

Chorus Annual Shareholder Meeting – 5 November 2025

Chair's Address

Tēnā koutou katoa.

Good morning and welcome to Chorus' 2025 Annual Shareholders' Meeting. I'm Mark Cross, Chorus' Chair.

We're joining you virtually this morning from the Chorus Network Lab in Auckland.

On the information conveyed to me, I confirm that a quorum of shareholders is present and declare the meeting open.

The minutes of the last annual shareholders' meeting have been approved. The Notice of Meeting, including the explanatory notes has been circulated to all shareholders, and I intend to take it as read.

We have a fairly short agenda today in terms of the formal business of the meeting.

As the video clip we played just before shows, our network helps Kiwis across the country meet every day, so we think it is only appropriate that we showcase our own technology for today's meeting.

On to today's agenda.

Agenda

- 1 Introduction and Chair's address
- 2 CEO address
- 3 Resolutions
- 4 Shareholder Questions

I'll start today's agenda with a short summary of the year and some of the things the Board has been focused on to deliver value to shareholders.

Chief Executive Mark Aue will then cover what's happening at an operational and market level.

After that we'll move to resolutions, questions and voting.

Your Board, independent directors



MARK CROSS
CHAIR



SUE BAILEY



NEAL BARCLAY



MIRIAM DEAN



WILL IRVING



KATE JORGENSEN



JACK MATTHEWS

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I would firstly like to introduce your directors to you. Joining us online are:

- Sue Bailey
- Neal Barclay
- Will Irving, and
- Jack Matthews.

Directors Kate Jorgensen and Miriam Dean, also join me here at the Auckland Lab.

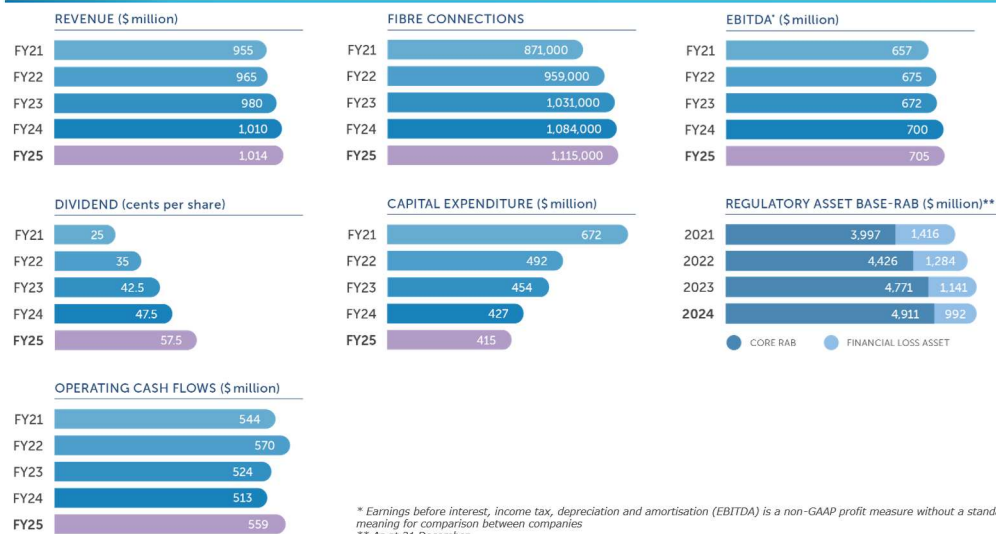
Sue, Will and myself are standing for re-election today in accordance with the NZX listing rules.

We also have with us today key personnel including:

- Drew Davies, our Chief Operating Officer; and
- Kristel McMeekin, our General Counsel,

as well as representatives from our auditors KPMG, and our legal provider Chapman Tripp.

FY25 Overview: consistent, reliable result



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Before I cover off the FY25 year in review, I'd like to thank and acknowledge our people, our partners and our customers. At the heart of what we do is ensuring the high performance and reliability of our network as digital connectivity becomes increasingly essential to daily life.

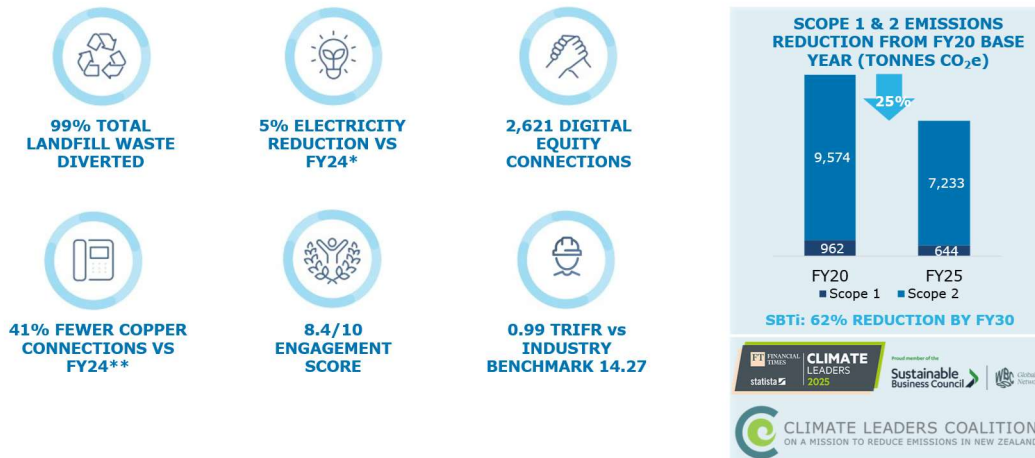
As we noted in our August results announcement, Chorus delivered another consistent and reliable financial result proving the resilience of our digital infrastructure assets in a challenging economy.

Our fibre connections continued to grow, up 3% vs FY24 and we continued to see improvements across our key financial metrics.

EBITDA was \$705 million, up from \$700 million last year. Operating cash flows of \$559 million were strong and up 9% on the prior year.

These results enabled total unimputed dividends of 57.5 cents per share for the year, an increase of 10 cents or 21 percent from the prior year.

FY25 Overview: continued progress on sustainability



*10% more data traffic in FY25, but reduced electricity usage by 5% by removing legacy equipment
 ** fibre broadband has a much lower fault rate than copper (~3% vs ~30% per annum) and is widely recognised as the most energy efficient broadband technology
 Note: our scope 2 emissions were increased in FY25 due to a 39% increase to the Ministry for the Environment purchased energy emissions factor - 2025 Emissions Factors Workbook (summary of changes)
<https://environment.govt.nz/publications/measuring-emissions-guide-2025/>

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Moving now to slide 7, fibre enables a more resilient future for our stakeholders and we're pleased with the sustainability results delivered during the year.

Fibre networks are widely acknowledged as the greenest broadband technology because of their data transmission capacity relative to electricity. By retiring legacy network equipment, we reduced our electricity use by 5% from FY24 and we saw a 25% reduction in Scope 1 & 2 carbon emissions from our FY20 base year.

Investing in our people, partners and their safety, along with ensuring assets are safe, resilient and efficient is a critical part of Chorus business. On safety, we continue to rank well ahead of industry benchmarks. Meanwhile our people engagement score was 8.4 out of 10 - remaining in the top 5% of technology industry benchmark. Pleasingly, Chorus achieved its targets for FY25 in all four drivers of health and wellbeing.

We are proud of the work we do to support community good with a focus on digital inclusion. Our efforts on digital equity are very important to us and we exceeded our FY25 target of 1,000 digital equity connections by some margin.

Your Board's focus areas



As in previous years, we note on slide 8 the focus areas that our Board anchors to. These are the things we consider are most important to Chorus' success.

Highlighting a few of these, on our managed exit from copper, NZ now has just 78,000 copper lines remaining, of which only 9,000 are in the Chorus fibre area. We fully appreciate the need for certainty with the retirement of our legacy copper network, particularly for those parts of New Zealand where fibre is not available.

The reality is though, while the network did play a valuable role in connecting Kiwis for over a century, copper lines now have a high fault rate, are vulnerable to weather events and are no longer providing the service that most consumers demand.

At the same time, most rural consumers now have access to three alternative technologies that are often more affordable, better performing, and more reliable than copper.

Our recent experience with the retirement of old radio system technology on the copper network has shown rural consumers can successfully move to modern services like these and get a service equal to, if not better than

old copper lines and these were in some of the most remote parts of New Zealand like Chatham Islands and a high-country gorge in South Canterbury.

As far as a managed exit in rural areas goes, I can assure you that, as part of the copper network retirement by 2030, Chorus is committed to a clear, consumer-centric process that supports the transition of customers to modern services. We are collaborating with a wide range of stakeholders to ensure that happens.

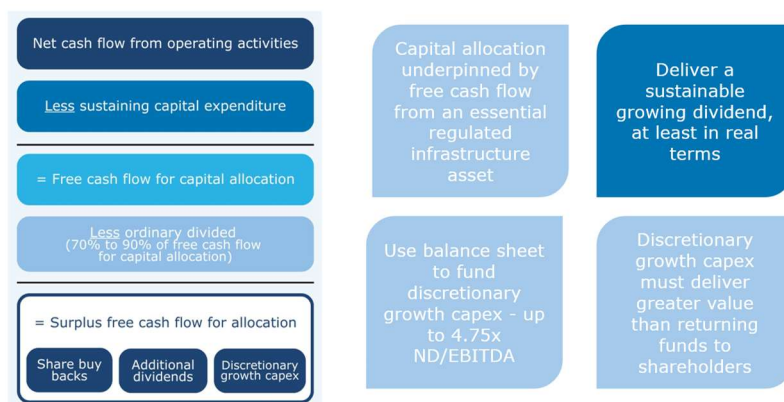
In the meantime, for any queries or help on switching services off copper, you can contact our team at ruralsupport@chorus.co.nz

Moving on now to look at some of the other board focus areas...

Capital management principles and policy

A DIGITAL INFRASTRUCTURE BUSINESS MAXIMISING LONG-TERM VALUE AND SHAREHOLDER RETURNS

Dividend policy: pay an ordinary dividend of 70% to 90% (on average, over time) of net cash flow from operating activities less sustaining capital expenditure



Prioritising long-term value through capital allocation remains a key area of focus for the Board.

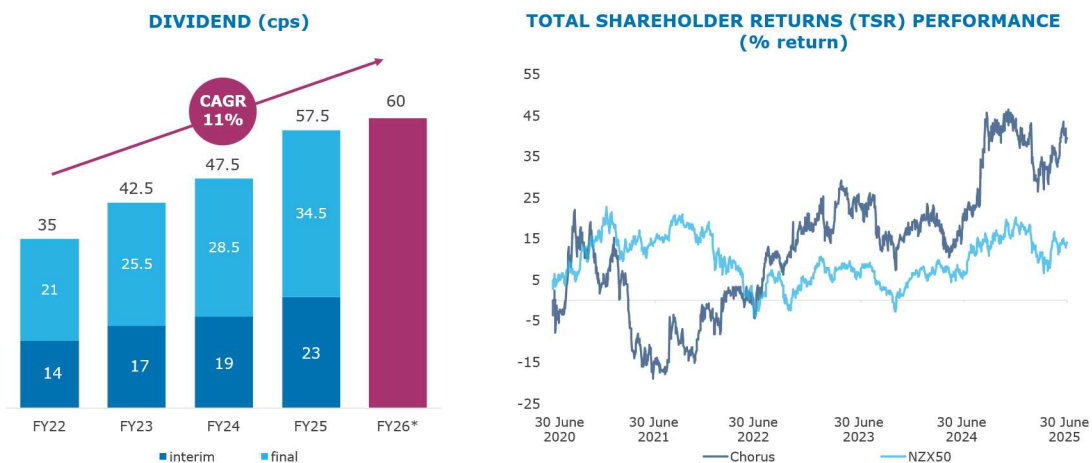
We were pleased to have our regulatory settings for fibre confirmed to the end of 2028. These new settings will underpin our cashflows for the next 3 years.

We maintain the view that a solid investment grade rating is appropriate for Chorus as a digital infrastructure company. Based on the S&P ratings down driver of 5 times we remain of the view that 4.75 times is an appropriate internal limit that allows sufficient buffer for our current BBB rating, and we are comfortable to operate up to that level. At the end of FY25, net debt was 4.52 times EBITDA.

We'll continue to use the balance sheet to fund capex where it meets our investment hurdle rates. Any growth investment must deliver greater shareholder value than returning it to shareholders.

C H ● R U S

Strong returns for our shareholders



*subject to no material adverse changes in circumstances or outlook

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A core pillar of our capital management framework is a sustainable, growing dividend. Our intention is to maintain that dividend growth at least at the rate of inflation, within the bounds of our dividend policy which is to pay an ordinary dividend in the range of 70% to 90% of our net operating free cash flows after sustaining capital expenditures.

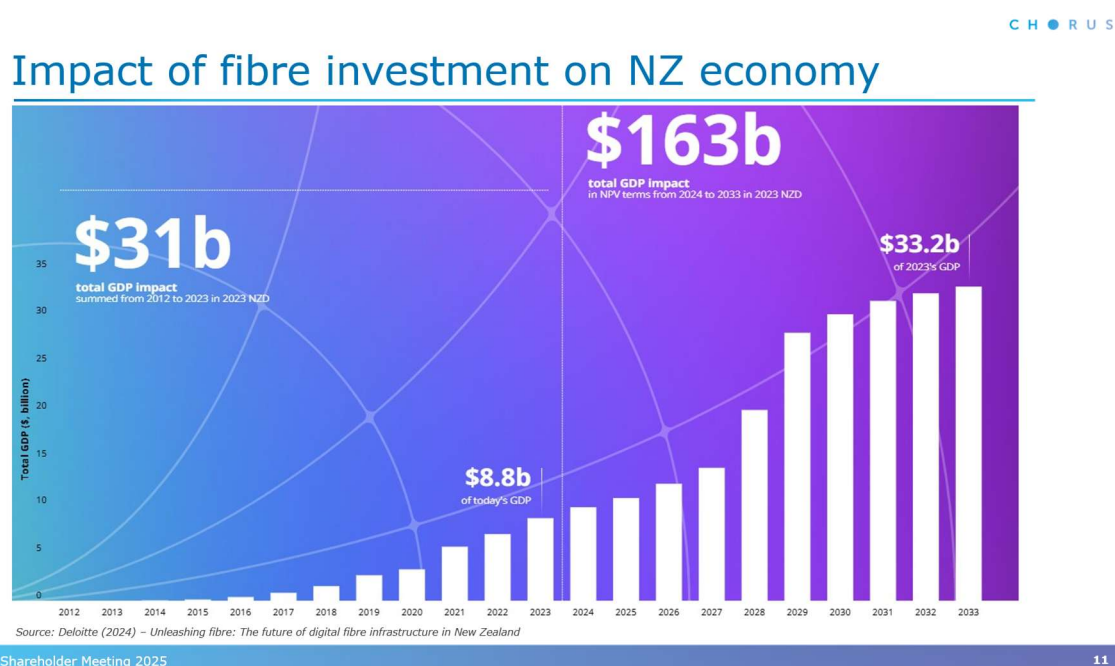
The step up in dividend that we see on this slide has been driven by our solid results, the freeing up of cashflow as we move from build to operate,

confidence in our future operating cash flows and a more efficient use of our balance sheet to invest in the business.

For FY26, we've provided dividend guidance of a further increase to 60 cents per share, unimputed, subject to no significant adverse changes in circumstances or outlook. This continues to meet our objective of delivering real dividend growth.

On the right hand side the chart shows our TSR performance against the NZX50. TSR performance is important for aligning management incentives with our shareholders experience and to encourage longer term decision making.

As the chart shows, Chorus has comfortably outperformed against the NZX50 companies over the last 5 years.



Standing back now to look at some of the sector dynamics that we see ahead of us and drive our long term thinking.

We recognise that New Zealand is years ahead of many other jurisdictions in fibre deployment, uptake, and copper withdrawal. At 87% fibre coverage and 72% connected, this ranks us 9th in the OECD and 19th in the world.

Meanwhile copper in New Zealand is almost retired compared to many European countries which are still heavily reliant on it.

A bold vision got us to where we are in New Zealand today and we want to continue that momentum. The benefits of fibre are real, measurable and highly scalable.

Last year, Deloitte's Unleashing Fibre white paper estimated the UFB programme had added \$31 billion to New Zealand's economy. Fibre is important to industries such as film, animation, gaming and cloud services - unlocking a wave of high-value, weightless exports.

And the gains don't stop there. Deloitte projects those benefits could grow to \$160 billion over the next 10 years.

Extending fibre coverage from 87% to 95% could add another \$17 billion in economic benefits. We estimate the cost to achieve that is around \$3 billion, a strong 5.6 times benefit to cost ratio. In an overall national infrastructure context, it's interesting to note that the 5.6 times ratio for fibre compares to 1.4 times for the recent roads of national significance investment.

We have submitted a proposal through the government Infrastructure Priorities Programme process because we believe there's a strong case for this and we were pleased that this was endorsed by the New Zealand Infrastructure Commission as the only one of 17 projects that were submitted.

But let's be clear: Chorus can't fund this entirely through shareholder capital. The returns we speak of aren't ours, they're economic and social benefits for NZ. We know the benefits of network expansion will be realised in the communities where fibre reaches, rather than by the network builder, and that necessitates some form of public input and investment. There are significant merits in this proposal and we look forward to discussions with the government on how we can partner to bring this to life.

A digital economy for all

A digital economy for all

- Everyone deserves access to digital infrastructure
- Fibre fuels innovation
- NZ must lead, not lag
- Where fibre can't go, wireless and satellite step in

Bringing fibre to more communities

- Community co-funded fibre build
- Important to expand fibre where viable

Social obligation to drive digital equity

- 400k households are digitally excluded – cannot afford the package of meaningful digital access
- Chorus is acting now but this needs scale & collaboration
- Digital equity isn't optional, it's essential for full participation in today's economy



Extending fibre further isn't just about additional streaming, this is for farmers using precision agri-tech to optimise yields, monitoring real-time pricing and connecting directly to global markets; remote healthcare providers using telemedicine to deliver specialist care; and SMEs scaling up using digital tools, cloud platforms, and e-commerce to reach global customers.

The more we extend fibre, the more New Zealanders can unlock its potential. Of course, it won't all be fibre. In places where it's not viable, high-quality fixed wireless and satellite must play a complementary and vital role.

But what matters most is this: everyone deserves the right to participate in the digital economy. That means access to infrastructure that's fit for purpose, scalable, and future-proof.

Global demand for high-capacity connectivity is only growing, driven by remote work, data-heavy applications, and digital commerce. If New Zealand wants to stay competitive, we need to stay ahead of that curve. Other countries like Australia, Japan, Singapore and South Korea are not waiting for demand, they're already moving ahead on coverage and

speed. In global terms if we're not extending the network and increasing speeds we're going backwards as a country.

And we can't leave New Zealanders behind. We understand the intergenerational role we and digital connectivity play in shaping New Zealand's future. We believe everyone has a right to participate in the digital economy. Yet today, one in five people are digitally excluded, with access, affordability, and adoption being key barriers.

So we are bringing fibre to more communities through a community co-funded fibre build and we recognise that we have a social obligation to drive digital equity.

We've also completed a proof-of-concept trial with 1,500 low-income households. Through our charitable partnerships, we're also tackling related challenges: device access, digital literacy, and flexible pricing.

But to scale a real solution, we need industry, RSPs, and government working together. We all have a role to play in delivering digital equity and ensuring every New Zealander has the opportunity to connect and thrive. Digital equity isn't optional – it's essential for full participation in today's economy.

To wrap up, I'd like to acknowledge Chorus' staff. We have driven a lot of change in the business during the year as we shift to becoming a more efficient operator of an all fibre business. It hasn't been easy for our people at times, particularly in a challenging economy, but we have a renewed energy and focus on the strategy to continue to deliver to our customers and shareholders. Thank you to our staff for all your continuing efforts.

I also want to thank all our shareholders and my board colleagues for your continuing support.

ENDS