



Radius Residential Care Limited

# Climate-Related Disclosures Report 2024





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## Disclaimer

This report contains forward-looking statements, including climate-related scenarios, metrics, targets, assumptions, forecasts, projections, statements of Radius Care's future intentions, estimates and judgements that may not evolve as predicted. These statements are based on current assumptions, expectations and estimates about Radius's present and future strategies and Radius Care's future operating environment and are therefore inherently uncertain and subject to limitations and a number of risks, particularly as inputs, available data and information are likely to change.

Radius has used its best efforts to provide a reasonable basis for forward-looking statements and is committed to progressing our response to climate-related risks and opportunities over time but is constrained by the novel and developing nature of this subject matter. We have based these statements on our current knowledge as at 26 July 2024. There are many factors that could cause Radius Care's actual results, performance or achievement of climate-related metrics (including targets) to differ materially from that described, including economic and technological viability, as well as climatic, government, consumer, and market factors outside of Radius Care's control.

Nothing in this report should be interpreted as capital growth, earnings or any other legal, financial, tax or other advice or guidance. To the maximum extent permitted by law, Radius Care and its subsidiaries, directors, officers, employees, contractors and agents shall not be liable for any loss or damage arising in any way (including by way of negligence) from or in connection with any information provided or omitted.

## Welcome to this Report

Radius Care is pleased to release our inaugural climate-related disclosures in accordance with the New Zealand Climate Standards<sup>1</sup> recently issued by the Aotearoa New Zealand External Reporting Board (Standards).

At Radius, we are committed to integrating principles of sustainability and climate-related risk assessment into our strategic decision-making processes and broader risk management framework, in the same way we do for other risks and opportunities facing our business. We understand the importance of focusing our efforts on climate-related risks and opportunities now, for the sake of our future growth, value creation, and mitigation of climate-related risk.

Acknowledging that Radius Care is still at the early stages of its sustainability journey, we expect to improve the breadth and depth of our reporting over future reporting periods. We remain flexible and ready to adapt our response to climate-related risks and opportunities over the long term, as the nature of climate change becomes clearer.

Radius Residential Care Limited is a climate-reporting entity under the Financial Markets Conduct Act 2013. This report covers Radius Care's sustainability measures and performance with the aim of providing transparency and clarity to its shareholders on climate-related risks and opportunities. The disclosures cover the period from 1 April 2023 to 31 March 2024 and include Radius Residential Care Limited and its subsidiaries.

This report is available on our website at [www.radiuscare.co.nz/investor-centre](http://www.radiuscare.co.nz/investor-centre).



**Brian Cree**  
*Executive Chair*



**Hamish Stevens**  
*Chair of Audit and Risk Committee*

26 JULY 2024

<sup>1</sup> The Aotearoa New Zealand Climate Standards comprise NZ CS 1, NZ CS 2 and NZ CS 3.



## Statement of Compliance

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

In preparing Radius Care's climate-related disclosures for our first reporting period, the Board and Management have elected to use the following Adoption Provisions in NZ CS 2:

**Adoption Provision 1**, which provides an exemption in the first reporting period from the requirements to disclose the current climate-related financial impacts of its physical and transition impacts and (if relevant) an explanation as to why quantitative information cannot be disclosed.

**Adoption Provision 2**, which provides an exemption in the first reporting period from the requirements to disclose its anticipated financial impacts of climate-related risks and opportunities, a description of the time horizons over which the anticipated financial impacts of climate-related risks and opportunities could reasonably be expected to occur, and (if relevant) an explanation as to why the quantitative information cannot be disclosed.

**Adoption Provision 3**, which provides an exemption in the first reporting period from the requirement to disclose the transition plan aspects of its strategy, including how its business model and strategy might change to address its climate-related risks and opportunities; and the extent to which transition plan aspects of reporting period.

**Adoption Provision 4**, which provides an exemption in the first reporting period from the requirement to disclose its Scope 3 greenhouse gas emissions.

**Adoption Provision 5**, which provides an exemption from the requirement to provide comparative information relating to the immediately preceding two reporting periods for each metric disclosed in the current reporting period. 2022 is Radius's base year and therefore it does not have any comparative information for Scope 3 emissions which would enable it to report and disclose for preceding reporting periods.

**Adoption Provision 6**, which provides an exemption in the first reporting period from the requirement to disclose comparative information for the immediately preceding two reporting periods for each metric disclosed in the current reporting period. 2022 is Radius's base year and therefore it does not have comparative information for its metrics.

**Adoption Provision 7**, which provides an exemption in the first reporting period from the requirement to disclose an analysis of the main trends evident from a comparison of each metric from the previous reporting period to the current reporting period.



# Governance

## Board of Directors

Radius Care's Board of Directors has overall responsibility for all decision making within Radius Care. The Board approves strategy, establishes policies, monitors management's performance and ensures Radius has appropriate risk management policies in place, including in relation to climate risks and opportunities.

## Audit & Risk Committee

The Audit and Risk Committee (**ARC**) supports the Board by overseeing the effective development and implementation of a risk management policy and framework. This includes overseeing Radius's risk profile and management's actions in the identification, assessment, management and reporting of material risks.

The ARC is specifically responsible for overseeing the annual climate-related disclosures programme, making any recommendations to the Board for approval, and ensuring climate-related risks and opportunities are integrated into the enterprise risk management framework.

## Governance Process and Frequency

Management updates the ARC and Board in respect of standing material risks every six months. On these occasions, the Board reviews the risk management framework, including the company's risk register, which contains various material climate-related risks and opportunities. At any time where there is a material increase in the severity of any risk or the identification of a new or emerging risk, management will update the ARC and Board promptly.

Any major climate-related risk events or incidents of an urgent nature are reported to the Board immediately.

The ARC conducts an annual review of the Company's risk management framework and policy (which includes climate-related risks and opportunities).

Radius Care has undertaken a process for preparing this climate-related disclosures report, with the support of external providers. This process focused on identifying key climate-related risks and opportunities, and the impact which these may have on Radius Care, over the short, medium and long-term. This has led to the development of responses to deal with these risks, and the potential scenarios that may arise in the years ahead.

While not required in the first reporting year, Radius Care will endeavour to further enhance our climate-related reporting by developing policies, procedures, metrics, and targets in the succeeding reporting years.

## Board Skillset

The Board annually reviews the skillset of its individual members to ensure that there are adequate and appropriate skills and competencies to provide oversight of all relevant skills, including climate-related skills. A director skills matrix is used to complete this review, which includes an assessment of each individual director's environmental and sustainability capabilities. A summary of the Board skills matrix is available on page 7 of Radius Care's 2024 [Corporate Governance Statement](#).

In addition, the Board and ARC seeks professional advice on climate-related matters to supplement the expertise of Board members and management as needed.

## Integration of Climate Change Risks and Opportunities into Strategy

Radius Care acknowledges the impact of climate-related risks in New Zealand and within the industry which we operate.

Sustainability is integrated into our strategic decision-making process, with a focus on ensuring property development and refurbishment works are undertaken to future-proof Radius Care's assets against known and anticipated climate-related issues.

Our care homes and villages are beginning to review and understand their local climate-related risks and opportunities and are actively developing and embedding strategies and mitigants into their operations. For example, facilities are prioritising a reduction in waste to landfill.

## Monitoring Progress Against Targets

Radius Care is currently in the early stages of developing appropriate metrics and targets for managing its climate-related risks and opportunities. These will be further developed in the upcoming

financial year, along with a process for monitoring progress against these targets.

At this stage, climate-related or sustainability performance metrics or targets are not yet incorporated into Radius Care's short-term incentive or long-term incentive remuneration schemes. However, Radius Care may consider incorporating these in the future as its sustainability journey progresses.

## Management's Role

Radius Care's Senior Leadership Team (SLT) is responsible for designing, implementing and monitoring the risk management framework. This includes identifying risks, providing necessary resources to support effective risk management, monitoring the Company's risk profile, and ensuring effective controls are in place to mitigate risks within each senior leader's responsible business unit.

The SLT is assigned responsibilities of all risks (including climate-related risks) through the risk management policy.

The CEO and CFO are regularly invited to attend Audit and Risk Committee meetings, where they engage with the Committee members on material risks and regularly report on the risk framework, including reporting to the ARC on climate-related risks and opportunities at least annually.

Management is informed about, makes decisions on and monitors climate-related risks and opportunities through:

- Bi-monthly review of the risk register, which includes any material risk that affects the Company (including climate-related risks) at SLT meetings;
- Consideration of climate-related risks and opportunities at SLT strategy workshops;
- Regular meetings with the Compliance and Risk Manager (who is responsible for sustainability initiatives) to ascertain any emerging risks and opportunities;
- Reports from the Sustainability Committee.

## The Sustainability Committee

The Sustainability Committee comprises a cross-section of the organisation and meets regularly to discuss the company's sustainability practices, strategies and sector-related environmental and sustainability matters.

Individual staff members are also responsible for understanding and managing the risks in their area of operation.

A climate risk working group was established in 2023 comprising SLT and other senior business leaders to identify key climate-related risks and opportunities along with the current and expected impact on the business.

## Governance Structure

### The Board

The Board has overall responsibility for all decision making, approving strategy and overseeing performance of Radius Care.

### Audit and Risk Committee

Supports the Board by overseeing the risk management framework (including climate-related risks and opportunities) and the climate-related disclosures programme.

### Executive Management

Responsible for all enterprise risks (including climate-related risks), ensuring effective controls are in place within each business unit and delivering strategic direction approved by the Board.

### The Sustainability Committee

Comprises a cross-section of the organisation with a purpose to develop sustainable initiatives that can be used company-wide to promote an environmentally and socially responsible company.

The CEO is responsible for instilling a culture that aligns with Radius Care's values.





## Strategy

### **Current Climate-Related Impacts**

In recent years, New Zealand experienced two severe weather events which resulted in widespread damage. The Auckland floods in January 2023 were sudden and resulted in 307mm of rain over four days, equivalent to half a year's rainfall. This impacted significantly on local infrastructure resulting in closed roads, damaged properties and inundation of water infrastructure which was not able to cope with the volume of water.

This was closely followed by Cyclone Gabrielle which impacted eastern and coastal regions of the North Island with many of the same impacts affecting local residents. While Radius Care's care homes and villages were largely undamaged by these events, our staff were impacted through their ability to travel to and from care homes given the damage to local roading infrastructure. Some care homes also lost electricity for a short period of time and lost communication capability as some cell phone towers were offline. Support teams were quickly established during both weather events and plans were promptly put in place to supply emergency provisions, fuel and generators to care homes that needed support.

Overall, Radius Care has not been significantly impacted by climate-related events. This is partly due to the geographic spread of our care homes and villages across New Zealand situated away from coastal areas and waterways. While we have not been significantly impacted, these events have served as a timely reminder of the severity of impacts these events can cause and the need to be appropriately prepared.





## Scenario Analysis

### Our Approach to Scenario Analysis

In 2023, Radius Care undertook its inaugural, standalone scenario analysis across three different climate scenarios to help identify our climate-related risks and opportunities and to better understand the resilience of our business model and strategy.

Radius Care was a participant in the health sector working group led by Te Whatu Ora and a collective group of health sector stakeholders within New Zealand who collaborated to develop a [specific set of climate change scenarios](#). The project drew on insights from public agencies, private sector entities, research institutes and academia, with Tonkin + Taylor facilitating the process. We then worked with our own external experts through a series of workshops to further develop the company's own scenarios relevant to our organisation.

The three scenarios analysed were 1.1°C (being the baseline scenario), a 1.5°C scenario and a 3.0°C scenario (all being relative to pre-industrial levels). These were created to enable the identification of climate-related physical and transition risks and opportunities that might plausibly emerge between 2023 and 2050.

With the support of our external facilitator, we analysed our organisation's climate-related impacts and risks and assessed these against the three climate scenarios – Baseline, Orderly, and Hothouse World (described in further detail on page 10).

The risk assessment process focused on both physical and transitional climate-related risks. Physical risks were adapted from the Ministry for the Environment's Arotakenga Huringa huarangi: A Framework for the National Climate Change Risk Assessment for Aotearoa New Zealand. The list was supplemented with transitional risks adapted from both XRB and TCFD guidance.

The risk assessment process had three stages:

1. An initial risk screening of a master list of over 30 risks and opportunities;
2. A baseline risk assessment representing 1.1°C of global warming above pre-industrial levels;
3. A scenario risk assessment of two further scenarios representing 1.5°C and 3.0°C of global warming above pre-industrial levels.

The process involved interviews with members of the senior leadership team as well as subject matter experts, representing different functions and locations of the business, and consideration of how Radius Care's operations, residents and employees may be affected under each scenario. The most prominent climate risks and opportunities relevant to Radius were explored and assessed at a series of workshops. The scenario analysis forms part of Radius's climate risk and opportunity assessment, which in turn is used to inform Radius Care's strategy.

## Description of Scenarios

The three climate scenarios adopted are summarised as followed:

### Baseline 1.1°C

This is our baseline assessment of current policy settings and impacts of 1.1°C of global warming based on our current assessment of physical and transitional risks. This scenario assumes an orderly and immediate transition to a low emission economy and the impact of these actions limits increases to global warming to current levels.

### Orderly 1.5°C

Under this future scenario, there is a global focus on decarbonising, and the delayed transition (i.e. beyond 2030) means that transitional impacts are moderate to high, depending on the timing of regulatory and legal interventions. Physical risks are limited as global warming is slowed. The financial impacts are seen as low to moderate, and both consumer sentiment and macro-economic conditions are uncertain.

### Hothouse 3.0°C

This scenario is the hothouse world. In this scenario, physical impacts are the most severe, as is the financial impact of supply chain disruptions. Transitional impacts are limited as regulation is either not developed or severely delayed. In this scenario, the global focus on decarbonising and limited global warming is ineffective, resulting in a hothouse 3.0°C future.





Scenario Overviews

	Baseline 1.1°C	Orderly 1.5°C	Hothouse 3.0°C
Environmental	<p>9</p> <p>Extreme Rainfall<sup>2</sup> Days (per annum)</p>	<p>+11</p> <p>Extreme Rainfall<sup>2</sup> Days (per annum)</p>	<p>+&gt;11</p> <p>Extreme Rainfall<sup>2</sup> Days (per annum)</p>
	<p>16</p> <p>Extreme Heat (&gt;25°C) Days (per annum)</p>	<p>+15</p> <p>Extreme Heat (&gt;25°C) Days (per annum)</p>	<p>+30</p> <p>Extreme Heat (&gt;25°C) Days (per annum)</p>
	<p>0.2m</p> <p>Sea Level Rises</p>	<p>0.2m</p> <p>Sea Level Rises</p>	<p>0.32m</p> <p>Sea Level Rises</p>
Policy	<p>\$65 NZD</p> <p>Carbon Price</p>	<p>\$277 NZD</p> <p>Carbon Price</p>	<p>\$35 NZD</p> <p>Carbon Price</p>
Social	<p>NZ - 2.8% Global - 0.8%</p> <p>Population Increases</p>	<p>NZ - 16% Global - 7%</p> <p>Population Increases</p>	<p>NZ - 26% Global - 8%</p> <p>Population Increases</p>
Technology	<p>87%</p> <p>Renewable Energy</p>	<p>100%</p> <p>Renewable Energy by 2030</p>	<p>&gt;90%</p> <p>Renewable Energy by 2030</p>

Using a combination of scenarios is intended to add resilience to the risk assessment process and resultant strategy, preparing Radius Care for inevitable uncertainty in the short to medium-term.

2. Extreme Rainfall is based on data derived from Stats NZ which averages rainfall data from 30 sites across New Zealand.



## Time Horizons

Short term is considered a one to ten year timeframe, medium term is from ten to thirty years, and long term is anything over thirty years. These time horizons are of particular relevance when we are assessing the strategic development of our assets and our strategic growth plans.

## Risks and Opportunities

As part of the scenario analysis process, Radius Care undertook its first climate-related risk and opportunity assessment with reference to the established climate-related scenarios.

The table on pages 13-14 sets out a summary of Radius Care's key climate-related risks that were identified against our three selected scenarios, with all risks affecting all locations of our operations (from Northland to Invercargill). There were no material opportunities identified in the analysis undertaken.

The potential impact of each climate risk has been determined based on Radius Care's internal qualitative and quantitative risk assessment process, using our existing risk management

framework, which considers risks based on the likelihood of occurrence and the potential consequences to the business. The process will be repeated on an annual basis to ensure the resulting risks, opportunities, and management responses remain relevant. An annual review of climate-related risks will build resilience into our response to climate change.

Other risks and opportunities that did not meet the materiality threshold have not been disclosed, but all identified risks will continue to be monitored to assess any change in materiality, with our future disclosures to be adjusted to reflect any changes.





## Climate-Related Risks

Risk	Type/Time Horizon	Baseline 1.1°C	Orderly 1.5°C	Hothouse 3.0°C	Controls/ Mitigations
<b>Higher mean temperatures - air and water</b>	Type: Physical Time Horizon: Mid - long term	<b>Medium Risk</b> Increase in heat related impacts to health and wellbeing of residents, employees and contractors, including loss of productivity. Increased cooling needs (retrofit/upgrades) with higher energy consumption and operational costs.		<b>High Risk</b> Increase in heat related impacts to health and wellbeing of residents, employees and contractors, including loss of productivity. Increased cooling needs (retrofit/upgrades) with higher energy consumption and operational costs.	We are actively reviewing Heating Ventilation and Air Conditioning (HVAC) options at care homes and retirement villages to ensure the health and wellbeing of residents, employees and contractors as needed.
<b>Heatwaves: increasing persistence, frequency and magnitude</b>	Type: Physical Time Horizon: Mid - long term	<b>Medium Risk</b> Increased peak capacity and need for HVAC within care homes and retirement villages. Regulations introduced regarding HVAC requirements within care homes.		<b>High Risk</b> Increased peak capacity and need for HVAC within care homes and retirement villages. Regulations introduced regarding HVAC requirements within care homes.	We are actively reviewing HVAC options at care homes and retirement villages to ensure the health and wellbeing of residents, employees and contractors as needed.
<b>Increased storminess and extreme winds</b>	Type: Physical Time Horizon: Mid - long term	<b>Medium Risk</b> Potential delays and disruption to supply chains similar to those experienced during the Auckland floods and Cyclone Gabrielle. Increased damage to buildings and properties susceptible to extreme storms and wind such as roofs, gardens and outdoor furniture. Reduced communications and/or power outages during extreme weather events.		<b>High Risk</b> Potential delays and disruption to supply chains similar to those experienced during the Auckland floods and Cyclone Gabrielle. Increased damage to buildings and properties susceptible to extreme storms and wind such as roofs, gardens and outdoor furniture. Reduced communications and/or power outages during extreme weather events.	Processes and procedures are in place to ensure the safety and wellbeing of employees and residents during extreme weather events and mitigations in place to minimise the impact of supply chain disruptions. Back up communication devices such as Star Link and access to generators during prolonged outages are being rolled out with a focus on rural and isolated care homes.





Risk	Type/Time Horizon	Baseline 1.1°C	Orderly 1.5°C	Hothouse 3.0°C	Controls/Mitigations
<b>Increasing coastal erosion - cliffs and beaches Increasing landslides and soil erosion</b>	Type: Physical Time Horizon: Mid - long term	<b>Medium Risk</b> Potential delays and disruption to supply chains similar to those experienced during the Auckland floods and Cyclone Gabrielle. Reduced ability of employees to travel to and from care homes for work where local roading networks have been impacted by these events.		<b>High Risk</b> Potential delays and disruption to supply chains similar to those experienced during the Auckland floods and Cyclone Gabrielle.  Reduced ability of employees to travel to and from care homes for work where local roading networks have been impacted by these events.	Processes and procedures are in place to ensure the safety and wellbeing of employees and residents during extreme weather events and mitigations in place to minimise the impact of supply chain disruptions.  Back up communication devices such as Starlink and access to generators during prolonged outages are being rolled out with a focus on rural and isolated care homes.
<b>Insurance</b>	Type: Transitional Time Horizon: Mid - long term	<b>Low Risk</b> Insurance providers becoming more risk focused with increased need to mitigate risks in order to maintain insurance coverage.	<b>Medium Risk</b> Insurance providers becoming more risk focused with increased need to mitigate risks in order to maintain insurance coverage.	<b>High Risk</b> Insurance providers becoming more risk focused with increased need to mitigate risks in order to maintain insurance coverage.	Risk mitigations are assessed and undertaken as needed to maintain an appropriate level of insurance cover across our care homes and retirement villages.
<b>Increased and new illnesses and diseases</b>	Type: Transitional Time Horizon: Mid - long term	<b>Low Risk</b> New illnesses and diseases as a result of increasing climate impacts (mainly from overseas).	<b>Medium Risk</b> New illnesses and diseases as a result of increasing climate impacts (mainly from overseas).	<b>High Risk</b> New illnesses and diseases as a result of increasing climate impacts (mainly from overseas).	Robust procedures were developed throughout COVID-19 to mitigate the spread of illnesses and diseases within care homes.

The above climate-related risks will (where relevant) be incorporated into Radius's internal capital deployment and funding decision-making processes when making decisions on the use of development and refurbishment capital.



## Progress Towards Transition Planning

Radius has elected to use Adoption Provision 3: Transition Planning, however a description of our progress towards developing the transition plan aspects of our strategy follows.

Radius acknowledges the need to respond and adapt to the impacts of climate change. We recognise that our current business model and strategy will require further adjustments with a heightened focus on climate-related risks. Our current key transition initiatives and commitments include:

### Designing and Building for Climate Resilience

Radius Care is considering climate impacts in our developments, aiming to design and build with an awareness of a hotter world. This proactive approach is aimed at incorporating sustainable building practices in order to adapt to future climate conditions.

### Transitioning Company Vehicles to EVs

Radius Care plans to transition company vehicles towards electric vehicles (EVs). This move supports reducing our carbon footprint and aligns with the global shift towards cleaner transportation.

### Reducing Waste to Landfill

We are working on reducing the amount of waste our care homes produce that ends up in landfill sites. This initiative contributes to minimising our environmental impact and promoting sustainable waste management practices.



Radius acknowledges that additional initiatives will be developed as we build out our strategy and transition plan over the coming years, and as we adapt to a low-emissions and more climate-resilient future.

In the next reporting period, Radius intends to disclose a more comprehensive transition plan, further integrating climate considerations into our business strategy and operations.

## Risk Management

### Identifying, Assessing and Managing Climate-Related Risks

During 2023, Radius Care's approach to identifying and assessing climate-related risk involved a standalone analysis of systematically identifying climate-related risks, assessing the potential short, medium and long term impacts of these risks on different aspects of the business, determining the risk ratings (low, medium or high) and developing strategies to mitigate identified risks and capitalise on opportunities. These are then monitored to ensure mitigation strategies remain effective, adapting where necessary to changing conditions.

Our general risk assessment framework was used to determine risk ratings and to allow us to compare climate-related risks against other types of risks.

Radius's climate-related risks are regularly reviewed and incorporated into the risk management register. This approach facilitates the inclusion of climate-related risks into our existing risk management and governance frameworks.

### Integration into Overall Risk Management Process

Management regularly monitor and review material risks including those that are climate-related.

Day-to-day management of climate-related risks and opportunities sits with the SLT. The ARC undertakes a deep dive on risks (including climate-related) on an annual basis.

Expectations are set across the organisation around risk, with functional leads responsible for mitigation and monitoring of risks relevant to their business unit.



# Metrics and Targets

## Our Greenhouse Gas Emissions

Radius Care has developed a carbon inventory over the last three years, with the base year being 2022. This focused on identifying Scope 1, 2 and 3 emissions across Radius Care operations. Data has been prepared using volume-based information sourced from relevant suppliers, company records and spend base data. Emission factors have been sourced using external sources which are generally accepted as appropriate within a New Zealand context.

Radius Care’s emissions reporting is prepared with guidance from and in accordance with the Greenhouse Gas Protocol using the operational control approach.

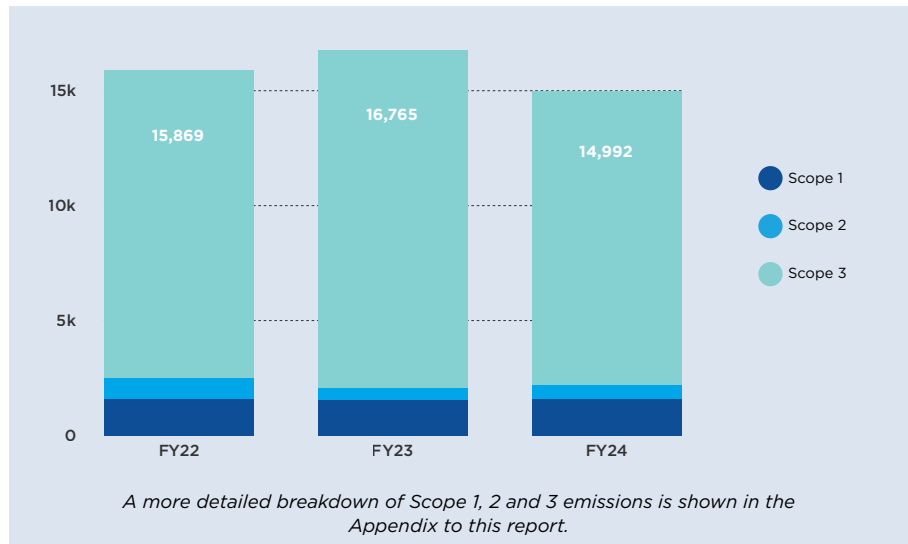
Independent assurance of Radius Care’s disclosure of GHG emissions has not been obtained in this first reporting year, however this will be obtained in the succeeding reporting year.

## Boundary

The scope of our emissions inventory includes all activities within the operational boundary of our parent company, Radius Residential Care Limited, and its eight subsidiaries, and includes its 23 care homes and four retirement villages<sup>3</sup> as well as its corporate support office and Radius shop operation (fully online and remotely operated directly through goods suppliers).

A summary of Radius Care’s Greenhouse Gas emissions for FY22 to FY24 is set out below.

### tCO<sub>2</sub>e Emissions



#### Scope 1 Emissions

This covers the emissions that a company makes directly — for example the use of LPG, natural gas, and other fuel types for heating and cooking within our care homes and villages.

#### Scope 2 Emissions

These are the emissions a company makes indirectly — such as the electricity or energy that we consume when operating our care homes and villages.

#### Scope 3 Emissions

This category covers all emissions indirectly caused by the company across its supply chain, including from purchasing products and customers’ product use. Scope 3 emissions usually make up the largest part of a company’s carbon footprint.

*3. The electricity consumed by independent living residents within Radius Care’s four retirement villages has been excluded from our calculation on the basis of not having sufficient information however this has been deemed to be immaterial from the overall profile of Radius’s emissions.*





## Our Progress

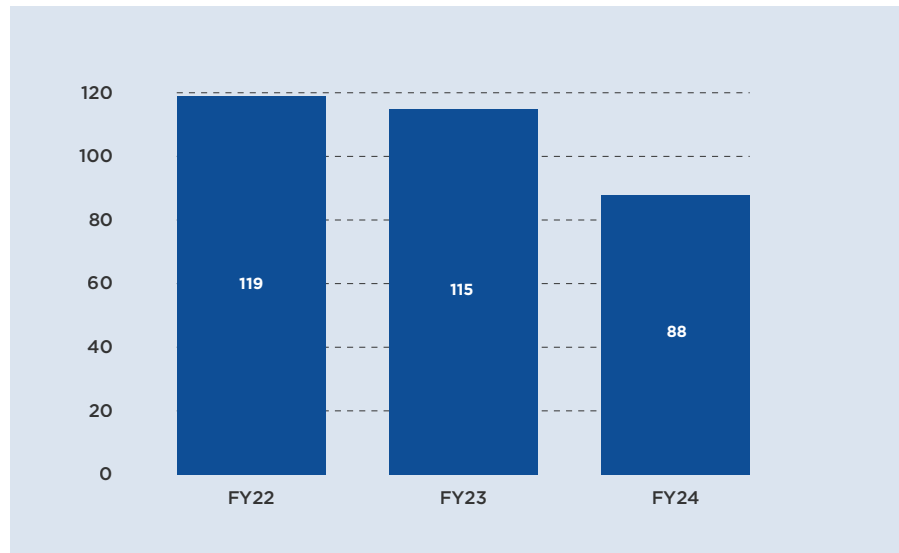
Since FY22, Radius Care has made progress in reducing its carbon footprint. As at 31 March 2024, our total carbon footprint has reduced by 4.5% since FY22 and our overall carbon intensity has dropped by 26.5%. This is largely as a result of New Zealand’s increased reliance on renewable energy sources for electricity generation which has reduced the emissions factor in FY23 and FY24.

## Emissions Intensity

On an intensity basis, the primary emissions measured by the company and forming the basis of the reduction targets uses total CO<sub>2</sub> emissions per \$1m of total revenue.

The company does not use an internal emissions price.

### Emissions Intensity



## Vulnerability to Physical, Transitional and Climate-Related Risks and Opportunities

The company has considered the vulnerability of business activities to transition risks, physical risks and climate-related opportunities. To a varying degree, all of the company’s activities are vulnerable to these risks and opportunities. However, the risks and opportunities vary for each care home and village.

## Capital Deployment

During the 2024 financial year, Radius Care invested \$145,000 of capital relating to climate-related risks, focusing on improving heating and HVAC capabilities at facilities, lighting upgrades to low usage LED bulbs and double-glazing windows. Radius Care also incurred \$45,000 of asset related damage following the Auckland floods and Cyclone Gabrielle, which was largely recovered under our insurance policy.

## Our Targets from a Baseline Year of FY22

- No increase of Scope 1 and 2 emissions intensity year-on-year.
- Implementation of carbon-efficient heating across all care homes by 2030.

The company’s targets have not been confirmed as being in line with limiting global warming to 1.5 degrees Celsius.



## Appendix

## Radius Care Scope 1, 2 and 3

Scope	Category name	FY22 emissions (tCO <sub>2</sub> e)	FY23 emissions (tCO <sub>2</sub> e)	FY24 emissions (tCO <sub>2</sub> e)
Scope 1	Stationary combustion	1,591	1,531	1,611
	<b>Scope 1</b>	<b>1,591</b>	<b>1,531</b>	<b>1,611</b>
Scope 2	Electricity consumption	918	566	614
	<b>Scope 2</b>	<b>918</b>	<b>566</b>	<b>614</b>
Scope 3	Purchased goods and services	8,003	8,755	8,786
	Capital goods	2,030	2,940	967
	Fuel and energy related activities	623	483	514
	Waste generated in operations	320	234	195
	Business travel	93	153	149
	Employee commuting	2,291	2,104	2,155
	<b>Scope 3</b>	<b>13,360</b>	<b>14,669</b>	<b>12,766</b>



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