd and its activities, and such information is given in general summary/overview form and does not purport to be complete in all respects. Further, while we have prepared the information in this report based on our current knowledge, and understanding and in good faith, the information has not been subject to external audit or assurance.



Interactive document with clickable content



Overview

Letters from the Todd CEO and Todd Chair

| About us and Operating Principles

| Todd investments

| 2025 targets



Letter from the Todd Group CEO

2023 was a pivotal year for Todd, as we committed to ***positively contribute to Aotearoa New Zealand's energy transition while fostering social and economic improvement that preserves our local environment and promotes opportunity and equality.***

The Energy Transition: Todd's focus remains on helping New Zealand meet its energy needs while reducing our greenhouse gas emissions over time. We've set an ambitious target to decrease Todd's locally produced Scope 1, 2 and 3 (Category 11) emissions by 41% by 2030, relative to 2020, and I am comfortable that we are on track to achieve it. The target builds upon our pledge to achieve Net Zero by 2045 for Scope 1 and 2 emissions and our commitment to be Net Zero for Scope 1, 2 and 3 (Category 11) by 2050.

Preserving our local environment: We regenerated 11.5 ha of biodiversity in 2023, which included 39,000 new native plants, demonstrating our ongoing dedication to environmental stewardship. Much of our large-scale biodiversity work occurred at the site of our solar development at Rangitāiki, 35 km east of Taupō. This project remains a high priority for Todd and is poised to contribute significantly to New Zealand's renewable energy goals.

Prosperity for our people, customers, and communities: Our commitment to energy reliability, safety, and environmental performance continues, and our progress in 2023 positions us well for future opportunities as the country electrifies. We're committed to meaningful relationships with indigenous communities and providing impactful training and economic opportunities to tangata whenua. Through a new Diversity, Equity and Inclusion Policy and associated action plan, we're focused on fostering an inclusive and diverse workplace to support a culture where everyone feels valued and empowered.

As we navigate change, our commitment to engaging with our people and communities remains a top priority. As CEO, I am committed to ensuring employees at every level are engaged and invested in achieving our sustainability goals.

Together, drawing from our rich history, Todd is simplifying, modernising and progressing toward a more sustainable future. We are helping to energise New Zealand – just like we have always done.

Ngā mihi nui,
Evan Davies



Letter from the Board Chair

On behalf of the Board, I am pleased to confirm Todd's Sustainable Development Report for 2023 – a year marked by continued progress in our sustainability journey. This progress has been made possible through the hard work of Todd's employees across the business, so I'd like to thank all those who contributed to our achievements during this reporting period.

This report provides insight into Todd's sustainable development workstreams, performance and impacts. Importantly, it also shows Todd's commitment to continuous improvement. As a Board, we will continue to challenge ourselves to ensure Todd is sustainable well into the future.

Leadership and value creation

The Todd Board now governs Todd's approach to sustainable development through its Audit and Risk Committee (ARC). Transparency and progress around sustainability initiatives, and the identification of risks and opportunities, have matured over this time. We made some clear, stakeholder-informed decisions in 2023 which will position Todd well over the long-term.

The endorsement of Todd's 2030 intermediate emissions target in 2023 marked a significant milestone, demonstrating our commitment to reduce emissions over time. It supports the measures we are implementing to assist New Zealand's journey towards a sustainable and more renewable future.

Substantial strides were taken to better understand the workplace experience of Todd employees – and what is necessary to sustain a diverse, equitable and inclusive culture. The Board supports this work programme and looks forward to sharing future progress, including actions to reduce Todd's gender pay gap.

Another development was the inclusion of sustainable development initiatives in the Todd scorecard, thereby creating a linkage with Executive remuneration.

Supporting New Zealand's energy transition

Todd remains committed to supporting New Zealand's energy needs through the ongoing energy transition. While natural gas continues to play a critical role in the energy mix, it is important to diversify our energy sources, which is why our investment in solar energy remains a cornerstone of our transition strategy.

Todd is fully committed to reducing its carbon footprint and meeting our emissions targets.

It is, however, essential to recognise that significant challenges lie ahead as New Zealand transitions to a low-emission economy. Todd will continue to constructively engage with the Government to ensure that New Zealand has clear and consistent policy frameworks which enable a smooth and affordable transition for New Zealand.

Thank you for your continued support as we navigate this journey towards a more sustainable future.



Nick Olson

Chair – Todd Corporation Board of Directors





About us

Todd Corporation has over 100 years of operational expertise across multiple sectors and is one of New Zealand's largest family-owned businesses. What began as a fellmongery and wool scour venture back in 1884 is today a vertically integrated company with investments in energy, healthcare, property, technology and minerals.

Todd Corporation operates three main business units – Todd Energy, Nova Energy, and Todd Capital.

Todd Energy produces around one-third of New Zealand's natural gas from its onshore natural gas fields at Kapuni, McKee and Mangahewa, and through its 26% interest in the offshore Pohokura natural gas field. Natural gas provides around 17% of New Zealand's primary energy, providing households with instant heat, energy and continuous hot water. Natural gas is used commercially to heat and power businesses and as a feedstock for methanol and urea production. Todd Energy also has natural gas assets and production in Canada, through TEC.

Generator retailer Nova Energy is the fifth largest electricity retailer in New Zealand and one of the largest wholesalers and retailers of natural gas. It serves over 85,000 homes and businesses which includes ~33,000 retail customers who rely on natural gas. Nova Energy oversees Todd's renewable energy projects.

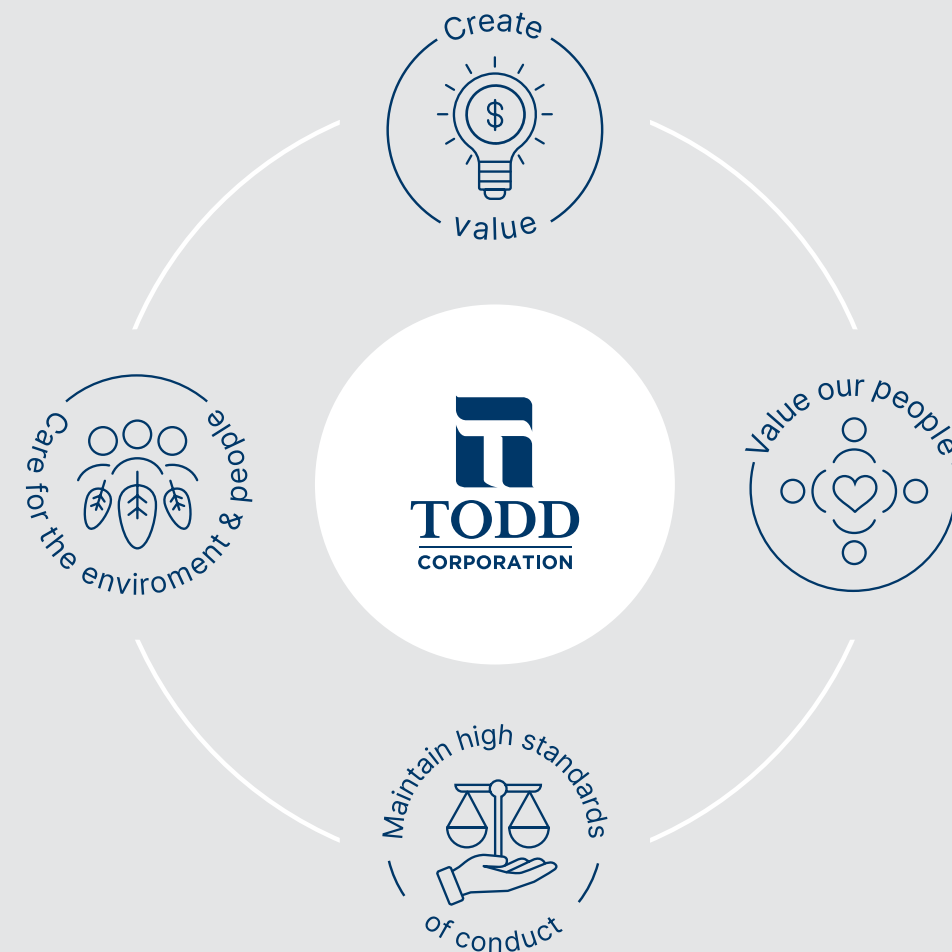
Todd Capital is a portfolio of businesses and investments in New Zealand, Australia, the United States and Canada and is Todd's vehicle for diversifying its investment base. Todd Capital invests across various sectors, including healthcare, property, technology and minerals.

As of 31 December 2023, Todd had:

764

employees within the entities covered in this report – Todd Energy, Nova Energy, and Todd's corporate offices.

Operating Principles



Todd investments

Todd’s interests include both operated businesses and investment holdings. Some Todd entities’ detailed activities and operational metrics are excluded from this report, including those of Todd Capital.

Through its investments, Todd works in:

							
New Zealand natural gas	Canada natural gas	Wholesale and retail natural gas	Wholesale and retail electricity	Property development	Healthcare products	Mineral investments	Other portfolio investments
Development and production in New Zealand	Development and production in Canada	And wholesale Liquid Petroleum Gas (LPG)	And electricity generation, including solar	Land development and commercial and residential projects	Manufacturing and distribution	In Australia and Canada	Including technology
			 			 	

* Out of report scope



2025 targets

2023 is the third year of Todd's five-year target period. Our 2025 targets, which are in line with Todd's Operating Principles, are integrated into our corporate objectives, and their achievement is tracked and overseen by the ARC.

2025 TARGET

To visually represent our progress towards the 2025 targets we use the 2025 target tracker. This tracker is used throughout the ['Our Pillars' chapters](#)



Todd's sustainable development pillars are linked to 15 of the 17 United Nations Sustainable Development Goals (SDGs), which serve as a universal call to action for all countries to build a better and more sustainable future. At the start of each chapter, relevant SDG icons highlight the connection between Todd's initiatives and the SDGs. Todd's activities are particularly relevant to SDG 7: Affordable and Clean Energy, and SDG 13: Climate Action.

Sustainable Development Pillar	Operating Principle	Five-year target*	2023 progress
Todd's role in Aotearoa New Zealand's transition		Complete electrification of compression facilities which is expected to avoid 300,000 tonnes of CO ₂ e throughout the life of the compressors (estimate is for Todd's Scope 1 emissions and based on 2021 production profile)	<ul style="list-style-type: none"> Two of the four planned compressors are now operational The compressor at the Mangahewa D site was in full operation in March and the compressor at Mangahewa C was in full operation in May
		Invest \$2m in flare metering across Todd Energy NZ production facilities	<ul style="list-style-type: none"> Engineering and design work of the flare meter continued, and commissioning is expected in the second half of 2024 \$1.5m has been spent towards the flare metering target to date
		Develop and implement a fugitive methane emissions programme at Todd Energy NZ	<ul style="list-style-type: none"> Todd Energy selected a technology provider after conducting several trials and will survey its operated assets in New Zealand in 2024 to establish its fugitive emissions baseline
		Invest \$120m in renewable energy over five years to 2025 either directly or in aggregate with a partner	<ul style="list-style-type: none"> \$1.9m spent, bringing the cumulative spend to \$46m over the 2021-2023 period
Our Communities		Double annual economic opportunity for local indigenous communities*	<ul style="list-style-type: none"> In addition to existing ongoing relationships, Todd engaged an additional 11 tangata whenua entities for the first time. Three were sponsorship engagements and eight were commercial engagements
		Introduce a training and development programme specific to local indigenous communities working in local industry	<ul style="list-style-type: none"> Todd Energy implemented the first year of its Cultural Investment Strategy Phase 1: Tangata Whenua o Taranaki Training and Development Plan. This 'Phase 1' Plan will cover a two-year period after which it will be reviewed and updated
Our Environment		~200% increase (30 ha) in biodiversity area planted and/or under management by 2025	<ul style="list-style-type: none"> 9 ha of biodiversity protection work and planting was completed and verified externally. Todd regenerated 11.5 ha of biodiversity in total Combined with the 1 ha verified in 2022, this fulfils 10 ha of the 30-ha planting goal to date

* Target end date 2025. Baseline year 2019.



Executive Summary



Todd's 2023 key performance highlights



Zero

high consequence injuries and a Total Recordable Injury Frequency Rate (TRIFR) of 1.5 based on approximately 2.0 million working hours.



Committed

to an intermediate emissions target aligned to the Paris Agreement to reduce Todd's locally produced Scope 1, 2, and 3 emissions by 41% by 2030 from a 2020 base year.



Engaged

a Diversity, Equity and Inclusion specialist to report on Todd's strengths and opportunities and provide direction on how to create a more diverse, equitable and inclusive workplace that is fit for the future.



Progressed

initiatives to reduce emissions. Todd Energy's 2023 emissions reduction projects are estimated to reduce Scope 1 and 2 emissions by 19 ktCO₂e per year compared to status quo, and a fugitive emissions technology was selected to be implemented in 2024.



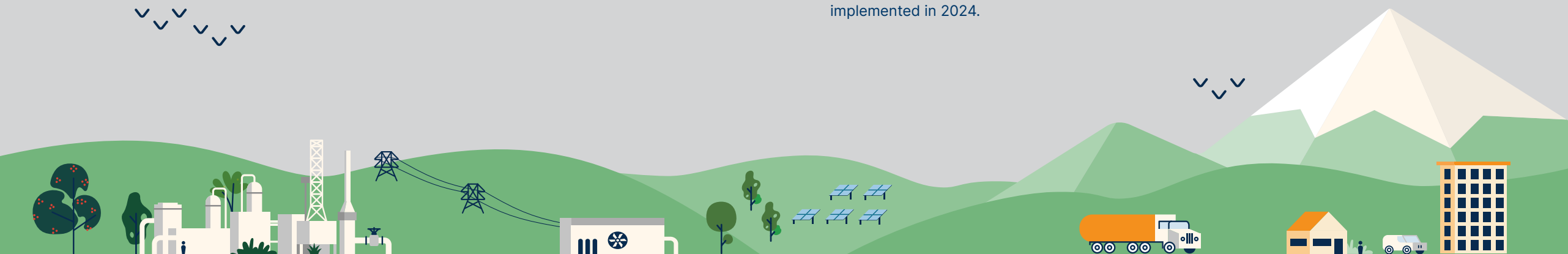
Contributed

1,148 volunteer hours to community initiatives and environmental projects – a 180% increase from our 2022 employee contribution.



Planted

39,000 native plants to protect and regenerate 11.5 hectares of biodiversity.



Todd's 2030 intermediate and 2045 Net Zero emissions targets

Reducing emissions is a key priority for Todd and a core component of our transition strategy. In 2023, we set an intermediate emissions target, marking a significant milestone in our commitment to reducing emissions progressively. This target aligns with our pledge to achieve Net Zero status for Scope 1 and 2 emissions by 2045 and our commitment to be Net Zero for Scope 1, 2 and 3* by 2050.

Our target has been developed to align with New Zealand's under the Paris Agreement. This commitment aims to hold the increase in the global average temperature to well below 2 °C and pursue efforts to limit the temperature increase to below 1.5 °C above pre-industrialisation levels. New Zealand's Nationally Determined Contribution (NDC) under the Paris Agreement is to reduce net greenhouse gas (GHG) emissions to 50% below gross 2005 levels by 2030.

The NDC corresponds to a 41% reduction when managed using a multi-year emissions budget starting from New Zealand's 2020 emissions target.¹

The decision to align with New Zealand's Paris Agreement commitments reflects that, as a leading energy provider for New Zealand, New Zealand's and Todd's decarbonisation pathways will be entwined. It also ensures that our target is aligned with the science that underpins the Paris Agreement goals.

To ensure Todd's target was developed robustly, Todd was supported by a global consulting firm that provided target-setting context and developed a guidance tool to enable the comparison of potential decarbonisation pathways against relevant benchmarks, including New Zealand's NDC emissions budget.

¹ Submission under the Paris Agreement. New Zealand's first Nationally Determined Contribution. Updated 4 November 2021. New Zealand's second target (covering the period from 2031) is due in 2025.

Whilst Todd is committed to reducing its emissions, natural gas will be needed as New Zealand transitions to a low-emissions economy.

This means Todd's pathway to meeting its emissions targets will not be a linear one, however, we are 100% committed to achieving them.

For clarity, Todd has developed a target that it considers to be generally aligned with the Paris Agreement. In preparing the target, Todd has relied on publicly available information from the Science Based Targets initiative and the Paris Agreement itself. Notwithstanding the above, Todd's target is not a science-based target. The Science Based Targets initiative is in the process of developing methodologies for the oil and gas sector to set science-based targets. At present there is no existing pathway for oil and gas companies, including Todd, to follow to set science-based targets.

Our new intermediate emissions target aims to reduce Todd's locally produced Scope 1, 2 and 3* emissions by 41% by 2030, from a 2020 base year.

* Category 11 – Use of sold products

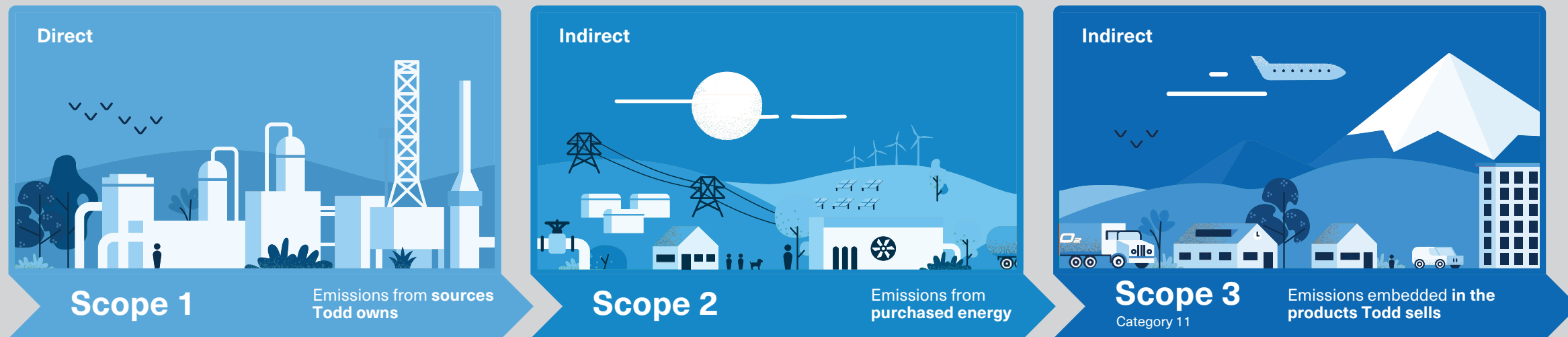
Todd's 2030 Intermediate emissions target covers its Scope 1 and 2 emissions, as well as our most material Scope 3 emissions (Category 11 - Use of sold products). The 2030 target has been set on a gross basis.

Todd will monitor its performance against the target and will share progress on an annual basis. The first step in this process is the third-party (limited) assurance of Todd's 2020 GHG Inventory (target base year). This will establish the target baseline and confirm the measurement methodology going

forward. From 2024 onwards, progress towards the 2030 intermediate target will undergo an annual external assurance and will be shared in Todd's annual sustainable development reports.

At present, Todd tracks the emissions of its energy-related businesses due to the materiality of these emissions. However, as Todd's asset portfolio evolves the relative significance of different emission sources will change. Todd's emissions target includes Todd Capital and work will commence in 2026 to update Todd's GHG inventory to include these assets.

Todd's emissions scopes



'Scopes' are a way of categorising the different emission sources associated with a company and its wider value chain.

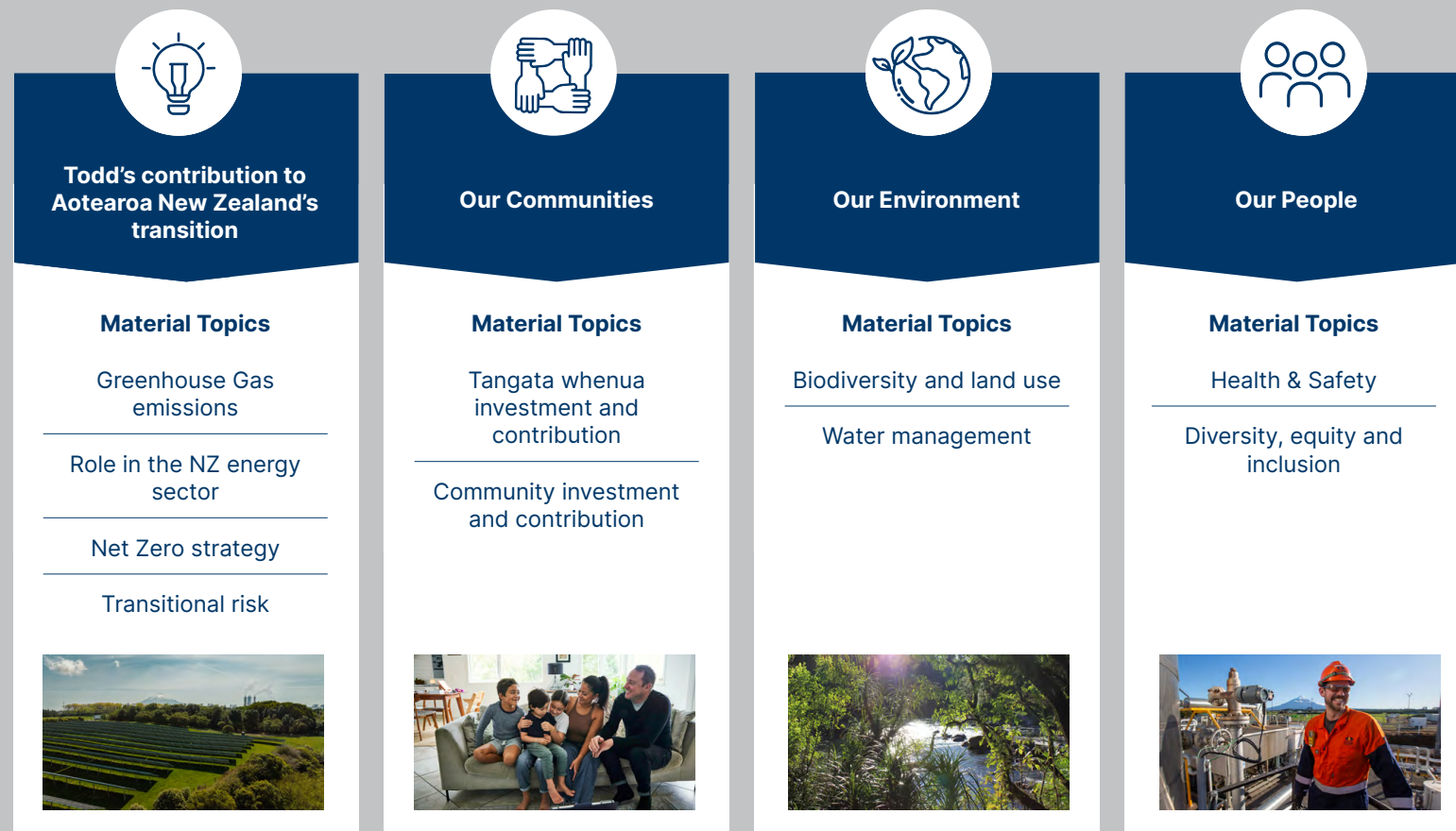
Our Sustainable Development Pillars

In 2023, Todd undertook a comprehensive update of our material topics to accurately reflect the organisation's significant sustainable development impacts. This involved engaging an external consultancy to facilitate an international best practice process aligned with the GRI Standards.

Through extensive stakeholder engagement, Todd identified four key sustainable development pillars. Engagement included an anonymous internal survey which 407 employees participated in, two internal workshops with senior management and subject matter experts and interviews with external stakeholders, such as central and local government, suppliers, customers, indigenous communities and local communities.

Our Sustainable Development Pillars and Material Topics

These pillars, containing interrelated material topics, now serve as the framework for Todd's sustainable development and reporting programme. The 2023 Sustainable Development Report is structured around these pillars, providing information on relevant initiatives and progress. The pillars will be reviewed every three to five years or in the event of significant changes to Todd's structure or operating environment.



Pillar 1: Todd's contribution to Aotearoa New Zealand's transition

Today, Todd's core business is providing energy for New Zealanders, which means that the nation's journey towards a low-emission future is intrinsically linked to Todd's transition. Todd's focus is on decarbonising in a manner that is aligned with New Zealand's emissions targets whilst significantly increasing investment in renewable energy with a focus on grid-scale solar generation.

In 2023, emissions across Todd Energy, Nova Energy, TEC and Todd's corporate office totalled 4,073 ktCO₂e, a reduction of 4% from 2022. Both Scope 1 and Scope 3 emissions declined which reflects a reduction in the production of natural gas.

Todd continues to investigate ways to reduce emissions. The focus for 2023 was on-site optimisation and electrification, which included the installation of electric-driven compressors at the Mangahewa C and D wellsites. These workstreams were estimated to reduce Todd Energy's Scope 1 and 2 emissions by ~19 ktCO₂e per year² compared to the status quo.

Investment in Todd's grid-scale solar project at Rangitāiki was impacted by an Environment Court Appeal against one of the project's resource consents. This renewable energy project remains a high priority for Todd and the project team advanced several workstreams whilst the appeal process was ongoing. Todd continues to investigate other renewable energy options and in 2023 Nova Energy successfully launched its EV charging service.

² The emissions reduction realised is linked to production and the 19 ktCO₂e per year estimate is premised on 2023 production volumes and activities, e.g. the actual emissions reductions achieved will be dependent on future production volumes.

The site of Nova Energy's Rangitāiki solar development with demonstration plant built in 2022.



Pillars 2 & 3: Our Communities & Our Environment

Maintaining positive community relations is crucial for Todd's success. Todd engages with local communities and indigenous groups to provide sponsorship and economic opportunities.

In 2023, Todd proudly supported community initiatives promoting cultural and youth development, healthy homes, energy efficiency, circular economy, and environmental education, alongside environmental projects.

Todd prioritises the connection between a healthy environment and thriving communities. Our efforts are centred on enriching local terrestrial and aquatic biodiversity by empowering indigenous communities to integrate their wisdom into environmental initiatives. Projects included large-scale and school planting projects, pest trapping, weed control, water, soil and cultural monitoring, and projects focused on aquatic biodiversity and water quality.

HIGHLIGHTS FOR THE YEAR

Increased economic opportunity for local indigenous groups

Todd prioritises enhancing economic opportunities for local indigenous groups and in 2023, worked closely with indigenous communities and suppliers to provide targeted training, development, and direct employment pathways. This included targeted use of indigenous suppliers, and supporting training, development, education and wellbeing initiatives that helped facilitate the potential for financial advancement or reduce direct and indirect barriers to this financial opportunity.



Local forestry students gained valuable practical experience while planting the steep erosion-prone hillside next to Todd Energy's Mangahewa G wellsite.

HIGHLIGHTS FOR THE YEAR



Todd Energy sponsored WISE's inaugural Reducing Energy Hardship Conference, with employees also presenting on New Zealand's energy transition and the energy trilemma.

Supported the community to reduce energy hardship

In 2023, Todd Energy remained committed to supporting the WISE Healthy Homes Initiative, which aims to enhance the health of homes of children with chronic respiratory issues. This year Todd Energy co-funded the remediation of 30 cold, mouldy, or leaky homes, and also sponsored WISE's inaugural 'Reducing Energy Hardship' conference, which fosters collaboration and knowledge-sharing to address energy hardship.



Matapu School students planted natives as part of Todd Energy's 'Planting Trees for Tomorrow' partnership.

Empowered tamariki to grow and plant natives

Todd Energy continued to support Trees for Survival's entry into Taranaki by providing funds to hire local facilitators and to supply the tools Taranaki students need to successfully grow natives at their schools and plant them as part of local environmental projects.

Todd Energy also rolled out its second year of its Planting Trees for Tomorrow partnership which saw Taranaki school students, and Taranaki Rugby Football Union players, plant natives in environmental projects near their schools.

Together, these initiatives saw Taranaki tamariki plant over 4,000 natives in local environmental projects.



Passionate and conservation minded Kapuni Production Station employees manage an effective trapping network in the locally significant tracts of native bush on the Kapuni Production Station grounds.

Collaborated with the community to reduce pests

In 2023, Todd provided funds and in-kind support to various pest reduction initiatives including activities in north Taranaki's Taramoukou Conservation Area and Everett Park Scenic Reserve. Funds were used to establish, operate, and maintain trap lines, with in-kind support from Todd Energy employees to clear and maintain the traps.

Todd employees also maintained trap lines in the locally significant bush at the Kapuni Production Station and collaborated with local tangata whenua to develop trap networks at Todd biodiversity projects.



Drone imagery shows the scale of the 2023 planting at Rangitāiki. Visible in light green are the 16,500 plant protectors deployed on the most vulnerable of the 30,000 plants planted in 2023.

Advanced Rangitāiki biodiversity work

Nova Energy, in conjunction with local tangata whenua, the Bay of Plenty Regional Council (BOPRC) and the Department of Conservation (DOC) are advancing biodiversity projects at Nova's Rangitāiki solar development, with a focus on protecting and restoring wetlands and riparian margins at the site. Over 30,000 native plants were cultivated and planted by local Māori businesses, who also developed a pest management work plan for the site. Local contractors, as well as rangatahi engaged in land-based training, also contributed to the work.

Pillar 4: Our People

Todd prioritises the wellbeing and inclusion of its employees as a fundamental principle. We strive to cultivate a workplace that is both safe and inclusive, where everyone feels valued and respected.

HIGHLIGHTS FOR THE YEAR

Excellent overall safety performance

In 2023, Todd reported no high-consequence injuries or process safety incidents (PSIs) at Tier 1 and Tier 2 levels. There were three recordable incidents: two lost time incidents (LTIs) and one medical treatment incident.

Our excellent overall safety performance was achieved in a year where Todd undertook several major work programmes, including the scheduled maintenance shutdown of the Kapuni facilities that involved 300 people over 35 days. The shutdown was delivered without incident, on time and to budget.



A Todd Energy employee onsite at the Kapuni Production Station.

Our Diversity, Equity and Inclusion (DEI) journey

In July, Todd introduced its inaugural DEI Policy, signalling our dedication to nurturing a culture that champions diversity, equity and inclusion. This commitment extends to ensuring pay equity and actively attracting, recruiting, developing, promoting and retaining a diverse pool of talented individuals.

Todd engaged DEI consultant Dr Jo Cribb to gain a comprehensive picture of the organisation's current state regarding DEI. Dr Cribb conducted 18 focus group sessions over three weeks, with 116 employees participating, and 40 completing an online survey. These sessions provided a safe platform for underrepresented groups and DEI allies to share their experiences.

These sessions highlighted opportunities for Todd to improve on DEI and resulted in the creation of an overarching approach outlined in the graphic opposite, which helped define a Todd-wide DEI action plan.

Our DEI approach at Todd



Accountability

Set aspirational DEI targets which demonstrate and hold us accountable to our commitment.



Capability

Build leadership capability and awareness to foster a diverse, inclusive and equitable culture.



Transparency

Be open and transparent by regular reporting our data, strategy and progress made.



Enablement

Enable our people by offering tools, resources and voice, to create a workplace where everyone feels safe.



Change

Develop and modernise people policies and processes to be more diverse, inclusive and fair.

Identifying and understanding Todd's gender pay gap

Todd's gender pay gap as at 31 December 2023 was 45%. The gender pay gap is a high-level indicator of the difference between women's and men's median earnings across a company when taking into consideration all positions, and this is the first time we have shared our gender pay gap publicly.

The pay gap reported here is different from a pay equity gap, which is the difference between men's and women's earnings in equivalent roles.

Our gender pay gap reflects the workforce composition in the industries Todd operates. Todd has a smaller proportion of women in higher-paying roles, such as leadership and engineering positions, and a larger proportion of women in lower-paying roles.

Todd is committed to narrowing our gender pay gap through initiatives such as annual transparency reporting, reviewing hiring practices, and a women's mentoring programme.





TCFD

Task Force on Climate-Related Financial Disclosures

In 2021, Todd introduced its framework for the consideration of climate-related risks and opportunities to help inform decision-making. Our 2022 Report focused on the role of Todd's governance bodies and management team, whose responsibilities were reviewed following a corporate restructure.



Todd Energy's McKee Mangahewa Production Station in North Taranaki.

This chapter provides an update on the steps we are taking to stress test Todd's business model and strategy. Refer to the [Executive Summary](#) for an overview of Todd's emissions targets and for Todd's climate-related disclosures, [see the Appendices](#).

Developing climate scenarios to test our strategy

A key component of climate-related disclosures is the development of hypothetical climate-related scenarios. These scenarios enable a company to explore different, plausible climate futures and the impact they could have on, and the resilience of, the company's strategy and business model over time.

Ideally, climate scenarios should be developed at the sector level to enable a comparable and consistent comparison between companies. Currently, reference scenarios for New Zealand's energy sector are not yet developed, therefore, Todd has developed three hypothetical scenarios of its own. These scenarios are not a prediction of the future, rather they are intended as plausible pathways to enable us to explore how Todd may evolve across a variety of different futures.

Todd's three climate scenarios (Orderly Transition, Challenging Transition and Hothouse World) have been developed with reference to the External Reporting Board (XRB) guidance material³. The XRB highlights the importance of using shared scenario archetypes which can be supplemented with tailored insights.

Todd's three scenarios are heavily influenced by the NGFS scenarios which reflects the XRB view that the use of this architecture will help align our approach with global finance climate-related risk analysis practices. To ensure the scenarios are fit for purpose for Todd, we have overlaid the scenarios with our sector-specific knowledge and insights to develop a narrative around how the scenario unfolds and what the implications might be.

³ Staff Guidance Entity Scenario Development, September 2023, XRB.

In following the XRB's guidance, we have drawn on the following third-party scenarios when developing our own:

- Intergovernmental Panel on Climate Change (IPCC) scenarios to project socio-economic global changes
- Network for Greening the Financial System (NGFS) scenarios to project global trends climate policy, emissions and temperatures
- NIWA's summary of projected regional climate change hazards premised on the IPCC Representative Concentration Pathways (RCP)
- The Climate Change Commissions (CCC) scenarios developed as part of their Ināia tonu nei: a low emissions future for Aotearoa advice.

Todd's three climate scenarios

A key theme across the scenarios is the significant role that the energy transition will play in New Zealand's efforts to decarbonise the economy. These scenarios will be used to identify climate risks and opportunities for Todd which will be presented to Todd's ARC in November 2024.

	Orderly Transition 1.5 °C	Challenging Transition ~ 2.0 °C	Hothouse World ≥ 3.0 °
Transitional risk	Low	High	Low
Physical risk	Low	Low	High
Global scenarios	IPCC: Sustainability NGFS: Net Zero 2050	IPCC: Middle of the Road NGFS: Delayed Transition	IPCC: Fossil Fuel Developed NGFS: Current Policies
NZ scenarios	RCP 2.6 CCC Tailwinds	RCP 4.5 CCC Headwinds	RCP 8.5 CCC Current Policy
Policy & Technology change	Fast	Delayed	Slow
Carbon dioxide removal	High	Medium	Low
Regional Policy variation	Medium	High	Low
Carbon Price	Medium	High	Low
Global Context	<p>Global commitment and collaboration on climate change accelerates driving stringent climate policies and innovation enabling the world to transition to net zero in a least cost manner.</p> <p>This enables an orderly transition that successfully balances the energy trilemma and avoids volatility in commodity markets.</p>	<p>A more fragmented world means global commitments are more contested and domestic economies prioritise resilience over efficiency.</p> <p>The delayed start and differing levels of commitment result in less innovation/technology sharing and stressed supply chains resulting in a slower and higher-cost transition.</p>	<p>With minimal global effort to accelerate the transition, the world continues down an energy-intensive pathway and significant global warming occurs.</p> <p>This scenario has the highest global GDP and the world relies on this extra wealth to pay for climate change impacts which are inevitable and increasingly severe.</p>
NZ Context	<p>NZ prioritises a durable and coherent policy framework that is aligned with the transition.</p> <p>Natural gas remains a core, but declining, component of the energy mix that supports electrification of the economy and creates a pathway to emissions reduction through to 2050, alongside other forms of energy. Material investment in electricity generation of all kinds, including peaking & solar, occurs.</p>	<p>A lack of a durable and coherent policy framework means that New Zealand adopts a high-cost pathway to net zero emissions.</p> <p>A lack of investor confidence results in insufficient upstream investment in natural gas to meet demand and ageing infrastructure. This compromises the security of supply for electricity generation slowing the transition and increasing the reliance on forestry to meet emission goals.</p>	<p>NZ does not prioritise the transition away from fossil fuels slowing decarbonisation. NZ needs to rely on imported fossil fuels to replace the declining domestic supply. Without appropriate drivers, no practical and cost-effective alternative to thermal peaking is identified or needed.</p> <p>This scenario results in extreme weather events, which become increasingly severe in the second half of the century.</p>



Our Pillars

[Todd's contribution to Aotearoa New Zealand's transition](#)

[Our Communities](#)

[Our Environment](#)

[Our People](#)

Pillar 1:

Todd's contribution

to Aotearoa New Zealand's transition



The Kapuni Solar Plant in South Taranaki.



Overview

Climate change remains a critical focus for Todd, highlighted by its prominence in our 2023 materiality assessment.

Stakeholders have emphasised the necessity for Todd to establish a comprehensive business-wide decarbonisation strategy, with a clear commitment to achieving net zero emissions, while also ensuring the provision of secure and affordable energy for New Zealand. Todd's reporting will address these priorities throughout this chapter and through its Climate-Related Financial Disclosures (see [Appendices](#)).

Reducing emissions stands as a key element in Todd's transition and the establishment of a 2030 intermediate emissions target demonstrates Todd's commitment to reducing its emission footprint over the remainder of the decade and beyond.

Whilst Todd's emissions will reduce, continued investment in natural gas development and gas-fired peaking generation will be required to meet the country's natural gas and electricity needs during the transition.

Todd's emissions footprint

A key theme from our 2023 materiality assessment was the need to share our progress as Todd transitions. Last year Todd publicly released its GHG emissions, and we will continue to disclose this information every year.

In 2023, emissions across Todd Energy, Nova Energy, TEC and Todd's corporate office totalled 4,073 ktCO₂e, a reduction of 185 ktCO₂e or 4% from 2022. The reduction in emissions from 2022 to 2023 was predominantly associated with a reduction in the production of natural gas.

Proportionally, Scope 3 emissions have declined less than Scope 1 emissions. As Nova Energy's natural gas-fired peakers are designed to run when renewable generation cannot meet demand, their operational requirements vary from year to year. In years when there is less demand for peakers (a reduction in Todd's Scope 1 emissions), gas can be redirected to support the needs of other customers (an increase in Todd's Scope 3 emissions). This partly reflects the challenges in managing a finite resource and illustrates the importance of an orderly energy transition in New Zealand, as this will give confidence that natural gas will be available for those who need it, when they need it, as the nation electrifies.

Todd Energy's 'Big Ben' drilling rig at the Kapuni Production Station.



**Table 1: Summary of Todd's GHG emissions inventory (kT CO₂e)**

Todd's Scope 1 emissions are predominantly CO₂ (≥ 99%) and are produced by Todd's generation assets (53%), gas processing (36%) and other (11%).

Todd Region	Scope 1			Scope 2			Scope 3			Total		
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
New Zealand	960	1,082	879	1	4	3	2,710	2,765	2,868	3,671	3,850	3,750
Canada	12	14	12	NIL	NIL	NIL	390	394	293	402	408	305
Total	972	1,096	891	1	4	3	3,100	3,159	3,161	4,073	4,258	4,055

Emissions projects

Todd Energy continues to investigate ways it can optimise its operations to reduce emissions. A focus of 2023 was the use of real-time calculation of emissions based on live data to gain greater insight into the operational efficiencies of upstream assets and to observe the emissions and energy trends of equipment over time. Through optimisation and electrification projects undertaken in 2023, Todd Energy estimates that its Scope 1 and 2 emissions would be reduced by ~19 ktCO₂e per year compared to the status quo⁴.

⁴ The emissions reduction realised is linked to production and the 19 ktCO₂e per year estimate is premised on 2023 production volumes and activities, e.g. the actual emissions reductions achieved will be dependent on production volume going forward.

Electric compressors

2025 TARGET

A highlight from the 2022 reporting year was the commencement of construction of electric drive compression facilities at two Mangahewa wellsites. Installation was completed in the first half of 2023. These are the first wellsite compressors to be installed at Mangahewa. In addition to reducing emissions, the use of compressors which run off electricity as opposed to natural gas, has the advantage of reducing noise and maintenance costs and increasing uptime. Operational data shows that these compressors are reducing Todd's annual Scope 1 and 2 emissions by 5.5 ktCO₂e per year.



Todd Energy's new electric compressor at the Mangahewa C wellsite which came online in 2023.



Flare metering

2025 TARGET

In 2023, Todd spent an additional \$327,000 on flare metering, bringing the total spend to \$1.5m of the \$2m target. This spending was associated with the installation of a new flare meter at the KGTP plant. This is a technically challenging project as the high CO₂ gas at the plant makes accurate metering difficult which limits the available metering options. Todd has found an appropriate flare meter vendor for this unique gas and is working with local consultancies to prepare for fabrication. Commissioning is expected in the second half of 2024, which will progress further towards this target.

Fugitive emissions

2025 TARGET

A fugitive emission refers to a small gas leak from pressurised equipment or components, whether occurring unintentionally or by design. By definition, these leaks are challenging to identify, let alone quantify, but understanding them is crucial for gaining insights into Todd's overall emissions profile.

As part of Todd's comprehensive fugitive methane emissions programme, Todd Energy is aiming to become the first company in New Zealand to adopt quantitative optical gas imaging technology to measure fugitive emissions. Todd has garnered interest from other companies seeking to improve their measurement of fugitive emissions, signalling a growing recognition of the importance of this work across the industry.

Todd screened eight different technologies and undertook trials of three different types of technologies at Todd Energy plants before deciding on optical gas imaging technology to measure fugitive emissions. The technologies trialled were drones, continuous gas monitors and acoustic monitoring. Gas imaging technology was found to provide the best balance of identifying and quantifying leaks.

In 2024, Todd will begin surveying all Todd Energy-operated assets in New Zealand to establish a fugitive emissions baseline, the starting point for reducing these emissions over time. At the time of publication, Todd Energy had completed surveys at the McKee Mangahewa Production Station and work at Kapuni is progressing and expected to be completed in Q3 of 2024. The work scope excludes TEC, which already conducts fugitive emission surveys.



Todd Energy selected a fugitive emissions imaging technology in 2023 which will be implemented in 2024.



Renewable energy projects

Todd is investing in major grid-scale solar projects and supporting the energy industry in exploring alternative fuels such as renewable gases. Grid-scale solar generation is a core part of Todd's transition strategy which reflects our view that grid-scale solar will be a key component of New Zealand's transition to renewables.

In addition to our solar investments, Nova Energy is working with industry bodies and corporate customers to investigate the feasibility of renewable natural gas from biogenic waste and wood pellets (biomass) for residential and industrial energy use.

Todd spent \$1.9 million on renewable energy investments in 2023. This was less than planned due to an appeal to the Environment Court of the Taupō District Council resource consent for the Rangitāiki solar project. The Environment Court dismissed the appeal on 26 April 2024, however as at the date of publication, there remains a possibility of an appeal to the High Court.



The site of Nova Energy's Rangitāiki Solar development.

Solar

2025 TARGET

In 2023, Nova Energy produced 3,454 MWh of electricity from solar generation in New Zealand, which was a 31% reduction from 2022. The reduction was caused by the exclusion of electricity produced by Sunergise New Zealand, which was sold in April 2023. The sale reflects Todd's decision to focus on large grid-scale solar opportunities.

Rangitāiki solar development

The Rangitāiki grid-scale solar project, which involves a staged conversion of a ~1,000 ha farm near Taupō into a 400 MW solar power plant, remains a high priority for Todd. However, due to a resource consent appeal, progress in 2023 was limited.

In 2022, Nova Energy applied for the appropriate resource consents, and five of the six required resource consents were granted. The sixth and final consent was the subject of a public hearing. The resource consent was granted but an appeal to the Environment Court was lodged. The appeal was later dismissed by the Environment Court, however, there remains a possibility of an appeal to the High Court. The window to appeal ends on 17 May 2024.

The Environment Court appeal has delayed the project, however, community engagement, construction contractor selection, site investigation work, grid connection design and [biodiversity work](#) have progressed.

Kapuni Solar Plant

Nova Energy's 2.1 MW Kapuni Solar Plant, which has been operating since 2021, was recognised in the 2023 Taranaki Regional Council Environmental Awards, taking out the Environmental Leadership in Climate Action award. The Kapuni Solar Plant was acknowledged for its strong commitment to climate change mitigation, tangata whenua partnerships and sustainability, while also demonstrating the feasibility and performance of solar on a grid-scale.



Nova Energy was the proud recipient of the TRC's Environmental Leadership in Climate Action Environmental Award for developing a grid-scale solar plant at Kapuni in south Taranaki.



The 2.1 MW Kapuni Solar Plant in south Taranaki.

Future solar projects

Nova Energy is progressing a second grid-scale solar project of up to 300 MW in the South Island. In 2023, Nova Energy continued resource monitoring, engaged with stakeholders and progressed with ecological studies, grid connection and solar concept design.

Nova Energy's new EV charging service

Nova Energy successfully initiated its Electric Vehicle (EV) charging service in mid-2023, marking a significant milestone in the company's commitment to sustainability and innovation.

The EV charging service encompasses a comprehensive suite of offerings, including specialised EV charging management software and the provision and installation of Wallbox EV Chargers. This initiative reflects Nova Energy's overarching vision to enhance the lives of New Zealanders while facilitating a seamless transition towards a renewable energy future.

Nova Energy strategically partnered with Wallbox EV, one of the leading manufacturers in the EV charging industry. Wallbox EV's range of chargers was carefully selected to meet the diverse needs of both residential and commercial settings, catering to the expanding EV landscape in New Zealand.



Nova Energy chose one of the leading EV charger manufacturers, Wallbox EV, as its charging partner.



Pillar 2:

Our Communities





How Todd works with our communities

Maintaining positive relationships with the communities in which we operate, and providing opportunities for positive outcomes are key to Todd's success.

Todd strives to contribute to the local communities in which it operates by offering sponsorship and economic opportunities, and in-kind support. In 2023, Todd proudly supported local schools' environmental curriculums, and community initiatives focused on the circular economy, healthy homes, energy efficiency and autonomy, rural communities and youth, as well as a variety of environmental projects.



Every year Todd Energy staff donate sleepwear for WISE's annual pyjama drive.

Increasing economic opportunity for indigenous communities in which we operate

We are committed to providing economic opportunities for each community we support. Our initiatives, developed by divisional employees in collaboration with local indigenous communities, focus on three main pathways:

- **Providing direct training and development opportunities:** We work with local indigenous communities to identify barriers to employment and help to address these, upskill suppliers where necessary, and provide opportunities for indigenous students and staff to acquire on-the-job training and experience.
- **Providing direct employment pathways:** We engage tangata whenua suppliers to provide goods and services such as rig camp domestic services, cleaning services, environmental and cultural monitoring and advice, biodiversity project implementation, and cultural awareness and te reo Māori training.
- **Supporting indigenous initiatives for education, training, and development:** We contribute to projects and events that provide training and development opportunities for indigenous communities. This includes pastoral care and mentoring programmes to support long-term growth and success.

See [Our Environment](#) for more information on these initiatives.

We have increased the number of tangata whenua entities supported by Todd Energy from 15 to 26.



The cafe at the McKee Mangahewa Operations Facility run by Otaraua Hapū.



Māori owned and operated suppliers were engaged throughout Todd Energy's Mangahewa G Biodiversity Project.

Todd Energy in the Taranaki community

Todd Energy structures its partnership and sponsorship decisions based on its [Sustainability in our Communities commitment](#), which contains six key focus areas. The most material projects and relationships that progressed in 2023 within this framework are outlined below.

Todd Energy's support of tangata whenua o Taranaki

2023 saw the continued rollout of Todd Energy's *Cultural Investment Strategy: Phase 1; Tangata Whenua o Taranaki Training and Development Plan*. This included targeted training and employment opportunities, increasing Todd Energy's tangata whenua supplier network, and providing sponsorship and in-kind support to tangata whenua initiatives.

Increasing Todd Energy's Māori supplier network

Through targeted engagement, Todd Energy increased the number of tangata whenua-owned and operated suppliers it works with by eight. To help further increase its Māori supplier network, Todd Energy also joined He Toronga Pakihi ki Taranaki – the Māori business network.



A long-standing commercial arrangement sees local tangata whenua providing domestic and catering support for Todd Energy's rig camp.



Supporting the Ōwae Marae wharekai development

Waitara's Ōwae Marae wharekai (kitchen and dining facility) refurbishment, supported by Todd Energy, was completed in 2023. The new wharekai has been designed to allow the marae to host significant national and regional meetings for many years to come.

Providing tino rangatiratanga and support where it is needed

Todd Energy's Social Investment Programme allocates funds to eight local iwi and hapū for their discretionary use. In 2023, four entities utilised these funds for various purposes, including the employment of a summer intern, reo wānanga (language workshops), environmental projects, and initiatives to engage whānau in learning poi, karanga, karakia, and whaikōrero.



Todd Energy employees and Otaraua Hapū members plant Pūriri trees to celebrate the groundbreaking of the Otaraua Hapū Nursery Development.

Otaraua Hapū plant nursery

2023 saw continued support for the Otaraua Hapū nursery development, which will allow the hapū to effectively propagate and grow natives at scale to meet local demand. The project is due to be completed in 2024.

Empowering Māori training and development through pastoral care

Todd Energy is a proud major sponsor of Tupu ā Nuku – a Taranaki environmental workforce development programme led by Te Kāhui Maru that aims to provide pathways to environmental employment and associated pastoral care for local rangatahi. 2023 was the first year of three years of Todd Energy support. Students from Tupu ā Nuku assisted with Todd Energy's [Mangahewa G Biodiversity Project](#).



Todd Energy in the Taranaki community

Helping WISE to reduce the effects of energy hardship

Todd Energy continued to support the WISE Healthy Homes Initiative aimed at improving the health rating of homes of children with chronic respiratory issues. In 2023, Todd Energy was a major funding partner for the remediation of 30 cold, mouldy, or leaky homes.

Todd Energy also supported WISE's inaugural 'Reducing Energy Hardship' conference, which focused on solving energy hardship by sharing ideas, knowledge and solutions. The conference was run in conjunction with Ara Ake, the Community Energy Network, and Venture Taranaki, with sponsorship and in-kind support from Todd Energy.



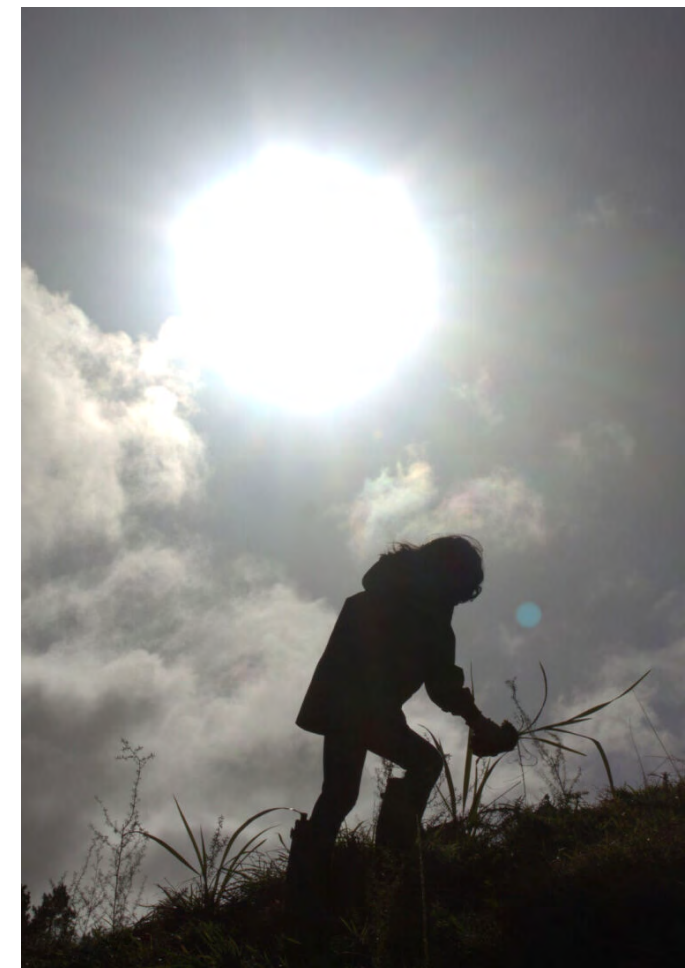
Todd Energy sponsored WISE's inaugural Reducing Energy Hardship Conference, with employees also presenting on New Zealand's energy transition and the energy trilemma.

Supporting Big Brothers Big Sisters of Taranaki to mentor tamariki

Big Brothers Big Sisters (BBBS) facilitates the mentoring of local young people by 'big brothers or sisters' through strong positive relationships that express care and expand possibilities for mentees. Todd Energy's sixth year supporting BBBS saw continued sponsorship and in-kind support, with two Todd Energy staff acting as mentors.

Encouraging and empowering tamariki to grow and plant natives

Trees for Survival is a national initiative supporting school students to grow native seedlings and plant them as part of local environmental projects. Over three years Todd Energy has supported the initiative's entry into Taranaki by providing funding to employ local facilitators and to purchase the equipment required for schools to grow natives on their grounds. 2023 saw 106 students from five north Taranaki schools grow and plant 3,783 native seedlings and a further five schools throughout the rest of the region grow natives in preparation for their first planting season in 2024.



A St Joseph's School student helping plant an erosion-prone hillside as part of the Trees for Survival initiative.

Nova Energy community engagement at Rangitāiki

Nova Energy continued its engagement and partnership development with local communities associated with its Rangitāiki solar development in 2023.



Local tangata whenua helped implement Nova Energy's Rangitāiki biodiversity work.

The Rangitāiki biodiversity management plan

Nova Energy continued the development and implementation of the Rangitāiki biodiversity management plan in conjunction with local tangata whenua, the BOPRC and DOC. See [Our Environment](#) for more information.

Maximising scope for Māori economic opportunity

Nova Energy focused on establishing networks and developing pathways that will enable employment, training, and development opportunities for local tangata whenua. This included engaging with local tangata whenua and Taupō-based employment specialists to plan an employment and training support programme that will create pathways for employment and engagement of tangata whenua-owned and operated suppliers. This also included selecting contractors with advanced indigenous employment programmes and a track record of successfully employing and developing people from indigenous communities.



Nova Energy supported the North Island Sheep Dog Trials, held on a farm neighbouring its Rangitāiki solar project.

TEC's contribution to First Nations communities

TEC's Birch Field is in Treaty 8 territory, the traditional and ancestral territory of the Dene and Cree. The territory is also home to Métis Settlements. There are many First Nations, Métis and Inuit who have cared for the lands for generations. Blueberry River First Nations (BRFN) and West Moberly First Nations are TEC's primary indigenous communities for consultation and engagement.

Supporting the BRFN Cultural Camp

2023 saw TEC help support the BRFN's annual Cultural Camp, a five-day event focusing on connecting generations through activities celebrating the Nation's culture in its traditional territory. TEC provided sponsorship for this five-day camp, with local employees attending the camp for three days to learn more about the BRFN culture and to strengthen connections with community members.

Increasing TEC's First Nation supplier network

TEC staff continued to work with First Nations suppliers and partners to increase its First Nations inclusion in development. This included supporting First Nations partners to upskill where possible, actively including First Nations services in bidding and procurement, and encouraging subcontracting opportunities through primary contractors.

Working with First Nations to reduce TEC's environmental footprint

TEC works with First Nations members to ensure their values and knowledge are weaved into its operations wherever possible. This included First Nations members providing cultural monitoring, guiding preferences for land use, and working with TEC to draft conditions for permit consents before applications were submitted.

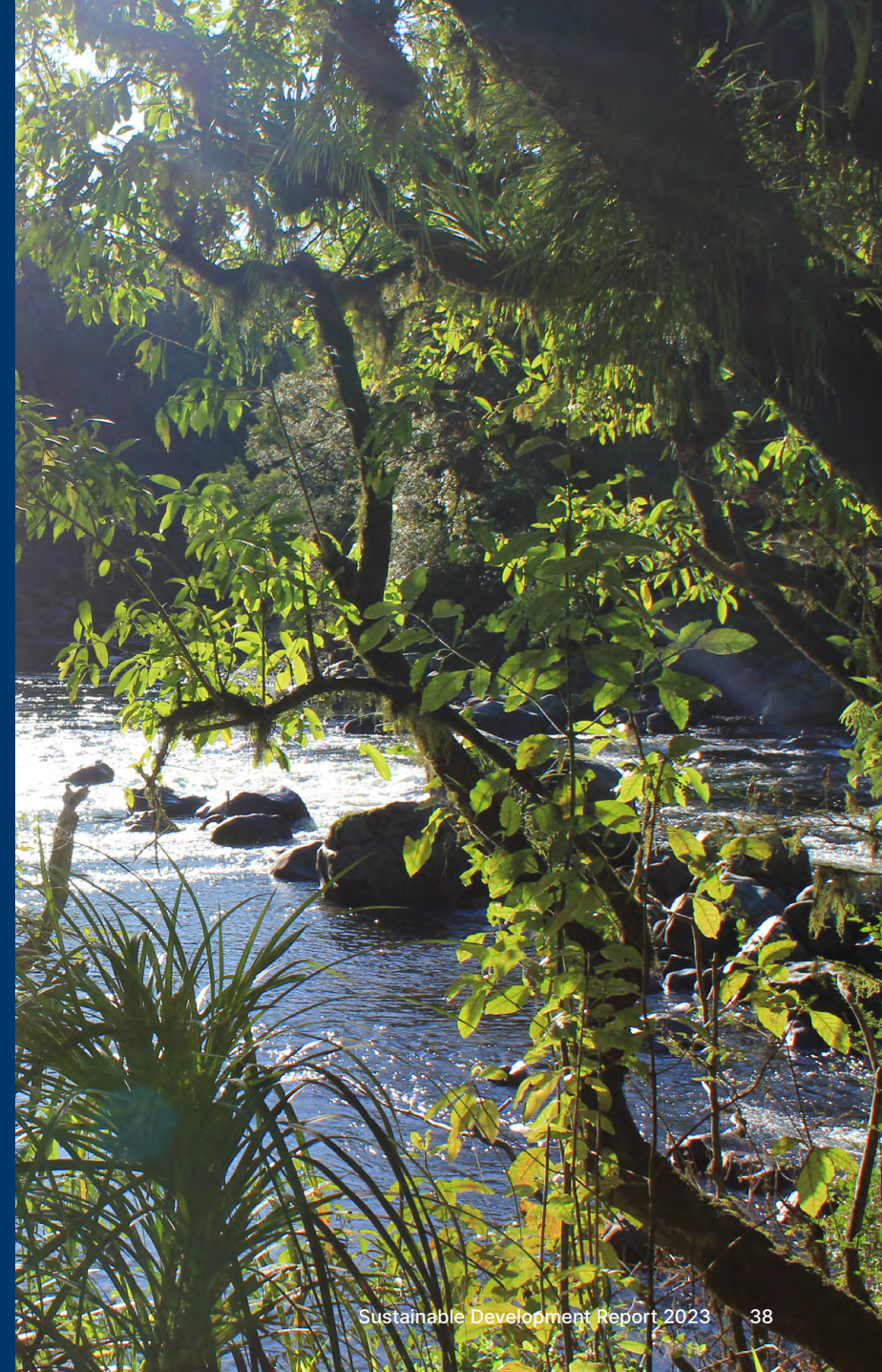


BRFN members and TEC staff on a site visit to a wellsite reclamation project for which BRFN provided cultural monitoring and reclamation advice. The project commenced in 2023 and planting is planned for summer 2024.



Pillar 3:

Our Environment





Introduction

Todd's 2023 materiality assessment determined the new sustainable development pillar 'Our Environment' which comprises two material topics: Biodiversity and Water Management, both of which are reported here.

In New Zealand, Todd's approach to biodiversity enhancement, protection and management focuses on protecting and enhancing local waterways and freshwater ecology, as well as terrestrial biodiversity.

Below are the most significant biodiversity and water stewardship projects designed to provide environmental benefits as well as deliver positive community and cultural outcomes. They were planned and implemented with local tangata whenua, communities, schools, councils and/or neighbours.



A TRC groundwater expert operating the groundwater model purchased as part of the joint TRC and Todd Energy Groundwater Education project.

Educating the community on the importance of groundwater systems

Todd Energy, in collaboration with the Taranaki Regional Council (TRC), launched an open-source groundwater education tool, designed to assist in explaining complex groundwater systems to our communities. The resource includes an online groundwater learning tool and a physical groundwater model that demonstrates how groundwater moves in real life.

These resources were embraced by the community and have been incorporated into the Taranaki EnviroSchools curriculum, and used for engagement and education with tangata whenua, council employees and schools. The online learning tool is also referenced on the [National Land, Air, Water Aotearoa \(LAWA\)](#).

We planted 39,000 native plants to protect and regenerate 11.5 hectares of biodiversity, through projects focused on enhancing and protecting aquatic and land-based biodiversity.



Supporting communities to protect and enhance local biodiversity

Helping Kiwi thrive in the Taramoukou Conservation Area

The 1637 ha Taramoukou Conservation Area is a unique expanse of indigenous bush located within 1.5 km of Todd Energy's McKee Mangahewa Production Station. The bush is home to fernbirds, kākā and kiwi, and is managed by Te Kōhanga Āhuru on behalf of Ngāti Mutunga Iwi.

2023 was the third year Todd Energy has supported this project through financial and in-kind support and Todd Energy employees continue to clear traps in the reserve every month.



Bright pink ribbons mark the location of Everett Park's trapping network.

Trapping pests in the Everett Park Scenic Reserve

The 85 ha Everett Park Scenic Reserve is a regionally important remnant podocarp forest 3 km from Todd Energy's Mangahewa D wellsite.

2023 was Todd Energy's second year supporting the East Taranaki Environment Collective (ETEC), Pukerangiora Hapū and DOC to regenerate the reserve's biodiversity and help develop the area into an environmental education hub.

The trap networks established in late 2022 to target rats, possums, mustelids, and feral cats were maintained and monitored throughout 2023. As the first-ever predator control in the reserve, the impact was significant, with large numbers of pests caught and a resultant marked increase in bird species and numbers. Todd Energy employees also used their volunteer leave to help reset and re-lure traps and learn more about the reserve and its local importance.



Success! Todd Energy employees clear and reset two traplines in the Taramoukou Conservation Area every month.



Restoring and protecting waterways and wetlands at Rangitāiki

Nova Energy commenced the protection and enhancement of biodiversity at Rangitāiki in 2022 as part of a project planned and implemented in conjunction with local tangata whenua, the BOPRC and DOC. The initiative was developed to create maximum community benefits by providing economic, training and development opportunities for local tangata whenua and communities.

The work aims to restore and protect the local ecosystem and improve the water quality and biodiversity of the Otamatea Awa, an important tributary of the Rangitāiki Awa, and its associated wetlands. The focus of the work is to restore the wetlands and tributaries that historically linked the wider Otamatea Wetland with the Otamatea Awa. This involves stock exclusion, planting, and pest and weed control in wetlands and riparian margins.

2023 progress

In 2023 a 7.4 ha area was fenced, and 30,000 native plants were purchased from and planted by local tangata whenua businesses. Species were selected in consultation with local tangata whenua, BOPRC and DOC to ensure the right species were planted in the right place.

16,500 plant protectors were applied to the most vulnerable species, and the area will be monitored and maintained until the plants are established and able to grow independently. The protectors will be reused throughout the project and recycled when no longer needed.



Local tangata whenua planted 30,000 natives at the Rangitāiki site.

Planting following the maramataka

After consulting local tangata whenua, an approach was adopted using the maramataka (Māori lunar calendar) for planting, with cohorts of plants planted on different maramataka days. The plants will be monitored to provide valuable research into the concept of using the maramataka for planting.

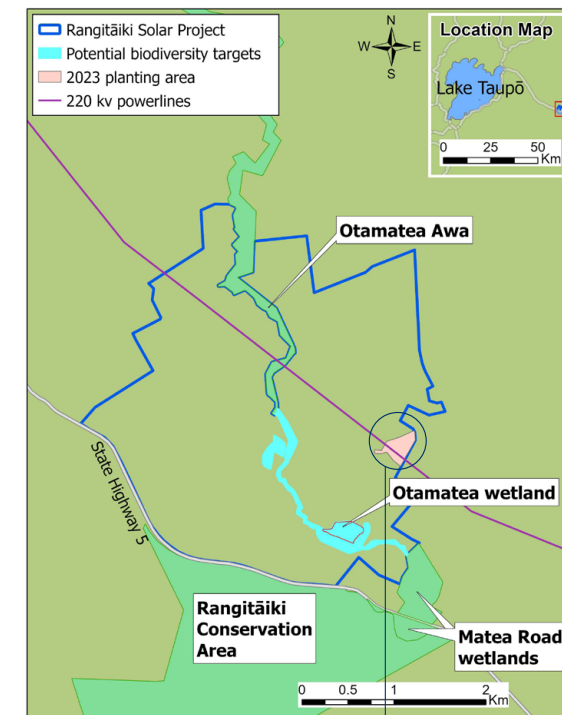
Testing the use of Future Post fence posts

To help reduce the project's environmental footprint, Future Post fence posts, made from recycled plastic and designed to replace wooden posts, were used in various locations and monitored for their performance in Rangitāiki's harsh environment.

The fence posts are performing well, and additional posts have been ordered for future fencing projects. Nova Energy aims to use some of the packaging waste generated from the planned solar development as feedstock for posts that can be used on the project site, creating a circular waste stream.



Future Post fence posts, made from recycled plastic, were used at Rangitāiki.



North Taranaki biodiversity projects

Regenerating and protecting the Mangahewa Awa near MMPS

Approximately 700 natives were planted along the Mangahewa Awa near MMPS, the final phase of a riparian biodiversity project planned and implemented on Todd Energy's behalf by Otaraua Hapū. The project was designed to reduce erosion, increase local biodiversity, and provide a biodiversity steppingstone between nearby high-biodiversity areas. It included fencing and stock exclusion, planting, erosion control, weed control and the establishment of a pest control network.

Operational upgrades were made to the MMPS water intake at the Mangahewa Awa. To reduce the impact of this work on local aquatic wildlife, Todd Energy, an expert ecologist and local tangata whenua developed and implemented a fish salvage plan. This involved catching creatures living in the awa and relocating them in a safe and contained aquatic environment during the upgrade. On completion of the work, the 56 kōura, longfin eels and kōkopu were safely relocated back into the stream.



A kokopu temporarily relocated as part of the Mangahewa Awa fish salvage project.

Wetland protection at Nova Energy's McKee Mangahewa Peaker Plant

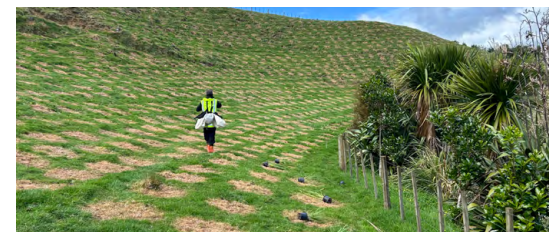
This project, focused on a wetland adjacent to Nova Energy's McKee Mangahewa Peaker Plant, was implemented after an ecological survey that confirmed the presence of a variety of native plants and possibly transient nationally endangered matuku-hūrepo Australasian Bitterns.

The project was a partnership between Todd, Parinihi ki Waitotara (PKW) and tangata whenua. Planned and implemented by local hapū Otaraua and PKW it included fencing and retiring the wetland and a neighbouring erosion-prone slope (0.9 ha total), which was planted with 750 manuka to prevent further erosion into the wetland.

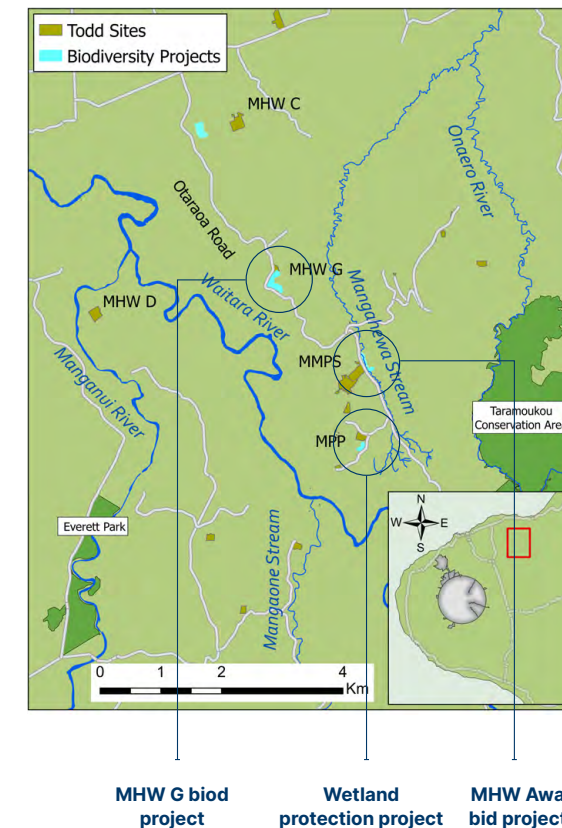
Creating a biodiversity steppingstone at Todd Energy's Mangahewa G wellsite

On Todd Energy's behalf, local tangata whenua Otaraua Hapū designed and delivered a 3 ha native planting project on a steep, erosion-prone hillside adjacent to the Mangahewa G wellsite. Located in the Waitara catchment, this newly planted area will help reduce sediment runoff into the catchment and will provide a biodiversity steppingstone between nearby high-biodiversity areas such as the Taramoukou Conservation Area.

This project included fencing, weed control, and planting 7,500 carefully selected native species. Most of the work was conducted by students of a local forestry course, allowing them an opportunity to complete practical aspects of their environmental workforce development programme.



Local forestry students gained valuable practical experience while planting the steep erosion-prone hillside next to Todd Energy's Mangahewa G wellsite.





South Taranaki biodiversity projects

Assessing the environmental health of Kapuni Awa

At Kapuni, Todd Energy and neighbouring Ballance have conducted long-term biomonitoring of the Kapuni Awa, both upstream and downstream of their respective operations. This biomonitoring, performed by an independent ecological river expert, shows long-term Macroinvertebrate Community Index values upstream and downstream of Todd Energy's Kapuni operations that indicate excellent river health.



An endemic panoko, or Torrent Fish found in the Kapuni Awa during regular biomonitoring.



Passionate and conservation minded Kapuni Production Station employees manage an effective trapping network in the locally significant tracts of native bush on the Kapuni Production Station grounds.

Pest control efforts at the Kapuni Production Station

Todd Energy's Kapuni Production Station grounds encompass the Kapuni Awa and tracts of native bush growing along it. This locally significant bush provides a habitat for native birds and other wildlife to coexist with Todd Energy's Kapuni operations.

Passionate and conservation-minded Production Station employees monitor and maintain a trap network established on the Kapuni grounds to help protect this wildlife. Two rats, a hedgehog and importantly six stoats, a key predator of New Zealand's wildlife, were caught and disposed of in 2023.

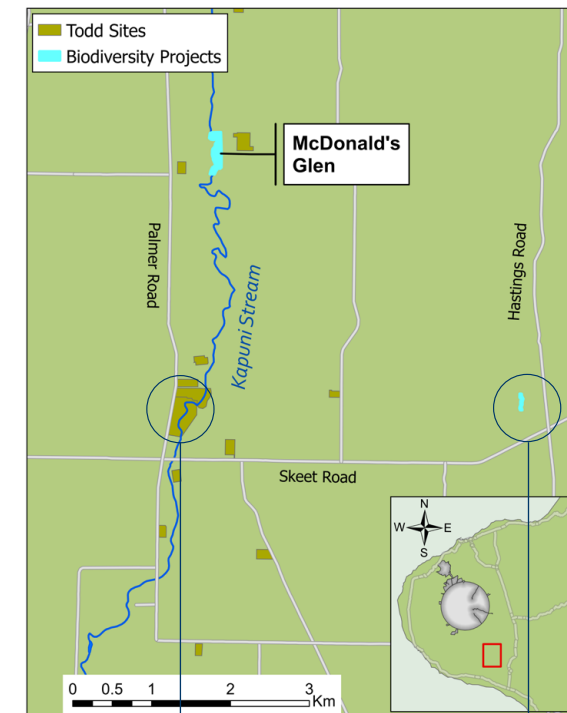
Planting Trees for Tomorrow with Taranaki Rugby

Now in its second year, Todd Energy's Planting Trees for Tomorrow partnership sees the Taranaki Rugby Football Union and Todd Energy come together to create opportunities for local school students to enhance the biodiversity of their local environment.

In late July, Matapu School students, Taranaki Bulls rugby players, the TRC and Todd Energy employees again joined forces to plant more natives at a wetland adjacent to the school. 250 natives were planted along the riparian margin of the wetland, allowing the students to learn about nature, regeneration, and conservation, whilst also having fun with some local sporting heroes.



Matapu School students brave the cold July weather to plant natives in the wetland adjacent to their school as part of Todd Energy's 'Planting Trees for Tomorrow' partnership.

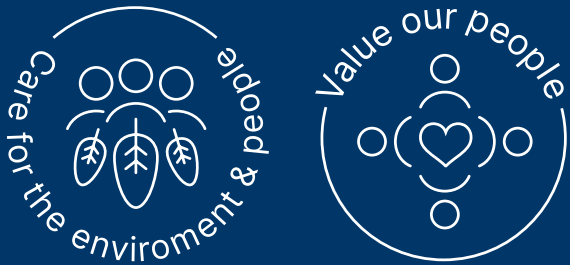


Trapping and Kapuni production station

Matapu school project

Pillar 4:

Our People



Overview

Valuing our people is one of Todd's core operating principles. Todd aims to nurture a safe workplace and one in which everyone feels they belong. This 'Our People' chapter covers two material topics: Health & Safety and Diversity, Equity and Inclusion.

No business objective takes priority over health and safety and Todd's strong people values aim to create a workplace that fosters health and wellbeing. This requires the ongoing review and refresh of Todd's approach to ensure that our work environment remains relevant and appropriate for an ever-changing world.



Group Finance team members spent their Volunteer Leave at Te Rito Gardens in Porirua, re-potting plants, weeding and clearing a bank for new growth.



Excellent overall safety performance

Todd prioritises the health and safety of its people and operates on the belief that all incidents are preventable. We strive to ensure that our people, programmes and operational philosophy remain focused on a zero-injury workplace. Todd's approach to Health, Safety and Environmental Management is outlined in the [Appendices](#).

In 2023 there were no high-consequence injuries and no Tier 1 and Tier 2 process safety incidents (PSIs). There were three recordable incidents consisting of two lost time incidents (LTIs) and one medical treatment incident. The LTIs consisted of a laceration to the rear of the leg when a contractor on the drilling rig slipped while descending stairs and a minor neck strain when an employee was stationary in a company vehicle and a member of the public struck his vehicle when failing to stop. The medical incident involved a small laceration to the top of a contractor's hand. Todd thoroughly investigates all incidents to ensure that the root causes are identified, and measures are put in place to avoid similar incidents in the future.

As reported in 2022, Todd Energy became aware of a potential safety issue at the Kapuni CO₂ liquefaction plant in December 2022 resulting in a temporary shutdown to enable the issue to be clearly defined and to complete any resulting rectification work. Temporary modifications were made enabling the plant to be restarted at reduced rates whilst parts were sourced from overseas. Permanent modifications were completed in Q2 2023 and the plant resumed full-rate operation in June.

Scheduled Kapuni shutdown

Todd is focused on continually improving safety performance and ensuring the ongoing integrity of Todd's assets. The scheduled maintenance shutdown of the Kapuni facilities in 2023 was a part of this process. The shutdown was required to meet statutory inspection and re-certification obligations. It also provided the opportunity to carry out essential maintenance, plant improvements and project work. The major work programme involved 300 people over 35 days that was delivered without incident, on time and on budget. Shutdowns and their associated maintenance programmes are an important part of ensuring the integrity of Todd's assets.

Table 2: Todd's HSE performance

Metric	2023	2022	2021
Total Recordable Injury Frequency Rate (TRIFR)	1.5	1.8	0.4
Total hours worked (million hours)	2.0	2.7	2.4
Tier 1 and Tier 2 Process Safety Incidents (PSI)	0	1	2
Number of Lost Time Injuries (LTI)	2	3	0
Recordable Vehicle Incidents	0	0	0



An aerial view of Todd Energy's Kapuni operations.



Our Diversity, Equity and Inclusion (DEI) journey

Our focus on DEI in the workplace aims to enhance the presence and engagement of our people with varying backgrounds and perspectives and to provide opportunities for groups of people traditionally marginalised. Todd recognises that fostering a sense of belonging, where everyone feels welcomed, included and respected leads to more effective working methods, more robust decision making and increased productivity.

In July 2023, Todd published its first DEI Policy, committing to cultivating a culture that champions diversity, equity and inclusion, alongside a pledge to uphold pay equity and actively develop and retain a diverse pool of talented individuals.

Our initial step involved assessing the current environment. To facilitate this process, Todd engaged DEI consultant, Dr Jo Cribb, to gather insights directly from our employees on Todd's performance in this space and areas where there was room for improvement. Eighteen focus groups were conducted over three weeks in September, with 116 employees participating and 40 employees completing an online survey. These focus groups provided a safe space for underrepresented groups and allies to share their experiences.

The feedback gathered from the focus groups and survey contributed to Dr Cribb's final report, which highlighted several areas where Todd has opportunities to enhance its approach to DEI. While the findings are less than favourable in some areas, such as gender and ethnic diversity in leadership, the company now has a baseline to build from and will enable us to identify areas where change can positively impact employee wellbeing, our employee value proposition, and overall company performance.

Table 3: A summary of strengths and opportunities from Dr Jo Cribb's findings

Strengths	Opportunities
Cultural celebrations to recognise diversity	Inconsistent experiences across teams or divisions
TeamFlex – Todd's flexible working policy	To improve diversity at leadership levels, especially Executive and Board
Wellness packages including EAP offerings and workplace initiatives	To improve leadership role modelling, encouragement and accountability
Women in Todd network	Lack of data available and transparency of reporting
Access to te reo Māori classes	To improve transparency in promotion, remuneration and recruitment



We used this analysis to develop a high-level [DEI approach](#) and associated action plan. The focus of 2024 will be on progressing initiatives, enhancements and improvements to deliver on these five key areas.

One action was to share Todd's gender pay gap, which is a high-level indicator of the difference between women's and men's median earnings across a company. The 2023 gender pay gap for Todd is 45%. This means, on average, men are paid 45% more than women when taking into consideration all positions and reflects the workforce composition in the industries Todd operates in. Todd has a smaller proportion of women in higher-paying roles, such as leadership and engineering positions, and a larger proportion of women in lower-paying roles.

The pay gap reported here is different from a pay equity gap, which is the difference between men's and women's earnings in equivalent roles.

Todd is committed to reducing our gender pay gap and making changes to bring about greater equality.

Several actions are being implemented, including measuring and publishing Todd's gender pay gap annually to ensure full transparency, reviewing hiring and interviewing practices, and establishing a women's mentoring programme.

The Women in Todd network

Women in Todd is an employee network that was initiated by a group of female Todd employees several years ago and relaunched in 2023 with a revised purpose. The network is supported by both male and female employees throughout the business to strengthen gender affiliation/support networks and raise awareness of the importance of workplace diversity through networking, advocacy, leadership, coaching and events. Currently, the network has 90 members.

Todd formally supports and recognises that the Women in Todd network plays an important role in improving the workplace for females, particularly in the traditionally male-dominated sectors in which Todd operates.

Todd aims to establish other employee network groups to help create an inclusive and fair workplace, and the success of Women in Todd serves as a role model for this future expansion.



A Women in Todd networking lunch held at Todd Energy's New Plymouth office where employees shared their learnings from the Women in Leadership Summit held in Auckland.

Making a positive impact through Volunteer Leave

Volunteer Leave has been in place since 2021, and 2023 marked a significant increase in uptake with 1,148 community volunteer hours contributed by Todd employees – a 180% increase from 2022.

This surge can be attributed to targeted communications and storytelling and engaging Volunteer Leave Champions in most Todd offices to raise awareness of this entitlement. Additionally, efforts were made to create fulfilling and impactful volunteering opportunities for staff in collaboration with community groups across the areas where Todd operates.

Throughout 2023 our diverse volunteer initiatives ranged from rejuvenating local gardens, streams, and community amenities, to aiding in the recovery efforts after Cyclone Gabrielle and protecting wildlife. Our employees dedicated their time to serving on community boards, supporting animal welfare charities, assisting at foodbanks and participating in playground construction projects.

Hundreds of native species were planted, noxious weeds were removed, and plastic pollution was cleaned from our coastlines – all thanks to the hard mahi of our people.



Members of Todd's Group Finance team used their Volunteer Leave to clear invasive weeds at Central Park in Wellington.



Employees from Nova Energy's Whakatāne office volunteered at Eastern Bay of Plenty Riding for the Disabled.



Tracking our employee voice through regular surveys

In March 2023, a Todd-wide engagement survey was relaunched as a means for the employee voice to be heard and for the business to assess the sentiment of our workforce.

While conducting engagement surveys is not a new initiative, there has not been one since 2019, making the 2023 survey a return to the biennial schedule for Todd.

In addition to the standard engagement question-set, which covers aspects such as leadership and management, alignment and involvement, learning and development, innovation and enablement, the 2023 survey featured a range of questions relating to diversity, equity and inclusion, such as work-life blend and sense of belonging. This provided the business with foundational data to evaluate our progress in this area as we continue to advance this important work.

2023 Engagement Score

The Todd engagement score for 2023 was 68%, reflecting a 1% improvement from the 2019 results and aligning with the New Zealand benchmark. While this increase may seem modest, it indicates that employee engagement has remained steady despite a period of uncertainty, including challenges such as the COVID-19 pandemic and Todd structure changes. The 90% participation rate was pleasing and demonstrates the commitment of employees to actively engage in these surveys and provide constructive feedback.

The survey results have directed Todd's focus towards areas where change efforts are needed to enhance employee engagement and subsequently boost the discretionary effort and productivity of our workforce. Consequently, following the Todd-wide engagement survey, various divisions have implemented a series of smaller, more frequent pulse-check surveys to ensure that the identified actions are facilitating positive outcomes and that employees continue to have a regular and secure platform for offering feedback.



Todd Energy employees at the New Plymouth office.



Appendices

[Climate-Related Financial Disclosures](#)[Global Reporting Initiative Index](#)[Data Tables](#)[Glossary](#)[Te reo Māori used](#)

Climate-Related Financial Disclosures

These disclosures have been prepared with reference to NZ CS (2022). Todd is not a Climate Reporting Entity and is not required to comply with NZ CS. The below disclosures have been made voluntarily. The assessment of climate-related risks and opportunities alongside sound governance and oversight will be integral to Todd's contribution to New Zealand's successful transition to a low-emissions economy.

Disclosure Summary	Details
Governance Disclosure	
Governance body identity	The Todd Board governs Todd's approach to sustainable development through ARC which has responsibility for the oversight of climate-related risks and opportunities. Todd's 2023 materiality assessment reinforced that climate-related risks are material both from a business lens and a stakeholder lens. This will be a key focus of Todd's sustainable development work programme going forward which the ARC will oversee.
Governance body oversight	<p>The ARC's role is to assist the Board in providing oversight of Todd's sustainable development strategies and policies, including the review of material climate change risks and opportunities.</p> <p>Climate-related risks and opportunities are currently presented to the ARC annually as part of its risk management framework. From 2024, this will be expanded to include the outcomes of scenario analysis outlined in TCFD and the implications for the transitional aspects of Todd's strategy.</p> <p>The Company has an ongoing programme to upskill the Board in relevant areas. In 2023, the focus was on TCFD-related topics (e.g., climate-related governance and emissions target setting). In addition, regular Board Papers provide insights into ESG reporting standards and trends. All material legislation changes, and relevant policies, are included in Board reporting by the Todd Group General Counsel.</p> <p>As a leading energy provider for Aotearoa New Zealand, climate-related risk and opportunity are core to Todd's strategy. Todd's Board and Executive regularly meet to discuss climate-related risks and opportunities and their implications for the Company strategy. Todd's emissions targets, increasing investment in renewables, and the role of Todd Capital as a vehicle to diversify beyond the energy sector illustrate the interconnection between strategy and risk.</p> <p>The ARC is responsible for endorsing the Company's emissions target. The Todd Executive has the responsibility for monitoring progress against the targets. Related metrics are incorporated in the Todd scorecard, thereby creating a linkage with Executive remuneration.</p>



Disclosure Summary	
Disclosure Summary	Details
Management's role	<p>The Todd Executive coordinates and stewards Todd's sustainable development programme. This is done via a steering committee format that provides a forum for oversight and guidance on the programme and to ensure that Todd is delivering on its objectives. A core objective of the steering committee is the management of climate-related risk and opportunities. Steering committee meetings are timed to align with outputs from the sustainable development work programme.</p> <p>The Group Chief Financial Officer is the executive representative for the sustainable development programme and team and is also Chair of the Sustainable Development Executive Steering Committee. The Executive formally engages with the governance body on climate-related matters via quarterly ARC meetings. The Executive is responsible for ensuring that there is adequate resourcing available to support the identification and mitigation of climate-related risk.</p> <p>The day-to-day management of sustainability matters sits with a range of teams and personnel across Todd. The sustainable development team acts as a conjugate between the ARC and the Executive. Specific employees are responsible for working with divisional teams to operationalise Todd's sustainable development programme and ensure ARC-endorsed outcomes are achieved. Further work on defining Todd's approach to climate-related risk is a key workstream for 2024. Two areas of focus will be the quantitative analysis of anticipated impacts and the outlining of the transition component of the Todd strategy.</p>
Strategy Disclosure	
Current climate-related impacts	<p>As a major energy provider, Todd is increasingly exposed to transitional impacts as Aotearoa New Zealand transitions to a low-emissions economy.</p> <p>Transitional impacts have been focused on three areas:</p> <ul style="list-style-type: none">• Cost. Todd has a heightened exposure to carbon pricing due to the comparably high CO₂ content of gas produced from the Kapuni Field and an inability to recover this higher carbon liability from customers.• Policy. New Zealand lacks a durable and coherent policy framework which clearly outlines the role that natural gas will need to play as New Zealand decarbonises, and which enables investment in renewable energy. This lack of policy clarity has harmed investment in the gas sector and is constraining the speed at which renewable generation can be brought to market.• Debt. Increased difficulty in obtaining debt funding for fossil fuel-related investment as lenders seek to reduce their exposure to the fossil fuel sector. <p>To date, Todd has experienced minimal physical impact across its New Zealand assets. In May, TEC was impacted as forest fires in the region required TEC to shut in facilities. Operations resumed one week later with no damage to the field or facilities.</p> <p>Todd intends to progress work in 2024 to quantify the financial impacts of Todd's physical and transitional risk.</p>
Scenario analysis undertaken	Refer to TCFD

Disclosure Summary	Details
Climate-related risks and opportunities	<p>When considering climate-related risks, Todd uses the following time frames:</p> <ul style="list-style-type: none"> • Short term: 2024-2026. • Medium term: 2027-2035. • Long term: 2036-2050. <p>These timeframes have been developed to align with Todd's planning horizons and New Zealand's emissions budgets and targets.</p> <p>An overview of Todd's physical and transitional risks is provided in the 2022 Report (Appendix 1 and 2). The TCFD chapter provides more context around how Todd intends to apply scenario analysis to assist in the identification of climate-related risks and opportunities.</p> <p>As outlined under strategic positioning, Todd's transitional planning is a core component of Todd's long-term strategy and associated investment strategy.</p>
Anticipated impacts of climate-related risks and opportunities	<p>As a major energy provider, Todd's transitional risk is elevated as markets and governments respond to mitigate the risk of climate change. In addition to the three transitional impacts discussed above, three further key risks are declining gas demand as customers investigate ways to reduce their natural gas consumption, and changing public concerns relating to climate change impacting the community's support of Todd's operations.</p> <p>From Todd's perspective, our key challenge is not just to reduce emissions, but to do so in a manner that supports the wider energy transition and the New Zealand economy. Todd's key concern is that New Zealand's energy sector transitions in a disorderly manner and the implications that this would have for New Zealand's energy trilemma (energy security, equity/affordability, and sustainability). To manage this risk New Zealand must have:</p> <ul style="list-style-type: none"> • A supportive, clear, stable, and durable policy framework • A regulatory regime that supports the transition <p>In contrast, an orderly transition creates an opportunity for the role of natural gas to evolve in support of the wider energy transition and the New Zealand economy, for grid-scale solar to play a significant role in the country's energy future, and for less advanced opportunities (e.g. alternative fuels and CCUS) to be part of the energy mix.</p> <p>Todd intends to progress work in 2024 to quantify the financial impacts of climate-related risks and opportunities that can be reasonably expected.</p>

Disclosure Summary	Details
Strategic positioning	<p>Todd has an important place in New Zealand's energy system and will therefore play a key role in the transition. We are doing that by continuing to play our part in meeting the country's natural gas needs, as we transition as a nation, and investing in major grid-scale solar projects while supporting the energy industry in its investigation into alternative fuels such as hydrogen and biogas.</p> <p>Todd's transitional planning is focused on three areas:</p> <ul style="list-style-type: none"> • Decarbonising in a manner that is aligned with New Zealand's emissions targets. Todd has set a 2030 intermediate emissions target aligned with New Zealand's NDC. The target acknowledges that natural gas has a crucial role to play in ensuring that New Zealand has a secure and smooth energy transition. This means Todd will need to continue to invest in our natural gas fields and to continue to operate fast-start natural gas-fired power plants, to meet New Zealand's energy needs, while at the same time reducing emissions. • Contributing to an economy-wide transition. Todd is increasing its investment in renewable energy with a focus on grid-scale solar generation as part of our transition strategy. It is our view that grid-scale solar will be an important component of New Zealand's transition to renewables. Todd's Rangitāiki grid-scale solar project is a key priority and a core part of Todd's transition strategy. • Responding to Todd's climate-related risks and opportunities. While Todd remains committed to its core energy assets, we are also focused on opportunities for renewal and improvement to ensure our business is sustainable into the future. In addition to our renewable investments, Todd Capital is our vehicle for diversifying beyond the energy sector. <p>The Board actively oversees Todd's long-term strategy. Key components of this strategy include emissions reduction, renewable development, and business diversification. This reflects that due to its size and scale, Todd's transition plan cannot be developed in isolation, but rather must be developed in a manner that supports the wider energy transition and the New Zealand economy.</p>
Risk Management Disclosure	
Processes for identifying, assessing and managing climate-related risks	<p>Todd bases its risk management framework on recognised standards. The framework identifies all types of risk, including climate-related, and seeks to ensure Todd mitigates these risks under its risk appetite. Todd has an underlying philosophy of managing risks to a level that is 'as low as reasonably practicable' (ALARP), that is, that the risk is reduced to such a low level that the resource required to reduce the risk further is grossly disproportionate to the amount of risk reduction.</p> <p>Todd assesses risk using a Risk Assessment Matrix which considers the impact of the risk and the likelihood of the risk occurring. Historically Todd has measured risk using a combination of stakeholder engagement (internal), discounted cashflow modelling combined with forecasting and sensitivity analysis. Todd is now incorporating scenario analysis to understand how climate-related risks and opportunities might evolve.</p> <p>The ARC has the responsibility to review material climate-related risks and opportunities, the oversight of which is a key objective of the Sustainable Development Executive Steering Committee.</p> <p>Risk is considered over the same timeframes as per Todd's strategy disclosures and Todd considers the full value chain when identifying and assessing climate-related risks.</p>



Disclosure Summary	Details
Integration into overall risk management processes	<p>The Company maintains a risk register that identifies the most material risks. The risk register sets out the risks that are most material to Todd and this is reviewed by the Board annually. Alongside the annual review, every quarter, Management facilitates a deep dive and Board discussion on a specific material risk. In Q1 2022, Todd completed both a transition risk deep dive and an assessment of physical risk exposure.</p> <p>Climate change is specifically included as a risk area and, in addition, impacts other material risks. This reflects that systematically assessing the effects of climate change on our businesses and investments is crucial to our operations and sustainability as a company. The Board approves and monitors the effectiveness of the Company's approach to managing these risks.</p>
Metric and Targets Disclosure	
Metric categories	<p>As a leading energy provider in Aotearoa New Zealand, Todd's core business is exposed to transitional risk, which is expected to increase over time. At present, Todd's exposure to physical risk is minimal but Todd's risk profile will likely increase alongside our investment into renewable energy. Todd's investments in climate-related opportunities are currently focused on two areas. These are the continual investment in existing fossil fuel assets to improve operational efficiency and the investment in renewable energy opportunities, including the Rangitāiki grid-scale solar project of up to 400 MW.</p> <p>Todd uses an internal emissions price path that factors in pricing forecasts from third parties. Todd's GHG Inventory is premised on equity share and aligns with the New Zealand Emissions Trading Scheme. Todd is in the process of establishing an annual external assurance process for our intermediate emissions target.</p> <p>Refer to Chapter 1 Todd's contribution to Aotearoa New Zealand's transition for GHG-related disclosures, emissions and energy projects, and Todd's total spending on renewables. Remuneration is discussed under Governance Disclosures.</p>
Industry-based metrics	<p>Todd prepares disclosures with reference to the GRI. These disclosures include the GRI's Oil and Gas Sector 2021 Standard. Due to the material overlap between the GRI climate change-related disclosures and the NZ CS, most of the GRI climate disclosures reference the above Climate-Related Financial Disclosures.</p>
Other key performance indicators	<p>Todd's 2023 materiality assessment identified 10 material topics that we have grouped into four key pillars: Todd's contribution to Aotearoa New Zealand's transition, Our Communities, Our Environment and Our People. Todd's transition strategy needs to consider the broad implications of change. Alongside emissions, Todd tracks its performance in several areas which are reported on in the Report. Todd's transition provides an opportunity to make improvements in all four pillars as illustrated by the Rangitāiki grid-scale solar project which is enabling a multi-year ecological restoration project and economic opportunities for local tangata whenua and communities.</p>
Targets	<p>Refer to TCFD</p>



Global Reporting Initiative Index

These disclosures have been prepared with reference to GRI 2021. The content index can be used to find specific GRI disclosures that together build an understanding of Todd’s environmental and social impacts and contributions, and related governance.

GRI #	Disclosure title	Reference
–	GRI 1: Foundation 2021	About this report ; Scope ; Reporting frameworks
GRI 2: General Disclosures 2021		
Disclosure 2-1	Organisational details	The Todd Corporation Limited NZ Limited Company (unlisted) The Todd Building, Level 15, 95 Customhouse Quay, Wellington, 6011 In Scope: New Zealand, Canada. Out of Scope: Pacific Islands, USA
Disclosure 2-2	Entities included in the organisation’s sustainability reporting	Scope Information is collated on an equity basis
Disclosure 2-3	Reporting period, frequency and contact point	Todd reports on an annual basis, this report covers the 2023 calendar year This report was published in May 2024. Data is as at 31 December 2023 Email: sustainability@toddcorporation.com
Disclosure 2-4	Restatements of information	Kapuni 2021 flare data now includes KGTP flaring, water data tables are updated as per footnote.
Disclosure 2-5	External assurance	Other important information

GRI #	Disclosure title	Reference
Disclosure 2-6	Activities, value chain and other business relationships	<p>Todd operates under three main business units – Todd Energy (including TEC), Nova Energy and Todd Capital.</p> <ul style="list-style-type: none"> • Todd Energy produces natural gas from its onshore natural gas fields at Kapuni, McKee and Mangahewa, and through its 26% interest in the offshore Pohokura natural gas field. Natural gas is sold into the New Zealand market (electricity generation, petrochemicals, industry, commercial and residential markets) via Nova Energy. It also produces condensate which is exported to refineries in the Asia Pacific region. • TEC produces natural gas through its 50% interest in the Birch development and serves the Canadian natural gas market. • Nova Energy is a generator-retailer that generates electricity and supplies natural gas, electricity, broadband and mobile to New Zealanders. • Todd Capital invests across a range of sectors, which include healthcare, property, technology and minerals. Todd Capital is out of the scope of this report.
Disclosure 2-7 & 2-8	Information on employees and other workers	Employee data tables
Disclosure 2-9	Governance structure and composition	<p>About us, Our People, Climate-related Financial Disclosures</p> <p>The Company is governed by seven Directors. Board composition is:</p> <ul style="list-style-type: none"> • ~14% of the Directors are female • ~ 29% of the Directors are 30-50 years old and ~ 71% >50 years old
Disclosure 2-10	Nomination and selection of the highest governance body	Board charters outline the nomination and selection process for the Board and each of its committees. One person from each of the four Todd Family branches is a Director on the Board. The remaining three Directors are independent.
Disclosure 2-11	Chair of the highest governance body	The Chair of Todd Corporation's Board of Directors is non-Executive.
Disclosure 2-12 to 2-14	Role of the highest governance body in sustainable development and delegation of responsibility	<p>The Board approves and monitors the effectiveness of the Company's vision for sustainable and responsible long-term growth.</p> <p>The ARC has oversight of the Company's sustainable development strategies and activities. The Todd Executive coordinate and steward Todd's sustainable development programme. This is done via a steering committee format. The Group Chief Financial Officer is the executive representative for the sustainable development programme and team. Operational impacts are managed at the Divisional level with Board involvement when appropriate.</p> <p>In 2023 Todd conducted its second materiality assessment, which was endorsed by the ARC. This involved extensive internal and external stakeholder engagement to identify the priority ESG areas for Todd. These identified areas will underpin Todd's sustainable development work programme over the next three to five years.</p> <p>Stakeholders we engaged in this process included shareholders, tangata whenua, local communities, government and regulators, employees, customers, lenders, business partners, insurers, and suppliers.</p>

GRI #	Disclosure title	Reference
Disclosure 2-15	Conflicts of interest	The Board interest register for TCL Directors is managed by the Group Company Secretary, as required by the Companies Act.
Disclosure 2-16	Communication of critical concerns	Critical concerns are communicated to the Board via monthly HSE reporting and the bi-annual group regulatory compliance process. In 2023, Todd faced no legal actions related to corrupt or undesirable business practices.
Disclosure 2-17 to 2-18	Collective knowledge and evaluation of the performance of the highest governance body	The Company has an ongoing programme to upskill the Board in relevant sustainable development areas. In 2023, the focus was on TCFD-related topics (e.g. climate governance and target setting). In addition, regular Board papers provide insights into ESG reporting standards, achievable targets and work that can be progressed in the ESG space. All material legislation changes and relevant policies are included in Board reporting by the Group General Counsel.
Disclosure 2-22	Statement on sustainable development strategy	Letter from the Todd Group CEO and Letter from the Board Chair
Disclosure 2-23 & 2-24	Policy commitments	Todd's Business Conduct Policy is aligned with Todd's Operating Principles to ensure the Company acts with integrity and respect and makes a positive contribution to the communities in which it operates. The Business Conduct Policy is supported by a Policy Management Standard including an Anti-bribery and Corruption Standard and a Code of Conduct Standard. Todd's Operating Principles are aligned with several of the United Nations Sustainable Development Goals. Todd does not apply the United Nations Global Compact and, instead, applies its Operating Principles and Policy Management Standard. Todd does not currently have a bespoke Human Rights Standard. Todd's Health and Safety Policy, Environmental Policy, and Supplier Code of Conduct are available on our website .
Disclosure 2-25	Processes to remediate negative impacts	Todd is aware that operational activities can cause a range of impacts for stakeholders and aims to respond to and rectify complaints promptly. Todd outlined its Complaints and Disputes approach in its 2021 Report. In 2023, there were 65 complaints and disputes. The following grievances were addressed: <ul style="list-style-type: none"> • Todd Energy received 14 complaints from members of the community, all complaints have been addressed and resolved. Complaint themes were focused on vehicles (14%), noise (57%), and other (29%), which includes smell, damage etc. All complaints were resolved in 2023, with none ongoing. • Nova Energy received 51 complaints from members of the public, all of which were noise concerns at the Junction Road and McKee Power Plants. Remediation and engagement with the seven parties who made the 51 complaints are ongoing. Todd Energy recorded 41 individual accounts of positive feedback from partners and members of the community.
Disclosure 2-26	Mechanisms for seeking advice and raising concerns	Todd has a Whistleblowing Policy for raising concerns about serious wrongdoing regarding the Company, its entities, Directors, Executives and employees. Todd also has an independent whistleblower service provider which allows an employee to remain completely anonymous if making a disclosure.
Disclosure 2-27	Compliance with laws and regulations	Todd has not identified any significant non-compliance with laws and/or regulations in 2023.



GRI #	Disclosure title	Reference
Disclosure 2-28	Membership associations	<p>Todd is a key member of Energy Resources Aotearoa and the Electricity Retailers' Association of New Zealand (ERANZ), both voluntary New Zealand-based industry advocacy groups.</p> <ul style="list-style-type: none"> • ERA's mission is to create a successful and sustainable energy resources sector that makes New Zealand a better place, through and beyond the transition to lower emissions. • ERANZ's primary objective is to promote and enhance a competitive and sustainable electricity market for the benefit of customers. <p>In addition:</p> <ul style="list-style-type: none"> • Todd is a member of other associations, such as the Explorers and Producers Association of Canada, Gas New Zealand, BusinessNZ (including the BusinessNZ Energy Council), New Zealand Wind Association, the New Zealand Hydrogen Council and the Taranaki Chamber of Commerce. • Todd Energy's CEO is Chair of the Energy Resources Aotearoa Board and Nova Energy's CEO is on the Board of the Gas Industry Company (GIC), which is the co-regulatory body that works alongside industry and government to co-regulate gas. Todd Energy also has an employee on the Board of Gas New Zealand.
Disclosure 2-29	Approach to Stakeholder Engagement	Executive Summary
Disclosure 2-30	Collective bargaining agreements	Todd's New Zealand employee wages are above minimum wage regulations and meet or exceed the Living Wage rate.
GRI 3: Material Topics 2021		
Disclosure 3-1	Process to determine material topics	Executive Summary
Disclosure 3-2	List of material topics	Todd's integrated material topics fall under our four Sustainable Development pillars, which frame the chapters of this report. These material topics cover GHG emissions, our role in the NZ energy sector, net-zero strategy, transitional risk, tangata whenua investment and contribution, community investment and contribution, biodiversity and land use, water management, health and safety, and diversity, equity and inclusion. In addition, Todd also has two governance-related material topics – ESG and climate reporting, and the Board's role in ESG strategy – which is covered under TCFD.
Disclosure 3-3	Management of material topics	Todd's contribution to Aotearoa New Zealand's transition , Our Communities , Our Environment , Our People , TCFD

GRI #	Disclosure title	Reference
GRI 303: Water and Effluents 2018		
Disclosure 303-1	Interactions with water as a shared resource	<p>Todd's business activities rely on an ongoing supply of good quality water, and we recognise we have a responsibility to conserve water where possible and minimise our impact on the health of our freshwater ecosystems.</p> <p>To ensure robust water stewardship and management Todd works closely with local indigenous communities, communities and regulators, seeking guidance and sharing ideas and knowledge with the collective vision of improved environmental outcomes.</p> <p>Todd is committed to working with our stakeholders to develop solutions for reducing water usage, increasing water quality, and educating our staff and contractors on the importance of water conservation and enhanced quality. See Our Environment for more information.</p>
Disclosure 303-2	Management of water discharge-related impacts	<p>Water is discharged by Todd through a variety of methods, including deep well injection, stormwater discharges, contaminated water removal by accredited operators and treated effluent discharges.</p> <p>Water discharge related impacts are addressed and communicated in several ways, bespoke to each operational site and taking into account water sources, discharge points, community and environmental needs, and regulatory frameworks.</p> <p>Mechanisms used to manage water discharge related impacts include:</p> <ul style="list-style-type: none"> • Regular internal and regulator monitoring (legislative/consent requirements and additional voluntary monitoring) and adherence to local regulatory permit and consent conditions which were developed by local regulators to minimise/control discharge-related impacts. • In-house water management tools including water management plans, HSE and spill management frameworks (incl. site inductions, site audits to reduce spill risk, best-practice management plans for possible spills etc). For any past spill incidents, root causes, and measures to avoid/mitigate future spill risk are investigated and implemented. All water that is used on, and that moves within, our sites come under our management systems. Site toolbox and induction meetings cover Todd's Zero to Ground policy. • Collaboration with local regulators, indigenous communities, and communities (with a focus on any potentially impacted landowners, or other nearby users) to achieve good practice water-related outcomes. Todd consults and shares information on all water-related takes/discharges/consent processes before these are finalised, and during activities. See Our Environment for more information.
Disclosure 303-3 to 303-5	Water use	Data tables



GRI #	Disclosure title	Reference
GRI 304: Biodiversity 2016		
Disclosure 304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	<p>The TRC classifies two high biodiversity value sites near Todd Energy operations as Key Native Ecosystems: McDonald's Glen in South Taranaki and Tikorangi Road East Farm, near Todd Energy's MHW C wellsite. Todd has completed biodiversity enhancement projects at both locations, including fencing, protection, and planting, some of which are still ongoing. Refer to Todd's 2022 Report for more details.</p> <p>Todd Energy's McKee-Mangahewa operations are also located near the Taramoukou Conservation Area and Everett Park Scenic Reserve, and Todd is supporting the community-led restoration of both high value biodiversity areas. See Our Environment for more information.</p> <p>Nova's Rangitāiki land is adjacent to the Matea Road Wetland, and the Otangimoana Stewardship Area traverses the land. Both are graded as Priority Biodiversity Sites by the Bay of Plenty Regional Council. Nova Energy's biodiversity project enhances the Stewardship Area, associated wetlands and riparian margins and will create a biodiversity corridor between these two areas. See Our Environment for more information.</p>
Disclosure 304-2 & 304-3	Significant impacts of activities on biodiversity and protection/restoration	<p>Our Environment</p> <p>Todd commits to achieving a net gain in biodiversity in the areas where we operate. Todd Energy and Nova Energy plan and implement biodiversity projects using best practice methods to ensure maximum environmental and/or community benefits. This includes conducting projects in collaboration with local tangata whenua wherever possible.</p>
GRI 305: Emissions 2016		
Disclosure 305-1 to 305-5	GHG emissions	Todd's contribution to Aotearoa New Zealand's transition
GRI 401: Employment 2016		
Disclosure 401-1	New employee hires and employee turnover	Employee data tables
Disclosure 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	<p>Todd does not differentiate between full-time and part-time employees. However, some benefits do require a minimum work period to be eligible.</p> <p>Some employees have historical benefits that have been grandfathered and are not provided to new employees.</p>
Disclosure 401-3	Parental leave	Employee data tables

GRI #	Disclosure title	Reference
GRI 403: Occupational Health and Safety 2018		
Disclosure 403-1	Occupational health and safety management system	<p>The purpose of the Todd HSEMS is to provide a control framework for the identification and management of Health, Safety and Environmental risks in Todd's business operations. The HSEMS is based on various international standards and established systems from industrial sectors similar to those in which Todd's businesses operate. Health and Safety legislation generally requires an HSEMS or systems to safely manage work in the countries Todd operates in. The HSEMS provides a framework for:</p> <ul style="list-style-type: none"> • effective management of personal and critical hazard safety; • setting HSE objectives and priorities; • establishing clear roles and responsibilities to achieve those objectives; • assuring that Todd complies with its legal obligations; and • continuous reduction of risk and improvement in performance. <p>Continuous HSEMS improvement is achieved through annual HSE objectives, improvement plans, and internal and external auditing of HSE systems and risks. Annual performance indicators are used to measure and monitor ongoing performance. A team of qualified HSE professionals with discipline subject matter experts support the HSEMS. Supporting the HSEMS are a range of HSE Standards that have embedded HSE legislative requirements, with Todd requirements, which follow good industry practices.</p>
Disclosure 403-2	Hazard identification, risk assessment, and incident investigation	<p>Todd utilises a comprehensive suite of processes to identify hazards throughout the lifecycle of a plant, project, operation or process. Hazard identification processes reflect the type of operation and risk profile. Operations apply good business practices which include contemporary risk management methods.</p> <ul style="list-style-type: none"> • Risk management principles are based on ISO31000 standards and set through company risk management standards and ALARP guidelines. Todd uses a wide range of risk assessment techniques such as Layer of Protection Analysis, Process Hazard Analysis, Safety Integrity Level, and BowTie analysis. Todd's risks and risk management practices are subject to regular independent audits and management reviews. Audit findings result in actions which are tracked and monitored by senior management until closed. Learnings from incidents and audits are integrated into annual continuous improvement plans. • Todd uses a Permit-to-work system (PTW) to control work activities. PTW systems are used whenever it is intended to carry out work which may adversely affect or have the potential to affect the safety of personnel, integrity of the plant or the environment. • Todd adopts a Management of Change process to ensure that changes are evaluated and managed to minimise any unexpected, unintended or negative consequences. This provides a common approach for the planning, approval and execution of changes, minimising unexpected negative consequences.

GRI #	Disclosure title	Reference
Disclosure 403-3	Occupational health services	<p>Across each Division health risk assessments are undertaken to identify hazards to employee and contractor health. These are undertaken by an independent industrial hygienist or in-house competent H&S staff for non-complex health risks. Divisions employ local occupational health service providers to conduct annual health checks aligned to health hazards that have been identified.</p> <p>Todd's Industrial Hygiene and Occupational Health standard sets the requirements for managing health hazards. The Standard covers the five main categories of industrial hygiene hazards, which include biological, chemical, physical, ergonomic and psychosocial. Once industrial hygiene and occupational health hazards have been identified and documented, appropriate control measures are identified to effectively manage any risks.</p> <p>Controls are categorised in terms of their effectiveness by the hierarchy of control. PPE is the last resort, and higher levels of control should be identified and implemented first, where reasonable and practicable.</p> <p>After all the controls have been identified and implemented, Todd requires that the level of residual risk should reduce the risk to a level that is ALARP. Industrial hygiene risks will typically have specific exposure limits which are not to be exceeded. The controls also include mitigation and monitoring requirements to enable ongoing measurement of effectiveness, especially where hazardous substances like biological or chemical, or physical risks are involved.</p>
Disclosure 403-4	Worker participation, consultation, and communication on occupational health and safety	<p>Todd has an employee engagement and participation standard based on Australian and NZ legal requirements. Todd follows the USA Bureau of Labour 'Recordkeeping Guidelines for Occupational Injuries and Illnesses'. Operating sites have health and safety committees which conduct hazard reviews. In addition, each site has an HSE Committee that consists of workers who represent their work group and site supervisors. The work group representative brings any issue, or suggestion to the committee for discussion/review.</p>
Disclosure 403-5	Worker training on occupational health and safety	<p>All employees and contractors receive a general HSE induction and for operating facilities, a site-specific induction. Both address generic and specific hazards and emergency procedures. Employees and contractors at operating sites who perform tasks requiring licences or certificates must keep these current. Task-specific hazard training is provided through task procedures. Employee training is tracked by the training and competency programme. Training is conducted during work hours and at the cost of the company.</p> <p>Hazardous work is subject to a work permit system. Contractor tasks that require specific licences or training are verified when a permit is issued to approve the work. Training needs are identified by job position which includes company, industry, and training regulation required. In New Zealand, external NZQA-authorized training providers are used or internal/external subject matter experts for awareness training.</p>
Disclosure 403-6	Promotion of worker health	<p>Across the Group, each Division and facility provides an annual programme of wellness initiatives to promote active lifestyles, fitness, nutrition and mental resilience. The company also offers free flu vaccinations, and voluntary health checks for blood pressure, glucose and cholesterol, and has a third-party mental health and wellbeing support provider.</p>
Disclosure 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	<p>All risks that may impact the organisation, its employees and contractors must be managed to ALARP in accordance with company policy including public safety impacts resulting from all company goods and services.</p>



GRI #	Disclosure title	Reference
Disclosure 403-8	Workers covered by an occupational health and safety management system	The HSEMS covers 100% of Todd-operated workplaces, employees and contractors, and operations.
Disclosure 403-9	Work-related injuries	Our People
Disclosure 403-10	Work-related ill health	Todd has not identified any work-related ill health in 2023.
GRI 405: Diversity and Equal Opportunity 2016		
Disclosure 405-1	Diversity of governance bodies and employees	Employee data tables , Disclosure 2-9
Disclosure 405-2	Ratio of basic salary and remuneration of women to men	Our People
GRI 411: Rights of Indigenous Peoples 2016		
Disclosure 411-1	Incidents of violations involving the rights of indigenous peoples	Todd did not identify any incidents of violations involving the rights of indigenous peoples in 2023.
GRI 413: Local Communities 2016		
Disclosure 413-1	Operations with local community engagement, impact assessments, and development programs	Our Communities
Disclosure 413-2	Operations with significant actual and potential negative impacts on local communities	Our Communities , Disclosure 2-25



GRI #	Disclosure title	Reference
GRI 11.1: Oil and Gas Disclosures 2021 – Additional Disclosures		
Disclosure 201-2	Financial implications and other risks and opportunities due to climate change	Refer to Climate-related Financial Disclosures
Disclosures 202-2	The proportion of senior management hired from the local community	Todd's Executive are residents or citizens of New Zealand.
Disclosure 302-1 to 302-2	Energy consumption	Data tables
Disclosure 306-3	Significant spills	No significant spills were recorded by Todd in 2023
Disclosures 402-1	Minimum notice periods regarding operational changes	Notice period will vary based upon the level of impact of proposed operational change(s) typically between 2-4 weeks. Engagement with employees may be managed via conversation, e-mail, letter, or consultation documentation with a specific timeframe to provide feedback. The method utilised is dependent upon the subject matter that the employee is being engaged about.
Disclosures 404-2	Programs for upgrading employee skills and transition assistance programs	Outplacement Support and Career Transition are provided to employees in the case of redundancy.
Disclosures 406-1	Incidents of discrimination and corrective actions taken	Todd has not identified any incidents of discrimination in 2023.
Disclosures 414-1	New suppliers that were screened using social criteria	Todd has established a responsible sourcing workstream to further advance its responsible sourcing approach, with a wide focus on key aspects of sustainable development. This included reviewing Todd's New Zealand current Tier 1 suppliers (covering over 90% of total 2022 spend) to understand environmental, social, and governance (ESG) risks throughout the supplier network, such as modern slavery or environmental risks. In 2023, 162 suppliers were screened. Our 2024 focus is on New Zealand supplier screening and engagement.
Disclosures 414-2	Negative social impacts in the supply chain and actions taken	Disclosure 414-1



GRI #	Disclosure title	Reference
Disclosure 11-2-4	Describe the organization's approach to public policy development and lobbying on climate change	<p>Todd has and will continue, to engage constructively with government agencies and Ministers to share sector knowledge and input into complementary workstreams and strategies to support the transition to a Net Zero future, including the Energy Sector and Government Decarbonisation Framework and the Energy Resources Sector Net Zero Accord. This reflects that Aotearoa New Zealand's transition to a low emissions future is Todd's transition too. Todd's view is that natural gas will underpin a smooth transition for New Zealand, and that grid-scale solar will play a significant role in our energy future.</p> <p>Todd's key submission in 2023 was to MBIE on the Gas Transition Plan Issues paper and the Electricity Market Measures Issues paper. The key theme of the submission was that an actionable Gas Transition Plan that provides a clear and stable pathway for natural gas through New Zealand's energy transition is required immediately as a crucial part of the future policy landscape.</p> <p>Disclosure 2-28 outlines associations that Todd is a member of.</p>
Disclosure 11-8-3	Report the total number of Tier 1 and Tier 2 process safety events	Our People

Pillar 1: Todd's contribution to Aotearoa New Zealand's transition

Table 4: Key production/generation metrics

Key production/ generation metrics	Unit	2023	2022	2021
Natural gas produced	PJ	54	55	58
Condensate	Kbbl	1,540	1,523	1,430
LPG	Kt	47	51	32
Electricity produced	GWh	728	821	666

Table 5: Flared gas volumes at Todd Energy

Flared gas by field (TJ)	2023	2022	2021
Kapuni	77	82	21
Mangahewa & McKee	139	108	157
Pohokura*	10	4	5
Birch Development*	10	25	10
Other	-	-	1
Total	236	219	194

* Todd equity

Pillar 3: Our Environment

Table 6: Consented and permitted subsurface and surface water takes in 2023

Site	Source	2023 (ML)	2022 (ML)	2021 (ML)
Nova Energy – McKee Power Plant	Mangaone Stream	99	119	73
TEC – Birch Field	Groundwater wells – subsurface aquifers	9	12	6
Todd Energy – McKee-Mangahewa Production Station	Mangahewa Stream	22	20	21
Todd Energy – Mangahewa C wellsite	Groundwater bore – subsurface aquifer	4	2	2
Todd Energy – Mangahewa D wellsite	Groundwater bore – subsurface aquifer	<1	3	<1
Todd Energy – Mangahewa G wellsite	Wyatt Dam from an unnamed tributary of the Mangahewa Stream	6	5	7
Todd Energy – Kapuni Gas Treatment Plant	Kapuni Stream	781	731	614

**Table 7: Reticulated and potable water takes in 2023**

Company and site	Source	2023 (ML)	2022 (ML)
Nova Energy – Junction Road Power Plant	New Plymouth reticulated supply	87	101*
Nova Energy – Fonterra Cogeneration Unit	Otumahi reticulated supply	251	256
TEC – Birch Field	Fort St John reticulated supply	<1	<1
Todd Energy – Kapuni J Wellsite	Waimate West reticulated supply	10	17
Todd Energy – Kapuni Production Station	Waimate West reticulated supply	11	7
Todd Energy – Kapuni 06/11/17 Wellsite	Waimate West reticulated supply	2	4
Todd Energy – Kapuni Gas Treatment Plant	Waimate West reticulated supply	3	3
Todd Energy – New Plymouth Office	New Plymouth reticulated supply	2	3
Todd Energy combined low-reticulated water use sites	Mixed - New Plymouth and Waimate West reticulated supplies	1	1

* This 2022 figure has been updated due to an error in data collection methodology, now rectified.



Table 8: Total water withdrawn from all sources in 2023

Division	2023 (ML)	2022 (ML)	2021 (ML)
Todd Energy NZ	843	796	690
Nova Energy	437	477**	246*
Todd Energy Canada	10	13	6
Total Todd water withdrawal	1290	1286**	942

* Incomplete data with Nova Energy's Fonterra Cogeneration Unit withdrawal values not available.

** This 2022 figure has been updated due to an error in data collection methodology, now rectified.

**Table 9: Water discharged in 2023**

Company and site	Receiving environment/waterbody	2023 (ML)	2022 (ML)
Nova Energy – McKee Power Plant	Mangaone Stream	12	32
Nova Energy – Junction Road Power Plant	Mangorei Stream	16	23*
TEC – Birch Field combined DWI	Produced water deep well injected (DWI) into subsurface aquifers	10	10
TEC – Birch Field	Stormwater discharged to land	2	2
TEC – Brich Field	Flow back water reused at the Birch JV's other operations	3	4
Todd Energy – McKee-Mangahewa fields combined DWI	Mainly produced water deep well injected (DWI) into high salinity aquifers	249	180
Todd Energy – Kapuni combined DWI	Mainly produced water deep well injected (DWI) into high salinity aquifers	138	122
Todd Energy – all McKee-Mangahewa sites estimated stormwater runoff	Various catchments	250	329
Todd Energy – all Kapuni sites estimated stormwater runoff	Various catchments	180	174

* This 2022 figure has been updated due to an error in data collection methodology, now rectified.

Note: stormwater runoff estimations were not conducted for TEC and Nova operations. Minor reticulated water use at TEC, Todd Wellington and Auckland, and Nova Energy offices, which are shared with other entities, was not collated.

Pillar 4: Our People

Table 10: Employee Data Tables

Employee data relates to the 764 direct employees of Todd Energy New Zealand, TEC, Nova Energy, Todd's corporate office in Wellington, and Todd Capital's New Zealand employees.

The above numbers do not include skill-based contractors who are typically deployed for specific tasks of a short-term nature on-site.

These specialist contractors have industry qualifications and competencies relevant to the task. Approximately 1,100 contractors were employed across 2023 with less than 300 contractors on site at any one time

Employees by employment contract		
Permanent	Male	487
	Female	254
Other	Male	11
	Female	12
Total		764

Permanent Employees by contract		
Full-time	Male	476
	Female	204
Part-time	Male	11
	Female	50
Total		741

New Employee hires by age group		
Under 30	Male	15
	Female	23
30-50	Male	26
	Female	24
Over 50	Male	6
	Female	2
Total		96

Turnover by age group		
Under 30	Male	17
	Female	12
30-50	Male	42
	Female	25
Over 50	Male	15
	Female	8
Total		119



Employees eligible for Todd Parental Leave in 2023	
Male	214
Female	450
Total	664

Employees commenced Parental Leave in 2023	
Male	19
Female	13
Total	32

Employees returned from Parental Leave in 2023	
Male	16
Female	18
Total	34

Employees returned from Parental Leave in 2022 still employed 12 months later (retention rate)	
Male	2 from 4
Female	16 from 26
Total	18 from 30
Retention Rate	60%



Glossary

Acronyms

ALARP	As low as reasonably practicable
ARC	Audit and Risk Committee
BRFN	Blueberry River First Nation
CCUS	Carbon Capture, Utilisation and Storage
DWI	Deep Well Injection
EAP	Employee Assistance Programme
ESG	Environmental, social, and governance
GRI	Global Reporting Index
GHG	Greenhouse Gas
HSE	Health, Safety and Environment
HSEMS	Health, Safety & Environment Management System
KGTP	Kapuni Gas Treatment Plant
LPG	Liquefied Petroleum Gas
MHW	Mangahewa
MMPS	McKee Mangahewa Production Station
NDC	Nationally Determined Contribution
NZ CS	Aotearoa New Zealand Climate Standards
PSI	Process Safety Incident
SLL	Sustainability Linked Loan
TCFD	Task Force on Climate-related Financial Disclosures
TCL	Todd Corporation Limited

TEC	Todd Energy Canada
TRC	Taranaki Regional Council
TRIFR	The Total Recordable Injury Frequency Rate
UNSDG	United Nations Sustainable Development Goals

Units

CO₂	Carbon Dioxide
CO₂e	Carbon Dioxide Equivalent
GWh	Gigawatt hours
Ha	Hectares
Kbbl	Thousand barrels
Kt	Kilotonne
ktCO₂e	Kilotonne of CO ₂ e
ML	Megalitre
MW	Megawatt
MWh	Megawatt Hour
PJ	Petajoule
TJ	Terajoule

Definitions

Biodiversity	Biodiversity is the variability among living organisms and the ecological complexes of which they are a part, including diversity within species, between species, and of ecosystems (Section 2 of the Resource Management Act 1991).
Scope 1	Emissions from sources that a company owns or controls directly.
Scope 2	Emissions that a company causes indirectly which are associated with the generation of energy it purchases or acquires.
Scope 3	Emissions that are not produced by a company itself, but by those that it is indirectly responsible for, up and down its value chain.
Tangata whenua entity	Local tangata whenua societies, trusts, committees, charitable trusts, or post-settlement iwi and hapū groups as well as suppliers or companies owned by such groups, and other local tangata whenua organisations, post-settlement structures, individuals, or communities.
Tangata whenua suppliers	Providers of goods or services owned, managed, or administrated by local indigenous communities or community members or organisations such as societies, trusts, committees, iwi and hapū, post-settlement structures, or charitable trusts.



Te reo Māori used

The te reo phrases provided are often not literal translations of the English terms given alongside them. Rather, they are equivalent ways of expressing the same ideas.

Awa	River, stream, creek
Hapū	Sub-tribe
Iwi	Tribe, people, nation, society
Karakia	Māori incantations and prayer
Karanga	To call, call out, summon
Mahi	Work, activity
Māori	Indigenous person of Aotearoa New Zealand
Maramataka	Māori lunar calendar
Mātauranga Māori	Māori knowledge
Poi	A light ball on a string of varying length which is swung or twirled rhythmically to sung accompaniment
Rangatahi	Young people, the younger generation
Reo wānanga	Language workshops
Tangata whenua	People of the land in Aotearoa New Zealand, people born of the whenua. Māori are tangata whenua
Te Aō Māori	The Māori world
Tikanga	Custom, protocol
Tino rangatiratanga	Self-determination
Wai	Water
Wānanga	Knowledge
Whaikōrero	Formal speeches usually made by men during a pohiri and other gatherings
Wharekai	Kitchen



The Todd Corporation Limited
95 Customhouse Quay
PO Box 3141
Wellington 6140
New Zealand
Phone: +64 4 472 2970

toddcorporation.com