



2025

Climate Summary  
Report





## About Citycare Group

Citycare Group (Citycare) consists of four businesses that operate independently. This includes Apex Water, Citycare Property, Citycare Water and Spencer Henshaw (Spencers). These businesses provide infrastructure, open space and facilities management, maintenance and project management services across a range of customers including local and central government.

We are proud to share our first climate summary report for the period 1 July 2024 to 30 June 2025. Our report shares a snapshot of our Governance, Strategy, Targets and Metrics. Through this document, we seek to provide our stakeholders with an understanding of how we are supporting the transition to a low emissions future.

Citycare is 100% owned by Christchurch City Holdings Limited (CCHL). CCHL is a Climate Reporting Entity under the Financial Markets Conduct Act 2013 (FMCA). For more information, please refer to the [CCHL Climate Statement 2025](#).





## Governance and Management

Citycare’s Board of Directors sets the strategic direction, approves budgets, and monitors performance of Citycare. Consideration of climate change and its effects are integrated throughout Citycare’s key governance documents.

The Board has approved our Business Strategy which outlines Citycare’s Environmental, Sustainability and Governance (ESG) ambitions. The Board delegates to the ELTs the responsibility for setting targets for managing climate-related risks and approves those through the annual budget, Statement of Intent (SOI) and Climate Related Disclosures. The Board monitors performance against the SOI targets on an annual basis through the normal reporting cycle.

Climate-related responsibilities are held by all ELT members, with specific ownership held by the GM Safety, Risk and Resilience (Property), and Head of Commercial and Risk (Water), who are actively supported by the Sustainability and Environment Manager (Property) and Sustainability Advisor (Water).

Responsibility for statutory reporting under NZ IFRS and other compliance reporting requirements is held by the Group Chief Financial Officer, actively supported by the Finance teams and the Group Sustainability Manager.



## Our Business Model and Strategy

Citycare is a leading national provider of infrastructure maintenance, asset management/optimisation and construction services. Citycare’s values are: We Discover - We Deliver - We Care. These values support and guide Citycare in all our dealings with stakeholders and with the communities we work in. Citycare has evolving business strategies that reinforce the autonomous nature of the four businesses – Apex Water, Citycare Property, Citycare Water and Spencers.

The four businesses are implementing sector strategies, led by the respective Chief Executives and their ELTs. This enables each sector to better work to their core strengths and deliver optimal performance to customers. For specific information on individual business strategies and value creation models, refer to the Citycare Statement of Intent and the Citycare Annual Report.



## Targets to transition to a Low-emissions Future

As a national provider of infrastructure and property maintenance, asset management/optimisation and construction services Citycare is committed to supporting Aotearoa New Zealand's transition to a low-emissions economy through decarbonising our business operations, our service delivery, and supporting the communities in which we operate.

### Emissions Reduction Targets

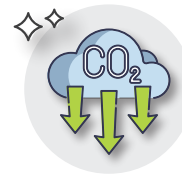
To support the transition to a low-carbon economy, we are committed to decarbonising our fleets as quickly as possible, while also managing operational requirements, future investment needs, and shareholder expectations.

Citycare have adopted the following absolute Scope 1 and 2 reduction targets:

- 30% reduction by 2030 from the 2022 base year.
- 66% reduction by 2040 from the 2022 base year
- 90% reduction by 2050 from the 2022 base year.

In setting the 30% reduction target, consideration was given to balancing business demands and our response to emission reductions - including the future pace of change with regards to battery electric vehicle (BEV) technologies. Citycare's reduction targets do not rely on offsets, and Citycare does not currently offset any of its emissions.





## Our Greenhouse Gas Emissions

Citycare’s GHG emissions are measured annually in accordance with the GHG Protocol Corporate Accounting and Reporting Standard. We use BraveGen’s carbon emissions management software to manage and report our emissions.

Citycare applies the consolidation-based approach to its GHG emissions and accounts for 100% of the GHG emissions from operations over which it, or one of its subsidiaries, has operational control. This results in the inclusion of 100% of Apex Water’s and 100% of the Spencer Henshaw’s emissions.

### Scope 1 & 2 Emissions

FY22 is the base year for our Scope 1 & 2 emissions and provides the benchmark against which increases or decreases in emissions are measured. Our FY22 base year Scope 1 & 2 emissions are 8,237 tCO<sub>2</sub>e.

Our FY25 Scope 1 & 2 absolute emissions increased one percent (97 tCO<sub>2</sub>e) from our FY22 base year. This small increase reflects both actions that have seen a reduction in emissions, and business growth seeing a small net increase in overall fuel consumption within Citycare Property, Spencers and Apex Water.

*Citycare Scope 1 and 2 emissions base year, last year and reporting year*

ISO Sub-category	Emission Sources	FY22 TCO <sub>2</sub> e	FY24 TCO <sub>2</sub> e*	FY25 TCO <sub>2</sub> e
<b>Scope One</b>				
1 Stationary combustion	LPG Stationary use	3	3	4
2 Mobile combustion	Diesel and petrol in vehicles -	8,043	7,887	8192
<b>Scope Two</b>				
2 Purchased energy (location-based method)	Purchased electricity	190	106	138
<b>Total Scopes 1 &amp; 2</b>	<b>Citycare Group</b>	<b>8,236</b>	<b>7,996</b>	<b>8,334</b>

### Scope 3 Emissions

During FY25 Citycare significantly increased the scope of what we measure in our value chain and subsequently Citycare has reset its scope 3 base year to FY25. FY25 will provide the benchmark against which changes in Scope 3 emissions will be measured. Citycare’s FY25 Scope 3 emissions were 43,418 tCO<sub>2</sub>e.



### FY25 Reported Emissions

Citycare’s GHG emissions for financial year from 1 July 2024 to 30 June 2025 are detailed in the table below. The GHG Protocol requires dual reporting for indirect emissions from purchased electricity using both the location-based method and market-based method.

Reporting Category	Sub-Category	FY25 tCO <sub>2</sub> e Location based	FY25 tCO <sub>2</sub> e Market-based
Scope 1	Direct emissions	8,196	8,196
Scope 2	Indirect emissions from purchased electricity	138	155
Scope 3	1 – Purchased goods & services	38,903	38,903
Scope 3	3 – Fuel & energy related activities	2,049	2,049
Scope 3	4 – Upstream transportation & distribution	1	1
Scope 3	5 – Waste generated in operations	996	996
Scope 3	6 – Business Travel	299	299
Scope 3	7 – Employee Commuting	1,170	1,170
<b>Scope 1 &amp; 2</b>		<b>8,334</b>	<b>8,351</b>
<b>Scope 3</b>		<b>43,418</b>	<b>43,418</b>
<b>Total Gross Emissions</b>		<b>51,752</b>	<b>51,769</b>

Our FY25 independent verification was completed by McHugh & Shaw Limited (ISO 14064-3:2019). The assurance level achieved is Reasonable Assurance for Scopes 1 and 2 and Limited Assurance for Scope 3<sup>1</sup>

### Greenhouse Gas Emissions Intensity

Citycare uses TCO<sub>2</sub>e per million dollars of revenue for its GHG emissions intensity. This emissions intensity was chosen to enable Citycare to compare the impact of our reduction initiatives over time without being influenced by increases or decreases in the overall size of the group.

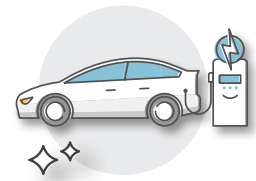
This intensity factor is calculated using the following: TCO<sub>2</sub>e from Scope 1 and 2 emission sources. Million dollars of revenue (less contractor cost + 10% margin). This adjustment has been made because contractor emissions are a scope 3 emissions source.

Citycare’s TCO<sub>2</sub>e per \$M revenue FY24

Scope 1 & 2 TCO <sub>2</sub> e Per \$M of Revenue	FY24*	FY25*
Citycare Group	34.15*	32.85*

\*Note this result is not inflation adjusted.

<sup>1</sup> Reasonable assurance is the same level of assurance as an audit of financial statements. Reasonable assurance is the highest possible, but not absolute, level of assurance.



## Emissions Reduction Activities

With over 98% of Citycare's Scope 1 and 2 emissions being from fleet fuels (primarily diesel), emissions reduction activities are primarily focused on decarbonising the fleet.

### Our key initiatives include:

Replacing ICE Vehicles with Low Carbon Alternatives:

- **Passenger Vehicles:** Replacing pure internal combustion engine (ICE) sedans, SUVs and/or station wagons with battery electric vehicles (BEV) where operational needs are met.
- **Operational Vehicles:** Replacing pure ICE vans, utes and trucks with BEVs where suitable/technology exists. Hybrids are used if BEV technology is not fit for purpose, and pure ICE vehicles may be used in the short-term where hybrid technology is not fit for purpose.
- **Mowers:** Replace diesel and petrol mowers used for parks and gardens maintenance with electric alternatives where fit for purpose options exist.

### Trialling Electric vehicle alternatives:

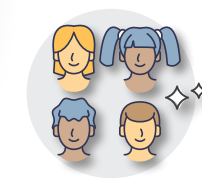
- Identifying and trialling a variety of electric vehicles to help inform future procurement decisions. For example, we have trialled a variety of large-scale commercial mowers, which are now in daily use on several contracts.

### Fleet Efficiency and Optimisation:

- **Rightsizing:** Replacing select utes with BEV passenger vehicles or hybrids, where operational performance is not compromised.
- **Driver Behaviour:** focusing on keeping our people safe on the roads and elevating driver performance to reduce fuel consumption. Driver performance initiatives include driver training, reducing idling time, route planning.

Through our existing service delivery, we provide a range of climate mitigation and resilience services to our customers including sustainability data, smart water metering, leak detection, installation of energy efficient assets, waste audits and waste diversion, low carbon tools, machinery and vehicles for contracted services, pest management and restoration activities.





## Working with our Customers on Climate resilience

We are seeing a growing demand from our customers to demonstrate emissions reduction and waste diversion in our practices and processes. Opportunities exist for us to support our customers to build and maintain climate resilient infrastructure and assets and community resilience to climate change through expanding and diversifying our service offering. This may be through integrating energy-efficient technologies, adopting low-carbon construction methods, prioritising circular resource use, and enhancing natural carbon sinks in open spaces.

Our success in this demands close collaboration with key customers, subcontractors, suppliers and iwi, and we are increasingly basing supplier and partner procurement decisions on aligned sustainability and environmental leadership goals. For example, our partnership with Te Tapu o Tāne in service of providing Queenstown Lakes District Council with an exemplary Tracks and Trails service offering.

For more information on our climate related risks and opportunities please refer to the CCHL Climate Statement 2025.