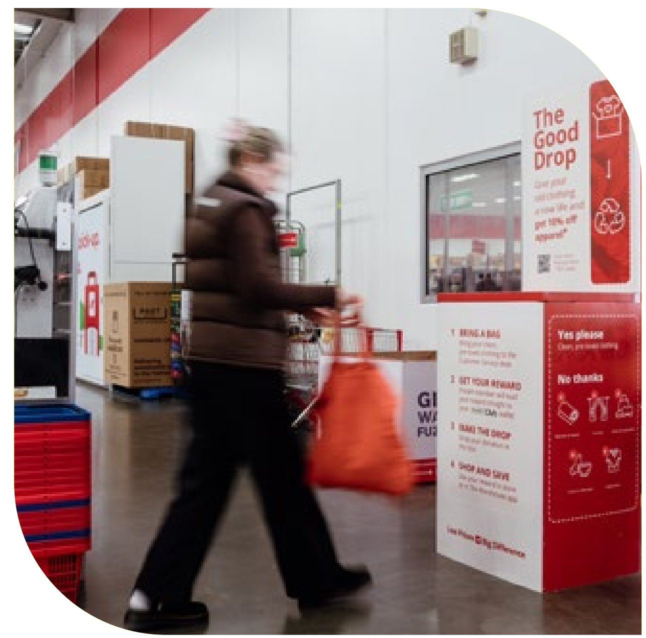
THE WAREHOUSE GROUP

SUSTAINABILITY REPORT

FOR THE REPORTING PERIOD
29 JULY 2024 TO 3 AUGUST 2025



the warehouse

warehouse stationery

noel leeming

2025

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Reporting entity

The Warehouse Group's ("the Group") Sustainability Report FY25 ("Report") provides a view of our environmental and social sustainability ("sustainability") performance and activities, including our approach to managing climate change and how we are transitioning to a lower carbon, more climate-resilient business that supports a just transition.

This Report includes our second set of climate statements under New Zealand's mandatory climate-related disclosures regime ("CRDs"), which have been prepared in accordance with the Aotearoa New Zealand Climate Standards ("NZ CS") issued by the External Reporting Board ("XRB").

The scope of the reporting entities in this Report aligns with the Group's accompanying FY25 Annual Report ("Annual Report") for the same reporting period, which can be found at www.thewarehousegroup.co.nz/investor-centre/company-reports. References to "we", "our", or "us" are references to the Group.

The Group's balance date in FY25 is 3 August 2025, and this Report therefore relates to the 53 week period 29 July 2024 to 3 August 2025. By comparison, the FY24 financial year was for the 52 week period 31 July 2023 to 28 July 2024. The Group operates on a weekly trading and reporting cycle which means most financial years represent a 52 week period. A 53 week catch-up year occurs once every 5 to 6 years and 2025 is a catch-up year. Accordingly, this Report (including the FY25 CRDs) are not entirely comparable with the Group's FY24 CRDs.

All information and data in this Report is for the year ended 3 August 2025, unless otherwise stated. Due to rounding, numbers within this report may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Where target completion years are stated (e.g. 2030, 2035, or 2040), they refer to the end of the Group's financial year for that period, unless otherwise stated.

Date published

This Report was published on 2 October 2025 and is available on the Group's website at https://www.thewarehousegroup.co.nz/investor-centre/company-reports.

Enquiries

If you have any questions or comments regarding this report, please contact investors@thewarehouse.co.nz.

CEO Introduction

"Environmental and social sustainability is embedded in our business. For us, it means being affordably sustainable, ensuring the right choice is also the best value choice. Our Sustainable Living Plan anchors this commitment across all our brands."

When Sir Stephen Tindall founded The Warehouse more than 40 years ago, his vision was simple but powerful: to make the desirable affordable for every New Zealander. That idea transformed retail in this country and gave generations of Kiwis access to what they needed to live better. It is a vision I share, and it remains the compass guiding us as we restore the strengths this business was built on.

I stepped into the role of CEO on 1 August, after serving as Chief Financial Officer for the past 15 months. That experience gave me a close-up view of both the challenges and the opportunities ahead. Our Group purpose is clear: to build exceptional retail brands that customers love, our team take pride in, and deliver sustainable shareholder returns. Our ambition is to be a highly desired retail stock.

To achieve this, we must continue investing in our team and culture, and be guided by our values: Think Customer, Do Good, Own It. Creating engaged teams with a high-performance mindset is essential. When we get this right, culture and performance go hand in hand. This year, we invested 46,103 hours in training our team, including programmes like Evolve, which support high-performing Store Managers and frontline leaders to expand their impact and value.

I am especially proud of how our teams and customers continue to support our communities. Each year, we find new ways to make a difference through national campaigns, local initiatives, and moments where our brands and customers step in to support Kiwis in need. This year, with the help of customers and team members, we raised $2.4 million for charities and community groups, bringing our total contribution since 1982 to $88 million. These efforts are not side projects; they are core to who we are.

Sharper execution across the Group remains critical: cutting waste, reducing costs, and improving margin. Every dollar saved through efficiency is a dollar we can reinvest in better prices, products, and experiences for our customers. For example, trialling a cardboard baler in one of our stores this year not only improved recycling but also demonstrated the potential to save tens of thousands of dollars annually. We need more of this thinking.

Environmental and social sustainability is embedded in our business. For us, it means being affordably sustainable, ensuring the right choice is also the best value choice. Our Sustainable Living Plan anchors this commitment across all our brands. Removing cost, carbon and waste from our value chain, sourcing products ethically and responsibly makes commercial sense and is right for our team, customers, and communities. Our continued partnership with Lodestone Energy is a great example. It reduces our environmental footprint, provides more certainty in energy costs, and supports the expansion of New Zealand's renewable electricity capacity.

This Report outlines the progress we have made and the direction we are heading. We are committed to staying focused on our customers, proud of our team, and ambitious about what comes next. Our momentum is growing, and the energy across our teams is real as we reshape our role in New Zealand retail and for the communities we serve.

Ngā mihi nui,

Mark Stirton – Group Chief Executive Officer.

Environmental and Social Sustainability (ESS) Committee Review

As Chair of the Environmental and Social Sustainability (ESS) Committee, I'm proud of the progress we've made on sustainability across the Group and the effort to make it easier for our customers. Since 2021, the Committee has played a central role in guiding this journey. I was honoured to step into the Chair role in February 2025, following Rachel Taulelei, whose leadership has left a strong legacy and she continues to bring her expertise as a member.

The business environment remains tough. Sometimes sustainability can feel at odds with cost reduction and profitability. For us, though, it's never optional – it's part of who we are and a real driver of value. Doing the right thing has guided this business for more than 40 years. Even as sentiment softens elsewhere, we're clear: delaying action isn't an option. We need to keep our focus on the long term – building a stronger, more resilient business for the future.

Resetting our sustainability strategy

This year we focused on keeping our plans aligned with the Group's strategy. Our Sustainable Living Plan, launched in 2022, remains the framework for action.

We reviewed its structure to make sure it meets both immediate needs and long-term goals. We reaffirmed its vision: to make sustainable living easy and affordable for everyone, but sharpened the focus of the four Building Blocks and clarified executive accountabilities. We also confirmed that these Building Blocks are underpinned by Responsible Retail Foundations, such as ethical sourcing, culture, health and safety, community engagement and governance. Long-held practices in our business that were not fully reflected in the first version of the Sustainable Living Plan.

Shaping our climate transition

A big milestone in FY25 was developing our first Climate Transition Plan. The Committee confirmed the Sustainable Living Plan as the platform for delivering climate-related objectives and endorsed the strategic intent behind transition planning.

The year reminded us through extreme weather events here and overseas, that climate-related impacts are already with us. These disruptions show why transition planning is necessary.

We tracked progress on key CRD tasks such as a review of our organisational boundaries and improvements to our greenhouse gas (GHG) inventory. We welcomed the addition of over 90 more stores and sites powered by Lodestone Energy's solar farms, further reducing our Market-based Scope 2 emissions, while noting there's more to do on Scope 1 emissions and energy-efficiency. We also improved our understanding of our Scope 3 emissions ahead of potential new disclosure requirements in FY26, including hearing from the Chair of the Scope 3 Peer Group, who shared valuable global insights.

Embedding sustainability across business and supply chains

The Committee received updates on product and packaging improvements, engagement with suppliers on Scope 3 emissions, and landfill diversion and circularity initiatives like The Good Drop clothing reuse and recycling programme with The Salvation Army (see page 12).

We looked at proposals to refresh our community strategy and how we engage customers on sustainability. Recent Kantar research shows that, even though many Kiwis are doing it tough, they still care about sustainability and expect brands like ours to take on the heavy lifting. Yet, they also feel that, despite our long-standing commitments and progress, we are behind our competitors and peers. It is a clear reminder that there's more work to do – and an opportunity to connect more strongly with both customers and team members. This will be an area we continue to monitor.

Strengthening governance and reporting

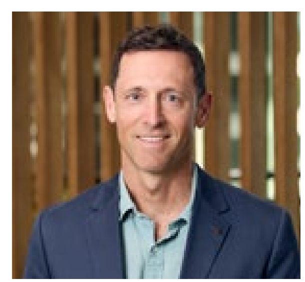
We strengthened how the ESS Committee, Audit & Risk Committee and the Board and Management forums collectively oversee and support sustainability, embedding it more firmly in strategic discussions.

We also supported moving to this stand-alone Sustainability Report in FY25, bringing together what would otherwise have been three separate reports: components of our Annual Report, Climate-Related Disclosures and Ethical Sourcing Update. This isn't new for us: from 2000 to 2012 we published stand-alone updates before folding them into our Annual Report. With our refreshed framework now embedding transition planning, we believe this format gives our stakeholders clearer visibility and a more connected view of progress.

Looking to the future

As this Report shows, much has been achieved, but there's still plenty to do. FY25 gave us stronger foundations – a refreshed Sustainable Living Plan, our first Climate Transition Plan, and closer governance alignment. I'm excited about the progress we can make in the year ahead, and the Committee will continue to support and challenge the business to keep moving forward.

On behalf of Rachel, Dame Joan, John and myself, thank you to the Management team and everyone who contributed this year. Doing the right thing has always been part of who we are and it remains central to the business we're building for the future.



Robbie Tindall
Chair of the ESS Committee

Highlights from the year

63%
of our electricity matched with electricity produced by Lodestone Energy's solar farms

45%
Scope 1 & 2 emissions (market-based)
(compared to FY23 base year)

We have diverted
79%
of operational waste from landfill
(FY24: 78%)

100%
Gender pay equity
(FY24: 100%)

eNPS
36.0pts
(FY24 18.2pts)[1]

$2.4m
raised for NZ charities and communities in FY25

1. eNPS score in FY25 and FY24 excludes DC team members as these were not surveyed in FY25, so have been excluded in both years. FY24 reported eNPS was 19.6 including all team members.

5
Number of stores **The Good Drop clothing reuse and recycling drop-offs** launched in FY25

Inaugural climate transition plan developed

489
social and environmental factory assessments completed

63
Factories representing 34% of offshore private-label spend completed verified carbon assessments

283 tonnes
of post-consumer waste collected
(up from 257 tonnes in FY24)

66%
Private-label sales with packaging that meet our sustainability requirements
(up from 55% in FY24)

40%
Private-label products sold had at least one approved sustainability attribute
(the same as FY24)

Our Approach to SUSTAINABILITY

About The Warehouse Group

The Group was founded by Sir Stephen Tindall in 1982, and has evolved from a single The Warehouse store, to become one of the largest retailing groups in New Zealand. Our brands include The Warehouse, Warehouse Stationery and Noel Leeming.

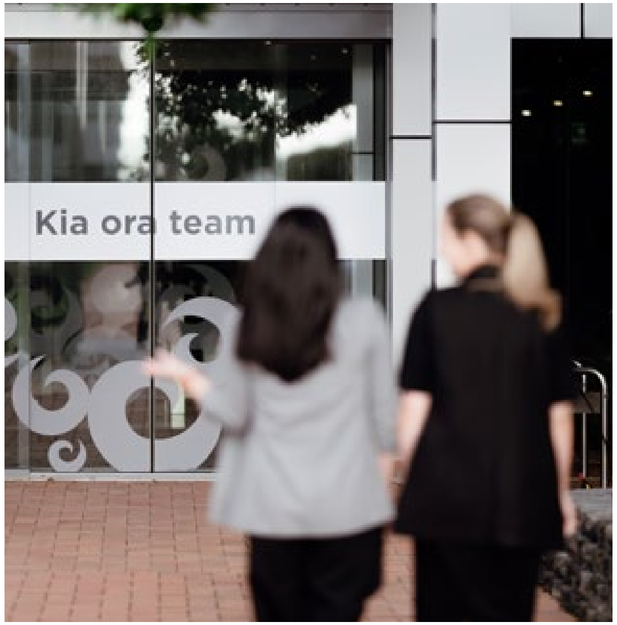
We have 216 retail stores across New Zealand, as well as online stores and apps, and our own distribution centres.

We also have three overseas sourcing offices located in China, Bangladesh and India. We are a people-centred business with more than 10,000 team members across our locations, serving more than one million Kiwis in our stores each week.

Our purpose is to build exceptional retail brands that customers love, our team take pride in, and deliver sustainable shareholder returns. Our ambition is to be highly desired retail stock.

We're focused on delivering the best products at the best price, with outstanding customer experiences to achieve our objectives and to deliver on our long-term strategy and growth for our shareholders and all stakeholders.

From the beginning, we've aimed to be a company that cares – putting people first, supporting our communities, and working towards a more sustainable future. We know sustainability matters to many of our customers, but we also recognise that many are finding it tougher than ever to make ends meet. Our aspiration has always been to enhance quality of life in New Zealand by making the desirable affordable – and that aspiration remains at the heart of our business today.



Our value chain

We run a straightforward retail model: we buy, move and sell. Across our family of brands – The Warehouse, Warehouse Stationery and Noel Leeming – we source from local and international suppliers, move products through our distribution network, and sell nationwide through stores and online.

Our offer spans everyday essentials and groceries, clothing, homeware, toys, consumer electronics and whiteware, plus complex technology products and services (e.g. installation, repair and protection plans). We sell a mix of private label and well-known third-party brands, serving both household shoppers and commercial customers such as insurers, government agencies, schools and businesses.

OUR GROUP DIRECTION

The Warehouse Group will strengthen and grow its three New Zealand retail brands, enabling each to lead in its market while leveraging shared services, platforms, and capital efficiencies.

OUR PURPOSE

To build exceptional retail brands that customers love, our team take pride in, and deliver sustainable shareholder returns

AMBITION

Be a highly desired retail stock

VALUES

Think Customer • Do Good • Own It

Our Sustainable Living Plan

In 2022 we launched our Sustainable Living Plan, which sets out the actions we intend to take to support our vision to make sustainable living easy and affordable. We established four focus areas – or Building Blocks – focused on delivering specific outcomes across products and supply chains, for customers, circularity, and our own operations.

This year we reviewed the plan to ensure it remains aligned with the Group's strategy – addressing immediate needs and long-term goals. We reaffirmed its vision to make sustainable living easy and affordable for everyone and sharpened the focus of the Building Blocks by setting out 12 action areas.

These are underpinned by our Responsible Retail Foundations, such as ethical sourcing, culture, health and safety, community engagement and governance – long-standing practices that give us our licence to operate. These were not fully reflected when the Plan was first launched, but they remain as critical as ever. They provide the trust, resilience and credibility we need to deliver on our ambitions for products, customers and operations.

The Sustainable Living Plan also provides the foundation for our Climate Transition Plan, guiding our journey to becoming a lower-carbon, more climate-resilient business that supports a just transition.

What follows is a summary of progress against the goals under each Building Block. With many goals reset this year, some areas are still in early stages, while others are well on plan.

OUR 'RESET' SUSTAINABLE LIVING PLAN

Four transformational Building Blocks & goals underpinned by key responsible retail foundations:

VISION: To make sustainable living easy and affordable for everyone

Product Sustainability Leadership

We will improve the sustainability of our products and aim to cut GHG emissions across our value chain in line with climate science.

Value Chain Emissions
Product Sustainability Attributes
Packaging Sustainability
Supplier Engagement

Sustainable Living Solutions

We will offer a range of innovative solutions that aim to help our customers live a more sustainable lifestyle.

Reducing Customer Emissions
Product Efficiency
Customer Reward

Circularity Solutions for Customers

We will provide a range of solutions that aim to help products last longer and reduce post-consumer waste going to landfill.

Post Consumer Solutions
Circular Innovation

Running a more Sustainable Operation

We will improve the sustainability performance of our operations and aim to reduce our operational GHG emissions to zero.

Operational Emissions
Operational Efficiency
Reduced Waste

RESPONSIBLE RETAIL FOUNDATIONS

Communications and Marketing
We will leverage sustainability and community to improve team member and customer engagement

Ethical & Responsible Sourcing
We will source ethically and responsibly
- Ethical Sourcing Policy compliance
- Minimum sustainability requirements

Community Engagement
We will help Kiwi families thrive
- Community partnerships
- Charitable giving and volunteering

Culture, Engagement & Inclusion
We will foster connection, inclusion & impact
- Leadership and culture
- Recognition programmes

Wellbeing & Belonging
We will empower team members to thrive
- Health, safety & wellbeing
- Employee Assistance Programme (EAP)

ESG Data & Reporting
We will report openly and transparently
- ESG/Sustainability Reporting
- Climate disclosures

Product Sustainability Leadership

Value Chain Emissions

Aim

We will aim to progress meaningful Scope 3 emissions reductions in high-impact and influenceable areas.

Progress

This is a reset goal. We have improved our understanding of Scope 3 emissions data in key areas, and work is under way to identify high-impact and influenceable areas. See page 45 for more detail.

Product Sustainability Attributes

Aim

We will aim to increase the share of private label sales from products with at least one approved sustainability attribute to 100% by 2035.

Progress

In FY25, we maintained our FY24 performance, with 40% of private-label sales across The Warehouse and Warehouse Stationery coming from products with one or more approved sustainability features[1]. This represents over 43,555 product lines and $392 million in sales.

We continued to embed sustainability across our ranges, with 73% of apparel and home textiles using Better Cotton or recycled materials, all Market Kitchen coffee Rainforest Alliance certified, 37% of energy-rated products above the New Zealand average for efficiency, and 93% of WS brand paper products responsibly sourced (FSC, PEFC or recycled).

Packaging Sustainability

Aim

We will aim to phase out unnecessary or problematic single-use plastics from our private label products and ensure all product packaging meets our sustainability requirements by 2035.

1. An environmental or social attribute associated with a product that either meets a recognised third-party standard (e.g. Better Cotton or FSC) or has been internally assessed against defined requirements which address a key social, ethical, or environmental issue in the product's value chain.

Progress

By the end of FY25, 66% of The Warehouse and Warehouse Stationery private-label sales came from products with packaging that met our sustainability requirements, up from 55% in FY24. This means we are on track to deliver on this goal.

We continued rollout of the Australasian Recycling Label scheme to help customers make the right decision on how to dispose of, or recycle, packaging.

Supplier Engagement

Aim

We will aim for 80% of our suppliers, by spend, to have science-based emissions reduction targets by the end of December 2028.

Progress

This goal is new. As most of our GHG sit in Scope 3, supplier action is key to meeting our climate ambitions. Further detail on supplier engagement is provided on page 45.

Sustainable Living Solutions

Reducing Customer Emissions

Aim

We will aim to help one million customers reduce their GHG emissions in the home through a package of more sustainable energy solutions by 2035.

Progress

This goal is new. Partnerships – such as with the Energy Efficiency and Conservation Authority ("EECA") – will be essential. We were EECA's retail partner in this year's Winter Energy Saving Tips campaign and we refreshed The Warehouse's Warmhouse web content to give customers practical ways to make lower-emission choices at home.

Product Efficiency

Aim

We will aim to improve the average energy and water efficiency rating of our product portfolio by 50% by 2035 (compared to 2023).

Progress

This goal is new. Initial baselining is under way to assess average efficiency of our product portfolio, and we are in discussion with EECA to provide potential support on standards and labelling.

Customer Reward

Aim

We will aim to incentivise and reward one million customers for making more sustainable choices by 2035.

Progress

This goal is new. Early trials are under way to explore possible incentive and reward mechanisms. These include a MarketClub 'spend and save' reward on The Good Drop (see page 12) and promotional giveaways in partnership with EECA.

Circular Solutions for Customers

Post-Consumer Solutions

Aim

We will aim to enable at least 80% of Kiwis to access solutions to reuse or recycle a minimum of five difficult to recycle items* by 2035.

* Problem Plastics; Electronics/Electricals; Textiles; Furniture & Mattresses; & Food

Progress

This is a reset goal. We're making strong progress across three of our priority waste streams – problem plastics, electronics and textiles.

We host the Soft Plastics Recycling Scheme in 53 stores, providing access to 73% of New Zealanders within a 20-minute drive, and collected 104 tonnes from these stores in FY25. Our appliance delivery service recycles bulky polystyrene packaging. Across 34 Noel Leeming and Warehouse Stationery stores, TechCollect NZ collected 168 tonnes of e-waste, complemented by a nationwide take-back for phones (on behalf of RE:MOBILE) and ink/toner cartridges (on behalf of Brother). We also launched The Good Drop pilot for unwanted clothing. These initiatives collectively diverted over 283 tonnes of material in FY25 (FY24: 257 tonnes).

We also contributed to Ministry for the Environment applications to establish regulated accredited national product stewardship schemes on plastic packaging and e-waste.

Circular Innovation

Aim

We will aim to pilot at least one innovative proposition or initiative each year which aims to help products last longer or reduce waste (e.g. repair, rental, pre-fill).

Progress

This is a reset goal. In FY25 our focus was on piloting The Good Drop clothing take-back in five The Warehouse stores and a laptop reuse partnership in a Noel Leeming store with Recycle A Device (RAD) through TechCollect NZ. We also began reviewing our approach to repair and submitted evidence to the Select Committee on the Right to Repair Bill, which we supported in principle.

Sustainable Operations

Operational Emissions

Aim

We will aim to reduce absolute Scope 1 and 2 emissions, aligned to a 1.5°C trajectory, by 65% by 2030 compared to a 2023 base year and on a pathway to net zero emissions by 2040.

Progress

A major milestone this year saw over 90 more Group stores and sites powered by Lodestone Energy's solar farms from January 2025. This means over 80% of our locations in New Zealand have now transitioned to these arrangements with the remainder on track to follow in early 2026.

During the year, we updated our organisational boundaries and moved our base year to FY23. Given the Scope 2 reduction trajectory we are on, we lifted our 2030 goal from 42% to 65% to remain aligned with an SBTi-aligned 1.5°C pathway. Against this revised base year, we've reduced Scope 1 and Market-based Scope 2 emissions by 45%. More detail is provided on pages 44 to 47.

Operational Efficiency

Aim

We will aim to meaningfully improve the energy-efficiency of our buildings and domestic and international logistics activities by 2030 (compared to 2023).

Progress

This is a reset goal. We've improved efficiency in specific areas and will now bring these efforts together as a key focus of our Climate Transition Plan. More detail on operational and logistics emissions is on page 46.

Operational waste	Waste generated (tonnes)	Waste diverted from landfill (tonnes)	Waste directed to landfill (tonnes)
General waste	2,548	-	2,548
Paper, cardboard and plastic wrap	9,022	9,022	-
Mixed recycling, including recovery and preparation for reuse	382	382	-
Hazardous waste	<1 tonne	-	<1 tonne
Total operational waste	**11,951**	**9,403**	**2,548**
FY25 operational waste diverted and directed to landfill		**79%**	**21%**

Reduced Waste

Aim

We will aim to demonstrably reduce total waste from our activities in New Zealand and will divert at least 90% of waste that's produced from landfill by 2035.

Progress

This is a reset goal. In FY25 we diverted 79% of operational waste from landfill (FY24: 77.7%). Operational waste covers logistics packaging, general waste from warehouses, stores and offices, and items collected via customer services. The Group non-hazardous waste totalled 11,951 tonnes (down 5.9% from 12,700 tonnes in FY24).

Each tonne diverted lowers landfill costs, reduces collections, and can generate recycling rebates. In FY25 we recovered 9,022 tonnes of paper, cardboard and plastic wrap, achieved an 83% hanger reuse rate, and trialled a high-density cardboard baler in Gisborne with potential savings of tens of thousands of dollars annually. Hazardous waste remained under 1 tonne, consistent with FY24.

We established a relationship with KiwiHarvest to collect and redistribute surplus food and non-food products (e.g. short-dated and box-damaged items) from our North Island Distribution Centre.

Responsible Retail Foundations

Our Responsible Retail Foundations set out core practices that underpin how we operate as a business.

For more on our approach to people, see pages 13 to 16; for engaging with communities, see pages 18 to 19; and for ethical and responsible sourcing, see pages 20 to 23.

During the year we also began to better leverage our sustainability and community efforts to engage team members and customers, and this will continue to evolve in FY26.

Further details on our approach to governance and reporting can be found in our ESS Committee Chair's Review of the Year on page 5 and in our Climate-related Disclosures on pages 24 to 48.

CASE STUDIES

The Good Drop

Textiles are considered one of New Zealand's most problematic waste streams, with around 180,000 tonnes going to landfill each year. While many households donate clothing, only about 20% of what charities receive is saleable.

Launched in June 2025 across five The Warehouse stores (Takanini, Petone, Whangārei, Hillcrest and Barrington), The Good Drop pilot enables customers to drop off unwanted clothing from any brand in-store for reuse or recycling. As a thank you they receive 10% off apparel purchases when spending $30 or more.

Items suitable for resale go to The Salvation Army and the rest passed to ImpacTex and partners for recycling or reuse. Initial results are very encouraging: in the first two months over 1 tonne of clothing was collected, with 60% kept for resale/reuse and 31% recycled – diverting more than 90% from landfill and far exceeding expectations.

Gisborne Baler Trial

At our Gisborne store, frequent cardboard collections were driving up disposal fees, transport costs, and back-of-house clutter, with 28 bin lifts each week. By introducing a compact baler to consolidate cardboard on site, collection frequency dropped to just two uplifts per month. The shift cut waste collection costs by 65%, turned cardboard into a revenue stream, freed up valuable storage space, created a cleaner and safer workplace, and reduced transport emissions. The Gisborne pilot highlights how more circular solutions can deliver both environmental benefits and immediate commercial value, particularly in regional locations where freight costs are highest.

OUR PEOPLE

He aha te mea nui o te ao. He tāngata, he tāngata, he tāngata
What is the most important thing in the world? It is people, it is people, it is people!

Culture, engagement and inclusion

Growing Leadership Capability and Building Future Talent

In FY25, we refocused our development strategy, based on our new People Model to deliver scalable learning and leadership development, through performance and development, core competencies and remuneration.

Leadership development remained a key focus in FY25, with continued investment across all levels of the business. Our frontline programmes — Emerge, Evolve and the newly launched Noel Leeming Super 6 — continue to grow across all our brands and are supporting store and distribution centre team members on their journey towards leadership roles in retail.

Emerge primarily prepares store team members stepping into more senior frontline leadership roles.

Evolve supports high-performing Store Managers and frontline leaders to expand their impact and value. It includes a cross-functional project with Store Support Office ("SSO") involvement.

In FY25, 20 team members have participated in

the Emerge programme and 12 team members have participated in the Evolve programme. All three programmes are demonstrating a strong return on investment.

Across the Group, we rolled out People Leadership Fundamentals training to 240 people leaders, both new and existing. This programme provides a strong foundation in core leadership principles and supports consistent capability uplift.

In our SSO, the focus shifted to senior leadership development at the Retail Leadership Team level.

This included foundational leadership work, the launch of the Group's refreshed leadership behaviours, financial acumen and high-performing team development using the Patrick Lencioni Team Model, aligned to our rebranded internal team model. Over 50 leaders also participated in Hogan 360 assessments, offering open and honest peer feedback — a powerful reflection of the culture we are building.

We continued to prioritise compliance learning, delivering core modules in English, Te reo Māori, Tongan and Samoan languages to ensure accessibility and understanding across the Group.

In total, we invested 46,103 hours in training across FY25, including Code of Ethics training, equating to 4.4 hours per person.

Our leadership development is delivering real results, with Silv Roest (Chief Legal and Corporate Affairs Officer) and Carrie Fairley (Acting Chief Merchandise Officer) stepping into executive roles, and Mark Stirton progressing to Group CEO. This is a major milestone in our succession planning and a testament to the strength of our internal talent.

We continue to prioritise succession planning across senior leadership and critical roles, with a proactive, future-focused approach that includes identifying and developing emergency replacements to ensure business continuity and resilience.

eNPS
36.0pts
(FY24: 18.2pts)[1]

45.2%
of senior leaders are female
(FY24: 46.9%)

100%
gender pay equity
(FY24: 100%)

1. eNPS score in FY25 and FY24 excludes DC team members as these were not surveyed in FY25, so have been excluded in both years. FY24 reported eNPS was 19.6 including all team members.

Embedding Diversity, Equity & Inclusion and Engagement

At the Group, we are committed to creating a workplace where our team feel safe, valued and empowered to bring their whole selves to work. Diversity, equity, inclusion ("DE&I") and engagement are deeply connected, and together they shape the culture we are building.

In FY25, 45.2% of senior leaders (those in, and directly reporting to, the Executive Leadership Team) were female, reflecting our ongoing commitment to gender equity and leadership representation.

We ran our fifth annual DE&I survey, which saw a 16% increase in participation. Responses represented 38 different ethnicities, giving us rich insights into our team's diversity and helping shape initiatives that reflect life experiences.

Our DE&I work is anchored in four strategic pillars – Te Ao Māori, Belonging, Gender Equality, and Future of Work.

Highlights included:

- Inclusive Christmas and Lunar New Year activations
- Neurodiversity Awareness Week celebrations with themed activation "What helps you focus at work?" and promoted webinars to build understanding and awareness
- Connect Through Kindness campaign, promoting inclusive behaviours and everyday empathy
- Introduced the Mobile Library initiative, making learning more accessible and engaging for team members
- Provided fresh fruit at SSO to encourage healthier choices and promote physical wellbeing
- Partnered with Rauora Reo to bring Matariki awareness and education to life across the Group
- Rolled out a the Group-wide recognition strategy and programme to celebrate and acknowledge our team members
- Celebrated Pride Week with inclusive education sessions and Pride-themed activations, helping foster a culture where everyone feels seen and valued
- Encouraged Mental Wellbeing Awareness with Mindful Mondays – each week sharing simple tips to help our team pause, reset and start each Monday with purpose.

We have maintained our Rainbow Tick certification. We are confident in our progress and proud of the inclusive culture we continue to build.

Alongside DE&I, we launched a refreshed engagement strategy to enhance connection and create a positive work environment. Events throughout the year aligned with key retail milestones, showcasing our products and strengthening team bonds.

A standout moment was our annual Impact Awards, celebrating excellence across the Group. This event recognises high performers, showcases great talent and reinforces the culture we are proud to grow.

We continued to support new parents with our 26-week paid parental leave, with 103 team members making use of the policy in FY25. As part of our commitment to improving the parental leave experience, we partnered with Crayon NZ, providing expert resources, financial coaching and policy benchmarking.

Together, our DE&I and engagement efforts are helping us build a workplace where people feel connected, celebrated and empowered to thrive.

We are pleased to see employee turnover significantly decrease in FY25 to 18.1%, a five-year historical low. This is a voluntary attrition measure (excludes redundancies), and demonstrates that our people are choosing to stay with the Group as an employer of choice. This also correlates to our eNPS of 36.0 points compared to 18.2 points in FY24.

Our people are feeling more empowered, more engaged, and are excited about their future, both for the success of the Group and for their own careers.

Employee turnover

FY25	18.1%
FY24	23.7%
FY23	26.9%
FY22	28.4%
FY21	27.5%

CASE STUDY

Nate's inspiring journey at The Warehouse

From checkout to corporate

Nate Richards started out behind the checkout counter at The Warehouse, helping Kiwis with their everyday purchases. Fast forward, and he's now a Talent Acquisition Partner, helping the company expand their hiring pool. This is a story of ambition, grit, and how the skills Nate developed on the shop floor paved the way for his corporate success. It's proof that every role can be a stepping stone to something bigger if you're keen to learn and back yourself. Nate turned his start in retail into an opportunity to make a bigger impact, all while staying part of The Warehouse whānau. In Nate's words "stay curious and you never know where you'll end up."

Wellbeing and belonging

Wellbeing

Looking after the health, safety and wellbeing of our team continues to be a top priority at the Group. In FY25, we moved beyond stand-alone initiatives to create a more connected and engaging team member experience that reflects how our people work, collaborate and thrive.

Guided by our four wellbeing pillars — physical, mental, financial and social — we focused on experiences that are energising, relevant and easy to engage with. Quarterly activations and bite-sized, timely content helped wellbeing show up in the flow of work. Initiatives included flu vaccinations, healthy eating campaigns, onsite physical activities and our mobile library, all designed to build connection and support our people both at work and beyond.

We adopted the "Me, We, Us" model, a framework that supports wellbeing at the individual, team and organisational levels. This holistic approach ensures our strategy is robust, with initiatives spanning personal actions, small group experiences and organisation-wide programmes and policies.

To better understand how our team experience wellbeing, we launched an SSO wellbeing survey, providing valuable insights to tailor support where it is needed most.

Our goal is to make wellbeing something our team do not just take part in, but genuinely feel every day.

Health and Safety

As an ACC-Accredited employer, Safety Assurance Reviews play an integral role in managing our hazards and risks and ensure best-practice and legal requirements are applied across all our sites. This year, we conducted 94 safety assurance reviews (FY24: 104).

Our key performance safety metric is Total Recorded Inuries (TRI), and in FY25 we recorded 376. This was disappointingly an increase of 26% compared to 298 recorded in FY24, largely related to minor strain and sprain injuries. Total Recorded Injury Frequency Rate ("TRIFR") was 30.2 per million hours worked compared to 23.0 per million hours worked in FY24.

Our Lost Time Injuries (LTI) increased 32% from 178 in FY24 to 235 in FY25, similarly largely due to minor strain and sprain injuries. Lost Time Injury Frequency Rate ("LTIFR") was 18.9 per million hours worked compared to 13.7 per million hours worked in FY24.

The Group has completed a comprehensive analysis of the key drivers of the increased LTI and TRI rates and will implement targeted initiatives during FY26 to reduce them.

In FY25, there were eight recorded critical risk events, primarily related to product storage, racking and hazardous substances risk. This is four more than FY24, although the events were isolated in nature and the injuries were minor. In conjunction with an external provider, the Group completed a full review of its critical risks and associated controls in FY25. In FY26, we will test the effectiveness of these controls and make any appropriate changes. By the end of FY26, we expect the Group will have a more robust process in place for managing critical risks.

Crime continues to be challenging for the retail industry across New Zealand and in FY25 we recorded 227 events related to Violent and Aggressive Behaviour towards our store teams. While a decrease of 19% compared to 279 in FY24, this is still too high and a wider New Zealand retail concern. We continued to invest in safety measures and support services for our teams – such as training in situational incident management, body cams and vests, and reviewing our top 20 high-incident sites. This has reduced these events.

There have been zero workplace fatalities for the eighth year in a row.

TRIFR
30.2
per million hours worked
(FY24: 23.0)

18.9
per million hours worked
Lost Time Injury Frequency Rate
(FY24: 13.7)

Critical risk events
8
(FY24: 4)

OUR RELATIONSHIPS

Our Communities

Across our three brands in the Group, we reach 85% of Kiwis within 20 minutes of any one of our stores. We not only provide Kiwis with the products and services they need, but we are proud of how our brands and teams continue to support the communities in which they serve.

In FY25, we refined our community strategy to focus on where we can make the greatest difference, helping Kiwi families thrive by ensuring they have access to the essentials they need. From period products, to youth development programmes, to festive support at Christmas, our efforts are grounded in practical help that makes a real impact.

At a national level, we are proud to partner with organisations including The Kindness Collective, Youthline, Women's Refuge, Variety – the Children's Charity, and The Salvation Army to ensure our reach can have the biggest impact. Each year, we find new ways to make a difference through national campaigns and local partnerships.

With the generosity of our customers and the passion of our teams, we raised $2.4 million for New Zealand charities and local community groups in FY25.

The power of the Red Bag

Our iconic $1 Red Bag is more than just a recycled, reusable shopping bag. Every time a customer purchases one, the proceeds help us give back to Kiwi communities in a meaningful way. A portion of every Red Bag sold is donated to our national community partners, while another portion stays with the local store team, empowering them to support the unique needs of their communities. This year, we raised $1.4 million from our Red Bag sales to support families and causes across Aotearoa New Zealand.

Be the Joy: bringing joy to families at Christmas

Our team and customers came together in an extraordinary show of generosity for Be the Joy, our annual Christmas fundraising campaign. Across our brands, we raised $358,413 for four partners: The Kindness Collective, The Salvation Army, Variety – the Children's Charity, and Women's Refuge. This result exceeded expectations, reaching 128% of the Group's fundraising target, and marked a 20% increase on last year's total of $265,000. Together, we helped bring joy to thousands of families across Aotearoa New Zealand with gifts, toys, and food for Christmas.

$2.4m raised for charities and local community groups in FY25

$88.0m raised for charities and community groups since our doors opened in 1982

$358,413 raised to help Kiwi families for Christmas 2024

$229,460 raised to help keep kids warm this winter

Warm Fuzzies: keeping Kiwi kids warm over winter

This winter, our team and customers supported Warm Fuzzies, a campaign backing The Kindness Collective's PJ Project. Thanks to their generosity, we raised $229,460, helping thousands of children and families stay warm during the coldest months of the year. Over 17,000 children received brand-new winter pyjamas, and 10,089 pairs of PJs and blankets were donated through our The Warehouse stores. In addition, 250 families received Winter Bundles filled with duvets, hot water bottles, and heaters.

Products that give back

Access to period products

We continue to make period products accessible and affordable through our range of private label $2 pads, with one in every ten sold donated to local organisations in need through our partnership with The Kindness Collective. This year 78,762 period products were donated. We also provide free period products for our team members across stores, support offices, and distribution centres, because dignity and access should never be out of reach.

Good One

We continue to support access to everyday essentials through Good One, our cruelty-free personal care range. With every purchase, customers help us provide products like shampoo and body wash to women and children in need through our partnership with Women's Refuge. In FY25, more than 5,000 Good One products were donated, helping families across Aotearoa New Zealand feel cared for during difficult times of transition.

Supporting youth pathways

Gateway Programme

This year, we relaunched our Gateway Programme 'Red Shirts in Schools' in partnership with ServiceIQ to support Year 12 and 13 students as they take their first steps into the working world. The programme offers meaningful, hands-on experience in retail, helping students build confidence, develop customer service skills, understand health and safety practices, and earn National Certificate of Educational Achievement (NCEA) credits – all while forming professional connections for life beyond school.

Red Shirts in Schools (The Warehouse) had 106 student enrolments in FY25. The programme continues to be a strong pathway into employment and we're proud to have several team members in roles across the organisation who began their careers as Gateway students.

Aspire with The Salvation Army

Aspire is a youth development programme created by The Salvation Army in partnership with the Group, now in its tenth year. It helps young people build confidence, resilience, and essential life skills through weekly group sessions, outdoor adventures, and community projects, all led by experienced youth workers. The programme continues to grow its reach across schools and communities, while also enabling The Salvation Army to provide wrap-around support for families.

In FY25, Aspire recorded attendance rates well above the national average – a strong sign of its impact, particularly for students referred due to low school engagement. 380 students took part this year, and the programme has supported over 2,600 students since it began.

Here for Good Leave

Every year, every team member at the Group has the opportunity to take a paid day of leave to volunteer and give back to their community. In FY25 our team recorded 376 hours of volunteering for their communities. From packing boxes of food and essentials for families in need, to helping families get Christmas gifts at The Kindness Collective's Joy Store, to supporting local school activities, our teams lived our value of Doing Good throughout the year.

Trading Ethically

We have had an ethical sourcing programme in place since 2004. We recognised then, as now, our duty to customers, team members and shareholders to ensure the basic human and labour rights of workers in our supply chain are respected. The dynamic and highly competitive nature of the global sourcing environment means our ethical sourcing efforts are as relevant today as they were more than two decades ago.

The Group's Ethical Sourcing Policy provides the overarching framework for our programme and applies to all suppliers, though our focus is on the sourcing of private label, exclusive and licensed products for The Warehouse and Warehouse Stationery. In FY25, about 49% of sales were derived from these products. The policy sets clear Zero Tolerance standards for issues such as child or forced labour, bribery and unauthorised production. Transparency and business integrity are non-negotiable: suppliers must disclose their production sites and any subcontracting, provide full access to sites and records, and cooperate with audits and remediation. We strengthened the policy in FY24 to set out our climate-related expectations for suppliers (see page 45) and made minor clarifications in FY25.

Our programme continues to evolve. Over the last 10 years or so we've broadened from a factory-level compliance focus to responsible sourcing across the value chain: stepping up engagement with lower-tier suppliers in key categories and strengthening policies on raw materials such as timber, palm oil, cocoa and cotton. We engage suppliers through training and supported improvement plans, including longer-term specialist capacity-building support – underpinned by a Supplier Scorecard that rates ethical and sustainability performance for our offshore-managed private label partners. In parallel, we're accelerating Scope 3 (value-chain) emissions reductions in partnership with suppliers (see page 45). A sustainability-linked feature to our voluntary Supply Chain Finance programme with HSBC will go live at the start of FY26, aligning stronger performance with enhanced rates.

Assessment and monitoring

We qualify production sites before any orders are placed and take a risk-based approach to monitoring. We use the LRQA Elevate Responsible Sourcing Assessment (ERSA) 3.0 tool for our social compliance assessments. Sites are graded A to D and must achieve at least a C to qualify, though in limited cases temporary approval may be granted to a D if a focused remediation plan is in place. These are delivered by approved partners, with validated self-assessments or recent third party audits accepted where appropriate. Production sites are reassessed every 1 to 3 years depending on risk.

Assessments are generally conducted on a semi-announced basis. However, we do carry out unannounced assessments if we have cause for concern. Our local teams also do shadow audits with approved partners to check consistency and random spot checks to identify risks such as unauthorised production or subcontracting.

While our assessments focus primarily on first-tier production sites, since FY22 we have implemented a programme to trace and assess second-tier sites involved in textiles, wood and paper products (see page 22).

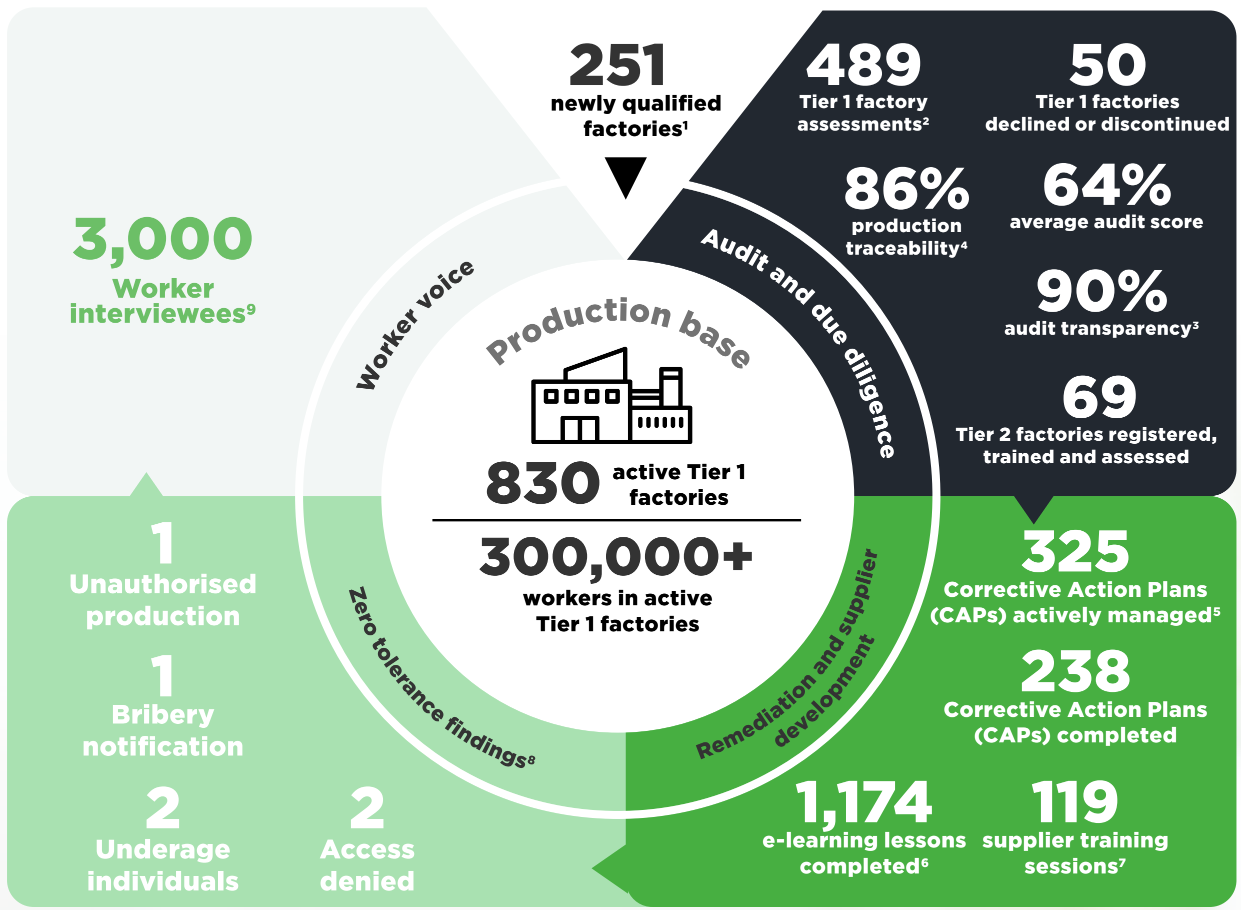
When assessments uncover critical issues, suppliers must create time-bound Corrective Action Plans (CAPs), overseen by our local teams. Transparency is non-negotiable – persistent non-disclosure can result in termination. Our Zero Tolerances set out the most serious breaches of our standards. These include denying us access to a site or records, running unauthorised production, using child or forced labour, harassment or abuse of workers, bribery or corruption, and causing major environmental harm such as dumping hazardous waste. When these occur, we act immediately – which may mean financial penalties or stopping production and, as a last resort, ending the contract.

We use LRQA's EiQ due diligence platform to benchmark social risks in real time and track assessment status. In FY25, we began using EiQ's Sentinel feature, which continuously scans global media and online content to flag potential environmental, social and governance ("ESG") or labour-related issues linked to our supply chain as they emerge.

Source country profile

China remained our largest sourcing base in FY25, accounting for 69% of private label and licensed spend. Bangladesh (11%) and New Zealand (11%) were the next largest markets, with India, Vietnam, Malaysia, Australia, Germany and Pakistan also important hubs. The remainder – around 2.5% – came from a long tail of lower-volume sourcing markets in Asia, Europe and other regions. While China is still our primary sourcing country, our base continues to diversify. New Zealand-made products remain important too, particularly across grocery and garden ranges. As with many other major retail brands, since 2018 we have published a list of Tier 1 production sites and Tier 2 sites in textiles, wood and paper above a defined spend threshold on our website.

FY25 ETHICAL SOURCING PROGRAMME

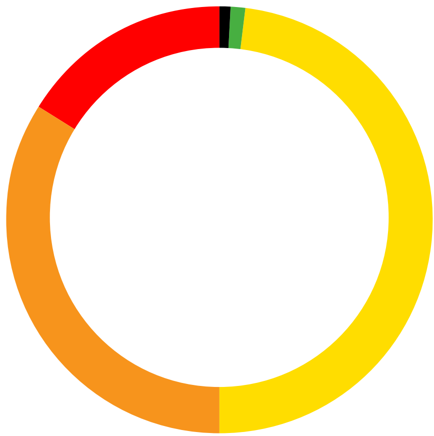


1. Includes ERSA audits, ERSA Self-Assessment Questionnaires (SAQs), Audit Waivers and 2 sites assessed by our local teams and granted temporary approval
2. Includes ERSA audits, ERSA SAQs, Audit Waivers and local team assessments of new and existing factories
3. % validated verbal and documented audit disclosures
4. Traceability of orders to qualified factories
5. Factories under post-audit monitoring and support and includes CAPs carried over from FY24
6. Modules include audit preparation, working hours control, wages and benefits, health and safety, transparency and ethics, corrective action planning, vendor responsibility, climate and water management, and prevention of modern slavery (forced and child labour)
7. Number of onsite or virtual training sessions delivered to vendors or factories to assist them to prepare for assessments or execute any corrective action plans
8. Discovered via independent auditors or local team assessments subject to financial penalties and / or business termination
9. Privately interviewed by our team members or independent auditors.

Audit performance and findings

The charts below summarise the results of our FY25 assessments for Tier 1 production sites. The first shows the distribution of audit ratings across all factories (excluding audit waivers). The second highlights the prevalence of non-compliances by topic.

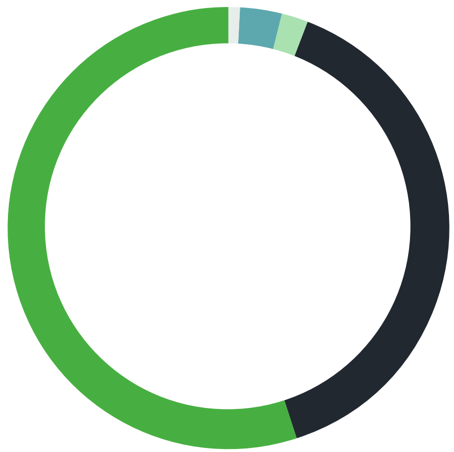
FY25 audit rating distribution



- A – Top performer – no findings or very few minor/moderate ones.
- B – Ceiling for factories with major issues – if there is a major issue, factory will be rated at B at best.
- C – Bottom line for factories without critical issues. If there is no critical issue, factory will be rated at C at worst.
- D – Poor performance – critical or Zero Tolerance violations identified.
- Access Denied.

NOTE: Audit rating distribution from 275 ERSA audits carried out in FY25. Audits are scored 0–100 and graded as follows A (100–91), B (90–71), C (70–51) and D (50–0).

FY25 audit finding prevalence by topic



Business Ethics | Environment | Health and Safety | Labour | Management Systems

NOTE: 1,806 findings identified across 275 ERSA audits carried out in FY25. Labour (e.g. issues associated with hours of work and wages and benefits) and health and safety findings represented over 90% of findings. Business ethics includes transparency issues such as site access denied or inconsistent records.

In FY25, we declined 17 new factories and discontinued 33 existing factories for not meeting our minimum expectations (i.e. a grade C or above). We discontinued a factory following a bribery attempt and applied a penalty to the vendor. In two other cases where factory access was initially denied, we were able to negotiate transparency. Our independent Tier 1 audit programme found no Zero Tolerance cases of forced, compulsory or child labour during the year. However, through our own spot checks we exited a supplier for repeated unauthorised production and the presence of underage individuals (who were not engaged in work) in workshop areas.

Tier 2 sites used for textiles, wood and paper products were assessed separately by our local team on a pass/fail basis.

Deeper due diligence – Tier 2 transparency

Continuing a programme first commenced in FY22, in FY25 we traced 69 Tier 2 sites linked to 18 Tier 1 factories. Valid assessments this year covered 53% of sales associated with textiles, wood and paper products. Our sourcing and ethical sourcing teams worked closely with suppliers, combining disclosure and training with certification checks, self-assessments and targeted onsite visits.

No critical issues were identified with sites assessed in China. However, four sites in Bangladesh and one site in India did not pass our assessment and are under CAPs management. At one Bangladesh site, five underage workers were found. Our Zero Tolerance process was triggered, remediation is in progress, and the supplier is reviewing its due diligence practices.

Looking ahead, we plan to deepen our country-based risk lens and expand category-specific profiling so assessment effort reflects the highest risks. We also intend to make use of Sentinel monitoring more to track key indicators of modern slavery and other ESG risks in real time, ensuring our Tier 2 programme becomes more proactive, data-driven and scalable.

Supplier engagement & development

Because audits alone don't drive lasting change, we also invest in capability. This includes e-learning, training, and supported improvement plans. In FY25 we began piloting our Beyond Social Compliance Programme – a 9–12 month specialist, on-the-ground tailored intervention – at four factories (three in China, one in India) to strengthen management systems and worker outcomes.

Our Supplier Scorecard guides sourcing decisions and supplier selection by looking not only at audit results, but also product and packaging sustainability outcomes and wider commercial performance. Each supplier is rated against our ethical and sustainability standards using a simple traffic-light system: Red, Amber or Green. Currently, 55% of suppliers are rated Amber, with 11% Red and 34% Green. In FY25, 380 active suppliers were covered by this scorecard, representing 100% of our offshore private label spend. Around 83% of these suppliers are also enrolled in the HSBC Sustainable Supply Chain Finance programme, where from the beginning of FY26 their finance rates will be linked to their scorecard rating – with Green being the most favourable.

RISE – Reimagining Industry to Support Equality

We began this journey in 2021 with Business for Social Responsibility (BSR) HERproject – first HERhealth, then HERfinance – to support women's health and financial resilience in our Bangladesh supply base. As HERproject evolved into RISE, we deepened the work to include stress management, communication and workplace voice.

At our supplier Matrix Styles, the RISE Foundation programme ran from June 2023 through to April 2025. Sixty-eight peer educators were trained across six core modules (self-management, communication, problem-solving, time and stress management, financial literacy and worker rights) and cascaded learning to 1,340 workers (737 women, 603 men).

The change shows up in people's stories. Lima learned to manage time and stress and saw her husband start sharing household chores. Masud, a supervisor, quit smoking after a role-play and now champions the message online. Suma, once hesitant, now raises issues confidently at work and at home. Ripa found her voice too, engaging managers constructively.

End of project results mirror these stories: near-universal confidence in managing time and stress; assertive communication with managers at 100% for men and women; and regular saving now the norm (around 97% of women, around 85% of men).

Climate-related DISCLOSURES

Statement of Compliance

The Group is a Climate-Reporting Entity (CRE) under the Financial Markets Conduct Act 2013. These Climate-related Disclosures have been prepared in compliance with the Aotearoa New Zealand Climate Standards (NZ CS 1, NZ CS 2 and NZ CS 3) issued by the XRB.

We have applied the second Reporting period adoption provisions as permitted by the Adoption of Aotearoa New Zealand Climate Standards (NZ CS 2). For more details, refer to Appendix 1.

A table identifying the location of the disclosures required by the NZ CS is included in Appendix 1 of this Report.

Reporting Period

These disclosures cover the period 29 July 2024 to 3 August 2025.

Disclaimer

This Report contains disclosures that rely on early and evolving assessments of current and forward-looking information, incomplete and estimated data, and the Group's judgements, opinions and assumptions. As such, this Report reflects the Group's present understanding and/or best estimates of current and future climate-related events, risks, opportunities, impacts and strategies as at the date of publication of this Report. However, the Group cautions reliance on aspects of this Report which is necessarily subject to significant risks, uncertainties and/or assumptions.

In particular, this Report contains forward-looking statements, including climate-related goals, aims, targets, scenarios, ambitions, risks and opportunities, as well as statements of the Group's intentions, estimates and judgements. Forward-looking statements are not facts and require us to make assumptions, forecasts and projections about the Group's present and future strategies and the environment in which the Group will operate in the future, which are inherently uncertain and subject to limitations. For example, there are limitations associated with the available data, and some information on which the statements in this Report are based is likely to change over time. The Group has sought to provide a reasonable basis for forward-looking statements and is committed to improving the quality and completeness of its data and methodologies but is currently constrained by the novel and developing nature of this subject matter.

Forward-looking statements, including risks and opportunities described in this Report, and the Group's strategies to achieve its targets, might not eventuate or might be more or less significant than anticipated. New risks and/or opportunities may also arise over time. Many factors can affect the Group's actual results, performance or achievement of climate-related targets or metrics, and these may differ materially from what is described in this Report, including economic and technological viability, governmental, consumer, and market-related factors which are outside of the Group's control.

Accordingly, the Group gives no representation, guarantee, warranty or assurance about the future business performance of the Group, or that the outcomes or impacts expressed or implied in any forward-looking statement made in this Report will occur.

The Group expects that some statements made in this document might be amended, updated, recalculated and restated in future climate-related disclosures as the quality and completeness of its data and methodologies continue to evolve and improve. However, the Group gives no undertaking to update, revise or correct any statements or opinions in this Report if events or circumstances change or unanticipated events happen after publishing this Report (subject to relevant legal requirements).

This disclaimer notice should be read together with the limitations identified elsewhere in this Report, including as described in the metrics and targets scope, limitations, and methodology sections on pages 44 to 46 of these disclosures.

These Climate-related Disclosures are not an offer document and do not constitute an offer or invitation or investment recommendation to distribute or purchase securities, shares or other interests. Nothing in this Report should be interpreted as capital growth, earnings, legal, financial, tax or other advice or guidance.

These Climate-related Disclosures were authorised for lodgement for and on behalf of our Directors on 1 October 2025.

Dame Joan Withers
Board Chair

Robbie Tindall
Environmental and Social Sustainability Committee Chair

Governance

This section describes the role of the Board of Directors (Board) in overseeing the Group's climate-related risks and opportunities, and the management team's role in assessing and managing those climate-related risks and opportunities.

Our approach to climate governance

The Group recognises that robust corporate governance, including the governance and management of climate-related risks and opportunities, is essential for protecting and growing their operations in the interests of our customers, team members and stakeholders and to create long-term, sustainable returns for our shareholders.

The role of our Board

The central role of the Board is to set the strategic direction of the Group, to select and appoint the Group Chief Executive Officer (CEO) and to oversee the Group's management and business activities on behalf of our shareholders and stakeholders.

This requires consideration of, and engagement with, all stakeholders that are critical to our success, including shareholders, employees, customers, suppliers and communities, as determined by the Group and the Board.

The Board has overall responsibility for the oversight of risks and opportunities, including those related to climate change.

Through the Environmental and Social Sustainability Committee (ESS), the Board sets objectives and targets for climate-related issues and holds Management accountable for implementing these through:

- Embedding climate-related risk management within its risk management framework;
- Setting policies by which the Group must comply and report against; and
- Setting strategic objectives and sustainability – and climate-related targets with Management.

The ESS Committee also supports the Board's oversight of climate-related risks and opportunities, including through overseeing the climate risk assessment process.

The Audit and Risk Committee supports the Board in its oversight of enterprise risk, including strategic risks. In FY25, it also approved the climate-related risks identified for the purposes of the climate statements.

The Board comprises Directors with a mix of qualifications, skills and experience appropriate to the Group's industry, operations and strategic direction, including 'Environment and Corporate Social Responsibility experience'. A list of our Directors, the Committees they attend and a comprehensive matrix of skills can be found in the Annual Report on page 69. Ongoing training includes external courses, briefings by senior management and guest speakers on relevant industry and competitive issues, occasional overseas study tours and site visits.

The Board meets at least nine times a year. In relation to the timing and topics of which the Board has been informed about climate-related risks and opportunities in FY25 are as follows:

- In November 2024, the Board was updated on the reset of the Group's Sustainable Living Plan and the FY25 workplan for the preparation of the Group's climate statements, including how the inaugural Climate Transition Plan would be developed.
- In February 2025, as part of the Group's FY26–FY28 strategy process, the Board approved the Directional Short-term Strategic Intent[1], which in turn shaped the Climate Transition Plan.
- In May 2025, the Board approved the approach to FY25 sustainability reporting and external assurance.

1. A Directional Short-term Strategic Intent sets the near-term direction for our Climate Transition Plan. It provides clear priorities without fixing the long-term pathway, and is informed by our assessment of climate-related risks and opportunities.

Environmental and Social Sustainability Committee (ESS Committee)

The role of the ESS Committee is to assist the Board in governing the Group's environmental and social sustainability responsibilities, including setting long-term climate-related objectives and monitoring the implementation and performance of these objectives.

The ESS Committee reviews and approves the Sustainable Living Plan, the supporting Climate Transition Plan and associated workstreams. This covers setting, monitoring and overseeing the achievement of sustainability and climate-related metrics and targets including oversight and management of climate-related risks and opportunities. The ESS Committee also ensures that organisation design and resources are aligned with aspirations. The ESS Committee reviews the Group's annual climate-related disclosures and recommends these for approval to the Audit and Risk Committee.

The ESS Committee meets at least quarterly. In FY25, it met five times and oversaw the reset of the Group's Sustainable Living Plan and development of the inaugural Climate Transition Plan, ensuring these were aligned with the Group's strategy. It also received updates from Management on progress on each of the Sustainable Living Plan action areas and goals. A full review from the Committee's Chair appears on page 5.

Audit and Risk Committee (ARC)

The role of the ARC is to assist the Board in fulfilling its risk management and audit responsibilities, and to ensure that appropriate risk management systems are in place and are operating effectively. The ARC supports the Board in its oversight of enterprise risk.

The ARC meets at least four times each year. In FY25, the ARC oversaw a review of the Group's strategic enterprise risks undertaken by KPMG. While climate-related risk has not to date been identified as a key enterprise risk, the Group recognises that climate change is relevant to some of the key enterprise risks that have been identified.

The ARC also reviewed and approved the climate-related risks identified for the purposes of these climate statements.

The Warehouse Group Board

Overall governance and constructive challenge

Environmental and Social Sustainability Committee (ESS Committee)

The role of the ESS Committee is to assist the Board in governing the Group's environmental and social sustainability responsibilities, including setting long-term climate-related objectives and monitoring the implementation and performance of these objectives.

Audit and Risk Committee (ARC)

The role of the ARC is to assist the Board in fulfilling its risk management and audit responsibilities, and to ensure that appropriate risk management systems are in place and are operating effectively. The ARC supports the Board in its oversight of climate-related risks and opportunities, in conjunction with the ESS Committee.

Executive Leadership Team (ELT)

Overall delivery support and preparation of disclosures/reporting

Operational Sustainability Committee

Responsible for progressing the Sustainable Living Plan, Transition and Emissions Reduction Plan and sustainability and climate-related metrics and targets across the business and supporting the preparation of associated reporting and disclosures.

Enterprise Risk Management Framework

Enables the Group to identify, assess, control and monitor key enterprise risks – including climate-related – and adapt to a dynamic retail environment. Responsibility sits with the ELT, supported by specialist risk and functional teams.

Supporting business workstreams

- Team Member Engagement
- Supplier Engagement and Innovation
- Public Policy Horizon Scanning
- Data and External Insights and Foresights

The role of our Management team

Executive Leadership Team (ELT)

The CEO is accountable for the delivery of the Group's environmental and social sustainability programme as set out in the Group's Sustainable Living Plan and associated initiatives.

The CEO is supported on the ELT by nominated sponsors, being the Group Chief Financial Officer (CFO) and the Group Chief Sourcing and Supply Chain Officer.

These two individuals are responsible for embedding the sustainability and climate-related transition and physical risk framework across the business, and sustainability reporting, including the preparation of these climate statements.

The ELT is tasked with embedding more sustainable business practices (including management of climate-related risks and opportunities) into everything we do – business strategy, risk management, planning and budgeting.

Operational Sustainability Committee (OSC)

Established in September 2024, the OSC is responsible for driving delivery of the Group's Sustainable Living Plan (including transition and emissions reduction plans and climate-related opportunities, metrics and targets) across the business. Chaired by the Group Chief Sourcing and Supply Chain Officer, its core members are the executive sponsors of the Plan – Chief Store Operations Officer - The Warehouse & Warehouse Stationery, Chief Merchandise Officer - The Warehouse & Warehouse Stationery, and Chief Executive Officer - Noel Leeming – supported by senior managers and team members as required. The OSC meets quarterly and reports to the ESS Committee after each meeting.

In FY25, the OSC focused on overseeing the development of key Sustainable Living Plan workstreams and clarifying accountabilities, tackling waste-related cost opportunities and the FY25 workplan for the preparation of the Group's climate statements.

Enterprise Risk Management Framework

Management-level responsibility for enterprise risk management sits with the ELT, supported by specialist risk functions and other functional teams across the Group.

The Group's Enterprise Risk Management Framework, approved by the ELT, applies to all enterprise risks, including climate-related. It provides the structure to enable the Group to identify, assess, control and monitor risk across the Group, while supporting a dynamic response to the fast-evolving retail landscape.

Identified risks, including climate-related are assessed regularly and addressed through mitigation strategies embedded across strategic planning, financial management, and operational processes, in line with the Group's risk appetite.

The ELT, supported by the Head of Internal Audit and Risk, the GM Sustainability and Ethical Sourcing and the leaders of specialist risk functions and other functional teams, monitor the effectiveness of risk management activities. While there is no set frequency for reporting, relevant risk insights and metrics are periodically reported to the ELT and the ARC.

In the fourth quarter of FY25, the Group's directors, executives and management participated in a Dynamic Risk Assessment (DRA) of the Group's key enterprise risks. While climate risk was not identified as a key enterprise risk through this assessment, climate-related risks and opportunities were also reviewed to understand how they intersect with those risks.

Day-to-day management

Individual business areas and functions are responsible for day-to-day management of climate-related risks and opportunities and progressing sustainability initiatives which are aligned with the Group's Sustainable Living Plan and associated goals.

The Group's Sustainability and Ethical Sourcing team shapes the Group's sustainability strategy, policy development and longer-term planning. The team is led by the GM Sustainability and Ethical Sourcing who reports to the Group Chief Sourcing and Supply Chain Officer. The team plays a critical role in creating awareness, educating and partnering with the business on sustainability initiatives, including identifying risks and opportunities. The team acts as secretariat to both the OSC and the ESS Committee and is responsible for the day-to-day management of the Group's climate-related disclosures and sustainability reporting obligations, including the Toitū Envirocare carbonreduce programme.

The team in collaboration with key internal stakeholders, such as Internal Audit and Risk, Corporate Strategy and Legal & Corporate Affairs supports the Group in identifying, assessing and managing climate-related risks and opportunities.

Management remuneration is not currently linked to sustainability performance or management of climate-related risks and opportunities.

Strategy

This section describes the scenario analysis that the Group has undertaken, the climate-related risks and opportunities identified to date, our current and anticipated impacts of climate change, and how we plan to transition to a lower carbon, more climate-resilient business that supports a just transition.

Scenario analysis

Scenario analysis is a method of exploring the impact of different plausible future states and associated outcomes and actions to assist an entity to identify its climate-related risks and opportunities and test the resilience of its business model and strategy. It considers two types of climate-rated risks:

- **Transition risks:** risks related to changes in policy, technology, markets, and reputation as the economy shifts to lower emissions.
- **Physical risks:** risks relating to acute and chronic physical impacts of climate change, such as more frequent extreme weather events, sea level rise, and longer-term changes in rainfall and temperature.

In 2023, the Group engaged with other New Zealand retailers that are Climate Reporting Entities and KPMG New Zealand to develop shared scenarios for the New Zealand retail sector (Retail Sector Scenarios). These scenarios are detailed in a published report entitled "The Futures of Retail", available at bit.ly/4mMYnTQ. We refer to this report by way of additional context and do not incorporate that report into these climate statements by cross reference.

In FY24, the Group adapted the Retail Sector Scenarios and conducted qualitative analysis to develop its climate-related scenarios and help identify climate-related risks and opportunities over the short-, medium– and long-term.

To maintain comparability, we have kept the same naming conventions as the sector work: Orderly Transition, Disorderly Transition, and Hot House (Current Policies) as described on pages 31 and 32.

Lodestone Energy. Te Herenga o Te Ra Waiotahe Solar Farm.

Scenario development process

The process we followed in FY24 sought to answer two core questions:

1. How could climate change plausibly affect our business performance and financial results?
2. What should we do, and when?

We adapted the External Reporting Board's Entity-Level Six-Step Scenario Analysis methodology for our business context. We ran a series of workshops with senior stakeholders from across our organisation with knowledge of key aspects of our value chain to set the scope and timeframes, and to identify the most material climate-related risks and opportunities. The process was led internally to build greater ownership of the outcomes, with KPMG engaged to provide external challenge during a workshop focused on identifying key driving forces (see also page 33).

The process was a stand-alone qualitative analysis, no quantitative modelling was undertaken, and it was not integrated into our usual strategy processes.

FY25 review of climate-related scenarios

The scenario analysis undertaken in FY24 was reviewed during FY25 which confirmed the scenarios and scenario analysis were still relevant for the current reporting period.

During FY25, the Group also gave due consideration to the outputs of this analysis as part of its FY26–FY28 strategy process and in agreeing its Directional Short-term Strategic Intent (see page 41).

Looking ahead, a key task in FY26 will be to review and refine the climate scenario narratives, boundaries, and key risk and opportunity drivers to ensure they remain aligned with the Group's business model, including our global supply chain exposure.

Steps 1 and 2 **Engage and frame the problem**	We engaged internal key stakeholders who play a critical role in governing and managing our value chain.
Step 3 **Identify and prioritise driving forces**	We assessed broad-scale PESTLE factors (Political, Economic, Social, Technological, Legal and Environmental) most likely to influence the future operating environment.
Step 4 **Select pathways and outcomes**	We drew on publicly available scenarios from the Network for Greening the Financial System (NGFS), the Intergovernmental Panel on Climate Change (IPCC), and the New Zealand Climate Change Commission (CCC), alongside the Futures of Retail Sector Scenarios.
Step 5 **Draft Narratives**	We developed coherent narratives consistent with the Retail Sector Scenarios and applied this to the Group's drivers, outcomes and pathways.
Step 6 **Review and finalise**	We tested the scenarios through workshops for internal consistency and fitness for purpose, documenting the process, methodology and outputs.

THE WAREHOUSE GROUP CLIMATE SCENARIOS

CATEGORY	SCENARIO 1: ORDERLY	SCENARIO 2: DISORDERLY	SCENARIO 3: HOT HOUSE
Scenario	Net Zero 2050	Delayed Transition	Current Policies
Intergovernmental Panel on Climate Change (IPCC) – Shared Socio-economic Pathways (SSP)	SSP1–1.9	SSP 1–2.6	SSP 3–7.0
New Zealand Climate Change Commission (CCC) scenarios	Tailwinds	Headwinds	Current policy reference
Policy Reaction to Climate Change	Immediate and smooth	Delayed to fast uncoordinated change	Slow change
Technology Change	Fast change	Slow to fast change	Slow change
Consumer Sentiment	Rapid reorientation towards sustainable lifestyles, as characterised by a focus on wellbeing and conscious consumption	Current trends continue to 2030, then abruptly transition towards sustainable lifestyles as the physical impacts of climate change (and biodiversity loss) hit home	Current consumption trends continue, including the adoption of more sustainable lifestyles by successive generations
Physical Risk	Moderate	Moderate	Extreme
Transition Risk	Low to moderate	High	Low
Summary	An ambitious and coordinated transition to a low-emissions, climate-resilient future. Stringent climate policies, innovation, ambitious investment, and medium-to-high deployment of carbon removal solutions limit global warming to 1.6°C in 2050 and 1.4°C by 2100.	Ambitious action is delayed to 2030, followed by sudden and uncoordinated economic transformation. Extensive, stringent and punitive government intervention, but late government intervention, in combination with some deployment of carbon removal solutions, limits global warming to 1.7°C in 2050 and 1.67°C by 2100.	Current emissions reduction policies are implemented. Current socio economic trends continue, resulting in 2°C global warming by 2050 and more than 3°C by 2100.

Scenario narratives

Orderly Scenario – Net Zero 2050

Overview:
New Zealand's retail sector is nearly unrecognisable. Traditional retail business models based on the rapid churn of consumer goods are no longer business as usual. Retailers have transformed their business models to purposefully promote and support conscious consumption.

Structural forces:
Data is omni-present throughout retail value chains, from sourcing, to point of sharing and/or sale, to end-of-life. This enables retailers, their partners and customers to make informed decisions about what they buy, how they buy and from whom in order to minimise their carbon footprint.

Society:
As generations that have grown up within the context of an interwoven climate and biodiversity crisis gain political, economic and cultural power – the world undergoes a seismic shift. A long-term, interconnected view of the world that considers the wider social, cultural and environmental impacts of all we do has become the norm.

Key trends:
- International and domestic policy settings aim to limit total warming by the end of the century to less than 1.5 degrees celsius.
- Consumption is oriented towards products that use less resources and energy. Consumers are increasingly committed to sustainable lifestyles.
- Society is driven by an increasing commitment to sustainable development goals; inequality is reduced both between and within countries.
- The uptake of sustainable technologies e.g. renewable energies and carbon capture and storage, as well as technologies to better manage climate-related risks, is fast.

Disorderly Scenario – Delayed Transition

Overview:
The world shifts late and abruptly to a more inclusive and sustainable development pathway that respects environmental boundaries. Management of the shared natural resources eventually improves but needs to make up for decades of lost action. Large New Zealand based retailers that have adapted to the rapid changing forces have transformed their role in the economy from pushing conspicuous consumption to purposefully promoting and enabling conscious consumption.

Structural forces:
To compensate for yet another lost decade, government regulation is far more extensive, invasive and punitive than under a Net Zero 2050 scenario. Materials and energy are increasingly expensive worldwide, but particularly in New Zealand and other small countries, driving up the cost of goods and services.

Society:
A long-term, interconnected view of the world that considers the wider social, cultural and environmental impacts of all we do has become the norm. However, New Zealand's delayed, abrupt and highly disruptive transformation has taken a heavy toll on consumers' mental wellbeing.

Key trends:
- National and domestic policy settings fail to halve greenhouse gas emissions by 2030 but succeed in reaching net zero emissions by 2050.
- Consumption reorients belatedly and suddenly towards products that use less resources and energy.
- Society is driven by an increasing commitment to achieve overdue development goals; inequality is eventually reduced across and within countries.
- The uptake of sustainable technologies is slow until 2030 and then extremely fast.

Hot House Scenario – Current Policies

Overview:
This is a divided world that refuses to cooperate and confront the non-negotiable realities of environmental boundaries. Instead, countries focus on their short-term domestic best interests, resulting in persistent and worsening inequality and environmental degradation. New Zealand's retail sector has made steady but only incremental improvements in its environmental and social sustainability. Consumers can access detailed information about products' environmental and social footprint, but most don't. Instead, price, social status, and point of origin are primary purchase considerations.

Structural forces:
Worldwide degraded soils, limited investment and chaotic weather are placing significant strain on production and affordability. As global supply chains become brittle, the complexity and cost of importing retail goods has risen – posing particularly significant challenges to importing products.

Society:
Amidst all the evidence of accelerating environmental and societal decay, the majority of consumers do little to demand any substantive change from government and industry to address the climate issues.

Key trends:
- International and domestic policy settings fail to halve greenhouse gas emissions by 2030 or reach net zero emissions by 2050.
- New Zealand consistently fails to meet its emissions budgets, instead relying on international offsets.
- The Government of New Zealand increasingly focuses on adaptation to the physical impacts of climate change rather than action to reduce emissions.
- While an increasing number of consumers are concerned about sustainability, purchase patterns and consumer surveys indicate that most remain wed to resource and energy-intensive lifestyles.

Scenario rationale and scope

The Orderly, Disorderly and Hot House scenarios were developed by the retail sector using a consistent set of assumptions about how society and the economy might change, how emissions could be reduced, and how the climate itself is likely to be affected. This scenario framework brings together a mix of global and local climate projections to give us broad guidelines for testing different futures.

The Group's first scenario, Orderly decarbonisation, and third scenario, Hot House, align with the mandated NZ CS scenarios, while Disorderly was chosen to represent a more challenging and disrupted transition. These scenarios are consistent with the Retail Sector Scenarios (but adapted for the Group's own business) and therefore support comparability with the disclosures of other retailers. To support this comparability, we have also applied the same time horizons agreed across the retail sector to define short, medium and long-term risks and opportunities. No further scenarios were developed.

The climate-related scenarios have been limited to the following boundaries when assessing the scope and materiality of climate-related risks and opportunities.

PARAMETERS	BOUNDARIES	RATIONALE
Geography	New Zealand China Bangladesh Australia	New Zealand is where our 190+ sites are located for the Group and comprise 10,000 team members. Together, New Zealand, Australia, China and Bangladesh make up more than 80% of our sourced products.
Retail categories	Fast-moving consumer goods (FMCG) Slow-moving consumer goods (SMCG)	We have kept the same category as the Retail Sector Scenarios of FMCG and SMCG to allow for valuable sector-wide insights without requiring overly detailed sub-sector analysis.
Value chain elements	Tier 1 and Tier 2 Manufacturing New Zealand Distribution Retail International supply-chain logistics	We have kept the elements from the retail sector scenarios with the addition of International Supply Chain Logistics to account for the impacts from the different countries from which the Group sources products.
Time horizons	**Short-term: 2024-2030**	While the retail sector operates on a one to three year time horizon, 2024-2030 aligns with the New Zealand retail sector scenario setting, as well as the Group's own five-year strategic planning process.
	Medium-term: 2031-2040	We have aligned with the New Zealand retail sector scenario setting, and encompassed the 10-year period between short-term and allowing for a 10-year long-term period up to 2050.
	Long-term: 2041-2050	We have aligned with both international and New Zealand commitments to limit the global temperature increase to 1.5 degrees celsius above pre-industrial levels, and global ambitions for net zero emissions to be attained by 2050.

Climate-related scenario governance

The governance process included ELT participation in scenario workshops to ensure our most material climate-related risks and opportunities were considered. Likelihood, impact and management actions associated with proposed material risks and opportunities were reviewed.

The ESS Committee maintained continuous engagement with management throughout the scenario analysis process. This ongoing dialogue was instrumental in identifying and sense checking our climate-related risks and opportunities, including establishing strategies to mitigate these risks. The overall scenarios and results of the analysis were also reviewed by the Audit and Risk Committee and the Board.

Climate-related risks and opportunities

The tables on the following pages set out the Group's material climate-related risks and opportunities under the three climate-related scenarios. Each risk and opportunity was assessed using our internal materiality matrix for each scenario and time horizon, evaluating each risk's likelihood and impact on the Group. Items below the materiality threshold are not disclosed, but we will continue to monitor them and update our disclosures if materiality changes.

The list of climate-related risks and opportunities remains unchanged from FY24, and we do not consider there to be any material changes to that assessment. We have refined how they are described, clarifying current and anticipated impacts and, where relevant, links to enterprise-level key risks. We also identified potential key risk indicators, although these require further development.

We use short, medium and long-term horizons consistent with our scenario analysis, with the rationale set out in the table above.

Following a cross-scenario consistency check, we made minor adjustments to seven risk profiles (denoted by an asterisk next to the risk title in the tables). At a high level, these align ratings where common drivers apply across scenarios and time horizons and rebalance a small number of short versus medium-term ratings to reflect stabilising effects under an Orderly transition and cumulative effects under Disorderly and Hot House pathways.

For our FY25 CRD, we have applied Adoption Provision 2 (anticipated financial impacts) and are therefore not disclosing anticipated financial impacts of climate-related risks and opportunities this year.

Transition Risks

TR 1 – CARBON TAXES*

Exposure to climate-related pricing across our value chain, and competitiveness risks if other countries or jurisdictions apply weaker standards.

CURRENT IMPACTS	ANTICIPATED IMPACTS	RISK MITIGATION STRATEGIES	TIME HORIZON	ORDERLY	DISORDERLY	HOT HOUSE
We are already seeing cost pass-throughs from supply chain partners indirectly exposed to the New Zealand Emissions Trading Scheme (ETS). These impacts are currently limited and not considered material, but signal the early stages of broader cost exposure. **Actual financial impact:** Not material. The Group has not incurred any significant costs or other impacts owing to this risk in FY25.	Rising carbon costs across freight, imported goods, and energy could materially increase cost of goods sold. There is also a risk of abrupt regulatory shifts to meet delayed Paris-aligned commitments. If other countries do not impose similar restrictions, the Group's carbon-adjusted products may become less competitive.	**Now:** Current strategies include securing a solar Power Purchase Agreement with Lodestone Energy, measuring supplier emissions, using more recycled materials, electrifying our passenger fleet, and running in-store post-consumer recycling. **Next:** Looking ahead, we plan to deepen our engagement with branded suppliers and third parties on emissions reductions and support policies that enable an orderly transition.	Short-term			
			Medium-term			
			Long-term			

Key Risk Indicators
Key risk indicators under consideration include prevalence of supplier carbon cost pass-throughs and NZ ETS price movements are under consideration.

Links to Key Enterprise Risks
This risk is not considered a key risk in isolation, but links to enterprise risk on 'Profit margins and costs' as it may contribute to inflationary pressures.

TR 2 – INSURANCE PREMIUMS*

Insurance rates surge leading to increased indirect (operating) costs and impact on margin and potentially putting the business in a compromised position where it may have to self-finance situations not covered by insurance.

CURRENT IMPACTS	ANTICIPATED IMPACTS	RISK MITIGATION STRATEGIES	TIME HORIZON	ORDERLY	DISORDERLY	HOT HOUSE
Premiums across our sites had been trending upward until recently. While we've not yet seen climate-related cover restrictions in New Zealand, these are emerging in other regions (e.g. California). In 2024, global economic losses from natural disasters reached record levels – a trend that is expected to continue or intensify in 2025. **Actual financial impact:** Not material. Insurance costs in FY25 remain within current tolerances and have not yet had a material impact on operating margins.	Insurance providers may impose higher premiums, reduced limits, or exclusions on climate-exposed assets, particularly warehouses and logistics hubs. Over time, this could materially increase costs or leave parts of the business exposed to uninsured risks, particularly as reinsurers reassess climate exposure across Australasia.	**Now:** The geographic diversity of our sites across New Zealand helps reduce exposure, supported by regular asset reviews and ongoing insurance cost optimisation. **Next:** Future actions may include integrating climate change into long-term planning and assessing both direct and indirect insurance risks across our business and supply chains.	Short-term			
			Medium-term			
			Long-term			

Key Risk Indicators
Key risk indicators under consideration include year-on-year changes in insurance premiums and the emergence of climate-related exclusions.

Links to Key Enterprise Risks
This risk is not considered a key risk in isolation, but links to enterprise risk on 'Profit margins and costs' as it may contribute to inflationary pressures.

RISK PROFILE TO THE WAREHOUSE GROUP	Very High	High	Medium	Low

TIME HORIZONS	Short-term	Medium-term	Long-term
	2024 – 2030	2031 – 2040	2041 – 2050

Transition Risks (continued)

TR 3 – CLIMATE REGULATIONS*

Increased complexity, cost and resources needed to meet increasing climate regulatory needs, leading to increased indirect (operating) costs and impact on margin.

CURRENT IMPACTS	ANTICIPATED IMPACTS	RISK MITIGATION STRATEGIES	TIME HORIZON	ORDERLY	DISORDERLY	HOT HOUSE
Our current exposure includes costs associated with climate disclosures, but these are considered largely immaterial. **Actual financial impact:** Not material.	Climate regulation is expected to tighten over time. If action is delayed, there is a risk of a sharper, more costly regulatory shift to meet Paris-aligned targets, resulting in sudden cost increases or compliance pressures across the business.	**Now:** Use of skilled internal resource to meet compliance requirements and engaging external experts only where needed. **Next:** Ensuring sufficient resourcing and capital to support environmental initiatives and advocating for policy settings that support an orderly transition.	Short-term Medium-term Long-term			

Key Risk Indicators
Current and emerging climate-related regulatory obligations and associated compliance impacts.

Links to Key Enterprise Risks
This risk is not considered material in isolation but links to enterprise risks on 'Profit margins and costs' and 'Business and brand proposition'.

TR 4 – BRAND REPUTATION

Falling behind shifting consumer expectations on sustainability, leading to loss of market share and reduced revenue potential if competitors adapt faster.

CURRENT IMPACTS	ANTICIPATED IMPACTS	RISK MITIGATION STRATEGIES	TIME HORIZON	ORDERLY	DISORDERLY	HOT HOUSE
The Group remains under competitive pressure, with recent shifts in perception driven by a range of factors. This is further compounded by Kantar research indicating the Group lags peers on key sustainability perceptions. **Actual financial impact:** Not material. There was no material climate-related financial impact in the current year from this risk.	The Group is perceived as lagging on sustainability, it risks losing customer preference, market share, and brand trust – affecting long-term revenue growth. While short-term consumer focus may shift during economic pressure, history shows sustainability expectations can rebound quickly, meaning reputational damage from inaction on sustainability could carry financial consequences.	**Now:** While there remains work to do, actions we have taken to support our reputation in relation to sustainability include our partnership with Lodestone Energy, improving the sustainability of our products and raising $80+ million for New Zealand communities since 1982 (noting that this spend relates to communities generally and is not necessarily related to climate change). **Next:** Evolving our business model by embedding sustainability and community impact into core product and service design, sourcing practices, and customer engagement – recognising that significant investment may be required to remain competitive and relevant.	Short-term Medium-term Long-term			

Key Risk Indicators
Customer and team member sentiment on sustainability, stakeholder enquiries, and brand index tracking via Kantar Corporate Reputation Index and Better Futures.

Links to Key Enterprise Risks
This risk is not considered a key risk in isolation, but links to enterprise risks on 'Merchandising and product mix', 'Talent capacity and capability' and 'Business and brand proposition' as sustainability is valued by customers and team members.

RISK PROFILE TO THE WAREHOUSE GROUP	Very High	High	Medium	Low

TIME HORIZONS	Short-term	Medium-term	Long-term
	2024 – 2030	2031 – 2040	2041 – 2050

Transition Risks (continued)

TR 5 – PRODUCT AFFORDABILITY

Growing inequality and inflation reduce customers' ability to afford non-essential or more sustainable products, while rising costs of goods and operations compress margins and constrain the Group's ability to grow sales.

CURRENT IMPACTS	ANTICIPATED IMPACTS	RISK MITIGATION STRATEGIES	TIME HORIZON	ORDERLY	DISORDERLY	HOT HOUSE
Rising living costs and affordability pressures continue to limit discretionary spending, particularly for lower-income households, affecting demand for higher-value and more sustainable products. Elevated Cost of Goods Sold and Cost of Doing Business are also squeezing margins. Despite some offset through pricing and cost control, financial pressure remains across key categories. **Actual financial impact:** Not material. Sustainability initiatives have had little impact on revenue or profit to date, and affordability pressures are not currently linked to our sustainability efforts.	Persistent cost pressures and constrained affordability could limit growth and margin recovery, particularly if more sustainable options remain priced at a premium. However, if consumer sentiment rebounds and demand strengthens for ethical, low-impact products, the Group could benefit – provided it maintains affordability and trust. The financial impact depends on the speed and shape of this shift.	**Now:** We continue to offer everyday low-price items while actively managing costs to protect margins. At the same time, we're working to make more sustainable product options more accessible without pricing out value-focused customers. **Next:** Improving efficiency and reducing costs through inventory and operational optimisation. We support a just transition – ensuring sustainability improvements are inclusive and don't exclude value-focused customers, with affordability remaining central to product innovation and range design.	Short-term			
			Medium-term			
			Long-term			

Key Risk Indicators
Key risk indicators under consideration include availability and affordability of more sustainable product options at better and best price points, and the impact of cost-of-living pressures on customer value perception.

Links to Key Enterprise Risks
This risk is not considered a key risk in isolation, but links to enterprise risks on 'Merchandising and product mix', 'Profit margins and costs' as climate-driven changes to inputs or product performance may affect affordability, price, and value perception.

Physical Risks

PR 1 – FREIGHT DISRUPTION*

Extreme weather events disrupting global and domestic freight, delaying shipments and impacting availability during key trading periods – reducing revenue potential.

CURRENT IMPACTS	ANTICIPATED IMPACTS	RISK MITIGATION STRATEGIES	TIME HORIZON	ORDERLY	DISORDERLY	HOT HOUSE
In FY25, severe flooding in Bangladesh disrupted major cargo routes, and extreme weather affected parts of China; however, there was no observed material impact on Group shipments. Flooding in New Zealand's South Island caused localised disruption but did not materially affect domestic logistics or key trading periods. **Actual financial impact:** Not material. There was no material climate-related financial impact in the current year from this risk.	As extreme weather events become more frequent, the risk of disruption to inbound shipments may increase. Missed delivery windows during high-volume periods could lead to lost sales and margin pressure, especially in seasonal or promotion-sensitive categories.	**Now:** Actively monitoring supply channels and working with freight partners to identify alternative routes for critical categories to manage disruption risk. **Next:** Continue collaborating with supply chain partners on more resilient transport solutions and routing options to maintain product availability during future climate-related events.	Short-term			
			Medium-term			
			Long-term			

Key Risk Indicators
Freight delays linked to extreme weather and associated costs as part of broader business continuity monitoring.

Links to Key Enterprise Risks
This risk is not considered a key risk in isolation, but links to enterprise risk on 'Profit margins and cost' as climate events may contribute to delivery delays, cost increases, or mode shifts..

RISK PROFILE TO THE WAREHOUSE GROUP	Very High	High	Medium	Low

TIME HORIZONS	Short-term	Medium-term	Long-term
	2024 – 2030	2031 – 2040	2041 – 2050

Physical Risks (continued)

PR 2 – FACTORY DISRUPTION*

Physical climate-related impacts in key sourcing countries like China and Bangladesh disrupt factory operations, leading to supply challenges, higher input and freight costs, and reduced profitability.

CURRENT IMPACTS	ANTICIPATED IMPACTS	RISK MITIGATION STRATEGIES	TIME HORIZON	ORDERLY	DISORDERLY	HOT HOUSE
Extreme flooding in parts of Bangladesh and southern China during FY25 are not known to have impacted factories supplying the Group, but highlights the growing exposure of sourcing locations to climate-related events. **Actual financial impact:** Not material. There was no material climate-related financial impact in the current year from this risk.	As climate-related impacts intensify, more frequent disruptions in vulnerable sourcing regions could affect availability and cost. Extended lead times or shifting production may be required, increasing pressure on supplier relationships and margin.	**Now:** Supply chain diversification to reduce reliance on single-source or single-country suppliers. Supporting suppliers with training and tools to strengthen their climate resilience. **Next:** Assessments to identify factories most exposed to climate hazards and will work with our most material suppliers to develop targeted adaptation plans.	Short-term			
			Medium-term			
			Long-term			

Key Risk Indicators
Factory disruption linked to extreme weather events and supplier-reported climate incidents as part of broader business continuity and sourcing risk monitoring.

Links to Key Enterprise Risks
This risk is not considered a key risk in isolation, but links to enterprise risk on 'Profit margins and cost' as extreme weather events could affect factory operations and production continuity in key regions.

PR 3 – AVAILABILITY OF RESOURCES*

Climate-related impacts on raw material supply chains reduce the availability of sourced goods and increase landed product costs for the Group.

CURRENT IMPACTS	ANTICIPATED IMPACTS	RISK MITIGATION STRATEGIES	TIME HORIZON	ORDERLY	DISORDERLY	HOT HOUSE
There are emerging signals that climate change is beginning to affect the availability of specific commodities – such as coffee and cocoa – but these impacts are currently limited and have not materially affected Group sourcing or costs to date. **Actual financial impact:** Not material. There was no material climate-related financial impact in the current year from this risk.	If climate pressures on key commodities intensify, we may face higher costs, reduced availability, or need to substitute materials. While we can often pivot, sustained disruption could impact margins, limit range flexibility, and create customer risk if competitors maintain availability or pricing where we cannot.	**Now:** Diverse portfolio of products and raw materials, use of recycled content, and supplier engagement to help manage volatility. **Next:** Identify our most critical raw materials and monitor associated markets. As a general retailer, we have the ability to pivot to alternative materials/products when inputs become unsustainable or uneconomic.	Short-term			
			Medium-term			
			Long-term			

Key Risk Indicators
Climate-related supply constraints and input availability issues as part of broader business continuity and supply risk monitoring.

Links to Key Enterprise Risks
This risk is not considered a key risk in isolation, but links to enterprise risks on 'Merchandising and product mix' and 'Profit margins and costs' as changing climate patterns may reduce access to critical raw materials or agricultural inputs.

RISK PROFILE TO THE WAREHOUSE GROUP	Very High	High	Medium	Low

TIME HORIZONS	Short-term	Medium-term	Long-term
	2024 – 2030	2031 – 2040	2041 – 2050

Physical Risks (continued)

PR 4 – GEOPOLITICAL INSTABILITY

Climate-related geopolitical instability in key sourcing regions disrupts manufacturing and supply chains, impacting product availability, revenue, workforce continuity, and customer trust.

CURRENT IMPACTS	ANTICIPATED IMPACTS	RISK MITIGATION STRATEGIES	TIME HORIZON	ORDERLY	DISORDERLY	HOT HOUSE
Geopolitical uncertainty has increased, but there is no evidence of material climate-related supply chain impacts to date. Unrest in Bangladesh in August 2024 led to temporary disruption at several garment factories supplying the Group. While not climate-related, it highlights the type of instability that could occur in fragile regions during severe climate events. **Actual financial impact**: Not material. There was no material climate-related financial impact in the current year from this risk.	Ongoing global geopolitical instability could impact key sourcing regions, disrupting supply chains or increasing costs. This may affect product availability and margins, requiring continued vigilance and supplier diversification to manage potential risks.	**Now:** Actively participate in industry groups and alliances promoting climate resilience and sustainability, including the New Zealand Business Roundtable in China (NZBRiC), which advocates on New Zealand-China matters and climate-related issues. **Next:** Supply chain mapping to identify critical points vulnerable to climate disruption and reduce reliance on any single supplier or region prone to climate risks.	Short-term			
			Medium-term			
			Long-term			

Key Risk Indicators
Climate-related geopolitical instability in key sourcing regions and freight routes monitored as part of our business continuity and supply chain risk processes, supported by in-country teams and external risk intelligence tools.

Links to Key Enterprise Risks
This risk is not considered a key risk in isolation, but links to enterprise risk on 'Agility and responsiveness' as climate impacts may exacerbate volatility in migration, supply insecurity, and political unrest in key regions.

PR 5 – TRADING DISRUPTION*

Increasingly severe weather events, power outages, and access issues may disrupt trading and logistics in parts of New Zealand – making some stores temporarily inaccessible or potentially untradeable over the longer term.

CURRENT IMPACTS	ANTICIPATED IMPACTS	RISK MITIGATION STRATEGIES	TIME HORIZON	ORDERLY	DISORDERLY	HOT HOUSE
Localised disruptions have occurred due to extreme weather, such as flooding in key regions including Otago, Canterbury, and Nelson Tasman. These impacts have been minor and temporary – for example, our Motueka store closed one afternoon/evening in June 2025 but reopened the next day. **Actual financial impact:** Not material. There was no material climate-related financial impact in the current year from this risk.	More frequent or severe weather events and related infrastructure challenges may increase the risk of trading disruptions. This could lead to temporary store closures, supply delays, or access issues, potentially impacting sales and customer experience in affected areas.	**Now:** Use of Starlink satellite internet and generators to maintain store operations where required. While relocation would be disruptive, we have the ability to adapt operationally in the short term where needed. **Next:** Mostly leased sites provide some flexibility to relocate stores over time. Maintaining a robust financial planning process and risk management framework will help anticipate and mitigate potential economic and climate resilience challenges.	Short-term			
			Medium-term			
			Long-term			

Key Risk Indicators
Store or Distribution Centre closures and trading impacts linked to localised weather events as part of broader business continuity and incident response tracking.

Links to Key Enterprise Risks
This risk is not considered a key risk in isolation, but links to enterprise risks on 'Profit margins and costs' and 'Agility and responsiveness' as localised climate-related events may temporarily disrupt store trading or distribution centre activity.

RISK PROFILE TO THE WAREHOUSE GROUP	Very High	High	Medium	Low

TIME HORIZONS	Short-term	Medium-term	Long-term
	2024 – 2030	2031 – 2040	2041 – 2050

Opportunities

CO 1 – PRODUCT SUSTAINABILITY

The Group could become a market leader by leading the shift to affordable low-cost energy-efficient/more sustainably sourced products.

CURRENT IMPACTS	ANTICIPATED IMPACTS	MANAGEMENT ACTIONS	SCENARIO	TIME PERIOD	STRATEGIC LINKAGE
The Group continues to face strong consumer expectations around both affordability and sustainability. While most consumers care about sustainability, they expect businesses like ours to deliver it without being asked to pay more. This is supported by recent research by Kantar which found 74% of New Zealanders believe companies have a responsibility to provide more sustainable products at an affordable price. Kantar research also suggests the Group lags peers on key sustainability perceptions, presenting a near-term opportunity to rebuild brand equity and trust by reducing the environmental harm of products. In the longer term, strengthening value-aligned performance could support customer loyalty, differentiation, and commercial resilience. **Actual financial impact:** Not material. While no direct financial uplift has been identified, shifts in brand perception suggest a potential longer-term impact on competitiveness.	As cost-of-living pressures continue, delivering more sustainable product options without a price premium may help the Group regain consumer trust and brand credibility in the near term. Over time, improving performance on product sustainability could support long-term competitiveness by attracting values-driven customers, protecting margin through efficiency, and differentiating the Group in an increasingly scrutiny-driven retail market.	**Now:** Improving product and packaging sustainability in line with agreed commercial guardrails. This includes removing or replacing high-impact materials, increasing the proportion of preferred sustainability attributes, and progressing supplier engagement on climate and ESG maturity. Rollout of a Sustainable Supply Chain Finance programme with HSBC will commence from the start of FY26 for key suppliers. **Next:** Progressing agreed Scope 3 reduction priorities and deepening supplier collaboration to scale access to low-cost, low-impact product solutions.	Orderly	Short – Long term	Product Sustainability Leadership is one of our Sustainable Living Plan priorities. This opportunity also links to Brand Reputation and Product Affordability climate-related risks.

CO 2 – LOW CARBON INNOVATION

Increased availability of technological solutions and infrastructure to support low-carbon activities and improve business and supply chain efficiencies.

CURRENT IMPACTS	ANTICIPATED IMPACTS	MANAGEMENT ACTIONS	SCENARIO	TIME PERIOD	STRATEGIC LINKAGE
Infrastructure and technology solutions (e.g. zero-emissions freight, sustainable finance) are becoming more accessible, though many remain nascent or not yet commercially viable for the Group's scale. **Actual financial impact:** Not material. While there has been some modest investment and efficiency trials in specific areas, these are not currently considered material for the Group.	Innovation and investment in decarbonisation technologies and low-emissions infrastructure remain high, particularly across logistics and energy. As key supply chain partners progress their climate goals, the Group is expected to benefit from improved access to low-carbon transport, lower operational emissions, and potentially reduced transition costs.	**Now:** Actions include shifting to a long-term solar Power Purchase Agreement with Lodestone Energy, electrifying our group passenger fleet, and ongoing efforts to improve logistics and store operations through efficiency and emissions reduction initiatives. **Next:** Continued efforts to improve business and supply chain efficiencies and deepening collaboration with supply chain partners to scale access to low-cost, low-impact solutions, in line with agreed capital expenditure and investment guardrails.	Orderly	Short – Long term	Running a more Sustainable Operation is one of our Sustainable Living Plan priorities. This opportunity also links to Carbon Taxes, Insurance Premiums, Freight Disruption, Factory Disruption and Trading Disruption climate-related risks.

Opportunities (continued)

CO 3 – SUSTAINABLE LIVING

Opportunity to help our customers live a more sustainable and affordable lifestyle.

CURRENT IMPACTS	ANTICIPATED IMPACTS	MANAGEMENT ACTIONS	SCENARIO	TIME PERIOD	STRATEGIC LINKAGE
Cost of living and energy hardship – affecting around 1 in 3 New Zealand households – continue to shape purchasing decisions and household energy use. Some households are being forced to choose between staying warm and buying food. Demand for more sustainable choices remains strong among consumers, while Business-to-Business customers – including insurers – are increasingly seeking energy efficient and repair options, and climate-related data. This creates a growing opportunity for the Group to help customers adopt more sustainable lifestyles affordably, through trusted, value-led solutions. **Actual financial impact:** Not material. However, the current context suggests growing strategic relevance.	The case for household efficiency and electrification is expected to strengthen further. But many households may be financially locked out of accessing more efficient appliances, heating, or rooftop solar without support. The Group has an opportunity to bridge this gap – through affordable products, service-based models and support with installation, repair and post-consumer disposal solutions – helping reduce household costs while building long-term trust and relevance.	**Now:** Ongoing action to expand the range and affordability of energy – and water-efficient products in line with commercial guardrails. This includes continued support for post-consumer waste solutions and trialling the use of customer rewards and incentives to encourage more sustainable choices. **Next:** Exploring new B2B and B2C products and services to support home electrification and efficiency and service-based models that enable lower-cost, lower-impact lifestyles. Continued development of repair, reuse, and circular services to help customers reduce their footprint and avoid rising disposal costs. This includes strengthening collaboration with key partners such as EECA.	Hot House	Medium – Long term	Sustainable Living Solutions and Circular Solutions for Customers are two of our Sustainable Living Plan priorities. This opportunity also links to Brand Reputation and Product Affordability climate-related risks.

CO 4 – FUTURE PROSPEROUS AOTEAROA NEW ZEALAND

Aotearoa New Zealand is seen as a comparatively climate-resilient location and access to capital and immigration leads to more prosperous economic conditions for trading in the long term.

CURRENT IMPACTS	ANTICIPATED IMPACTS	MANAGEMENT ACTIONS	SCENARIO	TIME PERIOD	STRATEGIC LINKAGE
Aotearoa New Zealand is increasingly perceived as a comparatively stable location. However, to date there has been no material shift in trading performance or market growth linked to this. **Actual financial impact:** Not material.	Climate-induced geopolitical shifts may increase the country's economic resilience and attractiveness. Over the long term, the Group could benefit from inward migration, capital inflows, and economic stability, if positioned to respond.	**Now:** Nothing significant of note. **Next:** Embedding resilience thinking into growth planning and strategic investments.	Disorderly / Hot House	Long-term	This is not currently considered strategically material. It is disclosed to acknowledge that it has been assessed. This opportunity also links to Geopolitical Instability and Trading Disruption climate-related risks.

Transition planning

The Group's overall business model and strategy are described earlier in this report (page 8). That description is included in these climate statements by cross-reference.

In FY25, our primary focus remained our Fighting Fit turnaround plan – stabilising performance and sharpening The Warehouse's customer value proposition and market position – while, in parallel, shaping the Group's strategy through to FY28. This three-year horizon frames our first Climate Transition Plan (the "Transition Plan"): we identified actions that we are planning through to FY28. Beyond FY28, actions identified in the Climate Transition Plan are indicative only and will be refreshed annually as strategy evolves.

As a founding signatory of the Climate Leaders Coalition, we support the goals of the Paris Agreement and are committed to contributing to New Zealand's target of net zero GHG emissions by 2050. Sustainability remains both a key brand differentiator and a source of value creation for the Group, but transition priorities have been shaped inline with commercial realities.

Guided by our Sustainable Living Plan (see page 9) and underpinned by a Directional Short-term Strategic Intent agreed with the ELT, the ESS Committee and the Board, the transition sets out how we intend to move towards becoming a lower-carbon, more climate-resilient business that supports a just transition. Alongside emissions reduction, the transition plan also aims to build resilience into our operations and supply chain to prepare for the impacts of climate change.

In developing this first transition plan, we identified a set of key actions already completed during the FY23 – FY25 period. These included, for example, progress on product sustainability, circular customer solutions, a solar power purchase agreement with Lodestone Energy, passenger fleet electrification, and governance improvements. These achievements provide the foundation for our FY26 – FY28 priorities. We expect the plan will continue to evolve annually, building on what has been achieved to date.

The transition plan focuses on four priority levers:

- **Products and customers:** expanding lower-impact ranges and services that help customers reduce in-use emissions and household energy costs.
- **Supply chain:** improving supplier data quality and maturity and targeting embodied-emissions reductions in priority categories.
- **Operations:** improving energy performance of stores and distribution centres, optimising logistics and reducing waste.
- **Ways of working:** embedding climate considerations in day-to-day decisions through stronger governance, clearer accountabilities and better data.

We do not anticipate a fundamental change to the Group's business model under the current FY28 strategy, though some ongoing adaptation may be necessary. These transition areas are embedded in the Sustainable Living Plan and are expected to help mitigate material climate-related risks and leverage opportunities.

The Group has set climate-related targets that span near-term priorities through to longer term ambitions, including emissions reduction and supplier engagement. Near-term goals and actions to FY28 provide the stepping stones to these longer-term targets. Full details are outlined in the Metrics and targets section (page 44).

The Transition Plan was developed through a two-phase process with ELT workshops and Board playbacks:

Phase 1: we reassessed climate-related risks and opportunities, identified consistent themes and "no-regret" actions, agreed key assumptions and set a Directional Short-term Strategic Intent as the framing for the plan.

Phase 2: we translated this into specific action areas for FY26–FY28 and identified signals to monitor progress and guide future choices. These were aligned with operational priorities and agreed as the foundation for our inaugural transition plan.

Delivering our transition plan depends on addressing several foundational challenges: gaps in Scope 3 data and supplier maturity, the risk of misalignment in policy and regulation, and constraints around cost, capital and technology. We also recognise the inherent tension between our drive to return to profitability and business growth, and the need to reduce our environmental footprint. We are also mindful of emerging issues such as the emissions footprint of AI and digital technologies.

Regulation, insurance costs, consumer sentiment and supply chain resilience remain key uncertainties. In particular, insurance premiums and coverage restrictions driven by climate-related shifts are being monitored closely. These uncertainties are being tracked so that our plan can adapt as conditions change. Strengthened governance, better data and enhanced internal capability will increase our capacity to pivot, ensuring we remain resilient as climate-related risks and opportunities evolve.

An overview of the Transition Plan aspects of our strategy is set out on page 42.

Internal capital deployment and funding decision-making processes

The Group has not yet fully integrated all climate-related risks and opportunities it has identified into its internal capital deployment and funding decision-making processes. Similarly, because our transition plan is new, we have not yet aligned it with our internal capital deployment and funding decision-making processes.Where relevant, climate and sustainability factors are considered in capital expenditure, financing and investment decisions, alongside business need and expected return. Under the current FY28 strategy, no material transition-related capital or investment is anticipated beyond existing programmes.

Notable climate-related investments in FY25 are outlined in the Metrics and targets section (page 48). Aligning our capital processes more explicitly with transition and climate goals will be an area of focus during FY26.

An overview of our Climate Transition Plan

The following provides an overview of our inaugural Climate Transition Plan. We expect that our Climate Transition Plan will continue to evolve over time as we take on feedback from our suppliers, key stakeholders and in response to science, changing regulation, business needs, and our commercial and financial realities. This includes updating our goals, capabilities and innovations in response to key challenges, assumptions, and dependencies we are monitoring.

TOWARDS BECOMING A LOWER CARBON, MORE CLIMATE-RESILIENT BUSINESS THAT SUPPORTS A JUST TRANSITION

Sustainable Living Plan Building Blocks & Foundations	FY23-25 What we've done	FY26-28 What we're planning	FY29+ What we're anticipating as future steps	Linked Climate-related Risks & Opportunities	
Product Sustainability Leadership	✔ Product & packaging sustainability framework ✔ Supplier Sustainability Scorecard ✔ Overseas private label suppliers required to provide climate disclosures	• Boost product/packaging sustainability within guardrails • Develop Scope 3 emissions reduction priorities • Rollout Sustainable Supply Chain Finance • Engage other suppliers on climate expectations	Further supplier collaboration and innovation to improve product and packaging sustainability in line with Sustainable Living Plan goals.	TR 1, 4 & 5 PR 3	CO 1
Sustainable Living Solutions	✔ Customer engagement partnership with EECA ✔ Trial of customer sustainability incentives	• Evolve key partnerships • Product efficiency plans in place	Scale commercial solutions in collaboration with supplier partners, key stakeholders and customers.	TR 4	CO 2 & 3
Circular Solutions for Customers	✔ In store drop-off for soft plastics & some e-waste ✔ Incentivised clothing takeback in 5 stores ✔ Supported design of proposed plastic packaging and e-waste product stewardship schemes	• Expand/extend post-consumer solutions where possible • Trial and rollout reuse prioritisation framework • Continual development of commercial solutions	Scale more circular solutions in collaboration with supplier partners, key stakeholders and customers.	TR 1 & 5	CO 3
Running a More Sustainable Operation	✔ Group wide Solar Power Purchase Agreement with Lodestone Energy ✔ Group passenger fleet electrified ✔ 70%+ operational landfill diversion	• HVAC climate mitigation actions • Efficiency baseline & roadmap for buildings/ logistics • Waste reduction and landfill diversion plans	Future actions guided by new insights, public policy, and innovation as we continue our pathway to zero emissions across our owned New Zealand operations by 2040.	TR 1, 4 & 5 PR 3	CO 2
Responsible Retail Foundations	✔ Minimum Sustainability & Ethical Sourcing expectations include climate-related matters ✔ Executed plans to leverage sustainability and community for improved customer engagement	• Mature customer engagement mechanisms • Strengthen awareness of climate goals across teams and suppliers	Future actions may include assessing supply chain climate vulnerability and expecting strategic suppliers to have adaptation plans in place.	TR 3 PR 1 – 4	CO 3
Supporting Activity & Enablers					
Governance & Accountability	✔ Strengthened board & executive climate oversight ✔ Supported retail sector climate scenario modelling ✔ Initial climate risk alignment with enterprise risks	• Embed climate risks & opportunities into enterprise risk management • Clarify climate-related roles & decision pathways	Continue embedding climate considerations across the business, supported by ongoing Board-level reviews and scenario-based strategy updates.	All material climate-related risks	All climate-related opportunities
Data, Systems & Insights	✔ Mapped key data gaps & limitations ✔ Started improving Scope 1 – 3 data collection	• Improve data quality and completeness • Strengthen inventory system to track emissions	Improve alignment with financial reporting and scale emissions tracking through automation, AI, and ERP integration.	TR 3	CO 2
Policy & Financial Alignment	✔ Climate targets reflected in business strategy ✔ Began to consider climate in investment decisions	• Determine anticipated financial impacts of climate impacts • Align capex/opex with key decarbonisation pathways	Continued integration of climate into procurement, investment, and capital planning processes	All material climate-related risks	All climate-related opportunities

OUR KEY GOALS

FY23 BASE YEAR

2026 milestone — **Scope 3 priorities** confirmed with initial plans in place

2028 Target — **80% suppliers** by spend have science-based targets

2030 Target — **65% reduction** Scope 1 & Market-based Scope 2 emissions

2040 Aspiration — **Net Zero emissions** across our New Zealand operations

Risk Management

This section describes the Group's processes for identifying, assessing and managing climate-related risks and how those processes are integrated into the Group's overall enterprise risk management framework.

Risk management framework

The Group's Enterprise Risk Management Framework has been designed to identify, assess, control and monitor key enterprise risks. This assists the Group in achieving its objectives and goals. It applies to all risks, including those related to sustainability and climate, without explicitly prioritising one type over another. More detail on the Group's risk management framework is available in our Annual Report.

The Group's Sustainability and Ethical Sourcing team is responsible for making the initial risk appetite determination for sustainability, including climate-related risks, across risk appetite profiles. This is undertaken with due consultation and engagement with key internal stakeholders.

The ELT, supported by the Head of Internal Audit and Risk, GM Sustainability and Ethical Sourcing, and the leaders of specialist risk functions and other functional teams, monitor the effectiveness of risk management activities. While there is no set frequency for reporting, relevant risk insights and metrics are periodically reported to the ELT and the ARC (see also pages 26 to 28).

Integrating climate-related risks and opportunities

In FY24, the Group identified its material transition and physical climate-related risks and opportunities using the same short, medium, and long-term horizons applied in its scenario analysis. Boundaries were defined across four parameters: geography, retail categories, value chain, and time horizons (see page 33).

Potential risks and opportunities were identified through a series of cross-functional workshops assessing the impacts of internal and external drivers on the business, using a PESTLE[1] framework.

Each driver was considered in terms of:

- Direct or indirect links to climate change
- Transition or physical risk impacts
- Associated climate scenario (Orderly, Disorderly, Hot House)
- Time horizon for expected impact

Each risk and opportunity was then assessed against our internal materiality matrix for each scenario and time horizon, evaluating both likelihood and potential impact on the Group. Outputs were refined through engagement with key stakeholders and the ELT, then reviewed and acknowledged by the ESS Committee. Finally, they were presented to the ARC and recommended by the ARC for Board approval as part of the Group's CRD approval process. Climate-related risks and opportunities set out on pages 34 to 40 are maintained on a risk register by the Group's Sustainability and Ethical Sourcing team.

In FY25, the climate-related risks and opportunities that were first identified in FY24 were reviewed twice to check for material changes. The first review was undertaken in the second quarter of FY25 as an input into the FY26–FY28 strategy sessions and part of developing the Group's Directional Short-term Strategic Intent for the inaugural Climate Transition Plan. The second review took place in the fourth quarter of FY25 as part of finalising the Climate Transition Plan and in readiness for updating linkages to the Group's revised key enterprise risks. The scenarios and parameters agreed in FY24 remain unchanged for FY25.

The list of material climate-related risks and opportunities also remains unchanged following the reviews in FY25, and we consider there have been no material changes to the assessment carried out in FY24. There have, however, been improvements in how we describe risks and opportunities: clearer articulation of each risk or opportunity, their current and anticipated impacts, and the links to key enterprise-level risks. Following a consistency check across climate scenarios, minor adjustments were made to the profiles of seven material climate-related risks (see pages 34 to 40). In addition, potential key risk indicators have been identified, although there remains work to do to further develop these.

Certain climate-related risks and opportunities have been mapped to action areas in our first Climate Transition Plan, with the most significant risks being monitored more closely than others (see page 42). Recognising that risk management processes are more established than opportunity management processes, risks will continue to be managed through the Group's Enterprise Risk Management Framework, while opportunities will be managed by the OSC under the Sustainable Living Plan as this work matures.

Dynamic Risk Assessment and enterprise risks

As noted in the governance section, the Group undertook a Dynamic Risk Assessment (DRA) of its key enterprise risks in the fourth quarter of FY25. In addition to evaluating risks' likelihoods and impacts, DRA considers both the interconnectedness and velocity of risks to better understand their contagion consequences. This exercise informed the Group's revised set of key enterprise risks. Climate-related risks and opportunities were then mapped to these where relevant. While no climate-related risks and opportunities are currently considered to be key enterprise risks, they may amplify or contribute to those risks.

FY25 has marked a further evolution in our approach to integrating key climate-related risks and opportunities into the Group's overall risk management process. A major step has been linking them more directly to climate transition planning and to enterprise-level risk management. This work will continue to mature through FY26 and beyond as actions in the Climate Transition Plan are taken forward alongside the management of the Group's key enterprise risks.

Frequency of assessment

In the Group's FY24 Climate-related Disclosures, we noted an intention to review prioritised risks and opportunities on a quarterly and annual cycle alongside scenario analysis. In practice, our processes are still evolving as we put in place the arrangements needed to meet phased-in CRD disclosure requirements and adapt to changes in enterprise risk management following the DRA. While we expect a more regular review cycle to become embedded over time, this is unlikely to be fully established for another one to two years. In the meantime, we have reviewed our climate-related risks and opportunities twice in FY25 as described in this section.

1. PESTLE: Political, Economic, Social, Technological, Legal, and Environmental factors used to assess external drivers of risk and opportunity

Metrics and Targets

This section sets out information relating to our climate-related metrics and targets used to manage climate-related risks and opportunities.

GHG emissions inventory

The Group has maintained its Toitū Envirocare carbonreduce certified organisation status for FY25. The Toitū Envirocare carbonreduce certification is a voluntary programme that we participated in as part of our commitment to climate action. This carbon certification programme requires adherence to a set of standards and rules on an annual basis, focusing on measuring and reducing GHG emissions according to ISO 14064–1:2018 standards.

Emissions categories

The Group currently assesses operational impact on the climate by measuring our absolute Scope 1 and 2 and certain Scope 3 emissions against a FY23 base year. This was previously FY20, however, following an update to our organisational boundary undertaken in FY25, for data accuracy and completeness reasons we made the decision to recalibrate the base year to FY23. As part of this update, we have also started reporting on our international Sourcing Offices and a chocolate factory, as they fall under our financial and operational control.

Data disclosed in last year's report included Torpedo7 emissions up to March 2024, when it was divested. These emissions are excluded from the restated figures.

A full list of legal entities included and excluded within our organisational boundary is provided in Appendix 2.

Scope 1 includes GHG emissions from sources that we own or control. This includes the fuel used in vehicles we own or lease, natural gas, emissions generated through the use of refrigerants, and diesel consumption from the operation of our facilities. Our Scope 2 emissions include indirect GHG emissions from the generation of electricity that we purchase. These Scope 2 emissions are different depending on whether they are calculated using a Location-based or a Market-based methodology, and we disclose both in this report. Scope 3 includes GHG emissions generated by our own suppliers and customers. The most significant Scope 3 GHG emissions which contribute to our overall carbon footprint include:

- GHG Protocol Category 1: Emissions from purchased goods and services, primarily the production of the products that we source (not currently measured);
- GHG Protocol Categories 4 and 9: Emissions generated from upstream and downstream logistics/ freight (measured with some exclusions);
- GHG Protocol Category 11: Emissions associated with the use of our products; including the electricity used to power or wash our products (not currently measured); and
- GHG Protocol Category 12: Emissions associated with the disposal of our products (not currently measured).

Methodology for measuring GHG emissions

In measuring GHG emissions, we employ an operational control approach for The Warehouse Limited, Warehouse Stationery, Noel Leeming, a chocolate factory, our New Zealand Store Support Office, and our international sourcing offices (China, India, and Bangladesh). Current reported GHG emissions sources adhere to the requirements for Toitū Envirocare carbonreduce certification and the measurement requirements of the GHG Protocol's Corporate Standard, the Scope 2 Guidance, and the Corporate Value Chain (Scope 3) Standard.

Concerning Scope 3 emissions, as of the date of this report, we measure and report on a selected subset of these emissions. These GHG Protocol Scope 3 categories are:

- Category 3: Fuel and Energy-Related Activities
- Category 4: Upstream Transportation and Distribution
- Category 5: Waste Generated in Operations
- Category 6: Business Travel
- Category 9: Downstream Transportation and Distribution
- Category 13: Downstream Leased Assets.

Appendix 2 of this report outlines:

- The standards, methodologies, assumptions, calculation tools, and exclusions relevant to the calculation of our GHG emissions
- Source of emission factors and the global warming potential (GWP) rates used
- Emissions data for all six GHGs separately for Scope 1 emissions
- Exclusion of biogenic emissions.

We are relying on NZCS Adoption Provision 4 (see Appendix 1, No. 4) regarding those categories and sources of Scope 3 emissions that we do not presently measure and report.

Categories 14 and 15 are not currently applicable for the Group. Work is under way to report on the remaining categories in the future.

Recalculation policy

We have also published a recalculation policy this year, which is available in Appendix 3. While the boundary changes that occurred as a result of our review in FY25 are considered immaterial (i.e. <5% of the Group Scope 1 and 2 emissions), for completeness we have chosen to recalculate FY23 (being our new base year) and FY24, resulting in a restatement of these emissions inventories.

Emissions reduction targets

As a founding signatory of the Climate Leaders Coalition, we support the goals of the Paris Agreement and are committed to contributing to New Zealand's goal of reducing GHG emissions to net zero by 2050. Setting near-term targets helps to put us on this trajectory.

Scope 1 and 2 targets

In 2022, we set a target to reduce absolute Scope 1 and 2 emissions, aligned to a trajectory of 1.5°C, by 42% by 2030 compared with our 2020 base year and with the pathway to net zero emissions by 2040. This target has been set in line with the requirements of Toitū Envirocare carbonreduce certification and developed using the Science Based Targets Initiative ("SBTi") target-setting tool. SBTi offers a globally recognised framework for companies to set GHG emissions reduction targets that are consistent with the level of decarbonisation required to keep global temperature increase within 1.5°C above pre-industrial levels.

As a result of updates to our organisational boundaries, the reset of our base year from 2020 to 2023, and the Market-based Scope 2 trajectory we are on, we reviewed these changes against the most recent SBTi Target Setting Tool (v2.4). This confirmed that to remain aligned we should uplift our 2030 goal from a 42% to a 65% absolute reduction in Scope 1 and Market-based Scope 2 emissions. While we believe this target is aligned with SBTi's requirements it has not been validated by them.

This target does not rely on the use of voluntary offsets, but in the context of Scope 2 emissions it does rely on our partnership with renewable energy generator Lodestone Energy. All electricity that Lodestone Energy generates under its arrangements with the Group is certified 100% renewable and zero emissions through the New Zealand Energy Certificate (NZEC) System maintained by BraveTrace and as described on page 65 of this report. This energy is matched and verified against electricity purchased by the Group.

A total of 48,001 NZEC certificates, the equivalent of 48,001 megawatt-hours (MWh) of electricity, were redeemed against the Group over FY25 from solar generation at the Edgecumbe, Kaitaia and Waiotahe Lodestone Energy solar farms. These NZECs were applied to the Group's Market-based Scope 2 emissions, representing 63% of our total electricity generation for the reporting period.

Our long-term partnership with Lodestone Energy sets us well on the path to achieving our overall Scope 1 and Market-based Scope 2 emissions target. This partnership also supports additional renewable generation in New Zealand, contributing towards New Zealand's aspirational goal to achieve 100% renewable electricity generation by 2030.

Scope 3 priorities

In FY24, we superseded our Scope 3 targets and planned to set a revised target in FY25. However, we applied the 12-month extension adoption relief for full Scope 3 disclosure, and with the SBTi signalling a potential shift in how Scope 3 Near-Term Targets may be set (the outcomes of which are still pending) we are not yet in a position to finalise a new goal.

Our focus in FY25 has been on improving data quality and completeness, including a decision to move to a new inventory management solution more aligned to Market-based Scope 2 and Scope 3 emissions management from the start of FY26.

In parallel, we have set a broad goal within our Sustainable Living Plan to drive meaningful Scope 3 reductions in our most high-impact and influenceable areas and have agreed an action to align on Scope 3 priorities as part of our inaugural Climate Transition Plan (see page 41).

Supplier engagement

Supplier engagement remains crucial. The largest proportion of our Scope 3 emissions is linked to the production of goods in our supply chains and their use by our customers. This is why our suppliers play a critical role; we need them on board to actively reduce emissions and support our overall sustainability goals. In FY25, we set a supplier engagement target as part of our Sustainable Living Plan – aiming for 80% of our supplier,s by spend, to have science-based targets in place by the end of December 2028.

In FY24 we set out our climate-related expectations of suppliers in our Group Ethical Sourcing Policy. In February 2025, we wrote to all our offshore-managed private-label suppliers asking them to complete a Verified ERSA Carbon Self-Assessment Questionnaire (SAQ) and begin working towards setting a science-based target by the end of December 2028. These Carbon SAQs are verified by a specialist third party and are intended to assess supplier's GHG emissions governance maturity and gain insight into their Scope 1 and 2 emissions, energy profiles and existence of targets. To date, 63 factories have completed assessments, covering 34% of offshore spend. From FY26, progress will be tracked through our Supplier Scorecard (see page 22).

Alongside this, we also launched new e-learning modules for our suppliers on Climate Change and GHG emissions, with 247 courses completed to date.

Performance Against Scope 1 and 2 Targets

The table on page 46 summarises our operational GHG emissions data for the reporting period (29 July 2024 to 3 August 2025) and our baseline data from 2023 for our Scope 1 and Market-based Scope 2 target.

Target

Reduce absolute Scope 1 and Market-based Scope 2 emissions, aligned to a 1.5-degree trajectory, by 65% by 2030 compared to a 2023 base year and with the pathway to net zero emissions by 2040.

FY25 Performance

In FY25, our absolute Scope 1 and Market-based Scope 2 emissions across the Group decreased 23% compared to FY24 and 45% compared to our FY23 Market-based equivalent base year. Our reduction was primarily due to our partnership with Lodestone Energy.

Scope 1

Scope 1 emissions increased by 11.75% this year and 36% compared to our FY23 base year. This is predominantly due to an increase in HVAC maintenance, as some of our refrigerants have a high Global Warming Potential relative to the impact of the same quantity of carbon dioxide. We are working on getting the older assets upgraded to more efficient models.

Scope 2

Our Scope 2 Market-based emissions decreased 40.6% from last year and 65.5% since FY23, largely due to our renewable energy partnership with Lodestone Energy. However, location-based emissions increased 29.7% from last year and 48.8% from FY23, despite our core New Zealand operations electricity consumption decreasing by 5.5% in FY25.

This rise was primarily due to a substantial increase in the average electricity emissions factor, which increased by 38.7% as fossil fuel generation was used to meet national grid requirements. By comparison, in 2022 and 2023, strong hydro inflows meant particularly low emissions factor values. These fluctuations are outside our direct control, but they underline the importance of both reducing our own demand and supporting the system-wide transition to lower carbon and renewable energy. Our Lodestone Energy partnership helps us decouple business growth from emissions growth by matching our electricity use with renewable generation and by supporting investment in new renewable capacity in New Zealand.

Scope 3

Our Scope 3 emissions has increased 22.6% from our FY23 base year. This is primarily due to an increase in upstream transport, but is also a result of improved data quality meaning that more accurate data is now being captured. We have started looking at ways to improve the efficiency of our freight.

Emissions Inventory

The table below summarises our operational GHG emissions data for the reporting period (29 July 2024 to 3 August 2025) and comparisons have been provided against FY24 and our revised base year of FY23.

GHG EMISSIONS (tCO_2e)[1]	This year FY25	Last year FY24	Base Year FY23	% Change since last year	% Change since base year
Scope 1	3,088.8	2,764.6	2,268.2	11.7%	36.2%
Scope 2 (Location-based)	7,538.1	5,812.5	5,067.0	29.7%	48.8%
Scope 2 (Market-based)	3,167.3	5,329.3	9,176.2	-40.6%	-65.5%
Sub-total: Scope 1 and 2 (Location-based)	**10,626.9**	**8,577.1**	**7,335.2**	**23.9%**	**44.9%**
Sub-total: Scope 1 and 2 (Market-based)	**6,256.1**	**8,093.9**	**11,444.3**	**-22.7%**	**-45.3%**
Scope 3					
Category 3: Fuel and energy-related activities	589.0	432.7	719.5	36.1%	-18.1%
Category 4: Upstream transportation and distribution	25,976.8	20,075.5	19,244.3	29.4%	35.0%
Category 5: Waste generated in operations	408.7	425.5	587.2	-3.9%	-30.4%
Category 6: Business travel	1,375.0	1,157.9	1,778.6	18.7%	-22.7%
Category 9: Downstream freight	979.9	713.3	1603.7	37.4%	-38.9%
Category 13: Downstream leased assets	11.4	0.0	0.0	NA	NA
Sub-total: Scope 3	**29,340.8**	**22,804.8**	**23,933.3**	**28.7%**	**22.6%**
Total: Scope 1, Scope 2 (Location-based) and Scope 3 emissions	**39,967.7**	**31,381.9**	**31,268.4**	**27.4%**	**27.8%**
Total: Scope 1, Scope 2 (Market-based) and Scope 3 emissions	**35,596.9**	**30,898.7**	**35,377.6**	**15.2%**	**0.6%**
Emissions intensity ratio (tCO_2e / $million of Revenue)[2]	**11.5**	**10.2**	**10.9**	**13.4%**	**5.5%**

1. We updated our organisational boundaries in FY25 and have a complete Scope 1 and 2 inventory for this year. There are some gaps in FY23 and FY24 data for our international sourcing offices and the chocolate factory, but these are immaterial, estimated at less than 3% of total Scope 1 and 2 emissions.
2. GHG emissions intensity has been calculated using Scope 1, Scope 2 (Market-based) & Scope 3 total measured emissions.

Assurance of GHG emissions

The assurance for our FY25 GHG emissions inventory has been obtained externally by Bureau Veritas. Limited assurance has been achieved for Scope 1 and 2 emissions and selected Scope 3 emissions (see table above). This assurance engagement was undertaken in accordance with NZ SAE 1 Assurance Engagements over Greenhouse Gas Emissions Disclosures issued by the External Reporting Board; International Standard on Assurance Engagements (New Zealand) 3000: Assurance Engagements other than Audits or Reviews of Historical Financial Information; and International Standard on Assurance Engagements (New Zealand) 3410: Assurance Engagements on Greenhouse Gas Statements, issued by the New Zealand Auditing and Assurance Standards Board; as well as informed by Bureau Veritas' standard procedures and guidelines for external verification of sustainability reporting. See Appendix 5 for a copy of the Bureau Veritas independent limited assurance report.

Toitū Envirocare also assessed our emissions inventory as part of maintaining our carbonreduce certification for FY25.

TOITŪ
CARBON REDUCE
ISO 14064-1 ORGANISATION

Other metrics

Energy consumption within the organisation[1]

	FY25 consumption	Units	FY25 energy (GJ)[4]	Change from FY24 (%)[5]
Non-renewable fuel consumed				
Diesel	521,433	Litres	20,127	5.3%
LPG	359,488	Litres	9,239	9.2%
Petrol (all grades)[2]	55,335	Litres	1,892	-3.0%
Sub-Total			**31,258**	5.9%
Renewable fuel consumed				
Solar PV – rooftop[3]	156,954	kWh	565	-8.4%
Sub-total			**565**	**-8.4%**
Electricity consumed				
Electricity purchased	75,603,282	kWh	272,172	-5.5%
Sub-total			**272,172**	**-5.5%**
Total energy consumption			**303,995**	**-4.4%**

FY25 Energy intensity ratio
98.5 GJ / $m of revenue vs 104.7 GJ / $m in FY24

FY25 Reduction of energy consumption
14,125 GJ reduction (4.4% reduction compared to FY24)

1. Includes diesel, LPG, petrol and electricity consumption within the Group's New Zealand based operations aligned to our Scope 1 and 2 emissions reporting but excludes our overseas Sourcing Offices and the chocolate factory.
2. Petrol (all grades) includes both regular and premium as they have identical energy content per litre despite different octane ratings.
3. Solar PV generated at our Warkworth store – all consumed on site.
4. Australian National Greenhouse Factors 2025 have been used for all conversions to GJ due to harmonised Trans-Tasman fuel specifications. Electricity to kWh to GJ is a standard SI conversion.
5. For comparison purposes, FY24 energy consumption data has been recalculated using the same conversion factors applied to FY25 data.

Climate-related risks and metrics

In FY25, we identified potential key risk indicators for our material climate-related risks (see pages 34 to 40) which we plan to further develop in FY26. Climate-related opportunities are managed as part of our Sustainable Living Plan workstream (see page 9).

Business activities vulnerable to transition and physical risks

Estimates of our business activities that are exposed to Transition and Physical risks across our value chain:

- 80% of our finished private-label goods are sourced from China and Bangladesh (FY24: 70%) and these products are potentially exposed to high levels of both physical and transition risk.
- 11% of private-label products are sourced from New Zealand, including a smaller proportion from Australia (FY24: 10%) and we expect a medium level of physical risk to these products.
- Less than 10% of our sites are located in flood management areas (FY24: <10%), and we see these sites as a key risk in the long term, however a low risk in the short term.

Our work to assess the extent of business activities vulnerable to climate-related risks (and aligned to opportunities), including the methodology and metrics to quantify, is ongoing. We see this assessment of business exposure as linked to the financial modelling of current and reasonably anticipated financial impacts (we have applied Adoption Provision 2 in the case of the latter).

Capital expenditure, financing or investment

Capital expenditure or investment within the Group is prioritised according to business needs and expected returns. This also applies to capital or investment required for addressing climate-related risks or initiatives.

The Group's $145 million Sustainability Linked Loan (SLL) facility, established in October 2021 will conclude in October 2025. We are pleased to confirm that we achieved all climate-related sustainability targets, including reducing our Scope 1 and 2 greenhouse gas emissions by at least 20% ahead of a 31 July 2025 goal.

The Group has not identified any specific amounts of capital expenditure, financing, or investment deployed toward climate-related risks and opportunities in FY25. In FY24, we amended our project reporting to include a dedicated field for identifying projects with climate and sustainability benefits, applicable to all investment requests regardless of value. For example, in FY25 the Group invested $459,000 in replacing ageing HVAC equipment.

Internal emissions price

We do not currently have a methodology to calculate or apply an internal emissions price to incentivise lower carbon practices or guide investment decisions. This was discussed as part of our transition planning process with the ELT and Board, and it was decided that this is not a priority for the Group at this time. This is unchanged from FY24.

Remuneration

Management remuneration is not currently linked to sustainability performance or management of climate-related risks and opportunities. This is unchanged from FY24.

Other key performance indicators

The Group does not currently use any cross-industry, industry-specific, or other key performance indicators beyond those outlined in this Report to measure and manage climate-related risks and opportunities.

Our logistics partner Nexus Logistics trialling one of New Zealand's first fully electric container trucks in June 2025

Global Reporting Initiative (GRI) Report and Content Index

Global Reporting Initiatives (GRI)

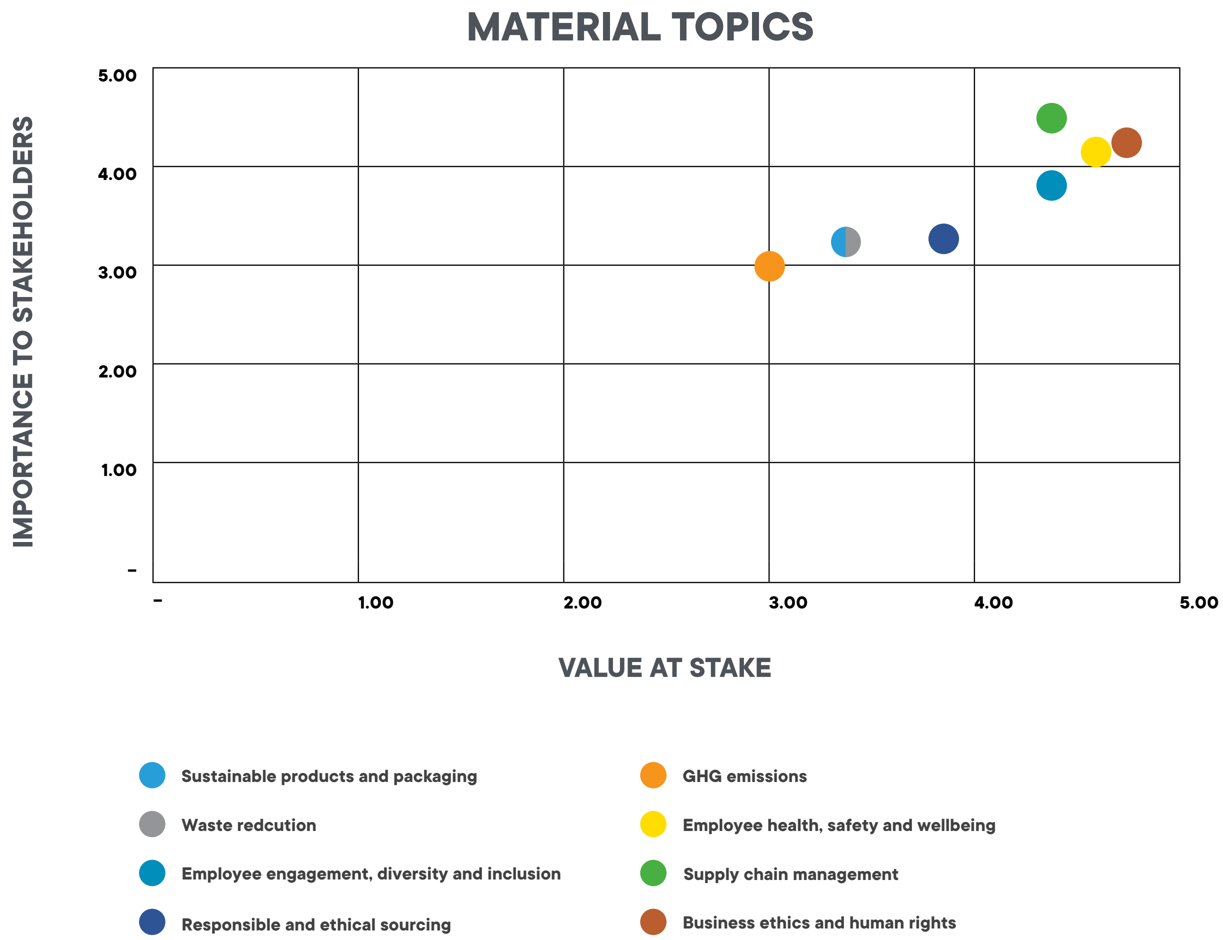
The Group has reported in accordance with the GRI Standards for the period 29 July 2024 to 3 August 2025. We have applied the 2021 GRI reporting principles, including Accuracy, Balance, Clarity, Comparability, Completeness, Sustainability Context, Timeliness and Verifiability when determining what material topics and disclosures to include in this Report.

We have completed an internal materiality assessment, undertaken by the ELT and selected direct reports, to inform the reporting under GRI. This process reaffirmed the materiality and importance of our material topics, both in terms of our stakeholders' point of view, and from a value at stake on the operational and financial impact of the Group.

This review concluded that there have been no significant changes in the material topics this year – those which have the highest importance to stakeholders, the highest value at stake and therefore the highest impact on the environment, economy and our people.

This process has informed and developed our list of material topics in accordance with the requirements under 2021 GRI Standard 3: Material Topics – determining the impacts of these issues on the business and how the Group manages these issues.

The Group is active in the New Zealand retail sector. A GRI sector-specific standard is not yet available for the retail sector. Refer to pages 53 to 58 for the GRI Content Index.



Material Topics – Assessment and Reporting

Material Topic	Impact / Commitment	How we measure performance	GRI Reporting Standard	Section in this Sustainability Report
Sustainable products and packaging	To increase the share of private label sales from products with at least one approved sustainability attribute to 100% by 2035.	Percentage of private-label sales derived from products with one or more sustainability features.	N/A	Page 10
	To phase out unnecessary or problematic single use plastics from our private label products and ensure all product packaging meets our sustainability requirements by 2035.	Percentage of private-label sales were derived from products with packaging which can be recycled via New Zealand's kerbside recycling infrastructure, or circularity solutions.	N/A	Page 10
	To pilot at least one innovative proposition or initiative each year which aims to help products last longer or reduce waste.	Number of initiatives each year which help products last longer, or help customers reduce waste.	N/A	Page 11,12
Ethical sourcing and supply chain management	To build a reliable and sustainable supply chain network	Stockturn.	N/A	Annual Report page 17
		Supplier assessments and results.	GRI 414-1	Page 20-22
GHG emissions	To reduce Scope 1 and Market-based Scope 2 emissions, aligned to a 1.5-degree celcius trajectory, by 65% by 2030 compared to FY23 base year and on a pathway to net zero emissions by 2040.	Scope 1 and 2 reduction in emissions year on year and compared to 2023 base year	GRI 305-1 GRI 305-2	Page 11, 46
	To progress meaningful Scope 3 emissions reductions in high-impact and influenceable areas.	We have improved our understanding of Scope 3 emissions data in key areas, and work is under way to identify high-impact and influenceable areas.	GRI 305-3	Page 10, 45-46
	To meaningfully improve the energy-efficiency of our buildings and domestic and international logistics activities by 2030 (compared to 2023).	We have improved efficiency in specific areas and will now bring these efforts together as a key focus of our Climate Transition Plan.	GRI 302-1 GRI 302-3 GRI 302-4	Page 11, 47
Waste reduction	To demonstrably reduce total waste from our activities in New Zealand and will divert at least 90% of waste that's produced from landfill by 2035.	Percentage of waste diverted from landfill year on year.	GRI 306-1 GRI 306-2 GRI 306-3 GRI 306-4 GRI 306-5	Page 11
	To enable at least 80% of Kiwis to access solutions to reuse or recycle a minimum of five difficult to recycle items by 2035.	Number of tonnes of post-consumer waste recycled.	N/A	Page 10
Ethical and responsible sourcing	We will source ethically and responsibly.	Number of new and existing suppliers screened using social and environmental assessments.	GRI 408-1	Page 20-22
	80% of our suppliers, by spend, to have science-based emissions reduction targets by the end of December 2028.	Supplier assessments and results.	GRI 409-1 GRI 414-1 GRI 414-2	Page 10, 45
		Membership of sustainable material initiatives	GRI 2.28	Page 74

Material Topics – Assessment and Reporting (continued)

Material Topic	Impact / Commitment	How we measure performance	GRI Reporting Standard	Section in this Sustainability Report
Employee health, safety and wellbeing	Wellbeing & Belonging – We will empower team members to thrive.	• Number of violent and aggressive behaviour incidents • Number of critical risk events related to traffic management • Total Recordable Injury Frequency Rate (TRIFR) • Lost Time Injury Frequency Rate (LTIFR)	GRI 403-9	Page 16
Employee engagements, diversity and inclusion	Culture, Engagement & Inclusion – We will foster connection, inclusion and impact.	• eNPS • Promotion of worker health • Average training hours per year per employee • Programmes for upgrading employee skills	GRI 403-6 GRI 404-1 GRI 404-2	Page 14-16
		• Percentage of senior leaders who are female • Gender pay equity	GRI 405-1 GRI 405-2	Page 14-15 Annual Report – page 77
Business ethics and human rights	ESG Data & Reporting – We will report openly and transparently.	Adherence to NZX Corporate Governance Code, Principle 1	GRI 2.23 - 2.27	Annual Report - page 68-77
		Compliance with Code of Ethics, Financial Products Trading Policy, and Market Disclosure Policy	GRI 205-2 GRI 205-3 GRI 206-1	Annual Report - page 68-77
		Supplier and factory labour and social and environmental assessments	GRI 407-1 GRI 408-1 GRI 409-1	Page 20-22

Global Reporting Initiative (GRI) content index

General Disclosures

Standard	Disclosure	Section in this Annual Report	Annual Report Page Reference	Sustainability Report Page Reference
GRI 2: GENERAL DISCLOSURES (2021)				
2-1	Organisation details	Directory Financial Statements, Note 1.1 Store Map	83 40 20	
2-2	Entities included in the organisation's sustainability reporting	Financial Statement, Note 1.3 CRD – Organisational Boundaries	40	 4, 33, 63-64
2-3	Reporting period, frequency and contact point	Front Cover GRI Report Financial Statements, Note 1.5	 40	1-2 50
2-4	Restatements of information	CRD – Metrics and Targets		44-45
2-5	External assurance	Bureau Veritas Limited Assurance Report		47, 75-76
2-6	Activities, value chain and other business relationships	GRI Report Our Stores Our Brands and Customers Our Relationships	 20-23 24-33	50 8, 18-23
2-7	Employees	Diversity and Inclusion Report	77	14-16
2-8	Workers who are not employees	An insignificant portion of the Group's activities is performed by workers who are not employees or who are seasonal workers. There are no workers who are not employees controlled by the Group for which the organisation is responsible.		
2-9	Governance structure and composition	Corporate Governance	68-77	
2-10	Nomination and selection of the highest governance body	Governance Report – Board Composition and Performance	68-71	
2-11	Chair of the highest governance body	Corporate Governance – Chair	68	
2-12	Role of the highest governance body in overseeing the management of impacts	Corporate Governance - Board Committees ESS Committee Charter	68-71 www.thewarehousegroup.co.nz/about-us/corporate-governance	
2-13	Delegation of responsibility for managing impacts	Our Board Executive Leadership Team Corporate Governance - Board Committees	64-65 66-67 70-71	
2-14	Role of the highest governance body in sustainability reporting	Corporate Governance - Board Committees ESS Committee Charter	70-71 www.thewarehousegroup.co.nz/about-us/corporate-governance	
2-15	Conflicts of interest	Corporate Governance – Director Independence and conflicts Directors Shareholding and Substantial Product Holders	69 78-79	
2-16	Communication of critical concerns	Risk Management Corporate Governance – Ethical Standards, Risk Management	18-19 68 75	

General Disclosures (continued)

Standard	Disclosure	Section in this Annual Report	Annual Report Page Reference	Sustainability Report Page Reference
GRI 2: GENERAL DISCLOSURES (2021)				
2-17	Collective knowledge of the highest Governance body	Corporate Governance – Board Skills Matrix	69	
2-18	Evaluation of the performance of the highest Governance body	Corporate Governance – Board composition and performance, Board evaluation	68-70	
2-19	Remuneration Policies	Remuneration Report	71-75	
2-20	Process to determine remuneration	Remuneration Report	71-75	
2-21	Annual compensation ratio	Remuneration Report	74	
2-22	Statement of sustainable development strategy	Sustainable Living Plan Transition Plan		9 41-42
2-23	Policy commitments	Group Corporate Governance and Policies	www.thewarehousegroup.co.nz/about-us/corporate-governance	
2-24	Embedding policy commitments	Corporate Governance: Ethical Standards Reporting and Disclosure Risk Management Diversity & Inclusion Report	 68 71 75 77	
2-25	Processes to remediate negative impacts	Risk Management Financial Risk Management Corporate Governance - Risk Management	18-19 52 75	
2-26	Mechanisms for seeking advice and raising concerns	Risk Management Corporate Governance - Ethical Standards, Code of Ethics	18-19 68	
2-27	Compliance with laws and regulations	The Advertising Standards Authority upheld a complaint that an advertising campaign breached certain parts of the Advertising Standards Code. No fines were imposed. The advertisement was removed. There have not been any other significant instances of non-compliance with laws and regulations, or fines for instances of non-compliance with laws and regulations paid, during the reporting period.		
2-28	Membership associations	Initiatives and Associations		74
2-29	Approach to stakeholder engagements	Integrated Report Our Customers Our People Our Relationships	16-17 30-33	 14-16 18-23
2-30	Collective bargaining agreements	Currently, 15.9% of our employees are covered by collective agreements.		

Material Topics

Standard	Disclosure	Section in this Annual Report	Annual Report Page Reference	Sustainability Report Page Reference
GRI 3: MATERIAL TOPICS (2021)				
3-1	Process to determine material topics	GRI Report		50
3-2	List of material topics	GRI Report		50-52
3-3	Management of material topics	GRI Report		50-52

Topic Disclosures

Economic

Standard	Disclosure	Section in this Annual Report	Annual Report Page Reference	Sustainability Report Page Reference
GRI 205: ANTI-CORRUPTION (2016)				
3-3	Management of material topics	GRI Report Our People Our Relationships – Trading Ethically Risk Management Corporate Governance – Ethical Standards	 18-19 68	50-52 14-16 20-22
205-2	Communication and training about anti-corruption policies and procedures	Anti-corruption policies have been communicated to all governance body members and all team members across the Store Support Offices and stores. In FY25, 71% of Store Support Office team members and 97% of store team members have completed an Anti-Bribery & Corruption compliance training module. Team members are required to complete Anti-Bribery & Corruption training every second year and will be required to do this again in 2027.		
205-3	Confirmed incidents of corruption and actions taken	Our Relationships – Trading Ethically		20
		FY25 Ethical Sourcing Programme		21
		FY25 Ethical Sourcing Programme - Audit performance and findings		22
GRI 206: ANTI-COMPETITIVE BEHAVIOR (2016)				
3-3	Management of material topics	GRI Report Our Relationships – Trading Ethically Risk Management Corporate Governance – Ethical Standards	 18-19 68	50-52 20-22
206-1	Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	We are not aware of any legal cases against the organisation regarding anti-competitive behaviour or violations of anti-trust and monopoly legislation during the reporting period.		

Environmental

Standard	Disclosure	Section in this Annual Report	Annual Report Page Reference	Sustainability Report Page Reference
GRI 302: ENERGY (2016)				
3-3	Management of material topics	Integrated Report Corporate Governance – ESS Committee Sustainability Living Plan GRI Report	16-17 70 	 9-11 50-52
302-1	Energy consumption within the organisation	CRD – Metrics and Targets		47
302-3	Energy intensity	CRD – Metrics and Targets		47
302-4	Reduction of energy consumption	CRD – Metrics and Targets		47

Topics Disclosures (continued)

Environmental

Standard	Disclosure	Section in this Annual Report	Annual Report Page Reference	Sustainability Report Page Reference
GRI 305: EMISSIONS (2016)				
3-3	Management of material topics	Integrated Report Corporate Governance – ESS Committee Sustainability Living Plan GRI Report	16-17 70	 9-11 50-52
305-1	Scope 1 GHG emissions	Climate Related Disclosures		44-46, 63-72
305-2	Scope 2 GHG emissions	Climate Related Disclosures		44-46, 63-72
305-3	Scope 3 GHG emissions	Climate Related Disclosures		44-46, 63-72
305-4	GHG emissions intensity	CRD – Metrics and Targets		46
305-5	Reduction of GHG emissions	CRD – Metrics and Targets		44-46
GRI 306: WASTE (2020)				
3-3	Management of material topics	Integrated Report Corporate Governance – ESS Committee Sustainability Living Plan GRI Report	16-17 70	 9-11 50-52
306-1	Waste generation and significant waste-related impacts	Sustainability Living Plan		11
306-2	Management of significant waste-related impacts	Sustainability Living Plan Transition Plan		11 41-42
306-3	Waste generated	Sustainability Living Plan CRD – Metrics and Targets CRD – GHG and GWP emission sources		11 46 63-72
306-4	Waste diverted from disposal	Sustainability Living Plan		11
306-5	Waste directed to disposal	Sustainability Living Plan		11
GRI 307: ENVIRONMENTAL COMPLIANCE (2016)				
3-3	Management of material topics	Integrated Report Corporate Governance – ESS Committee Sustainability Living Plan GRI Report	16-17 70	 9-11 50-52
307-1	Non-compliance with environmental laws and regulations	We are not aware of any incidents related to non-compliance with environmental laws and regulations during the reporting period.		
308-1	New suppliers that were screened using environmental criteria	Our Relationships – Trading Ethically		20-22
308-2	Negative environmental impacts in the supply chain and actions taken	Our Relationships – Trading Ethically		20-22

Topics Disclosures (continued)

Social

Standard	Disclosure	Section in this Annual Report	Annual Report Page Reference	Sustainability Report Page Reference
GRI 403: OCCUPATIONAL HEALTH AND SAFETY (2018)				
3-3	Management of material topics	Integrated Report Corporate Governance – Board Responsibilities Corporate Governance – Health, Safety and Wellbeing Committee Corporate Governance – Risk Management GRI Report	16-17 68 70 75	 50-52
403-6	Promotion of worker health	Our People		14-16
403-9	Work-related injuries	Our People		16
		There are no workers who are not employees controlled by the Group for which the organisation is responsible.		
GRI 404: TRAINING AND EDUCATION (2016)				
3-3	Management of material topics	Integrated Report Corporate Governance – Board Responsibilities Corporate Governance – Health, Safety and Wellbeing Committee Corporate Governance – Risk Management GRI Report	16-17 68 70 75	 50-52
404-1	Average hours of training per year per employee	Our People		14
404-2	Programs for upgrading employee skills and transition assistance programs	Our People		14
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY (2016)				
3-3	Management of material topics	Integrated Report Corporate Governance – Board Responsibilities Diversity & Inclusion Report GRI Report	16-17 68 77	 50-52
405-1	Diversity of governance bodies and employees	Diversity & Inclusion Report Our People	77	 14
405-2	Ratio of basic salary and remuneration of women to men	Diversity & Inclusion Report Our People	77	 14
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING (2016)				
3-3	Management approach	Corporate Governance – Ethical Standards Our Relationships – Trading Ethically	68	 20
		Ethical Sourcing Policy	www.thewarehouse.co.nz/suppliers-ethical-sourcing	
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Our Relationships – Trading Ethically Supplier Engagement		20-22 22
		Currently, 15.9% of our employees are covered by collective agreements.		

Topics Disclosures (continued)

Social

Standard	Disclosure	Section in this Annual Report	Annual Report Page Reference	Sustainability Report Page Reference
GRI 408: CHILD LABOUR (2016)				
3-3	Management approach	Corporate Governance – Ethical Standards	68	
		Our Relationships – Trading Ethically		20-22
		Ethical Sourcing Policy	www.thewarehouse.co.nz/suppliers-ethical-sourcing	
408-1	Operations and suppliers at significant risk for incidents of child labour	Our Relationships – Trading Ethically		20-22
GRI 409: FORCED OR COMPULSORY LABOR (2016)				
3-3	Management Approach	Corporate Governance – Ethical Standards	68	
		Our Relationships – Trading Ethically		20
		Ethical Sourcing Policy	www.thewarehouse.co.nz/suppliers-ethical-sourcing	
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Our Relationships – Trading Ethically		20-22
GRI 414: SUPPLIER SOCIAL ASSESSMENT (2016)				
3-3	Management approach	Corporate Governance – Ethical Standards	68	
		Our Relationships – Trading Ethically		20-22
		Ethical Sourcing Policy	www.thewarehouse.co.nz/suppliers-ethical-sourcing	
414-1	New suppliers that were screened using social criteria	Our Relationships – Trading Ethically		21-22
414-2	Negative social impacts in the supply chain and actions taken	Our Relationships – Trading Ethically		21-22

APPENDICES

Appendix 1 – Climate-related Disclosures Adoption Provisions and Index

FY25 Climate-related Disclosures Adoption Provisions

In recognition that it may take time to develop the capability to produce climate-related disclosures that fully meet all requirements of the NZ CS, NZ CS 2 (as amended in late 2024) provides a limited number of adoption provisions from the disclosure requirements in the NZ CS.

The Group has adopted the following adoption provisions provided within NZ CS 2 (as amended) in respect of its FY25 CRDs.

No.	NZ CS 2 ADOPTION PROVISIONS	OTHERWISE REQUIRED BY
2	Anticipated financial impacts – this provision provides relief from the requirements to disclose: • the anticipated financial impacts of climate-related risks and opportunities reasonably anticipated by the entity; and • a description of the time horizons over which the anticipated financial impacts of climate-related risks and opportunities could reasonably be expected to occur.	NZ CS 1
4	Scope 3 GHG emissions: this provision provides relief from the requirement to disclose gross emissions in metric tonnes of carbon dioxide equivalent (CO_2e) classified as Scope 3. As in the FY24 CRDs, the Group has disclosed a selected subset of its Scope 3 GHG emissions sources, as set out in the table on page 46. A description of those sources and categories of scope 3 emissions that it is not disclosing in this reporting period is set out in Appendix 2.	NZ CS 1
6	Comparatives for metrics – this provision permits an entity to provide one year of comparative information for each metric.	NZ CS 3
7	Analysis of trends – this provision provides relief from the requirements to disclose an analysis of the main trends evident from a comparison of each metric from the previous reporting periods to the current reporting period.	NZ CS 3
8	Scope 3 GHG emissions assurance – this provision permits an entity to exclude its Scope 3 GHG emission disclosures from the scope of its assurance engagement. The Group has included its selected subset of its Scope 3 GHG emissions within the scope of its external assurance engagement – see page 47.	NZ CS 1

Index to FY25 Climate-related Disclosures

The table below identifies the location of disclosures required by NZ CS. This includes the specific disclosure requirements in NZ CS 1 (as amended by relevant paragraphs of NZ CS 2) and paragraphs 51 to 55 of NZ CS 3.

NZ CS Reference	DETAIL	PAGE NUMBERS IN CLIMATE STATEMENTS SECTION	RELATED CONTENT IN SUSTAINABILITY REPORT (page number)[1]
Governance			
NZ CS 1: 7(a) – (b) and 8(a)-(d)	Governance body oversight of climate-related risks and opportunities.	26 - 27	
NZ CS 1: 7(c) and 9(a)-(c)	Management's role in assessing and managing climate-related risks and opportunities.	27 - 28	
Strategy			
NZ CS 1: 11(a) and 12(a)-(c)	Current climate-related impacts.	34 - 40	
NZ CS 1: 11(b) and 13 **NZ CS 3: 51(a)-(b)**	Scenario analysis undertaken, including process, methods and assumptions.	29 - 33	
NZ CS 1: 11(c) and 14(a)-(c)	Climate-related risks and opportunities, time horizons and links to strategic planning and internal capital deployment plans.	33 - 40 41 (Capital deployment and funding)	
NZ CS 1: 11(d)-15(a)-(d)	Anticipated impacts of climate-related risks and opportunities reasonably expected.	34 - 40. Adoption relief in respectof anticipated financial impacts (15(b)-(d).	
NZ CS 1: 11(e) and 16(a)-(c)	Business model and strategy, and transition planning (including alignment with capital deployment and funding decision-making processes).	41 - 42	8 - 11, 50
Risk Management			
NZ CS 1: 18(a)-(b) and 19(a)-(e)	Processes for identifying, assessing and managing climate-related risks and integration into risk management process.	43 33 (Time horizons)	

NZ CS Reference	DETAIL	PAGE NUMBERS IN CLIMATE STATEMENTS SECTION	RELATED CONTENT IN SUSTAINABILITY REPORT (page number)[1]
Metrics and targets			
NZ CS 1: 21(a)-(c), 22(a)-(h) **NZ CS 3: 40**	Climate-related metrics (cross-industry and industry-based) and key performance indicators, including comparatives for metrics and relevant methods, assumptions and uncertainties.	44 - 48. Adoption relief in respect to full Scope 3 emissions disclosure and comparatives.	9 - 11
NZ CS 1: 21(d) and 23(a)-(e)(iv)	The targets used to manage climate-related risks and opportunities, and performance against those targets.	47	9 - 11
NZ CS 1: 24(a)-(d)	GHG reporting standard, consolidation approach, source of emissions factors and global warming (GWP) rates used, summary of specific exclusions of sources.	44	63 - 73 (Appendix 2 and 3)
NZ CS 3: 42	Analysis of trends.	Adoption relief	
NZ CS 3, 52-53	GHG emissions methods, assumptions, limitations and uncertainties.	44	63 - 72 (Appendix 2)
NZ CS 3: 54	Explanation for any base year GHG emissions restatements.	44	11 (Operational emissions) 73 (Appendix 3)
Assurance of GHG emissions			
NZ CS 1: 25 and 26(a)-(d)	Assurance of GHG emissions disclosures.		75 - 76
Adoption provisions			
NZ CS 2: 23	Adoption provisions relied on.		60
Statement of compliance			
NZ CS 3: 55	Statement of compliance with Aotearoa New Zealand Climate Standards.	25	

1. Identifies instances where climate-related information is included in this Sustainability Report outside of the Climate-related Disclosures on pages 24 to 48.

Appendix 2 – Greenhouse Gas Emissions Inventory Criteria

Table 1: The Warehouse Group FY25 Organisational Boundary

ENTITY NAME	LOCATION	OPERATIONAL CONTROL	EMISSIONS SOURCE/SINK
1-Day Liquor Limited	New Zealand	Yes	No (non-trading entity)
Bond and Bond Limited	New Zealand	Yes	No (non-trading entity)
Boye Developments Limited	New Zealand	Yes	No (non-trading entity)
ChocolateWorks NZ Limited	New Zealand	Yes	Yes
Eldamos Investments Limited	New Zealand	Yes	Yes
Eldamos Nominees Limited	New Zealand	Yes	No (non-trading entity)
Lincoln West Limited	New Zealand	Yes	No (non-trading entity)
Farran (Nine) Limited	New Zealand	Yes	No (non-trading entity)
Noel Leeming Limited	New Zealand	Yes	No (non-trading entity)
Noel Leeming Finance Limited	New Zealand	Yes	No (non-trading entity)
Noel Leeming Financial Services Limited	New Zealand	Yes	No (non-trading entity)
Noel Leeming Furniture Limited	New Zealand	Yes	No (non-trading entity)
The Book Depot Limited	New Zealand	Yes	No (non-trading entity)
The Market.com Limited	New Zealand	Yes	No (amalgamated non-trading entity)
The Warehouse Group Limited	New Zealand	Yes	No (holding company)
The Warehouse Limited	New Zealand & Bangladesh	Yes	Yes
The Warehouse Card Limited	New Zealand	Yes	No (non-trading entity)
The Warehouse Group Support Services Limited	New Zealand	Yes	No (non-trading entity)
The Warehouse Investments Limited	New Zealand	Yes	No (non-trading entity)

Appendix 2 – (continued)

Table 1: The Warehouse Group FY25 Organisational Boundary

ENTITY NAME	Location	Operational Control	Emissions Source/Sink
The Warehouse Management Trustee Company Limited	New Zealand	No	No
The Warehouse Management Trustee Company Limited No. 2	New Zealand	No	No
The Warehouse Nominees Limited	New Zealand	Yes	No (non-trading entity)
The Warehouse Planit Trustees Limited	New Zealand	No	No (non-trading entity)
TWGI Operations Limited	New Zealand	No	No (non-trading entity)
TWGA Pty Limited	Australia	No	No (non-trading entity)
TW House Sourcing Private Limited (India)	India	Yes	Yes
TWL Australia Pty Limited	Australia	Yes	No (non-trading entity)
TWP No.1 Limited	New Zealand	Yes	No (non-trading entity)
TWP No.4 Limited	New Zealand	Yes	No (non-trading entity)
TWP No.5 Limited	New Zealand	Yes	No (non-trading entity)
Warehouse Stationery Limited	New Zealand	No	No (non-trading entity)

Appendix 2 – (continued)

TABLE 2 : FY25 GHG AND GWP EMISSIONS SOURCES INCLUDED

The Group has sourced emissions from Toitū Envirocare using the relevant Ministry for the Environment (MfE) 2025 emission factors. The table below describes our methodology, estimates, limitations, and instances where we have relied on other emission factors. These factors include BraveTrace's Residual Supply mix factor, LNG and biomethane mix shipping fuel, supplier emission factors, or 2025 MfE emissions factors. Table 4 details the exclusions to our methodology and Inventory.

GHG PROTOCOL CATEGORY	EMISSIONS SOURCE	METHODOLOGY, ESTIMATES AND LIMITATIONS
Scope 1	Mobile Combustion – Fleet Fuel (Petrol and Diesel) Stationary Combustion – LPG and diesel Fugitive Emissions – Refrigerant Gas	**Mobile Combustion** Monthly invoices and reports from our fleet management supplier using fuel. The Group has a mixture of light passenger vehicles that our store support and regional managers use, light commercial vehicles, primarily for our tech solutions for Noel Leeming, and group fleet vehicles for the delivery of Noel Leeming whiteware. 2025 MfE Mobile Combustion Emission factors for petrol premium, diesel and petrol regular have been applied to these emissions. We have a high level of confidence in this data. **Stationary Combustion** Monthly Diesel and LPG exchange cylinder reports, conversion made from litres for relevant fuel type to tCO_2e. The assumption that supplier reports are complete and accurate. These are for equipment such as forklifts and straddles. We also get diesel reports relating to diesel consumed in order to run stores (pump systems etc). 2025 MfE Stationary Combustion Emissions factors for LPG and Diesel have been applied to these emissions. We have a medium level of confidence in this data from our supplier. **Refrigerants** The HVAC systems in our stores and sites are regularly maintained by external contractors, who report the refrigerant top-ups. There is some level of uncertainty as the kilograms of refrigerant added is measured. Refrigerants used include HCFC-22 (R-22, Genetron 22 or Freon 22), HFC – 32, R-407C, R-410A, R-438A. AR5 GWP100 factors sourced from 2025 MfE have been applied. We have a medium level of confidence in this data.
Scope 2	Purchased electricity	A third-party energy management company carries out invoice verification checks for our monthly electricity bills and raises billing, charge, and consumption alerts as part of the import process. Our supplier also provides a consolidated summary with total consumption and cost to help reconcile the entry with the supplier's PDF invoice. We have two stores, where landlords manage electricity consumption, and our finance team manages billing and verification on a monthly basis. Some of our sites are on non-time of use meters; assumptions have been made for months where the bills have not come in time for reporting on their consumption. Overall, we have a medium level of confidence in this data. **Location based Emissions** The monthly electricity invoicing and reports provided to the Group are used to derive full-year consumption and converted to tCO_2e. The emission factor applied to the location-based emissions for the Group was sourced from Toitū Envirocare using the MfE 2025 purchased grid-average electricity – calendar quarters. If quarterly electricity emissions factors are not available for a specific quarter, the quarterly emissions factor for the same quarter in the previous year is used as a proxy. **Market-based Emissions** The emissions factor applied to the Market-based emissions for the Group base year was sourced from Toitū Envirocare and aligns to the Residual Supply Factor (kg CO_2-e/MWh) sourced from BraveTrace, released in August 2024 (version 20). 48,001 NZEC's Renewable energy certificates, which are maintained by BraveTrace, have been applied to our FY25 Market-based Emissions. The NZEC's reduced our Scope 2 Market-based emissions by 5,444.57 tCO_2e.This was calculated using an annual average of the Residual Supply Factor sourced from BraveTrace (113.47 kg CO_2-e/MWh for the 2024/2025 production year). We were not able to calculate reductions using the monthly equivalent emission factor due to functionality limitations in our inventory management system meaning we were not able to amend this calculation. We believe this overstatement is immaterial and impacts our Scope 2 Market-based emissions by <1%

Appendix 2 – (continued)

TABLE 2 : FY25 GHG AND GWP EMISSIONS SOURCES INCLUDED (continued)

GHG PROTOCOL CATEGORY	EMISSION SOURCE	METHODOLOGY, ESTIMATES, AND LIMITATIONS
Scope 3: Category 3	Fuel and Energy related Activities	**Transmission and Distribution Losses** This is the same methodology as Scope 2 emissions; however, the equivalent T&D loss emission factor is applied using MfE's 2025 emission factors. We have a medium level of confidence in this data as it relies on the accuracy of our Scope 2 data. **Fleet (EV charging)** Monthly invoices and reports from our fleet management supplier using used fuel for our electric and hybrid passenger fleet. We apply the location-based emission factor for purchased electricity using the MfE 2025 purchased grid-average electricity – calendar quarters. If quarterly electricity emissions factors are not available for a specific quarter, the quarterly emissions factor for the same quarter in the previous year is used as a proxy. Our supplier is highly confident in this data.
Scope 3: Category 4	Upstream Transportation & Distribution	The Group has three different ways we track Upstream Transportation. These relate to the different ways the freight is handled. These are: • FOB (Free on Board). This is freight where the supplier is responsible for the goods until they are loaded onto a ship or a plane. This is common stock for The Warehouse and The Warehouse Stationery. • FID (Free into Distribution Centre). This is freight where the supplier is responsible for the goods until they are delivered to one of our DCs. • FIS (Free into Store). This is freight where the supplier is responsible for the goods until they are delivered into a store. This is common for Noel Leeming stock. For FOB we calculate international freight emissions for products and the domestic freight emissions for these products as they move to our Distribution Centres (DC) and stores. For FID and FIS, we calculate the associated freight from the point we order the stock. For example, if a washing machine is purchased FIS for Noel Leeming, we calculate the freight from the location of the washing machine when we order it, through to its delivery in store. Previously FID and FIS were not included within our organisational boundary, however, while we are technically not responsible for the products at this stage, we believe this method more accurately accounts for our true operational footprint. Suppliers provide us with freight reports monthly. Our freight reporting has significant uncertainties and limitations. These are primarily due to the bespoke methodologies between suppliers and the limited visibility on all freight movements within our value chain. We will continue to work with our suppliers to understand and address these issues. Each supplier's data and emissions calculations rely on various assumptions, methods, and limitations. They also use different approaches to determining the underlying quantity/activity data, which can vary in availability, support, and quality. **International Sea and Air Freight Suppliers** Our International Freight forwarder suppliers send us monthly tonne/km reports, which we use to derive full-year consumption and convert to tCO_2e. We have a high level of confidence in this data. The 2025 MfE emission factors for Freight Air travel short and long haul and Freight Shipping bulk carrier have been applied to the inventory depending on the mode of transport. This excludes shipping containers that have used the fossil-based LNG and biomethane mix factor, as described below. We also continued to work with our sea freight partners to purchase a fossil-based LNG and biomethane mix, with a guarantee of origin shipping fuel. This is a mass-balance mechanism which allows purchase of a lower emission fuel mix, even though the physical fuel used for our actual shipments may not be the same fuel or mix. This fuel can reduce the emissions generated by the transport of sea shipping containers by up to 25% of well-to-wake emissions. Well-to-wake emissions include all marine fuel upstream and downstream emissions, including fuel production, delivery, and use on board ships. The guarantee of origin declarations meets the requirements of the Clean Cargo Working Group and ISO standards 14020/14021/14067 and allow the relevant CO_2e reductions to be associated with our shipments. These documents are sent to us on a quarterly basis and are verified against our International Sea Freight movements.

Appendix 2 – (continued)

TABLE 2 : FY25 GHG AND GWP EMISSIONS SOURCES INCLUDED (continued)

GHG PROTOCOL CATEGORY	EMISSION SOURCE	METHODOLOGY, ESTIMATES, AND LIMITATIONS
Scope 3: Category 4	Upstream Transportation & Distribution	**NZ Ports** We rely on the monthly emissions calculations from our South Island port using both road and rail freight. This calculation includes container movements at the terminal, traveling to the midland port, unloading the stock at the Midland Port, reverse travelling to our South Island distribution centre, unloading of stock at the South Island distribution centre, and reverse logistics back to the Midland Port. This calculation is based on generally accepted practices and standards when it is prepared. It relies on third-party data and assumptions. Key assumptions include that road transport distances are based on the shortest possible routes and do not include deviations and assume full container weight of 16t and empty container weight of 2.5t. We have a high level of confidence in these calculations. **Domestic Road, Rail, and Sea Freight** We work with different Road, Rail, and Sea Freight suppliers to transport our freight from the holding park in Auckland, and Midland Port in Christchurch to our distribution centres and stores. Two of these suppliers provide us with monthly reports using tonnes/km per trip, which we convert into tCO_2e. When the trip involves travel over the Cook Strait, and the supplier has not calculated this, an additional 97.6km is assumed. We have a medium confidence level in this data as we have limited information on the exact stock in each trip and the suppliers' own assumptions in preparing these reports. 2025 MfE emission factors for Long-haul heavy trucks, urban heavy trucks, all trucks and inter-island ferries have been applied. One supplier provides us with monthly emission calculations. They assume crossing the Cook Strait is equivalent to 96.304 km. Emission sources include long haul heavy trucks, urban delivery heavy trucks, and all truck tonnes/km converted to tCO_2e. Emission factors are sourced from 2025 MfE emission factors. They have provided us with a clear methodology. We have a medium level of confidence in this data. One supplier uses fuel usage for each route/mode and divides the usage by emission factor sourced from the 2025 MfE Emissions guide to get the total carbon emission. The total carbon emission is then divided by its capacity to get the carbon per tonne. This figure is then used by the monthly km for that route to get the tonnes of carbon emissions per month. We have a medium level of confidence in this data as we have limited information on suppliers' assumptions in preparing these reports. **Last Mile Road Freight** We receive reports from one of our suppliers about bulk item deliveries to our customers. Our supplier provides us with monthly reports using tonnes/ km per trip we convert this into tCO_2e. We have a medium level of confidence in this data. 2025 MfE emissions factors for Freight Road trucks have been applied. **Non-Trade Procurement Freight** For non-trade procurement freight not covered in the above, our supplier provides us with reports with the weight, distance and pre-calculated CO_2e of the freight. We have a medium level of confidence in this data as we are unable to see the transaction data for this.
Scope 3: Category 5	Waste Generated in Operations	The data is reported monthly by waste collection providers who weigh the bins as they are collected and then provide monthly reports with the weight of collections stated in kilograms or tonnes. This is converted to tCO_2e. Some assumptions have been based on store waste profiles from sites where it has yet to be possible to get supplier reports. Construction waste is currently included in this Inventory. We use emissions factors specific to the landfill site our waste is sent to. Five of these emission factors have been sourced from the 2023 MfE Gazette Notice of Approval of Unique Emissions Factors. The remainder use the 2024 MfE emissions factors. Our methodology has some limitations as we have had to make assumptions about the exact landfill site our waste is sent to in a few of our regions. We have a medium level of confidence in this data. We also report on waste from a chocolate factory which is part of the Group's organisational boundary. We get reports with the number of bin pickups and the size of the bin. We have had to assume the weight of the bin as this is not provided. We have taken a conservative approach to this, so it is likely this number is overestimated. This uses the 2024 MfE emissions factors. We have a low level of confidence in this data given the level of estimation required.

Appendix 2 – (continued)

TABLE 2 : FY25 GHG AND GWP EMISSIONS SOURCES INCLUDED (continued)

GHG PROTOCOL CATEGORY	EMISSION SOURCE	METHODOLOGY, ESTIMATES, AND LIMITATIONS
Scope 3: Category 6	Business Travel	**Flights** The Group uses a flight booking agency to book all travel. A monthly report is provided that includes flight information, including distance travelled, flight type (short/long haul), and cabin class. These are used to calculate the emissions. The data sources are considered reliable. We have a high level of confidence in this data. 2024 MfE emissions factors for domestic, long-haul and short-haul business air travel have been applied. Specific cabin class factors were also applied for long and short haul travel. **Hotels** The reports for accommodation include location (city and country), the service provider, date travelled, room type, and pre-calculated $kgCO_2e$. The data sources are considered reliable. We have a high level of confidence in this data. The emissions factor relevant to the applicable country is applied. Where no data is available, the New Zealand room rate is applied which is derived from 2024 MfE emission factors. **Rental Vehicles** The rental vehicle report includes location, travel date, service provider, vehicle type and estimated mileage. We have a medium level of confidence in this data as the mileage is estimated rather than actual. The travel booking agency have specific emissions factors for each car type (at a mode level – e.g. electric). We retain a copy of their calculation methodology. **Private Vehicles** When our team members travel in their private vehicles, their km travelled is converted into tCO_2e. This assumes accurate record-keeping by team members. We have a high level of confidence in this data. The 2024 MfE emissions factors for car average, unknown fuel type have been applied. **Other Sources** This FY we have also started reporting on business travel for several other entities that sit under the Group's operational control. Given this is the first year these entities have reported this data, we have low confidence in this data but we are working to improve this for FY26. The same emissions factors as above have been applied.
Scope 3: Category 9	Downstream Transportation & Distribution	We use a supplier calculation for products couriered to our customers from online sales. We are provided a monthly breakdown of carbon emissions across parcels, pickup, processing, transportation, and delivery, and the total emissions is divided by the volume of parcels to calculate average emissions per parcel. This report produces a customer profile emissions report associated with GHGs and is verified by Toitū Envirocare. The report is produced with an independently verified data methodology for a transport measurement of delivery services' environmental impact, and the data is suitable for auditing an ISO 14064-1:2018 and GHG Protocol inventory. We have a high level of confidence in this data.
Scope 3: Category 13	Downstream Leased Assets	The Group has 14 EV DC/fast chargers that we offer as a service to customers. Prior to January 2025 they were offered for free to customers, and as such all consumption before this date has been included in our Scope 2 emissions. We have a high level of confidence in this data. The emissions factors rules apply as for Scope 2: Purchased Electricity.

Appendix 2 – (continued)

TABLE 3: FY25 SCOPE 1 & LOCATION-BASED SCOPE 2 GHG GASES BREAKDOWN

Unless otherwise stated New Zealand MfE 2025 Emission Factors Workbook (released May 2025) has been used to support calculations.

	Total	GHG CO_2 EQUIVALENTS						GHG Mass					
Emissions [1,2,3]	t CO_2-e	CO_2 (t CO_2-e)	CH_4 (t CO_2-e)	N_2O (t CO_2-e)	SF6 (t CO_2-e)	HFCs (t CO_2-e)	PFCs (t CO_2-e)	CO_2 (t)	CH_4 (t)	N_2O (t)	SF6 (t)	HFCs (t)[4]	PFCs (t)
Scope 1: Direct emissions and removals													
Diesel - Stationary [5]	26.77	26.61	0.10	0.06	-	-	-	26.61	0.004	0.0002	-	-	-
Diesel - Transport [6]	1,371.02	1,349.70	2.05	19.13	-	-	-	1,349.70	0.073	0.072	-	-	-
Petrol - premium [7]	20.60	19.75	0.26	0.60	-	-	-	19.75	0.009	0.002	-	-	-
Petrol - regular [7]	98.60	94.46	1.26	2.88				94.46	0.045	0.011			
LPG - Mobile [8]	555.90	540.47	15.05	0.45	-	-	-	540.47	0.537	0.002	-	-	-
R-410A[9]	548.97	-	-	-	-	548.97	-	-	-	-	-	0.285	-
R-22 (HCFC-22)[10]	115.57	-	-	-	-	115.57	-	-	-	-	-	0.066	-
HFC-32[11]	49.65	-	-	-	-	49.65	-	-	-	-	-	0.073	-
R-407C[12]	267.99	-	-	-	-	267.99	-	-	-	-	-	0.165	-
R-438A[13]	20.59	-	-	-	-	20.59	-	-	-	-	-	0.009	-
Total Scope 1	**3,075.66**	**2,037.02**	**18.64**	**22.72**	**-**	**1,002.77**	**-**	**2,037.02**	**0.666**	**0.086**	**-**	**0.598**	**-**
Scope 2: Indirect emissions from imported energy (Location-based)													
Purchased Electricity [14]	7,450.31	7,242.45	201.31	14.01	-	-	-	7,242.45	7.19	0.053	-	-	-
Total Scope 2	**7,450.31**	**7,242,45**	**201.31**	**14.01**	**-**	**-**	**-**	**7,242.45**	**7.19**	**0.053**	**-**	**-**	**-**
Total (Scope 1 + 2)	**10,525.97**	**9,279.47**	**219.95**	**36.73**	**-**	**1,002.77**	**-**	**9,279.47**	**7.856**	**0.139**	**-**	**0.598**	**-**

Appendix 2 – (continued)

TABLE 3: FY25 SCOPE 1 & LOCATION-BASED SCOPE 2 GHG GASES BREAKDOWN (continued)

Supporting Notes

Note: Component breakdowns (CO_2, CH_4, N_2O) may not sum exactly to totals due to rounding in emission factor disaggregation. The stated emission factors are rounded to 5 decimal places; calculations use more precise values. GHG masses calculated using GWP values: CO_2 = 1, CH_4 = 28, N_2O = 265 (MfE 2025), refrigerants as per notes 9–13.

1. **Scope of reporting is New Zealand only.** Emissions from sourcing offices in India, China and Bangladesh have been excluded, totalling 87.81 t CO_2-e (Scope 2 electricity) and 13.35 t CO_2-e (Scope 1 petrol usage in Shanghai). The combined exclusion of 101.16 t CO_2-e represents less than 1% of total Group emissions. Including these would require different emission factors for each country's electricity grid and fuel specifications, adding complexity without material impact on the overall inventory. Future reporting may incorporate these emissions as data collection systems mature.
2. **Biogenic emissions:** The Group does not produce any biogenic emissions of CO_2 from the combustion or biodegradation of biomass.
3. **NF_3 (Nitrogen trifluoride):** Not included as this gas is not relevant to the Group's operations.
4. **HFC totals:** Individual HFC masses calculated by dividing CO_2-e by respective GWP values. Total HFC mass = 0.598t representing sum of all refrigerant types (R-410A, R-22, HFC-32, R-407C, R-438A).
5. **Diesel - Stationary emissions:** Based on MfE 2025 Emission Factors Workbook, 'Fuel' worksheet, stationary combustion section. Total emission factor: 2.680 kg CO_2-e/litre. Breakdown per litre:
   - CO_2: 2.66381 kg (99.39%)
   - CH_4: 0.01024 kg CO_2-e (0.38%)
   - N_2O: 0.00581 kg CO_2-e (0.22%)

Total consumption: 9.99 kL. Calculation: 26.77 t CO_2-e ÷ 2.680 kg CO_2-e/L = 9,989 L.

6. **Diesel - Transport emissions:** Based on MfE 2025 Emission Factors Workbook, 'Fuel' worksheet, transport section. Total emission factor: 2.681 kg CO_2-e/litre. Breakdown per litre:
   - CO_2: 2.6393 kg (98.45%)
   - CH_4: 0.0040 kg CO_2-e (0.15%)
   - N_2O: 0.0374 kg CO_2-e (1.40%)

Total consumption: 511.38 kL. Calculation: 1,371.02 t CO_2-e ÷ 2.681 kg CO_2-e/L = 511,383 L.

7. **Petrol emissions profile:** Based on MfE 2025 Emission Factors Workbook, 'Fuel' worksheet, transport section.
   - Regular Petrol (2.383 kg CO_2-e/litre): CO_2 2.2831 (95.80%), CH_4 0.0304 (1.27%), N_2O 0.0696 (2.92%)
   - Premium Petrol (2.423 kg CO_2-e/litre): CO_2 2.3213 (95.82%), CH_4 0.0308 (1.27%), N_2O 0.0706 (2.91%)
8. **LPG - Mobile emissions:** Based on MfE 2025 Emission Factors Workbook, 'Fuel' worksheet, transport section. Total emission factor: 1.618 kg CO_2-e/litre. Breakdown per litre:
   - CO_2: 1.5731 kg (97.23%)
   - CH_4: 0.0438 kg CO_2-e (2.71%)
   - N_2O: 0.0013 kg CO_2-e (0.08%)

Total consumption: 343.57 kL. All LPG usage is for mobile equipment (forklifts). Calculation: 555.90 t CO_2-e ÷ 1.618 kg CO_2-e/L = 343,572 L.

9. **R-410A (GWP = 1,924):** Calculated mass = 548.97 ÷ 1,924 = 0.285t. This refrigerant is a 50/50 blend of HFC-32 and HFC-125.
10. **R-22/HCFC-22 (GWP = 1,760):** Calculated mass = 115.57 ÷ 1,760 = 0.066t.
11. **HFC-32 (GWP = 677):** Calculated mass = 49.65 ÷ 677 = 0.073t.
12. **R-407C (GWP = 1,624):** Calculated mass = 267.99 ÷ 1,624 = 0.165t. Blend composition: R-32 (23%), R-125 (25%), R-134a (52%). Common R-22 replacement.
13. **R-438A (GWP = 2,264):** Calculated mass = 20.59 ÷ 2,264 = 0.009t. Retrofit refrigerant for R-22 systems (also known as MO99). GWP of 2,264 sourced from Allgood & Lawson (2010), "Performance of R-438A in R-22 Refrigeration and Air Conditioning Systems", Purdue University International Refrigeration and Air Conditioning Conference, Paper 1096 based on weighted average of component gases.
14. **Electricity emissions calculation:** Based on MfE 2025 Emission Factors Workbook, 'Purchased energy' worksheet (2024 grid average). Total emission factor: 0.101 kg CO_2-e/kWh. Breakdown:
    - CO_2: 0.09820 kg CO_2-e/kWh (97.23%)
    - CH_4: 0.00273 kg CO_2-e/kWh (2.70%)
    - N_2O: 0.00019 kg CO_2-e/kWh (0.19%)

Appendix 2 – (continued)

TABLE 4: FY25 GHG AND GWP EMISSIONS SOURCES EXCLUDED

GHG PROTOCOL CATEGORY NUMBER	GHG PROTOCOL CATEGORY NAME	FULL OR PARTIAL EXCLUSIONS OF GHG EMISSIONS AND RATIONALE
Scope 1	Direct emissions	No notable exclusions from this year's inventory. **Biogenic Emissions** The Group does not produce any biogenic emissions of CO2 from the combustion or biodegradation of biomass.
Scope 2	Indirect emissions associated with the purchase of electricity	No notable exclusions from this year's inventory.
Scope 3 Upstream Emissions		
1	Purchased goods & services	Full exclusion from inventory. Reliable calculation of emissions not available. Work is underway to determine these emissions.
2	Capital goods (e.g. plant, property & equipment).	Full exclusion from inventory. Reliable calculation of emissions not available. Work is underway to determine these emissions.
3	Fuel – and Energy-related activities	Emissions from company fleet EV home charging are currently excluded due to limited access to reliable and consistent data across users. We expect this to be immaterial.
4	Upstream Transportation & Distribution	**Notable exclusions:** • Reverse logistics of empty containers and trucks once the product has been delivered to one of our sites. • Inter-store transfers for The Warehouse, Warehouse Stationery and Noel Leeming. • Emissions from unloading containers at the Ports of Auckland. • We are aware that some of our stores and Store Support Office organise their own couriers from time to time and we have limited visibility over this. Work is underway to quantify these emissions. • Immaterial international freight that is outside of our main freight forwarding supplier. This freight exclusion is considered immaterial. Work is underway with our suppliers and internal teams to further improve freight data quality and completeness. • Freight to and from our overseas Sourcing Offices and a chocolate factory that sits under the Group has been excluded due to data quality issues or missing datasets. Work is underway to capture this from FY26.
5	Waste Generated in Operations	Recycling waste is not included in our GHG inventory and is excluded from our boundary of measurement. Waste from overseas Sourcing Offices has also been excluded due to data quality or completeness issues. Work is underway to include this from FY26.
6	Business Travel	No notable exclusions from this year's inventory.
7	Employee commuting	Full exclusion from Inventory. Reliable calculation of emissions not available. Work has started to determine these emissions.

Appendix 2 – (continued)

TABLE 4: FY25 GHG AND GWP EMISSIONS SOURCES EXCLUDED (continued)

GHG PROTOCOL CATEGORY NUMBER	GHG PROTOCOL CATEGORY NAME	FULL OR PARTIAL EXCLUSIONS OF GHG EMISSIONS AND RATIONALE
8	Upstream leased Assets	There are some sites where landlords manage HVAC and other power sources for facilities (including diesel for the sprinkler pumps), and these are currently excluded from our inventory. There are also landlord-controlled sites with lighting in shared spaces (such as carparks or mall hallways). We do not have any control over this power consumption and in most instances, this power is charged to us as part of a bundle with other expenses, meaning we do not have the consumption data. Work has started to determine these emissions.
Scope 3 – Downstream Emissions		
9	Downstream freight	We do not include courier emissions from sales made by Marketplace merchants through our online platforms, as we are not the seller of record and do not own, store, or dispatch these products. These emissions fall within the value chains of the third-party sellers. Some emissions were incorrectly included in our FY23 inventory in relation to orders we fulfilled on behalf of third-party merchants. These emissions have been removed from our restated inventory. Emissions associated with operating the platform itself (e.g. outsourced hosting or cloud services) would typically fall under Scope 3, Category 1 or 2, but are currently excluded (see above). There is a gap with store-to-store freight not being recorded accurately. We are working on improving this for FY26.
10	Processing of sold products	Not applicable.
11	Use of sold products	Full exclusion from inventory. Reliable calculation of emissions not available. Work is underway to determine these emissions.
12	End-of-life of sold products	Full exclusion from inventory. Reliable calculation of emissions not available. Work is underway to determine these emissions.
13	Downstream leased assets	No notable exclusions from this year's inventory.
14	Franchises	Not applicable
15	Investments	Not applicable

Appendix 3 – The Warehouse Group Base Year Recalculation policy

The Group has agreed its Base Year Recalculation Policy, as follows:

1. Purpose

Aligned with the GHG Protocol, this policy ensures The Warehouse Group consistently tracks emissions over time. We will recalculate our emissions base year when structural, methodological, or boundary changes materially affect our greenhouse gas inventory. This approach enables accurate and meaningful comparisons of emissions across reporting years.

2. Scope

Applies to the Group-wide emissions reporting (Scope 1, Scope 2, and Scope 3) including any carbon-related targets (e.g. emissions reduction targets, KPIs tied to financing).

3. Recalculation Triggers

We will reassess and potentially restate the base year when significant changes occur in any of the following areas:

- **Structural changes:** mergers, acquisitions, divestments, joint ventures, outsourcing or insourcing.
- **Methodological changes:** improved emission factors, data accuracy, or inventory compilation methods.
- **Boundary adjustments:** expansion or contraction of operational or organisational reporting boundaries.

Given that Scope 3 makes up the majority of the Group's footprint and is inherently more complex to measure, we expect periodic recalculations and refinements will be required as data quality improves.

4. Materiality & Governance

- **≥5% impact:** If structural, methodological or boundary changes result in the Group Scope 1 and 2 or the Group Scope 3 emissions changing by ≥ 5 %, then the base year inventory will be recalculated and restated. This threshold aligns with GHG Protocol guidance indicating material impact.
- **<5% impact:** If the impact is less than 5%, the Group may still choose to recalculate, with decisions made by the GM Sustainability and Ethical Sourcing in consultation with the Group's Operational Sustainability Committee (OSC) and the Board's Environmental and Social Sustainability (ESS) Committee.

Timing

- All recalculations will be finalised at year end.
- Updated base year inventories (and any restated prior years) will be published alongside the Group's annual Climate-related Disclosures.

6. Recalculation Approaches

Depending on the scale of changes:

- **Full restatement:** Recalculate emissions for base year and intervening years when changes are substantial.
- **Rolling rebase:** For transformational events (e.g. large acquisition), the base year may be updated to a more current year.
- In all cases, we will apply consistent methodologies across baseline and reporting years to maintain comparability.

7. Transparency & Communication

Any recalculation, especially baseline resets, will be clearly communicated to internal and external stakeholders.

We will explain the driver of the change (structural, methodological, or boundary), quantify its impact on emissions, and disclose updated emissions figures.

8. Oversight & Review

- The Group's Climate Change Manager will annually assess changes against the 5% threshold.
- The OSC will review significant recalculations and discuss with the ESS Committee.
- Management will document decisions, assumptions, and calculations supporting any change.
- This policy is reviewed annually, or upon material change in business operations, methodology, or regulatory guidance.

July 2025

Appendix 4 – Initiatives and Associations

Listed below are the external economic, environmental or social initiatives to which the Group subscribes, and the main associations and national or international advocacy organisations of which the Group is a member.

Area	Initiatives	Associations/Memberships
Environmental	• Climate Leaders Coalition • Toitū Envirocare Carbonreduce (FY25 only) • NZ Soft Plastics Recycling Scheme • TechCollect NZ • NZ Plastic Packaging Product Stewardship Scheme Steering Group (General Retail Sector Representative) (FY25 only) • Retail NZ Sustainability Working Group	• Sustainable Business Council (SBC) • WasteMINZ • The Packaging Forum
Human Resource		• HRNZ • ServiceIQ • Rainbow Tick
Product Sourcing & Development	• Australasian Recycling Label (ARL) • Forest Stewardship Council • Rainforest Alliance • Cruelty Free International	• New Zealand Business Round Table in China (NZBRiC) • Australian Packaging Covenant Organisation (APCO) • Better Cotton Initiative
Other	• Vocational Education with Services Workforce Development Council (WDC) • Vocational Education training through Te Pukenga • MBIE – Future of Work	• Retail NZ • NZ Marketing Association

Appendix 5 – Independent Limited Assurance Report

To the Stakeholders of The Warehouse Group Limited ("TWG")

Limited Assurance Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe the energy consumption/intensity, Scope 1, 2 and 3 greenhouse gas (GHG) emissions and waste disclosures ("Subject Matter Information"), including associated methods, assumptions, and estimation uncertainty, presented in The Warehouse Group Sustainability Report 2025 ("the Report"), is 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

Bureau Veritas (New Zealand) Limited ("Bureau Veritas") has undertaken a limited assurance engagement over the Subject Matter Information as presented in the table below, covering the reporting period from 29 July 2024 to 3 August 2025 (FY25). In addition to the FY25 GHG emissions, our engagement also encompassed Scope 1 and 3 emissions for FY24 and FY23, specifically due to recalculations made to previously reported metrics. More detailed information is available in the following section "Emphasis of Matter".

Subject matter information	Page reference	Reporting criteria
Energy Consumption within the Organisation	p.47	GRI 302-1 (e): Energy 2016
Energy intensity	p.47	GRI 302-3 (a): Energy 2016
Direct (Scope 1) GHG emissions	p.46, 69 and 70	GRI 305-1, 2, 3: Emissions 2016, Aotearoa New Zealand Climate Standards (NZ CSs), and GHG Protocol Corporate Accounting and Reporting Standard (Revised Edition) (2015)
Energy indirect (Scope 2) GHG emissions	p.46, 69 and 70	
Other indirect (Scope 3) GHG emissions	p.46	
Reduction of GHG emissions	p.46	GRI 305-5: Emissions 2016
Waste generated	p.11	GRI 306-3: Waste 2020
Waste diverted from disposal	p.11	GRI 306-4 (a) and (c): Waste 2020
Waste diverted to disposal	p.11	GRI 306-5 (a) and (c): Waste 2020

Our assurance engagement does not extend to any other information included in the Report or information in respect of earlier periods. We have not performed any procedures with respect to the excluded information and, therefore, no conclusion is expressed on it.

Emphasis of Matter

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

1. Please refer to "Appendix 2 - Greenhouse Gas Emissions Inventory Criteria" presented on page 63–72 of the Report for organisational boundary, methodology, estimate and limitations.
2. The assurance procedures applied to FY24 and FY23 were limited in scope and focused solely on the recalculation of Scope 1 GHG emissions, as well as Scope 3 emissions under Category 4 (upstream transportation and distribution) and Category 6 (business travel). These recalculated figures are based on, and rely in part upon, the original calculations previously assured by the former assurance provider. Our procedures did not include a re-performance of the prior assurance work, but rather an assessment of the accuracy and appropriateness of the recalculations made.
3. The assurance for GRI 305–5: Reduction of GHG emissions is based in part on prior calculations assured by the former provider. Our procedures did not include re-performing the assurance of the base year emissions.

TWG's Responsibility

Management of TWG 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 is free from material misstatement whether due to fraud or error.
- Advising us of any known or suspected issues related to the Subject Matter Information.

Inherent Uncertainty in preparing GHG disclosures

As discussed on page 65–68 of the Report, 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.

Our Responsibilities

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 TWG.

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

Appendix 5 – Independent Limited Assurance Report (continued)

Summary of Work Performed

Our limited assurance engagement on the energy consumption and GHG emissions was conducted in accordance with NZ SAE 1 Assurance Engagements over Greenhouse Gas Emissions Disclosures issued by the External Reporting Board (XRB) and ISAE NZ 3410 Assurance Engagements on Greenhouse Gas Statements issued by the International Auditing and Assurance Standards Board (IAASB).

In addition, our limited assurance engagement on the waste metrics was conducted in accordance with ISAE 3000 Assurance Engagements other than Audits or Reviews of Historical Financial Information issued by the XRB 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.
- Enquiries of TWG representatives to gain an understanding and evaluate implementation of processes, systems and internal controls to collect, aggregate, calculate, analyse and report the Subject Matter Information.
- Enquiries of personnel responsible for the performance of the processes and preparation of the Subject Matter Information.
- Review of documentary evidence produced by TWG 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 TWG'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.
- Review 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 responsive testing.

Consequently, the level of assurance obtained in a limited engagement is substantially lower than a reasonable assurance. 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 TWG.
- Statements of position, opinion, belief and/or aspiration by TWG.
- 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 TWG, 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

26th September 2025

Bureau Veritas

Jeremy Leu

General Manager, Perth, Australia

THE WAREHOUSE GROUP