

He kōrero mō te āhuarangi o Te Kaunihera o Tāmaki Makaurau

AUCKLAND COUNCIL ANNUAL REPORT 2024/2025



Te Wahanga 4: Te tauākī mō te tūraru ā-Āhuarangi

Volume 4: Climate statement



Mihi

He tohu nui, he tohu roa, he tohu kura
Ka mahuta mai rā i tua o Tīkapa.
Ka tau ki Moehau he tohu Huarere, he Kapua.
Ka tangi te tītī, ka tangi te taikō, He oi, he oi, he oi anō rā!

Ko ngā poitō o te kupenga o Taramainuku ki te rangi
Ko ngā poitō o te kupenga o Toi ki te moana
Ka Maruā te whenua i te rangi
Ko te tini o ngā tapuae ki te whenua

He whenua makaurau, he whenua whātoro
He whenua herenga waka, he whenua herenga tāngata
He tahua ā-Rangi He tahua ā-Nuku
He tahua nō Taiuiwi, nō Tēnā Iwi ka whakataukitia

“Ko te pai me te whai rawa o Tāmaki and Beyond”

A great sign, a long-standing sign,
a sacred sign Rising from beyond Tīkapa Moana.
It settles upon Moehau—a sign of Huarere, a cloud of Kapua.
The tītī cries, the taikō calls,
And reverberates across the seas.

The floats of Taramainuku’s net cast to the sky
The floats of Toi’s net cast to the sea
The land is cloaked by the heavens
And the footprints of many mark the earth

A land of abundance, a land that reaches far. A land that binds waka,
a land that binds people. A treasury of the heavens
A treasury of the earth. A treasury of newcomers, of each iwi—declaring:

“The wellbeing and prosperity of Tāmaki-Tua”

◀ On the cover: Walking at Te Henga

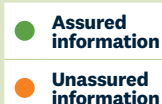
▶ Swimming at Tāwharanui

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Assured and Unassured information

Look for this key to identify which sections of this report have been subject to a limited assurance engagement



Note: Data tables within the climate statement have a **green** underlay for assured information and **orange** for unassured information.

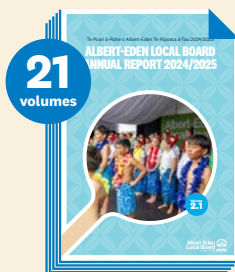
Annual Report 2024/2025 Volumes



1

Overview and service performance

An overview of the financial and non-financial performance of the group.



2

Local board reports

A collection of individual annual reports for each of the 21 local boards, reporting financial and non-financial performance.



3

Financial statements

The financial statements of the Auckland Council Group and Auckland Council for the year ended 30 June 2025.



4

Climate statement

A summary of the group's approach to climate-related risks and opportunities.

Independent Limited Assurance Report

To the readers of Auckland Council's GHG emissions disclosed in its Group Climate Statement for the year ended 30 June 2025

Under section 461ZH(3) of the Financial Markets Conduct Act 2013, the Auditor-General is the assurance practitioner of Auckland Council and its subsidiaries and controlled entities (together referred to as the Group). The Auditor-General has appointed me, Wikus Jansen van Rensburg, using the staff and resources of Audit New Zealand, to carry out a limited assurance engagement, on his behalf, on the greenhouse gas (GHG) emissions information (GHG disclosures), disclosed in the Group's Climate Statement included in Volume 4 of Auckland Council's Annual Report, for the year ended 30 June 2025.

Scope of the engagement

The GHG disclosures below, are within the scope of our limited assurance engagement:

- The gross emissions for the year to 30 June 2025, in metric tonnes of carbon dioxide equivalent, classified as Scope 1 and Scope 2 (calculated using the location-based method), identified as assured information in Table 4.1.1 on page 36.
- The statement describing that GHG emissions have been measured in accordance with *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004)* and *ISO 14064-1:2018 – Greenhouse gases*, in section 4.1 on page 36.
- The approach used to consolidate GHG emissions (operational control) as described in section 4.1.2 on page 38.
- The sources (or references to sources, where applicable) of emission factors and the global warming potential rates used, in sections 4.1.4 and 4.1.5 on pages 40-41.
- The summary of specific exclusions of Scope 1 and Scope 2 (calculated using the location-based method) emissions sources, including facilities, operations or assets with a justification for their exclusion, in section 4.1.6 on pages 41-42.
- The description of the methods and assumptions used (including the rationale for doing so, where applicable) to calculate or estimate Scope 1 and Scope 2 (calculated using the location-based method) GHG emissions, and the limitations of those methods, in sections 4.1.2 and 4.1.3 on pages 38-40.
- The description of any uncertainties relevant to the Group's quantification of its Scope 1 and Scope 2 (calculated using the location-based method) GHG emissions, including the effects of these uncertainties on GHG disclosures, in section 4.1.3 on pages 38-40.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Group's GHG disclosures, within the scope of our limited assurance engagement for the year ended 30 June 2025 are not fairly presented and prepared, in all material respects, in accordance with Aotearoa New Zealand Climate Standards, issued by the External Reporting Board.

Emphasis of matter

Without modifying our limited assurance conclusion, we draw attention to the 'Public Transport emissions' disclosure on pages 39-40 which explains how the Group has classified emissions from their Public Transport Operation Model contracts as Scope 3. In our judgement, this disclosure is of such importance that it is fundamental to the readers' understanding of the GHG disclosures.

Other matter

The comparative information, being the Group's 2024 GHG disclosures in Table 4.1.1 on page 36, has not been subject to assurance. As such, it is not covered by our assurance conclusion.

The Council's responsibilities

Subparts 2 to 4 of the Financial Markets Conduct Act 2013 set out requirements for a climate reporting entity in preparing a climate statement or group climate statement, which includes proper record keeping, compliance with the climate-related disclosure framework and subjecting it to assurance.

The Aotearoa New Zealand Climate Standards have been issued by the External Reporting Board as the framework that applies for preparing and presenting a climate statement or group climate statement. The Council is therefore responsible for preparing and fairly presenting a Group climate statement for the year ended 30 June 2025, in accordance with those Standards.

The Council is also responsible for the design, implementation, and maintenance of internal control relevant to preparing the Group climate statement that is free from material misstatement, whether due to fraud or error.

Our responsibilities

Section 461ZH of the Financial Markets Conduct Act 2013, requires the GHG disclosures included in the Group Climate Statement to be the subject of an assurance engagement.

NZ CS1 *Climate-related disclosures*, paragraph 25 requires such an assurance engagement at a minimum to be a limited assurance engagement, and paragraph 26 specifies the scope of the assurance engagement on GHG disclosures.

To meet this responsibility, we planned and performed procedures (as summarised below), to provide limited assurance in accordance with New Zealand Standard on Assurance Engagements 1

Assurance Engagements over Greenhouse Gas Emissions Disclosures, and International Standard on Assurance Engagements (NZ) 3410 *Assurance Engagements on Greenhouse Gas Statements*, issued by the New Zealand Auditing and Assurance Standards Board.

Summary of Work Performed

The procedures we performed were based on our professional judgement and included enquiries, observation 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 obtained, through enquiries, an understanding of the Group's control environment, processes and information systems relevant to the preparation of the Scope 1 and Scope 2 (location-based) disclosures. We did not evaluate the design of particular control activities or obtain evidence about their implementation.
- We evaluated whether the Group's methods for developing estimates are appropriate and had been consistently applied. 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.
- We performed analytical procedures on particular emission categories by comparing the expected GHG emissions to recorded GHG emissions and made inquiries of management to obtain explanations for any significant differences we identified.
- Where management used an expert, we assessed the expert's competence, capability, and objectivity. For fugitive emissions, we considered the appropriateness of Council using the expert's work to determine a bespoke method in determining emissions.
- As this was the first period for which we have provided any assurance over these disclosures, in order to form review expectations, we performed limited sample testing over selected data.
- We assessed the appropriateness of emission factors used.
- We evaluated the overall presentation and disclosure of the Scope 1 and Scope 2 (location-based) GHG disclosures.

To support our limited assurance conclusion, we engaged with component assurance practitioners to obtain evidence over GHG emissions information from entities within the group reporting boundary.

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 a reasonable assurance engagement been performed.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Inherent limitations

As outlined in section 4.1.3 on page 38, 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.

Other information

The Group's Annual Report contains information other than the GHG disclosures and the assurance report thereon. The Council is responsible for the other information.

The other information comprises all of the information included in the Group's Climate Statement referred to as "Unassured information" and the information included in Volumes 1 to 3 of the Auckland Council Annual Report.

Our assurance engagement does not extend to any other information included, or referred to, in the annual report and therefore, no conclusion is expressed thereon, apart from in our separate opinion on the Auckland Council and Group financial statements and performance information. We read the other information and, in doing so, considered whether the other information is materially inconsistent with the GHG disclosures, or our knowledge obtained in the assurance engagement, or otherwise appears to be materially misstated.

Where such an inconsistency or misstatement is identified, we are required to discuss it with the Council and take appropriate action under the circumstances, to resolve the matter. There are no inconsistencies or misstatements to report.

Independence and quality management

We complied with the Auditor-General's independence and other ethical requirements, which incorporate the 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. PES 1 is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. These principles for example, do not permit us to be involved in the preparation of the current year's GHG information as doing so would compromise our independence.

We have also complied with the Auditor-General's quality management requirements, which incorporate the requirements of Professional and Ethical Standard 3 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* (PES 3) and Professional and Ethical Standard 4 *Engagement Quality Reviews* issued by the New Zealand Auditing and Assurance Standards Board (PES 4). PES 3 requires our firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory

requirements. PES 4 deals with an engagement quality reviewer's appointment, eligibility, and responsibilities.

In addition to this assurance engagement, we are the statutory auditor of the financial statements and performance information of Auckland Council and Group, and the Auditor-General's staff and appointed auditors and their staff have carried out a range of assurance engagements, which are compatible with those independence requirements. These engagements have not impaired our independence as auditor of Auckland Council and Group. Other than these engagements, and in exercising our functions and powers under the Public Audit Act 2001, we have no relationship with or interests in the Group.



Wikus Jansen van Rensburg
Audit New Zealand
On behalf of the Auditor-General
Auckland, New Zealand
25 September 2025

Ā mātou kōrero

Our story ● Unassured information

Auckland Council is the local authority that is responsible for all local government decisions and responsibilities in the Auckland region and is the largest local authority in New Zealand.

The Auckland Council Group (the group) works to improve the daily lives of Aucklanders. The group includes Auckland Council and its subsidiaries (council-controlled organisations¹ and Port of Auckland Limited). It provides a diverse range of activities, services, facilities and infrastructure to deliver positive outcomes for Aucklanders.

The impacts of climate change on the Auckland region

In June 2019, Auckland Council declared a climate emergency in response to increasing scientific evidence, public pressure, and the urgent need for coordinated climate action.

By declaring a climate emergency, the council has committed to:

- incorporate climate related considerations into work programmes and decisions
- provide local government leadership in the face of climate change, including collaborating with local and central government partners
- advocate for greater central government leadership and action on climate change
- increase the visibility of our climate related work
- lead by example in monitoring and reducing our greenhouse gas emissions
- include climate related impact statements on all council committee reports
- protect our infrastructure from the increased frequency and severity of weather events, droughts and flooding, and increasing sea levels.



Walking at te Henga ►

About this volume

Auckland Council publishes an annual report each year, and this document is Volume 4 of the Annual Report 2024/2025. This is the council's Climate Statement, which has been prepared for the group's existing and potential investors, lenders and other creditors (primary users). It includes information that we believe could influence the decisions of primary users to invest in, lend to or offer credit to the group.

Using both qualitative and quantitative factors, the council has determined what is likely to be important to primary users. The council's view of materiality will likely change over time as climate reporting matures here in New Zealand and globally. Appendix 1 provides detailed information on determining materiality for financial and non-financial information, and greenhouse gas emissions.

This volume demonstrates:

- how our governance bodies have oversight of climate-related risks and opportunities, and what management's role is in assessing and managing those risks and opportunities
- how climate change is currently impacting the group and how it may do so in the future
- how we identify, assess and manage climate-related risks and how these processes fit into our existing risk management processes
- how we measure and manage climate-related risks and opportunities using targets and metrics.



He kupu nā te Āpiha Matua mō te Pūtea i te Rōpū

From the Group Chief Financial Officer

● Unassured information

I'm pleased to introduce our Climate Statement for the 2024/2025 financial year. This statement reflects our ongoing commitment to building a more resilient, low-carbon Auckland — for today and for generations to come.

Over the past year, we've taken steps to reduce emissions, support communities, and prepare our infrastructure for a climate-disrupted future. These actions are part of our long-term strategy, Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan, and they demonstrate our resolve to lead by example.

Some of the key initiatives we've delivered include:

- **Implementing two new public transport schemes** to get private vehicles off the road - \$50 weekly public transport pass (with 60,000 users) and the Fareshare scheme which has 52 organisations helping staff with commuting costs
- **Publishing landslide susceptibility maps** so communities can better understand and prepare for the increasing risks of landslides driven by climate change and extreme weather
- **Installing solar upgrades** at community facilities, such as installing 1,700 panels on Mt Smart Stadium's east and west stands
- **Building a regional emissions data platform** to help guide our journey toward reducing carbon emissions
- **Printing and distributing multilingual resources** tailored to support Māori and other community groups to discuss and consider climate impacts.

As we look ahead, we remain focused on embedding climate resilience and adaptation into everything we do — from financial planning and procurement to infrastructure design and community engagement. We know the road ahead is challenging, but we also know that collective action makes a difference.

A whakataukī that captures our shared journey is:

“He waka eke noa” – We are all in this together.

This proverb reminds us that climate action is not just a council responsibility — it's a community one. Whether you're a resident, business owner, or part of our council whānau, your role matters. Together, we can create a city that's not only prepared for the future, but thriving in it.



Nāku iti noa, nā | Yours sincerely

Ross Tucker

Āpiha Matua mō te Pūtea i te Rōpū
Group Chief Financial Officer

Te whakatakinga me ngā miramira o tā mātou tauākī mō te āhuarangi

Highlights of our Climate Statement

● Unassured information

Introduction to our Governance policies and processes

The Auckland Council Group continues to govern and manage climate-related risks and opportunities in much the same way as it did last year.

Entities in the group generally have boards and committees to support the oversight of climate-related risks, and the impacts from these risks is routinely considered in its decision making (noting Auckland Council does not have a board). Each entity also has sustainability and risk departments that take a lead in ensuring that the entity identifies, assesses and manages climate-related risks and opportunities.

Detailed information is provided in Appendix 2.

Auckland Council led a council-controlled organisation (CCO) restructure to bring economic development and urban regeneration functions into the council parent effective 1 July 2025. This is not expected to change the group's oversight of climate-related risks and opportunities.

Integration of climate-related risks into our Strategy

The most material climate impacts on the group this year continued to be the ongoing recovery from the unprecedented 2023 weather events, which resulted in damage that marked them as the costliest weather-related events in New Zealand's history.

We have continued focusing on the buying-out of community residences that pose an intolerable risk to life and repairing damage to our transport and water infrastructure.

We have focused on reducing risks from natural hazards (e.g. the Making Space for Water programme - our 10-year programme launched in 2024 to prepare for floods and reduce flood risk in our stormwater systems).

We refreshed our climate-scenarios this year, and combined with our increased experience of the impact of climate on the group, this resulted in us identifying the following additional risks:

- changes to central government policy that reduces funding for climate-related activities, or increases Council's obligations for mitigation and adaptation activities in the region, and
- the potential for climate-related litigation.

We are continuing to improve integrating our climate-related risks into our strategic decision-making processes. Developing our next Long-term Plan 2027–2037 will give us an opportunity to reconsider our long-term capital deployment to address climate-related risks and make further use of climate-related opportunities.

Central government climate policy direction

In response to increasing severe weather events, central government has announced it is working towards a bipartisan national adaptation framework, to introduce a new National Policy Statement for Natural Hazards. This policy statement is a step toward ensuring that new developments are appropriately located and designed according to an area's natural hazard risk profile. There is some indication that central government co-funding of any future recovery from the impacts of extreme weather events may be phased out.

Auckland Council is waiting for further development of this framework to assess the impact on the group, noting it is expected to have a significant impact on our transition planning.

Introduction to our Risk Management approach to climate-related risks

The group has a climate risk framework to help teams across the group identify and assess climate-related risks in a consistent way. We use tools like scenario planning, expert input, and hazard maps to understand where and how the group might be affected by climate hazards.

Our climate risks are reviewed every year, and the group is working to improve how it tracks and responds to them. The goal is to make sure climate risks are considered in all decisions—so Auckland can be strong and resilient in the face of climate change.

Metrics and Targets to measure and manage our climate-related risks and opportunities

Since the council declared a climate emergency in 2019, we have been measuring our greenhouse gas emissions. This year we are reporting our group's Scope 1 and 2 greenhouse gas emissions and for the first time, limited assurance has been provided over them.

Definition of scope

Scope 1 **Direct emissions**, ie. what we can directly control as a group.

Scope 2 **Indirect emissions** from the generation of electricity that we purchase and consume, i.e. while we don't have direct control of these emissions, we have control of how much electricity we purchase.

Scope 3 **All other indirect emissions** i.e. emissions generated during the production of items we purchase and build, or emissions generated from the community's use of council facilities, products and services we provide such as bus and ferry public transport emissions, that we don't have direct control over.

For the year ended 30 June 2025 the group's Scope 1 and 2 greenhouse gas emissions reflected an increase of 19 per cent in emissions against the prior year, largely due to higher wastewater emissions, and a 38.7 per cent increase in electricity emission factors released by the Ministry for the Environment (MfE), meaning that electricity supplied by the national grid was from more polluting sources (such as coal and gas as opposed to wind, water and geothermal sources) than last year. Please refer to Section 4.1.1 for further details including our most material climate-related goals.



Keddle House, Anawhata ▼

Tauākī Tautuku

Statement of compliance and responsibility ● Unassured information

How we're responding to climate change

This report explains how we are responding to climate change - what risks we face, what opportunities we see, and how we are managing them. It covers our governance, strategy, risk management, and how we measure and track our progress.

Auckland Council is a climate reporting entity

Auckland Council raises funds by issuing debt on the New Zealand, Singapore and Swiss Stock Exchanges. Because this debt is of a large enough size, the council qualifies as a Climate Reporting Entity under New Zealand's Financial Markets Conduct Act 2013 (FMCA).

As a Climate Reporting Entity, the council must prepare a Climate Statement that follows the Aotearoa New Zealand Climate Standards (climate standards), as developed by the External Reporting Board. These standards set out how organisations should report the way climate related matters affect their operations, the risks they face, and the opportunities these impacts create.

This is the second Auckland Council Group (the group) Climate Statement and is prepared for the year ended 30 June 2025 in accordance with the requirements of the FMCA and the climate standards.

We are using transitional reporting provisions

The External Reporting Board understands that building systems and resources needed for robust climate reporting takes time. So, it has allowed a staged approach to meeting all the requirements. This means organisations can gradually adopt the standards rather than doing everything at once. This year (2024/2025), two exemptions have lapsed, which means:

1. Climate Reporting Entities need to get limited assurance over their Scope 1 and 2 greenhouse gas emissions.
2. They must disclose their transition planning - how they plan to adapt to and reduce climate-related risks.

This year the group has chosen to apply the following adoption provisions contained in the Aotearoa New Zealand Climate Standard 2 (NZCS2) for the 2024/2025 reporting period:

Amended NZCS2 Adoption provision 2: Anticipated financial impacts

The council is not yet providing full reporting of the anticipated dollar impacts of climate risks and opportunities. Calculation methods are still being refined.

Amended NZCS2 Adoption provision 4: Scope 3 GHG emissions

Consolidated Scope 3 (supply chain) emissions have not yet been disclosed. Work is underway to build a consistent council-wide methodology.

Amended NZCS2 Adoption provision 5: Comparatives for Scope 3 GHG emissions

Following disclosure of our consolidated Scope 3 greenhouse gas emissions for two financial periods, we will provide comparative information.



Bayswater Marina ▲

Amended NZCS2 Adoption provision 6: Comparatives for metrics

Only one year of comparative data has been included for some climate measures. Once calculation methods are more robust, additional years will be added so trends are easier to see.

Amended NZCS2 Adoption provision 7: Analysis of trends

Commentary on the direction of each measure over time has not yet been provided. This analysis will be added next year following us building a stronger foundation for future reporting and continuing to refine our data.

Additionally, commentary on the direction of Scope 3 greenhouse gas emissions will be disclosed in future reporting periods following our disclosure of consolidated Scope 3 emissions.

Amended NZCS2 Adoption provision 8: Scope 3 GHG emissions assurance (linked to Provision 4)

External auditors have provided limited assurance over Scope 1 and 2 emissions for 2024/2025. Scope 3 will be included in our assurance once data is ready.

What's changing next year

The External Reporting Board has recently issued a consultation document regarding a possible two-year extension of exemption periods available for:

- reporting on the anticipated financial impacts of our key climate-related risks and opportunities, and
- reporting on, and providing a limited assurance (an external check) of our supply chain and customer-related (Scope 3) emissions.

For next year, should the climate standards be amended as above, we will still endeavour to report some information for anticipated financial impacts and Scope 3, over which we have the most confidence, but will not have a limited assurance audit of our Scope 3 emissions.

Additionally next year, we will show the main trends in our climate data and metrics over time, for the data that is disclosed.

Our statement complies with regulations

This Climate Statement meets all current legal and regulatory requirements under the Financial Markets Conduct Act 2013 and the Aotearoa New Zealand Climate Standards. We continue to focus on building a solid, transparent foundation for our reporting.

Our responsibility for this statement

We take responsibility for:

- preparing the Climate Statement including the methods, assumptions, judgements and assumptions used
- establishing and maintaining internal controls to ensure the integrity and reliability of our climate reporting
- ensuring the accuracy and completeness of the information in this statement, including our Scope 1 and Scope 2 greenhouse gas emissions, which have been independently assured for 2024/2025.

For Scope 3 (other indirect) emissions, we have relied on a legal exemption from independent assurance and have notified the Registrar as required.

In our opinion, the Climate Statement for the year ended 30 June 2025 presents fairly, in all material respects, the Auckland Council Group's consideration of climate-related risks and opportunities and complies with the requirements of the External Reporting Board and the Aotearoa New Zealand Climate Standards.

Our approval

This Climate Statement was adopted by the Governing Body on 25 September 2025.



Mayor Wayne Brown

Mayor of Auckland
25 September 2025



Phil Wilson

Chief Executive
25 September 2025

1

Te Mana Hautū

Introduction to our governance policies and procedures ● Unassured information

We haven't made any major changes to how we govern or oversee climate-related risks and opportunities this year. Below is a summary of our governance approach, and you can find more detailed information in Appendix 2.

1.1 Our governance and oversight of climate change

As a local government organisation, our governance is shaped by legislation and the political environment. Our Governing Body, made up of elected members including the mayor, represents communities across the region and makes key decisions about funding, services, and strategic direction.

1.1.1 How we oversee climate-related risks and opportunities

The Governing Body meets at least monthly and plays a central role in overseeing climate-related risks. It ensures climate change is considered in decision-making by reviewing climate impact statements included in all reports from management.



People on coastal walkway, Takapuna ▼

The mayor sets up committees and appoints their respective chairs. These committees focus on critical areas, including climate-related risks and opportunities. For example:

- the Policy and Planning Committee sets climate change policy
- the Audit and Risk Committee, which includes independent members, ensures the group responds appropriately to risks, including climate-related risks.

1.1.2 Climate expertise and training

Because elected members are chosen by the public, there is no guarantee that they have climate-related expertise. However, after each election, we provide induction sessions to help members understand climate issues. Since 2022, the Governing Body and Audit and Risk Committee have received training on climate reporting and regional climate challenges.

We're also developing a training programme for elected members and staff who want to deepen their understanding of climate change. This programme will launch after the next election cycle in 2025.

1.1.3 Keeping elected members informed

Every report submitted to the Governing Body, its committees, and local boards includes a climate impact statement. These statements help members understand:

- how a decision could affect greenhouse gas (GHG) emissions.
- how climate change might impact the decision over time, and how those effects are being considered.

1.1.4 Strategic direction and climate planning

We don't have a single business strategy document. Instead, we follow a range of plans and strategies that guide our strategic direction. These include:

- **The Auckland Plan 2050**, our long-term regional plan, which addresses population growth, shared prosperity, and environmental challenges. The Governing Body helps shape this plan and receives regular progress updates.
- **Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan**, which is for the Auckland region, and sets how we'll contribute to reduce emissions and prepare for climate impacts. The Governing Body contributed to its development, and receives annual progress reports.
- **The Long-term Plan 2024-2034**, updated every three years, outlines our 10-year budget, strategic goals, and performance targets. Elected members take part in workshops and receive detailed reports, including climate impact statements for major projects and spending areas. The current plan was adopted in June 2024.

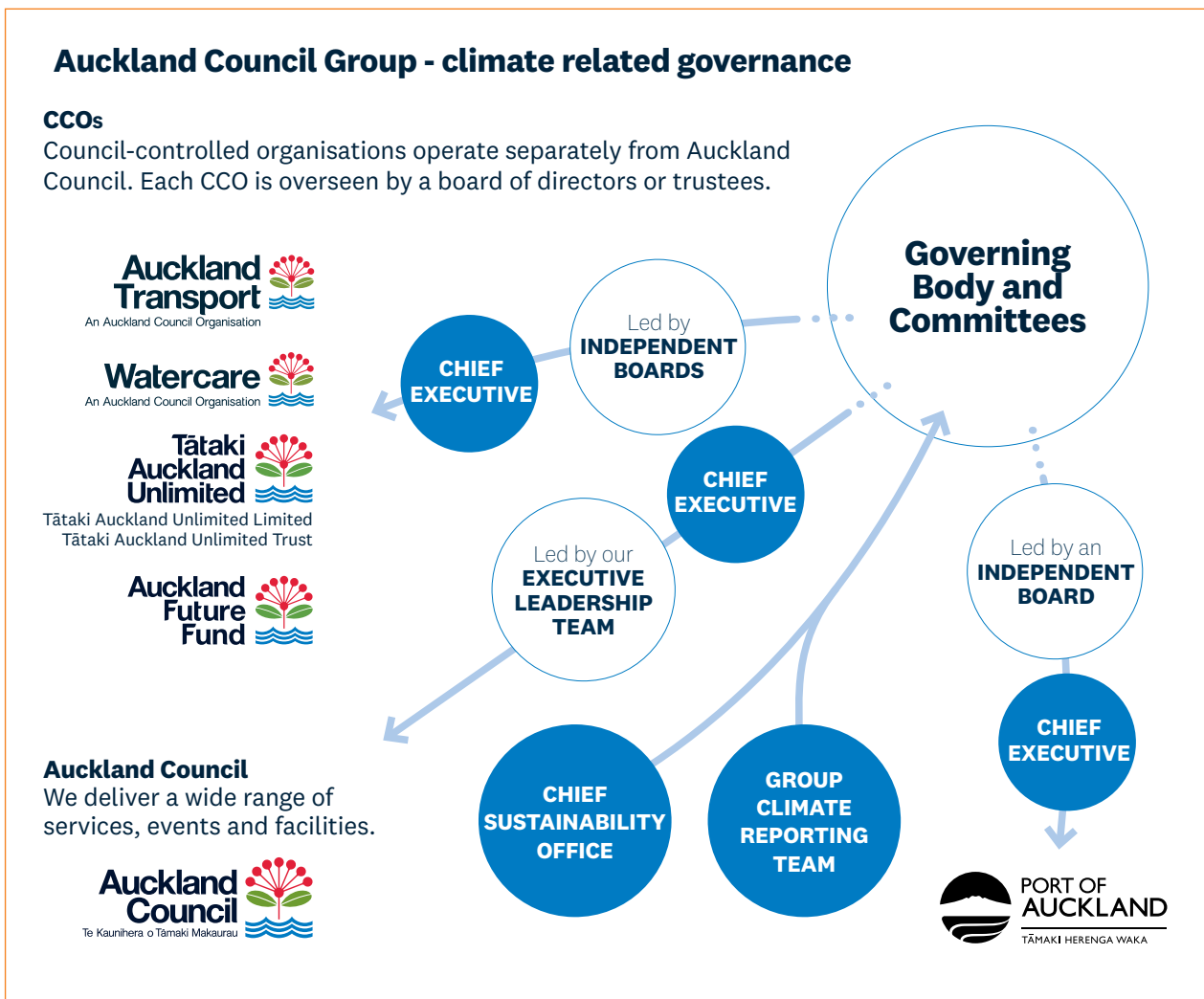


Walking in the Hunua Ranges ▲

1.2 Oversight of council-controlled organisations (CCOs) and Port of Auckland (POAL)

Each CCO and POAL has two layers of governance as set out in the below diagram:

- Oversight by Auckland Council's Governing Body and its committees.
- Oversight by the directors or trustees of each organisation.



1.2.1 Council Oversight

Auckland Council oversees CCOs and POAL through legal frameworks set out in various acts. While the legislation differs slightly, the governance approach is similar. The Governing Body:

- appoints directors and trustees
- adopts policies to hold CCOs accountable
- sets expectations through formal statements and letters

Each CCO responds with a Statement of Intent (SOI), outlining its strategic goals and how it will measure progress. POAL provides a similar document called a Statement of Corporate Intent.

1) Appointing directors and trustees

The Governing Body follows a clear policy when appointing board members. This starts with a review of the skills needed. A key expectation is that board members will support the council's climate action plans and help integrate them into their organisation's strategy and operations.

2) Accountability and expectations

The council's CCO Accountability Policy and Statement of Expectations set out what's expected of CCOs, especially around climate change. These expectations include:

- supporting Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan
- helping meet emissions targets
- planning for climate impacts
- embedding climate considerations into decision-making

The Statement of Expectations encourages CCOs to treat climate change not as a separate issue, but as a lens through which all decisions are made. Their Statements of Intent should clearly show how they're tackling climate challenges in practical ways.

Each year, the mayor sends letters of expectation to CCOs and POAL, outlining priorities for the year ahead. These letters reflect the council's long-term plans and elected members' goals.

3) Monitoring risks

The Auckland Council Audit and Risk Committee reviews how well the council group manages risks, including those related to climate change. It ensures that climate impacts—financial, social, environmental, and cultural—are considered in governance and decision-making.

Boards and management of each CCO and POAL must report their key risks and performance to the committee each year before publishing their annual reports. CCOs also provide quarterly risk updates, while POAL provides an annual update.

1.2.2 Oversight by Directors and Trustees

Directors and trustees are responsible for holding management accountable for meeting council expectations and performance targets. Each organisation has its own board committees to help oversee climate-related risks.

Management teams at CCOs and POAL actively monitor climate risks and report on them regularly to their boards and committees.

2

Te Rautaki

Strategy ● Unassured information**2.1 Current business model and strategy**

The governance structures, purpose, responsibilities and many of the functions and activities of the group that represent our business model, are largely set out in legislation. How we create value as a group, and the group's current governance structure are included in Volume 1 (pages 11 and 108 respectively).

2.2 Scenario Analysis

This year we have refreshed our three climate scenarios. The biggest change we made was adopting Shared Socioeconomic Pathways (SSPs) as a reference for future states compared to the previously used Representative Concentration Pathways (RCPs). RCPs focus is on future GHG concentrations, while SSPs provide an expanded consideration of societal factors that influence climate change, such as population, economic growth, and technological development, and are the preferred pathways used by Earth Sciences New Zealand (formerly NIWA)².

Our climate scenarios have been prepared assuming climate warming of 1.5 degrees Celsius, 2 degrees Celsius and 3 degrees Celsius. They are based on refreshed modelling from Earth Sciences New Zealand from late 2024. The scenarios help us to think about climate impacts across the group, and the resulting climate risks and opportunities, as set out in Tables 2.3.1 and 2.3.2 below.

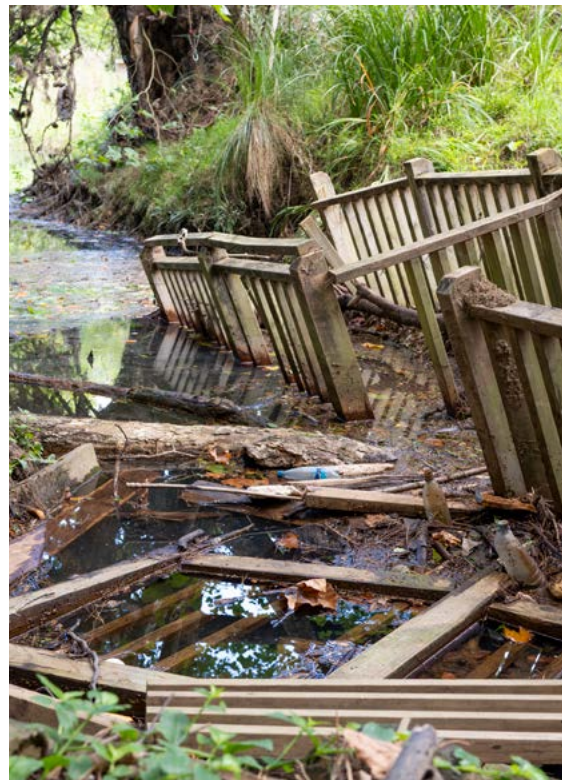
We developed our climate scenarios as a stand-alone process, but we're now steadily integrating them into our strategic planning as we continue to build out our transition planning.

2.2.1 Integration of scenario analysis into strategy processes**Identification process**

Our scenarios have helped us identify and assess our climate-related risks and opportunities at an entity and group level.

Transition planning

We have used scenario analysis across the group to support our transition planning in different areas. An example of this in practice is where our scenarios are being used in a 5-step process developed by Auckland Council that leads to Dynamic Adaptive Policy Pathways (DAPP) output. These pathways outline short, medium and long-term actions, along with signals and triggers that show when decisions need to be made.



Oakley Creek storm debris removal ▲

A dynamic pathways approach alongside scenario analysis helps us identify similar actions across different future scenarios. We can test and refine these actions to show meaningful progress in reducing climate risks or taking up climate opportunities. These pathways also highlight key drivers that could influence future climate hazards, data availability, technology changes and funding availability.

As we develop and refine our transition planning across the group, these processes will play a key role in identifying strategic actions to inform investment in our next Long-term Plan. This is further discussed in Section 2.7 below.

2.2.2 Governance of scenario analysis

The Auckland Council Chief Sustainability Office and Climate Disclosure team, along with the group entity risk and sustainability teams gave input into the scenario analysis, identification of climate-related risk and opportunities and transition planning, as part of our regular management processes. Climate-related risks and opportunities, key aspects of transition planning, and other material matters related to our Climate Statement are presented regularly to the Auckland Council Audit and Risk Committee.

Modelling and why we chose these models

In July 2024, New Zealand released updated national climate projections to support the country's move toward a low-emissions, climate-resilient future. These projections are based on six global climate models from the CMIP6 suite, featured in the IPCC's latest Sixth Assessment Report.

Earth Sciences New Zealand used dynamic high-resolution climate models along with statistical and machine-learning methods to create projections for the Auckland region. Their report compared the new contemporary projections (CMIP6) with the earlier CMIP5 for Auckland. This prompted Auckland Council to refresh its climate scenarios to stay aligned with the latest science and projections that underpin our scenarios.

As part of this refresh, we:

- updated the physical climate drivers to reflect the new climate projections for climate hazards (shifting from RCP to SSP frameworks)
- reviewed key drivers of change that underpin our transition drivers, and
- revisited the narratives that guide our transition strategies.



External parties and stakeholders involved

We worked with a range of stakeholders during the scenario development and analysis process including Earth Sciences New Zealand, Auckland Council group staff from areas such as sustainability, finance, infrastructure strategy, risk and Māori outcomes.

We held workshops and walkthrough sessions to share the refreshed scenarios and make sure we got a wide mix of ideas and perspectives.

There have been no further substantive changes to our scenario analysis processes.

Key points

The numbers provided in the tables for each scenario represent the average temperature, average annual rainfall, average annual number of very rainy days and therefore do not capture changes to extreme weather events.

In Auckland, climate projections from Earth Sciences New Zealand show that although average annual rainfall may not change much by 2050, the distribution of when rain falls will change. i.e. Auckland is likely to experience more variability in rainfall across the year (e.g. drier springs and wetter autumns). Also, due to a warmer atmosphere that can hold more moisture, rainfall intensity is likely to increase, causing more extreme rainfall events.

The timeframes relevant to the below climate scenarios represent a baseline timeframe of 1995, with future scenarios at 2050.

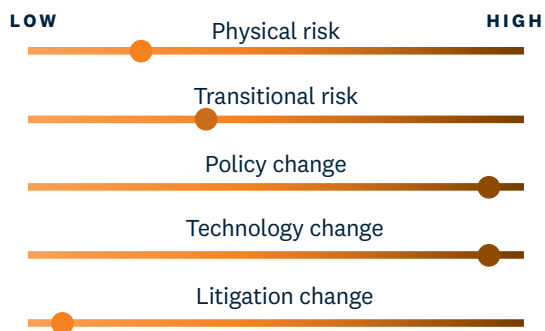
Scenario 1: Tāmaki Transforms

This scenario is categorised by economic transformative change, led by social values and policy in response to climate change. Physical risks are relatively low, but transition risk is higher.

The transformative perspective focuses on a wellbeing economy, at times with high short-term and transitional costs. The physical impacts of climate change are limited relative to other scenarios. The most severe impacts are mitigated. Government and local councils have a collaborative and trusted relationship to mitigate and adapt.



Level of change



**Physical risks are relatively low
but transition risk is higher.**

	1986-2005 (1995) annual average*	Scenario 1 Tāmaki Transforms
Globally, warming limited to:		1.5°C
Auckland hot days (>25°C)	17	40
Auckland average temperature	14.9°C	15.9°C
Total annual Auckland rainfall	1,353mm	1,330mm
Very rainy days (>25°C)	11 days	11 days
Sea-level rise	0m	0.20m

Reference scenarios

CCC Tailwinds

SSP1-2.6

SPANZ: F 100% Smart

NGFS Net Zero 2050

Scenario 2: Turbulent Transition

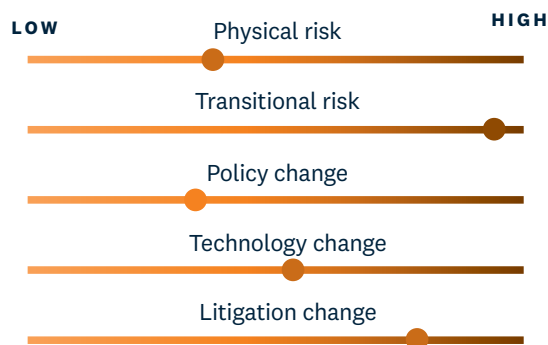
A scenario where Government climate action is delayed until the early 2030s, and action increases in a rapid and disorderly manner in response to litigation and increasingly severe chronic and acute weather events. Both physical and transition risks are higher.

Commercial propositions and business models enable new choices for consumers and reveal new ways for the energy sector to decarbonise and adapt.

There is a broader acceptance that rapid decarbonisation is the preferred alternative to ongoing inaction, and more investment in innovation increases in the 2030s. However, due to the rapid change, nature-based solutions are set aside in favour of rapidly built/engineered interventions.

Other challenges include increased disinformation, stretched resources, short-term thinking in developing policy, urban sprawl, and a lack of equity considerations in decision-making. Together, these challenges lead to a highly turbulent scenario.

Level of change



Both physical and transition risks are higher than the first scenario.



	1986-2005 (1995) annual average*	Scenario 2 Turbulent Transition
Globally, warming limited to:		2.0°C
Auckland hot days (>25°C)	17	45
Auckland average temperature	14.9°C	16.1°C
Total annual Auckland rainfall	1,353mm	1,327mm
Very rainy days (>25°C)	11 days	11 days
Sea-level rise	0m	0.22m

Reference Scenarios

CCC Tailwinds

SSP2-4.5

SPANZ: A Kicking and Screaming

Delayed Transition

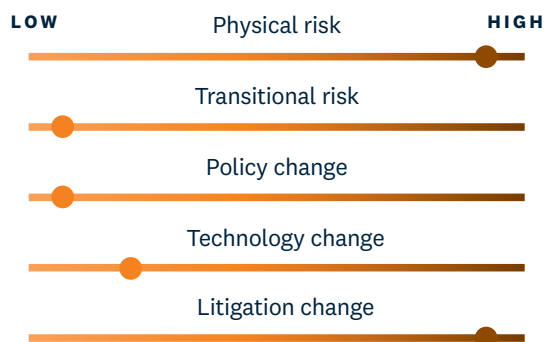
Scenario 3: Hot House World

A world where policies have been insufficient to limit warming to less than 3°C. Severe physical risks and irreversible changes like sea level rise are highest in this scenario. This leads to a high level of environmental activism, increased social distrust and increased litigation. It is very challenging to make quick decisions. Physical risk under this scenario is considered to be high with low transition risks i.e. minimal exposure to policy, legal and market changes

International cooperation on addressing environmental and social concerns is a low priority, leading to strong environmental degradation and social tension in some regions. Economic growth is slow as countries focus on achieving regional energy and food security goals at the expense of broader-based development. Geopolitical tension is high. New Zealand is likely to have a Pacific trade partnership with neighbouring nations. There is significant inequality across New Zealand and the Auckland region.



Level of change



Physical risks are very high compared to the other scenarios and transition risks are low.

	1986-2005 (1995) annual average*	Scenario 3 Hot House World
Globally, warming limited to:		3.0°C
Auckland hot days (>25°C)	17	53
Auckland average temperature	14.9°C	16.3°C
Total annual Auckland rainfall	1,353mm	1,317mm
Very rainy days (>25°C)	11 days	11 days
Sea-level rise	0m	0.24m

Reference scenarios

CCC Current policy

SSP3-7.0

SPANZ: D Homo Economicus

NGFS Current Policy

The likely impacts from the above scenarios on the group are reflected in our climate-related risks and opportunities shown in Section 2.3 and 2.4 below.

2.3 Auckland Council group climate-related risks

In identifying our climate-related risks and opportunities we have aligned short, medium and long-term term horizons to our strategic plans as follows:

1. short-term: three years to align with short-term budgeting processes
2. medium-term: to align with the Long-term Plan 2024-2034
3. long-term: beyond 2034 to align with the Auckland Plan 2050, and also to align with regional infrastructure planning to 2100.

The process of refreshing our climate scenarios this year led us to think about any gaps in the risks we had previously identified, and how we present our most material physical and transition climate-related risks. We provide more detail in this section and Section 2.4 below.

Table 2.3.1 Auckland Council Group physical climate-related risks

Climate hazard	Risk #	Headline Physical Risk Statement
Increased frequency and severity of weather events Increased extreme seasonal variations in precipitation (drought/flooding) Chronic changes in weather patterns e.g. temperature and sea level increases	1.	Increased damage to Council Group key assets, infrastructure and facilities
	2.	Reduced ability to operate (at required level), assets, infrastructure, facilities and services
	3.	Adversely impacted water supply and quality: • dry year risk • waste and stormwater issues
	4.	Loss of natural capital, including indigenous vegetation, natural ecosystems, and taonga for Māori
	5.	Supply chain disruption and pressure at key transport terminals

Key points

- This year we have decoupled the climate hazard from the underlying risk which helps us to more clearly identify financial impacts.
- We expect our experience of the ongoing impacts of climate change on the group will result in some changes to the presentation and emphasis of our climate-related risks in future.

Table 2.3.2 Auckland Council Group transition climate-related risks

Transition Driver	Risk #	Headline Transition Risk Statement
Governance	6.	Failure to consider climate change effectively in governance structures, decision making and planning, to support an appropriate transition
Financial	7.	Lack of Auckland Council revenue leading to an inability to: • deliver on key adaptation and mitigation targets and objectives, • maintain acceptable service delivery standards, and • support disadvantaged communities
Central Government policy	8.	Changes to central government policy that reduces funding for climate-related activities or increases Council's obligations for mitigation and adaptation activities in the region
Market and Investor sentiment changes	9.	Inability to access affordable funding and insurance due to increasing climate risks
Litigation	10.	Litigation arising from responsibilities for planning, infrastructure and environmental management (e.g. delays/inaction)
Addressing key Māori climate priorities	11.	Failure to adequately address climate change in authentic partnership with Mana Whenua

Key points

Two new transition risks have been disclosed this year, as below:

- (Risk #8) changes to central government policy that reduces funding for climate-related activities, or increases Council's obligations for mitigation and adaptation activities in the region, and
- (Risk #10) the potential for climate-related litigation.

We consider that all of the group's assets and activities are vulnerable to some degree to climate-related physical and transition risks.

Despite the above, our core processes for identifying, assessing, and managing climate-related risks remain the same as last year, as disclosed in Section 3 below.

Oratia vineyard ▼



2.4 Auckland Council Group climate-related opportunities

We have identified the following material climate-related opportunities:

- taking advantage of new technologies and low emissions alternatives for public transport, such as electric buses and ferries, to save costs and reduce our reliance on fossil fuels (transition opportunity)
- investing in decentralised, renewable energy solutions to reduce reliance on fossil fuels and save costs (transition opportunity)
- accessibility to a wider pool of investors across global markets through sustainable financing (transition opportunity)
- creating green assets from land that isn't suitable for housing (physical opportunity)
- strengthening partnerships with mana whenua through adaptation and mitigation responses to climate change (physical opportunity).

Alignment with climate-related opportunities.

- The group is introducing electric buses – with 17 per cent of buses being electric as at 30 June 2025 with a full fleet targeted by 2035.
- We have also invested in renewable energy solutions to reduce reliance on fossil fuels, although as a percentage of group assets this is very small.
- The issuance of sustainable finance debt, as referred to in Section 2.5.2, has enabled the council to fund assets, projects and activities that promote climate-related mitigation and adaptation. Over \$4 billion in green bonds/sustainability-linked bonds are on issue currently.
- Next year we will report on our progress in creating green assets via our Making Space for Water programme.

2.5 Current impacts and financial impacts

2.5.1 Climate Related Risks: Infrastructure damage and recovery costs

In early 2023, Auckland faced unprecedented weather events, including the Anniversary Weekend floods and Cyclone Gabrielle. These disasters resulted in damages that marked them as the costliest weather-related events in New Zealand's history. While the group did have other climate-related financial impacts during the reporting period, and not just infrastructure damage and recovery costs, these other impacts are not considered material.

Recovery financial implications for the group

To support recovery efforts, in October 2023 Auckland Council and the central government entered into a cost sharing arrangement of about \$2 billion for:

- the buy-out of impacted community residences that are deemed to pose an “intolerable risk to life”
- necessary repairs to the transport network
- improvements to reduce risks from natural hazards (e.g. stormwater, water and wastewater recovery and resilience).

Since initial estimates, the total costs for property buy-outs has risen and reflects an increase in the switch from Risk Category 2 to Risk Category 3 – with fewer properties feasibly being able to be made safe.

Property buy-outs

- As at 30 June 2025, there were an estimated 1,200 Risk category 3 storm damaged properties eligible under the buy-out scheme (2024: 900). The council has bought back 792 properties since the beginning of the buy-out scheme, with \$731 million paid out in 2024/2025 (2023/2024: \$132 million).
- Additionally, grants of \$8 million have been paid to date under the Category 2P – Property Risk Mitigation Scheme to support homeowners to make agreed changes to their properties to mitigate future extreme weather impacts.
- See Anticipated Financial Impacts for further details of provisions made for the remaining property buy-outs.

Stormwater recovery and resilience

Our Making Space for Water programme is a 10-year infrastructure and resilience programme launched in 2024. It directly addresses physical hazards—flooding and intense rainfall—by upgrading stormwater systems, restoring waterways, and creating blue-green corridors to manage stormwater overflows. \$15.3 million was spent on capital expenditure during the year, including \$10.2 million for blue-green corridors, \$1.4 million on stream and waterway resilience, and \$1.2 million on flood intelligence systems.

Together with this programme, and other related projects, a total of \$175 million was spent on stormwater projects, including the completion of 46 major projects. These projects have delivered over 2,200 metres of renewed pipes and waterways, 1,340 square metres of restored ponds and wetlands, flood protection for 1,300 metres of roads, habitable floor flood protection for more than 20 properties, and nuisance flood protection for 163 properties.

Transport network

As at 30 June 2025, Auckland Transport spent a total of \$313 million (2024: \$117 million) on remediation of the impacted road network from the 2023 weather events. This is 80 per cent of the projected total forecast Flood Recovery cost of \$390 million. The works have included remediation of over 2,000 slips with 91 per cent of impacted sites completed by 30 June 2025.

The below illustrates the flood damage to a site in Urquhart Road and the subsequent remediation.



Urquhart Road, completed June 2025. ▲
Photo credit: Liveable Streets.

Water and wastewater recovery and resilience

Watercare's drinking water and wastewater networks incurred significant damage from the 2023 weather events. The total cost of the remediation works was estimated to be in the region of \$75 million, of which \$21 million was incurred in 2024/2025 (2023/2024: \$12 million), mainly in the form of capital expenditure.

Additionally, \$22 million was spent re-lining the Ōrākei Main Sewer (2023/2024: \$19 million), which had an initial estimated total cost of \$87 million. The damage to this infrastructure was partially a result of land instability after the 2023 weather events.

2.5.2 Climate-Related Opportunities: adapting to a low-carbon economy

Auckland Council leverages sustainable finance

Auckland Council is committed to playing a leadership role in the New Zealand sustainable finance market. Sustainable finance enables the council to fund assets, projects, and activities that promote climate mitigation and adaptation, and that support achievement of our climate related objectives.

The council established its sustainable finance framework in 2018 which incorporates use of proceeds bonds and sustainability-linked instruments. Pursuant to this programme, as at 30 June 2025, the council had on issue:

- \$4.0 billion in green bonds on issue (2024: \$3.8 billion) in New Zealand and offshore
- \$250 million in sustainability-linked bonds (2024: nil)
- Sustainability-linked standby facilities of \$500 million (2024: \$800 million).

The council has been involved in structuring innovative sustainable finance instruments, helping to widen access to this type of capital and support a broader range of sustainability and environmental objectives.

Watercare is now accessing its own capital

The council is responsible for sourcing borrowings for POAL and the CCOs. The Local Government (Water Services Preliminary Arrangements) Act 2024 requires Watercare to be financially independent from 1 July 2025.

Watercare is now able to set up its own sustainable finance programme and issue sustainable financial instruments, such as green bonds. There is an opportunity for Watercare to access this type of capital across global markets, specifically to support – and accelerate – the unique climate action initiatives necessary for its own climate transition. The future climate mitigation activities undertaken by Watercare, particularly relating to emissions reduction, are expected to have a significant impact on the group's progress with emissions reduction (refer to Section 2.7.3 for further information about Watercare's transition planning and emissions).

2.6 Anticipated impacts and financial impacts

Although we have used NZCS2 Adoption Provision 2 this year, which exempts us from disclosing anticipated financial impacts, we have disclosed some information this year in Table 2.6.1.

Table 2.6.1 Anticipated impacts and financial impacts

Climate hazard/ Transition driver	Risk #	Climate Related Risks	Anticipated Impacts	Anticipated Financial Impact	Short/ Med/Long Term
Increased frequency and severity of weather events Increased extreme seasonal variations in precipitation (drought/flooding) Chronic changes in weather patterns e.g. temperature and sea level increases Central Government Policy	1.	Increased damage to Council Group key assets, infrastructure and facilities	Increased maintenance and rebuild costs e.g. Roads, Transport, Water, Stormwater	\$\$\$	Short/Med/Long Term
	2.	Reduced ability to operate (at required level), assets, infrastructure, facilities and services	Service disruption (Roads, Transport, Port, Water, Stormwater, Waste, emergency response)	\$\$\$	Short/Med/Long Term
	3.	(a) Adversely impacted water supply and quality - dry year risk	Extended dry spells and reduced water supply can lead to water restrictions being adopted. Increased risk of contaminants in water supply	\$\$	Short/Med/Long Term
		(b) Adversely impacted water supply and quality - waste and stormwater issues	Flooding causes infiltration of waste water network, triggering overflows	\$\$	Short/Med/Long Term
	8.	Changes to central government policy that reduces funding for climate-related activities or increases Council's obligations for mitigation and adaptation activities in the region	(i) Community rehabilitation - reactive management (ii) Community rehabilitation - planned relocation	\$\$\$\$ \$\$\$	Short/Med/Long Term Med-Long Term
Key		\$ Moderate	Short term	Three years to align with short-term budgeting processes	
		\$\$ Medium	Medium term	Align with the Long-term Plan 2024-2034	
		\$\$\$ Very Large	Long term	Align with the Auckland Plan 2050, and also to align with regional infrastructure planning to 2,100.	
		\$\$\$\$ Extreme			

Key Points

- As previously described, the impact of extreme weather events like that experienced in 2023, have to date incurred recovery costs of about \$2 billion across 2023/2024 and 2024/2025 with 50 per cent being funded by the central government. Future severe weather events could reasonably be expected to have similar financial impacts until flood resilience projects are completed.
- The council and central government require an agreed approach/process to manage the outcome from such events.
- The key implication to the council of reactive management/relocation is that the costs of retreat, changes to levels of service and receipt of land no longer able to be occupied will be unplanned and likely to result in budget and community shocks.
- Planned relocation will likely incur high upfront costs, however it is generally considered that the level of these costs will be less over the long-term compared to disaster recovery and reactive relocation.
- There are a number of current provisions in our financial statements relating to continuing expenditure related to the 2023 weather events. The most material is a \$356 million provision for the remaining Risk Category 3 properties and a \$30 million provision for the Risk Category 2P mitigation grants based on assumptions and estimates made by independent actuaries (refer to Annual Report Volume 3, Section D4 Provisions for details of the assumptions and estimates).

2.7 Transition Planning

2.7.1 Transition plan aspects of our strategy

There is limited flexibility to change our business model to address our climate-related risks and opportunities, as the model is largely set out in legislation.

Our long-term plan is the key tool that we can use to embed our climate-related risks and opportunities into our short, medium and long-term strategies. The long-term plan development process aligns our strategies and how we make funding decisions, and invest in our resources.

In 2024, Auckland Council, its CCO's, and the Port of Auckland started preparing their transition plans. The plans connect climate-related risks and opportunities with key strategic decisions and actions to help us adapt to and reduce the impacts of climate change. They also identify where we're already investing capital, and highlight actions that will need future funding.

We are still in the early stages of planning our group's transition to a low-emissions, resilient future, and this process will play an important role in informing our next long-term plan.

2.7.2 Aligning our transition plan with capital deployment and funding

Our transition plans include a number of funding initiatives that are included in our Long-term Plan 2024-2034 to improve our resilience to the impacts of climate change.

2.7.3 Key aspects of group entity transition plans

Watercare, Auckland Transport and Auckland Council make up the majority of the group's emissions, have the largest assets and provide the most services that are vulnerable to climate change. Key aspects of their transition plans regarding mitigation and adaptation are as follows.

Watercare - Water and wastewater

Water and wastewater services form 73 per cent of the group's Scope 1 emissions (2024: 70 per cent). Watercare's transition plan focuses on three physical risks that could impact its critical objective of the continuous delivery of water services to the Auckland region:

- Increased drought impacting on levels of service
- Sea level rise impact on critical assets
- Extreme weather event impacts on service delivery.

Watercare has assessed the exposure and vulnerability of its infrastructure and systems to these above three risks for the short, medium, and long term across our three climate scenarios (Section 2.2).

Watercare is working with international experts to develop its long-term decarbonisation roadmap, focussing on key GHG emission sources. Further work in 2025/2026 will help assess the likelihood of it meeting its current Scope 1 and 2 reduction target of 50 per cent by 2030, from Watercare's 2017/2018 base year.

Wastewater process emissions

Nitrous oxide (N₂O) — a long-lived GHG gas — is Watercare's single largest emissions source. Watercare is working alongside global experts to reduce this component through measurement and innovative process intensification. During the year direct monitoring equipment was installed in multiple wastewater treatment plants to give insights into wastewater process emissions, and help us set a baseline for future reductions. This work represents \$2 million of investment between 2025/2026.

Biosolids strategy

Watercare's second largest emissions source is methane that is released as biosolids decompose. Options to reduce these emissions are being assessed, e.g. enhanced digestion by thermal hydrolysis, landfill with flaring and incineration. Some new technologies look promising, but we don't yet know how they affect GHG emissions. Watercare is aiming to choose the best way to manage biosolids by the end of 2025/2026, and will be reviewing energy use and emissions as part of that decision.

Improving modelling

Watercare is updating its supply and demand models using new climate data and Auckland Council's growth projections. This work will wrap up by the end of 2025 and will help plan when and where action is needed to keep the water supply secure.

Identifying new water sources

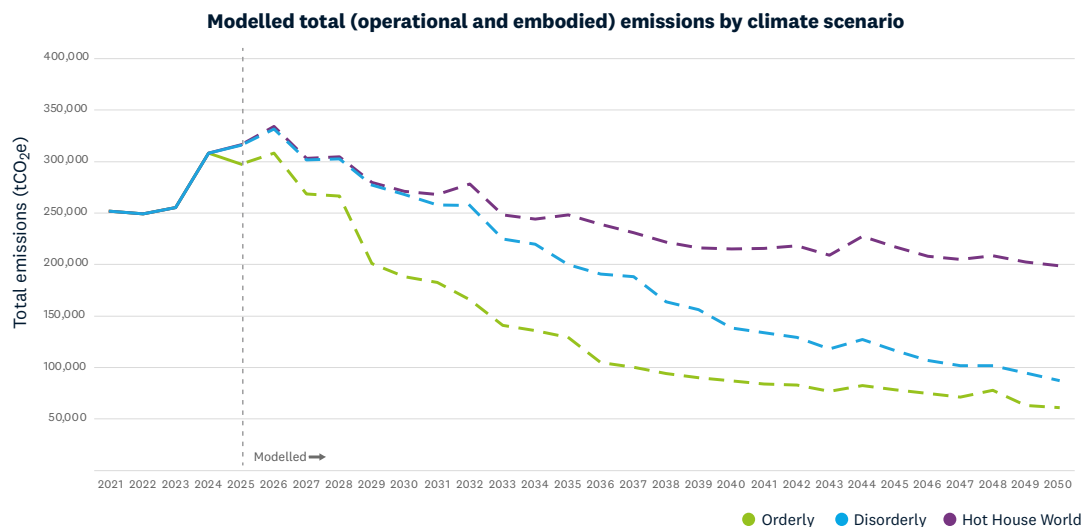
Auckland will need new sources of water in the future, and Watercare has budgeted \$3.6 billion from 2043 to 2047 for this. New water source options like recycled treated wastewater or desalination will be reviewed, considering how they connect with the wider system, the environmental impact, and their energy and resource needs and their emissions.

Auckland Transport - Public transport and roading

Auckland Transport (AT) contributes a range of emissions to the Auckland Council group's emissions inventory, particularly embodied emissions and public transport emissions. AT's transition planning focuses on reducing these emissions, as well as identifying AT's other climate-related risks, goals, and opportunities.

Scenario modelling

AT's scenario modelling shows there are clear emission advantages with greater investment, and using procurement opportunities strategically is a valuable way to support and influence more sustainable outcomes both within the organisation and across Auckland.



Reducing emissions

Most of AT's emissions come from building and maintaining its infrastructure, i.e. embodied emissions. To reduce these, AT focuses on smart design, energy-efficient construction, and using low-carbon materials—following global best practices to lower emissions over the life of each project.

Public transport emissions are expected to stay high from 2025 to 2027 as services and passenger numbers recover after COVID-19. As AT shifts to low-emissions buses and ferries, emissions will start to drop.

AT has plans in place and is actively working to cut its emissions in half by 2031 and reach Net Zero by 2050. Key actions include:

- **Bus fleet decarbonisation:** 17 per cent of AT buses are electric as of June 2025, with a full fleet transition targeted for 2035
- **Ferry fleet decarbonisation:** two electric and two hybrid ferries will enter service in 2025
- **Energy planning:** planning is underway to ensure there's enough electricity to support low-emissions operations, while keeping costs under control
- **Improving capital planning** processes to consider emissions impacts using carbon pricing
- **Integrating emissions modelling** into business case and project development
- **Rolling out a Sustainable Procurement Action Plan 2025-2034** makes sure that sustainability and emissions reduction goals are built into how AT works with suppliers and manages contracts
- The use of funds from the **issuance of Green Bonds** by the council.

Sustainability strategy

AT has a long-term strategy — its 2024–2031 Sustainability Strategy - which sets out how it will build a fairer, more resilient transport system that reduces emissions. This plan fits well with national and regional climate goals and includes strategies to:

- make the transport network stronger and better prepared for climate risks
- cut its own emissions and encouraging fewer car trips
- ensure all projects are climate-ready and future-proof.

Auckland Council – Stormwater, waste, community facilities

Auckland Council is taking meaningful steps to reduce emissions and create a region that can better withstand the impacts of climate change. Through a mix of practical projects and long-term planning, the council is working to cut emissions from its own operations and across the region.

Protecting Auckland from flooding

As identified above, our

Making Space for Water programme is directly addressing physical hazards—flooding and intense rainfall—by upgrading stormwater systems, restoring waterways, and creating blue-green corridors to manage stormwater overflows.

Greener council operations

We are focusing on significantly reducing emissions from the buildings and services it runs, in parallel with increasing carbon sequestration. This includes

- becoming more energy efficient and reliant on sustainable energy sources by
 - replacing gas boilers at leisure centres with cleaner alternatives
 - installing solar panels on council buildings
 - switching to electric and low-emission vehicles
- planting programmes across the Auckland region, including 200ha of new native forest on retired farmland in regional parks.

We continue to consider how sustainable finance instruments —like green bonds—can help fund these efforts and support climate goals.

Reducing emissions across the region

We are also working to reduce emissions beyond our own operations. Through our Waste Minimisation and Management Plan, we are aiming to cut waste across Auckland, which will also help lower emissions from landfills. Contractors working on council projects are now required to report on carbon and waste, ensuring sustainability is built into construction and maintenance from the start.

We continue to support local climate action through Auckland Climate Grants, helping fund community-led projects that reduce emissions. We are also investing in education and partnerships with local boards, schools, and community groups to improve waste services and encourage everyday climate action.



Panmure Station ▲

3

Te Whakamauru Tūraru

Climate Risk Management methodology

● Unassured information

The group has developed a clear process to identify, assess and manage our climate-related risks (that are outlined in the previous section). These risks are the result of hazards such as more frequent storms, flooding, and rising sea levels.

Processes for identifying climate-related risks

Our Climate Risk methodology for climate-related scenarios, risks and opportunities was completed in October 2024 and provides a structured and cohesive approach to identifying key climate-related risks and opportunities across the group. It additionally assists the group in assessing climate-related risks and provides a guide for climate-related risk management that can be used by operational teams, alongside existing operational risk management approaches.

The group Risk Rating Assessment template serves as a group Risk Register for all the group climate-related risks.

Some of the key tools used to identify our group climate-related risks include:

- **Scenario analysis:** The group's climate-related risks are identified using scenario analysis and provides identification of the scope of identified risks.
- **Stakeholder engagement:** Key stakeholders (as listed in Section 2.2.2 Governance of scenario analysis) are identified from across the group with relevant expertise to participate in the risk identification process.
- **Hazard maps:** Various sources of group-owned geospatial data (e.g. Auckland Council GEOMAPS, Auckland's Hazard Viewer) and Earth Sciences New Zealand data have been leveraged to get a better understanding of the climate hazards that drive climate-related risk.



Lake Wainamu, Te Henga ▲

Our group consolidated climate-related risks were formally assessed and prioritised in 2024. Going forward we will be reviewing the respective ratings on the same cycle as we update our scenarios. A major change in a transition driver or physical driver might prompt an out of cycle update where it makes sense.

The time horizons the group utilises to evaluate climate-related risks are set out in Section 2.3.

Processes for assessing and managing our climate-related risks

Our risk assessment method is principally based on a qualitative rating of exposure, vulnerability (based on sensitivity and adaptive capacity), and organisational consequences. This method draws on the IPCC conceptual risk framework, the ISO 31000 – Risk Management Guidelines (ISO31000:2018), and the Ministry for the Environment’s approach in the National Climate Change Risk Assessment for New Zealand – Method Report, which consider the likelihood of damage, and the resulting impacts.

Given the complex nature of many climate-related risks, detailed risk assessments are generally a qualitative, or semi-quantitative exercise, drawing on specialist and local knowledge (which acknowledges the uncertainty in estimating risk parameters such as exposure and vulnerability).

We are continuing to develop our methodology for assessing, reporting on, and managing, the financial impacts of our most material climate risks.

However, climate-related risk management maturity varies across the group, which makes integration of climate risk management into overall risk management processes a challenge. We are making efforts to mature risk practises, increase the consistency of risk process application, and increase the level of understanding of climate risks across the group.

Exclusion of parts of the value chain

All the group’s assets and core activities are considered when identifying climate-related risks. We also explore the impact of climate-related impacts on the group’s broader value chain, e.g. suppliers, community groups, and how this would impact the group’s ability to deliver its core activities and assets.

4

Ngā Pae Ine me ngā Whāinga

Metrics and targets**In summary:** ● Unassured information

Our group Scope 1 and 2 emissions rose 19 per cent overall this year, represented by an increase in Scope 1 of 14 per cent (mainly due to higher wastewater emissions), and a Scope 2 increase of 47 per cent (mainly due to higher electricity emission factors).

4.1 Greenhouse gas emissions

● Assured information

Auckland Council group's 2024/2025 GHG emissions inventory is shown in Table 4.1.1 below. The inventory consists of Scope 1 and 2 emissions associated with the group's activities. It has been prepared using the Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard (GHG Protocol), and ISO 14064-1:2018 – Greenhouse gases, taking a location-based approach for Scope 2 GHG emissions. Appendix 3 provides GHG emissions by group entity.



Kauri Glen Reserve ▲

Table 4.1.1 Auckland Council Group GHG consolidation

GHG Protocol Classification	Actual 2025 tCO ₂ e	2024 tCO ₂ e (previous disclosure)	Restated 2024 tCO ₂ e	tCO ₂ e change Restated 2024 vs 2025	% tCO ₂ e change Restated 2024 vs 2025
	Assured Information	Unassured Information	Unassured Information	Unassured Information	Unassured Information
Scope 1: Direct emissions					
Stationary combustion	13,835	10,866	11,441	2,394	21%
Mobile combustion	16,091	15,409	15,409	682	4%
Land use, land-use change and forestry	6,228	5,246	6,981	-753	-11%
Fugitive emissions	33,629	31,554	31,554	2,075	7%
Process emissions from industrial processes	61,741	50,242	50,242	11,499	23%
Scope 1: Total Direct emissions	131,524	113,317	115,627	15,897	14%
Scope 2: Indirect emissions					
Indirect emissions from imported energy	30,323	19,575	20,655	9,668	47%
Scope 2: Total Indirect emissions from imported energy	30,323	19,575	20,655	9,668	47%
Total Scope 1 and 2	161,847	132,892	136,282	25,565	19%

Key points ● Unassured information

The group reported 2024/2025 GHG emissions of 161,847 tCO₂e which are 19 per cent higher than the restated 2023/2024 level of 136,282 tCO₂e.

Stationary combustion – increase of 2,394 tCO₂e

Watercare's increase in stationary combustion emissions of 2,000 tCO₂e in 2024/2025 is mainly due to improved methodology (real data replacing previous assumptions) used in calculating the proportion of biogas that is produced at wastewater treatment plants.

Increased natural gas consumption at Auckland Council facilities e.g. corporate offices, libraries and community facilities is the main reason for an increase of 646 tCO₂e in the 2024/2025 period.

These are also various emission reduction actions across the group e.g. reduction of gas boilers and solar installations.

Land use, land use change and forestry – decrease of 753 tCO₂e

This sub-category decreased by 11 per cent mainly due to a restatement of the prior year livestock count (non-dairy cattle and sheep) in our regional parks. (See below 4.1.3 Uncertainties and Assumptions comment for Livestock).

Fugitive emissions – increase of 2,075 tCO₂e

This increase is largely due to increased disposal of treated biosolids (2,000 tCO₂e) as part of the beneficial rehabilitation of Puketutu Island. (See below 4.1.3 Uncertainties and Assumptions for Biosolids emissions Puketutu Island).

Process emissions from industrial processes – increase of 11,499 tCO₂e.

This increase is due to higher wastewater volumes, and increased accuracy. (See below 4.1.3 Uncertainties and Assumptions for Wastewater emissions).

Indirect emissions from imported electricity – increase of 9,668 tCO₂e (See below 4.1.3 Uncertainties and Assumptions for Electricity emission factor).

This increase is primarily driven by a 38.7 per cent rise in the Ministry for the Environment annual electricity emission factor, attributed to New Zealand's shifting electricity generation dynamics. This shift saw an increased proportion of fossil-based electricity generation in 2024, compared to lower emissions from electricity generation in 2023 due to favourable weather conditions and strong hydro inflows.

4.1.1 Targets ● Unassured information

As a group we acknowledge and support the regional climate goals in Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan, of a 50 per cent reduction in GHG emissions by 2030 and Net Zero by 2050 (refer glossary), noting these goals are consistent with broader domestic and international targets which contemplate that a 1.5 degree warming requires 2030 reduction goals and Net Zero by 2050. We recognise that as a group we do not have control and influence over all of the emission reduction pathways required to meet the regional goals. Each of the 2030 and 2050 targets are absolute targets.

The group uses a 2018/2019 base year to measure progress - as this was the first year that all group entities produced emissions data in a format allowing consolidation. Some individual group entities also have targets that they measure and report in their Statements of Intent (as discussed in Appendix 2 Governance). There has been an increase of 7 per cent in group GHG emissions from our base year of 151,064 tCO₂e (per Appendix 3), to our consolidated GHG emissions figure of 161,847 tCO₂e.

Based on the current allocation of funding for group GHG emissions reduction initiatives, the group is not on track to achieve either the 2030 or 2050 net zero goals. We continue to work to determine actions, opportunities, funding gaps and solutions to achieve meaningful reductions in GHG emissions and meet our goals. Our transition plans (see Section 2.7.3 for aspects of these) represent our key planning to achieve our Net Zero 2050 goals – and the Long-term Plan provides the funding mechanism to enable these plans. Our planning reflects our definition of Net Zero which does not contemplate including offsets.

4.1.2 Methodology ● Assured information

The methodology used to calculate and consolidate Scope 1 and 2 emissions for each reported year has been consistently applied. The group methodology contained in the Auckland Council Group GHG consolidation document has been applied across the group.

The group uses an operational control approach to determine its organisational boundary for consolidating GHG emissions. Operational control exists if Auckland Council (as parent of the group), or one of its subsidiaries, has the full authority to introduce and implement operating policies at the operation.

To ensure consistency and coherence with the group's financial statements and to meet the principle of completeness of information, the subsidiaries included in the consolidated GHG inventory are the same as those included in the group's consolidated financial statements in Volume 3 Financial Statements of this annual report (excluding Auckland Future Fund).

The GHG emissions of the group's joint ventures, associates, and shareholdings are not included in the group's Scope 1 and 2 consolidated GHG inventory. GHG emissions of these operations are considered to be Scope 3, and are classified as 'Investments'.

GHG emissions associated with each of the group's Scope 1 and 2 GHG emissions sources are calculated by applying the relevant emissions factor to activity data (such as gas, electricity, and fuel use, water volumes etc.). This activity data is sourced from data from suppliers, data collected and generated in the group, or it is estimated using internal calculation models.

For determining the group's Scope 1 process emissions from wastewater treatment, however, the water volume activity data and emissions factors are put into standard equations published in the 2021 Water NZ Guidelines, which make use of additional inputs and assumptions to derive suitable estimates.

We are committed to continuously improving the accuracy and completeness of our GHG emissions inventory, and continue to review our organisational boundaries, methodologies, assumptions and the uncertainty associated with each, and the impact of changes in the emission factors we use.

Some further detailed aspects of our methodology are in Appendix 3.

4.1.3 Uncertainties and Assumptions ● Assured information

Inherent uncertainties

There is inherent uncertainty in the measurement and reporting of GHG emissions. This is because the scientific knowledge and methodologies used to determine the emissions factors and processes used to calculate or estimate quantities of GHG emissions sources are continuously evolving, as are GHG reporting standards and the interpretation of them. Efforts have been made to minimise this uncertainty through the use of high-quality activity data, consistent methodologies, and the most up to date available emissions factors available at the time of reporting.

Other uncertainties and assumptions

Many of the group's activities are interconnected. We minimise the potential for any double counting of emissions at a group level by allocating emissions to the entity with authority to operate the source or asset and control the associated emissions.

We reduce uncertainty by directly measuring or metering data for most emissions sources (refer to Appendix 3 - Table 3.3 for details of Data Quality).

The most material exceptions occur to this are mentioned below.

Livestock (Land use, land-use change and forestry)

For livestock activity data, we have used the total number of animals (sheep, dairy cattle, and non-dairy cattle) recorded on the last day of each month to represent the monthly total. However, livestock age and numbers vary throughout the month. The reported livestock emissions have a satisfactory level of estimation (E2) related to intra-month variations in animal numbers on farms.

Wastewater emissions (Process emissions from industrial processes)

We calculate wastewater process emissions using the most up to date and accepted method in New Zealand, *The Water New Zealand Standard: Carbon accounting guidelines for wastewater treatment: CH₄ and N₂O (2021)*. This method is based on:

- measured wastewater volumes via online flow meters, known pump rates or weirs
- water quality parameters from accredited laboratory testing.

Measured volumes are considered to have M1 (robust) certainty associated with them, whilst the overall emissions are assessed as having D2 (satisfactory) certainty as a result of the combination of assumptions within the calculation.

Wastewater flows are based on daily volumes for all wastewater treatment plants, with the exception of Bombay which is assumed to be the design volume, and this data is considered high certainty (M1). Bombay has a septic tank servicing approximately 20 people and is *de minimis* in magnitude.

Laboratory sample numbers vary between sites but is usually at least one per month and is of high certainty (M1). Lower sample numbers are recorded for Denehurst and Bombay which service 55 and 17 people respectively and are considered *de minimis*.

Biosolids emissions Puketutu Island (Fugitive emissions)

Treated biosolids from the Māngere Wastewater Treatment Plant are disposed of in a monofill at Puketutu Island, as part of a long-term rehabilitation programme to restore this sacred site. Our emissions calculations are based on a bespoke method developed by industry experts, Tonkin and Taylor. The key input parameter for the calculation is the measured biosolids deposited on the site. A weighbridge is used to measure the biosolids and the input data is of high certainty (M1). The method of calculation is in line with the approach described in The Water New Zealand Standard: Carbon accounting guidelines for wastewater treatment, adapted to include some site-specific assumptions, as with wastewater the overall emissions value is derived with a moderate level of certainty (D2) due to the number of assumptions used for calculation.

Emissions at Puketutu Island are driven by the mass of dry solids produced at the Māngere Wastewater Treatment Plant, which varies annually based on influent flow, solids content, and digestion levels. Emissions are calculated using weighbridge data and Water New Zealand's landfill guidelines, with amendments of the default emissions factor based on independent third-party expert support. These amendments reflect site-specific data including:

- laboratory testing of dry solids
- laboratory testing and literature values to determine degradable organic carbon (DOC)
- modelling to determine the decomposable fraction (DOCf).

Watercare adopted independent third-party estimates for DOC and DOCf, using values of 0.25 and 0.16 respectively – lower than the Water New Zealand default factors of 0.3 and 0.5. This results in a material reduction in reported emissions, better reflecting the characteristics of digested biosolids rather than mixed municipal waste assumed in the default factors.

Measured volumes are considered to have M1 (robust) certainty associated with them, whilst the overall emissions are assessed as having D2 (satisfactory) certainty as a result of the combination of assumptions within the calculation.

Electricity emission factor (Indirect emissions from imported energy)

We have applied a calendar year 2024 annual electricity emission factor across the financial reporting period from 1 July 2024 to 30 June 2025, as an actual factor for 1 January to 30 June 2025 has not yet been released by MfE. While this approach may introduce a degree of uncertainty due to potential temporal variations in emission factors, the use of a consistent methodology across reporting periods supports the comparability of emissions data over time. Accordingly, we consider the reported figures as sufficiently reliable for the purpose of monitoring emission reduction trends annually. Emissions estimate for Category 2 are therefore considered to be subject to a low uncertainty (M1) in activity data as actual metered consumption data is used from all assets for the reporting period.

Public Transport emissions

Auckland Transport (AT) procures public transport bus and ferry services (PT services) from third party providers in accordance with the Land Transport Management Amendment Act 2013, associated Public Transport Operation Model (PTOM) and newer Sustainable Public Transport Framework (SPTF).

There is significant uncertainty regarding the recording of GHG emissions for the provision of PT services. PTOM contracts are lengthy and complex, and a significant amount of judgement is needed to determine the levels of control of each party.

A key issue is whether AT has “full authority to introduce and implement its operating policies” and have day-to-day operational control over buses and ferries under PTOM contracts, to meet the Greenhouse Gas (GHG) Protocol guidance definition of operational control.

For financial accounting purposes an element of the PTOM contracts is accounted for as an operating lease. The rebuttable presumption under the GHG Protocol is that an operating lease gives rise to operational control, and therefore a classification of related emissions as Scope 1 and 2.

Bus contracts comprise a large proportion of AT’s PTOM contracts. AT rebuts the presumption that it has full day-to-day operational control over buses and ferries under PTOM contracts, for reasons including those below.

AT designs routes, timetables, sets service standards, and manages fare revenue, while operators manage day-to-day service delivery, including:

- bus procurement
- maintenance
- staffing and driver education
- and payment of associated fuel and electricity.

Individual operators also use the AT branded buses for private commercial services, in addition to fulfilling the AT service requirements.

Accordingly, AT considers it does not have full authority to introduce and implement operating policies over the buses and ferries, and therefore classifies GHG emissions related to its PTOM contracts as Scope 3, rather than Scope 1 and 2.

If emissions arising from the PTOM contracts (2025: 90,811 tCO₂e; 2024: 93,126 tCO₂e) were classified as Scope 1 and 2, the impact on the group consolidated emissions would have been reflected in a year-on-year increase of 10 per cent, instead of 19 per cent that has been disclosed in Table 4.1.1.

4.1.4 Sources ● Assured information

This inventory reports on total emissions associated with carbon dioxide (CO₂), nitrous oxide (N₂O), methane (CH₄) and biogenic carbon dioxide (BCO₂). Quantities of each of these GHGs are converted to tonnes of carbon dioxide equivalent (tCO₂e) using the Global Warming Potential (GWP) factor from IPCC Fifth Assessment Report (AR5) and are based on a 100-year period. For wastewater treatment emissions, a more sophisticated methodology has been applied based on best available industry practice guideline, Water New Zealand’s *Carbon Accounting Guidelines for Wastewater Treatment: CH₄ and N₂O (2021)*. This uses IPCC AR6 GWPs.

4.1.5 Emission Factors ● Assured information

Although individual entities may use their own emission factors for separate reporting purposes, the consolidated group emissions are reported using entity-provided activity data and a consistent set of emission factors specified below. As a result, some reported emissions may differ between individual entity reports and the consolidated group inventory.

- **Main emission sources:** Ministry for the Environment. (2025). *2025 Emissions Factors Workbook*. Wellington, New Zealand: Ministry for the Environment (Published 11 June 2025).
- **Wastewater processes:** Water NZ Guidelines and Emission Factors: Uses specialised methodologies for emissions from wastewater, biogas, fugitive emissions, biosolids, and network overflows (detailed below).
- **Refrigerant R401A:** Department for Environment - Food & Rural Affairs (DEFRA). UK Government GHG Conversion Factors for Company Reporting 2025: Full Set (V1.0). Department for Business, Energy & Industrial Strategy (BEIS), published 10 June 2025.
- **Puketutu Island:** Emissions for the biosolids at Puketutu Island are calculated in line with the Water New Zealand guidelines, using bespoke emission factors for degradable organic carbon (DOC) and fraction of DOC that can decompose (DOC_f), as determined by Watercare management and their experts.

Overall, most emissions are based on directly measured activity data and most up-to-date available emissions factors. Some sources are subject to moderate levels of uncertainty due to methodological assumptions or data limitations (such as the wastewater processes and biosolids at Puketutu Island, where data is derived or estimated as opposed to measured directly). Although moderate levels of uncertainty may exist, the methodologies applied reflect best industry practice. As a result, the total reported emissions are

considered to be of reasonable accuracy, and the level of uncertainty is not expected to materially affect the overall interpretation of reported emissions.

4.1.6 Sources excluded ● Assured information

The group has identified and excluded certain GHG emissions sources from its 2024/2025 Scope 1 and 2 consolidated GHG inventory, despite these sources falling within its operational boundary. These excluded sources are either considered to be below our *de minimis* threshold (less than 1 per cent of the scope level consolidated GHG emissions) and therefore not material, and/or cannot be calculated reliably based on the data that is available to the group.

The specific exclusions, and the reason for the exclusion, are listed below:

Table 4.1.3 Sources of GHG emissions excluded

Category/ Scope	Business area	Source of emissions	Comments
Category 1 and 2 (OR Scope 1 and 2)	Auckland Future Fund	Various	From the perspective of Scope 1 and Scope 2 emissions, the operations of Auckland Future Fund are not considered material in 2024/2025. This is due to the organisation being in its initial stages of setup.
Category 1 (OR Scope 1)	Refrigerants from some group vehicles, some office fridges, and leased office air-conditioning	Direct fugitive emissions	The emissions from these sources are considered below the <i>de minimis</i> threshold.
Category 1 (OR Scope 1)	Fertiliser Use from POAL	Land Use, Land use Change and Forestry	Fertiliser use is considered to be below the <i>de minimis</i> threshold.
Category 1 and 2 (OR Scope 1 and 2)	Emissions from management and operation of aerodrome owned by Auckland Council on Great Barrier Island	Various	Currently there is not enough data on this activity and the impact of this on emissions inventory is being investigated.
Category 1 (OR Scope 1)	Diesel Generators	Stationary Combustion	Auckland Council owns and operates mobile and stationary generators across its asset base. Fuel used in these is consolidated within the mobile combustion reporting data as it is paid for by fuel card and direct supply. Data for fuel used from diesel generators within corporate buildings cannot be separated from the consolidated reporting with any certainty and therefore is excluded from this inventory. Only fuel top ups of generators within parks and community facilities are included in the inventory for Auckland Council.
Category 1 (OR Scope 1)	Waste Disposal Services (Claris Landfill)	Treatment of Waste	Since the closure of Claris Landfill, Auckland Council has not had any waste treatment within its direct control. Under operational control, the Whitford Landfill is classed as an investment and therefore is considered Scope 3. All waste services provided by Auckland Council for the Auckland region are operated by third party contractors under various contractual arrangements. Associated emissions are considered within Scope 3.

Category/ Scope	Business area	Source of emissions	Comments
Category 1 (OR Scope 1)	Non-Urea and Non-Nitrogen based Fertilisers Use	Land use, land-use change and forestry	Fertilisers used in regional parks over the period of 2024/2025 are sulphur and potassium based and are expected to have no or minor GHG emission discharge.
Category 1 (OR Scope 1)	Forestry	Land use, land-use change and forestry	Forestry removals from regional park planting initiatives are challenging to estimate accurately for 2024/2025 reporting. The data currently available lacks critical information such as planting age and survival rates, leading to significant uncertainty and potential inaccuracies.
Category 2 (OR Scope 2)	Charging of EVs outside of organisation's boundaries (e.g. public charging stations)	Imported electricity	All entities (except Auckland Council) exclude electricity used for light fleet vehicle charging at locations other than group facilities. This is because this data is not easily accessible. Emissions from light vehicle charging at public charging stations are considered minimal and to be below the <i>de minimis</i> threshold.

4.1.7 Historical restatements of GHG emissions ● Unassured information

In 2024/2025, we implemented several process enhancements across most emission sources within Scope 1 and 2 of the group, thereby reducing manual effort and minimising the risk of errors. We have restated previously reported emissions for the group in 2023/2024 to account for the following changes:

- a systemic error was discovered that resulted in lower consumption reported in 2023/2024
- natural Gas emissions have been restated to include all invoiced data
- all electricity and natural gas consumption has been updated to reflect an operational control approach
- all electricity emissions have been updated to reflect the restated emission factor for electricity for calendar year 2023
- livestock emissions have been updated to reflect correction of errors in livestock count and to account for changes to emission factors.

These restatements and methodological improvements have resulted in a more accurate and representative inventory for 2023/2024, supporting more consistent emissions tracking over time.

4.2 Emissions intensity ● Unassured information

The group is a non-commercial organisation with the primary purpose of providing infrastructure and services for Aucklanders. Many of the services are dependent on infrastructure and other assets that the group must build and maintain. As a result, the group calculates GHG emissions intensity as a function of capital and operating expenditure. The intention of this measure is to encourage careful capital investment through accounting for and seeking to minimise embodied emissions while encouraging the reuse of our existing assets and aiming for operational efficiency. Capturing both embodied and operational emissions intensity supports a whole of life carbon approach to reduce the overall footprint of our activities and investments.

Since the group has not yet measured its Scope 3 GHG emissions, our current emissions intensity metrics are only based on Scope 1 and 2 GHG emissions. The group's GHG emissions intensity metrics are calculated as tCO₂e per \$million of total expenditure, as shown below:

Table 4.2.1 Auckland Council group GHG emissions intensity

	2025 tCO ₂ e per \$m	Restated 2024 tCO ₂ e per \$m	2024 tCO ₂ e per \$m
Scope 1	14.8	14.5	14.2
Scope 2	3.4	2.6	2.5
Total	18.2	17.1	16.7

Our group GHG emissions intensity has increased to 18.2 tCO₂e per \$m from the restated 2024 figure of 17.1 tCO₂e per \$m. This mainly reflects the increase in scope 1 and 2 emissions from the prior year shown in Table 4.1.1 above.

Methodology

- Total expenditure includes capital and operating expenditure less depreciation and amortisation.
- Operating and capital expenditure represent amounts disclosed in Volume 3 of this annual report.
- Operating expenditure is derived from the group's Statement of Comprehensive Income and Expenditure. We exclude depreciation and amortisation costs to avoid double counting the cost of capital expenditure.
- Capital expenditure is derived from the group's consolidation Funding Impact Statement.
- The group's Scope 1 and Scope 2 GHG emissions for each financial year are divided by the total expenditure to obtain the GHG emissions intensity metrics.

4.3 Internal emissions price ● Unassured information

The group does not use an internal emissions price to value GHG emissions.

4.4 Other metrics and targets ● Unassured information

Industry – based metrics

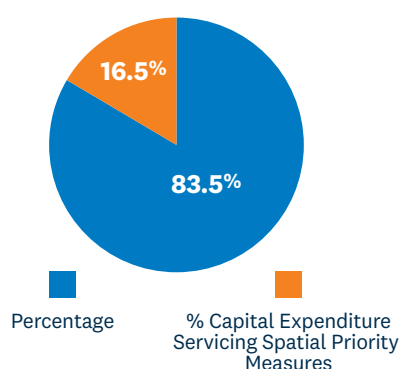
No industry-based metrics have been used / engaged.

4.4.1 Group capital expenditure aligned with climate related physical and transition risks and opportunities

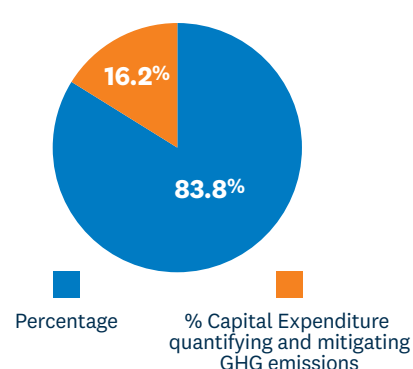
The group has assessed its 2024/2025 capital expenditure against two performance measures for climate related physical and transition risks and opportunities. These measures, as referenced in the Long-term Plan 2024-2034, provide percentages of group capital expenditure spend:

- (a) aligned to priority locations in the Future Development Strategy and (b) where whole-of-life GHG emissions have been quantified and mitigated

Percentage of group capital expenditure spend aligned to priority locations in the Future Development Strategy



Percentage of group capital expenditure spend where whole-of-life GHG emissions have been quantified and mitigated



These metrics represents the proportion of Council's capital expenditure investment that services a joint council and government spatial priority area. Watercare's Central Interceptor Project and Council's investment in City Rail Link Limited make up the bulk of this total. Other smaller transport, three waters, and community investments contribute the remainder.

Only a small number of investments have met the standard for quantifying and mitigating whole-of-life greenhouse gas emissions. These are predominantly large transport projects relating to the City Rail Link and the Eastern Busway, making up a relatively large proportion of our investment in 2024/2025.

Assumptions and uncertainties

Some uncertainty is inherent in the assessment of these climate measures. The major sources of uncertainty are associated with the lack of granularity of the investment breakdown and from the assessment being done by those undertaking the projects. This uncertainty has been managed through:

- the investigation of opportunities to increase granularity where it could lead to a more accurate assessment
- a centralised moderation of assessments made by investment portfolio leads using council subject matter experts that are independent of the portfolio.

Although the percentage results of both metrics are similar, each metric comprises substantially different investments. Only Auckland Council's investment in City Rail Link Limited (5.6 per cent of total capital expenditure) meets the threshold for both climate measures.

4.4.2 Capital deployment towards climate-related risks and opportunities

As previously outlined in this statement our key strategic decision-making mechanism for funding climate-related actions is the development of the long-term plan. As previously disclosed, the Long-term Plan 2024-2034 showed about 13 per cent (\$4.8 billion) of the council's 10-year capital expenditure on infrastructure had a high level of alignment with the emission reduction goals under Te Tāruke-ā -Tāwhiri: Auckland's Climate Plan. Although the Climate Plan has a regional (i.e. wider than the group) focus it has a high correlation with emission reduction pathways across the group.

A key task for us is to ensure that we have more capital deployment of our key climate-related initiatives in our next Long-term Plan 2027-2037 so that we can have a meaningful impact on climate-related impacts as a group.

Other capital deployment of initiatives that also address our climate-related risks and opportunities are as follows:

The Climate Action Fund

This is a \$152 million fund from the Long-term Plan 2021-2031 to deploy capital across a range of programmes designed to reduce emissions and adapt to climate change. The fund was to be deployed over 10 years to climate-related activities including:

- planting 200ha of forest and 11,000 street trees
- funding low-emissions buses
- increasing our zero-waste resource recovery network
- progressing towards making Queen Street valley a zero-carbon area.

We spent \$18.3 million in 2024/2025 (2023/2024: \$16 million) on Climate Action Fund initiatives.

The Storm Response Fund

This was initiated in mid-2023, and provides ongoing operational funding of about \$20 million per year plus one-off emergency allocations. It finances repairs to damaged transport, water, and community assets; enhances early-warning systems; bolsters compliance monitoring; and supports emergency preparedness—all responses to physical storm damage. Our spend on this fund was \$17.4 million in 2024/2025 (2023/2024: \$13 million).

The Climate Action Transport Targeted Rate

The Climate Action Transport Targeted Rate (CATTR) was originally introduced in 2022/2023 as funding for projects considered to have a meaningful impact on the group's climate action goals, with a focus on public transport improvements, cycling and walking. The group has leveraged co-funding with central government and other sources to boost the targeted rate to a total investment of over \$1 billion during a 10-year period.

In 2024/2025 we invested \$29 million (2023/2024: \$34 million) of this targeted rate in CATTR programmes, with \$22 million (2023/2024: \$25 million) co-funding received from NZ Transport Agency Waka Kotahi.

4.5 Material Statement of Performance climate-related measures ● Unassured information

The group has other climate-related performance metrics and targets, all of which are included in our Statement of Performance in Volume 1 of this annual report, within the respective group of activity. Refer to Volume 1 for performance against these metrics and targets. The most material climate-related metrics and targets from Volume 1 are set out below.

The metrics reflect improving adaptation responses to climate-related risks, e.g. stormwater management measures make us more resilient when flooding does inevitably occur.

Table 4.5.1 Other metrics

Group of activity	Measures	Relevance to climate-related risks	Reference
Public transport and travel demand management	• Total public transport boardings	Shifting from cars to public transport can reduce up to 2.2 tons of carbon emissions annually per individual	Volume 1, page 36
	• Operational greenhouse gas emissions, including public transport (baseline 2021/2022)		Volume 1, page 37
	• Number of cycle movements past 26 selected count sites	As a mode of transport, cycling releases zero emissions and contributes significantly less to air pollution	Volume 1, page 37
Water supply	• The average consumption of drinking water per day per resident within the territorial authority district (litres)	Lower consumption can reduce the amount of energy and chemicals used to treat, pump, and heat water. It also increases resilience during droughts	Volume 1, page 41
Stormwater management	• The number of flooding events that occur and the associated number of habitable floors affected per 1000 properties connected to Auckland Council's stormwater network	• This is an indicator of the resilience of the stormwater network	Volume 1, page 51
	• The median response time to attend a flooding event, measured from the time that Auckland Council receives notification to the time that service personnel reach the site (hours)	• This is an indicator of the timeliness of the group to respond to flooding	Volume 1, page 51
Regionally delivered council services Waste services	• The total waste to landfill per year (kg per capita) • The quantity of domestic kerbside refuse per capita per annum (kg) • The total number of resource recovery facilities	• Waste emissions are largely biogenic methane which has a warming effect 28 times greater than carbon dioxide • Resource recovery facilities divert waste from landfill and enable responsible waste disposal	Volume 1, page 74

Appendix 1

Materiality ● Unassured information

How we decide what is or isn't important

Determining materiality for the purposes of climate-related disclosures is a matter of judgement, considering both qualitative and quantitative factors, and is affected by the nature of the group as a local government entity, and our perception of the common climate information needs of our primary users as a group. This perception will likely change as climate reporting matures here in New Zealand and globally.

We have determined materiality separately for financial information, non-financial information and GHG emissions.

Financial information

A financial amount is considered material if it exceeds \$124 million, although lower amounts may be disclosed where it is considered to provide clarity and transparency of material topics. This amount is based on a percentage of group operating expenditure.

Non-financial information

During 2024, we conducted a materiality survey to assess what topics our primary users considered material. The following topics were raised that continue to be within the scope of this climate statement:

- 1) mitigation response/ activities
- 2) risk of liability for climate mitigation requirements
- 3) adaptation - investment necessary to increase resilience
- 4) impacts on owned assets - water networks and plants, public transport assets, waste assets
- 5) impact on our services - emergency planning, water security/quality, waste, public transport
- 6) progress towards targets

GHG emissions

A materiality threshold of five per cent of the group's consolidated emissions at a scope level applies when considering which sources to include. It also applies when there is a need for restatement of prior year emissions because of changes to the organisational boundary, reporting methodologies or discovery of significant error or multiple small errors that cumulatively lead to exceeding the materiality threshold.

For this year's consolidation, we have included emission sources that meet the individual entities' materiality assessments. For the sake of completeness, all emission sources that we have available data for through entity-level emissions reporting, have been included. Some exclusions and the reasons for exclusions are provided in Section 4.1.6.

De minimis

The group applies a *de minimis* threshold (i.e. a threshold below which emissions are so minor, they can be disregarded) of one per cent of the group's consolidated emissions at a scope level. The threshold is used when considering the exclusion of a source of emissions from the GHG emissions inventory. If the emissions source is lower than the threshold, it may be excluded.

Appendix 2

Governance ● Unassured information

Our Governing Body's oversight of climate-related risks and opportunities

The group is governed by an elected Governing Body (which includes the mayor) and elected local board members, representing their communities across the region. The Governing Body is responsible for major decisions, including the allocation of funding, the provision of services and overall strategic direction of the group.

Governing Body

The Governing Body's terms of reference include providing oversight of the group climate-related risks, and ensuring that climate-related impacts on the group are integrated within governance structures and considered in decisions. It does this by considering the climate-related impact of decisions included in the climate impact statement within all reports brought by management.

The mayor has the power to establish committees and appoint the chairperson of each committee.³ Auckland's mayor has established several Governing Body committees which focus on the most critical areas of the group and have been delegated specific decision-making responsibilities related to climate-related risks and opportunities.³ The responsibilities for these committees in relation to climate-related matters are set out in our Governing Body Terms of Reference.⁴

Oversight in development of group strategy

The group currently does not have an overall business strategy document but has many plans and strategies that guide our strategic direction. They can be found on our website at Our plans and strategies⁵.

Setting and monitoring progress against metrics and targets

The Governing Body sets climate-related targets in the group's long-term plan considering management's recommendations. Performance against these targets is reported in the annual report, and those measures that can be measured quarterly are reported in a quarterly performance report to the Governing Body.

Climate-related performance metrics are not incorporated into remuneration policies for the council, any CCO or POAL.

The Governing Body appoints the Auckland Council Chief Executive on behalf of Auckland Council and conducts reviews of the Chief Executive's performance through the Performance and Appointments Committee as set out in the LGA. Section 9 of the Auckland Council Governance Manual⁶ sets out the criteria for a chief executive appointee, their roles and responsibilities, and their relationship with the mayor. It states that the chief executive is responsible for management of the council, for ensuring activities are managed effectively and efficiently, and for employing staff. There is no explicit requirement to ensure appropriate skills and competencies are available to provide oversight of climate-related risks and opportunities, however the Director Group Strategy and Chief Executive Office who reports directly to the Chief Executive, is responsible for the Chief Sustainability Office (CSO).

The CSO is responsible for leading the council's strategic direction on sustainability and climate action. It is tasked with strategic planning, analysis and advice on climate change and is responsible for the development of initiatives required to support the eight climate priority action areas set out Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan. It also supports operational managers in developing strategies to adapt to and mitigate climate-related risks, and to make use of climate-related opportunities. The CSO reports to the Policy and Planning Committee on sustainability matters as required, e.g. for approval of Auckland Council submissions on central government climate policy proposals and updates on spend of funds specifically tagged for climate initiatives.

The Director Group Strategy and Chief Executive Office is also responsible for the risk and assurance department. The risk team supports operational managers in proactively identifying and managing enterprise risks, including climate-related risks, in alignment with council's risk management framework. The risk team reports Auckland Council's most significant risks to the Audit and Risk Committee quarterly, and to the Executive Leadership Team as mentioned above.

Oversight of CCOs and POAL

There are two layers of governance for each CCO and POAL:

- oversight by the Auckland Council governing body and committees
- oversight by the directors/trustees of each CCO and POAL.

Oversight by the Auckland Council Governing Body and committees

The legal framework relating to the governance of CCOs is set out in the LGA and the Local Government (Auckland Council) Act 2009 (LGACA). The governance of POAL is set out in the Port Companies Act 1988. Governance mechanisms are similar despite the different legislative bases.

The council's Audit and Risk Committee monitors risks across the group as part of its terms of reference.

Appointment of directors and trustees

The Governing Body appoints directors/trustees of CCOs and POAL in accordance with the council's Appointment and Remuneration Policy for Board Members of Council Organisations⁷. The policy outlines the process for appointment, which starts with a strategic review of skills requirements. The policy outlines core competencies expected of all substantive CCOs and POAL board members, one of which is a commitment to integrate the council's climate action plans into the strategies and operations of the group entity.

CCO Accountability Policy and Statement of Expectations of substantive CCOs

Legislation provides a broad outline of the content of the accountability policy; however, the detail is determined by the Governing Body. The CCO Accountability Policy is included in the Long-term Plan 2024-2034. Our current Statement of Expectations of Substantive Council-Controlled Organisations⁸ was issued in July 2021.

The CCO Accountability Policy includes common expectations of all substantive CCOs, including those related to climate change. It requires each substantive CCO to contribute towards implementation of Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan and building a climate resilient future.

The Statement of Expectations of Substantive Council-Controlled Organisations 2021 refers to the expectations in the CCO Accountability Policy and adds:

'Council has a strong expectation that CCOs will build Te Tāruke-ā-Tāwhiri into their policy and strategy processes, so that climate change outcomes are not so much a separate category of goals, but an overlay or lens that is built into decision-making and behaviour. It should be clearly evident through the work programmes in the Statements of Intent how each CCO is addressing the climate challenge at a practical level.'

The council's expectations have been supplemented annually in letters of expectation from the mayor, with content agreed by the Governing Body or committee. The letters include specific areas of focus for the year ahead.

As POAL is not a CCO, the mayor issues it with an annual letter of expectations that sets the expected direction for its statement of corporate intent. The content of the letter of expectation is determined by elected members and generally aligns with the long-term plan and elected members' priorities.

Audit and Risk Committee monitoring

The Auckland Council Audit and Risk Committee reviews the effectiveness of enterprise risk management across the Auckland Council group. Its responsibilities include ensuring that climate change, and the impacts of climate change on the group, are integrated within governance structures and considered in decisions. Where an identified risk may affect Auckland Council or the wider group, the committee will also ensure that all affected entities are aware of, and appropriately managing, the risk. To achieve this, the boards and management of each CCO and POAL are required to present their critical risks and a summary of their performance annually to the Audit and Risk Committee, before annual reports are published.⁹ The CCOs also provide quarterly enterprise risk updates, and POAL an annual risk update.

Oversight by directors and trustees

The high-level governance roles and duties of directors and trustees of CCOs and POAL are set out in the LGA, LGACA, Companies Act 1993, Trusts Act 2019, Charities Act 2005, and Port Companies Act 1988 as applicable.

The CCO and POAL directors or trustees must hold management accountable for developing a strategy to address the council's expectations and for achievement of performance targets set out in their statements

of intent (SOI)/corporate intent. Further, each group entity has their own board committees to support their oversight of climate-related risks.

Details of these committees and frequency with which there are interactions between them and management, as well as the frequency with which management reports these to boards are summarised below.

Management of each CCO and POAL is informed about, makes decisions on, and monitors climate related risk in preparation for, and as part of, the periodic reporting to the relevant board or committee.

Group process and frequency of information monitoring

Group entity	Frequency of board meetings	Process and frequency of being informed and monitoring of climate-related metrics	Board committee responsible for oversight of climate matters	Frequency of committee meetings	Process and frequency of being informed
Auckland Transport	8 times per year	Chief Executive's report at each meeting. This covers operational highlights, issues, opportunities, risks and performance against SOI targets (including climate-related matters)	Finance and Assurance Committee: Oversight of climate-related risks	At least 5 times per year	Quarterly report on enterprise risks, which include climate change response
			Design and Delivery Committee: Oversight of performance against its sustainability strategy (including climate-related targets and indicators)	At least 6 times per year	Quarterly report on progress of sustainability strategy and performance against climate-related targets
Watercare Services	At least 8 times per year	Chief Executive's report at each meeting. This includes an item on sustainability and climate-related matters, including performance against climate-related targets Quarterly report on enterprise risks, which include climate-related risks The board paper template includes a non-mandatory climate and sustainability section	Audit and Risk Committee: Supports board with oversight of climate-related risks	At least 5 times per year	Quarterly deep dive presentation from management of a particular enterprise risk (which will be a climate-related risk as and when considered appropriate)
Tātaki Auckland Unlimited (comprising two CCOs – Tātaki Auckland Unlimited Trust and Tātaki Auckland Unlimited Limited)	At least 10 times per year	- Chief Executive's monthly report includes a climate innovation and sustainability dashboard every quarter to provide a high-level snapshot of progress against the Climate Change and Environment Strategic Plan - Since mid 2024, all TAU board committee paper templates have incorporated a climate change and sustainability section - The board reviews a high-level strategic risk register before it is submitted to the Auckland Council Audit and Risk Committee - The annual report provides an update on performance against Tātaki Auckland Unlimited (TAU) Trust's GHG emissions reduction target	Risk and Finance Committee: Oversight of climate-related risks and the financial impacts of climate-related events	6 times per year	- Quarterly report on environmental and climate change as one of TAU's strategic risks and an operational risk - A climate change and sustainability update is a standing agenda item for 3 meetings per year. Further updates are provided when required - A mandatory climate change and sustainability section was added to the Risk and Finance Committee report template in May 2024

Group entity	Frequency of board meetings	Process and frequency of being informed and monitoring of climate-related metrics	Board committee responsible for oversight of climate matters	Frequency of committee meetings	Process and frequency of being informed
Port of Auckland Limited	8 times per year	- Standing agenda item at every board meeting for the Audit and Risk Committee Chair to provide a Committee update. This would include an update on sustainability and environmental matters (including climate-related performance targets) if applicable - Chief Executive's report provided at every meeting, provides an update on progress with high level sustainability initiatives, when necessary	Audit and Risk Committee: Oversight of climate-related risks and opportunities as well as performance against climate-related targets	At least 4 times per year	Quarterly report on progress and performance with Sustainability and Environmental programmes, which includes performance against climate-related targets and climate-related risks
Eke Panuku Development Auckland	10 times per year	- Quarterly report on enterprise risks, which include climate-related risks - The board paper template includes a mandatory climate and sustainability section - From 1 July 2025, Eke Panuku Development Auckland is subject to CCO reform	Audit and Risk Committee: Assists the board with oversight of climate-related risks	4 times per year	Quarterly report on enterprise risks, which covers all corporate risks, including sustainability and climate change risks

Climate skills and expertise of directors/trustees

The council maintains skills matrices for board members of all substantive CCOs. These skills matrices form the basis for the council's recommendations to the Performance and Appointments Committee on the appointment of new directors. For Auckland Transport and Watercare Services Limited, the matrices identify the specific skill sets related to the response to climate change that are desirable to have on these boards.

Refreshed climate-related training has been developed this year by the CSO and climate-related disclosure team and will be provided as part of the induction to the new governing body appointed in October 2025, as well as be made available for training workshops and as an on-line tool across the group.

Responsibilities for climate-related matters in organisational structures

Like Auckland Council, the heads of the sustainability and risk departments report into an executive leader. Each group entity has a sustainability and/or corporate responsibility department that is responsible for leading the organisation's strategic direction on sustainability and climate action. Each group entity has a risk department responsible for maintaining a risk framework, supporting their organisation in identifying and assessing risks, and reporting the most significant risks to their respective risk committees. All these departments have staff that are responsible for working with Auckland Council to ensure alignment of frameworks and strategy, and the sharing of best practice

Appendix 3

Supporting Information

Greenhouse Gas emissions and Metrics

Table 3.1. Auckland Council Group GHG emissions – by entity ● Unassured information

GHG Protocol Classification FY25 Group consolidation - by entity	Watercare tCO ₂ e	Auckland Council tCO ₂ e	Auckland Transport tCO ₂ e	Port of Auckland tCO ₂ e	Tātaki Auckland Unlimited tCO ₂ e	Eke Panuku tCO ₂ e	Total tCO ₂ e	% Total
Scope 1: Direct emissions								
Stationary combustion	5,589	7,674	136	5	431	-	13,835	9%
Mobile combustion	2,117	2,052	515	11,303	89	15	16,091	10%
Land use, land-use change and forestry	-	6,209	-	-	19	-	6,228	4%
Fugitive emissions	32,761	71	540	102	155	-	33,629	21%
Process emissions from industrial processes	61,741	-	-	-	-	-	61,741	38%
Scope 1: Total Direct emissions	102,208	16,006	1,191	11,410	694	15	131,524	81%
Scope 2: Indirect Emissions								
Indirect emissions from imported energy	15,245	4,337	7,302	1,467	1,893	79	30,323	19%
Scope 2: Total Indirect emissions from imported energy	15,245	4,337	7,302	1,467	1,893	79	30,323	19%
Total Scope 1 and 2	117,453	20,343	8,493	12,877	2,587	94	161,847	100%
2025 Unassured	73%	13%	5%	8%	2%	0%	100%	
2024 Unassured	70%	14%	5%	9%	2%	0%	100%	

Key points ● Unassured information

Watercare is the greatest emitter in the group - emitting 73 per cent of the group's total, an increase on a 70 per cent share last year. This is because of the nature of Watercare's operations, which will need significant advancements in technology and capital investment to substantially reduce them. Watercare's main emission sources are:

- fugitive emissions
- process emission from industrial processes
- indirect emissions from imported electricity.

Specific information about the source of Watercare's emission and its emission reduction strategy is provided in section 2.7.3 Key aspects of group entity transition plans. Information about Auckland Transport and Auckland Council is also provided in this section.

Table 3.2 Group consolidated GHG emissions - Base Year ● Unassured information

GHG Protocol Classification	Base year FY18/19
Scope 1: Direct emissions	
Stationary combustion	11,653
Mobile combustion	19,390
Land use, land-use change and forestry	6,225
Fugitive emissions	28,121
Process emissions from industrial processes	54,571
Scope 1: Total Direct emissions	119,960
Scope 2: Indirect emissions from imported energy	
Indirect emissions from imported electricity	31,104
Scope 2: Total Indirect emissions from imported energy	31,104
Total Scope 1 and 2	151,064

Key Points:

Consolidated group GHG emissions of 161,847 tCO₂e have increased 7 per cent from the 2018/2019 base year figure of 151,064 tCO₂e.

Data quality ● Unassured information

We evaluate the data quality of our activity data using the following data management framework:

Table 3.3 Data quality

Data management	Data collection		
	Measured	Derived	Estimated
Robust	M1	D1	E1
Satisfactory	M2	D2	E2
Questionable	M3	D3	E3

The definitions of Measured through to Questionable.

Measured = Data directly provided by a service provider, contractor or directly obtained from software. For example, e-Bench electricity reports, contractor reports, electricity invoices, fleet fuel reports.

Derived = Data obtained from calculations, mass balances and annualised data for example waste data conversions, balance calculation of combined measured and estimated data for example procurement spend data less activity data.

Estimated = Usually, where there is no other available method for obtaining the data. Such data could be prorated on previous results, use of precedents or historical data e.g. refrigerant data within this IMR.

Robust (1) = Evidence of sound, mature and correct reporting system, where room for error is negligible. Examples would include use of software databases and on-line reporting.

Satisfactory (2) = Examples would include manual, but structured keeping of records, files and results. Some potential for error or loss of data.

Questionable (3) = No logical or structured approach to data or record keeping. High potential for error &/or loss of data. Data may appear to differ from those initially reported

Papakupu

Glossary

● Unassured information

Adaptation

Actions taken to help communities and ecosystems cope with changing climate condition (United Nations Framework Convention on Climate Change) or adjustment in natural or human systems in response to actual or expected climatic stimuli or their effects, which moderates harm or exploits beneficial opportunities (IPCC).

Climate resilience

The ability of a system and its component parts to anticipate, absorb, accommodate or recover from the effects of a hazardous event in timely and efficient manner. This includes ensuring the preservation, restoration or improvement of its essential basic structures and functions.

Climate Change Commission (CCC)

An independent Crown entity that advises the New Zealand Government on climate change policy within the framework of the Climate Change Response (Zero Carbon) Amendment Act 2019.

CCC Tailwinds, Headwinds and Current Policy

Refer to climate change scenarios developed by the New Zealand Climate Change Commission as part of its advice to the government on how the 2050 emissions target could realistically be met.

Decarbonisation

The removal or reduction of carbon dioxide output into the atmosphere.

Eligible assets

Assets that are financed or re-financed through green bonds and conform to the eligibility criteria set out in Auckland Council's Sustainable Finance Framework.

Environmental degradation

The deterioration of the environment through depletion of resources such as air, water and soil; the destruction of ecosystems; habitat destruction; the extinction of wildlife; and pollution.

Food security

The state of having reliable access to sufficient affordable, nutritious food regardless of class, gender or religion.

Greenhouse gas (GHG) emissions

Gases emitted to the atmosphere which contribute to the GHG effect where more than the normal amount of atmospheric heat is retained in the atmosphere. These emissions include water vapour, carbon dioxide, nitrous oxide, methane, ozone, halocarbons and other chlorine and bromine containing substances.

Low carbon organisation

An organisation that uses low-carbon power sources that have a minimal output of GHG emissions into the atmosphere, specifically carbon dioxide.

Mitigation

The action of reducing the severity, harm and seriousness of climate change through emissions reduction.

Net zero

A state in which greenhouse gas emissions going into the atmosphere can be absorbed and durably stored by nature and other carbon dioxide removal measures, leaving zero emissions in the atmosphere. In relation to Auckland Council group's net zero target, this considers our current consolidation of Scope 1 and 2 emissions which are reported on a Gross basis, but with no offsets being applied i.e. reported Gross emissions equals Net emissions.

Paris Agreement

The Paris Agreement is a legally binding international treaty on climate change, adopted by 196 Parties at the UN Climate Change Conference (COP21) in Paris, France, on 12 December 2015. Its overarching goal is to hold "the increase in the global average temperature to well below 2°C above pre-industrial levels" and pursue efforts "to limit the temperature increase to 1.5°C above pre-industrial levels."

Physical risk

Risks related to physical impacts of climate change resulting from either acute natural hazard (e.g. floods, cyclones, and droughts, wildfires), which are weather-exacerbated events whose incidence is increasing with climate change, or from chronic weather hazards (e.g. sea level rise, heat, and water stress) that are realised over time. These types of risks may also lead to indirect risks, e.g. reputational, strategic, operational or liability.

Representative Concentration Pathway (RCP)

Scenarios that include time series of emissions and concentrations of the full suite of GHGs, aerosols and chemically active gases, as well as land use/cover.

Risk register

A tool for documenting risks and associated actions to manage each risk.

Scope 1 GHG emissions

Direct emissions from sources owned or controlled by the group.

Scope 2 GHG emissions

Indirect emissions from the generation of purchased energy that the group uses.

Scope 3 GHG emissions

Other indirect emissions occurring because of the activities of the group but generated from sources it does not own or control.

Shared Policy Assumptions for New Zealand (SPANZ)

National-scale socio-economic scenarios developed for New Zealand that are nested within IPCC SSPs and RCPs.

They describe potential mitigation and adaptation policies specific to New Zealand, enabling divergence of New Zealand-specific futures from assumed trends in the global SSPs.

Shared Socioeconomic Pathways (SSP)

Five standard trajectories that represent possible future socioeconomic development for global or regional societies.

Stranded assets

Stranded assets are assets which loses their value, or becomes unusable, in a sudden or unexpected way.

Supply chain

The sequence of processes involved in the production and distribution of a commodity.

tCO₂e

Tonnes (t) of carbon dioxide (CO₂) equivalent (e). 'Carbon dioxide equivalent' is a standard unit for counting GHG emissions regardless of whether they are from carbon dioxide or another gas, such as methane.

Transition risk

Risks related to the transition to a lower-carbon, climate-resilient economy that is mainly driven through policy and legal, technology, market, financial and reputational drivers.

▼ Walking the dog, Clevedon



Translations of Te Reo Māori terms

Āpiha Matua mō te Pūtea i te Rōpū

Group Chief Financial Officer

Mātou

Our (Auckland Council)

Tā mātou Tauākī mō te Āhuarangi

Our Climate Statement

Tauākī Tautuku

Statement of compliance and responsibility

Whakataukī

Māori proverbs or sayings that encapsulate wisdom, values, and cultural knowledge

Whānau

Family

Tāmaki Makaurau

Auckland

▼ Waka ama team, Weymouth



References ● Unassured information

- ¹ The group's substantive council-controlled organisations include Auckland Future Fund, Auckland Transport, Watercare Services Limited, Tātaki Auckland Unlimited Trust, Tātaki Auckland Unlimited Limited and Eke Panuku Development Auckland Limited.
- ² Earth Sciences New Zealand is a Crown Research Institute formed by the merger of GNS Science and NIWA – both internationally recognised research organisations. It promotes sustainable growth and resilience through research, innovation, and stewardship of natural resources and ecosystems.
- ³ Local Government Act 2002, Section 41A, 3(b) and (c).
- ⁴ <https://www.aucklandcouncil.govt.nz/about-auckland-council/how-auckland-council-works/governing-body-wards-committees/Documents/governing-body-terms-of-reference.pdf>
- ⁵ <https://www.aucklandcouncil.govt.nz/plans-projects-policies-reports-bylaws/our-plans-strategies/Pages/default.aspx>
- ⁶ <https://governance.aucklandcouncil.govt.nz/media/w35hsbwg/20210310-governance-manual-section-9-the-chief-executive-and-council-staff-final.pdf>
- ⁷ <https://www.aucklandcouncil.govt.nz/plans-projects-policies-reports-bylaws/our-10/09/2025policies/Documents/board-appointment-remuneration-policy.pdf>
- ⁸ <https://www.aucklandcouncil.govt.nz/about-auckland-council/how-auckland-council-works/council-controlled-organisations/Documents/statement-expectations-substantive-cco.pdf>
- ⁹ Auckland Council Governing Body Terms of Reference 2022-2025, p17, p19, p20.

▼ Orakei walkway



Te huarahi whakapā mai ki te kaunihera

How to contact the council

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Locations that offer council services

Central City Library

44-46 Lorne Street, CBD

Great Barrier Island Library

75 Hector Sanderson Road, Claris,
Aotea / Great Barrier Island

Helensville Library

49 Commercial Road, Helensville

Kumeū Library

296 Main Road (SH16), Kumeū

Manukau Library

3 Osterley Way, Manukau

Ōrewa Library

12 Moana Avenue, Ōrewa

Pukekohe Library, Franklin

12 Massey Avenue, Pukekohe

Sir Edmund Hillary Library (Papakura)

1/209 Great South Road, Papakura

Takapuna Library

9 The Strand, Takapuna

Te Manawa (Westgate)

11 Kohuhu Lane, Westgate

Waiheke Library

131-133 Oceanview Road,
Oneroa, Waiheke Island

Waitākere Central Library, Henderson

3 Ratanui Street, Henderson

Warkworth Library

2 Baxter Street, Warkworth

► Fishermans' Wharf Northcote
Point Ferry Terminal

For opening hours and a list of services available at each service centre, visit
<https://www.aucklandcouncil.govt.nz/report-problem/visit-us/Pages/default.aspx>





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