



Sustainability Review

AND CLIMATE-RELATED DISCLOSURES FY25



About this report

Summerset's *Sustainability Review and Climate-related Disclosures FY25* covers our sustainability performance and activities for the 12 months from 1 January 2025 to 31 December 2025, unless otherwise stated. Prior sustainability reviews (including our first two climate-related disclosures) can be found on our website here.

This report is a record of our work towards reducing our impact on the environment, society and the economy, guided by our Sustainability Framework and our ten-year Strategic Plan. Questions about the report can be directed to investor.relations@summerset.co.nz

Statement of Compliance

Summerset Group Holdings Limited is a climate-reporting entity (CRE) under the Financial Markets Conduct Act 2013. This report contains the group climate statements for Summerset Group Holdings Limited and its subsidiaries (Summerset) for FY25. These disclosures have been prepared in compliance with New Zealand Climate Standards (NZ CS 1, NZ CS 2 and NZ CS 3), published by the External Reporting Board.

No adoption provisions have been used by Summerset for this report. A reference table highlighting where in this report our disclosure statements can be found is in Appendix I of this report.

Important Notice / Disclaimer

This report contains current and forward-looking statements about climate change, the impacts of it, and Summerset's response to it. These are based on ever evolving assessments, judgements, assumptions and incomplete data.

Forward-looking statements and opinions (such as those concerning scenarios, anticipated impacts, risks and opportunities, metrics and targets, and transitional activities) in this report should not be relied upon, as actual outcomes may differ materially from what is described.

While Summerset aims to provide accurate information for the year ended 31 December 2025 as at the publication date (27 February 2026), we emphasise that this report and its contents:

- should not be relied upon as guarantees of future performance
- contains no representations, warranties or assurances in relation to any forward-looking statements or opinions
- is not an offer or recommendation to invest in, distribute or purchase financial products nor is the information intended to constitute earnings guidance
- do not constitute legal, financial, investment or tax advice or advice of any other kind
- presents all amounts at face value unless discounting is specifically stated

Future outcomes may differ from the scenarios and assumptions presented in this report due to economic, technological and market factors beyond Summerset's control. For detailed financial performance, please refer to our Financial Statements in our Annual Report FY25.

Key information

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This report was approved by the Board on
26 February 2026



Mark Verbiest
Chair



Fiona Oliver
Director & Chair of the
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Contents

04 CEO AND BOARD INTRODUCTION

07 SUSTAINABILITY HIGHLIGHTS

08 Sustainability snapshot

09 SUMMERSET'S BUSINESS AND STRATEGY

10 Our business model and strategy

13 Climate Action Plan

14 Capital allocation and investment

17 SCENARIOS

18 Scenario analysis

20 Summerset's climate scenarios

24 Risks and opportunities

34 METRICS AND TARGETS

35 Our GHG emissions

38 Key metrics and targets

43 GOVERNANCE

44 Board & Management

46 Risk management

47 APPENDIX

47 Appendix I: NZ CS reference table

49 Appendix II: GHG information

57 Appendix III: GHG assurance

CEO and Board introduction

Welcome to Summerset's Sustainability review and Climate Related Disclosures FY25, for the 12 months ended 31 December 2025.

This report is our fourth sustainability review, and the third report that includes our mandatory climate disclosures. This is an important document for us to provide transparency to our investors, and other stakeholders, on the work we do, as well as the risks, and opportunities, that climate change poses for Summerset.

We are proud of the work we have done to date to improve our environmental, social and governance (ESG) processes for the betterment of our business and for the areas we live, work and operate in.

We have successfully embedded sustainability into our business operations over the last five years and this has allowed us to move faster in FY25 and do more. During 2025 we focused on resilience, delivering tangible and real-world impacts against the risks that climate change poses for us as a business.

Sustainability and ESG practices are now commonplace throughout Summerset's business units and our teams are working collaboratively across multiple projects that impact design, construction and operations. This cross-functional approach is embedded across our portfolio and is central to our transition planning and sustainability strategy.

This year, we accelerated our transition off gas, expanded our renewable energy generation capability, and continued to set new benchmarks in waste minimisation with our construction waste avoidance programme.

We identified resilience as a key focus as we want to be able to ensure that our village communities can operate as independently as possible in the event of

external disruptions, such as major power outages, wherever practicable.

Our achievements have been recognised with industry awards, and our buildings are being celebrated for sustainable design.

Gas transition

We recognise the importance of moving away from natural gas and LPG at our villages, both due to the energy supply risks (in the supply of gas in future as well as the increasing cost) and because of the climate issues the use of gas creates.

In FY25, we made the decision to accelerate our transition away from utility gas, setting a target to remove gas from our remaining 28 villages by 2028. During the year we successfully transitioned seven villages off gas as part of this programme. A small working group is delivering the transition, and funding has been allocated to support this important work over the coming years.

Energy efficiency and renewable energy generation

Solar energy remains a pivotal part of our resilience plan, while at the same time providing tangible benefits to us in terms of reducing our power costs and grid consumption.

This year we rolled out a further 1,500+ solar panels – retrofitting some older villages and in the construction of new buildings. These solar panels are located on our village centre buildings and provide power for resident homes and amenities including the café, pool, indoor cinema, as well as the care centre and serviced apartments.

Our solar panels at our Richmond village saved approximately \$35,000 in electricity costs in their first year of operation, a better return than we'd initially anticipated, and we expect to see similar savings across our other villages.

As well as our village centre buildings, we are looking at options for our independent living residents. In Q4 we

started a resident solar pilot – putting solar panels on a number of villas at our Hobsonville village. We've had strong interest from residents at that village and plan to run the pilot for a year before we assess its suitability to roll out the initiative to more villages.

Waste diversion and embodied carbon

Our construction waste diversion targets remain a continued focus. In 2025 we diverted 5,624 tonnes of construction waste from landfill.

We're looking beyond the construction phase too, and have moved towards reduced embodied carbon



products in our civil works phase. For example, our construction team have sourced underground pipes with less embodied carbon than products we've used previously, increasing the sustainability of our future villages.

Embodied carbon refers to the total greenhouse gas (GHG) emissions associated with the production of a building's materials, from extraction through manufacturing, transportation and construction. We made significant steps in our understanding and reduction of embodied carbon during FY24 and we've continued that into this year. Understanding and minimising embodied carbon is crucial in our efforts to combat climate change and build more sustainable communities.

Our aim is to use 30% reduced embodied carbon concrete product wherever possible in our New Zealand builds. We're also investigating a 37% reduction for parts of the build at our Half Moon Bay village. This reduces our climate impact and, helpfully, is cost-neutral.

This year, we took a significant step forward by measuring the embodied carbon of our typical village centre buildings (these house the care centre, serviced apartments, café and other village amenities) for the first time. Results show a reduction in embodied carbon between the original generation of buildings and the new versions — similar to the improvements we've previously achieved in our standard villa and townhouse building typologies.

While we haven't yet measured all building types, these results reinforce the value of design-led carbon reduction and support our continued work with designers, contractors and suppliers to reduce waste and improve efficiency.

Progress against our targets

We pride ourselves on setting external and internal performance markers that hold us to account. These are stretch goals that ensure we remain focused and,

in some cases, provide us with added benefits if we hit them.

In 2025 we met all of our sustainability-linked lending (SLL) performance targets again. These targets are ongoing dementia care certification and increasing dementia bed provision, reducing emissions intensity per square metre, and diverting construction and demolition waste from landfill. Achieving these has triggered a six basis-points adjustment on our lending and generated approximately \$1.2m in interest savings for us.

Last year, we announced our commitment to a rigorous near-term approved science-based emissions reduction target. This requires a 49% reduction in Scope 1 and 2 emissions intensity per square metre by 2028, using FY22 as our baseline. In FY25 we achieved a 9% reduction toward this target, excluding the use of renewable energy certificates (RECs). We remain focused on delivering this ambitious goal through operational efficiencies, renewable energy procurement, and our targeted decarbonisation initiatives.

Toitū-certified

We have made the decision to transition from Toitū Net Carbon Zero to being Toitū Carbon Reduce certified.

Transitioning to Toitū Carbon Reduce keeps us within the respected Toitū framework, while focusing on verified emissions reduction, rather than offsetting our unavoidable emissions. With our extensive initiatives and investment (most notably in our gas decarbonisation acceleration and our successful solar panel roll out) we believe achieving these goals should be our focus in the coming years. This strategic shift reflects the significant progress we've made in the implementation of our own sustainability initiatives programme and our confidence to continue executing on reducing our emissions intensity as a company.

Summerset has held Toitū Net Carbon Zero certification from 2018 to 2024, during which time we purchased Gold Standard verified carbon credits across a mix of New Zealand and international projects. Our

emissions reporting under Toitū Carbon Reduce will remain independently assured and aligned with our emissions reduction targets and sustainability-linked lending requirements.

Social and Governance

Our focus as a business is creating meaningful social initiatives that support our purpose of bringing the best of life to the more than 9,500 residents who call our villages home. At a village level we have a large number of residents who have embraced sustainability – from food waste minimisation to textile repurposing, creative reuse of household items, and community recycling initiatives like battery and soft plastics collection.

At a company level we have continued to invest heavily in aged care, which is very important to our residents as well as the communities that we work in. Providing modern, high-quality aged care is essential to give older New Zealanders and Australians what they want and need as their health changes.

During FY25 we opened fully refurbished care centres at our Havelock North and Trentham villages as well as completing brand new care centres at Cambridge and our first one in Australia at Cranbourne North in Victoria. We are on track to deliver a further five village centre buildings, all with purpose-built care facilities, in the next 12–18 months at our Waikanae, Whangārei, Milldale, Prebbleton and Blenheim villages.

We also employ more than 3,100 people across New Zealand and Australia and we continually look at how we can provide meaningful career pathways and opportunities for our people to give them every opportunity to be at their best in and out of work.

A key piece of work for the year was our Employee Value Proposition (EVP). This is Summerset's commitment to our people, and our people's commitment to each other, of what they'll give and receive from working with us.

Our EVP is "Together we bring villages to life" and contains four promises – Belong, Impact, Inclusion and



© Smoking ceremony, Summerset Torquay

Growth. No matter what part of the business our people work in they are there to bring our villages to life from the moment we buy land right through to when they are operational.

The EVP will be a marker and goal that we will hold ourselves to over the coming years to ensure we're living up to the promises we've made. For more information on our work to provide greater social sustainability see the "Our people and community" and "Our villages sections" of our Annual Report.

We are very pleased to maintain a consistent and settled governance structure that continues to adapt and change to the growing expectations around ESG accountability

We have a very strong governance structure from our Board down to ensure that we monitor our risks and that we have the appropriate skills and experience to help us to respond to the risks and opportunities that climate change will present in the future. This includes regular reviews of ESG indicators, integration of climate-related risks into strategic planning, and ongoing board-level engagement with sustainability performance.

External recognition

We were honoured to again be recognised by Forsyth Barr in their fourth Carbon & ESG Ratings for NZX-listed companies. Summerset was rated the third-highest NZX-listed company based on their criteria, up from 10th last year. Forsyth Barr again graded Summerset as a "leader" among NZX-listed companies for our ESG work.

The Carbon Disclosure Project (CDP), an internationally recognised disclosure framework that measures businesses' competency against a wide range of climate change measures, has awarded us an A grade this year. This was a significant improvement against the very creditable B rating we achieved in recent years. This rating change recognises our strengthened governance, improved emissions transparency, and progress against our emissions reduction targets. Being an A List company signals global leadership in climate disclosure

and action, and is only achieved by 4% of organisations who disclose to CDP.

Our sustainability work was also recognised by the Institute of Financial Professionals New Zealand (INFINZ), when Summerset won the Corporate ESG category at their 2025 awards.

Work continues

We are very proud of the work we've undertaken to date. Summerset has continued to increase our resilience and contribution to New Zealand and Australia's climate goals.

We believe we're meeting our strategic objective of being a good corporate citizen and positively contributing to every community we work, and our residents live, in. However, we know that sustainability and ESG is an ever-evolving area and we'll continue to challenge our thinking, assumptions and the projects we invest in as well as finding new ways to engage with our residents and to give them opportunities to contribute to our ESG work.

We would like to thank the Summerset team for their dedication to bringing our villages to life. Thank you also to our residents, suppliers, stakeholders and investors for working so collaboratively with us and pushing us to be better.

Scott Scoullar
Chief Executive Officer

Sustainability highlights

07



Sustainability snapshot



91,787 tCO₂e total greenhouse gas emissions from 1 January to 31 December 2025



91% village resident satisfaction and 89% care resident satisfaction



1,500+ solar panels installed across New Zealand and Australia (total solar panels across villages are now 2,700+) and 795 MWh of renewable energy generated and consumed from rooftop solar in FY25



230+ community organisations supported across New Zealand and Australia



31% reduction in gas-use emissions intensity per main building since FY17



43% of our board members are women and 55% of senior management team are women (executive and senior leadership teams)



5,624 tonnes of construction waste diverted from landfill, representing 78% of total waste generated under our construction waste avoidance programme



84% retention of permanent employees, strengthening workforce stability and improving from FY24



100% achieved all three of our sustainability-linked lending performance targets, attracting an interest margin discount



132 ethnic groups represented across our workforce, reflecting broad cultural diversity and inclusion



25% of our gas villages transitioned off utility gas in FY25



2% gender pay gap company wide, -2% across senior management and executives (a negative gender gap indicates women earn more on median)



25 villages host electric vehicles, giving residents access to low-emission transport and trial opportunities



400+ uniform garments recovered for reuse or recycling

Summerset's business and strategy



09

Our strategy

BRINGING THE BEST OF LIFE



ONE TEAM



STRONG ENOUGH TO CARE



STRIVE TO BE THE BEST



Summerset designs, builds, owns and operates retirement villages. The vast majority of the company's villages include care centres providing a continuum of care for residents as their needs change. We currently have 44 villages either completed or in development (40 in New Zealand and four in Australia), with a land bank of ten greenfield sites (seven in New Zealand and three in Australia).

Summerset's purpose is "bringing the best of life". This motivates the products, services and interactions we have with our more than 9,500 residents every day. This purpose is supported by our strategy, split into key areas that have corresponding short- and long-term initiatives. Three key areas that drive ESG work are "Be a good corporate citizen", "become a more efficient and effective business" and "invest in our people".

Sustainability has been a part of the overall vision at Summerset since we first measured our carbon footprint in 2017. We continue embedding sustainability into key business processes and practices to develop and operate villages responsibly. This commitment reflects our vision to create a sustainable future for all—our residents, employees, and communities—and positions Summerset to transition alongside the New Zealand and Australian Governments towards a low-emissions, climate-resilient future.

Transition plan aspects of Summerset's strategy

What is a transition plan?

The Aotearoa New Zealand Climate Standards define a transition plan as part of an entity's overall strategy that outlines its targets, including any interim targets, and the actions it will take to move to a low-emissions, climate-resilient future. Transition planning involves reshaping

and evolving the business model in response to climate-related risks and opportunities.

Summerset's approach

Sustainability is embedded across our entire organisation. Over the past few years, we've been building and refining a circular approach to how we design, build, and manage our environments. This means that we consider sustainability through each part of the process from the start of the village to its operation, and back through as we redesign and redevelop or refurbish the villages we own as they age. This approach informs decisions at every level and connects our strategy with our Climate Action Plan and the targets that underpin our transition, many of which are aligned with climate science and sustainability performance.

Our transition plan spans the full building and construction lifecycle, as shown in Figure 1—from design and procurement through construction, operations, refurbishment, and end-of-life reuse and recycling. This integrated view supports resource efficiency and innovation while enabling us to grow responsibly.

Key elements of our approach include:

- **Emissions reduction targets**
We have committed to near, medium, and longer-term emissions intensity reduction targets. These targets drive adaptation and continued innovation across our business model and built environment portfolio.
- **Lifecycle integration**
Transition planning is embedded across design, procurement, construction, operations, and beyond. Each phase informs the next, enabling continuous improvement and responsiveness to emerging technologies, regulatory shifts, and climate science.
- **Strategic alignment**
Our transition planning is closely linked to our ten-year strategy, Climate Action Plan, and SLL targets. This alignment ensures coherence across capital deployment, operational decisions, and long-term



Figure 1: Our transition plan

Table 1: Emissions targets and progress

	2017–2022	2023–2028 ¹	2022–2031 ²	2017–2032 ¹
	Original short-term five-year target	Near-term five-year target	Medium-term sustainability linked leading targets (3)	Longer-term target
Target	<p>↓5%</p> <p>reduction in emissions intensity per \$M of revenue by 2022 (2017 base year)</p>	<p>↓49%</p> <p>reduction in emissions intensity per square metre by 2028 (2022 base year)</p>	<p>∧ increasing number of dementia beds</p> <p>∨ emissions intensity reduction per square metre³</p> <p>∧ diversion of construction waste from landfill</p>	<p>↓62%</p> <p>reduction in emissions intensity per square metre by 2032 (2017 base year)</p>
Progress ⁴	↓16%	↓9%	100% ⁵	↓12%

1. Emissions intensity reduction targets are science-based and cover Scopes 1 and 2 only
 2. Targets are confirmed through 2026 and 27. Targets to 2031 will be set closer to the relevant reporting period
 3. Selected Scopes/categories and includes the impact of RECs
 4. Progress figures exclude the purchase of RECs in FY23, 24, 25, except where noted in footnote 3
 5. 100% indicates discount level achieved in 2025 for all three targets

planning. Refer to Table 2 for details of our capital deployment plan aligned to transition priorities.

- Adaptability and resilience**
 We recognise the need to remain nimble. Our approach is designed to be flexible, acknowledging the long lead times in village development and the evolving nature of climate-related risks and opportunities. An example of this adaptability is our decision this year to prioritise gas transition, driven by the increasing risk of future supply constraints and potential cost volatility. In response, we have implemented a new target to get 28 villages off utility gas by the end of 2028. We are also exploring resident-focused decarbonisation opportunities. In FY25, we introduced a solar pilot for residents, enabling them to access renewable energy and reduce their own carbon footprint.

Our transition approach builds on our circular principles and requires coordinated action across the building and construction lifecycle. It combines resource efficiency with innovation and collaboration to deliver on our low-carbon commitments. Underpinning this approach is our commitment to near-, medium-, and longer-term emissions intensity reduction targets. These intensity-based targets drive continuous adaptation and innovation across our business model, enabling us to reduce emissions intensity while continuing to grow.

This transition is supported by strong social initiatives and governance practices that prioritise resident wellbeing, aged care investment, and inclusive career pathways for our people—ensuring sustainability is embedded across environmental, social, and governance dimensions.



Resident-shared surplus produce stand built using recycled timber, Summerset by the Dunes, Papamoa

Climate Action Plan

Our Climate Action Plan summarises how we are tackling the challenges of decarbonisation and transition

OUR PRIORITIES

DESIGN & CONSTRUCTION

DECARBONISATION OF VILLAGES

MANAGING OPERATIONAL EFFICIENCIES



OUR INITIATIVES

Design and construction

- Sustainable, low-carbon design for all new builds

Smart water management

- Water-efficient villages, measured and managed

Solar generation

- Solar panels for villages and resident opportunity

Gas transition

- Remove utility gas from all existing villages

Embodied carbon

- Lower carbon in building materials

Fleet electrification

- All village vehicles electric, supporting resident EV takeup

Waste minimisation

- Sustainable, low-carbon design for all new builds

HOW WE'LL DELIVER

Integrate sustainability into briefs; specify low-carbon materials; apply lifecycle planning; drive construction waste and efficiency improvements

Install smart irrigation/meters; monitor usage; drought-tolerant planting and effective landscaping techniques

Install solar panels in new and existing villages; expand resident solar pilot; monitor uptake and impact

Remove utility gas from 28 villages, upgrade infrastructure as required

Baseline and reduce carbon in key typologies; specify low-carbon materials; engage suppliers

Transition village vehicles to electric; expand infrastructure charging; enable resident EV experience

Strengthen construction waste recovery; circular procurement; design-out waste, monitor key performance indicators (KPIs)

OUTCOME EXPECTED

All new builds meet low-carbon standards by 2028; progress towards supplier engagement target (70% by 2028); supports Scope 3 emissions reduction

Smart water metering in all villages where feasible; improved water efficiency

Retrofit solar complete by 2033 (where applicable); resident solar pilot completed by 2026 and expanded if successful; reduces Scope 2 emissions and grid reliance

28 villages off gas by 2028; enhanced operational efficiency and energy security; Scope 1 emissions reduction

Reduction in embodied carbon for measured typologies; supports Scope 3 emissions reduction

Transition fleet to electric and hybrid alternatives; resident EV access in all villages; reduces Scope 1 emissions

Sector leading diversion rates; reduces Scope 3 emissions

Actions and targets to manage our climate-related risks and opportunities

Our Climate Action Plan outlines key initiatives, delivery approach, and outcomes for managing climate-related risks and opportunities. Details are summarised above and expanded in tables and sections throughout this report. Many initiatives support our decarbonisation strategy and scenario analysis.

Capital deployment

Planned capital allocation for climate-related risks, opportunities, and transition plan components is detailed on pages 14-16.

Other climate-related targets

Sustainability-linked lending targets are in the Metrics and Targets section (page 34) and Think Green intensity metrics appear in the table on page 40.

Capital allocation and investment

Alignment with capital deployment and funding processes

Summerset undertakes detailed financial forecasting, monthly and annual planning, incorporating our targets, ten-year strategy, and internal modelling that reflects climate scenarios. A 50-year horizon is considered for our build programme. Alongside this, we adopt a long-term strategic approach to asset management, enabling climate-related risks and opportunities to be assessed on a project-by-project basis.

Climate considerations are integrated early in project feasibility and design, shaping decisions from land acquisition through to construction. Site selection includes rigorous assessment of physical risks such as flooding and sea-level rise, alongside transition risks like insurance and managed retreat. This proactive approach ensures resilience is factored in before development begins.

During design and refurbishment, we integrate sustainability initiatives such as designing out waste, adopting low-carbon materials, and implementing advanced smart systems for energy and water optimisation. Our teams continually review, where applicable, and trial emerging technologies and processes, including prefabrication techniques and circular material solutions, to ensure each project reduces emissions and strengthens long-term resilience.

Supporting this approach is our SLL programme, which ties financial performance to sustainability targets. To achieve these targets, we maintain an annual Sustainability Initiatives Budget and Decarbonisation Fund, alongside project-specific budgets. Together, these mechanisms position Summerset to mitigate climate-related risks while capitalising on opportunities.

Capital investment

Summerset's Climate Action Plan is primarily supported through capital expenditure captured in:

- Sustainability Initiatives Budget (property and asset management programme)
- Decarbonisation Fund (sustainability programme)
- Village Refurbishment Project Budget (design and development programme)

Our new village developments and construction incorporate significant capital investment across all our successfully embedded sustainability initiatives which are now standard in our designs. These investments are not currently tracked or reported on. Additional expenditure within operational budgets, outside of the above areas, is also not tracked or reported.

Planned capital expenditure for FY26 is outlined in Table 2, which details investment directed towards climate-related risks and opportunities. A key focus this year and going forward, is the acceleration of our gas transition. We have committed to removing utility gas from 28 villages by 2028, supported through the Decarbonisation Fund. This investment reflects our proactive response to energy market uncertainty - particularly the growing risk of supply constraints and cost volatility - while contributing to our broader emissions reductions efforts.

In FY25, ~17% of Summerset's total capital expenditure on property, plant, and equipment for existing sites was allocated to renewable energy generation, energy efficiency upgrades and decarbonisation projects. This represents a slight increase on the previous year.

While opportunities 3 and 4 are included in the Risk and Opportunities tables (pages 32 and 33), a distinct budget has not been itemised for these at this stage, as their associated spend cannot yet be quantified separately. This does not mean that no resources are allocated but rather that the activities are integrated into our business-as-usual operations.



CASE STUDY

EMPOWERING RESIDENTS TO DECARBONISE

Summerset's resident solar pilot at our Hobsonville village builds on the company's wider solar roll-out programme, which began in 2022. This next step extends our transition planning beyond core operations by enabling residents in independent villas to generate renewable energy and reduce their own carbon footprint.

Under the pilot, rooftop solar panels were installed on participating residents' villas with Summerset contributing 50% of the installation cost.

Uptake has been good, with residents embracing the opportunity to reduce electricity bills and actively participate in a more sustainable future. Feedback has also been positive, with residents enjoying the ability to track their solar generation through an easy-to-use app.

This initiative reflects our commitment to innovation and adaptability, providing valuable insights into whether a wider roll-out to independent villas across other applicable villages would be a meaningful next step in our transition journey.

Table 2: Capital expenditure and investment towards climate-related risks and opportunities (current operations)

Initiative	Metric (\$NZ)	Method/assumptions	Planned spend (to FY28) and detail	Link to climate risks and opportunities
Renewable energy development (solar)	FY25: \$800,000 FY24: \$600,000 FY23: \$350,000 FY22: \$50,000 FY26 estimate: not provided	This metric tracks capital spend on retrofit solar installations, including stand-alone common area buildings, main buildings, solar streetlights and our resident solar pilot. The majority of FY25 spend relates to installations at Te Awa's main building, Taupō's apartment block, Trentham's pool house, and contributions to our resident solar offering. It excludes solar panels installed during the construction phase of new builds. Metric trend: Spend increased in FY25 as the programme extended to upgrading solar streetlights at older villages. Spend on retrofit solar panel installations remained steady with FY24. Prior to that, investment was lower as the programme was progressively implemented.	No estimate provided, as allocation is reviewed annually and takes into account our new build delivery schedule and the prioritisation of other transitional projects. Detail: Solar delivery began with small pool house installations in FY23, progressing to main building retrofits in FY24 and FY25. In line with our plan, rooftop solar on main buildings will be integrated during the construction phase from FY26.	Supports Summerset in increasing our renewable generation capacity (Opportunity - 01)
Investment in energy solutions projects - other	FY25: \$250,000 FY24: \$300,000 FY23: \$450,000 FY22: \$100,000 FY26 estimate: not provided	This metric tracks capital spend on LED lighting upgrades, water metering, and EV charging infrastructure. In FY25, the focus was on completing 100% of interior LED upgrades across older villages and progressing water metering installations. EV charging infrastructure was a major cost driver in FY24, with fewer installations in FY25 following strong roll-out in the prior years. Metric trend: The EV charging project commenced in FY22 and ramped up in FY23 and FY24, contributing to higher spend in those years. In FY25, spend tapered as EV infrastructure needs reduced and LED upgrades neared completion.	No estimate provided, as allocation remains under prioritisation and will reflect business needs and transitional project priorities. Detail: FY26 allocation remains under prioritisation. With EV chargers largely complete and LED upgrades moving to business-as-usual, any additional spend will depend on business priorities, with water metering and monitoring progress under consideration.	Supports Summerset to decarbonise. Residents can also contribute through utilising low carbon infrastructure (Opportunity - 01)
Investment in energy solutions projects - gas transition	FY25: \$800,000 FY24: \$250,000 FY23: n/a FY22: n/a FY26: estimate \$3-4m	This metric calculates capital spend on gas decarbonisation. In FY25, we recognised the need to accelerate our gas transition programme and have separated this spend from "other" energy solutions projects. Metric trend: Spend increased significantly from FY24 to FY25, reflecting the acceleration of this programme. After trialling new technology in FY24, we expanded roll-out in FY25, transitioning seven of 28 gas villages off utility gas.	An estimated \$10-12m investment is required to complete gas decarbonisation of existing villages by FY28. Detail: This is an evolving programme, with costs reviewed as new technologies emerge. Investment covers conversion of natural gas and LPG systems for hot water, heating, cooking and laundry.	Supports Summerset to decarbonise. Residents can also contribute through utilising low carbon infrastructure (Opportunity - 01)

Initiative	Metric (\$NZ)	Method/assumptions	Planned spend (to FY28) and detail	Link to climate risks and opportunities
Embodied carbon measurement solution	FY25: \$6,000 FY24: \$7,000 FY23: \$6,000 FY22: N/A FY26: estimate \$6,000	Annual subscription cost for a solution to measure the embodied carbon of our built environment. Metric trend: Spend remains consistent year-on-year.	Ongoing annual investment in a solution to enable the measurement of embodied carbon.	Supports Summerset's efforts to reduce embodied carbon through sustainable design and construction (Opportunity - 02)
Construction waste avoidance	FY25: 0 FY24: \$145,000 FY23: \$400,000 FY22: n/a FY26: Not applicable	In FY25, our programme diverted 5,624 tonnes of construction waste from landfill. Working more closely with our supply chain, improving design practices to reduce waste, and engaging directly with construction trades on-site have been key areas of progress. Metric trend: As this programme develops into its fourth year and the number of active construction sites increases - particularly in metro areas - more sites are utilising mass balance reporting, including villages in Melbourne, Australia. Programme costs have reduced year-on-year as practices and efficiencies become embedded into business operations.	Any spend related to this initiative is included within operational budgets.	Supports Summerset delivering on the performance target related to our sustainability-linked lending facility (Opportunity - 02)

Numbers are rounded to nearest 000

Scenarios

17



Scenario analysis

Scenario analysis undertaken

Throughout 2023 and early 2024, Summerset participated in both the Construction and Property Sector, and the Health Sector scenario creation processes. These two sector scenarios are key considerations for Summerset due to the nature of our business as both a constructor and operator of retirement villages. Both complete sector scenario analysis documents are available online, including on the External Reporting Board's (XRB) website.¹ Along with other key stakeholders within each sector, we were working group members contributing to the development of these sector scenarios, with technical facilitation and support from Beca and Tonkin & Taylor for the Construction and Property Sector, and Health Sector, scenarios respectively.

In 2024 Summerset continued to run a stand-alone process for scenario analysis. This process involved a detailed breakdown, cross-examination and comparison of both relevant sector scenarios, with particular focus on archetypes, reference scenarios, driving forces, key assumptions and data.

Once this comparison was completed Summerset then undertook an internal process to select the most relevant drivers from each sector scenario analysis. This included examining the drivers and their definitions, including redefining these drivers to be more Summerset-relevant as required. Following driver selection, scenarios and narratives were updated.

These refined scenarios were then used throughout the rest of our climate-related disclosures work programme for 2024. Summerset feels that these updated scenarios better reflect the balance between our two core business functions: the construction and delivery of new retirement villages, and the operation of our villages, including providing healthcare to our residents.

For 2025, Summerset opted to continue with a stand-alone process and utilising our 2024 scenarios.

Prioritisation was given to incorporate feedback (from stakeholders, regulators and analysts) as well as reviewing our outputs (risks and opportunities). Work has continued on upskilling the business including greater focus on Australian involvement and considerations.

Why these scenarios

All three scenarios present plausible futures for Summerset but each scenario demonstrates a different series of challenges and issues to navigate. The three scenarios are detailed on the next pages but include a 1.5°C (Orderly) and >3°C (Hot-house world) scenarios in line with the requirements of the XRB's New Zealand Climate Standards (NZCS). The third scenario is a middle of the road pathway balancing increased transition against partially unmitigated physical risks: 2°C (Disorderly).

Time horizons

Summerset's scenario analysis is structured around the three time horizons set out in Table 3. These same horizons are used when assessing the potential impacts of risks and opportunities. We also consider how uncertainties and assumptions may influence our responses, and we monitor key information and emerging trends that help us prioritise action over time.

Scenario analysis process

The scenarios created through both the Construction and Property Sector and Health Sector processes were developed in accordance with the XRB and other guidance on developing sector scenarios. They followed the recognised structure of six key steps:

- **Steps 1 and 2: Engage sector stakeholders** and set focal questions, scope and timeframe for the scenario development process.
- **Step 3: Identify and prioritise driving forces** of relevance to the sector. Driving forces, also known as drivers, are typically broad scale factors which influence the direction of future change.

- **Step 4: Select outcomes and pathways** combinations for narrative development which are of greatest relevance and provide the greatest challenge (such as using the four Network for Greening the Financial System (NGFS) narrative quadrants).
- **Step 5: Draft narratives and quantify variables** which follow a clear internal logic. Synthesise any relevant data from existing scenarios and projections. Generate new data if doing so is feasible and adds value.
- **Step 6: Review and finalise** the scenarios. Check the scenarios are internally consistent and fit for purpose. Document methodology in a comprehensive report.

When Summerset reviewed both sector scenarios and undertook our own process, we undertook a shortened process that focused on step 3 onwards. It was felt that both sector scenarios covered steps 1 and 2 sufficiently for our purposes and approach. During its own scenario analysis process, Summerset has not performed additional modelling beyond that used to create the existing international scenarios (e.g., SSPs, RCPs and NGFS scenarios), which were relied on to develop the sector scenarios.

Throughout the scenario analysis process Summerset's Climate Working Group acted as the key mechanism for consultation, feedback and considerations. Supplementary to this was the additional inclusion of Summerset's Sustainability Forum as a key stakeholder from mid-2024 moving forward for all climate-related disclosures work programme deliverables.

Building on this work, climate-related risks and opportunities were assessed against a range of scenarios, with oversight from the Senior Leadership Team and review by the Board. The outcomes of this scenario analysis inform the organisation's strategy, risk management approach, and decision-making.

1. <https://www.xrb.govt.nz/standards/climate-related-disclosures/resources/sector-level-scenario-analysis/>

Table 3: Time horizons for scenario analysis

Short	Present (2025)–2030	Short (0–5 years): Aligns with the immediate priorities of our ten-year strategic focus. Additionally, it matches our approximate construction timeframes for new villages, our near-term sustainability targets (2028), and our financial strategy (primarily bond maturity horizons)
Medium	2031–2050	Medium (5–10 years): Aligns with the medium-to-long-term priorities of our ten-year strategic focus. Additionally, it matches with our five-year-plus term sustainability targets (2032), financial modelling horizons, and the approximate timeframe for design and consenting processes for new villages
Long	2051–2100	Long (10–30 years) Thinking long-term out to a 30-year horizon aligns with international emission reduction targets (Paris Agreement, 2050). Additionally, it coincides with long-term forecasts for New Zealand population growth demographics which formulate input for our village and business model feasibility

The tables on pages 20 to 23 provide a brief overview of each of Summerset’s climate-related scenarios, the various emissions reduction pathways in each scenario, and the assumptions underlying pathway development.²

Future scenario analysis and development opportunities

Summerset's main priority is to ensure that climate change and scenario analysis become common considerations when making relevant business decisions, thereby helping us better transition to a low carbon resilient future economy. This involves; ensuring our scenarios remain relevant and fit for purpose each year, assessing operating stand-alone vs integrated scenario analysis and utilising the preferred method.



📷 Solar panels retrofitted on the pool house at Summerset at the Course, Trentham

2. Summerset’s climate scenario narratives do not assume or rely on carbon sequestration from afforestation, nature-based solutions and negative emissions technology reflecting the inherent uncertainty of such measures and instead focusing on enabling assessment of physical and transition risks relevant to its development and operating portfolio. The scope of operations includes risks from supply-chain issues, financial or insurance costs, damage or loss of assets, reduced asset value, and higher care or maintenance needs that increase overall costs as noted in our FY24 Sustainability Review and Climate-related Disclosures

Summerset's climate scenarios

Orderly 1.5°C

Proactive change and legislation help keep emissions on track with the Paris Agreement. This leads to a world with higher transition risks but lower physical climate change risks.

ASSUMPTIONS

<p>Likely temperature increase by 2100 (global) 1.0-1.8°C</p> 	<p>Pathways RCP 2.6, SSP 1-1.9 NGFS 'Net Zero 2050', IEA 'Net Zero Emissions', CCC 'Tailwinds'</p> 	<p>Impacts on GDP Immediate and smooth</p> 	<p>Policy reaction Immediate and smooth</p> 	<p>Technology change Fast</p> 
<p>Behaviour change Fast</p> 	<p>Physical risk severity Moderate</p> 	<p>Transition risk severity Low - Moderate</p> 	<p>Socio-political instability Low - Moderate</p> 	<p>Health impacts of physical risk Low - Moderate</p> 

ORDERLY (1.5°C)

The world succeeds in limiting global warming to 1.5°C above pre-industrial levels by the end of the century. This takes a coordinated, ambitious, international and corporation-led proactive effort of well-signalled and supported regulatory changes, policies and targets.

With the new policies and regulatory changes, all sectors are required to play their part and help reduce GHG emissions. This leads to a prioritisation of electrification and sustainable practices. Embodied carbon becomes a main metric for the construction and property sector to measure and demonstrate the sector's changing behaviour and contributions. Additionally, regulations and policies are put in place to protect vulnerable populations from the impact of climate change (both physical and transitional).

New Zealand still experiences extreme weather events affected by climate change (acute impacts), particularly in the short- and medium-term, which strongly influence public support for rapid change. Infrastructure is prioritised for adaptation rather than resilience. Weather pattern shifts occur, with increases across measures such as rainfall, sea level rise and the number of hot days.

Societal and market behaviour moves rapidly to support and prioritise change. Focus and favouritism are given to sustainable and renewable solutions over fossil fuels and non-sustainable practices.



Disorderly 2.0°C

A disjointed and delayed approach sees temperatures increase past 1.5°C but then rapid action occurs which helps minimise the long-term impacts.

ASSUMPTIONS

<p>Likely temperature increase by 2100 (global) 1.3-2.4°C</p> 	<p>Pathways RCP 2.6, SSP 1-2.6, NGFS 'Delayed Transition', IEA, 'Sustainable Development', CCC 'Headwinds'</p> 	<p>Impacts on GDP Moderate - Major</p> 	<p>Policy reaction Delayed</p> 	<p>Technology change Slow - fast</p> 
<p>Behaviour change Slow - fast</p> 	<p>Physical risk severity Moderate</p> 	<p>Transition risk severity High</p> 	<p>Socio-political instability Moderate</p> 	<p>Health impacts of physical risk Moderate</p> 

DISORDERLY (2°C)

Average temperature increases are limited to between 1.5°C and 2.5°C above pre-industrial levels by 2100. However, climate change focused policies and decarbonisation initiatives are not introduced until 2030 (globally, within New Zealand, and within the sector). Consequentially, it is a rapid, stringent and costly effort to decarbonise.

From 2030 there is a spike in demand for low carbon materials and energy efficient technology as change is now heavily prioritised. Early adopters and fast movers get the opportunity to utilise materials, expertise and knowledge, while late movers face increased cost and competition. During this time critical infrastructure, particularly the national grid, faces intense pressure to keep up with the sudden surge of electrification and transition.

New Zealand still faces extreme weather events and shifting weather patterns with increases across measures such as rainfall, sea level rise and the number of hot days. A lack of action through the 2020s results in a heightened vulnerability to assets through the medium term (2030-2050). This significantly increases the impact of weather-related events and changing weather patterns as adaptation has not been well implemented or prioritised.

Following this realisation, protecting vulnerable populations becomes a priority, with infrastructure, technology, and decision-making factoring a mixture of adaptation and resilience.



Hot-house world 3.0°C

Climate change action is stagnant with only current policies kept, which drives high emissions and temperatures. This results in severe physical risks occurring.

ASSUMPTIONS

<p>Likely temperature increase by 2100 (global) 2.8–4.6°C</p> 	<p>Pathways RCP 8.5, SSP 3-7.0, NGFS 'Current Policies', IEA 'Stated Policies', CCC 'Current Policies'</p> 	<p>Impacts on GDP Severe</p> 	<p>Policy reaction None – current policies</p> 	<p>Technology change Slow</p> 
<p>Behaviour change Slow</p> 	<p>Physical risk severity Extreme</p> 	<p>Transition risk severity Low</p> 	<p>Socio-political instability High</p> 	<p>Health impacts of physical risk High</p> 

HOT-HOUSE WORLD (>3°C)

There is a global focus towards nationalism and security of resources (food, energy, water and space). This collectively leads to a deprioritisation of climate change mitigation and adaptation, resulting in a failure to implement regulations, policies or controls to limit the effects of climate change.

Consumer and market behaviour remains interested in climate change but does not drive significant mitigation. The focus emphasises resilience and responses to climate-related events rather than proactive adaptation. Emissions continue to grow unabated, and this leads to significant shifts in climate patterns and climate-related extreme weather events.

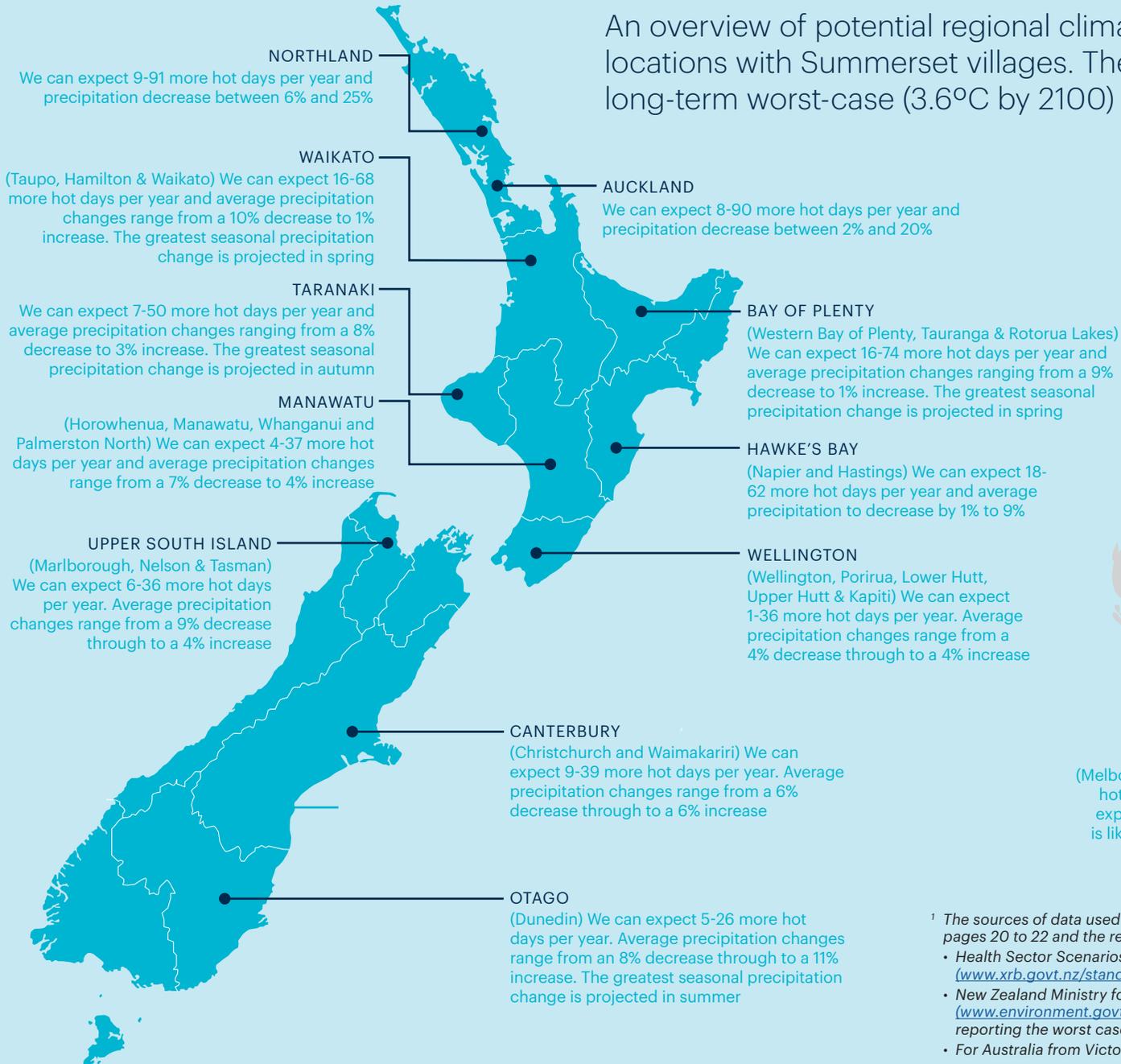
Average temperature increases exceed 2°C by 2050 and 3°C above pre-industrial levels by the end of the century, resulting in severe physical impacts of climate changes. There are significant changes in sea level rise, rainfall intensity and number of hot days, all of which drive heat-related issues such as illnesses, diseases and epidemics as well as hampering food production and living conditions.

This places immense strain and burden upon communities (particularly the elderly and vulnerable), the associated services (health, emergency response, local councils) and critical infrastructure. Net migration to New Zealand and climate refugees further exacerbate the issues.



Geographic climate considerations

An overview of potential regional climate change projections in locations with Summerset villages. The changes are taken with a long-term worst-case (3.6°C by 2100) scenario lens¹



¹ The sources of data used to construct each scenario, including the climate-related scenarios on pages 20 to 22 and the regional climate change projections on this page 23, are:

- Health Sector Scenarios and Construction & Property Sector Scenarios (www.xrb.govt.nz/standards/climate-related-disclosures/resources/sector-level-scenario-analysis)
- New Zealand Ministry for the Environment (MfE), Climate-projections-summary-dashboard (www.environment.govt.nz) by the relevant territorial authority to asset location. At time of reporting the worst case scenario available is SSP3-7.0
- For Australia from Victoria State Government, Greater Melbourne Climate Projections 2024

Risks and opportunities

CLIMATE-RELATED RISKS AND OPPORTUNITIES

The tables on the following pages set out the key climate-related risks and opportunities that Summerset identified against our three selected scenarios. To determine potential impact, these risks and opportunities were assessed against an internal materiality matrix for each scenario. The exposure and alignment metrics in the tables are new metrics in FY25 and accordingly comparative information is not included.

Other risks and opportunities that did not meet the materiality threshold have not been disclosed. However, Summerset will continue to monitor the materiality of those risks and opportunities and adjust our disclosures in future, as required, to reflect changes in materiality.

Physical Risk - 01: Risk posed by changing severity and frequency of extreme weather events (flooding, wildfires, and winds)

Assessment and vulnerability	Current impacts (FY25)	Future impacts	Management actions
<p>Risk: Heavy rainfall events are increasing in both intensity and frequency. This presents a risk of flooding to our villages and surrounding infrastructure that could impact our ability to safely and successfully operate our villages</p> <p>Vulnerability: <1% of our units are considered at risk of flooding due to extreme rainfall</p> <p>Materiality: The units are only potentially affected in the most extreme scenarios used (a 1 in 100 Annual Exceedance Probability (AEP) with RCP 8.5 2081 – 2100 event)</p> <p>Using this high threshold for identification and a timeframe beyond our current design life of villages help raise potential issues early. This allows Summerset to respond and mitigate (as required) in ample time</p>	<p>In FY25 there was no material damage or impact to any of our operational villages, or sites under development due to extreme rainfall.</p> <p>Minor flooding as a function of the village stormwater design was observed at various times throughout the year. In no instance did damage occur nor significant disruption to residents or operations.</p>	<p>Scenarios: Hot House World >3°C</p> <p>Timeframe for impact: 2026-2100</p> <p>Future impact commentary: The anticipated increase in heavy rainfall events could lead to:</p> <ul style="list-style-type: none"> • damage to Summerset villages • disruption to village operations and residents • increased insurance premiums • increased costs (OPEX/CAPEX) due to required mitigation, resilience or adaptation measures <p>Anticipated financial impact: Summerset has chosen not to quantify the financial impacts of this risk. Data availability constraints and uncertainty around assumptions, potential effects and long-term climate projections mean quantification is currently unfeasible.</p>	<p>Existing mitigations:</p> <ul style="list-style-type: none"> • New village site selection and design standards modelled to meet or exceed RCP8.5 projections • Targeted due diligence with engagement of external specialists to ensure flood resilience (e.g. conservatively engineered stormwater catchment areas, targeted run off and overflow areas) • Engagement and work with local and regional councils as required to assist in mitigating impact to the surrounding area • Ongoing programme to assess, monitor and mitigate (as required) flood and sea-level risk risks <p>New mitigations or achievements:</p> <p>Continuation of our targeted programme of works for two units identified as having higher potential exposure to extreme rainfall and future sea-level rise. Specifics include detailed reviews of historical design information, verification through new physical surveys, updated flood modelling and analysis of local authority flood data to validate risk profiles.</p>



Physical Risk - 01: Risk posed by changing severity and frequency of extreme weather events (flooding, wildfires, and winds)

Assessment and vulnerability	Current impacts (FY25)	Future impacts	Management actions
<p>Risk: Maximum temperatures experienced are increasing in both intensity and frequency. This presents an increased risk of wildfire which could result in damage to Summerset's villages and residents</p> <p>Vulnerability: Our Australian villages determine and mitigate wildfire risk as part of the Building Code. We will review our NZ villages for wildfire risk in the future</p> <p>Materiality: Our current expectation is that no operational villages are at a material risk of damage due to wildfires. However, Summerset continues to take precautions during site selection due diligence and village design</p>	<p>In FY25 there was no material damage or impact to any of our operational villages, or sites under development due to wildfires.</p>	<p>Scenarios: Hot House World >3°C</p> <p>Timeframe for impact: 2050-2100</p> <p>Future impact commentary: The anticipated increase of wildfires could lead to:</p> <ul style="list-style-type: none"> • damage to Summerset villages • disruption to village operations & residents • increased insurance premiums • increased costs (OPEX/CAPEX) due to required mitigation, resilience or adaptation measures <p>Anticipated financial impact: Summerset has chosen not to quantify the financial impacts of this risk. Data availability constraints and uncertainty around assumptions, potential effects and long-term climate projections mean quantification is currently unfeasible.</p>	<p>Existing mitigations:</p> <ul style="list-style-type: none"> • New village site selection and design standards modelled to meet or exceed RCP8.5 projections • New sites that have an increased probability of wildfires (e.g. Australia, regions of New Zealand dense with forestry or close to hazards such as transmission lines undergo additional due diligence via engagement of external specialists • Existing risk controls to mitigate potential risks (e.g. incorporation of fire breaks, use of non- or low-flammable materials) <p>New mitigations or achievements:</p> <p>Summerset did not implement any new mitigations for maximum temperatures and wildfires in FY25. Summerset complies with existing building requirements and considers RCP8.5 projections for future site selection and design. A risk assessment and monitoring programme is in place.</p>
<p>Risk: Extreme wind conditions (gales, storms, tornadoes etc.) are increasing in both intensity and frequency. This presents an increased risk of damage to our villages and residents.</p> <p>Vulnerability: We are still determining exposure of operational villages to extreme winds</p> <p>Materiality: The current level of risk is very low due to our adherence to specified design standards (AS/NZS 1170.2:2021)</p>	<p>In FY25 there was no material damage or impact to any of our operational villages or sites under development due to extreme wind.</p>	<p>Scenarios: Hot House World >3°C</p> <p>Timeframe for impact: 2026-2100</p> <p>Future impact commentary: The anticipated increase of extreme wind events could lead to:</p> <ul style="list-style-type: none"> • damage to Summerset villages • disruption to village operations & residents • increased insurance premiums • increased costs (OPEX/CAPEX) due to required mitigation, resilience or adaptation measures <p>Anticipated financial impact: Summerset has chosen not to quantify the financial impacts of this risk. Data availability constraints and uncertainty around assumptions, potential effects, and long-term climate projections mean quantification is currently unfeasible.</p>	<p>Existing mitigations:</p> <ul style="list-style-type: none"> • New sites that have an increased probability of extreme winds (e.g. regions of New Zealand) undergo additional due diligence • Existing risk controls to mitigate potential risks (e.g. alteration of village design, specific material selection, reinforced roofing, site orientation, strategic landscaping) <p>New mitigations or achievements:</p> <p>Summerset did not implement any new mitigations for extreme wind conditions in FY25. Summerset complies with existing building requirements and considers RCP8.5 projections for future site selection and design. A risk assessment and monitoring programme is in place.</p>

1. Riley Consultants Ltd undertook a flood risk assessment and hydraulic modelling for a 1:100 AEP event, including climate change allowance under the RCP8.5 scenario. The assessment concluded that inundation risk is limited to two units. The findings are subject to the assumptions, limitations, and exclusions outlined in the report.

Physical Risk - O2: Risk posed by longer-term shifts in climate patterns (sea-level rise, sustained hot periods, changing precipitation)

Assessment and vulnerability	Current impacts (FY25)	Future impacts	Management actions
<p>Risk: Sea-level rise caused by melting ice caps, glaciers and ocean expansion presents a risk of flooding to low-lying Summerset villages and supporting infrastructure that could impact Summerset's ability to safely and successfully operate our villages</p> <p>Vulnerability: A single village has been identified as potentially exposed to sea-level rise risk in the future (30-50 year horizon). Additionally the surrounding suburban area and infrastructure is subject to the same sea-level rise risk</p> <p>Materiality: The criteria used to identify the single village at risk of potential coastal inundation is against the most extreme scenarios used by us (the highest astronomical tide, with allowance for RCP 8.5 in 100 years, and vertical land movement over the same horizon) coinciding with storm surge and AEP</p>	<p>In FY25 there was no material impact on our villages due to sea level rise.</p>	<p>Scenarios: 'Hot House World' >3°C</p> <p>Timeframe for impact: 2051-2100</p> <p>Future Impact commentary: The anticipated sea-level rise could lead to:</p> <ul style="list-style-type: none"> • damage to Summerset villages • disruption to village operations & residents • increased insurance premiums • increased costs (OPEX/CAPEX) due to required mitigation, resilience or adaptation measures <p>Anticipated financial impact: Summerset has chosen not to quantify the financial impacts of this risk. Data availability constraints and uncertainty around assumptions, potential effects and long-term climate projections mean quantification is currently unfeasible</p>	<p>Existing mitigations:</p> <ul style="list-style-type: none"> • New village site selection and design standards modelled to meet or exceed RCP8.5 projections • Targeted due diligence with engagement of external specialists to ensure sea-level rise mitigations and resilience (e.g. additional civil works to raise building floor level height, installation of additional drainage) • Engagement and work with local and regional councils as required to assist in mitigating impact to the surrounding area • Ongoing programme to assess, monitor and mitigate (as required) flood and sea-level risks <p>New mitigations or achievements:</p> <ul style="list-style-type: none"> • Continuation of our targeted programme of work for addressing sea-level rise. Specifics include detailed reviews of historical design information, verification through new physical surveys, updated flood modelling and analysis of local authority flood and sea-level rise data to validate risk profile. • Lobbying local and regional councils to address the regional risk of sea-level rise. Alongside actively monitoring current planned public mitigations (pump station upgrades)



Physical Risk - O2: Risk posed by longer-term shifts in climate patterns (sea-level rise, sustained hot periods, changing precipitation)

Assessment and vulnerability	Current impacts (FY25)	Future impacts	Management actions
<p>Risk: Increased periods of sustained hot weather present an increased risk to the health and wellbeing of Summerset's residents and staff (due to their increased susceptibility to heat related illness, e.g. heat stroke, dehydration)</p> <p>Vulnerability: 0% of Summerset's operational villages are considered at risk of overheating during periods of sustained hot weather</p> <p>Materiality: We anticipate this risk to only materialise and impact us beyond the current asset lifecycle. Monitoring is underway to allow us to react quickly if this assumption changes</p>	<p>In FY25 there was no material impact on our villages, staff or residents due to sustained periods of warm weather.</p>	<p>Scenarios: Hot House World >3°C</p> <p>Timeframe for impact: 2051-2100</p> <p>Future impact commentary: Sustained periods of hot weather could lead to:</p> <ul style="list-style-type: none"> increased risk of heat-related issues or illnesses for residents and staff (e.g. heat stroke, dehydration) increased costs (OPEX/CAPEX) due to required mitigation, resilience or adaptation measures (e.g. greater cooling requirements and additional resources) <p>Anticipated financial impact: Summerset has chosen not to quantify the financial impacts of this risk. Data availability constraints and uncertainty around assumptions, potential effects and long-term climate projections mean quantification is currently unfeasible. Summerset believes long-term climate shifts are unlikely to directly impact our operations. Instead, regulatory changes - such as mandated heating thresholds in aged care - are expected to be the first response to chronic climate change.</p>	<p>Existing mitigations:</p> <ul style="list-style-type: none"> Legislation in Australia currently requires maximum heat thresholds which Summerset must comply with. Our designs currently met/exceed these requirements Staff training and equipment to mitigate risk of heat-related illness (PPE, preventative measures). This also includes resident care and wellbeing Summerset's solar panel installation programme continued in FY25. Solar panels help reduce operational costs during hot weather and periods of high sunshine hours Monitoring of building design standards, regulations and fit-for-purpose assets are installed <p>New mitigations or achievements:</p> <ul style="list-style-type: none"> Summerset did not implement any new mitigations for sustained periods of hot weather in FY25, partly due to the long-term time horizon for this risk to eventuate. A risk assessment and monitoring programme is in place.
<p>Risk: Changing precipitation patterns present an increased risk to the operation of our villages (due to likely periods of extended drought or water restrictions)</p> <p>Vulnerability: We are still determining the exposure of our operational villages due to changing precipitation patterns</p> <p>Materiality: We only expect this risk to materialise over a longer-term horizon. We will continue to monitor changing projections and take mitigative actions as required</p>	<p>In FY25 there was no material impact on our villages, staff or residents due to changing precipitation patterns.</p>	<p>Scenarios: Hot House World >3°C</p> <p>Timeframe for impact: 2051-2100</p> <p>Future impact commentary: Changing precipitation patterns could lead to:</p> <ul style="list-style-type: none"> increased risk of drought and/or water restrictions for our villages and construction sites increased costs (OPEX/CAPEX) due to required mitigation, resilience or adaptation measures (e.g. rain water collection or reticulation systems, changes to construction methodology and build windows) <p>Anticipated financial impact: Summerset has chosen not to quantify the financial impacts of this risk. Data availability constraints and uncertainty around assumptions, potential effects and long-term climate projections mean quantification is currently unfeasible.</p>	<p>Existing mitigations:</p> <ul style="list-style-type: none"> New village site selection and design standards modelled to meet or exceed RCP8.5 projections Engagement and work with local and regional councils as required to assist in mitigating impact to the surrounding area Existing risk controls to mitigate potential risks (e.g. incorporation of rain capture technology in Australia, installation of water measuring tools, village design including landscaping) <p>New mitigations or achievements:</p> <ul style="list-style-type: none"> Summerset did not implement any new mitigations for changing precipitation patterns in FY25, partly due to the long-term time horizon for this risk to eventuate. A risk assessment and monitoring programme is in place.

Transition Risk - 01: Risk of policy and/or regulatory change in response to climate change (embodied carbon requirements, maximum heat thresholds, energy or fuel profiles)

Assessment and vulnerability	Current impacts (FY25)	Future impacts	Management actions
<p>Risk: There is an increasing risk that policy and regulation changes will be influenced and/ or driven by climate change. Specific examples relevant to Summerset include:</p> <p>Embodied carbon requirements</p> <p>Vulnerability: 100% of Summerset’s business practices that are considered at risk of regulatory change affecting embodied carbon</p> <p>Materiality: Embodied carbon requirements are a significant consideration as we design, build and operate our own villages. Summerset has had an embodied carbon programme in place for the last three years</p> <p>Energy fuel profile</p> <p>Vulnerability: 100% of Summerset’s portfolio is considered at risk of regulatory change or policies affecting our energy or fuel profiles</p> <p>Materiality: Summerset’s energy and fuel profile is significantly material. This is primarily due to the interlinked nature of emissions reduction targets and energy profile. Multiple work programmes are underway</p> <p>Maximum heat threshold</p> <p>Vulnerability: 13% of Summerset’s portfolio is considered at risk of regulatory change or policies requiring a maximum heat threshold in our designs</p> <p>Materiality: Maximum heat thresholds policy change has a low materiality as Australia has established legislation which Summerset complies with, and New Zealand has no proposed policy or regulation. However, it is worth including given the potential risk to residents</p>	<p>In FY25 Summerset spent \$800k across CAPEX initiatives in current operations such as solar panel installation to grow our renewables generation which can be attributed to the risk of energy profile regulation or change.</p> <p>Additionally, our established embodied carbon programme continued. The attributable cost is restricted to software subscription cost (\$7k).</p> <p>The remaining programme costs are integrated into business-as-usual and without significant investment, separating these costs is not possible.</p> <p>In FY25 there was no material impact on Summerset’s villages or residents due to maximum heat threshold design requirements or regulations.</p>	<p>Scenarios: Orderly 1.5°C and Disorderly 2.0°C</p> <p>Timeframe for impact: 2026-2050</p> <p>Future impact commentary: policy or regulatory change could lead to:</p> <ul style="list-style-type: none"> • Summerset having to alter existing infrastructure (e.g. removal of gas boilers, installation of enhanced cooling capability) • change to design standards (e.g. energy efficiency requirements) • feasibility of future Summerset’s village and land acquisitions • increased costs (OPEX/CAPEX) stemming from required mitigation, or adaptation measures (e.g. specific material sourcing) • increased pressure on critical infrastructure during energy transitional phases <p>Anticipated financial impact: Summerset is expected to quantify the financial impact of policy or regulatory change if the legislation or policy is virtually certain, i.e. it is past select committee stage and the likely financial impact is material.</p> <p>Summerset expects that regulatory change has the potential to significantly affect Summerset and its operations. The likely outcome is increased CAPEX and OPEX spending to remain compliant.</p> <p>However, due to the significant level of uncertainty around how, when and what regulatory changes will affect Summerset, quantification is not possible.</p> <p>We will continue to take proactive steps to mitigate potential regulatory changes when sufficient certainty around regulatory and policy direction allows.</p>	<p>Existing mitigations:</p> <ul style="list-style-type: none"> • Our embodied carbon programme is driving many different initiatives such as measurement and reduction, material innovation and supplier engagement, design considerations focusing on reducing waste. • Achievements include reduced carbon concrete standardised for all new builds, environmental product declarations (EPD) implemented for concrete, aluminium, rebar, insulation panels. • Proactive engagement with key stakeholders (e.g. government, regulators, industry bodies) • Australian village design requirements are compliant with existing regulatory requirements <p>New mitigations or achievements:</p> <ul style="list-style-type: none"> • Completed in FY25 embodied carbon measurement for our typical main building typologies • Expanded EPD sourcing and supplier engagement, improving data quality and supporting lower-carbon material choices • Integrated waste minimisation into design to reduce upfront emissions and landfill impact

Transition Risk - O2: Risk of changing market behaviour influenced by or reacting to climate change

Assessment and vulnerability	Current impacts (FY25)	Future impacts	Management actions
<p>Risk: There is an increasing risk that market behaviour will be influenced by and/or react to climate change and climate change events. Specific examples relevant to Summerset include:</p> <p>Consumer behaviour</p> <p>Vulnerability: 100% of operations are exposed to changing consumer behaviour</p> <p>Materiality: Summerset relies upon new enquiries and residents moving into our villages. Over time our prospective residents' demographic and ideology can and will change with potential prioritisation of sustainability and climate change mitigation or resilience growing in importance</p> <p>Supply chain</p> <p>Vulnerability: 100% of operations are exposed to supply chain disruptions</p> <p>Materiality: Summerset relies upon both domestic and international supply chains to continue to operate. Supply chain volatility can be linked to a variety of climate change factors (events, regulation, demand)</p> <p>Summerset's reputation and brand</p> <p>Vulnerability: 100% of operations are tied to Summerset's reputation and brand</p> <p>Materiality: Summerset's reputation and brand are tied to performance against both physical climate change events (e.g. storms, floods) and non-physical (e.g. supply chain, sustainability awards, regulation)</p> <p>Sustainability-linked financials</p> <p>Vulnerability: 100% of operations are tied to SLL</p> <p>Materiality: Summerset has linked its entire financial lending to SLL and is therefore bound by sustainability performance targets (SPT)</p>	<p>In FY25 there was no material impact or financial impact of this transition risk.</p>	<p>Scenarios: Orderly 1.5°C and Disorderly 2.0°C</p> <p>Timeframe for impact: 2026-2050</p> <p>Future impact commentary: changing market behaviours driven by climate change could lead to:</p> <ul style="list-style-type: none"> changes in Summerset's attractiveness to customers, stakeholders or investors increased costs (OPEX/CAPEX) driven by multiple factors such as; achievement of targets, supply chain volatility, climate resilience programmes, and maintain reputation or perception <p>Anticipated financial impact: Current estimates indicate that achieving the SPT discount level on the SLL will be between ~\$3m and ~\$10m savings over the period 2026-2036</p> <p>This is a present value estimate of the expected savings Summerset will achieve by meeting between one and three of the three SLL discount SPT levels annually for the period 2026-2036</p> <p>Quantification method: The SLL savings are calculated based on Summerset's internal long-term debt forecast and margin discounts specified on the SLL. Interest cost savings each year are then discounted back to 31 December 2025 to derive the present value</p> <p>Key assumptions: One SPT has levels that have been set to 2026, and two SPT have levels that have been set to 2028. This estimate assumes that the SLL continues to operate beyond these dates through to 2036 with three SPT, and similar interest rate savings for meeting the discount level</p> <p>The SLL also includes neutral levels for each of the three SPT where no savings will apply to interest costs, as well as premium levels that must be paid by Summerset as additional interest cost if any of the three SPT are at or below premium levels</p> <p>Summerset's best estimate is that the discount level will be met for between one and three of the SPT annually, and for any SPT where the discount level is not met, that the neutral rate will apply</p>	<p>Existing mitigations:</p> <ul style="list-style-type: none"> Established emissions intensity reduction targets combined with our Climate Action Plan keep us on track to meet targets (see page 13) Modelling of required investment against growth to ensure we are on track to achieve targets Frequent reporting to the executive and board on sustainability initiatives and targets Participation in voluntary sustainability and ESG disclosure schemes (CDP, S&P Global, Forsyth Barr) to gauge market perception Centralised procurement function for construction and development, focusing on forecasting and long-term agreements to help reduce supply chain volatility (price, availability, options) <p>New mitigations or achievements:</p> <ul style="list-style-type: none"> Summerset won the INFINZ Business NZ – Corporate ESG Award for progress in embodied carbon and performance against our SLL targets Expanded embodied carbon measurement across typical main building typologies to identify low-carbon material opportunities Continued engagement with national supplier and contractor forums on ESG priorities (emissions reporting, waste reduction, and EPDs) to align with climate objectives Effective November 2025, refinanced bank debt facilities, extended maturity dates for most tranches. All tranches remain sustainability-linked, including new FY25 tranches. Additionally, discount levels were achieved for all three SPT - one measured to 30 June and two to 30 September 2025



Opportunity - 01: Opportunity to change Summerset's energy profile

Assessment and alignment	Currently impacts (FY25)	Future impacts	Management actions
<p>Summerset has multiple opportunities to support the transition towards a low emissions economy and reducing the contribution that Summerset's energy profile has on our emissions</p> <p>Specific opportunities:</p> <ul style="list-style-type: none"> • transition away from fossil fuels (e.g. gas boilers) • installation of solar panels • installation of energy efficient technology (e.g. LEDs) • electrification of transportation (EVs) and provision of charging technology <p>Alignment: 100% of our activities are aligned with this opportunity, partly due to our entire banking facility being sustainability linked and tied to emissions reduction targets</p> <p>Dedicated CAPEX spend is allocated each year to continue this programme</p>	<p>Summerset invested nearly \$2m in FY25 including accelerating the transition away from utility gas (used in 28 villages), continued solar panel installations, LED retrofits and EV charger provision.</p> <p>This investment, focused on retrofit programmes, reflecting a deliberate effort to reshape our energy profile, reduce reliance on fossil fuels, and improve operational efficiency.</p>	<p>Scenarios: Orderly 1.5°C and Disorderly 2.0°C</p> <p>Timeframe for impact: 2026-2036</p> <p>Future opportunity commentary: by altering Summerset's energy profile and supporting a transition to a low carbon economy Summerset could:</p> <ul style="list-style-type: none"> • reduce our emissions profile/intensity • reduce OPEX costs • achieve SLL performance targets • increase demand or attractiveness of Summerset (with both potential residents and investors) <p>Anticipated financial impact: Summerset is expected to quantify the financial impact of technology change related to GHG emission reduction if the technology is provable and virtually certain</p> <p>Estimated CAPEX spend of ~\$12M during 2026–2036 for retrofit initiatives affecting portfolio and energy profile. This increased CAPEX spend is effectively offset by the potential savings from meeting SLL SPT over the same time period (see Transition Risk – 02)</p> <p>Quantification method:</p> <ul style="list-style-type: none"> • CAPEX is allocated annually for sustainability and emissions reduction initiatives, with spend being prioritised in each calendar year. • Annual CAPEX discounted back to 2025 for present value <p>Key assumptions:</p> <ul style="list-style-type: none"> • CAPEX applies only to existing villages. All new villages have solar panel installation, LEDs and EV charger provision as part of construction. • Gas transition includes kitchen equipment, hot water, pool heating, fireplaces, laundry. • We expect to complete gas transition by 2028. • We expect to complete LED conversions by 2030. • We expect to complete retrofitting solar panel installations, where possible, by 2033 	<p>Existing mitigations:</p> <ul style="list-style-type: none"> • Integration of climate-related risks into our enterprise risk management framework resulting in ongoing proactive management • Established emissions intensity reduction targets combined with our Climate Action Plan keep us on track to meet our targets (see page 13) <p>New mitigations or achievements:</p> <ul style="list-style-type: none"> • A key strategic decision was taken in the year to accelerate our gas transition programme, establishing a pathway to convert 28 sites by 2028 • FY25 saw the continued implementation of our initiatives programme designed to support transition to a low carbon economy and meet our emissions reduction targets (see Table 2) • Capital allocation for decarbonisation increased from \$1.1m in FY23 to \$1.5m in FY24, reaching approximately \$2m in FY25 (see Table 2)



Opportunity - O2: To prioritise sustainable design decisions			
Assessment and alignment	Current impacts (FY25)	Future impacts	Management actions
<p>Summerset has the opportunity to prioritise sustainable design decisions</p> <p>Alignment: With Summerset continuing to design and build new villages every year prioritising sustainable design is an important opportunity. Approximately 75% of our CAPEX is spent on the development and construction of new villages, which is where we can ensure we embed sustainability into our design processes.</p>	<p>In FY25 there was no material financial impact or realisation of this opportunity.</p> <p>Progress included embodied carbon measurement and expanded EPD sourcing with supplier engagement.</p>	<p>Scenarios: Orderly 1.5°C and Disorderly 2.0°C</p> <p>Timeframe for impact: 2026-2050</p> <p>Future opportunity commentary: Prioritising sustainable design decisions could lead to:</p> <ul style="list-style-type: none"> • a reduction of carbon emissions (e.g. embodied carbon, construction waste, improved operational effectiveness) • potential increase in CAPEX for implementation projects or alternative product selection (e.g. higher- cost construction materials selected for low embodied carbon measurements) • increased customer, stakeholder, and/or investor perception resulting in an increase in demand or attractiveness <p>Anticipated financial impact: Due to the absence of reliable data, we are presently unable to undertake quantification</p> <p>Summerset expects the greatest impact from prioritisation of sustainable design decisions to be reflected in our brand and reputation with residents, customers and investors. The value associated with this is likely to be significant but cannot be quantified due to the significant uncertainty associated with any quantification method</p>	<p>Existing mitigations:</p> <ul style="list-style-type: none"> • Periodic review of village and building designs focusing on resilience, sustainability, emissions reduction and embodied carbon (examples of successful design changes include tile layout and carpeting requirements, both reducing wastage) • Summerset has an established research and development team within our design division which considers new and innovative technologies, processes and materials <p>New mitigations or achievements:</p> <ul style="list-style-type: none"> • Completed embodied carbon measurement for our typical main building typologies • Expanded EPD sourcing and supplier engagement, improving data quality and supporting lower-carbon material choices



Opportunity - O3: To maximise stakeholder investment through sustainability leadership and ESG performance

Assessment and alignment	Current impacts (FY25)	Future impacts	Management actions
<p>Summerset has the opportunity to maximise stakeholder investment through sustainability leadership and strong ESG performance</p> <p>Alignment: 100% of Summerset's activities are aligned with this opportunity</p> <p>Summerset has publicly disclosed emissions intensity reduction targets, SLL commitments, and has a track record of recognition, including multiple ESG-related awards</p> <p>Additionally part of our ten-year strategy is being a good corporate citizen, which includes ESG performance and leadership</p>	<p>In FY25 there was no material financial impact or realisation of this opportunity. However, strong sustainability leadership and ESG performance could enhance access to capital, support customer demand and occupancy through growing preference for responsible providers and strengthen brand value.</p>	<p>Scenarios: Orderly 1.5°C and Disorderly 2.0°C</p> <p>Timeframe for impact: 2026-2035</p> <p>Future opportunity commentary: Sustainability leadership and strong ESG performance could lead to increased customer, stakeholder, and/or investor perception resulting in an increase in demand or attractiveness</p> <p>Anticipated financial impact: Due to the absence of reliable data, we are presently unable to undertake quantification.</p> <p>Summerset is expected to quantify the financial impact of market behaviour/reputation change if there is specific evidence that supports the existence of such a change, and the likely financial impact is material.</p> <p>Summerset expects the value associated with strong sustainability focus and ESG leadership to be significant.</p> <p>However, due to the significant uncertainty associated with any quantification method, Summerset has opted not to disclose an indicative figure for the anticipated financial impacts.</p>	<p>Existing mitigations:</p> <ul style="list-style-type: none"> Integration of climate-related risks into our enterprise risk management framework resulting in ongoing proactive management Summerset's sustainability framework is underpinned by a suite of emissions targets, including an approved near-term science-based target and medium-term SLL targets. These targets guide our decarbonisation efforts and are supported by our Climate Action Plan and dedicated budget. Together, they enable targeted investment, performance tracking, and integration of climate priorities, reinforcing our ability to deliver long-term stakeholder value through ESG Voluntary third-party ESG and sustainability disclosure participation <p>New mitigations or achievements:</p> <ul style="list-style-type: none"> Sustainability leadership recognised by winning the INFINZ Corporate ESG Award reflecting progress in embodied carbon and SLL targets. Village recognition in prestigious sustainability awards demonstrates leadership in environmental and social responsibility. Achievements include initiatives from Karaka's partial gas transition and Boulcott's sustainability efforts to St John's Excellence Award, highlighting ability to deliver tangible ESG outcomes.

Opportunity - 04: To build a smart land portfolio focused on resiliency (specifically climate, but also encompassing water, nature and biodiversity)

Assessment and alignment	Current impacts (FY25)	Future impacts	Management actions
<p>Summerset's long-term growth is underpinned by careful and considered land acquisition. Securing high-quality, strategically located sites ensures a robust development pipeline, enabling the consistent delivery of new retirement villages</p> <p>Alignment: 100% of Summerset's operations are aligned with this opportunity. Summerset continues to operate a landbank for future village development</p> <p>Applying a specific lens that incorporates climate change resilience and adaptability, helps ensure that Summerset's landbank remains fit for purpose and feasible through changing circumstances</p>	<p>In FY25 there was no material financial impact or realisation of this opportunity.</p>	<p>Scenarios: Hot House World 3 °C</p> <p>Timeframe for Impact: 2026-2100</p> <p>Future Opportunity Commentary: Carefully selecting the right parcels of land to purchase can allow Summerset to:</p> <ul style="list-style-type: none"> prevent unnecessary climate mitigation costs (e.g. flood prevention measures, high wind roofing designs) increase safety and security of Summerset residents have easier access to insurance (increased insurability), or lower insurance costs (low-risk portfolio) <p>Anticipated Financial Impact: Due to the absence of reliable data, we are presently unable to undertake quantification</p> <p>Summerset expects the value associated with building a smart land portfolio to be significant as qualitatively stated above</p> <p>However, due to the significant uncertainty associated with any quantification method, Summerset has opted not to disclose an indicative figure</p>	<p>Existing mitigations:</p> <ul style="list-style-type: none"> Integration of climate-related risks into our enterprise risk management framework resulting in ongoing proactive management Robust due diligence practices when considering land acquisitions, including incorporating climate change considerations Village design requirements to consider and meet RCP8.5 climate change projections ensuring suitable resilience <p>New mitigations or achievements:</p> <p>Summerset did not implement any new mitigations when assessing land purchases in FY25</p>

33



📷 Aerial view highlighting native vegetation and growth at Summerset Waikanae

Metrics and targets

34



Our greenhouse gas emissions

We have retained our Toitū Envirocare certification for FY25, transitioning this year from Toitū Net Carbon Zero to Toitū Carbon Reduce. This certification requires annual adherence to rigorous standards and rules, with a focus on measuring and reducing GHG emissions in accordance with ISO 14064-1:2018. The Carbon Reduce programme provides third party certification of our emissions management approach and reflects our embedded, company-wide programme of initiatives to reduce emissions intensity.

Total emissions for the year ended 31 December 2025 were 91,787 tCO₂e, an increase of 82,980 tCO₂e compared to our 2022 base year, primarily driven by Scope 3 emissions. Scope 3 emissions totalled 86,211 tCO₂e in FY25, up 26% from FY24, with the majority attributable to construction activities. Capital goods and purchased goods and services together accounted for over 85% of total emissions and 91% of Scope 3 emissions. We measure and report on a selected subset of Scope 3 categories in line with the Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard (Revised Edition) (GHG Protocol), including fuel and energy-related activities, waste generated in operations, business travel, downstream transportation and distribution, and downstream leased assets. Full details of our Scope 3 boundaries, methodologies, assumptions, and exclusions are provided in Appendix II of this report.

This year, we introduced quantity-based reporting to assess whether it would improve the accuracy of our Scope 3 calculations. While this first step covered only a small portion of our total Scope 3 emissions, it demonstrated benefits: improved accuracy, better alignment with our construction activities, and greater visibility into contributing materials. We continue to measure embodied carbon across our development typologies, which helps us understand possible material choices and identify low-carbon alternatives. Across our supply chain, we have expanded the use of EPDs,

implemented emissions checklists, and worked closely with suppliers to support their own emissions reporting. Our supplier forums have provided a platform for sharing best practice and driving engagement on emissions reduction. These steps are part of our ongoing efforts to enhance data quality and completeness, and to identify opportunities for meaningful Scope 3 reductions in our most high-impact and influenceable areas.

Electricity and gas remain the primary sources of our Scope 1 and 2 emissions. Our model of care requires significant and unavoidable electricity demand, while gas is used for hot water, cooking, and laundry - core services in aged care. As our resident population grows, absolute emissions are expected to increase. Through our gas decarbonisation programme, we are seeing reductions in Scope 1 emissions from natural gas and LPG; however, these will be offset over time by higher Scope 2 emissions as we transition these services to electricity. Our renewables programme, including the implementation of solar panels across our village centres, will help to complement this transition and slow the growth in Scope 2 emissions. We have already seen evidence of the positive impact of solar generation, with strong and consistent generation levels being achieved across several of our solar-equipped main buildings.

In addition to generating our own renewable energy, we also purchase RECs to support renewable energy generation in New Zealand and Australia. In New Zealand, this was achieved through Meridian's Certified Renewable Energy product, enabling us to report the vast majority of market-based Scope 2 emissions as zero, in line with the GHG Protocol Scope 2 Guidance. RECs covered all New Zealand sites except for a small office in Napier, which closed part-way through the year. In Australia, market-based Scope 2 emissions for all active construction sites were zero. This was achieved through 100% GreenPower from Shell Energy until August 2025, after which we transitioned to a Corporate Power Purchase Agreement (CPPA) with Momentum Energy,

sourcing 100% of our electricity from the Granville Harbour Wind Farm, supported by Large-scale RECs. This does not extend to our Australian office, which remains outside these arrangements.

A summary of Summerset's GHG emissions for FY25 is set out in Table 4 on the following page.

How Summerset calculates GHG emissions

Our GHG emissions have been calculated in accordance with the GHG Protocol, the GHG Protocol Scope 2 Guidance, and the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).

Since we have held Toitū certification since 2018, our inventory also meets the ISO 14064-1:2018 standard required to meet certification criteria.¹

To calculate our emissions, we utilise Toitū's e-manage software, which integrates emissions factors and corresponding global warming potential (GWP) rates.

For FY25, e-manage employed a mix of 2025 and prior year emissions factors and GWP rates, including:

- Ministry for the Environment. *Measuring emissions: A guide for organisations: 2025 detailed guide*
- Australian Department of Industry, Science, Energy and Resources. *National Greenhouse Accounts Factors*. Canberra, Australia
- Department for Energy Security and Net Zero. *Greenhouse gas reporting: conversion factors 2025*
- Market Economics Limited. *Consumption Emissions Modelling*, report prepared for Auckland Council. March 2023
- *New Zealand Gazette*
- Brave Trace – Residual Supply Mix
- Ledgard and Falconer. *Update of the carbon footprint of fertilisers used in New Zealand*. 2019

The Ministry for the Environment's emission factors are predominantly based on 100-year GWP values from the Intergovernmental Panel on Climate Change's (IPCC)

1. KPMG and Ernst & Young Limited assurance procedures do not cover the ISO14064-1 standard

Fifth Assessment Report (AR5). Full details of all emissions factor libraries used, units of measurement and GWP sources used can be found in Table 13 on page 55 in Appendix II.

Our boundary

Summerset continues to apply the operational control consolidation approach to its emissions, in line with the methodology outlined in the GHG Protocol. Our emissions inventory encompasses all activities within the operational boundaries of Summerset Group Holdings Limited, including head offices, retirement villages

and construction sites. This includes villages under construction, those in development, and operating villages with construction ongoing. Emissions from our Australian operations have been included since 2018, with emissions from both construction and operational activities incorporated as new developments come online. No material facilities, operations, or assets have been excluded.

Emissions sources

In line with the GHG Protocol, Summerset's emissions inventory excludes sources that contribute less than one

Table 4: FY25 GHG emissions

		FY22 tCO ₂ e	FY23 tCO ₂ e	FY24 tCO ₂ e	FY25 tCO ₂ e
Scope 1	Total Scope 1	2,097	2,213	2,464	2,345
Scope 2	Total Scope 2 (Location-based)	2,499	1,418	2,047	3,231
	Scope 2: Market-based	n/a	17	16	18
	Scope 2: Location-based	2,499	1,418	2,047	3,231
Scope 3	Total Scope 3	4,210	67,386	68,414	86,211
	Category 1: Purchased goods and services	21	10,986	11,428	14,727
	Category 2: Capital goods	n/a	51,173	50,535	63,655
	Category 3: Fuel and energy-related activities	230	205	449	529
	Category 5: Waste generated in operations	910	461	731	1,025
	Category 6: Business travel	667	1,057	585	510
	Category 7: Employee commuting	n/a	2,268	3,017	3,194
	Category 13: Downstream leased assets	2,381	1,237	1,669	2,571
Total GHG emissions (Location-based)		8,807	71,017	72,925	91,787

Notes:
Historical recalculations in FY24 resulted in changes to categories 1, 2 and 7 (see base year and restatement)
2022 and 2023 inventories were audited by Toitū, 2024 by Ernst & Young Limited, 2025 by KPMG



CASE STUDY

DOING GOOD – CARING, CONNECTING AND CONTRIBUTING

Across Summerset villages, residents and staff are finding practical ways to contribute to their communities— from repurposing textiles to supporting local charities and driving grassroots initiatives that reflect care, connection and everyday action.

Summerset Summerhill, Palmerston North

At Summerhill, the team has started repurposing our care centre linen, towels, and blankets that are no longer suitable for resident use by donating them to the SPCA. Items are collected in the laundry and taken to the SPCA when the box is full. It's a simple way to reduce waste and support a local organisation doing great work in the community.

Summerset at Monterey Park, Hobsonville

Residents at Hobsonville have teamed up with local textile recycling group ImpactTex NZ to repurpose clothing and reduce this waste from going to landfill. This is a resident-driven initiative, with the group collecting and donating garments. It's a great example of people doing good, feeling good, and being sustainable in everyday ways.

Summerset Mountain View, New Plymouth

At Mountain View, residents creatively linked Alzheimer's month fundraising to sustainability by selling homemade 'Enviro-packs' and knitted facecloths at Market Day. This initiative was deeply personal, with long-time volunteers involved with Alzheimers Taranaki, and it reflects Summerset's dementia-friendly values and the power of resident-led engagement.

percent of the total emissions within their respective categories, and collectively account for less than five percent of total emissions and removals. These exclusions are not considered material to the inventory or its intended use, or for users relying on this data.

Excluded sources include minor operational activities such as relocation costs, electricity from data centres and transmission and distribution losses associated with natural gas. No exclusions have been applied to Scope 1. For a breakdown of Scope 2 and 3 exclusions, including rationale and estimated impact, refer to Table 12 on page 54 of Appendix II. Methodology, assumptions, data quality, and uncertainty considerations are detailed in Table 11 on pages 50 to 54 of Appendix II.

Base year and restatement

Our base year emissions inventory covers the period 1 January 2022 to 31 December 2022. We measure our emissions annually, in line with our financial reporting cycle as a publicly listed company. We acknowledge that the base year does not fully cover several Scope 3 categories across our entire value chain. These additional categories were first incorporated into our emissions inventory for FY23.

In FY24, we recalculated FY23 capital goods and purchased goods and services emissions to correct for deflation or breakdown of basic price, margin and taxes. This reduced emissions for those categories from 94,716 tCO₂e to 62,139 tCO₂e. FY23 employee commuting was also updated using more accurate emissions factors, adjusting the total from 3,000 tCO₂e to 2,268 tCO₂e.

Since the base year, our reporting scope has grown to reflect new entities and sites. For a map listing our completed, in development and proposed villages see pages 34 and 35 of our Annual Report 2025. No recalculations were required this year.

Recalculation procedure

A recalculation procedure is applied to ensure the base year inventory remains accurate and comparable over

time. The inventory is reviewed annually to confirm it reflects current operations.

A quantitative threshold of ±5% is used as the trigger for material changes. Recalculation may occur under the following circumstances:

- structural changes - mergers, acquisitions, divestments, or outsourcing/insourcing of emitting activities.
- methodology improvements - updates to calculation methods, emission factors, or activity data that materially affect base year emissions.
- errors - discovery of significant errors or cumulative errors that are collectively material.

In addition to quantitative criteria, qualitative factors are considered, including:

- timing of emission factor releases.
- financial and administrative effort required to update the inventory.
- alignment with science-based targets and frequency of review.

This approach is consistent with the GHG Protocol and industry best practice.

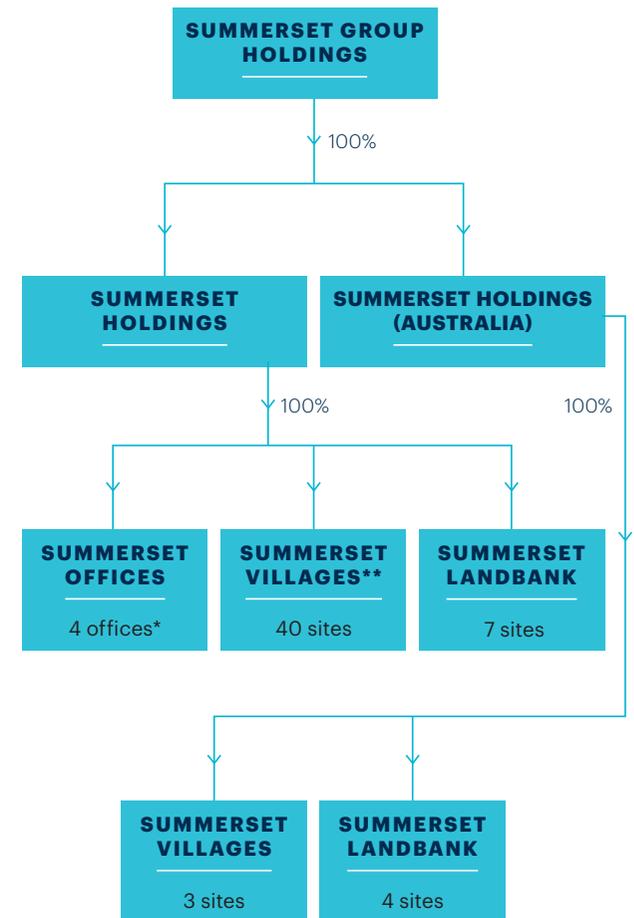
Assurance of GHG emissions

KPMG has provided independent, third-party limited assurance over our Scope 1, Scope 2 (location- and market-based), and Scope 3 emissions presented in Table 4 and Table 10 for the 2025 reporting period. The assurance was conducted in accordance with the New Zealand Standard on Assurance Engagements 1: *Assurance Engagements over Greenhouse Gas Emissions Disclosures* (NZ SAE 1), and the International Standard for Assurance Engagements (New Zealand): *Assurance Engagements on Greenhouse Gas Statements* (ISAE (NZ) 3410).

Assurance for 2024 was provided by Ernst & Young Limited, as detailed in our FY24 Sustainability Review and Climate-related Disclosures (available on

our website). Assurance for the years 2017 to 2023 was conducted by Toitū Envirocare, with statements available at <https://www.toitu.co.nz/our-members/members/summerset-group-holdings-limited>

Organisational structure of our emissions inventory



* Napier office closed in February 2025

** In development and fully completed

Key metrics and targets

Summerset’s key metrics, targets, and FY25 performance with prior year comparisons are detailed in the table below. Summerset considers that the target contributes to limiting global warming to 1.5 degrees Celsius because it has been developed to align with 1.5 degree pathways identified by the IPCC using guidance produced by SBTi. SBTi has validated our near-term targets (Scope 1 and 2 emissions intensity and Scope 3 supplier engagement) as aligning with a 1.5 degree pathway.

TARGET	BASELINE & HISTORY	PERFORMANCE	METHOD/ASSUMPTIONS
GHG EMISSIONS PROFILE			
<p>1. Near (5 year)</p> <p>49% </p> <p>Science-based target Reduce Scope 1 and 2 emissions intensity by 49% per sqm by 2028 from a FY22 baseline, in line with a 1.5°C trajectory</p>	<p>FY22 (BASELINE)</p> <p>Emissions intensity of 6.94* kgCO₂/m²</p> <p>FY23</p> <p>Emissions intensity of 3.03* kgCO₂/m²</p> <p>FY24</p> <p>Emissions intensity of 3.07 kgCO₂/m²</p>	<p>FY25:</p> <p>Emissions intensity of 2.68 kgCO₂/m²</p> <p>In FY25, we exceeded our emissions intensity target of 3.54 kgCO₂/m² by 25%. This marks a continuation of the progress made in FY23 and FY24, and to date we have achieved a 61% reduction. With a focus on implementing our decarbonisation initiatives, adopting more efficient technologies across our portfolio, and investing in RECs, we are confident in our ability to meet our 2028 targets. The target and performance include the use of RECs but do not include the use of offsets. For a breakdown of our FY25 GHG emissions please see Table 10 on page 49.</p> <p>FY25:</p> <p>Emissions intensity of 2.68 kgCO₂/m²</p> <p>In FY25, we made reasonable progress toward our longer-term emissions intensity target 2.72 kgCO₂/m², with a further reduction in emissions intensity. We recognised the need to accelerate our gas transition and put steps in place to do this in 2025. Our new builds will incorporate more efficient technologies where appropriate. The target and performance include the use of RECs but do not include the use of offsets. For a breakdown of our FY25 GHG emissions please see Table 10 on page 49.</p>	<p>Sources of uncertainty to note include (both targets):</p> <ul style="list-style-type: none"> • data provided as part of project analysis including weather pattern variances and behavioural estimates/averages • future operating conditions can dictate performance • ability to retrofit into existing infrastructure <p>Method of calculation (both targets)</p> <p>Summerset's emissions are calculated using the operational consolidation approach and stated in accordance with the GHG Protocol, the GHG Protocol Scope 2 Guidance, and the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard</p> <p>Assumptions (both targets)</p> <p>Summerset's plan to achieve its targets and assumptions are outlined across pages 10 to 16 of this report</p> <p>Targets support</p> <p>Physical risk - 01, 02, Transition risk - 01, 02, Opportunity - 01, 02, 03</p>
<p>2. Medium-to-Long (5 years +)</p> <p>62% </p> <p>Science-aligned target Reduce Scope 1 and 2 emissions intensity by 62% per sqm by 2032 from a FY17 baseline, in line with a 1.5°C trajectory</p>	<p>FY17 (BASELINE)</p> <p>Emissions intensity of 7.15* kgCO₂/m²</p> <p>FY23</p> <p>Emissions intensity of 3.03* kgCO₂/m²</p> <p>FY24</p> <p>Emissions intensity of 3.07* kgCO₂/m²</p>	<p>FY25:</p> <p>Emissions intensity of 2.68 kgCO₂/m²</p> <p>In FY25, we made reasonable progress toward our longer-term emissions intensity target 2.72 kgCO₂/m², with a further reduction in emissions intensity. We recognised the need to accelerate our gas transition and put steps in place to do this in 2025. Our new builds will incorporate more efficient technologies where appropriate. The target and performance include the use of RECs but do not include the use of offsets. For a breakdown of our FY25 GHG emissions please see Table 10 on page 49.</p>	<p>Assumptions (both targets)</p> <p>Summerset's plan to achieve its targets and assumptions are outlined across pages 10 to 16 of this report</p> <p>Targets support</p> <p>Physical risk - 01, 02, Transition risk - 01, 02, Opportunity - 01, 02, 03</p>



TARGET	BASELINE & HISTORY	PERFORMANCE	METHOD/ASSUMPTIONS
INCREASE IN SUPPLIER ENGAGEMENT			
<p>70%[^]</p> <p>of Summerset's suppliers by emissions covering purchased goods and services, capital goods, fuel and energy related activities, upstream transportation and distribution, waste generated in operations and business travel, to have science-based targets by 2028.</p>	<p>FY23</p> <p>Our Scope 3 value chain emissions were 67,386 tCO₂e</p> <p>FY24</p> <p>Our Scope 3 value chain emissions were 68,414 tCO₂e</p>	<p>FY25:</p> <p>Value chain emissions were 86,211 tCO₂e.</p> <p>Throughout the year, we strengthened our engagement with suppliers, achieving an 88% engagement rate with our construction suppliers (based on spend). This included activity to identify which partners already monitor and report their own emissions, and seeking environmental product declarations (EPDs) to support more reliable and transparent measurement. We focussed our efforts on construction suppliers given capital goods form a significant portion of our Scope 3 emissions.</p>	<p>Sources of uncertainty to note include:</p> <ul style="list-style-type: none"> method of calculation (predominantly spend based) supplier awareness and willingness to engage <p>Method of calculation</p> <p>We utilised the Toitū carbon value chain calculator as part of our annual inventory verification, which also included references to the GHG Protocol and any available supplier EPDs</p> <p>Assumptions</p> <p>For details on the assumptions used, as well as data quality and uncertainly please refer to Table 11 in Appendix II</p> <p>Target supports:</p> <p>Transition risk - 01, 02, Opportunity - 02, 03</p>
SCOPE 1 GAS TRANSITION - ** NEW **			
<p>28 by 28</p>	<p>FY24 (BASELINE)</p> <p>28 existing utility gas villages (natural and LPG)</p>	<p>FY25:</p> <p>Seven of the 28 villages were transitioned off utility gas during FY25.</p>	<p>Sources of uncertainty to note include:</p> <ul style="list-style-type: none"> technical feasibility of full electrification in older villages, resident impact, supplier capacity, timing and cost variability <p>Method of calculation</p> <p>Progress is measured by number of villages transitioned</p> <p>Assumptions</p> <p>Villages have been prioritised by asset age, high gas usage/ emissions and supplier contract expiry. All new villages are designed utility gas free</p> <p>Target supports:</p> <p>Transition risk - 01, 02, Opportunity - 02, 03</p>

Targets

Clear emissions targets remain central to guiding our efforts to reduce our emissions intensity and tracking performance. These targets enable us to focus resources effectively and assess progress against our sustainability objectives.

Near-term (five-year) target

A near-term (five-year) target to reduce Scope 1 and 2 emissions intensity by 49% by FY28, from an FY22 base year, was approved by the SBTi in 2024. This target remains unchanged and continues to guide our decarbonisation efforts.

Our target-setting approach has evolved over time. The initial goal—a 5% reduction in emissions intensity per million dollars of revenue over five years—was exceeded. In 2022, a science-aligned target was adopted using the SBTi's tool and submitted for approval in 2024, resulting in minor adjustments to the current near-term target.

Summerset's approved science-based targets:

- **Scopes 1 and 2 emissions intensity** - 49% per square metre by FY28 from an FY22 base year, aligned with a 1.5°C temperature pathway
- **Scope 3 supplier engagement** - 70% of suppliers by emissions-covering purchased goods and services, capital goods, fuel and energy-related activities, upstream transportation and distribution, waste generated in operations, and business travel to have science-based targets by 2028

Medium-term target

Our medium-term targets are embedded within the SLL facility established in 2021, with no set expiry. Relevant to climate change, this includes a confirmed and annually stepped emissions-intensity target (through 2026) to reduce our market-based Scope 1 and 2 emissions, plus a small subset of Scope 3 emissions (waste to landfill, travel, resident electricity, T&D losses and paper). The emissions-intensity target under the SLL is aligned with the science required to limit global warming to 1.5°C. In

2025, the emissions-intensity discount target was ≤ 0.0098 tCO₂e/000 m² and the target does not rely on offsets. Target setting and performance are subject to independent assurance.

We also have an annually stepped target to reduce construction waste to landfill (through 2028). In 2025, the target was an average reduction of >80% in major metropolitan areas and >41% in regions. We also have a dementia care bed target, which is not related to climate change.

We continued to make strong progress against our SLL targets this year. Our construction waste avoidance programme again exceeded expectations, with all 20 sites in New Zealand and Australia collectively diverting significant amounts of waste from landfill (see our case

study on page 45). Emissions intensity reduction targets were met, and dementia care commitments were upheld through maintained accreditation and the opening of new memory care centres across our portfolio.

Longer-term (five+ years) target

Our original longer-term science-aligned target was introduced in late 2020, committing to a 62% reduction in Scope 1 and 2 emissions intensity per square metre by 2032, from a 2017 base year. While this target has not been approved by the SBTi, it remains aligned with a 1.5°C global warming trajectory. Scope 2 emissions continue to be measured using the market-based method.

Table 5: Think Green intensity metrics

EMISSIONS SOURCE	INTENSITY METRIC	FY17	FY21	FY22	FY23	FY24	FY25
Gas (Scope 1)	Emissions from gas used per main building m ² (tCO ₂ e/m ²)	0.013	0.012	0.012	0.011	0.011	0.009
Fuels (Scope 1)	Emissions used from fuels used per operational village (tCO ₂ e/village)	9.77	11.22	12.32	13.34	14.83	11.32
Electricity (Scope 2)	Location-based emissions from electricity used per main building m ² (tCO ₂ e/m ²)	0.170	0.019	0.018	0.009	0.011	0.015
Travel (Scope 3)	Emissions from travel per head office staff member (tCO ₂ e/head office staff)	2.96	0.01	1.90	2.46	1.34	1.24
Waste (Scope 3)	Emissions from waste per total residents & staff (tCO ₂ e/residents+staff) (excl wastewater)	0.116	0.097	0.096	0.043	0.037	0.039
Resident electricity (Scope 3)	Emissions from resident electricity per resident (tCO ₂ e/resident)	0.336	0.274	0.304	0.155	0.192	0.269
Paper (Scope 3)	Emissions from paper per staff member (tCO ₂ e/staff)	0.020	0.011	0.009	0.007	0.013	0.008

Notes:

These are our original emissions sources under the Toitū programme which began in 2017

Increases in FY25 electricity related intensities are predominantly due to a rise in grid average emissions factor

Think Green intensity metrics

Our internal Think Green programme tracks key emissions intensity metrics to drive improvements in areas such as paper use, waste to landfill, and energy consumption. These measures keep sustainability front of mind for our teams and enable us to monitor progress year-on-year. We remain focused on initiatives that deliver measurable reductions through efficiency, behavioural change, and technology upgrades.

Industry metrics and emissions intensity

In FY25, Summerset continued to track emissions intensity using two practical measures: emissions per square metre and emissions per million dollars of revenue. These metrics are increasingly referenced across the sector and help demonstrate efficiency and progress in reducing emissions relative to growth. Our results show continued improvement in both measures, reflecting operational efficiencies and a stronger focus on the built environment.

Cost of carbon

In FY25, Summerset applied an internal carbon price of \$25 per tonne of CO₂e (excluding GST) for feasibility and project assessments. This price reflects the expected near-term cost of acquiring voluntary carbon credits based on the average cost of Gold Standard credits purchased in FY24 under Toitū Net Carbon Zero certification. Following our transition to Toitū Carbon Reduce, Summerset no longer purchases carbon credits; accordingly, this price is used as a short-term cost assumption and does not represent a forecast of long-term transition risk or future carbon prices. Summerset reviews its internal cost of carbon annually, and the application of this metric continues to be refined as learnings are incorporated.

For comparative purposes, Summerset first applied an internal cost of carbon in FY23 at approximately \$69 per tonne of CO₂e based on the New Zealand Unit (NZU) market price at year-end, with an internal carbon price of approximately \$23 per tonne of CO₂e applied in FY24

following the same approach as FY25 (based on the expected cost of acquiring voluntary carbon credits).

GHG emissions intensity reduction and decarbonisation impact

In FY25, we progressed a range of decarbonisation initiatives (see Table 2 pages 15-16). As we transition away from gas, electrification reduces emissions from gas use but increases reliance on grid electricity, which has its own emissions depending on the grid

average emissions factor. Our emissions profile is also shaped by ongoing growth, with new operational villages increasing total energy use. While emissions intensity has generally reduced over time, FY25 saw an increase overall driven primarily by a change in the New Zealand grid electricity emissions factor. For performance trends and methodology notes, see Table 6. For decarbonisation impact see Tables 7 and 8.

Table 6: Emissions intensity measured in tCO₂e per square metre (m²) and per million dollars of revenue (NZD)

	FY22		FY23		FY24		FY25	
	Per m ²	Per M\$ revenue						
Scope 1	0.0031	8.65	0.0030	8.13	0.0031	7.70	0.0027	6.48
Scope 2	0.0038	10.52	0.0019	5.21	0.0025	6.40	0.0037	8.93
Scope 3	0.0064	17.72	0.0041	10.95	0.0036	9.02	0.0044	10.64
Total	0.0133	36.89	0.0091	24.28	0.0092	23.12	0.0107	26.05

Notes:

Floor area basis. m² is based on gross floor area measurement, including common areas, resident accommodation and independent living areas that are occupied or complete and available for sale

Calculation method. All figures use the location-based method

Consistency. For comparability, only emissions sources present in FY22 are included in future years

Table 7: Impact of decarbonisation initiatives on emissions intensity per m² (kgCO₂e)

	FY22	FY23	FY24	FY25	FY28 TARGET	FY32 TARGET
Pre initiatives emissions per m ²	7.02	5.97	5.73	6.52	-	-
Post initiatives emissions per m ²	6.94	5.89	5.59	6.32	-	-
Post initiatives & RECs emissions per m ²	6.94	3.03	3.07	2.68	3.54	2.72

Notes:

Calculation method. Figures prior to 2023 figures use the location-based method; from 2023 onwards market-based factors apply. FY24 pre and post initiatives updated due to m² adjustments

Floor area basis. Denominator (m²) represents the gross floor area of all structures that are operational and/or available for occupancy

Definition of Initiatives. Refers to spend associated with the decarbonisation pathway for existing sites

Table 8: Impact of decarbonisation initiatives

Initiative	Achievements FY25	Impact
Solar panel installations	Retrofit and construction phase installs, resident solar pilot at Hobsonville village	Lower emissions, reduced grid reliance, improved resilience, supports resident decarbonisation and cost savings
Gas transition	Gas transition accelerated, utility gas removed from seven villages	Cuts operational emissions, mitigates future supply and cost risk, improves safety
EV fleet and charging stations	Fleet expanded to 25 village EVs, charging stations available in almost all villages	Lower transport emissions, enhanced convenience, growing EV car-sharing opportunity for residents
Embodied carbon	Baseline assessments completed for our main building typologies	Enables smarter material choices, reduces upfront emissions, informs future design, identifies highest-impact materials
Waste minimisation	Exceeded construction waste diversion targets, operations programme continues to evolve, food waste recycling for residents	Lower landfill impact, reduced disposal costs, improved resource efficiency
Supply chain engagement	Supplier and contractor forums and emissions checklists in place, improved internal processes for Scope 3 emissions reporting	Greater accountability, better data quality, supports long-term emissions reduction
Water management	Water metering installations at existing villages and all new villages have water metering	Enables accurate measurement, supports conservation initiatives, reduces water-related costs, improves resilience to climate-related water risks



📷 Vertical construction and waste-management in action at Summerset Half Moon Bay

Governance



Board & Management

SUMMERSET BOARD (FY25 = 7 MEETINGS)

- Responsible for supervising and directing the management of Summerset including guiding strategic direction and corporate governance
- Accountable to the shareholders for management of key risks and opportunities including those related to climate change
- Agrees key metrics and targets in accordance with strategic objectives. Monitors progress against targets
- Considers and approves key regulatory reporting, including the Annual Report and Sustainability Review and Climate-related Disclosures

AUDIT & RISK COMMITTEE (ARC) (FY25 = 7 MEETINGS)

- Delegated authority for matters relating to external/internal audit, risk management, finance and insurance
- Responsible for ensuring appropriate processes, policies and practices are in place for the management of risks and opportunities, including those relating to climate change
- Reviews and endorses approval of key regulatory reporting where applicable, including the Annual Report and Sustainability Review and Climate-related Disclosures
- In FY25, ARC reviewed the risk register and/or considered Summerset's climate-related disclosures (including risks and opportunities) on five occasions

EXECUTIVE LEADERSHIP TEAM (ELT)

- Led by the Chief Executive, responsible for the day to day management of Summerset including Summerset's risk management processes
- Reports to the Board (at least annually) on progress against climate and sustainability targets
- Tables the outcome of due diligence (including climate-related risks) on material land acquisitions for approval
- Reports the ELT's performance against KPI's (including sustainability-related KPIs)
- Reports to the ARC on climate-related risks and opportunities at least annually

SUSTAINABILITY FORUM

- Meets quarterly and includes key members of the ELT, Head of Sustainability and essential business unit managers
- Oversees development, monitoring and performance of our sustainability framework which encompasses our targets and initiatives

CHIEF FINANCIAL OFFICER (CFO)

- Head of Sustainability reports directly to the CFO
- Oversees the sustainability-linked lending programme and associated performance
- Sets OPEX and CAPEX budgets yearly

CHIEF DEVELOPMENT OFFICER (NZ) & CHIEF OPERATIONS OFFICER (AU)

- Both ELT roles are responsible for the selection and acquisition of new sites for Summerset's landbank
- Ensures associated due diligence which encompasses climate change considerations and resilience

OTHER KEY ROLES WITHIN SUMMERSET'S BUSINESS

- Head of Procurement
- Head of Design Concepts
- GM Strategy
- GM Acquisitions and Development (NZ)
- GM Property and Asset Management
- Risk and External Reporting Manager
- Investment and Strategy Manager

Roles and responsibilities

Summerset's Board of Directors (Board) is the governance body responsible for the oversight of climate-related risks and opportunities. The Audit and Risk Committee supports the Board in this role, as outlined in the diagram, including through reviews of the risk register and consideration of Summerset's climate-related disclosures. The Board also receives reports from the executive on progress against climate and sustainability targets.

The Board considers climate-related risks and opportunities when developing and overseeing implementation of overall strategy, plans and budgets. These climate considerations are a key strategic focus, including aiming to improve the climate resilience, sustainability and efficiency of both new developments and the existing portfolio. The Board has reviewed and approved the corporate strategy, sustainability policy, and sustainability and climate-related targets.

Board skillset

The Board ensures they have the appropriate skills and capability to oversee governance at Summerset. These skills, including sustainability and climate-related competencies, are detailed in the director skills matrix in our latest Annual Report (available here or on our ESG Profile page on our website).

To support the Board, development sessions facilitated by external consultants and advisors are held as required to upskill the directors. Additionally, the Board accesses climate-related expertise from within Summerset and from external specialists when required.

Monitoring progress against targets

The Board monitors progress and oversees the achievement of sustainability and climate-related metrics. Annually, GHG emissions targets, progress against the baseline year, and results are presented for review and feedback. Based on these results, the Board assesses whether additional initiatives or adjustments are

needed to meet commitments and remain on track to achieve our targets.

Sustainability and decarbonisation initiatives, including targets within the ten-year strategy such as SLL performance and embodied carbon targets, are reviewed quarterly as part of the Chief Executive's ESG reporting and key performance indicators (KPI) updates.

Incentivisation and remuneration

Specific sustainability and/or climate-related targets are included in relevant ELT members' short- and long-term (STI and LTI) incentive schemes. Relevant members are those that have directly correlating programmes of work. Each KPI element represents a 10% weighting, making it a material component.

These KPIs are designed to drive greater focus and integration of sustainability while managing climate change awareness and risk in the business. For more information on STI and LTI schemes please see the FY25 Annual Report here.



Resident tending her garden at Summerset on Cavendish, Casebrook



CASE STUDY

CONSTRUCTION WASTE AVOIDANCE PROGRAMME-LEADING WITH ACCOUNTABILITY

Over the past four years, Summerset has embedded landfill avoidance into the heart of our construction programme. What began as a bold sustainability initiative has grown into a trans-Tasman effort spanning more than 20 construction sites across New Zealand and Australia, involving hundreds of site personnel, trades, and partner organisations.

The programme launched with a strong commitment to 100% source separation on-site—a hands-on approach that built ownership and accountability from the ground up. While mass balance methods are now incorporated where appropriate, our foundation remains rooted in empowering teams to actively sort and manage waste at source.

Impact in numbers

15,000+ TONNES DIVERTED
10,000+ BINS COLLECTED
26+ WASTE STREAMS TRACKED
~60+% RECOVERY RATE

Targeting impact, Not just the numbers

Each year, our diversion targets increase as part of our SLL facility, reinforcing the connection between environmental performance and financial accountability. Construction sites are categorised into groups to reflect the varying recycling infrastructure and diversion opportunities across locations.

Our current groupings are Metro and Regions, with a new Sub-Metro category planned for 2027. To prepare for this additional challenge, we've taken the bold step to introduce the Sub Metro category internally ahead

of schedule — shifting our Christchurch, Wellington, and Hamilton construction sites into this grouping. This internal move allows us to test and refine our approach while external targets remain unchanged.

What's next?

We're focused on reducing waste at source through smarter design, digital site measurement, and factory-based solutions for key materials. These types of innovations help minimise offcuts and improve material efficiency before waste even reaches the bin.

Our Lost Opportunities Register and enhanced B2B reporting, help identify service gaps and refine processes. A monthly cross-functional working group brings together site teams, sustainability leads, and industry partners to share learnings and ideas.

Our wider work focuses on refining how we measure impact and reduce waste at source. This includes identifying high-volume, low-weight materials that disproportionately affect landfill space, understanding how different waste streams influence landfill longevity, conducting bin audits to inform smarter procurement decisions, and exploring material-specific diversion targets to challenge suppliers. We continue to work closely with our supply chain partners through our supplier engagement programme, encouraging better packaging, improved separation, and transparent disposal practices. It's about lifting the entire ecosystem — creating shared responsibility and driving change beyond our own sites.

Risk management

Integrated risk management process

Summerset acknowledges that the world's understanding of climate change, and how it is impacting our environments (natural and built), is an ever-changing area. New sources of data and scientific information, as well as new regulations and technology, are constantly shifting the dynamic. This means that businesses need to be conscious that their management of climate-related risks is constantly evolving. To address this, Summerset chose to integrate our climate-related risks into our existing Enterprise Risk Framework. This helps keep climate change risks top of mind and builds engagement across the business.

Our risk management framework and process

Summerset's Enterprise Risk Framework and Risk Management Policy adopts the principles detailed in AS/NZS ISO 31000:2018. This helps to ensure that risk management is well structured and effective throughout the business.

Risk identification is undertaken by all staff at Summerset. We use a variety of tools and methods to help with risk identification. Detailed below are the specific tools and methods used in identifying our climate-related risks.

Stakeholder engagement

- The Climate Working Group, and key individuals, including the Risk and External Reporting Manager, worked with the business to assist in understanding, identifying and assessing climate-related risks across our entire business.

Village specific analysis

- Summerset engaged external consultants to help determine the specific exposure of identified physical risks across our portfolio. This was at a high level and has resulted in a more detailed investigation programme being created to improve our understanding of Summerset's exposure across multiple scenarios and time horizons.

Scenario analysis

- The scenario creation and analysis processes (detailed in the Strategy section of this report) helped to identify and assess potential impacts of climate change, which in turn shaped our climate-related risks.

External scanning

- Key individuals throughout the business, including the ELT, engage with key market participants, external resources and consultancies to understand potential changes to existing risks or new and emerging risks. This helps Summerset with our risk management through proactive engagement and action.

Risks identified are assessed using Summerset's Enterprise Risk Matrix based on the consequence of impact and the likelihood of occurrence. Residual risk ratings are determined after taking into consideration the effectiveness of the control environment.

Summerset appreciates that the impacts of chronic, long-term physical climate-related risks are not likely to occur over timeframes that fit into a traditional risk matrix.

Therefore, for these specific risks there was greater emphasis and consideration given to the severity of the consequence. However, we still chose to integrate these risks so we can track key data and indicators over time that will help grow our understanding and enable us to monitor these chronic risks.

All of Summerset's risks, including climate-related risks, are managed in line with Summerset's risk appetite. Risks are regularly reported on and prioritised for action according to probability and severity, allowing for prioritisation of climate-related risks relative to other types of risks.

Frequency of risk assessment

The key operational risks for Summerset are reviewed and reported to the ELT monthly, while key strategic risks are reported to the Board on an annual basis and form

part of our annual risk management plan that is approved by the Board.

In conjunction with our regular reporting of key operational and strategic risks, the Climate Working Group will conduct an annual review and update of climate-related risks, which will run concurrently with our annual scenario analysis process.

This is not an exhaustive source of climate risks identification or assessment, as when business processes (strategy planning, site identification and due diligence), stakeholder engagement (regulation and legislation monitoring, climate scenario sector groups) or external scanning identify new or changing risks, Summerset will conduct or update our risk assessments through the Climate Working Group and Risk and External Reporting Manager.

Any material change to our climate change risks outside of regular processes would be reported through the Climate Working Group and Risk and External Reporting Manager.

Time horizons

Summerset utilises a single time horizon for scenario analysis as stated on Table 3 on page 19. However, when considering risk management we also consider more appropriate horizons such as alignment with our strategy, emission reduction targets, asset life cycle and age, and financial modelling. This allows us to prioritise and make timely decisions around mitigation, investment and overall direction for the company.

Value chain exclusions

No significant parts of the value chain have been excluded from the analysis. However, when considering our supply chain, many suppliers are still early in their maturity journey. Consequently, Summerset's understanding of climate-related risks across the whole value chain, particularly the supply chain, is limited by availability and quality of data and information.

Appendix

Appendix I: NZ CS reference table

Table 9: Reference guide to specific pages for New Zealand Climate Standard Provisions (NZCS 1 and NZCS 3)

NZ CS provisions	Page reference
Governance (NZ CS 1)	
Identity of governance body responsible for oversight of climate-related risks and opportunities – 7(a)	44
Governance body oversight – 7(b) and 8(a), (b), (c) and (d)	44
Management's role – 7(c), and 9(a), (b), and (c)	44-45
Strategy (NZ CS 1)	
Current physical and transition impacts – 12(a)	24-33
Current financial impacts – 12(b) and (c)	14-16, 24-33
Scenario analysis undertaken – 11(b)	18-23
Climate-related risks and opportunities – 14(a), (b) and (c)	24-33
Anticipated impacts – 15(a)	24-33
Anticipated financial impacts – 15(b), (c) and (d)	24-33
Current business model and strategy – 16(a)	10-13
Transition planning - transition plan aspects of strategy and extent of alignment with internal capital deployment – 16(b) and (c)	11-13
Risk management (NZ CS 1)	
Processes for identifying, assessing, and managing climate-related risks – 18(a) and 19(a), (b), (c), (d) and (e)	46
Integration into overall risk management processes – 18(b)	46
Metrics and targets (NZ CS 1)	
Disclosures - 21(a), (b), (c), (d)	See 22(a)-(h), 40, n/a, see 23(a)-(e)
Metric categories (GHG) emissions – 22(a) and (b)	36/49, 38-39
Metric categories (other) – 22(c), (d), (e), (f), (g) and (h)	28-29, 24-27, 30-33, 14-16, 41, 45

NZ CS provisions	Page reference
Targets – 23(a), (b), (c), (d) and (e)	12, 38-40
GHG emissions – 24(a), (b), (c) and (d)	35-37, 54-56
GHG assurance – 25 and 26(a), (b) and (c)	35-36, 57-60
Other (NZ CS 3)	
Scenario analysis employed including methodologies and underlying assumptions – 51(a) and (b)	18-23
GHG emissions calculation or estimate methodologies, assumptions, limitations and rationale for methods – 52	35-37, 50-54
Uncertainties relevant to quantification of GHG emissions and effects of these uncertainties – 53	50-54
Explanation for any base year GHG emissions restatements – 54	37

Appendix II: GHG information

Table 10: GHG Protocol category breakdown

CATEGORY	SUB-CATEGORY	EMISSIONS (tCO ₂ e)
Scope 1	Scope 1 Total	2,345
	Mobile combustion (including company owned or leased vehicles)	466
	Leakage of refrigerants	6
	Stationary combustion	1,874
Scope 2*	Scope 2 Total (location-based)	3,231
	Imported electricity (market-based)	18
	Imported electricity (location-based)	3,231
Scope 3	Scope 3 Total	86,211
Category 1: Purchased goods and services	Purchased good and services**	14,727
Category 2: Capital goods	Capital goods***	63,655
Category 3: Fuel- and energy-related activities	Transmission of energy (T&D losses)	212
	Well-to-tank	278
Category 5: Waste generated in operations	Disposal of solid waste and wastewater	1,025
Category 6: Business travel	Air travel	484
	Rental cars and rideshare	26
Category 7: Employee commuting	Employee commuting	3,194
Category 13: Downstream leased assets	Resident electricity	2,571
Total emission (S1, 2 & 3)		91,787

* Market-based emissions were calculated by utilising low-carbon attributes from mechanisms such as contractual instruments and RECs bundled with the consumed electricity. Location-based emissions were determined using the average emissions intensity of the grids where energy consumption occurs, relying on grid-average emission factor data.

** Capital assets from operations are included in purchased goods and services. Emissions from operational suppliers are calculated using emissions factors specific to each supplier.

*** Capital goods are capitalised consistent with the GHG Protocol guidance and our accounting procedures.

Emissions sources and calculation methods

Table 11 provides an overview of all emissions sources in Summerset’s GHG Inventory, including data sources, calculation methods, any assumptions made in the calculation process and an assessment of data quality and uncertainty.

To support our emissions reporting, a variety of calculation methods are used depending on the nature and availability of data:

- supplier-specific method – uses product-specific emissions data associated with goods or services, multiplied by the quantity utilised
- hybrid method – combines product-specific emissions data (where available) and secondary data (e.g., industry averages) when required
- average data method – estimates emissions by multiplying the quantity of a product (e.g., kilograms, litres) by an appropriate secondary emission factor
- spend-based method – estimates emissions by multiplying the cost of goods and services purchased multiplied by an appropriate dollar spend emission factor.

Assessing GHG emissions remains a developing field, with scientific understanding and calculation methodologies continuously evolving; while access to data is improving, there are still estimation uncertainties and limitations in emissions factors. Data quality and uncertainty are assessed using the scales outlined below. Although the quantification of effects of uncertainty is not included, a qualitative classification of uncertainty is detailed per emissions source.

DATA QUALITY SCALE:

- *Low – Data has notable inaccuracies, inconsistencies or variability, which may limit its accuracy*
- *Medium – Data is generally reliable but contains some inaccuracies or missing values requiring extrapolation*
- *High – Data is accurate, consistent and mostly complete*

UNCERTAINTY SCALE:

- Low – There is strong confidence in data reliability and accuracy, with clear understanding of limitations
- Medium – There is reasonable confidence in data reliability, with some acknowledged limitations
- High – There is limited confidence in reliability, with reasonable unknowns affecting accuracy

Table 11: Emissions sources included

GHG PROTOCOL CATEGORY	EMISSION SOURCES	DATA SOURCES	ASSUMPTIONS & METHODOLOGY	DATA QUALITY	UNCERTAINTY
Scope 1					
	Diesel & petrol	Fuel records from supplier portal and internal finance system	Average data method: 99% of fuel usage is sourced from the supplier portal where data is broken down by litres by fuel type. Staff petrol claims (1%) are taken from the finance system, converted from dollar amounts to litres using average petrol prices (sourced from GlobalPetrolPrices.com).	High: Assumed supplier reports and data from our finance system are complete and accurate	Low: Due to high data quality and low variability in emissions factors
	Natural gas distributed commercial	Supplier invoices/removal records	Average data method: Consumption quantity in kWh is sourced from supplier records. The small inconsistencies in reading times and billing periods have a negligible impact on emissions.	High: Assumed supplier reports are complete and accurate	Low: Due to high data quality and low variability in emissions factors

GHG PROTOCOL CATEGORY	EMISSION SOURCES	DATA SOURCES	ASSUMPTIONS & METHODOLOGY	DATA QUALITY	UNCERTAINTY
	LPG stationary commercial	Supplier invoices	Average data method: LPG usage from supplier invoices is converted to kWh using Elgas conversion factors. The small inconsistencies in reading times and billing periods have a negligible impact on emissions.	High: Assumed supplier has provided complete and accurate invoice data	Low: Due to high data quality and low variability in emissions factors
	Refrigerants	Supplier invoices	Average data method: Property managers collect refrigerant leak data from supplier and/or maintenance records, specifying the refrigerant type and quantities.	Medium: Assumed accurate supplier invoices and correct property staff inputs	Medium: Due to variability in activity data and inherent uncertainty in emissions factors
	Biofuel and biomass	Supplier invoices	Average data method: Pellet consumption (tonnes) from supplier records is multiplied by the nationwide emissions factor, timing inconsistency between invoice and consumption has a negligible impact on emissions.	High: Assumed supplier has provided complete and accurate invoice data	Low: Due to high data quality and low variability in emissions factors
Scope 2					
	Electricity – location-based	Supplier invoices/ records	Average data method: Electricity usage in kWh is multiplied by the NZ 2024 quarterly national average or VIC 2025 location-based emissions factor, depending on the region. For NZ 2024 factors are used, as at the time of reporting 2025 factors are not available.	High: Assumed supplier has provided data for all ICPs/meters	Low: Due to high data quality and low reliability in emissions factors
	Electricity – market-based	Supplier invoices/ records	Average data method: Electricity in kWh from supplier is multiplied by the NZ or VIC residual mix emissions factor for the period. RECs, and green power agreements are used to negate any emissions covered to zero.	High: Assumed supplier has provided data for all ICPs/meters	Low: Due to emissions factor being highly specific to Summerset, and high data quality
Scope 3					
Category 1: Purchased goods and services	Paper use	Supplier invoices/ records	Average data method: Paper quantity (tonnes) from the national supplier is multiplied by the product-specific national emissions factor.	High: Assumed supplier reports are complete and accurate	Low: Due to high data quality and low variability in emissions factors
	Fertilisers	Site records and supplier invoices	Average data method: Property managers track fertiliser purchases by type and quantity. NPK content is identified and multiplied by respective emission factors, with all data sourced from our villages.	Medium: Assumed supplier has provided complete and accurate invoice data, and property staff inputs are complete	Medium: Due to variability in activity data and inherent uncertainty in emissions factors

GHG PROTOCOL CATEGORY	EMISSION SOURCES	DATA SOURCES	ASSUMPTIONS & METHODOLOGY	DATA QUALITY	UNCERTAINTY
	Purchased goods and services – supplier spend	Spend from finance records	Spend-based method: Spend data is extracted from the finance system and categorised as operational (purchased good and services) or construction spend (capital goods). Spend is adjusted using CPI deflators to align the purchasing power of current spend with the year in which the emissions factors were produced, trade margins are split out and tax is removed. Suppliers are attributed the most relevant emissions factor from within the selected emission factor set according to the product and/or service they provide. Costs exclude any spend that is already captured by a more precise method of calculation. Freight emissions are included in supplier costs as they cannot be separated. Capital assets from operational suppliers are accounted for under purchased goods and services.	Medium: Assumed data from our finance system is accurate and complete, and supplier provided data is verified	High: Due to low specificity in emission factors and uncertainty in method of calculation
Category 2: Capital goods	Capital goods	Spend based: Spend from finance/ supplier records/ internal estimates	Spend-based method (91%): See above explanation; the key delimiter for capital goods is that spend tagged with “construction” is capitalised and, based on the vendor, an estimate of the spend relating to products/services is made to determine an appropriate emissions factor. Average data method (9%): For certain typologies (eg villas) emissions were estimated using construction material volumes. Actual volumes use supplier records and estimated use quantity surveyor estimates. Emissions factors and calculation methodology followed the BRANZ model.	Medium: Assumed data from our finance system is accurate and complete, and supplier provided data is verified	High: Due to low specificity in emission factors and uncertainty in method of calculation
Category 3: Fuel- and energy-related activities not Included in Scope 1 or Scope 2	Electricity distributed T&D losses	Supplier invoices/ records	Average data method: Electricity usage (kWh) from supplier records is multiplied by the national average emissions factor for losses. 100% of data is sourced from supply chain partners.	High: Derived from meter data therefore accurate and complete	Low: Due to high data quality and low variability in emissions factors
	Well-to-tank emissions from fuels used	Supplier invoices/ records	Average data method: Well-to-tank emissions are calculated using quantities (in kWh or L) from the underlying fuel source and multiplied by the well-to-tank emissions factor. Quantities of fuels are sourced from suppliers as outlined above.	High: Assumed supplier records are complete and accurate	Low: Due to high data quality and low variability in emissions factors
	Water supply	Water meter readings and council invoices	Average data method: Water consumption (litres) for each operational and construction site is sourced from available data, such as automated water meter readings, council invoices and manual readings. For sites where readings are not available, estimated usage per unit is applied to determine total water usage. The NZ water supply emissions factor is applied to the total usage data. 100% of data is obtained through supply chain partners.	Medium: Some extrapolation of data across sites	Medium: Due to variability in data quality and inherent uncertainty in emissions factors

GHG PROTOCOL CATEGORY	EMISSION SOURCES	DATA SOURCES	ASSUMPTIONS & METHODOLOGY	DATA QUALITY	UNCERTAINTY
Category 5: Waste generated in operations	Waste from operations and construction	Supplier records	Average data and supplier-specific method: Quantities of waste (tonnes) from each operational and construction site is sourced from supplier records. Where the destination of waste is known to have a specific emissions factor, this is used. All other landfill sites are assumed to utilise landfill gas recovery, allowing us to apply the national average emissions factor. NZ emission factors for waste are applied to our Melbourne Australia village in VIC. 100% of data is obtained through supply chain partners.	High: Assumed supplier records are complete and accurate	Medium: Due to the uncertainty in the waste type mix and low variability in emissions factors
	Waste from offices	Waste audit	Average data method: Annual head office waste audit provides tonnes per staff member per year. This result is extrapolated to other offices with estimated total tonnage for each office then multiplied by the relevant emissions factor. 100% of data is obtained through internal records.	Medium: Some extrapolation of data across offices	Medium: Level of data quality and lack of externally provided numbers
	Disposal of liquid waste – wastewater	Based on water consumption	Average data method: An estimate of 95% of water consumption is used to calculate emissions relating to wastewater. This estimated usage is applied to the NZ emissions factor for wastewater.	Medium: Some extrapolation of data and estimates used in calculation	Medium: Due to variability in data quality and inherent uncertainty in emissions factors
Category 6: Business travel	Air travel and rental cars	Supplier & finance records	Distance-based method: Travel distance (km) is provided by the supplier, broken down by travel method and origin/destination. Passenger kms are multiplied by the most appropriate national average emissions factor. For staff claims related to travel (<1%) we multiply the number of claims for each travel method by the average travel distance from the more detailed supplier data. The distance is then multiplied by the relevant emission factor. Expense claim data is extracted from our finance system with 100% of data obtained through supply chain partners.	High: Assumed supplier reports and data from our finance system are complete and accurate	Low: Due to high data quality and low variability in emissions factors
	Taxi	Supplier & finance records	Spend-based method: Due to limited detail on specific trips, total spend from supplier invoices and our internal finance system (for staff claims) is multiplied by the relevant emissions factor. 100% of data is obtained through supply chain partners.	High: Assumed supplier reports and data from our finance system are complete and accurate	Medium: Due to limitations in calculation method and inherent uncertainty in emissions factors
Category 7: Employee commuting	Employee commuting	Employee survey	Average data method: 2023 staff survey collected data on employee commuting, including transport method, distance and frequency, and is assumed to represent 2025 commuting behaviour. Data is extrapolated to estimate total annual distance by transport method, with emissions calculated using relevant factors. 100% of data is obtained through staff survey.	Medium: Impacted by number of responses and interpretation of survey questions	Medium: Due to extrapolation of survey data and inherent uncertainty in emissions factors

GHG PROTOCOL CATEGORY	EMISSION SOURCES	DATA SOURCES	ASSUMPTIONS & METHODOLOGY	DATA QUALITY	UNCERTAINTY
Category 13: Downstream leased assets	Resident electricity	Supplier records	Average data method: Electricity (kWh) is provided by the resident billing supplier and multiplied by the NZ or VIC location-based emissions factor. Electricity usage is gathered using individual smart meters in resident units. 100% of data is obtained through supply chain partners.	High: Assumed data received is accurate and complete	Low: Due to high data quality and low variability in emissions factors

Exclusions

The following GHG emission sources have been excluded from our inventory due to their low materiality and poor availability of data. Each excluded source makes up less than 1% of the total emissions in its respective scope, and the total emissions excluded do not exceed 5% of our total inventory (classified as not material). These exclusions are not considered significant to our inventory, its intended use or its users.

There are no exclusions for Scope 1.

Table 12: Scope 2 & 3 Exclusions – breakdown, rationale and estimated impact

SCOPE 2 & 3 CATEGORY	GHG EMISSIONS SOURCE	BUSINESS UNIT	REASON FOR EXCLUSION	ESTIMATED EXCLUSION (tCO ₂ e)	% OF TOTAL INVENTORY
Scope 2: Indirect emissions from purchased energy	Electricity used in data centers	Operations	Below materiality threshold	2.11	0.002
Scope 3, category 3: Fuel- and Energy-Related activities not Included in Scope 1 or Scope 2	T&D losses from natural gas	Operations	Data has been intermittent and below materiality threshold	40	0.044
Scope 3, category 3: Fuel- and Energy-Related activities not Included in Scope 1 or Scope 2	T&D losses from data centers	Operations	Below materiality threshold	0.17	0.0002
Category 6: Business Travel	Relocation costs	Operations	Data not readily available or reliable	0	0%

Emissions factors

Table 13 outlines the emission factor sets applied to various emissions sources, units of measurement and the GWPs.

Table 13: Emissions factors

EMISSION FACTOR SOURCE	EMISSIONS SOURCE APPLICABLE TO	UNIT	GWP-100
Ministry for the Environment. <i>Measuring emissions: A guide for organisations: 2025 detailed guide</i>	Diesel & petrol	L	IPCC AR5
	Natural gas distributed commercial	kWh	IPCC AR5
	LPG stationary commercial	kWh	IPCC AR5
	Refrigerants	kg	IPCC AR5
	Electricity – Summerset – location-based NZ	kWh	IPCC AR5
	Electricity – residents NZ	kWh	IPCC AR5
	Electricity distributed T&D losses	kWh	IPCC AR5
	Well-to-tank emissions	L	IPCC AR5
	Water	L	IPCC AR5
	Biomass	t	IPCC AR5
	Waste (where specific landfill factors are not available)	t	IPCC AR5
	Rental cars	km/\$	IPCC AR5
	Taxi	\$	IPCC AR5
	Air travel*	km/\$	IPCC AR5
Employee commuting	km	IPCC AR5	
Australian Department of Industry, Science, Energy and Resources. <i>National Greenhouse Accounts Factors</i> . Canberra, Australia 2025	Electricity – Summerset – location-based AUS	kWh	IPCC AR5
	Electricity – Summerset – market-based AUS	kWh	IPCC AR5
	Electricity – residents AUS	kWh	IPCC AR5
Department for Energy Security and Net Zero. <i>Greenhouse gas reporting: conversion factors 2024</i>	Paper	kg	IPCC AR5
Market Economics Limited. <i>Consumption Emissions Modelling</i> , report prepared for Auckland Council. March 2023	Purchased goods and services	\$	IPCC AR4
	Capital goods	\$	IPCC AR4
<i>New Zealand Gazette</i>	Waste	t	IPCC AR5

EMISSION FACTOR SOURCE	EMISSIONS SOURCE APPLICABLE TO	UNIT	GWP-100
BraveTrace – Residual Supply Mix	Electricity – Summerset – market-based	kWh	IPCC AR6
Ledgard and Falconer. <i>Update of the carbon footprint of fertilisers used in New Zealand</i> . 2019	Fertiliser	kg	IPCC AR5
Supplier EPDs	Supplier EPDs	Various	IPCC AR4/5

* Radiative forcing is associated with air travel emissions at higher altitudes and results in a higher global warming potential. Ministry for the Environment applies a multiplier of 1.7

Absolute emissions performance

Table 14 presents our absolute emissions performance compared to the previous year and base year. FY25's total emissions are 91,787 tCO₂e, a 26% increase on FY24. A significant portion of the FY24–FY25 increase is attributable to the higher NZ grid emissions factor, which has elevated our Scope 2 electricity location-based emissions and Scope 3 Category 13 resident electricity emissions. The remainder reflects the impacts of our growing business. The increase on the base year reflects the expanded reporting scope and the inclusion of additional Scope 3 emission sources.

Table 14: Prior year absolute performance

SCOPE	CATEGORY	BASE YEAR (2022) tCO ₂ e	2023 tCO ₂ e	2024 tCO ₂ e	2025 tCO ₂ e	CHANGE FROM 2024 (%)	CHANGE FROM BASE YEAR (%)
Scope 1	Scope 1	2,097	2,213	2,464	2,345	-5%	12%
Scope 2	Location-based	2,511	1,417	2,047	3,231	58%	29%
	Market-based	-	17	16	18	12%	-
Scope 3	Category 1	21	10,986	11,428	14,727	29%	70,027%
	Category 2	-	51,173	50,535	63,655	26%	-
	Category 3	230	205	449	529	18%	130%
	Category 5	910	461	731	1,025	40%	13%
	Category 6	699	1,059	585	510	-13%	-27%
	Category 7	-	2,268	3,017	3,194	6%	-
	Category 13	2,369	1,237	1,669	2,571	54%	9%
Total emissions (S1, 2 & 3)		8,807	71,017	72,925	91,787	26%	942%

Note:
Our 2022 base year did not fully reflect our current reporting scope. From FY23 onwards we expanded our inventory to align with updated reporting requirements. This includes: (i) the introduction of Renewable Energy Certificates (RECs), and (ii) the inclusion of additional Scope 3 categories and the transition to full value-chain reporting – notably Purchased Goods and Services (Category 1), where the base year figure represented only a partial value

Toitū Envirocare provided ISO 14064-3:2019 assurance for our 2022 GHG inventory at a reasonable level, and for the 2023 inventory, at a reasonable level for all mandatory programme categories, with limited assurance for ISO categories 3 & 4 additional emissions. 2024 NZSAE 1 assurance was provided by Ernst & Young Limited, 2025 by KPMG

Appendix III: GHG assurance



Independent Limited Assurance Report to Summerset Group Holdings Limited

Conclusion

Our limited assurance conclusion has been formed on the basis of the matters outlined in this report.

Based on our limited assurance engagement, which is not a reasonable assurance engagement or an audit, nothing has come to our attention that would lead us to believe that, in all material respects, the the scope 1, 2 and 3 gross greenhouse gas emissions, additional required disclosures and associated methods, assumptions and estimation uncertainty disclosures included in the Sustainability Review and Climate-related Disclosures FY25 (the Climate Statement) on pages 35 to 37 and Appendix II (GHG disclosures) are not fairly presented and prepared in accordance with the Aotearoa New Zealand Climate Standards (NZ CSs) issued by the External Reporting Board (the criteria) for the period 1 January 2025 to 31 December 2025.

Information subject to assurance

We have performed an engagement to provide limited assurance in relation to Summerset Group Holdings Ltd's (the **Company**) GHG disclosures for the period 1 January 2025 to 31 December 2025.

Below are the locations of the GHG disclosures subject to assurance:

NZ CS 1-3 Requirement	Reference
NZ CS 1 22(a)	Table 4 - page 36 and Table 10 - page 49
NZ CS 1 24(a-d)	Page 35-37 and page 54-56
NZ CS 3 52-53	Tables 11 and 12 – Appendix II
NZ CS 3 54	Page 37

Our conclusion on the GHG disclosures does not extend to other information included, or referred to, in the Climate Statements on pages 2 to 34 and 38 to 48. We have not performed any procedures with respect to the other information.



Criteria

The criteria used as the basis of reporting include the NZ CSs. As disclosed on page 35 of the Climate Statement, the greenhouse gas emissions have been measured in accordance with the World Resources Institute and World Business Council for Sustainable Development's Greenhouse Gas Protocol Standards (collectively, the GHG Protocol):

- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (revised edition)
- The Greenhouse Gas Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard
- The Greenhouse Gas Protocol: Corporate Value Supply Chain (Scope 3) Accounting and Reporting Standard.

As a result, this report may not be suitable for another purpose.

Standards we followed

We conducted our limited assurance engagement in accordance with New Zealand Standard on Assurance Engagements 1 (**NZ SAE 1**) Assurance Engagements over Greenhouse Gas Emissions Disclosures and International Standard on Assurance Engagements (New Zealand) 3410 Assurance Engagements on Greenhouse Gas Statements (**ISAE (NZ) 3410**) issued by the New Zealand Auditing and Assurance Standards Board (**Standard**). We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Our responsibilities under the Standard are further described in the 'Our responsibility' section of our report.

Other Matter - Prior year comparatives assured by another practitioner

The GHG disclosures for the period ended 31 December 2024, was subject to a limited assurance engagement by another practitioner whose report dated 27 February 2025 expressed an unmodified conclusion on such information. Our conclusion is not modified in respect of this matter.

How to interpret limited assurance and material misstatement

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

Misstatements, including omissions, within the GHG disclosures are considered material if, individually or in the aggregate, they could reasonably be expected to influence the relevant decisions of the intended users taken on the basis of the GHG disclosures.

Inherent limitations

GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emission factors and the values needed to combine emissions of different gases.

Use of this assurance report

Our report is made solely for Summerset Group Holdings Ltd. Our assurance work has been undertaken so that we might state to Summerset Group Holdings Ltd those matters we are required to state to them in the assurance report and for no other purpose.

Our report should not be regarded as suitable to be used or relied on by anyone other than Summerset Group Holdings Ltd for any purpose or in any context. Any other person who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk.

To the fullest extent permitted by law, none of KPMG, any entities directly or indirectly controlled by KPMG, or any of their respective members or employees accept or assume any responsibility and deny all liability to anyone other than Summerset Group Holdings Ltd for our work, for this independent assurance report, and/or for the opinions or conclusions we have reached.

Our conclusion is not modified in respect of this matter.



Summerset Group Holdings Ltd's responsibility for the GHG disclosures

The Directors of Summerset Group Holdings Ltd are responsible for the preparation and fair presentation of the GHG disclosures in accordance with the criteria. This responsibility includes the design, implementation and maintenance of such internal control as Directors determine is relevant to enable the preparation of the GHG disclosures that are free from material misstatement whether due to fraud or error.

The Directors of Summerset Group Holdings Ltd are also responsible for selecting or developing suitable criteria for preparing the GHG disclosures and appropriately referring to or describing the criteria used.

Our responsibility

We have responsibility for:

- planning and performing the engagement to obtain limited assurance about whether the GHG disclosures are free from material misstatement, whether due to fraud or error;
- forming an independent conclusion based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to Summerset Group Holdings Ltd.

Summary of the work we performed as the basis for our conclusion

A limited assurance engagement performed in accordance with the Standard involves assessing the suitability in the circumstances of Summerset Group Holdings Ltd's use of the criteria as the basis for the preparation of the GHG disclosures, assessing the risks of material misstatement of the GHG disclosures whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the GHG disclosures.

We exercised professional judgment and maintained professional scepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the GHG disclosures that is sufficient and appropriate to provide a basis for our conclusion.

Our procedures selected depended on an understanding of the GHG disclosures that is sufficient and appropriate to provide a basis for our conclusion. The procedures we performed were based on our professional judgment and included inquiries, 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 limited assurance on the GHG disclosures the procedures we primarily performed were:

- obtained, through inquiries, an understanding of the Company's control environment, processes and information systems relevant to the preparation of the GHG disclosures. We did not evaluate the design of particular control activities, or obtain evidence about their implementation;
- evaluated whether the Company's methods for developing estimates are appropriate and had been consistently applied. Our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the Company's estimates;
- agreed a selection of GHG emissions data to relevant underlying source documents and re-performed emission factor calculations for a limited number of items;
- performed analytical procedures on particular emission categories by comparing the expected GHGs emitted to actual GHGs emitted and made inquiries of management to obtain explanations for any significant differences we identified; and
- considered the presentation and disclosure of the GHG emissions and explanatory notes against the relevant requirements of the NZ CSs.

The procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.



Our independence and quality management

This assurance engagement was undertaken in accordance with NZ SAE 1. NZ SAE 1 is founded on the fundamental principles of independence, integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We have complied with the independence and other ethical requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards)* (New Zealand) (**PES 1**) issued by the New Zealand Auditing and Assurance Standards Board, which is founded on fundamental principles of The firm applies Professional and Ethical Standard 3 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* (**PES 3**), which requires the firm to design, implement and operate a system of quality control including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have also complied with Professional and Ethical Standard 4 *Engagement Quality Reviews* (**PES 4**) which deals with the appointment and eligibility of the engagement quality reviewer and the engagement quality reviewer's responsibilities relating to the performance and documentation of an engagement quality review.

Our firm has also provided tax compliance services, internal audit and cybersecurity review services to Summerset Group Holdings Ltd. Subject to certain restrictions, partners and employees of our firm may also deal with Summerset Group Holdings Ltd on normal terms within the ordinary course of trading activities of the business of Summerset Group Holdings Ltd. These matters have not impaired our independence as assurance providers of Summerset Group Holdings Ltd for this engagement. The firm has no other relationship with, or interest in, Summerset Group Holdings Ltd.

As we are engaged to form an independent conclusion on the GHG disclosures prepared by Summerset Group Holdings Ltd, we are not permitted to be involved in the preparation of the GHG disclosures as doing so may compromise our independence.

The engagement partner on the assurance engagement resulting in this independent assurance report is David Gates.

A handwritten signature of 'KPMG' in blue ink, written in a cursive, stylized font.

KPMG
Wellington
26 February 2026



AAA
ESG RATING (2025)



A+
CARBON & ESG RATINGS
OF NZ COMPANIES (2025)



A
CLIMATE (2025)



**BUSINESS NZ
CORPORATE ESG AWARD**

