



WINTON

BEST BY DESIGN

Introduction

About this report

This report covers Winton's GHG Emissions Inventory for FY24 assured by Deloitte Limited. This report is available on Winton's [website](#). Questions about the report can be directed to investors@winton.nz.

The period covered in this report aligns with Winton's financial period for the 12 months ending 30 June 2024 unless otherwise stated. All financial information in this report is presented in New Zealand Dollars and excludes GST.

Company details

Winton Land Limited
NZCN 6310507
ABRN 655 601 568

Head office address: Level 4, 10 Viaduct Harbour Avenue, Auckland, NZ

Listed on the NZX and ASX

FC The Burr Bar,
Ayrburn

01 Northbrook Wanaka,
Wanaka

GHG Emissions Inventory Report FY24

1.1 Introduction

The purpose of this report is to provide the Winton Board of Directors (Board), management and other intended users, including regulators, financial community and other stakeholders, with data and reporting on Winton's GHG emissions to meet the requirements of its commitment within its Sustainability Framework and the requirements of climate-related disclosures.

This report contains emission data for this year's inventory compared to FY22 and FY23 with commentary. The summary is also included in Winton's Annual Report within the 'Thriving Planet' section of its ESG Report.

The Emissions Inventory Report is a complete and accurate quantification of the amount of GHG emissions and removals that can be directly attributed to the organisation's operation within the declared boundary specified for this reporting period. Winton will prepare and disclose its GHG Emissions Inventory Report annually following the end of its reporting period, 30 June.

1.2 Organisation description

Winton is a publicly listed company (NZX: WIN, ASX:WTN) with many large-scale projects in New Zealand and one in Australia. Winton specialises in developing integrated and fully master-planned communities that are best by design, with superior building standards. Winton has a portfolio of circa 6,000 residential land lots, dwellings, townhouses, apartments, retirement living units and commercial units. Winton has a small development team that outsources onsite works and construction to different contractors and suppliers. Winton has more recently diversified into commercial and retirement. In FY24 it opened a hospitality precinct called Ayrburn, had a full year of operating the Cracker Bay Drystack and Marina and opened two more Northbrook Display Suites.

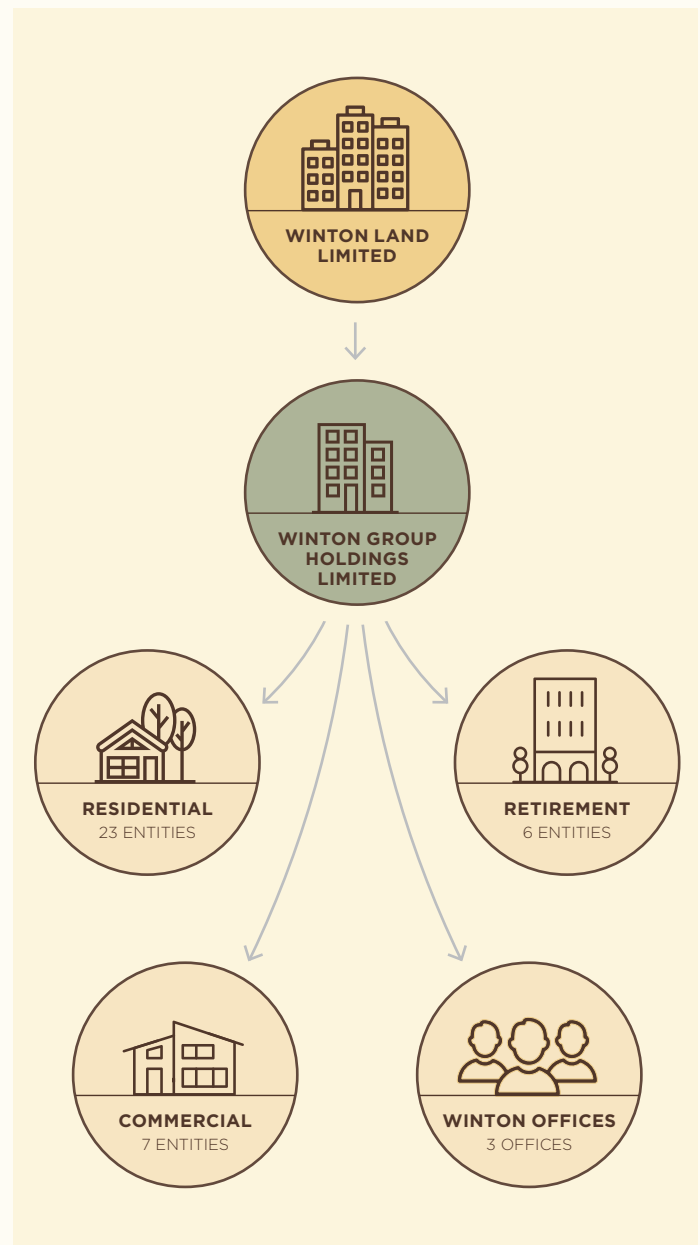
1.3 Emissions period and base year

Winton's measurement period aligns with its financial period, 1 July - 30 June. The inventory within this report is for the 12 months ending 30 June 2024 and comparable periods of FY22 and FY23. It has updated its base year to FY24 to better reflect the change that has occurred to the business, adding commercial and retirement, and its progress in extending the emissions inventory boundary to include value chain emissions. Accordingly, the emissions stated in FY22 and FY23 for Scope 3 emissions may not be comparable to the FY24 Scope 3 emissions.

Recalculation of base year emissions occurs for structural changes, changes in methodology and discovery of significant errors that have an impact greater than 10%. Recalculation does not occur for organic growth or decline, changes involving facilities that didn't exist in the base year, and out-/in-sourcing of activities that change the scope of the emissions. If a base year recalculation is required but reliable data is not available, some assumptions may need to be made to recalculate the base year.

1.4 Measurement standard

Winton's GHG emissions inventory has been measured in accordance with GHG Protocol and ISO Standard 14064-1:2018.



1.5 Boundary

Organisational boundaries were set with reference to the methodology described in the GHG Protocol and ISO 14064-1:2018 standards.

All Scope 1, Scope 2 and Scope 3 emissions have been included in FY24 inventory, prior years FY23 and FY22 included partial measurement of Scope 3 emissions.

1.6 Persons Responsible

The Sustainability Manager is responsible for overall emission inventory measurement and reduction performance and for reporting results to top management. The Sustainability Manager has the authority to represent top management and the financial authority to authorise the budget for the Programme. The Finance Manager is heavily involved in the GHG emissions inventory measurement and for implementing accurate systems and processes to capture accurate data and information.

Top management commitment

The Board is the Governance Body for climate-related disclosures and oversees the senior management team. Winton's Board and Senior Management team are committed to measuring Winton's emissions long-term and supporting the development of related targets. The Board considers the team's recommendations and approves them where appropriate.

The GHG inventory Assurance report is provided once the Board has approved the GHG Emissions Inventory Report following the recommendation of approval from the Audit and Financial Risk Committee (AFRC).

Management involvement

Calculating Winton's emissions is completed quarterly and aligns with Winton's financial processes.

The Senior Management provides resources and budget for data collection, data processing, and inventory report development. It supported the change to an Assurance practitioner for GHG inventory report for FY24 to improve the process and enable the disclosure of emissions to align with the disclosure of financials.

The Sustainability Working Group supports the lead author of this report, who is made up of senior people from across the business, to consistently improve our inventory process, long-term sustainability procedures and culture and meet targets.

1.7 Dissemination Policy

The GHG Emission inventory is disclosed within the GHG Emission Inventory Report at the time of Winton's Annual Results disclosure and available on Winton's website: investors.winton.nz.

1.8 Consolidation Approach

An operational control consolidation approach was used to account for emissions².

An operational control consolidation approach was selected to encompass all core and indirect business activities to capture.

2. **Control:** the organisation accounts for all GHG emissions and/or removals from facilities over which it has financial or operational control.

Equity share: the organisation accounts for its portion of GHG emissions and/or removals from respective facilities.

Winton's GHG Emissions Inventory FY24

FY24 is Winton's first year of reporting all Scope 3 Category 4 emissions from purchased goods and services. To do so, Winton has used spend-based emission factors where other activity data was unavailable. It is clear that emissions from residential and non-residential construction are Winton's most material sources, representing 70.3% of all Winton's FY24 emissions.

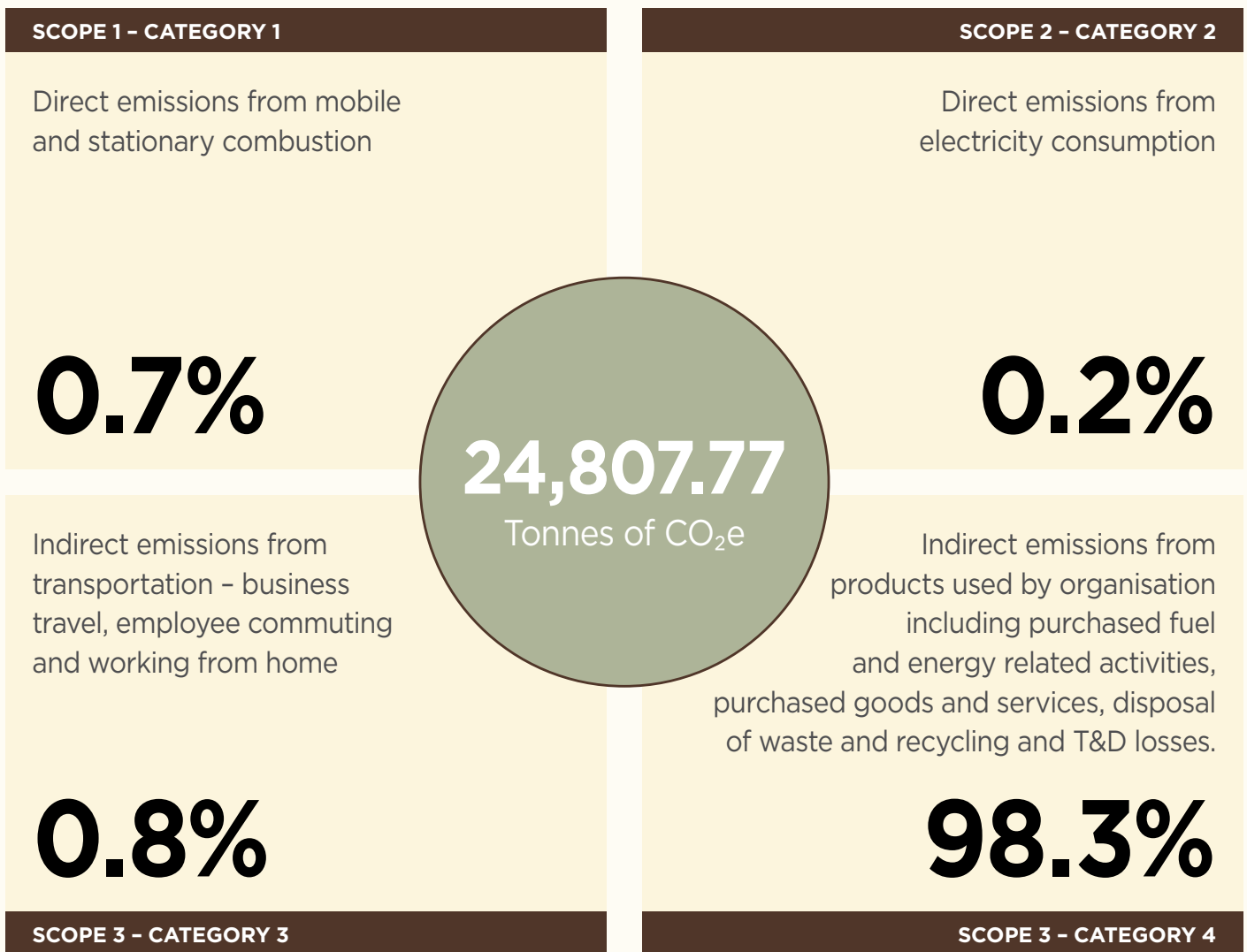


Table 1: GHG Emissions FY24 Inventory Summary

GHG Protocol	Category (ISO 14064-1:2018)	FY24 TCO₂e (base year)	FY23 TCO₂e	FY22 TCO₂e
Scope 1	Category 1: Direct emissions	179.08	76.73	72.18
Scope 2	Category 2: Indirect emissions from imported energy (location-based method*)	58.54	18.02	11.16
	Category 3: Indirect emissions from transportation	187.11	166.20	95.11
Scope 3	Category 4: Indirect emissions from products used by organisation	24,383.04	116.22	6.45
	Total direct emissions	179.08	76.73	72.18
	Total indirect emissions*	24,628.69	300.44	112.72
	Total gross emissions*	24,807.77	377.17	184.90
	Total net emissions	24,807.77	377.17	184.90

*Emissions are reported using a location-based methodology.
Winton does not have any emissions data for direct CO₂ emissions from biologically sequestered carbon.

Table 2: Category 1 – Scope 1 Direction Emissions (tCO₂e)

	FY24 TCO ₂ e (base year)	FY23 TCO ₂ e	FY22 TCO ₂ e
Category: 1 Direct Emissions			
Total stationary combustion	57.84	0.00	0.00
Total mobile combustion (incl. company owned or leased vehicles)	121.24	76.73	72.18
Total Scope 1 Emissions	179.08	76.73	72.18

Category 1 emissions increased from 76.73 tCO₂e FY23 to 179.08 tCO₂e in FY24. This increase is mainly due to the addition of LPG use at different Winton sites including Ayrburn, the introduction of bus transportation at Ayrburn for visitor transportation and a full year of operation at Cracker Bay Drystack and Marina.

Table 3: Category 2: Scope 2 Emissions (tCO₂e)

	FY24 TCO ₂ e	FY23 TCO ₂ e	FY22 TCO ₂ e
Category 2: Indirect emissions			
Imported electricity	58.54	18.02	11.16
Total Scope 2 Emissions (Location Based)	58.54	18.02	11.16
Total Scope 1 and Scope 2	237.62	94.75	83.34

Location based emissions are the same as the market based emissions.

Category 2 emissions increased from 18.02 tCO₂e in FY23 to 58.54 tCO₂e in FY24. This increase is mainly due to increased electricity use attributable to opening Ayrburn, Winton's hospitality precinct, in December 2023, the full year of operation of Cracker Bay Drystack and Marina, construction works and the operation of Northbrook Display Suites.

Table 4: Category 3 and Category 4 – Scope 3 Emissions (tCO₂e)

	FY24 TCO ₂ e	FY23 TCO ₂ e	FY22 TCO ₂ e
Category 3: Indirect emissions from transportation			
Business travel – Transport (non-company owned vehicles)	111.15	107.26	62.12
Business travel – Accommodation	5.83	4.34	1.72
Employee commuting	69.90	54.53	30.66
Working from home	0.23	0.07	0.61
Total Category 3 Emissions	187.11	166.20	95.11
Category 4: Indirect emissions from products used by organisation			
Purchased fuel and energy related activities	0.32	0.00	0.00
Purchased goods and services	24,274.40	11.71	-
Disposal of solid waste – Landfilled	78.26	63.90	5.21
Disposal of solid waste – Not landfilled	0.73	0.00	0.22
Transmission of energy (T&D losses)	4.54	2.75	1.02
Recycling process	24.79	37.86	-
Total Category 4 Emissions	24,383.04	116.22	6.45
Total Scope 3 Emissions	24,570.15	282.42	101.56

The significant increase in emissions from purchased goods and services reflects the extension of Winton's GHG measurement boundary to include all emissions from construction, development, and delivery, that were not measured in prior years.

The increase in business travel, accommodation, employee commuting, disposal of waste reflects the addition of new business units Ayrburn and Northbrook and the increase in employees.

The increase in T&D losses is directly linked to the increase in electricity over the year. The reduction in recycling processes is attributable to the renovation of the Cracker Bay Office building during FY24 meaning the tenants were no longer there generating waste and recycling.

Table 5 : GHG Breakdown - TCO₂e and Tonnes

	GHG emissions TCO ₂ e	GHG emissions TONNES
Scope 1		
CO ₂ e	176.16	176.16
CH ₄	0.69	0.02
N ₂ O	2.23	0.01
Subtotal	179.08	
Scope 2 (location based)		
CO ₂ e	56.32	56.32
CH ₄	2.17	0.08
N ₂ O	0.05	0.00
Subtotal	58.54	
Scope 3		
CO ₂ e	24,487.80	24,487.80
CH ₄	79.56	2.84
N ₂ O	2.79	0.01
Subtotal	24,570.15	
Total	24,807.77	

Winton does not have SF₆, NF₃, PFC and HFCA's.



02 Launch Bay Townhouses,
Hobsonville Point

2. Emission Management

2.1 Calculation methodology

A calculation methodology has been used for quantifying the emissions inventory based on the following calculation approach, unless otherwise stated:

Emissions = activity data x emissions factor

All emissions were calculated using Toitū eManage with emissions factors and Global Warming Potentials. Global Warming Potentials (GWP) from the IPCC fifth assessment report (AR5) are the preferred GWP conversion.

Refer to Appendix One for emission sources and uncertainties.

2.2 Sources of emission factors

Winton uses Toitū eManage to calculate its emissions. Activity data is entered into the Toitū eManage software where emissions are calculated using emission factors within the online tool and recorded in Winton's inventory.

The source of emission factors for Winton's FY24 GHG Emission Inventory are listed below. Winton's emissions have been updated with the latest changes to Ministry for the Environment (MfE) emission factors published in June 2024.

FY24 Sources of Emission Factors

Australian Government Climate Active Program. Public Disclosure Summary for Paper Australia Pty Ltd (Australian Paper). (CAP AP (2020))

Greenhouse gas emission factors for recycling of source-segregated waste materials. Resources, Conservation and Recycling. 2015, Pages 186-197. (Turner et al. (2015))

Market Economics Limited (2023). Consumption Emissions Modelling, report prepared for Auckland Council. (MEL (2023))

New Zealand Ministry for the Environment. MfE Guidance for Voluntary Greenhouse Gas Reporting. Wellington, New Zealand. (MfE (2024))

UK Department for Business, Energy and Industrial Strategy. Government greenhouse gas conversion factors for company reporting. London, United Kingdom (BEIS (2023))

Waste and water supply's utilised a bespoke emissions factors developed by SimaPro based on research.

2.3 Selection of Emission Factors

Scope 1 and Scope 2 emission factors are selected in eManage to align with the category of the emission type and activity.

Where activity data (excluding spend-based) is available, eManage is used to select Scope 3 emission factors to be consistent with prior reporting periods. Quarterly reviews are completed to ensure consistency of emission factor, category selection and business unit.

Scope 3 spend-based emission factors are used when dollars spent is the only available activity data. The emission factor is selected based on the below in order of priority:

- Geography – Winton is predominantly New Zealand based and therefore New Zealand factors are prioritised.
- Year of emission factor – the most recent emission factors are utilised.
- Relevance of the emission factor to the activity paid for by Winton.

Spend-based emissions are adjusted for inflation.

2.4 Exclusions

Winton has not excluded any facilities, operations, or assets from the FY24 inventory.

It has extended the measurement boundary to include all category 4 emissions, which captures most Winton's emissions under 'Purchased Goods and Services' and is calculated using spend-based emission factors. In doing so there are a number of Scope 3 spend-based sources that are less than 1% of Winton's total tCO₂e measurement. Winton determined that any Category 4 spend-based emission source that was less than 1% of Winton's total GHG emissions inventory and not closely linked to its material sources would be treated as de minimus and, therefore, excluded from the inventory. This was specific to spend-based activity, Winton continues to include Scope 3 sources that have been calculated using relevant activity data (other than spend-based) and less than 1% of total emissions.

Winton has not assessed emissions classified Category 5: Indirect emissions associated with the use of products from the organisation (tCO₂e) and isn't aware of any emissions classified Category 6: Indirect emissions from other sources (tCO₂e).

2.5 Significant Criteria Used

Winton has moved to full value chain emissions measurement and, therefore, is calculating emissions from all of its business activities, either using activity data or spend-based emission factors for Scope 3 purchased goods and services and reconciling back to financials.

It has created a methodology to determine de minimus sources and determined that spend-based sources that are less than 1% can be considered for de minimus exclusion unless they are closely linked to Winton's most significant emission sources.

2.6 Monitoring and reporting

Winton has implemented a complaints register in respect of our emissions inventory process. The register is saved in a central location and overseen by the Finance Manager. Any complaints are recorded in the register and communicated to the CFO and Sustainability Manager. No complaints have been received in FY24.

3. Assurance of GHG emissions

During FY24, Winton engaged Deloitte Limited as an external Assurance practitioner to provide reasonable assurance for Scope 1 and Scope 2 emissions and limited assurance for Scope 3 emissions. The GHG emissions assurance report is included on page 12.

The AFRC Charter and Auditor Independence Policy have been updated to reflect the addition of the external GHG emissions assurance.

Toitū assured emissions for prior years included in this report (FY22 and FY23 in accordance with ISO 14064-1:2018), with reasonable assurance for Scope 1 and Scope 2 emissions and limited assurance for Scope 3.

Prepared by: Sonya Fynmore, Sustainability and External Relations Manager

Prepared for: Winton Land Limited

For the period: 1 July 2023 - 30 June 2024

Approved by:



Chris Meehan
Chair and CEO



Steven Joyce
Audit and Financial Risk Committee Chair

23 August 2024



**INDEPENDENT ASSURANCE REPORT
TO THE DIRECTORS OF WINTON LAND LIMITED**

Report on Greenhouse Gas Emissions ('GHG') Inventory Report

We have undertaken a reasonable assurance engagement relating to Scope 1 and 2 emissions and a limited assurance engagement relating to Scope 3 emissions, within the Greenhouse Gas Emissions Inventory Report (the '**Inventory Report**') of Winton Land Limited (the '**Company**') and its subsidiaries (the '**Group**') for the year ended 30 June 2024, comprising the emissions Inventory and the explanatory notes set out on pages 2 to 8, 10 to 11 as well as Appendix One on pages 15 to 17.

The Inventory Report provides information about the greenhouse gas emissions of the Group for the year ended 30 June 2024 and is based on historical information. This information is stated in accordance with the requirements of International Standard ISO 14064-1 Greenhouse gases – Part 1: *Specification with guidance at the organisation level for quantification and reporting of greenhouse gas emissions and removals* ('**ISO 14064-1:2018**'), and the Greenhouse Gas Protocol: *A Corporate Accounting and Reporting Standard (2004)* ('**the GHG Protocol**') which can be accessed at [ISO 14064-1:2018 - Greenhouse gases](https://ghgprotocol.org/corporate-standard) and <https://ghgprotocol.org/corporate-standard>, respectively.

Our report does not cover any forward-looking statements, external references or hyperlinked documents.

Directors' Responsibility

The Directors are responsible for the preparation of the Scope 1, 2 and 3 emissions within the Inventory Report, in accordance with ISO 14064-1:2018 and the GHG Protocol. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation of an Inventory Report that are free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to express a reasonable assurance opinion on Scope 1 and 2 emissions and a limited assurance conclusion on Scope 3 emissions in the Inventory Report based on the evidence we have obtained. We conducted our reasonable and limited assurance engagement in accordance with International Standard on Assurance Engagements (New Zealand) 3410: *Assurance Engagements on Greenhouse Gas Statements* ('**ISAE (NZ) 3410**'), issued by the New Zealand Auditing and Assurance Standards Board ('**NZAuASB**'). That standard requires that we plan and perform the engagement to obtain reasonable assurance that Scope 1 and 2 emissions within the Inventory Report, and limited assurance that Scope 3 emissions within the Inventory Report are free from material misstatement, respectively.

Reasonable Assurance for Scope 1 and 2 Emissions

A reasonable assurance engagement undertaken in accordance with ISAE (NZ) 3410 involves performing procedures to obtain evidence about the quantification of emissions and related information in the Inventory Report. The nature, timing and extent of procedures selected depend on the assurance practitioner's judgement, including the assessment of the risks of material misstatement, whether due to fraud or error, in the Inventory Report. In making those risk assessments, we considered internal control relevant to the Group's preparation of the Inventory Report. We also:

- Assessed the suitability in the circumstances of the Group's use of ISO 14064-1:2018 and the GHG Protocol as the basis for preparing the Inventory Report;
- Evaluated the appropriateness of quantification methods and reporting policies used, and the reasonableness of estimates made by the Group; and
- Evaluated the overall presentation of the Inventory Report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our reasonable assurance opinion in respect of the Scope 1 and 2 emissions.

Limited Assurance for Scope 3 Emissions

A limited assurance engagement undertaken in accordance with ISAE (NZ) 3410 involves assessing the suitability in the circumstances of the Group's use of ISO 14064-1:2018 and the GHG Protocol as the basis for the preparation of the Inventory Report, assessing the risks of material misstatement of the Inventory Report whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Inventory Report. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.



The procedures we performed were based on our professional judgement and included enquiries, observations of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we:

- Through enquiries, obtained an understanding of the Group's control environment and information systems relevant to emissions quantification and reporting, but did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness.
- Reviewed material quantitative data, including corroborative enquiry and examination of selected supported documentation and calculations.
- Evaluated whether the Group's methods for developing estimates are appropriate and had been consistently applied. However, our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the Group's estimates.
- Reviewed adherence to the principles and requirements outlined in GHG Protocol and ISO 14064-1:2018.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement in relation to Scope 3 Emissions.

Inherent Limitations

Scope 1,2 and 3 Emissions

Non-financial information, such as that included in the Group's Inventory Report, is subject to more inherent limitations than financial information, given both its nature and the methods used and assumptions applied in determining, calculating and sampling or estimating such information. Specifically, GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

As the procedures performed for this engagement are not performed continuously throughout the relevant period and the procedures performed in respect of the Group's compliance with the ISO 14064-1:2018 and GHG Protocol are undertaken on a test basis, our assurance engagement cannot be relied on to detect all instances where the Group may not have complied with the ISO 14064-1:2018 and the GHG Protocol. Because of these inherent limitations, it is possible that fraud, error or non-compliance may occur and not be detected.

Scope 3 Emissions

For the scope 3 emissions, we note that a limited assurance engagement is not designed to detect all instances of non-compliance with the ISO 14064-1:2018 and GHG Protocol, as it generally comprises making enquires, primarily of the responsible party, and applying analytical and other review procedures.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* ('PES-1') issued by the New Zealand Auditing and Assurance Standards Board, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

Other than in our capacity as assurance practitioner, we have no relationship with or interests in the Group.

Our firm applies Professional and Ethical Standard 3: *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Use of our Report

Our assurance report is intended for users who have a reasonable knowledge of GHG related activities, and who have studied the Inventory Report with reasonable diligence and understand that the Inventory Report is prepared and assured to appropriate levels of materiality.



Our assurance report is made solely to the Directors of the Group in accordance with the terms of our engagement. Our assurance engagement has been undertaken so that we might state to the Directors those matters we have been engaged to state in this assurance report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Directors for our work, for this assurance report, or for the conclusions we have formed.

Reasonable Assurance Opinion for Scope 1 and 2 Emissions

In our opinion, the Scope 1 and 2 emissions within the Group's Inventory Report for the year ended 30 June 2024 have been prepared, in all material respects, in accordance with the requirements of ISO 14064-1:2018 and the GHG Protocol.

Limited Assurance Conclusion for Scope 3 Emissions

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Group's Scope 3 emissions within the Inventory Report for the year ended 30 June 2024 are not prepared, in all material respects, in accordance with the requirements of ISO 14064-1:2018 and the GHG Protocol.

Emphasis of Matter – Comparative Information

As described in Section 3 *Assurance of GHG emissions* on page 11 of the Inventory Report, the comparative GHG disclosures for the periods ended 30 June 2023 and 30 June 2022 have been subject to reasonable assurance for Scope 1 and 2 emissions and limited assurance for Scope 3 emissions, in accordance with the requirements of ISO 14064-1:2018 by another assurance provider, who expressed unmodified conclusions in their assurance reports dated 24 November 2023 and 09 March 2023, respectively. Additionally, as described in Section 1.3 *Emissions period and base year* on page 2 of the Inventory Report, the Group has updated its base year to FY24 and consequently the emissions stated in FY22 and FY23 for Scope 3 emissions may not be comparable to the FY24 Scope 3 emissions. Our conclusion is not modified in respect of this matter.

Deloitte Limited

23 August 2024
Auckland, New Zealand

This assurance report relates to the Greenhouse Gas Inventory Report of Winton Land Limited and its subsidiaries ('the Group') for the year ended 30 June 2024 included on the Group's website. The Directors are responsible for the maintenance and integrity of the Group's website. We have not been engaged to report on the integrity of the Group's website. We accept no responsibility for any changes that may have occurred to the Greenhouse Gas Inventory Report since it was initially presented on the website. The assurance report refers only to the Greenhouse Gas Inventory Report named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these Greenhouse Gas Inventory Report. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the Greenhouse Gas Inventory Report and related assurance report dated 23 August 2024 to confirm the information presented on this website.

Appendix One – Emission sources and uncertainties

GHG emissions category	GHG emissions source or sink subcategory	Overview of activity data and evidence	Explanation of uncertainties or assumptions around Winton data and evidence	Use of default and average emission factors
Category 1: Direct emissions and removals	Stationary combustion	LPG stationary commercial	<ul style="list-style-type: none"> All data was sourced from supplier records, confirmation from the suppliers on the total Litres each cylinder type was obtained to calculate total values. 	
	Mobile combustion (incl. company-owned or leased vehicles)	Diesel, Petrol premium, Petrol regular	<ul style="list-style-type: none"> Where applicable all source data is derived from supplier records – assumptions were derived for the below as noted: Petrol – where no detail was available on the petrol type, petrol unleaded was assumed as the petrol source. If no details on litres on both diesel and petrol were supplied average cost per litre calculation was used. 	
Category 2: Indirect emissions from imported energy	Imported electricity	Electricity	<ul style="list-style-type: none"> All electricity source data was derived from supplier records. Each ICP number has a different billing cycle and therefore do not all cut off exactly at the end of a financial period – due to this, a small number of ICP numbers will have a small portion of the usage in the previous or future period however we have included this in the FY24 numbers as year on year this will even out. It is not possible to get daily data currently to accurately amend these few ICP numbers. 	The default electricity emission factors were used, specific supplier not taken into account.

Appendix One – Emission sources and uncertainties cont'd

GHG emissions category	GHG emissions source or sink subcategory	Overview of activity data and evidence	Explanation of uncertainties or assumptions around Winton data and evidence	Use of default and average emission factors
Category 3: Indirect emissions from transportation	Business travel – Transport (non-company owned vehicles)	Flights, mileage, taxis and rental vehicles	<ul style="list-style-type: none"> Flight data is extracted from the Air New Zealand report and portal. If it wasn't an Air NZ flight, activity data was calculated based on the Toitū Flight Calculator. Where employees travelled Premium Economy (PE), the emission factor for business class was used as an emission factor for PE wasn't available. Diesel + petrol – Corporate Cabs/taxi regular data was derived from detailed supplier records. Assumptions were derived if the petrol type was unknown, default was selected as Petrol Unleaded for a conservative approach. Taxi distance in cases where this was unknown was based on an average price calculated per km. Ubers – an assumption can be made that Ubers in New Zealand are hybrid, however Toitū did not have an emissions factor so were grouped into Taxi Regular for FY24. Jet fuels consumption was derived direct from the supplier in all cases. 	
	Business travel – Accommodation	Accommodation – Australia, Accommodation – New Zealand	<ul style="list-style-type: none"> All accommodation data is derived from GL Records within Winton's finance system, with invoice evidence. 	
	Employee commuting	Car, bus, electric scooter, ferry, taxi, electric bike	<ul style="list-style-type: none"> The commuter survey is sent quarterly, and the response rate is nearly 100%. If an employee cannot complete it within the required time, the data for the previous quarter was rolled forward. If an employee left partway through a quarter, their data was not recorded – only employees employed at the time the survey was circulated are included. With the opening of our Ayrburn Hospitality Precinct, only the full-time employees with individual email addresses are captured in the commuter survey. 	
	Working from home	Working from home	<ul style="list-style-type: none"> In FY24 there was no COVID mandates, and the WFH days are based on contractual agreements with a small number of employees. 	

Appendix One – Emission sources and uncertainties cont'd

GHG emissions category	GHG emissions source or sink subcategory	Overview of activity data and evidence	Explanation of uncertainties or assumptions around Winton data and evidence	Use of default and average emission factors
Category 4: Indirect emissions from products used by organisation	Purchased goods and services	Paper, Spend-based purchased goods and services, water supply (int. default)	<ul style="list-style-type: none"> Paper use is assumed based on print numbers across all photocopiers and printers within the Group. Fuji Xerox supply quarterly reports confirming these numbers. Spend-based emission factors use the cost of the activity (excl GST \$) as the activity data. These were used for the majority of Winton's purchased goods and services. The Market Economics Limited (2023) Consumption Emissions Modelling report prepared for Auckland Council was the main source for these spend-based factors as they had the best geographic suitability and recently published compared to other potential factors. There is uncertainty around accuracy when using spend-based emission factors, however, this was mitigated by understanding the underlying supplier and paying particular attention to the material sources. Spend-based emissions have been adjusted for inflation where the emission factor source doesn't match the inventory period. 	Average emission factors have been used for Purchased Goods & Services - Ayrburn Beverages and Purchased Goods & Services - Ayrburn Food to better reflect the combination of Beverages and Food (respectively) and entered the pre-calculated (tCO ₂ -e) for both into e-manage.
	Disposal of solid waste - Landfilled	Waste to Landfill Mixed waste (int. default)	<ul style="list-style-type: none"> The Waste-Landfill mixed waste default option was selected for all Waste that was unable to be confirmed as solely green and/or paper waste. Source data was used to calculate the total Tonne, and assumptions then based off this data were used to calculate the few items where no receipt detail was provided. A conservative approach used that can be improved. 	
	Disposal of solid waste - Not landfilled	Composting, Waste disposal recycling of Paper	<ul style="list-style-type: none"> In FY24 we had two additional business units that incur waste from an operational perspective (Cracker Bay and Ayrburn). Disposal of solid waste - not landfilled is measured by waste suppliers and reported monthly to Winton. 	
	Transmission of energy (T&D losses)	Electricity distributed T&D losses	<ul style="list-style-type: none"> Refer electricity. 	Refer electricity.
	Recycling process	Recycling - Card, Recycling - Commingled, Recycling - Mixed glass	<ul style="list-style-type: none"> Source data was used to calculate the total number of bins collected for each waste type. In some cases, the exact tonnage was supplied and assumptions on total weight were then based on the weight of a full bin (obtained by the source suppliers). 	



WINTON

BEST BY DESIGN



WINTON

BEST BY DESIGN

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Introduction

About this report

This report covers Winton's Climate-Related Disclosures for FY24. This report is available on Winton's [website](#). Questions about the report can be directed to investors@winton.nz.

The period covered in this report aligns with Winton's financial period for the 12 months ending 30 June 2024 unless otherwise stated. All financial information in this report is presented in New Zealand Dollars and excludes GST.

Company details:

Winton Land Limited
NZCN 6310507
ABRN 655 601 568

Head office address: Level 4, 10 Viaduct Harbour Avenue, Auckland, NZ

Listed on the NZX and ASX

FC The Burr Bar,
Ayrburn

01 Sunfield,
Papakura

Statement of compliance

Winton Land Limited (**Winton**) is a climate-reporting entity under the Financial Markets Conduct Act 2013. These climate-related disclosures comply with Aotearoa New Zealand Climate Standards (NZ CS 1, 2 and 3) issued by the External Reporting Board (XRB).

In preparing its climate-related disclosures, Winton has elected to use the following adoption provisions in NZ CS2:

- **Adoption provision 1:** Current financial impacts. This adoption provision exempts Winton from disclosing the current financial impacts of its physical and transitional climate-related impacts.
- **Adoption provision 2:** Anticipated financial impacts. This adoption provision exempts Winton from disclosing the anticipated financial impacts of climate-related risks and opportunities reasonably expected by Winton.
- **Adoption provision 3:** Transition planning. This adoption provision exempts Winton from disclosing information on the transition plan aspects of its strategy, noting that it has included a description of its progress towards developing the transition plan aspects of its strategy on page 23.
- **Adoption provision 4:** Scope 3 GHG emissions. This adoption provision exempts Winton from disclosing all Scope 3 greenhouse gas (GHG) emissions. Winton has disclosed all Scope 3 Category 3 and Category 4 emissions 1% and above (in accordance with ISO 14064-1) but Winton is utilising this adoption provision to allow time to consider additional Categories.
- **Adoption provision 5:** Comparatives for Scope 3 GHG emissions. This adoption provision exempts Winton from disclosing Scope 3 GHG comparative information for the immediately preceding two reporting periods.
- **Adoption provision 6:** Comparatives for metrics. This adoption provision exempts Winton from disclosing comparative information for each metric disclosed for the immediately preceding two reporting periods.
- **Adoption provision 7:** Analysis of trends. This adoption provision exempts Winton from disclosing an analysis of trends evident from the comparison of each metric from the previous reporting periods to the current reporting period.

Disclaimer

The statements within this report (**Statements**) are published by Winton for the climate-related disclosures period of 1 July 2023 to 30 June 2024.

The Statements outline Winton's strategy for scenario analysis, its understanding of and response to climate-related risks and opportunities, and its current and anticipated impacts from climate change.

Climate change presents an ongoing challenge, characterised by considerable risks and uncertainties. Winton acknowledges that its understanding of these risks and opportunities will develop over time. The Statements include estimates and assumptions about future changes driven by climate change and their potential impacts on Winton's business. They also rely on early and evolving assessments of present and forward-looking information, statements and opinions, such as climate-related scenarios, targets, and forecasts, which inherently involve uncertainties about Winton's future strategies and its operating environment.

The above-mentioned risks and opportunities could cause results, performance or events to differ materially from those expressed or implied in the Statements. Factors beyond Winton's control, such as changes in general economic and political conditions, technological, governmental, consumer, and market factors, may also affect Winton's actual results, performance or achievement of stated climate-related targets and metrics.

Accordingly, while Winton has made every effort to provide a reasonable basis for these forward-looking statements and is committed to advancing its response to climate-change, it gives no representation, guarantee, warranty or other assurance about outcomes expressed or implied. The actions contained in the Statements are developing and actual outcomes may differ. Although Winton believes the Statements have a reasonable basis, they are for information purposes only and nothing in this report should be interpreted as financial, legal, tax or other advice or guidance.

Approved on behalf of the Board on 23 August 2024.



Chris Meehan
Chair and CEO



Steven Joyce
Audit and Financial Risk Committee Chair

Governance

The Winton Board of Directors (**Board**) is the governance body responsible for overseeing climate-related risks and opportunities. This section describes the role the Board plays in overseeing these risks and opportunities and the role the Senior Management Team plays in assessing and managing them.

Governance body oversight

The Board is responsible for oversight of climate-related risks and opportunities affecting Winton and for compliance with climate-related standards.

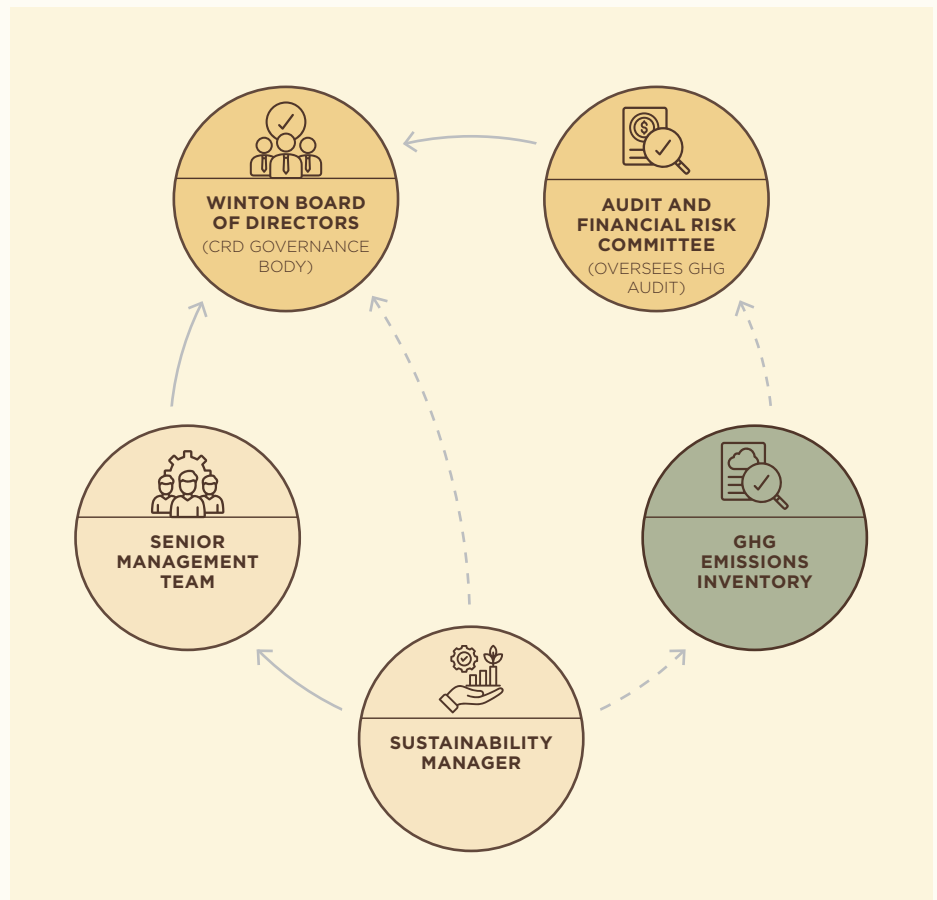
The Board is informed quarterly about ESG considerations, of which climate-related risks and opportunities are part of. In FY24, the main ESG focus was ensuring Winton met the XRB Standards for Climate-Related Disclosures and engaged with the Senior Management Team on the pathway to meeting these standards, the risk and baseline assessment and the process of scenario analysis.

Physical and transitional climate risks and necessary adaptation are also considered by the Board as part of due course and in relation to the asset acquisition, strategy and execution.

The Board meets at least 6 times per year, and climate-related discussions were included 6 times in FY24. For a summary, refer to the table on page 6.

Sustainability is an element in the Board Skills Matrix and the assessment of the level of those skills. The Board skills matrix is included in the Corporate Governance Section of the FY24 Annual Report (page 78) and is an integral part of the Board composition and recruitment strategy. The Board skills matrix is reviewed and adjusted annually to reflect any change in expertise as a Director.

Appropriate skills and competencies are delivered not only through a mix of Board appointments but also through continuous education. As a growing area of focus within both the Company and New Zealand, building climate-related capability within the Board will be ongoing. Education has been facilitated



through the engagement of an external advisor who held a session with all Directors covering the requirements of the NZ Climate Standards. Further, the Directors have ongoing education on the regulatory requirements of the climate standards and are provided governance climate resources, industry guidance, and open sessions with the Sustainability Manager. All of these resources are to foster the Board's climate expertise.

Climate-related risks and opportunities are integrated into the development and oversight of Winton's strategy implementation. Under Winton's Risk Management Framework, which is approved by the Board, the Senior Management Team is responsible for promoting good risk practices in their teams. The Risk Management Section on page 25 sets out further details of how Winton identifies, assesses, and manages climate-related risks.

At the start of FY24, the Board approved Winton's Sustainability Framework, which incorporates three pillars - Thriving Planet, Thriving People, and Sustainable Future. The Framework includes considered ESG commitments that are critical to the long-term success of Winton and its business model.

The Senior Management Team and Sustainability Manager recommend the appropriate metrics and targets to the Board for their approval. This current reporting period was the first time these metrics and targets had been set. Going forward, the Board will monitor metrics and progress against targets for managing climate-related risks and opportunities at least annually and as part of the quarterly ESG agenda item when new quarterly data is available.

The related metrics are not incorporated into remuneration policies.

Roles and responsibilities

BOARD

Oversees Winton's strategic direction and the performance of the Senior Management Team. Oversees Climate-related risks and opportunities, including the Senior Management Team's role in assessing and managing them and monitoring progress against disclosure requirements. The Board has approved metrics and targets recommended by the Senior Management Team and will analyse and review progress at least annually.

The Board is responsible for compliance with climate-related standards.

AUDIT & FINANCIAL RISK COMMITTEE

Takes responsibility for ensuring the quality and integrity of external financial reporting, including the accuracy, completeness, and timeliness of financial statements. Therefore, it oversees the assurance of Winton's GHG emissions, assured by a separate external assurance practitioner.

Following similar processes to the financial audit, the GHG emissions inventory and audit report are provided to the Audit and Financial Risk Committee, which recommends them to the Board for approval and disclosure.

SENIOR MANAGEMENT TEAM

Comprising of Winton's CEO, CFO, COO, GM Corporate Services and GM Project Delivery.

Leads Winton's strategy and performance, including the assessment, adaptation, and mitigation of climate-related risks and opportunities. The Senior Management Team meets regularly, and the CFO and/or GM Corporate Services raises and reports on ESG, including climate-related risks and opportunities when relevant.

SUSTAINABILITY MANAGER

Day-to-day oversight of ESG matters, including Climate-Related Disclosures.

SUSTAINABILITY WORKING GROUP

Comprising Winton's CFO, COO, GM Corporate Services, GM Project Delivery and senior leaders across the Winton business.

Led by Winton's Sustainability Manager. It shapes, monitors, and coordinates Winton's sustainability programme across the business, involving others in specific work streams.

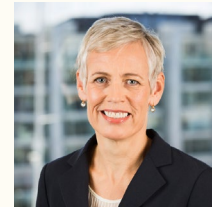
Board of Directors



Chris Meehan
Chair and Chief Executive Officer



Julian Cook
Executive Director and Director of Retirement



Michaela Meehan
Non-executive Director



Glen Tupuhi
Independent Director



James Kemp
Non-executive Director



Steven Joyce
Independent Director



Guy Fergusson
Independent Director

Management's role

Winton's Senior Management Team, including the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, GM Corporate Services, and GM Project Delivery, is responsible for executing Winton's strategy, managing company performance, and managing risks, including climate-related risks and opportunities.

The Sustainability Manager has day-to-day responsibility for ESG within Winton. The CFO and/or GM Corporate Services are kept informed of work streams and reports on ESG, including climate-related risks and opportunities, when relevant at the weekly management meetings.

At the project level, climate change risk mitigation, climate change adaptation and transitional impacts are integrated into day-to-day operations of Winton, led by Winton's Chief Operating Officer and GM Project Delivery. Such integration includes due diligence of potential acquisitions,

design of masterplans, rezoning and resource consent applications and delivery.

The Sustainability Manager reports to the Board, as the governance body, on ESG matters at least quarterly, including reporting on climate-related risks and opportunities. To date, this has reflected the process of meeting the climate-related standards, the findings of more detailed climate-related risk assessment and scenario analysis, and measurement and assurance of GHG emissions.

With the help of the Sustainability Working Group, Winton's Sustainability Manager leads the identification, assessment, and management of Winton's climate-related risks and opportunities. The Sustainability Working Group met periodically over the year to contribute to meeting the climate-related standards, including climate-related risk assessment, baseline screening, scenario analysis, and measurement and assurance of GHG emissions.

Climate-related Board Discussions FY24

Board meeting date	Sustainability discussion item
21 AUGUST 2023	Sustainability Report – outlining progress and priorities
29 NOVEMBER 2023	Climate-Related Risk Assessment Report and ESG Update including FY23 emissions
19 FEBRUARY 2024	ESG Sustainability Update including the Screening and Baseline Report
9 MAY 2024	Sustainability Update including Climate Related Risk Assessment and Scenario Analysis
26 JUNE 2024	Draft Climate-Related Disclosure Statement provided and discussed.
19 AUGUST 2024	FY24 GHG emission inventory recommended by the AFRC for disclosure.

Senior Management Team



Chris Meehan
Chair and Chief Executive Officer



Simon Ash
Chief Operating Officer



Jean McMahon
Chief Financial Officer



Justine Hollows
GM Corporate Services



Duncan Elley
GM Project Delivery

02 Northlake Apartments and Commercial, Wanaka

**Noting the Board was invited to the November 2023 Audit and Financial Risk Committee Meeting, which included a discussion on Climate-Related Disclosures, the project plan to meet the disclosure requirements, and audit requirements for GHG emissions.*



Strategy

Current physical impacts of climate change and associated financial impact

Winton is a developer of residential masterplanned communities. Generally, it sells completed products after completion, so the potential for physical impacts attributable to climate change exist on development sites while they are being developed or built. Winton has experienced some minor physical impacts on development sites possibly related to climate change, including increased storminess and winds, coastal erosion, and extreme weather patterns, which have caused minor disorder onsite and incurred minor clean-up costs.

Winton is actively implementing measures to adapt to the changing climate and its potential physical impacts. These include designing for greater resilience beyond Local Authority (e.g., raising floor levels in areas prone to sea level rise), increasing the number of weather monitoring stations, enhancing site preparation for extreme weather, and conducting thorough due diligence on potential asset acquisitions.

In FY24, there were no financial costs recorded in relation to the physical impacts of climate change. However, there was damage to a development site in the South Island in September 2023 that occurred during a 25-year-high rainfall event. This event resulted in localised flooding, debris flows, and land instability across the district¹. Winton has lodged an insurance claim to recover costs from the damage and additional measures are being implemented to mitigate risk to sites during development. Based on desktop research, there is no evidence to attribute the isolated event to climate change.

Current transitional impacts of climate change and associated financial impact

The most significant impact is the increased regulation, changes to building code, stricter Local Authority rules and increased compliance costs and, therefore, higher construction costs to meet stricter requirements of new developments.

Development and building regulations and requirements have gradually increased over time, making it difficult to quantify the FY24 financial impact accurately.

Winton has been responding by increasing due diligence, planning, and design requirements within financial feasibilities to adapt accurately to higher costs while retaining desired margins.

Winton has also experienced increased costs related to corporate compliance, full value chain emissions measurement and GHG emission assurance as it transitions to a low-carbon economy. The financial impact in FY24 was \$45,000.

Winton has experienced an increase in insurance costs and amendments to conditions of insurance; some are an outcome of the extreme weather events in the prior year.

The vision and masterplan for one of Winton's major development projects, Sunfield are based on a carless, solar-powered lifestyle with more affordable homes. This opportunity is accelerated as New Zealand transitions to a low-carbon economy and would have a material positive financial impact if consented in future years.

1. QLDC Emergency Management, Weather Event – September 2023 Weather Event – September 2023 (qldc.govt.nz)

Scenario analysis

In FY24 Winton undertook its first scenario analysis in accordance with the XRB Climate-related requirements.

Winton is a residential developer in New Zealand within the property and construction industry.

The New Zealand Green Building Council (NZGBC) published scenarios for the property and construction sector in 2023 that were developed by Beca Limited (Beca) in consultation with the Technical Working group created by NZGBC in 2022. The Technical Working Group included business leaders and key stakeholders within the industry of which Winton was added near the end of the process.

Winton referred to NZGBC sector guidance and created an entity-level scenario narrative to develop a comprehensive list of climate-related risks and opportunities over the short, medium, and long-term.

The scenarios considered by Winton were an 'Orderly' 1.5°C scenario, a 'Disorderly' 2.0°C scenario and a 'Hot House' >3.0°C scenario. (A description of the scenarios start on page 10).

Physical risks are based on modelling from the Intergovernmental Panel on Climate Change (IPPC) Sixth Assessment Report (AR6), regional climate models developed for New Zealand, by the National Institute of Water and Atmospheric Research (NIWA) and New Zealand Ministry for the Environment framework (MfE 2019).

Winton used the physical and transitional risks and opportunities it identified in its initial risk assessment and baseline screening as the basis of the scenario analysis. It considered each physical and transitional risk and opportunity under each of the three scenarios across the short, medium, and long-term and assigned them a risk rating of low, medium, or high. The tables that follow, starting on page 13, show all risks and opportunities that had a medium risk rating or higher for any scenario and time period.

The potential impacts of each physical and transitional risk and opportunity across the different scenarios and time periods are included in the following table. The potential financial impacts of the climate-related risks and opportunities outlined in the scenarios analysis have not been quantified and disclosed in this report as Winton has yet to determine a plausible and fair way to do so and is therefore utilising Adoption Provision 2.

Time horizons

For its risk assessment, Winton considered time horizons out to 2100.

For the scenario analysis, it adapted the time horizons to align with the NZGBC sector scenario guidance as a 2050 view and better align with entity-level business planning and investment timeframes.

Scenario analysis time horizons:

SHORT-TERM:	1-5 years
MEDIUM-TERM:	5-10 years
LONG-TERM:	10-25 years

Description of scenarios

Scenario one – **Orderly 1.5°C**

	Orderly 1.5 Scenario	Narrative
MEASUREMENT	Global warming +1.5°C above pre-industrial levels	<p>An "Orderly" scenario where the world succeeds in limiting global temperature increase to 1.5°C above pre-industrial temperatures. Global emissions decline steadily to achieve net zero CO₂ emissions globally by 2050. New Zealand climate policies are ambitious and in line with the rest of the world. The energy grid shifts rapidly away from fossil fuel use, with the New Zealand grid reaching 100% renewable by 2050. Alternative fuels are used as a backup, and renewables are utilised onsite instead of fossil fuels.</p> <p>The shadow price of carbon increases dramatically to align with a 1.5°C trajectory, steadily rising up to \$250/tCO₂e by 2050 (an increase of ~614% from a 2023 baseline of \$35/tCO₂e).</p>
EXTREME RAINFALL	15% increase in extreme rainfall	
EXTREME HEAT (>25°C)	+15 more extreme heat days	
SEA LEVEL RISE	0.20 metres	
CARBON PRICE	\$277 NZD per tonne	
POPULATION INCREASES	26% increase in New Zealand population 7% global population increase	
POLICY REACTION	Immediate and smooth	
TECHNOLOGY CHANGE	Fast change	
BEHAVIOUR CHANGE	Fast change	
PHYSICAL RISK SEVERITY	Moderate	
TRANSITION RISK SEVERITY	Moderate	
SOCIO-POLITICAL INSTABILITY	Moderate	

Scenario two — Disorderly 2.0°C


	Disorderly 2.0 Scenario	Narrative
MEASUREMENT	Global warming +2.0°C above pre-industrial levels	<p>A "disorderly" scenario is where policy, technology and behaviour changes remain slow up until 2030. As global emissions continue to rise during the 2020s, concerns about meeting Paris Agreement Goals drives a sudden shift in global policy around 2030. Abrupt and stringent decarbonisation policies are enacted in the 2030s, succeeding in limiting global warming to below 2°C above pre-industrial levels by 2100.</p> <p>New Zealand follows suit with the rest of the world, leading to abrupt policy and market changes for the property and construction sector post-2030. There is no initial increase in carbon price up to 2030, at which point price rapidly increases to reach \$250/tCO₂e by 2050.</p> <p>During the 2020s there is a slow increase in demand for electricity, followed by a surge in demand in the 2030s as New Zealand rushes to electrify our transport networks. The electricity sector is unprepared for the sudden shift in demand at 2030, which causes a delay in adequate expansion of the grid during the 2030s and leads to supply constraints.</p> <p>These constraints result in more frequent blackouts and fluctuations in electricity prices.</p>
EXTREME RAINFALL	20% increase in extreme rainfall	
EXTREME HEAT (>25°C)	+20 more extreme heat days	
SEA LEVEL RISE	0.22 metres	
CARBON PRICE	\$369 NZD per tonne	
POPULATION INCREASES	22% increase in New Zealand population 16% global population increase	
POLICY REACTION	Delayed	
TECHNOLOGY CHANGE	Slow/fast change	
BEHAVIOUR CHANGE	Slow/fast change	
PHYSICAL RISK SEVERITY	Moderate	
TRANSITION RISK SEVERITY	High	
SOCIO-POLITICAL INSTABILITY	Moderate	




Scenario three – Hot House >3.0°C

	Hot House >3.0 Scenario	Narrative
MEASUREMENT	Global warming +3.0°C above pre-industrial levels	<p>A "Hot House" scenario is where global emissions continue to grow. Global average temperature rises to greater than 3°C above pre-industrial levels by 2100.</p> <p>New Zealand's climate change policy remains in keeping with the rest of the worlds. No further policies are introduced to curb emissions, with the building and construction sector following suit. Regulatory changes are slow and focus on adaptation and managing climate driven immigration/ refugees. The price of carbon remains at \$35/tCO₂e to 2050. Mandates are introduced to conserve energy for critical functions, as asset and infrastructure damages due to climate change are realised.</p> <p>New Zealand's electricity grid is gradually decarbonised further in line with current policies. Emission grid factors remain at 0.06 kgCO₂e/kWh by 2050 which means industries wishing to achieve net zero carbon emissions must invest in their own zero carbon generation.</p>
EXTREME RAINFALL	22% increase in extreme rainfall	
EXTREME HEAT (>25°C)	+30 more extreme heat days	
SEA LEVEL RISE	0.32 metres	
CARBON PRICE	\$35 NZD per tonne	
POPULATION INCREASES	26% increase in New Zealand population 8% global population increase	
POLICY REACTION	None - current policies	
TECHNOLOGY CHANGE	Slow change	
BEHAVIOUR CHANGE	Slow change	
PHYSICAL RISK SEVERITY	Extreme	
TRANSITION RIK SEVERITY	Low	
SOCIO-POLITICAL INSTABILITY	High	

Scenario analysis

Physical Risk – One

PR PHYSICAL RISK	TR TRANSITIONAL RISK	KEY: ■ LOW	 SHORT-TERM: 1-5 years
PO PHYSICAL OPPORTUNITY	TO TRANSITIONAL OPPORTUNITY	■ MEDIUM	 MEDIUM-TERM: 5-10 years
		■ HIGH	 LONG-TERM: 10-25 years*

PHYSICAL RISK – ONE	Risk or Opportunity			Potential Future Impacts	Adaption and Management Actions
	Orderly 1.5	Disorderly 2.0	Hot House >3.0		
	INCREASED STORMINESS AND EXTREME WINDS				
	Increase in storminess (frequency, intensity), wind speeds and seasonality, increase in convective weather events (tornadoes, lightning)				
	RIVER AND PLUVIAL FLOODING: CHANGES IN FREQUENCY AND MAGNITUDE IN RURAL AND URBAN AREAS				
	Changes in extremes: high intensity and persistence of rainfall, relative sea-level rise (including land movement), low seasonal rainfall, permanent increase in spring high-tide inundation, relative sea-level rise (including land movement) changes in waves and swell, changes in extreme rainfall, rising groundwater from sea-level rise				
				<p>POTENTIAL IMPACTS:</p> <ul style="list-style-type: none"> Supply chains during construction and operation could be impacted. From a development perspective, this could slow down progress onsite, which could delay settlements. From a retirement perspective, it could impact getting food and medical supplies to residents. In the medium and longer term, such weather events in the Hot House scenario could potentially cause more disturbance on site, which could lead to higher insurance costs and environmental and/or biodiversity issues. They could also potentially have a greater impact on the retirement and commercial business's operations, employees, and residents and visitors. 	<p>Winton is already designing for greater resilience beyond Local Authority requirements, for example, raising floor levels and updating its internal design controls on an ongoing basis. As a result, Winton communities have functioned as expected during recent extreme weather events.</p> <p>The project teams are increasing their onsite activities to mitigate risks, including, by way of example, utilising data from weather monitoring stations set up at specific sites, to ensure teams have the most up to date information.</p> <p>Where possible, Winton uses local contractors for each project, which mitigates the risk of contractors not being able to access the development because of regional roading impacts from storm events.</p> <p>As part of planning for Northbrook to become operational, continuity of care for residents and H&S of all people onsite for extreme events will be considered part of the emergency response plan.</p>

*This differs from Winton's risk time horizons as the sector guidance scenarios are based on 2050.

Physical Risk — Two

KEY:

	LOW		SHORT-TERM:	1-5 years
	MEDIUM		MEDIUM-TERM:	5-10 years
	HIGH		LONG-TERM:	10-25 years*




PHYSICAL RISK — TWO	Risk or Opportunity			Potential Future Impacts	Adaption and Management Actions
	Orderly 1.5	Disorderly 2.0	Hot House >3.0		
	<p>COASTAL AND ESTUARINE FLOODING: INCREASING PERSISTENCE, FREQUENCY AND MAGNITUDE</p> <p>Change in tidal range or increased water depth, permanent increase in spring high-tide inundation, rising groundwater from sea-level rise, changes in extremes: high intensity and persistence of rainfall, increases in storminess (frequency, intensity) including tropical cyclones</p>			<p>POTENTIAL IMPACTS:</p> <ul style="list-style-type: none"> • Similar to the first two physical risks, Winton has already observed some impact on coastal areas where coastal inundation and overland flow have occurred. • The risk level is unlikely to change due to design controls as they react to Local Authority regulations and will pick this up anyway. • In all scenarios, there is potentially an increasing perception that coastal properties are risky to own or that insurance costs are higher. • In a Hot House scenario, the longer term risk of coastal and estuarine flooding is increased. 	<p>For all three scenarios, the risk mitigation is the same: Winton is already building for higher-than-expected sea level rises in the long-term, making Winton communities more resilient. Sea level data can sometimes change, but based on these scenarios, Winton's existing design and build standards have already adapted as they react to Local Authority regulations. Through due diligence of potential asset acquisitions and the design of future developments, Winton mitigates the risk.</p> <p>Winton has and continues to demonstrate that it builds high-quality projects founded on design, including the design of the masterplan, built form, and shared spaces. Therefore, Winton communities have performed well and proved their resiliency in more recent extreme weather events, further helping to change the perception that all coastal properties are the same.</p> <p>As part of planning for Northbrook to become operational, continuity of care for residents and H&S of all people onsite for extreme events will be considered part of the emergency response plan.</p>

*This differs from Winton's risk time horizons as the sector guidance scenarios are based on 2050.

Physical Risk – Three

KEY:

	LOW		SHORT-TERM:	1-5 years
	MEDIUM		MEDIUM-TERM:	5-10 years
	HIGH		LONG-TERM:	10-25 years*




PHYSICAL RISK – THREE	Risk or Opportunity			Potential Future Impacts	Adaption and Management Actions
	Orderly 1.5	Disorderly 2.0	Hot House >3.0		
	INCREASING COASTAL EROSION: CLIFFS AND BEACHES, INCREASED LANDSLIDE AND SOIL EROSION				
	Changes in sedimentation from catchment run-off, increased storminess and extreme winds, rising groundwater from sea-level rise, changes in extreme rainfall: high intensity and persistence, changes in rainfall seasonality, more and longer dry spells and droughts (antecedent conditions)				
				POTENTIAL IMPACTS: <ul style="list-style-type: none"> Supply chains could be impacted during construction and operation. From a development perspective, this could slow down progress onsite, which could delay settlements. From a retirement perspective, it could impact getting food and medical supplies to residents. In all scenarios, there is potentially an increasing perception that coastal properties are risky to own or that insurance costs are higher. 	<p>Winton is already designing for greater resilience beyond Local Authority requirements, for example, raising floor levels and updating its internal design controls on an ongoing basis. As a result, Winton communities have functioned without any adverse issues during recent extreme weather events.</p> <p>Winton has implemented more design requirements for potential regression and this is considered during due diligence of potential asset acquisitions.</p> <p>Where possible, Winton uses local contractors for each project, which mitigates the risk of contractors not being able to access the development because of impacts to regional roading networks.</p> <p>Winton has and continues to demonstrate that it builds high-quality projects founded on design, including the design of the masterplan, built form, and shared spaces. Therefore, Winton communities have performed well and proved their resiliency in more recent extreme weather events, further helping to change the perception that all coastal properties are the same.</p> <p>As part of planning for Northbrook to become operational, continuity of care for residents and H&S of all people onsite for extreme events will be considered part of the emergency response plan.</p>

*This differs from Winton's risk time horizons as the sector guidance scenarios are based on 2050.

Physical Risk — Four

KEY:

	LOW		SHORT-TERM:	1-5 years
	MEDIUM		MEDIUM-TERM:	5-10 years
	HIGH		LONG-TERM:	10-25 years*

PHYSICAL RISK — FOUR	Risk or Opportunity			Potential Future Impacts	Adaption and Management Actions
	Orderly 1.5	Disorderly 2.0	Hot House >3.0		
	SEA-LEVEL RISE				
	Relative sea-level rise (including land movement), low seasonal rainfall, permanent increase in spring high-tide inundation, relative sea-level rise (including land movement) changes in waves and swell, changes in extreme rainfall: high intensity and persistence				
				<p>POTENTIAL IMPACTS:</p> <ul style="list-style-type: none"> There have been no physical impacts to date, as the standards for new builds and developments have already changed to mitigate risks. In all three scenarios, potential buyers could perceive owning coastal property as too risky without understanding the already integrated requirements for new developments for coastal resiliency. Longer term, the physical risk from sea-level rises; however, as Winton has more recently built communities to higher standards and requirements, they will likely perform better than other older homes and developments, validating the quality of Winton's properties. 	<p>For all three scenarios, Winton is already adapting to potential sea level rise by building for higher-than-expected sea level rises in the long-term. Sea level data can sometimes change, but based on these scenarios, Winton's existing design and build standards have already adapted as they react to Local Authority regulations.</p> <p>Through due diligence of potential asset acquisitions and design of future developments, Winton considers potential sea level rise and, therefore, any possible additional cost to build to stricter requirements that need to be incorporated into the sale price.</p> <p>Winton has and continues to demonstrate that it builds high-quality projects founded on design, including the design of the masterplan, built form, and shared spaces. Therefore, Winton communities have performed well and proved their resiliency in more recent extreme weather events, further helping to mitigate the perception that all coastal properties are the same.</p>

*This differs from Winton's risk time horizons as the sector guidance scenarios are based on 2050.

Physical Risk — Five

KEY:

	LOW		SHORT-TERM:	1-5 years
	MEDIUM		MEDIUM-TERM:	5-10 years
	HIGH		LONG-TERM:	10-25 years*

PHYSICAL RISK — FIVE	Risk or Opportunity			Potential Future Impacts	Adaption and Management Actions
	Orderly 1.5	Disorderly 2.0	Hot House >3.0		
	<p>CHANGE IN WEATHER PATTERNS: CHANGE IN MEAN ANNUAL RAINFALL</p> <p>Higher or lower annual rainfall in sub-national climate zones</p> <p>MORE AND LONGER DRY SPELLS AND DROUGHT</p> <p>Low seasonal rainfall, changes in seasonal wind patterns</p>				
				<p>POTENTIAL IMPACTS:</p> <ul style="list-style-type: none"> Greater application of wet weather contractual provisions and increased delays to onsite activities due to higher rainfall in some locations in a medium-to-long-term Hot House scenario. More and longer dry spells and drought in some locations could lengthen the development season, which could be a positive but also contribute to dust issues onsite. A crucial part of Winton's difference is its commitment to comprehensive landscaping and planting throughout its communities, and increased dry spells could mean there isn't enough water to maintain all the planting. 	<p>These changes won't happen overnight, so Winton expects to be able to make gradual changes onsite and within the development plan to mitigate the potential impacts.</p> <p>The comprehensive planting of trees and plants within Winton's communities will help cool them down Winton communities and provide shade for people and animals during potential long and dry spells in the medium to long-term.</p> <p>Adapting to a lower water supply during some dry spells would need to be incorporated into the development and maintenance plan longer term and addressed in landscape design to combine different plant types.</p>

*This differs from Winton's risk time horizons as the sector guidance scenarios are based on 2050.

Physical Opportunity — One

KEY:

	LOW				SHORT-TERM:	1-5 years
	MEDIUM				MEDIUM-TERM:	5-10 years
	HIGH				LONG-TERM:	10-25 years*




PHYSICAL OPPORTUNITY — ONE	Risk or Opportunity			Potential Future Impacts	Adaption and Management Actions
	Orderly 1.5	Disorderly 2.0	Hot House >3.0		
	INTERNATIONAL INFLUENCES FROM CLIMATE CHANGE AND GREENHOUSE GAS MITIGATION PREFERENCES				
	Immigration to New Zealand				
				<p>POTENTIAL IMPACTS:</p> <ul style="list-style-type: none"> In the Hot House scenario, net migration significantly increases as New Zealand is expected to experience the impacts of climate change not as severely as most places around the world, and as a result, the demand for homes in New Zealand increases, and potentially, the price increases and the potential labour pool increases. 	<p>Winton is already planning for net migration to increase over time. However, the net migration increase within the Hot House scenario is higher again, and improved government policy would need to support expedited development of communities and homes.</p>

*This differs from Winton's risk time horizons as the sector guidance scenarios are based on 2050.

Transitional Risk — One

KEY:

	LOW		SHORT-TERM:	1-5 years
	MEDIUM		MEDIUM-TERM:	5-10 years
	HIGH		LONG-TERM:	10-25 years*




Risk or Opportunity				
TRANSITIONAL RISK — ONE				
INSURANCE RISK				
Orderly 1.5	Disorderly 2.0	Hot House >3.0	Potential Future Impacts	Adaption and Management Actions
			<p>POTENTIAL IMPACTS:</p> <ul style="list-style-type: none"> Insurance costs across all three scenarios will potentially increase over the time horizons as more climate-related claims are made, but most significantly in the Hot House scenario long-term. For Winton, this is predominantly a potential impact on Northbrook and Ayrburn development. Availability to get insurance could change over the medium to long-term more broadly, however, for more recently developed communities built to stricter requirements and standards, and therefore more resilient, could attract more buyers compared to older homes and developments. 	<p>Winton works with a specialist property insurance provider and has done so long-term. An annual review of its insurance program is completed to ensure it is fit for purpose. The potential impacts from climate change will become a more significant part of that process over time should global temperatures continue to rise.</p> <p>Winton controls onsite insurance to ensure the continuity of its prescribed insurance across every project.</p> <p>Due diligence for potential asset acquisitions needs to consider possible changes to insurance premiums, and any masterplan needs to reflect the price sensitivity of the target demographic, not only for homes but also for ongoing costs like insurance.</p>

*This differs from Winton's risk time horizons as the sector guidance scenarios are based on 2050.

Transitional Risk – Two

KEY:

	LOW		SHORT-TERM:	1-5 years
	MEDIUM		MEDIUM-TERM:	5-10 years
	HIGH		LONG-TERM:	10-25 years*




Risk or Opportunity					
REGULATORY AND LEGAL					
TRANSITIONAL RISK – TWO	Orderly 1.5	Disorderly 2.0	Hot House >3.0	Potential Future Impacts	Adaption and Management Actions
					<p>POTENTIAL IMPACTS:</p> <ul style="list-style-type: none"> Changes to the building code, whether within the orderly or disorderly scenario, will have the same potential impact of increased construction costs but over different time periods. Changes to regulations or policies in orderly and disorderly scenarios may require Winton to alter existing assets, increasing capital costs. Project lifecycles in real estate can be long, and regulations could change partway through. In a disorderly scenario, this could disrupt the project if changes were implemented quickly. In the Hot House scenario, there could be an increased likelihood of litigation.

*This differs from Winton's risk time horizons as the sector guidance scenarios are based on 2050.

Transitional Opportunity – One

KEY:

	LOW		SHORT-TERM:	1-5 years
	MEDIUM		MEDIUM-TERM:	5-10 years
	HIGH		LONG-TERM:	10-25 years*




Risk or Opportunity				
PRODUCTS AND SERVICES				
Orderly 1.5	Disorderly 2.0	Hot House >3.0	Potential Future Impacts	Adaption and Management Actions
			<p>POTENTIAL IMPACTS:</p> <ul style="list-style-type: none"> Under the Orderly scenario, the transition to a lower carbon economy would occur faster in the short and medium-term, and some positive technological, funding, and policy improvements could further enable Winton’s proposed carless and solar-powered Sunfield neighbourhood. However, higher material costs due to higher carbon prices and regulatory costs would likely offset this to a certain extent. 	<p>Winton’s view is that its Sunfield development is well-positioned to support the transition to a lower-carbon economy while providing potential buyers with more affordable housing and lifestyle opportunities.</p> <p>It has invested significant time in the design of the Sunfield masterplan, which diverges from traditional development built around roads and cars. With regulatory support, Winton could start development at a pace and provide New Zealanders with much-needed housing while minimising emissions from residents while delivering returns to its shareholders.</p>

*This differs from Winton’s risk time horizons as the sector guidance scenarios are based on 2050.

Transitional Opportunity – Two

KEY:

	LOW		SHORT-TERM:	1-5 years
	MEDIUM		MEDIUM-TERM:	5-10 years
	HIGH		LONG-TERM:	10-25 years*

Risk or Opportunity					
MARKETS					
TRANSITIONAL OPPORTUNITY – TWO	Orderly 1.5	Disorderly 2.0	Hot House >3.0	Potential Future Impacts	Adaption and Management Actions
					<p>POTENTIAL IMPACTS:</p> <ul style="list-style-type: none"> All scenarios in the medium-term could create higher barriers to entry for new developers. In the Orderly scenario, Local Authority requirements and regulations increase faster, making it harder for competitors who do not have the capacity or are not as skilled in navigating complex requirements. In a Disorderly scenario, the barriers are delayed but will occur quickly as temperatures rise. In a Hot House scenario, the quality of a build, the design, and the underlying development design will all be critical factors to ensure resiliency through climate change. Buyers may not want to risk buying into lower-quality developments or homes. In all three scenarios, the market impact is positive for Winton.

*This differs from Winton's risk time horizons as the sector guidance scenarios are based on 2050.

Progress towards transition planning

Winton has elected to use Adoption provision 3: Transition planning.

This adoption provision exempts Winton from disclosing information on the transition plan aspects of its strategy. However, it has included a description of its current business model and strategy and its progress towards developing the transition plan aspects of its strategy.

Current business model and strategy

Winton is a New Zealand-based residential land developer that specialises in developing integrated and fully masterplanned communities.

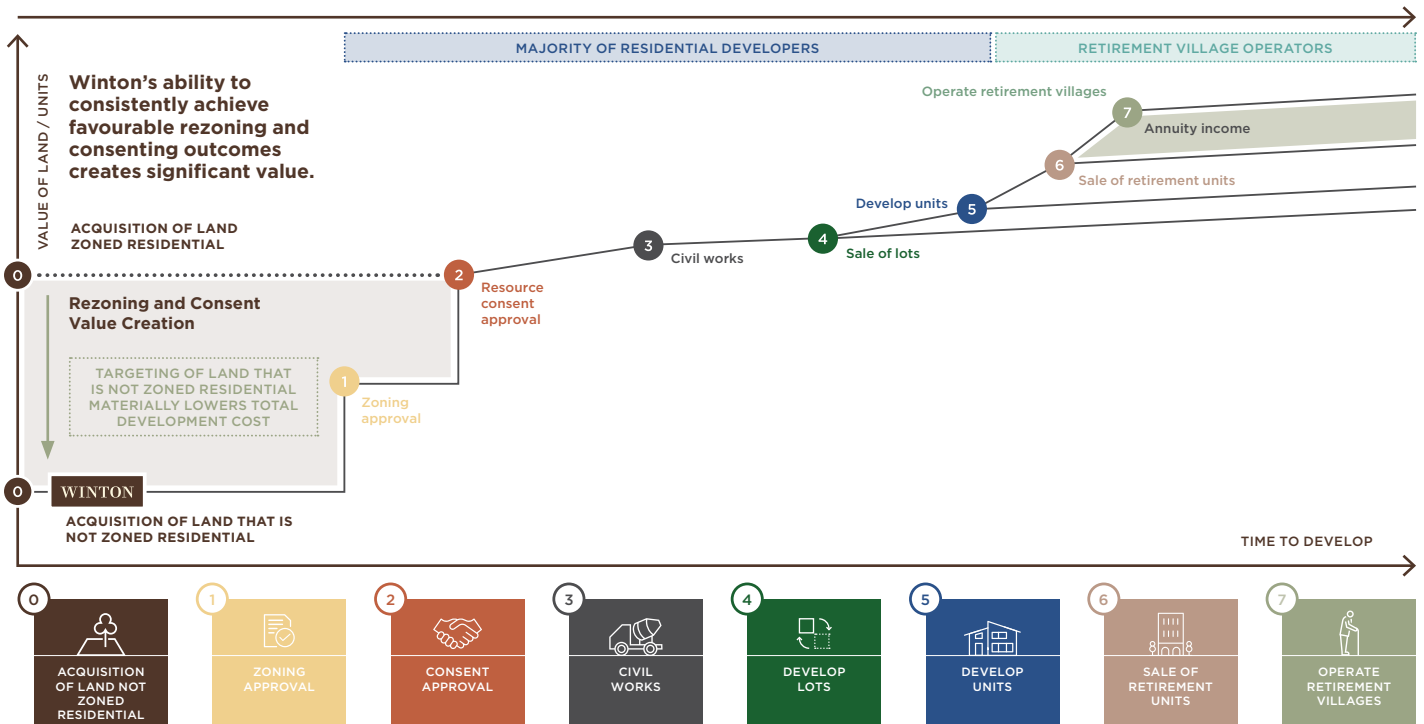
It has 26 current projects across 13 communities, mainly in New Zealand and one in NSW, Australia. Once this Australian development is completed, Winton's future focus is expected to be solely on development activity in New Zealand.

Winton undertakes the acquisition of land, obtaining necessary rezoning and

resource consent approvals, contracting for civil works including roading and infrastructure, selling the completed residential lots and building and selling vertical developments.

Winton is focused on continuing to expand upon its development portfolio through its origination strategy, with a specific focus on acquiring plots of land in growing towns and cities that are of sufficient scale. Winton's strong track record of successful developments demonstrates its capability to navigate New Zealand's regulatory environment and that it is well-positioned to meet potential regulatory change.

Value Creation Chain



Winton has expanded its product offering by leveraging its land development, design and execution expertise into the premium retirement and aged care sectors and hospitality sector.

Winton prides itself on delivering vibrant new neighbourhoods, underpinned by its Sustainability Framework published in 2023 which is based on three pillars - thriving planet, thriving people and sustainable futures.

The process of conducting the risk assessment and scenario analysis clearly identified how Winton is already transitioning to increased regulatory requirements, building code changes and stricter Local Authority requirements and adapting its business model.

Winton expects planning, development and delivery requirements to increase and become more complex and is incorporated into Winton's due diligence

process when assessing potential acquisitions and the preparation of its financial feasibilities. It is also incorporated into the design of each masterplanned development.

In FY25, Winton will develop a transition plan to manage its climate-related risks and opportunities as it responds and prepares for future physical and transitional impacts.



03 Natural waterfall,
Ayrburn

Risk

Processes for identifying, assessing, and managing climate risks

The risk assessment process focused on both physical and transitional climate-related risks. It included three stages: an initial risk screening of a master list of over 30 risks and opportunities, a baseline risk assessment representing 1.1°C of global warming, and a scenario analysis of three potential scenarios, as outlined in the Strategy section within this report.

To ensure the right stakeholders were involved in the process, the Sustainability Working Group was engaged to appropriately resource and support Winton's Sustainability Manager in identifying and assessing its climate-related risks. The Sustainability Working Group comprises the Senior Management Team and key senior team members with the operational knowledge and experience to contribute and shape the process for effective internal use.

The baseline risk assessment rated each risk and opportunity using Winton's risk assessment framework, which considers the severity and likelihood of the risk occurring. It also captured observational data to support each risk ranking.

The baseline risk assessment formed the basis of the scenario analysis, a critical tool for considering the potential impact of risks and opportunities under different scenarios.

Outside the formal climate-risk assessment process, the COO, GM Project Delivery, and Head of Land Development consider climate-related risks and opportunities as part of standard business activity. They rely on specialised experts to provide critical advice on potential climate impacts during due diligence of potential acquisitions and throughout the design phase of each new development.

Time horizons

The following time horizons were determined appropriate for the risk assessment process.

SHORT-TERM:	1-5 years
MEDIUM-TERM:	5-10 years
LONG-TERM:	10-100 years

Value chain exclusions

The processes for identifying, assessing and managing climate-related risks were based on the current business model and strategy.

The scope of the risk assessment includes all Winton offices, construction sites, owned developments, and supply chains. The assessment covers the twelve months ending 30 June 2024 (FY24). No parts of the value chain were knowingly excluded. As the retirement business becomes operational, additional climate-related risks and opportunities will likely arise.

Frequency of risk assessment

This was the first climate-related risk assessment undertaken by Winton. The process will be repeated annually to ensure the resulting risks, opportunities, and management responses stay relevant.

An annual review of climate-related risks also builds resilience into Winton's response to climate change and aligns with Winton's yearly review of its risk matrix. However, climate risk assessment is a key part of Winton's day to day business and is considered and mitigated as such.

Processes for prioritising climate-related risks relative to other types of risks

For the risk assessment and baseline screening, Winton's existing risk assessment framework was used to determine risk ratings and allow Winton to compare climate-related risks against other types of risks.

This approach facilitates the inclusion of climate-related risks into its existing risk management and governance frameworks, which in turn supports the climate-related risk disclosures required by the XRB.

Integration into overall risk management process

The Board has a risk management framework that includes a list of material business risks Winton faces. The framework is reviewed and updated as risks to the business evolve and change. The Board has set its risk tolerance appetite in pursuit of its strategy and how it will manage them.

The nature of the risk treatment varies according to the nature and severity of the risk. If the risks are material, they will be reported to the Board. Simultaneously, where such risks warrant the need to make a disclosure to the market, Winton will apply relevant facts against the Continuous Development Disclosure Policy.

The Audit and Financial Risk Committee at Winton reviews and recommends to the Board whether Winton's processes for managing financial risk are sufficient and any incident of fraud or other failure of internal controls. Non-financial risks and the appropriateness of Winton's insurance programme are reviewed and determined at a full Board level.

The CEO and other members of the senior management team review, update and take ownership of the day-to-day management and operation of Winton's risk management framework and associated policies.

Climate Change Risk is one of thirteen principal business risks across Winton's business, found on page 89 of the Annual Report. The climate-related disclosures within this report sit under this business risk and include more detail about the specific physical and transitional risks and opportunities attributable to climate.

Metrics & Targets

METRICS

GHG Emissions Inventory Overview

Refer to the GHG Emissions Inventory Report FY24 for detailed information available on the Winton website: investors.winton.nz.

GHG Protocol	Category (ISO 14064-1:2018)	FY24 TCO ₂ e (base year)	FY23 TCO ₂ e	FY22 TCO ₂ e
Scope 1	Category 1: Direct emissions	179.08	76.73	72.18
Scope 2	Category 2: Indirect emissions from imported energy (location-based method*)	58.54	18.02	11.16
Scope 3	Category 3: Indirect emissions from transportation	187.11	166.20	95.11
	Category 4: Indirect emissions from products used by organisation	24,383.04	116.22	6.45
Total direct emissions		179.08	76.73	72.18
Total indirect emissions*		24,628.69	300.44	112.72
Total gross emissions*		24,807.77	377.17	184.90
Total net emissions		24,807.77	377.17	184.90

*Emissions are reported using a location-based methodology.
Winton does not have any emissions data for direct CO₂ emissions from biologically sequestered carbon.

Percentage of assets vulnerable to transition risks

100% of Winton's directly owned assets are vulnerable to the transitional risks identified in its risk assessment to varying degrees depending on the time horizon and scenario.

Transitional risks exist for the entire industry and reflect potential occurrences with differing levels of financial impacts. Winton is already adapting to its main transitional risk of regulatory and legal risks (TR 1), which is more significant during the planning and development phase. Local Authority requirements already embed the need to build for climate change, including sea level rise, and, in many cases, Winton designs and builds beyond requirements to mitigate the risk of further changes to regulations and requirements in the future. While this adds complexity to the planning, development, and delivery phases, Winton is well-equipped to do this. It is also likely that it creates a barrier to entry for new developers and makes it harder for existing developers who aren't of a similar size or have the same experience, making it also a transitional opportunity.

Insurance risk (TR 2) is more relevant to the assets Winton continues to own once completed; being, Ayrburn, Northbrook, and Cracker Bay. Winton works with a specialist property provider and has done so for a long time. Annual reviews ensure the insurance cover remains fit for purpose and will adapt over time to climate change.

Percentage of assets vulnerable to physical risks

The percentage of assets or business activity with potential vulnerability to the physical risks of climate change for Winton is 17.8% as at 30 June 2024, which is the percentage of coastal assets as a percentage of total portfolio area.

Winton has historically focused on developing residential communities, creating opportunities from land to develop land lots, built houses, shared spaces, and boutique retail as a community village centre that are all generally sold or vested to the Local Authority (shared spaces). The five physical risks outlined in the risk and strategy section are mitigated through Winton's ongoing adaption activities to develop to stricter requirements and sometimes go above those requirements for further mitigation. Recent weather events (whether related to climate change or not) have outlined opportunities for Winton to work with onsite contractors to mitigate ongoing risk. Like the transitional risk, the physical risks relating to different scenarios also provide an opportunity for Winton as it continues to demonstrate that it builds high-quality projects founded on the design of the masterplan, built form, and shared spaces, meaning they perform better than older homes and developments when put under weather-related pressure.

The physical risk of assets that Winton operates, currently Ayrburn and, in the future, Northbrook and Cracker Bay, is mitigated through the high-quality standard of Winton's planning, development, and delivery. Working closely with Winton's specialist insurance provider ensures that insurance coverage evolves with the business and changing climate.

Percentage of assets aligned with climate-related opportunities

100% of Winton's directly owned assets are aligned with the climate-related opportunities identified in its risk and opportunity assessment.

Winton included three main climate-related opportunities in its risk assessment: Immigration to New Zealand (PO 1), Products and Services Opportunities (TO 1) and Market Opportunities (TO 2). Particularly in a hothouse scenario, it is expected that the population in New Zealand will increase by 26% by 2050 compared to 8% globally, putting greater demand on housing demanding and supplying more labour and therefore aligned with Winton's strategy and growth plans. The Product and Services opportunity relates more to a potential expedited process of Sunfield, but closely linked is the market opportunity, which applies to all Winton assets. Winton invests in detailed due diligence of acquisition opportunities, is highly experienced in complex development design and engineering, and produces high-quality finished products, contributing to more resilient outcomes and a strong competitive position as potential buyers opt for more trusted and proven developers and other developers find it harder to enter the industry or continue to operate in it.

Capital deployment toward climate-related risks and opportunities

Winton's main climate-related expenditure relates to the increased regulations and requirements associated with planning, consenting, developing and subsequent construction.

This expenditure is difficult to isolate on an annual basis and, therefore, is not included in the table at right.

Internal emissions price

Winton does not use an internal emissions price in its financial modelling yet as the impact is not considered material yet, and the potential New Zealand carbon price assumptions are currently unreliable within New Zealand.

Management remuneration

Winton's management is responsible for the day-to-day identification, assessment, and management of risks, including climate-related risks.

The Nomination and Remuneration Committee reviews and recommends for approval by the Board the senior management remuneration prescribed by the Nomination and Remuneration Committee Charter.

Item	FY24 Spend	Commentary
GHG emissions measurement and assurance	\$45,000	Winton has invested in the transition to a new emissions assurance practitioner, bringing greater rigor to its emissions measurement processes and therefore, reducing regulatory risk.
Investment in climate-related disclosure process	\$15,000	Investment to support Winton through the process of climate-related risk and opportunities assessment, reducing regulatory risk.
Homestar registration for Northbrook Wynyard Quarter	\$47,000	Winton has registered Northbrook Wynyard Quarter with Homestar 6, increasing the building's performance and climate-related credentials.

TARGETS

Winton has set short-term targets to reflect its genuine intention of laying the foundation for future medium-term targets.

A mixture of quantitative and qualitative targets have been set to contribute to limiting global warming to 1.5°C, they do so by: improving data accuracy of emission inventory, reducing emissions from waste, increasing engagement with suppliers to create financially feasible solutions to lower embodied emissions and start to set the pathway to avoid emissions where Winton is creating new operation assets like Northbrook.

Targets	Time horizon	Base year	Target year
Introduce a Supplier Code of Conduct for Suppliers that represent the top 90% of onsite contractor costs.	Short-term	FY24	FY25
100% of onsite contractors report monthly waste collected onsite.	Short-term	FY24	FY25
Divert 40% of onsite construction waste from landfill.	Short-term	FY25	FY28
Implement Design Guidelines for all projects.	Short-term	FY24	FY25
Reduce reliance on spend-based emission factors by at least 15% per year until below 30% of total emissions.	Short-term	FY24	Ongoing
Implement an operational waste avoidance plan for Northbrook prior to the start of becoming operational.	Short-term	FY24	FY26

Time horizons align with time horizons used for the scenario analysis to better align with business operations.



04 Views from
Northbrook Wanaka,
Wanaka

BC Ayrburn Gardens,
Ayrburn



WINTON

BEST BY DESIGN