

Resilient buildings for a better FUTURE



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Overview

Argosy’s vision is to own and operate a resilient, diversified property portfolio that continues to perform over the long term as conditions change. Responding to climate change is a core part of how Argosy delivers on this vision. Climate considerations are integrated into portfolio strategy, investment decisions and asset management, alongside financial performance and tenant needs. Through our focus on energy-efficient and resilient buildings, Argosy is positioning its portfolio to remain competitive and sustainable in a lower-emissions future.

Argosy’s response to climate change focuses on investment in certified energy efficient “Green Buildings”. These are buildings which have or are targeting a Green Star Design or Built rating, or have a NABERSNZ rating of 4 stars or better. We believe that our strategy to invest in Green Buildings will help us to manage risks arising from the transition to a low carbon economy. Argosy has a target for 50% of its portfolio to be Green Buildings by 2031.

This report presents Argosy Property Limited’s Climate-related Disclosures for the year ended 31 March 2026. It describes how climate-related risks and opportunities are being identified, considered and managed across Argosy’s business. The report is structured around four commonly used climate disclosure pillars — **Governance, Strategy, Risk Management and Metrics and Targets** — to provide a clear, accessible and comparable framework for presenting information about climate-related risks and opportunities.

This report outlines work undertaken by Argosy to better understand how climate change may affect its property portfolio over time. This includes the use of climate scenario analysis to explore a range of plausible future climate pathways and to consider potential transition and physical climate-related risks and opportunities across short, medium and long term horizons. Scenario analysis is used as a tool to support understanding, planning and discussion of uncertainty, rather than to predict specific future outcomes.

Climate-related disclosure practices in New Zealand continue to evolve, and Argosy recognises that approaches, methodologies and data will develop further as experience grows and industry practice matures. This report reflects Argosy’s current approach and capabilities and forms part of an ongoing process of embedding climate-related considerations into governance, strategy, risk management and disclosure. Argosy expects to continue refining and enhancing its climate-related disclosures over time as its understanding deepens and reporting practices continue to develop.

For and on behalf of the Board:

Jeff Morrison
Chairman
19 May 2026

Alex Cutler
ESG Committee Chair

Core Elements of Climate-related Disclosures



Governance

The organisation’s governance around climate-related risks and opportunities.

Strategy

The actual and potential impacts of climate-related risks and opportunities on the organisation’s businesses, strategy, and financial planning.

Risk Management

The processes used by the organisation to identify, assess, and manage climate-related risks.

Metrics and Targets

The metrics and targets used to assess and manage relevant climate-related risks and opportunities.

Overview

Disclaimer

This report has been prepared voluntarily by Argosy Property Limited for the year ended 31 March 2026. In October 2025, the Government announced changes to the mandatory climate-related disclosure regime, including an increase in the market capitalisation threshold for mandatory disclosure to \$1 billion. Although these changes have not yet been enacted in legislation, the Financial Markets Authority has issued a “no action” statement indicating that it does not intend to take regulatory action in relation to entities relying on the announced policy settings.

Having regard to that statement, and as Argosy’s market capitalisation as at 31 March 2025 was below the proposed threshold, Argosy has taken the position that it is not required to prepare climate-related disclosures in accordance with the Aotearoa New Zealand Climate Standards for the year ended 31 March 2026. If the anticipated legislative changes are not enacted, Argosy anticipates that the Financial Markets Authority would not take any enforcement action in relation to that reporting period, but that Argosy would be required to prepare climate-related disclosures that comply with the Aotearoa New Zealand Climate Standards for the year ended 31 March 2027.

This report has been prepared having regard to the Aotearoa New Zealand Climate Standards and with reference to the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations. It has been prepared on a voluntary basis and may not comply with those standards in all respects. It does not constitute climate-related disclosures for the purposes of the Financial Markets Conduct Act 2013.

The report includes qualitative and quantitative information based on circumstances known at the time of preparation, together with climate-related scenario analysis. Scenario analysis is used to explore and assess potential climate-related risks and opportunities and to test the resilience of Argosy’s strategy under a range of plausible scenarios. It is not intended to predict future outcomes and does not represent forecasts or projections of financial performance or asset values.

The preparation of this report involves judgement, estimates and assumptions, including in relation to greenhouse gas emissions, climate scenarios and anticipated impacts. These are subject to inherent uncertainty, and actual outcomes may differ materially due to factors outside Argosy’s control, including changes in climate science, policy, regulation, market conditions, technology and data availability.

This report may contain forward-looking statements, which are subject to known and unknown risks and uncertainties. Except as required by law, Argosy does not undertake any obligation to update this report. To the extent permitted by law, Argosy accepts no liability for any loss arising from reliance on this report.

Governance

The governance arrangements described below are designed to ensure that climate-related matters are identified, considered and monitored alongside other strategic and operational risks, in a way that is practical and proportionate to Argosy's business.

Board oversight

Argosy's Board of Directors ensures it has the appropriate skills and experience to oversee climate-related risks and opportunities through its director appointment process and ongoing training and development. The Board's capability is supported through regular briefings from Management, targeted training sessions and presentations from external advisers on climate-related matters relevant to Argosy's portfolio and strategy.

The Board has overall responsibility for overseeing how Argosy identifies and responds to climate-related risks and opportunities. This includes setting expectations for how climate considerations are reflected in strategy, risk management and reporting.

The Board is supported by two standing committees:

- The **Audit and Risk Committee**, which oversees Argosy's risk management framework. This includes monitoring significant risks facing Argosy, such as climate-related risks, and how those risks are being managed.
- The **ESG Committee**, which oversees Argosy's Sustainability Framework and monitors progress against sustainability objectives, including those related to climate change and Green Buildings.

Climate-related risks and opportunities are considered within Argosy's existing Risk Management Framework rather than through a separate governance structure. Identified risks are recorded in Argosy's **Strategic Risk Register**, which is a central document that lists Argosy's most significant risks, explains their potential impacts, and records the controls and actions in place to manage them. The Strategic Risk Register is reviewed by the Audit and Risk Committee at least twice a year, with key changes and recommendations reported to the Board.

Where climate-related matters identified by the ESG Committee have implications for risk, these are escalated and considered through Argosy's risk management framework.

Argosy's approach to climate-related risks and opportunities is overseen by the Board, with support from Management through established governance, risk and reporting processes.



Governance

Management responsibilities

Management is responsible for identifying, assessing and managing climate-related risks and opportunities on a day-to-day basis, within the framework set by the Board.

Climate-related matters are considered through two key management forums:

- The **Sustainability Committee**, which oversees the implementation of Argosy’s Sustainability Framework. The Sustainability Framework sets out Argosy’s material sustainability factors, objectives and targets, including those relating to climate change and Green Buildings. The Committee reports regularly to the Board’s ESG Committee.
- The **Risk Management Committee**, which operates under Argosy’s Risk Management Framework. This Committee is responsible for identifying, assessing and managing risks, including climate-related risks, and for maintaining Argosy’s Strategic Risk Register.

These Committees include the Chief Executive Officer, Chief Financial Officer and Head of Sustainability. This ensures that climate-related issues are considered at an appropriate level and are integrated into broader business decision-making.

Management has been informed about climate-related risks and opportunities through a combination of internal analysis and external inputs. This has included the use of climate scenarios tailored to Argosy’s portfolio, geographic footprint and operating context, workshops and strategy sessions with senior management, and advice from external specialists. The purpose of this work is to help Management understand how climate-related risks and opportunities could affect Argosy over time and to inform risk assessments and planning.

Climate-related risks and opportunities continue to be reviewed alongside other business risks in accordance with Argosy’s Risk Management Framework, and are reported to the Audit and Risk Committee at least twice a year. Progress against climate-related objectives and targets is reported to the ESG Committee on a quarterly basis.

Board Committees review significant outputs from this process, including climate scenario analysis, identified climate risks and opportunities, and this Report. The Board formally approves the final Report.



8-14 Willis Street WELLINGTON

Strategy

Argosy’s strategy considers how climate change could affect our business over time and how we are positioning ourselves to respond. In doing so, Argosy distinguishes between transition impacts and physical impacts, as these arise in different ways and require different responses. This section explains the key concepts, describes the impacts Argosy is experiencing today, and outlines how potential future climate outcomes have informed Argosy’s longer-term direction.

VISION

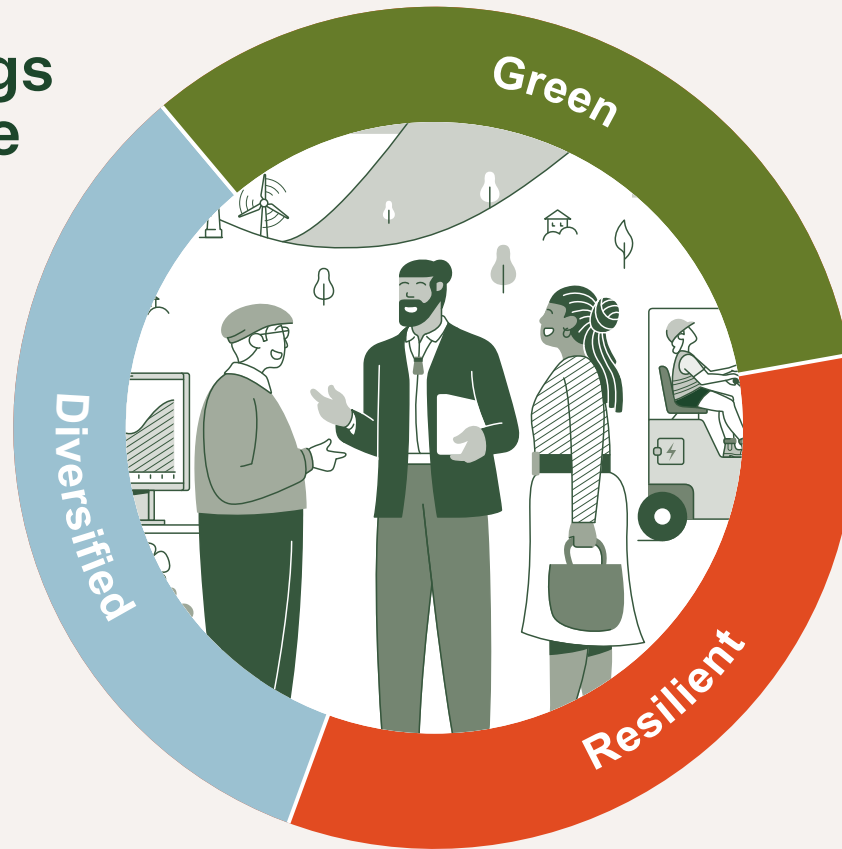
Resilient buildings for a better future

A diversified portfolio by sector and region

A diversified asset allocation across sectors to reduce volatility and widen growth opportunities

Earnings protection across fluctuating economic conditions and structural changes

A diversified tenant mix



Positioning for a lower carbon future

A business culture that is environmentally focused

Progressing green Value Add portfolio opportunities to drive earnings and capital growth

Targeting strategic growth opportunities with green potential

A business that is adaptable and responsive to change

Maintaining strong and valued relationships across all stakeholders

A portfolio that is resilient to climate change impacts and natural disasters

Promoting safe working environments for Argosy staff and business partners

Strategy

Understanding transition impacts and physical impacts

This section explains how Argosy considers the implications of climate change for its portfolio and strategy. It outlines the transition and physical impacts relevant to a property investment business, describes the climate-related impacts identified during the year ended 31 March 2026, and then looks ahead using climate scenario analysis. The scenario analysis is used to explore potential future outcomes, identify climate-related risks and opportunities, consider possible financial impacts, and inform Argosy's longer-term strategy, including its transition plan.



Transition impacts arise from the shift toward a lower-emissions, more climate-resilient economy. These impacts are driven by changes such as tenant expectations, building standards, regulation, technology, financing and market behaviour. For a property investor, transition impacts may affect what tenants demand, how buildings are designed and operated, and where capital needs to be invested over time.



Physical impacts arise from the direct physical effects of climate change. These can include acute events, such as storms or flooding, as well as longer-term changes, such as rising temperatures or sea-level rise. Physical impacts may affect the condition, usability and value of buildings, as well as operating and insurance costs.

Argosy considers both transition and physical impacts when assessing climate-related risks and opportunities.

Current climate-related impacts

Argosy has considered whether climate change had a material impact on its business during the year ended 31 March 2026. A climate-related impact is considered material if it could reasonably influence day-to-day operations, the achievement of strategic objectives, the value of assets, or stakeholder perceptions.

Argosy has identified transition impacts, rather than physical impacts, as the only material current climate-related impacts on its business.

Current transition impacts – Green Buildings

The only identified material current transition impact for Argosy is the growing preference among tenants and investors for energy-efficient, high-performing buildings. In response, Argosy has adopted a strategy of investing in Green Buildings and refurbishing or upgrading existing buildings so that they achieve Green Building standards.

Argosy defines Green Buildings as properties that meet recognised standards for energy efficiency and performance. Currently these are Green Star or NABERSNZ ratings. Argosy's strategy reflects the view that buildings with stronger energy and environmental performance are more likely to meet tenant expectations and remain

competitive over time. This strategy is reflected in Argosy's target for 50% of its portfolio, measured by market value, to be Green Buildings by 31 March 2031.

The transition toward Green Buildings presents both opportunities and risks. On the opportunity side, these buildings can attract tenants and investors and support occupancy and long-term value. On the risk side, they can require additional capital investment compared to buildings that only meet minimum Building Code requirements. Argosy's experience to date provides useful context: since its first Green Building was certified in 2014, Argosy's sixteen Green Buildings have each competed effectively with comparable non-green buildings in terms of overall development cost and feasibility.

During the year ended 31 March 2026, Argosy incurred \$50.5 million of expenditure on developing Green Buildings. The incremental cost of a Green Building can vary depending on design choices and when energy-efficient or resilience features are incorporated into a project. Green Buildings may also deliver benefits such as higher rents, lower vacancy and reduced operating costs. Argosy has not quantified these financial impacts as the necessary data is not yet available. Information about Argosy's existing buildings, including Green Buildings, such as market value and passing yield is disclosed separately in Argosy's portfolio summary "Our Portfolio" (available at www.argosy.co.nz).

Considering future climate outcomes (scenario analysis)

We have undertaken climate scenario analysis to better understand how climate change could affect Argosy in the future. Scenario analysis is a structured way of considering how different, uncertain future climate conditions could affect Argosy, rather than a prediction of what will happen.

The climate scenarios used by Argosy are based on the *Climate Scenarios for the Construction and Property Sector (Ngā Horopaki Āhuarangi mō te Rāngai Hanganga me ngā Whare)* developed by Beca Limited for the New Zealand Green Building Council (published in 2023). These sector scenarios are widely used by listed property investment vehicles in New Zealand and have been adapted to reflect Argosy's portfolio, geographic footprint and operating context.

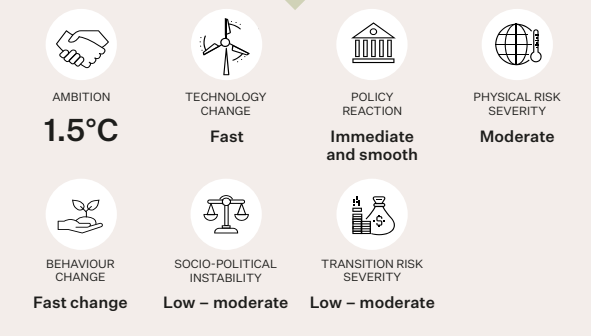
The summaries on the following page describe plausible futures used to test the resilience of Argosy's strategy. They are not forecasts or predictions.

Strategy

Scenario One at a glance

This scenario aligns with external scenarios:

NGFS 'Net Zero 2050', IPCC SSP 1-1.9, IEA 'Net Zero Emissions', CCC 'Tailwinds', IPCC RCP 2.6.



SCENARIO 1 – ORDERLY TRANSITION (LOWER-EMISSIONS)

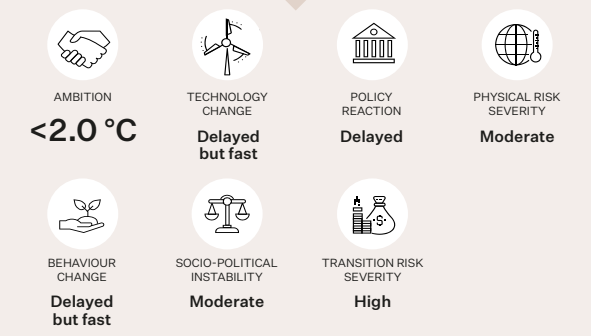
This scenario assumes an orderly global transition to a lower-emissions economy, with policy, technology and market changes occurring early and in a coordinated way. Emissions are reduced steadily, which limits the severity of long-term physical climate impacts.

For Argosy, this scenario is characterised primarily by **transition impacts**. These include increasing tenant and investor expectations for energy-efficient, high-performing buildings, ongoing tightening of building standards, and a continued shift toward lower-emissions design and operation. While these changes require sustained capital investment, they occur over longer timeframes and allow for more planned and staged responses. Physical climate impacts are present but are generally more manageable and do not dominate strategic decision-making in the short to medium term.

Scenario Two at a glance

This scenario aligns with external scenarios:

NGFS 'Delayed Transition', IPCC SSP 1-2.6, IEA 'Sustainable Development', CCC 'Headwinds', IPCC RCP 2.6.



SCENARIO 2 – DISORDERLY TRANSITION (DELAYED, THEN RAPID CHANGE)

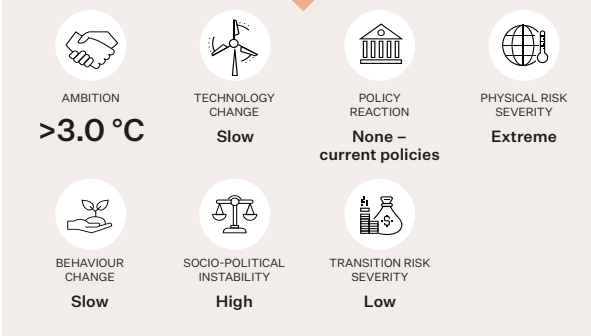
This scenario assumes that action to reduce emissions is delayed, followed by a period of accelerated and more disruptive change as governments, markets and industries respond urgently to mounting climate pressures. Emissions reductions occur later, but with greater urgency and less time for adjustment.

For Argosy, this scenario highlights heightened **transition risk** resulting from a delayed response to climate change. In the medium term rapid changes in regulation, building performance expectations, financing conditions and tenant demand place pressure on lower-performing assets and increase the pace at which capital investment may be required. When it eventuates, the rapid transition creates challenges in prioritising upgrades, managing costs and sequencing investment decisions. Physical impacts also increase over time, but the defining feature of this scenario for Argosy is the intensity and disruption of the transition itself.

Scenario Three at a glance

This scenario aligns with external scenarios:

NGFS 'Current Policies', IPCC SSP 3-7.0, IEA 'Stated Policies', CCC 'Current Policies', IPCC RCP 8.5.



SCENARIO 3 – HIGH-WARMING (HIGHER-EMISSIONS)

This scenario assumes limited global action to reduce emissions, resulting in higher levels of warming and more severe physical climate impacts over the long term. Extreme weather events and longer-term changes, such as heat stress and sea-level rise, become more pronounced.

For Argosy, this scenario is characterised by increasing **physical risk** over the medium to long term. These impacts may affect the condition, resilience and insurability of certain assets, particularly in coastal locations or areas exposed to extreme weather. Transition pressures do not disappear, but physical impacts become a more dominant consideration over time, reinforcing the importance of asset resilience, location-specific risk assessment and long-term adaptation planning. However, based on Argosy's modelling carried out in 2024, the physical impacts of climate change should not have a material impact on Argosy's portfolio.

Strategy

How the scenario analysis was carried out

Argosy undertook climate scenario analysis through a structured process in 2023, supported by an external adviser. The analysis used the three plausible climate scenarios (summarised on the previous page) adapted from the sector scenarios and tailored to reflect the characteristics of Argosy’s portfolio and operating context.

The scenarios were introduced and tested through facilitated workshops with Management, which explored key assumptions and considered how each scenario could give rise to climate-related risks and opportunities over short, medium and long-term horizons. This included both physical risks (such as flooding, storm intensity and heat-related impacts) and transition risks (including changes in regulation, building standards, energy systems and tenant expectations).

Outputs from the scenario analysis informed Argosy’s broader climate risk assessment and were incorporated into Argosy’s Strategic Risk Register under its risk management framework, supporting the integration of climate-related considerations into risk identification, assessment and oversight. The scenario analysis and its key assumptions, risks and opportunities were considered by the Risk Management Committee and the Board’s Audit and Risk Committee in May 2024 as part of their respective governance and oversight responsibilities.

Climate-related risks and opportunities

Using the scenario analysis described above, Argosy has identified climate-related risks and opportunities over the short, medium and long term. For the purposes of this assessment:


- **Short term** refers to the period from 2026 to 2030.
- **Medium term** refers to the period from 2030 to 2050.
- **Long term** refers to the period from 2050 to 2100.

These timeframes are longer than Argosy’s normal budgeting and planning horizons but are considered appropriate given the long life of property assets and the gradual nature of many climate-related impacts.

- **Physical risks** arise from the direct effects of climate change, such as extreme weather events or longer-term changes such as sea-level rise.
- **Transition risks** arise from the shift to a lower-emissions economy, such as changes in regulation, technology, financing conditions or tenant expectations.





Climate-related opportunities include potential positive outcomes associated with both transition and adaptation, such as increased demand for energy-efficient buildings or opportunities to improve the resilience and performance of assets.

Material risks and opportunities identified through the scenario analysis process described above and subsequent risk assessments are summarised in the risk assessment table on pages 12 - 14. The scenarios are not forecasts, and neither the scenarios nor the resulting risk assessments should be interpreted as predictions of future outcomes.



Physical climate risks

Overall: no material financial impact on the portfolio

Climate related physical risks are not expected to materially affect Argosy’s portfolio	Any impacts are small, gradual and manageable	The portfolio remains resilient and diversified	
 Flooding	 Sea level rise	 Heat stress	 Other climate risks
Most relevant physical risk	Long term consideration	Low impact	Minimal portfolio impact
<ul style="list-style-type: none"> • Heavier rain is expected to occur more often over time • Smaller flood events may become more frequent • Average costs increase slowly, not sharply • No significant impact on overall portfolio performance 	<ul style="list-style-type: none"> • Develops slowly over many decades • Limited impact in the short and medium term • Considered in long term planning, not current earnings • Overall portfolio impact remains small 	<ul style="list-style-type: none"> • Hotter days may increase cooling needs over time • Effects are gradual and manageable • No meaningful financial impact at a portfolio level 	<ul style="list-style-type: none"> • Storm winds, water stress and bushfire risk are low overall • No material effect on the portfolio based on current modelling

Strategy

Anticipated impacts and financial considerations

Argosy has considered the potential impacts of identified climate-related risks and opportunities, including possible financial effects over time.

Argosy has assessed how **physical climate risks**, including flooding and cyclone winds, could affect its property portfolio and the potential financial implications over time. This assessment is based on loss modelling of physical climate impacts across three climate scenarios, to understand how risks may change under different future conditions.

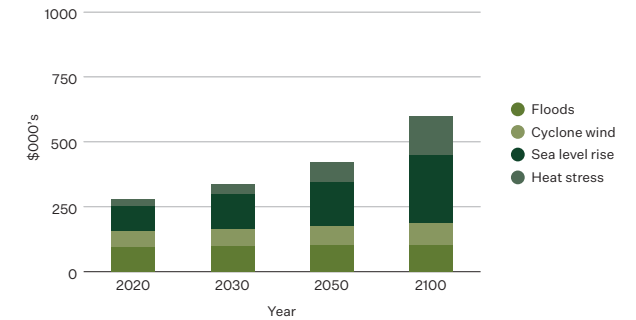
Loss modelling uses **Average Annual Damage (AAD)**, shown in the accompanying charts. AAD describes the typical long term cost of damage associated with physical climate hazards per year. It does not predict losses in any particular year, but helps compare overall risk and how that risk may change over time.

Overall, the modelling shows a gradual increase in physical climate risk across the portfolio over time, particularly under more severe climate scenarios. This increase is driven mainly by more frequent, lower severity events, rather than by a material change in extreme or rare loss outcomes. Flood, cyclone wind and heat stress impacts all increase incrementally, reflecting changes such as more frequent flood events, modest changes in wind exposure, and a higher number of hot days. These impacts tend to arise progressively and are typically managed through a combination of building design, plant performance, routine asset management and other existing risk controls.

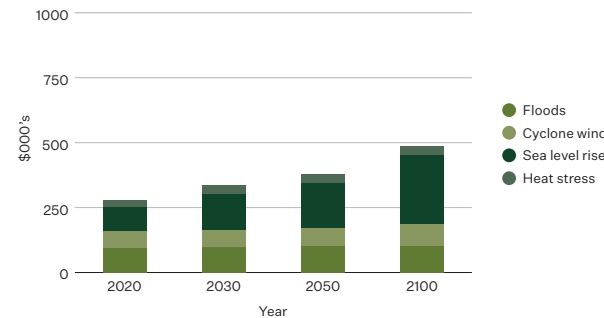
Across these hazards, estimated losses are not material in the context of Argosy’s portfolio and remain small relative to its overall value. These impacts are within levels typically managed through insurance, routine asset management and capital planning. Overall, physical climate risks are expected to increase gradually and remain manageable.

For **transition risks**, Argosy has considered the capital investment required to continue progressing toward its Green Building target and the potential exposure of existing non-Green Buildings to future energy efficiency or resilience requirements. Argosy’s strategy anticipates that the transition toward a portfolio of Green Buildings will be achieved through investment decisions such as property upgrades, refurbishments, developments, acquisitions and selective divestments over time.

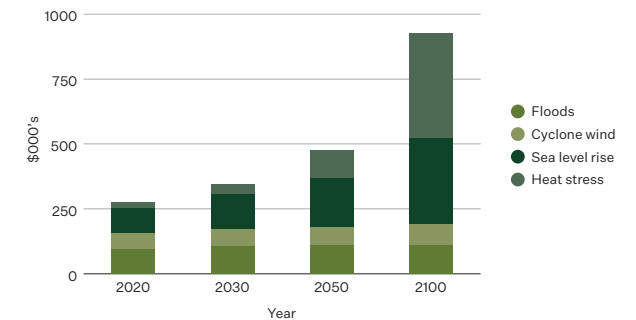
AAD – Scenario 2 (RCP 4.5)



AAD – Scenario 1 (RCP 2.6)



AAD – Scenario 3 (RCP 8.5)



Strategy

Risk assessment legend

Severe ●
 High ●
 Medium ●
 Low ●
 Very low ○
 S - Short term **M** - Medium term **L** - Long term

RISK CATEGORY	RISK DESCRIPTION	ASSESSED RISK				COMMENTARY ON CONTROLS AND MITIGATIONS	
		Scenario	S	M	L		
Physical risks							
	Climate Change - Acute Physical Risk	FLOOD, STORM, CYCLONE, AND WILDFIRE - Increase in frequency and intensity of extreme weather events, including flood, cyclones and wildfires, causing significant damage and/or destruction to buildings and surrounding infrastructure, delays to project timelines. Some properties may become stranded or permanently unprofitable due to the risk of extreme weather events and insurance retreat.	1	○	○	○	Extreme weather events are not expected to cause material climate-related impacts for Argosy’s portfolio over the short, medium or long term under any of the three scenarios. This expectation is based on insurance modelling carried out in October 2024 with AAD estimates showing Argosy’s risk from flood, cyclone and wildfire over the long term under each of the three scenarios (RCP 2.5, 4.5 and 8.5) will remain very low. The modelling is summarised at page 11 above. In assessing climate-related risks, Management has made an assumption that Councils will be able to maintain public infrastructure in built-up areas over the long term. (There was no significant damage to Argosy’s portfolio from the Auckland Floods or Cyclone Gabrielle.)
	2	○	○	○			
3	○	○	○				
Climate Change - Chronic Physical Risk	RISING SEA LEVELS - Rising sea levels impact coastal locations, leading to physical damage and increased insurance premiums for affected properties. Some properties may become stranded or permanently unprofitable due to the risk of inundation and insurance retreat.	1	○	○	●	Based on loss modelling carried out in October 2024, sea level rise is assessed as presenting a very low risk to Argosy’s portfolio in the short to medium term under each Scenario and a “low” risk over the long term under each Scenario. In assessing climate-related risks Management has made an assumption that Councils will be able to maintain public infrastructure in built up areas over the long term.	
2	○	○	●				
3	○	○	●				
Climate Change - Chronic Physical Risk	HEAT STRESS - Rising temperatures cause heat stress creating increased demand for cooling. This increases energy consumption for buildings, with air-conditioning increasing operating costs. Potentially buildings without air-conditioning may require capital expenditure.	1	○	○	○	Under Scenarios 1 and 2, planned upgrades of existing air-conditioning plant provide opportunities to address emergent heat stress. However, there is potential for heat stress to affect areas of buildings without existing air-conditioning (such as many warehouse areas) under Scenario 3 in the medium to long term. Heat stress could affect workers or stock in such areas and may be harder to mitigate as compared to areas with existing air-conditioning equipment. However, consideration of the potential for future heat stress when developing/redeveloping buildings should mitigate the risk under Scenario 3 and the risk is rated as “medium”.	
2	○	○	●				
3	○	●	●				

Strategy

RISK CATEGORY	RISK DESCRIPTION	Scenario	ASSESSED RISK			COMMENTARY ON CONTROLS AND MITIGATIONS
			S	M	L	
Physical risks						
Climate Change - Chronic Physical Risk and Mitigation Opportunity	INCREASED RAINFALL - Increase in rainfall causing changes in ground conditions, slope stability and shorter earthworks season. Some properties may become stranded or permanently unprofitable due to the risk of unstable ground conditions and insurance retreat. Increased rainfall also creates a mitigation opportunity for increased rainwater harvesting.	1	○	●	●	Increased rainfall will present a risk for vulnerable buildings and an opportunity for resilient buildings. This risk should be planned for in acquisitions and new developments/redevelopments. Over the short term, some tenants may be focused on resilience, particularly in relation to floods under all three scenarios (to which Argosy’s portfolio proved resilient in the Auckland Floods). Tenant demand and a practical need for resilience will grow as climate impacts increase in frequency and intensity, particularly under Scenario 3. Our AAD estimate for flood damage indicates that direct impacts to existing properties from unstable ground conditions will be a “very low” risk over the long term. However, the potential for indirect impacts in relation to earthworks and insurance means that this is rated as “low” for Scenarios 1 and 2 over the medium to long term and “medium” under Scenario 3 over the medium to long term.
		2	○	●	●	
		3	○	●	●	

Severe ● High ● Medium ● Low ● Very low ○

 S - Short term M - Medium term L - Long term



1-3 Unity Drive AUCKLAND

Strategy

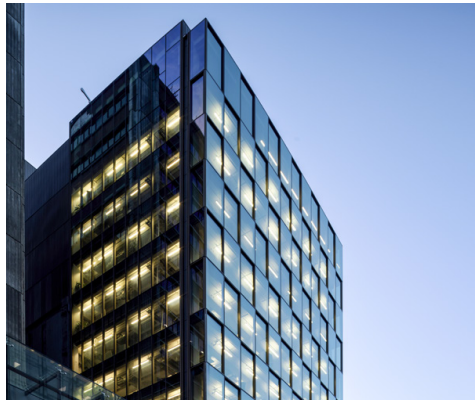
RISK CATEGORY	RISK DESCRIPTION	ASSESSED RISK			COMMENTARY ON CONTROLS AND MITIGATIONS	
		Scenario	S	M		L
Climate Change - Chronic Transition Risk	RESILIENT BUILDINGS - Physical climate impacts, tenant expectations and insurance retreat require increased capital expenditure to ensure that buildings can withstand direct physical impacts of climate change and can operate independently of the power grid during blackouts.	1	○	●	●	Argosy's loss modelling indicates that we have no material exposure to physical climate impacts at a portfolio level. We are working to address anticipated climate adaptation/resilience requirements for Scenarios 1 and 2 and mitigations implemented over the short to medium term should be effective in relation to these scenarios. Under Scenario 3, the "medium" rating for the long term relates to associated risks in relation to insurance and infrastructure and the expectation of increased climate change impacts from heat stress and increased rainfall.
		2	○	●	●	
		3	○	●	●	
Climate Change - Transition Risk	EFFICIENT BUILDINGS - Stricter building regulations and tenant preferences focused on decarbonisation impose minimum energy efficiency and/or other sustainability-based standards on buildings and related infrastructure, requiring increased capital expenditure to make buildings comply with energy efficiency requirements and standards.	1	●	●	●	Risks arising from energy efficiency requirements have greater impacts in the short to medium term under Scenarios 1 and 2 and are particularly acute in Scenario 2 for the medium term (2030-2050). However, Argosy's strategy to develop/redevelop Green Buildings and reduce GHG emissions over the short to medium term should mitigate the heightened medium term transition risk in Scenario 2. There is little emphasis on decarbonisation under Scenario 3 and this scenario presents low risk (although physical impacts of climate change create challenges for climate adaptation and resilience). It is assumed that Green Buildings will satisfy future stakeholder expectations and regulatory requirements in relation to energy efficient buildings.
		2	●	●	●	
		3	○	●	●	
Climate Change - Transition Risk and Opportunity	GREEN BUILDINGS - Demand from tenants, investors and stakeholders for certified sustainable energy efficient buildings with a low carbon footprint presents an opportunity for owners of Green Buildings and a risk for owners of older less efficient buildings.	1	●	●	●	Argosy's strategy to develop Green Buildings (and target for 50% of its portfolio to be Green Buildings by 31 March 2031) should leave it well-placed to take advantage of opportunities presented by the transition to a low carbon economy. We have assumed that Green Buildings will satisfy future stakeholder expectations and regulatory requirements in relation to energy efficient buildings.
		2	●	●	●	
		3	○	●	●	
Climate Change - Transition Risk	REPUTATION AND SOCIAL LICENCE - Failure to meet investor, regulatory or societal expectations in relation to management of transitional climate change impacts.	1	●	●	●	The inclusion of Green Buildings and climate change as material sustainability factors in Argosy's Sustainability Framework will ensure that we remain focused on stakeholder expectations and social licence concerns arising from the transition to a climate-resilient, low carbon economy.
		2	●	●	●	
		3	○	●	●	

Severe ● High ● Medium ● Low ● Very low ○ S - Short term M - Medium term L - Long term

Strategy

Transition plan – positioning for a lower-emissions, climate-resilient future

Argosy’s response to climate change is based on our ambition to own and operate energy efficient Green Buildings. This is reflected in Argosy’s Sustainability Framework, which identifies Green Buildings and climate change as material sustainability factors and sets objectives and targets to guide decision-making. For example, investment decisions take into account whether assets can meet or be upgraded to Green Building standards, and capital planning is aligned with the target for 50% of the portfolio to be Green Buildings by 31 March 2031.



GREEN BUILDINGS – TARGET

50%

by 31 March 2031

The focus on Green Buildings primarily addresses transition impacts. However, physical impacts are also considered in investment decisions, which will support improved resilience to physical impacts over time. As noted above, Argosy’s latest modelling carried out in 2024 suggests that its property portfolio will not be materially affected by physical impacts under the three scenarios considered in Argosy’s scenario analysis.

Argosy’s insurance arrangements also address the anticipated physical impacts of climate change. In 2023 Argosy established a captive insurance company to access domestic and international insurance and reinsurance markets. Along with Argosy’s sophisticated approach to assessment of climate risks (including the loss modelling for physical climate impacts outlined above), this provides access to a greater range of insurers and makes Argosy less vulnerable to events impacting local insurance markets. More information about Argosy’s insurance arrangements is provided on page 34 of the Sustainability Report.

Argosy is also reducing emissions from its corporate operations, including through the use of electric vehicles and ongoing emissions management initiatives.

Decarbonisation

15 Stout Street WELLINGTON

By combining electrification, renewable energy, and smart infrastructure in an existing building, undertaking this project exemplifies climate leadership in Wellington’s commercial property market.



LED lighting upgrade



Upgrade 2 of 3 gas-fired boilers to electric heat pumps



Commercial rooftop solar array



EV charging stations

Capital deployment and funding decision-making processes

Argosy takes climate-related risks and opportunities into account when making decisions about where to invest capital and how it is funded. This supports a resilient portfolio while maintaining financial discipline and preserving long-term value for investors. Argosy’s capital deployed toward climate-related risks and opportunities is disclosed on page 23 below.

When considering investment decisions, Argosy looks at how they may affect the resilience of individual properties and the portfolio as a whole, as well as emissions performance and the ability of assets to meet changing regulatory, tenant and market expectations. Climate considerations are considered alongside financial returns, risk, funding capacity and strategic fit, and are built into Argosy’s risk management framework to be considered along with other risks.

Funding decisions also take climate-related factors into account where relevant, including impacts on financing costs, cash flow stability and long-term financing flexibility, as well as investor and lender expectations. For example, in relation to decisions about whether to develop Green Buildings. This is consistent with growing investor interest in sustainable investment and financing options, including Argosy’s use of Green Bonds.

Risk Management

This section explains how Argosy identifies, assesses and manages climate-related risks and opportunities, and how these are embedded within Argosy’s existing governance and risk management practices.

Climate-related risks and opportunities are considered alongside other risks, recognising the long-term nature of property assets and the potential for climate change to affect asset performance, resilience, cash flows and access to capital over time.

Processes for identifying, assessing and managing climate-related risks and opportunities

Climate-related risks and opportunities are identified, assessed and managed through Argosy’s established Risk Management Framework, which applies across Argosy’s business and is overseen by the Board.

Argosy applies the same core risk identification, assessment and management processes to climate-related risks and opportunities as we do to other risks, while recognising the longer time horizons, uncertainty and complexity associated with climate change.

Climate-related risks and opportunities are identified through a combination of:

- climate scenario analysis, using plausible but challenging climate scenarios relevant to the New Zealand property sector and adapted to Argosy’s portfolio, geographic footprint and operating context; and

- ongoing monitoring of physical and transition risk drivers, including changes in climate hazards, regulation, market expectations, science, technology and tenant behaviour.

Climate-related risks and opportunities are assessed over short, medium and long-term time horizons, reflecting the long-lived nature of property assets:

- Short term: 2026–2030
- Medium term: 2030–2050
- Long term: 2050–2100

These time horizons extend beyond Argosy’s traditional budgeting and planning cycles but are considered necessary to support robust assessment of climate-related risks and opportunities.

Identified climate-related risks and opportunities are assessed using Argosy’s standard risk assessment methodology, including consideration of:

- whether the risk is a physical or transition risk;
- the potential impact on operations, strategy, asset values, cash flows, reputation and access to capital; and
- the design and effectiveness of existing controls and mitigations.

Where a climate-related risk is assessed as being outside Argosy’s risk appetite, additional risk mitigations are identified and implemented. Risk ratings reflect the level of risk remaining after those controls and mitigations are taken into account. Controls and mitigations are considered effective when risk is within the risk appetite.

Integration with overall risk management

Climate-related risks and opportunities are integrated into Argosy’s Risk Management Framework rather than being managed in isolation:

- Material climate-related risks and opportunities are recorded in Argosy’s Strategic Risk Register alongside other strategic risks.
- Climate-related risks are reviewed by Management and the Risk Management Committee as part of its regular risk review cycle, and escalated where appropriate.
- The Audit and Risk Committee provides oversight of climate-related risks and opportunities, including their inclusion in the Strategic Risk Register and alignment with Argosy’s Risk Management Framework, and reports to the Board.

The Board retains overall responsibility for risk oversight and approves material changes to Argosy’s Risk Management Framework, including in relation to climate-related risks.

Climate-related risks and opportunities are also considered through Argosy’s Sustainability Framework, where climate change and Green Buildings are identified as material factors. Where sustainability-related matters may give rise to material risks or opportunities, they are incorporated into the Strategic Risk Register in accordance with Argosy’s Risk Management Framework.

Through this integrated approach, climate-related risks and opportunities are:

- subject to the same governance, escalation and monitoring processes as other risks;
- considered in strategic planning, capital deployment and funding decision-making; and
- reviewed periodically to reflect changes in climate science, regulation, market practice and investor expectations.

Metrics and Targets

Purpose of Metrics and Targets

Metrics and targets are used to assess, manage and monitor Argosy’s exposure to climate-related risks and opportunities, and to track progress against its strategy to transition to a low-emissions, climate-resilient portfolio. Metrics provide quantitative information on emissions, asset exposure, capital deployment and building performance, enabling Argosy to identify trends, assess relative performance across the portfolio, and monitor changes over time. Targets translate these insights into forward-looking objectives that guide action and prioritisation.

Together, metrics and targets support decision-making by informing investment decisions and priorities, funding and financing considerations, and management incentives. They also provide a basis for monitoring performance, assessing progress against strategic objectives, and supporting transparent communication with investors and other stakeholders.



Metrics and Targets

Metrics

GREENHOUSE GAS (GHG) EMISSIONS

Scope	GHG Protocol Category	Activity	FY26 tCO ₂ e	FY25 tCO ₂ e	Methodology	Uncertainty
1	S1 Fugitive emissions	HVAC refrigerant top-ups	8.6	180.5	Data supplied by service provider from manual entry records	Medium
	S1 Mobile combustion	Company vehicles - fuel	3.6	7.3	Data taken from supplier online portal	Low
	S1 Stationary combustion	Natural gas - heating	7.0	7.1	Data supplied by utility provider and taken from invoices	Low
		Fire pump and generator fuel	22.8	23.9	Data supplied by service provider from manual entry records	Medium
Scope 1 total			42.0	218.8		
2	S2 Purchased electricity	Electricity	228.0	182.3	Data taken from supplier online portal	Low
	Scope 2 total			228.0	182.3	
3	S31. Purchased goods and services	Maintenance emissions - spend based	1,866.6	1,116.0	Spend-based data taken from internal accounting system	High
		Water supply and wastewater	15.6	21.9	Data supplied by utility provider and taken from invoices	Low
	S32. Capital goods	Development projects	9,635.2	0.0 ¹	Data taken from peer-reviewed LCA report	Medium
		Capital projects - other	3,103.6	0.0 ¹	Spend-based data taken from internal accounting system	High
	S33. Fuel - and energy-related activities	Company vehicles - fuel supply emissions	0.7	1.7	Data taken from supplier online portal	Low
		Electricity distribution emissions	111.0	128.1	Data taken from supplier online portal	Low

Metrics and Targets

Scope	GHG Protocol Category	Activity	FY26 tCO ₂ e	FY25 tCO ₂ e	Methodology	Uncertainty
		Gas distribution emissions	1.4	1.5	Data supplied by utility provider and taken from invoices	Low
		Fire pump and generator fuel supply emissions	5.1	0.2	Data supplied by service provider from manual entry records	Medium
S3 5. Waste generated in operations		Waste to landfill	132.2	127.0	Data supplied by service provider from manual entry records	Medium
		Waste to recycling	0.4	0.3	Data supplied by service provider from manual entry records	Medium
S3 6. Business travel		Air travel	24.2	34.0	Data taken from supplier online portal	Low
		Taxis, rental cars, private vehicles	1.1	0.9	Spend-based data taken from internal accounting system	High
S3 7. Employee commuting		Employee commuting - private vehicles and public transport	23.5	17.0	Internal survey of staff using travel distance	High
S3 13. Downstream leased assets		Electricity used by tenant	5,268.1	4,321.3	Data estimates applied, using metered sites of same industry type	High
		Natural gas for heating used by tenant	296.1	303.5	Data supplied by utility provider and taken from invoices	Low
		Refrigerants used by tenants	18.3	0.0	Data supplied by service provider from manual entry records	Medium
		Scope 3 total	20,503.1	6,073.5		
		Total	20,773.1	6,474.5		

¹ Figures reflect changes in reporting scope. Refer to page 24.

Metrics and Targets

METHODS, ASSUMPTIONS AND UNCERTAINTIES

The methods, assumptions and uncertainties in relation to the calculation or estimation of Scope 1, Scope 2 and Scope 3 greenhouse gas emissions are described below.

Emissions are calculated in accordance with the GHG Protocol Corporate Accounting and Reporting Standard, using a combination of activity-based data and estimation techniques where direct measurement is not practicable.

Scope 1 – Direct emissions

Scope 1 emissions comprise emissions directly generated by assets owned or controlled by Argosy. Emissions from refrigerants, mobile combustion and stationary combustion are calculated using primary data supplied by service contractors, fuel providers and utilities. Emissions factors are applied in line with the reporting year. Uncertainty is generally low to medium and primarily relates to the completeness and timing of service provider data.

Scope 2 – Indirect emissions from purchased energy

Scope 2 emissions arise from the consumption of purchased electricity within Argosy's operational control. Electricity consumption is captured from supplier data, invoices and sub-metering where available. Scope 2 emissions are calculated using the location-based method. Uncertainty relates mainly to estimated consumption for partially sub-metered sites and the use of average grid emissions factors.

Scope 3 – Other indirect emissions

Scope 3 emissions include all other indirect emissions occurring in Argosy's value chain. A combination of activity-based and spend-based methodologies are used, reflecting data availability and materiality.

Purchased goods and services emissions, including maintenance activities, are estimated using spend-based approaches and carry higher uncertainty. Capital goods emissions include development projects and other capital works and are calculated using lifecycle assessment information where available or spend-based methods where project-specific data is not available.

Fuel and energy-related activities include upstream fuel supply and energy distribution emissions associated with Argosy's energy use. Waste generated in operations is calculated using service provider tonnage data and includes waste to landfill and recycling.

Business travel emissions are calculated using activity data for air travel and spend-based estimates for other travel modes. Employee commuting emissions are estimated using staff survey data and average travel assumptions.

Downstream leased assets emissions include emissions from tenant electricity and natural gas consumption, and refrigerants used in tenant-controlled systems. Where direct consumption data is unavailable, emissions are estimated using emissions factors derived from comparable buildings within Argosy's portfolio.

Emissions factor sources

- MfE Measuring Emissions Guidance Workbook. May 2025. Fuel. Transport fuels
- MfE Measuring Emissions Guidance Workbook. May 2025. Purchased energy - Annual Average
- MfE Measuring Emissions Guidance Workbook. May 2025. Refrigerants and other gases
- MfE Measuring Emissions Guidance Workbook. May 2025. Stationary Combustion Fuel. Commercial Use
- MfE Measuring Emissions Guidance Workbook. May 2025. T&D losses. Electricity Transmission and distribution losses
- MfE Measuring Emissions Guidance Workbook. May 2025. T&D losses. Natural Gas Transmission and distribution losses
- MfE Measuring Emissions Guidance Workbook. May 2025. Travel. Car Default Emission Factors
- MfE Measuring Emissions Guidance Workbook. May 2025. Travel. Car Default Emission Factors Petrol Hybrid
- MfE Measuring Emissions Guidance Workbook. May 2025. Travel. Public Transport Passenger Travel - Sum of gasses used
- MfE Measuring Emissions Guidance Workbook. May 2025. Waste. Waste to landfill with gas recovery
- MfE Measuring Emissions Guidance Workbook. May 2025. Wastewater treatment
- MfE Measuring Emissions Guidance Workbook. May 2025. Wastewater treatment. Water supply
- UK Govt. GHG Conversion Factors. Flatfile. June 2025. V1. WTT- UK electricity. WTT- UK electricity (generation). Electricity: UK (kWh)
- UK Govt. June 2025. V1. GHG Conversion Factors for Company Reporting. Waste Disposal. Paper. Paper and board: board
- UK Govt. June 2025. V1. GHG Conversion Factors for Company Reporting. Waste Disposal. Plastic. Plastics: average plastic film
- UK Govt. June 2025. V1. GHG Conversion Factors for Company Reporting. WTT-fuels. Gaseous fuels. Natural Gas
- UK Govt. June 2025. V1. GHG Conversion Factors for Company Reporting. WTT-fuels. Liquid fuels. Diesel (average biofuel blend)

Metrics and Targets



INDEPENDENT ASSURANCE STATEMENT

To the Stakeholders of Argosy Property Limited (“Argosy”)

Limited Assurance Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe the scope 1, 2 and 3 GHG emissions (“Subject Matter Information”), including associated methods, assumptions, and estimation uncertainty, presented in Argosy’s FY26 Climate-related Disclosures for the period of 1st April 2025 to 31st March 2026 (“the Report”), are not fairly presented and prepared, in all material respects, in accordance with the Reporting Criteria, within the scope of our limited assurance engagement.

Scope of the Assurance Engagement

The scope of assurance was limited to the below Subject Matter Information, as presented on page 18 and 19 of the Report, applicable for the following entities under Argosy’s operational control including Argosy Property Management Limited, Argosy Property No.1 Limited and Argosy Cover Limited.

Our assurance engagement does not extend to any other information included in the Report or information from earlier periods. We have not performed any procedures on the excluded information and, therefore, do not express any conclusion on it.

Subject Matter Information	Assured Figure
Scope 1 GHG Emissions	42.0 tCO2-eq.
Scope 2 GHG Emissions (Location Based)	228.0 tCO2-eq.
Scope 3 (Category 1, 2, 3, 5, 6, 7 and 13) GHG Emissions	20,503.1 tCO2-eq.
Total Scope 1, 2 and 3 GHG Emissions	20,773.1 tCO2-eq.

Reporting Criteria

The Subject Matter Information was prepared and reported in accordance with the GHG Protocol Corporate Accounting and Reporting Standard (Revised Edition) (2015) issued by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD).

Inherent Uncertainty in preparing GHG disclosures

The 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.

Emphasis of Matter

We draw attention to the following notes which, in our judgement, are of such importance that they are fundamental to users’ understanding of the GHG emissions disclosures. Our assurance conclusion is not modified in respect of this matter.

- Please refer to page 20 for detailed information about the assumptions applied for calculating Scope 3 GHG emissions and page 24, “Changes in GHG Emissions”, which explains the reasons for the decrease in Scope 1 emissions in FY26 and the increase in Scope 3 emissions.
- Scope 3: Category 2 (Capital Goods) emissions are largely based on pre-calculated embodied carbon data provided by a third-party engineering consultancy; our assurance procedures were limited to verifying the correct incorporation of this data within the Scope 3 aggregation and did not include re-performance or independent validation of the underlying embodied carbon calculations.

Argosy’s Responsibilities

Management of Argosy was responsible for:

- Selecting and establishing suitable Reporting Criteria for preparing the Subject Matter Information subject to assurance.
- Preparing and presenting the Subject Matter Information in accordance with the Reporting Criteria.
- Designing, implementing, and maintaining internal controls relevant to the preparation of the Subject Matter Information that are free from material misstatement whether due to fraud or error.
- Advising us of any known or suspected issues related to the Subject Matter Information.

Our Responsibilities

Bureau Veritas New Zealand Ltd (“Bureau Veritas”) was responsible for:

- Planning and performing the engagement to obtain the intended level of assurance about whether the Subject Matter Information is free from material misstatement, whether due to fraud or error.
- Forming an independent conclusion based on the procedures performed and evidence obtained.
- Reporting our conclusion to the Directors of Argosy.

Bureau Veritas was not involved in the drafting of the Report and our independence has not been compromised.



Shaping a World of Trust

Metrics and Targets



Summary of Work Performed

Our limited assurance engagement on the Subject Matter Information was conducted in accordance with ISAE 3000 *Assurance Engagements other than Audits or Reviews of Historical Financial Information* and ISAE 3410 *Assurance Engagements on Greenhouse Gas Statements* issued by the International Auditing and Assurance Standards Board (IAASB) and informed by Bureau Veritas' standard procedures and guidelines for external verification and assurance of ESG Information and Sustainability Reports.

Our work was planned and executed in a manner designed to produce the intended level of assurance and to provide a sound basis for our conclusions.

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. In undertaking our assurance engagement, our procedures comprised:

- Review of the suitability and application of the Reporting Criteria used as the basis for preparing the Subject Matter Information subject to assurance.
- Enquiries of Argosy representatives to gain an understanding and evaluate implementation of processes, systems and internal controls to collect, aggregate, calculate, analyse and report the disclosures.
- Enquiries of personnel responsible for the performance of the processes and preparation of the disclosures.
- Review of documentary evidence produced by Argosy representatives.
- Comprehensive performance data testing, involving source verification as well as mathematical accuracy of the calculations pertaining to the Subject Matter Information.
- Assessment of whether Argosy's methods for developing estimates are appropriate and had been consistently applied.
- Review of the presentation and disclosure of the Subject Matter Information within the Report.
- Request of Management Representation Letter on key assertions.

The scope of a limited assurance engagement is significantly narrower than a reasonable assurance engagement. This includes fewer risk assessment procedures, a more limited understanding of internal controls, and less extensive testing. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than a reasonable assurance engagement. Even a reasonable assurance engagement, while providing a high level of assurance, does not guarantee the detection of all material misstatements, should they exist.

Inherent Limitations and Exclusions

Excluded from the scope of our work is any assurance of information relating to:

- Activities outside the defined reporting period.
- Statements of commitment to, or intention to undertake future actions by Argosy.
- Statements of position, opinion, belief and/or aspiration by Argosy.
- Financial data audited by an external third party.
- Other sites and/or activities not included in the scope.

This independent assurance statement should not be relied upon to detect all errors, omissions or misstatements that may exist within the Report.

Statement of Independence, Impartiality, Competence

Bureau Veritas is a global leader in Testing, Inspection and Certification ("TIC") services. Bureau Veritas' mission is to support its clients complying with regulations, managing risks and improving performance to meet the challenges of quality, health, safety, hygiene, environmental protection and social responsibility. Leveraging its renowned expertise, as well as its impartiality, integrity and independence, Bureau Veritas has helped build trust between companies, public authorities and consumers for nearly 200 years (<https://group.bureauveritas.com/>).

Bureau Veritas operates a quality management system across its activities and has implemented a robust Code of Ethics to maintain high ethical standards among its personnel and business partners in their day-to-day business activities. We are particularly vigilant in the prevention of conflicts of interest.

No member of the assurance team has a business relationship with Argosy, its Directors or Managers beyond that required of this assignment. We have conducted this assurance engagement independently and there has been no conflict of interest.

The assurance team was selected based on its extensive industry sector knowledge and experience in conducting independent verification, validation and assurance of Environmental Social and Governance (ESG) information and associated systems and processes.

Bureau Veritas New Zealand Ltd

7 May 2026

Jeremy Leu

General Manager, Perth, Australia

Bureau Veritas



Shaping a World of Trust

Metrics and Targets

GHG EMISSIONS INTENSITY

Argosy's GHG emissions intensity by revenue is:

Scope 1 + Scope 2	=	270.0tCO ₂ e	=	1.96tCO ₂ e/\$1m
Revenue		\$137.5m		

Argosy's GHG emissions intensity by net lettable area is:

Scope 1 + Scope 2	=	270.0tCO ₂ e	=	0.00048tCO ₂ e/sqm
Net lettable area		560,403.20sqm		

EXPOSURE TO CLIMATE-RELATED RISKS

Argosy monitors its exposure to climate-related physical and transition risks at a portfolio level, recognising that climate change may affect the resilience, performance and long-term value of its property assets over time.

Physical climate risk exposure is assessed through portfolio-level physical climate impact risk modelling across multiple climate scenarios and time horizons. This modelling considers key hazards relevant to Argosy's New Zealand portfolio, including flooding, storm events and heat-related impacts. The modelling indicates that, while some assets may experience increased exposure to physical climate hazards under certain scenarios, the modelled impacts are not expected to be material at a portfolio level over the assessed time horizons. Physical risk exposure is therefore monitored through periodic scenario analysis and considered alongside broader asset resilience, risk management and capital investment decisions, rather than through a standalone quantitative exposure metric.

Transition climate risk exposure is assessed by reference to asset quality and performance across the portfolio. Argosy considers that assets with lower levels of energy efficiency or without sustainability certification are generally more exposed to transition risks associated with regulatory change, market expectations and technological developments, while higher-performing and certified assets are considered less exposed. As at the reporting date, approximately 39.2% of Argosy's portfolio by value comprises certified Green Buildings, providing a meaningful degree of resilience to transition risks. Argosy manages transition risk exposure through ongoing investment decisions, designed to improve portfolio performance and increase the proportion of Green Buildings over time. Rather than adopting a standalone metric for assets exposed to transition risks, Argosy monitors exposure

indirectly through related measures such as certification levels and progress against its Green Buildings objectives.

Argosy expects its approach to measuring and disclosing climate-related risk exposure to continue to evolve as data quality improves, methodologies mature and industry practice develops.

CAPITAL ALLOCATION AND INVESTMENT METRICS

Capital deployed	2026 \$000s	2025 \$000s
Green Star building development expenditure	48,757	49,353
Lighting upgrades	314	250
Sub-metering (electricity and water)	67	551
Solar installation	-	116
HVAC renewal programme	436	613
Thermal-efficient façade upgrade	907	-
Other	20	69
Total	50,501	50,952

INTERNAL CARBON OR EMISSIONS PRICE

Argosy's internal carbon emissions price is informed by the cost of compensating residual greenhouse gas emissions in accordance with its Toitū Envirocare Net Carbon Zero Programme. Under this programme, Argosy measures emissions, manages and reduces them where practicable, and compensates remaining emissions through the purchase of high-integrity carbon credits. The cost of this compensation provides a reference point for the financial implications of emissions and supports consideration of climate-related transition risks, rather than operating as a formal internal charge.

Metrics and Targets

CLIMATE-LINKED REMUNERATION METRICS

Climate-related measures are included in Argosy's short-term incentive (STI) arrangements. During the year to 31 March 2026, a portion of the CEO, CFO and other employees' STI was linked to the construction and leasing of Green Buildings. In addition, the CEO's STI includes further climate-linked measures relating to the achievement of specified Green Building rating outcomes.

CHANGES IN GHG EMISSIONS

FY25 emissions restatement

FY25 emissions have been restated to reflect a correction to the emission factor used for private car business travel. The correction decreased FY25 Scope 3 emissions by 97.9 tCO₂e, lowering total FY25 emissions from 6572.4 tCO₂e to 6474.5 tCO₂e.

The restated FY25 emissions have been used consistently as the comparative year for FY26 reporting, and has been re-labelled as "Taxis, Rental Cars, Private cars".

Scope 1 emissions

Scope 1 emissions decreased in the year ended 31 March 2026 compared to the prior year. The reduction was primarily due to lower refrigerant losses from air conditioning systems within Argosy's operational control, reflecting maintenance activities undertaken during the year.

Mobile combustion emissions declined following the continued reduction in fossil fuel-powered company vehicles. Stationary combustion emissions from natural gas use and fire pump and backup generator operation remained broadly consistent with FY25.

Scope 2 emissions

Scope 2 purchased electricity emissions increased in FY26 relative to FY25. The increase reflects higher electricity consumption across the portfolio including electricity used in the construction of Mt Richmond and Neilson St developments.

Argosy continues to monitor electricity consumption and identify opportunities to improve energy efficiency across its assets.

Scope 3 emissions

Scope 3 emissions increased in FY26, largely due to additions in reporting scope and portfolio composition.

During the year, Argosy expanded its Scope 3 inventory to include capital goods emissions, covering embodied emissions from large development projects and other capital works such as plant upgrades and building component replacements. Capital goods emissions were not reported in FY25 and contributed materially to the increase in total Scope 3 emissions.

Scope 3 electricity emissions from downstream leased assets also increased following the acquisition of 291 East Tamaki Road, which added tenant electricity consumption to the portfolio.

Other Scope 3 categories showed smaller year-on-year changes, reflecting routine operational variations and improvements in data completeness. The updated Scope 3 inventory provides a more complete representation of Argosy's upstream emissions profile.

Metrics and Targets

INDUSTRY-BASED METRICS

Metric	Definition	Target (where applicable)	Performance
GHG emissions intensity – NLA	Emissions intensity measured as tCO ₂ e / NLA, measuring emissions performance across the portfolio.	-	0.00048tCO ₂ e/sqm
GHG emissions intensity – revenue	Emissions intensity measured as tCO ₂ e / revenue, measuring emissions performance across the portfolio.	-	1.96tCO ₂ e/\$1m
Green Buildings – portfolio proportion	Percentage of portfolio by value classified as Green Buildings, based on which buildings have or are targeting a Green Star Design or Built rating, or a NABERSNZ rating of 4 stars or better.	50% of portfolio to be Green Buildings by 31 March 2031	39.2% of the portfolio classified as Green Buildings
NABERSNZ coverage (core office)	Proportion of core office assets holding a NABERSNZ energy rating, supporting benchmarking and energy performance improvement.	100% of core office portfolio by 31 March 2026 (excluding assets held for redevelopment or divestment)	100%
Fossil fuel combustion under Argosy control	Presence of fossil fuel combustion equipment under Argosy’s operational control across the portfolio.	Eliminate Argosy-controlled fossil fuel combustion by 31 March 2030 (excluding emergency services)	Transition planning and asset upgrades underway

Metrics and Targets

Appendix

GHG CATEGORIES - ALL GASES

Scope	GHG Protocol Category	Activity	Total tCO ₂ e	GHG Mass (kg)						GHG CO ₂ Equivalentents (tCO ₂ e)					
				Carbon Dioxide	Methane	Nitrous Oxide	HFCs	PFCs	SF ₆	Carbon Dioxide	Methane	Nitrous Oxide	HFCs	PFCs	SF ₆
1	S1 Fugitive emissions	HVAC refrigerant top-ups	8.6	-	-	-	4.88	-	-	-	-	-	8.6000	-	-
	S1 Mobile combustion	Company vehicles - fuel	3.6	3,482.96	0.37	0.21	-	-	-	3.4830	0.0105	0.0567	-	-	-
	S1 Stationary combustion	Natural gas - heating	7.0	7,008.77	0.58	0.01	-	-	-	7.0088	0.0163	0.0031	-	-	-
		Fire pump and generator fuel	22.8	22,648.95	3.11	0.19	-	-	-	22.6489	0.0871	0.0494	-	-	-
Scope 1 total			42.0	33,140.67	4.07	0.41	4.88	-	-	33.1407	0.1139	0.1092	8.6000	-	-
2	S2 Purchased electricity	Electricity	228.0	221,432.62	219.89	1.61	-	-	-	221.4326	6.1568	0.4274	-	-	-
		Scope 2 total	228.0	221,432.62	219.89	1.61	-	-	-	221.4326	6.1568	0.4274	-	-	-

Metrics and Targets

Scope	GHG Protocol Category	Activity	Total tCO ₂ e	GHG Mass (kg)						GHG CO ₂ Equivalent (tCO ₂ e)					
				Carbon Dioxide	Methane	Nitrous Oxide	HFCs	PFCs	SF ₆	Carbon Dioxide	Methane	Nitrous Oxide	HFCs	PFCs	SF ₆
3	S31. Purchased goods and services	Maintenance emissions - spend based	1,866.6	1,866,629.44	-	-	-	-	-	1,866.6294	-	-	-	-	-
		Water supply and wastewater	15.6	3,536.24	204.11	23.78	-	-	-	3.5362	5.7152	6.3013	-	-	-
	S32. Capital goods	Development projects	9,635.2	9,635,213.00	-	-	-	-	-	9,635.2130	-	-	-	-	-
		Capital projects - other	3,103.6	3,103,603.67	-	-	-	-	-	3,103.6037	-	-	-	-	-
	S33. Fuel- and energy-related activities	Company vehicles - fuel supply emissions	0.7	702.89	-	-	-	-	-	0.7029	-	-	-	-	-
		Electricity distribution emissions	111.0	106,550.00	153.93	0.53	-	-	-	106.5500	4.3100	0.1400	-	-	-
		Gas distribution emissions	1.4	-	51.04	-	-	-	-	-	1.4291	-	-	-	-
		Fire pump and generator fuel supply emissions	5.1	5,141.43	-	-	-	-	-	5.1414	-	-	-	-	-

Metrics and Targets

Scope	GHG Protocol Category	Activity	Total tCO ₂ e	GHG Mass (kg)						GHG CO ₂ Equivalents (tCO ₂ e)					
				Carbon Dioxide	Methane	Nitrous Oxide	HFCs	PFCs	SF ₆	Carbon Dioxide	Methane	Nitrous Oxide	HFCs	PFCs	SF ₆
3	S3 5. Waste generated in operations	Waste to landfill	132.2		4,721.43	-	-	-	-	-	132.2000	-	-	-	-
		Waste to recycling	0.4	381.22	-	-	-	-	-	0.3812	-	-	-	-	-
	S3 6. Business travel	Air travel	24.2	24,170.08	-	-	-	-	-	24.1701	-	-	-	-	-
		Taxis, rental cars, private vehicles	1.1	1,080.80	0.35	0.09	-	-	-	1.0808	0.0098	0.0225	-	-	-
	S3 7. Employee commuting	Employee commuting - private vehicles and public transport	23.5	22,613.81	7.66	2.08	-	-	-	22.6138	0.2144	0.5501	-	-	-
	S3 13. Downstream leased assets	Electricity used by tenants	5,268.1	5,116,013.51	5,080.26	37.26	-	-	-	5,116.0135	142.2473	9.8742	-	-	-
		Natural gas for heating used by tenants	296.1	295317.21	24.58	0.49	-	-	-	295.3172	0.6883	0.1303	-	-	-
		Refrigerants used by tenants	18.3	-	-	-	27.08	-	-	-	-	-	18.3000	-	-
	Scope 3 total			20,503.1	20,180,953.31	10,243.36	64.22	27.08	-	-	20,180.9533	286.8141	17.0185	18.3000	-
Total			20,773.1	20,435,526.59	10,467.31	66.25	31.96	-	-	20,435.5266	293.0848	17.5551	26.9000	-	-

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