

Climate Statement

2026



FINANCIAL YEAR ENDED 30 JUNE 2026

Freightways

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This Climate Statement is structured around the four mandatory sections of the Aotearoa New Zealand Climate Standard 1 – Climate-related Disclosures (NZCS 1), which are generally based on the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) that Freightways has reported against in previous years. The order of the disclosures in some sections differs from the order in NZCS 1 for the purpose of readability.





About this Climate Statement

Reporting entity

This Climate Statement is for the parent company Freightways Group Limited (the Parent) and its subsidiaries (together referred to as Freightways or the Group). The Parent is a Climate Reporting Entity (CRE) under the Financial Markets Conduct Act 2013.

This Climate Statement has been prepared for the year ended 30 June 2026 (Reporting Period). The scope of the reporting entity aligns with that used for the Group's 2026 Consolidated Financial Statements.

Compliance statement and use of adoption provisions

This is the Parent's third reporting period under the Aotearoa New Zealand Climate Standards (NZCS). In preparing this Climate Statement, Freightways has elected to use the following adoption provisions:

ADOPTION PROVISION 2: Anticipated financial impacts

This adoption provision exempts Freightways from disclosing anticipated financial impacts of climate-related risks and opportunities reasonably expected by Freightways. This provision also exempts Freightways from disclosing a description of the time horizons over which the anticipated financial impacts of climate-related risks and opportunities could potentially occur.

ADOPTION PROVISION 5: Comparatives for Scope 3 greenhouse gas emissions

This adoption provision permits Freightways to only disclose one year of comparative information for disclosed Scope 3 greenhouse gas emissions and exempts Freightways from disclosing comparative Scope 3 greenhouse gas emissions information for the Scope 3 categories not disclosed in the second reporting period.

ADOPTION PROVISION 7: Analysis of trends

This adoption provision exempts Freightways from disclosing trends relating to Scope 3 greenhouse gas emissions categories not disclosed in the second reporting period.

With those adoption provisions applied, this Climate Statement complies with the NZCS. This Climate Statement was approved by the Board of Directors of Freightways on 17 August 2026.



David Gibson



Abigail Foote

For and on behalf of the Board of Directors.



Important information for readers

Climate-related risk management remains an emerging area, and often uses data and methodologies that are developing and uncertain. Freightways started its public TCFD reporting a few years ago. With the introduction of mandatory reporting and Freightways becoming a CRE, considerable effort has been made to uplift the assessment of climate risk. As a lean organisation, this has involved engaging expert external consultants to support with analysis and processes. As part of that engagement, Freightways has received advice from external consultants and used third-party sources of information to inform internal processes and contribute to parts of the content of this Climate Statement.

This Climate Statement contains forward-looking statements, including climate-related metrics, climate scenarios, estimated climate projections, assumptions, forecasts and statements of Freightways' future intentions and anticipated climate-related impacts. These statements necessarily involve assumptions, forecasts and projections about Freightways' present and future strategies and the environment in which Freightways will operate in the future, which are inherently uncertain and

subject to limitations, particularly to inputs, available data and information which is likely to change and is inherently more uncertain than other statements Freightways may make in its annual reporting. Readers should make their own assessments and not place undue reliance on representations that are necessarily subject to significant risks, uncertainties or assumptions.

Descriptions of the qualitative impacts of climate change draw on and / or represent estimated impacts. In particular, the risks and opportunities described in this Climate Statement may not eventuate or may be more or less significant than anticipated and comments about potential reactions to those risks and opportunities should be read in that light.

There are many factors that could cause Freightways' actual results and outlook for the future to differ materially from that described, including climatic, government, consumer, technology and market factors outside of Freightways' control. Freightways also expects that some forward-looking statements made in this document may be amended, updated, recalculated, and restated in future documents as the quality and completeness of its data and

methodologies continue to evolve and improve. Freightways does not intend to revise or update those statements and opinions in this Climate Statement after publishing this Climate Statement.

This disclaimer notice should be read together with the limitations identified elsewhere in this report and, in particular, the limitations and assumptions applied to methodologies used by Freightways in the preparation of quantitative information included in this Climate Statement.

This Climate Statement is not an offer document and nothing in this Climate Statement should be interpreted as capital growth, earnings or any other legal, financial, tax or other advice or guidance. To the extent permitted by law, Freightways does not accept any liability for any loss arising directly or indirectly from any use of, or reliance upon, the information contained in this Climate Statement. Nothing in this disclaimer limits Freightways' obligations under applicable law. For detailed information on Freightways' financial performance, please refer to the **2026 Annual Report**.

Materiality

Freightways has followed the guidance set out in Aotearoa New Zealand Climate Standard 3 – General Requirements for Climate-related Disclosures (NZCS 3) in relation to the application of materiality. Information is considered material where omitting, misstating or obscuring it could reasonably be expected to influence decisions that primary users make on the basis of an entity's climate-related disclosures.

The primary users of this report are expected to be existing and potential investors, lenders, and other creditors.

Defined terms

Capitalised terms used but not otherwise defined in this Climate Statement have the meaning given to them in NZCS. To help with terminology used throughout this Climate Statement, a glossary of key terms is included as Appendix 1 on page 44.

Unless otherwise stated, all financial values are presented in New Zealand dollars (NZD) and all references to years are to Freightways' financial years.



2026 overview

Scope 1
greenhouse gas emissions

37,531 tCO₂e

▲ 5.4% from 2025¹

Scope 2
greenhouse gas emissions

5,414 tCO₂e

▼ 9.1% from 2025¹
(location-based)

Scope 3
greenhouse gas emissions

180,495 tCO₂e

▲ 27.2% from 2025^{1,2}

Emissions intensity

29.3 tCO₂e

per million dollars of revenue³
(Scope 1 and Scope 2)

▼ 9.0% from 2025¹



Total reported
greenhouse gas emissions⁴

223,440 tCO₂e

¹ Comparatives are calculated using restated 2025 figures. Refer to the Restatements and Recalculations section on page 33.

² In 2025 Freightways used adoption relief under NZCS 2 for Scope 3 categories 9, 10, 11 and 12. These categories were measured for the first time in 2026. This also includes Scope 3 emissions from VT Freight Express Pty Limited (VTFE) for the entire Reporting Period. Refer to the Restatements and Recalculations section on page 33.

³ Freightways has reset its greenhouse gas emissions base year to 2026. The reported emissions intensity metric includes VTFE's greenhouse gas emissions for the entire Reporting Period, including the period before Freightways acquired VTFE on 30 January 2026. However, consistent with the financial statements, the revenue used in the metric includes VTFE's revenue only from the acquisition date. Consequently, the numerator and denominator cover different periods. If VTFE's emissions were included only from the acquisition date, the emissions intensity would be 29.2 tCO₂e per million dollars of revenue. Refer to the Emissions Intensity section on page 37.

⁴ As Freightways has reset its baseline to 2026, greenhouse gas emissions from VTFE's operations have been reported for the entire Reporting Period, rather than from the acquisition date. Refer to the Restatements and Recalculations section on page 33.



Freightways' family of brands

Freightways Group Limited and its subsidiaries across New Zealand and Australia offer services in express package and business mail, waste renewal, information management, and temperature-controlled services.

The members of the Group that are subsidiaries, are referred to as the 'Controlled Businesses' and this term is used throughout this Climate Statement.

Through the Controlled Businesses, Freightways has an equity share in Upcycled Building Materials Limited (38.51 percent), Sweetspot Group Limited (33.3 percent) and Parcelair Limited (50 percent). Freightways does not have operational control of these entities, so they are referred to as 'Equity Share Entities' in this Climate Statement.

Freightways has grown organically and through acquisitions and now, through one or more of its Controlled Businesses, operates in every major town in New Zealand and every state in Australia. On 30 January 2026, Freightways acquired the business and assets of VT Freight Express Pty Ltd (VTFE). VTFE is a Victoria-based business that provides express delivery of parcels and palletised freight.

Freightways operates trusted brands in the communities it serves – the key brands are displayed in Figure 1. These brands (except those identified as brands operated by Equity Share Entities) are the key brands operated by the Controlled Businesses during the Reporting Period.

FIGURE 1: FREIGHTWAYS' BRANDS



Figure 1 is illustrative in nature and is provided to support understanding of the key brands operated across the Group. It does not present a complete or exact representation of all brands used across the Group.

¹ Freightways Information Services is an internal shared services provider of information technology and advisory services to the Freightways Controlled Businesses.

● Scope 1 ● Scope 2 ● Scope 3 (relevant category)

PICK UP FROM CUSTOMER

- C4 Airfreight:** Parcelair aircraft.
- C4 Courier Vans:** Post Haste, Subso, VT Express.
- C4 Trucks:** Allied Express.
- C4 Linehaul Trucks:** Parcelair, Allied Express, VT Express.

PROCESSING

- C4 Third Party Transport:** (Left and Right)
- C1 Aviation Parts:** Sold Jet Fuel.
- C11 Aircraft Engineering and Maintenance:** Fieldair.
- C3 Forklifts:** (Left and Right)
- C1 Packaging Materials:** (Left)
- Depots Sorting Freight:** (Center)
- Mail Sorting and Data Printing:** (Right)
- C4 Linehaul Trucks:** (Right)
- C4 Trucks:** (Right)
- C4 Courier Vans:** Post Haste, Subso, VT Express.
- C12 End-of-Life Treatment of Packaging:** (Far Right)

DELIVER TO CUSTOMER

- C4 Airfreight:** Parcelair aircraft.
- C4 Courier Vans:** Post Haste, Subso, VT Express.
- C4 Trucks:** Allied Express.
- C4 Linehaul Trucks:** Parcelair, Allied Express, VT Express.
- C4 Third Party Transport:** (Left and Right)
- C3 Forklifts:** (Left and Right)
- Temperature Controlled Facilities:** Big Chill Distribution.
- C4 Refrigerants:** (Left and Right)
- C3 Trucks (transport fuel and refrigerants):** (Left and Right)
- C3 Vans (transport fuel and refrigerants):** (Far Right)

EXPRESS PACKAGE & BUSINESS MAIL

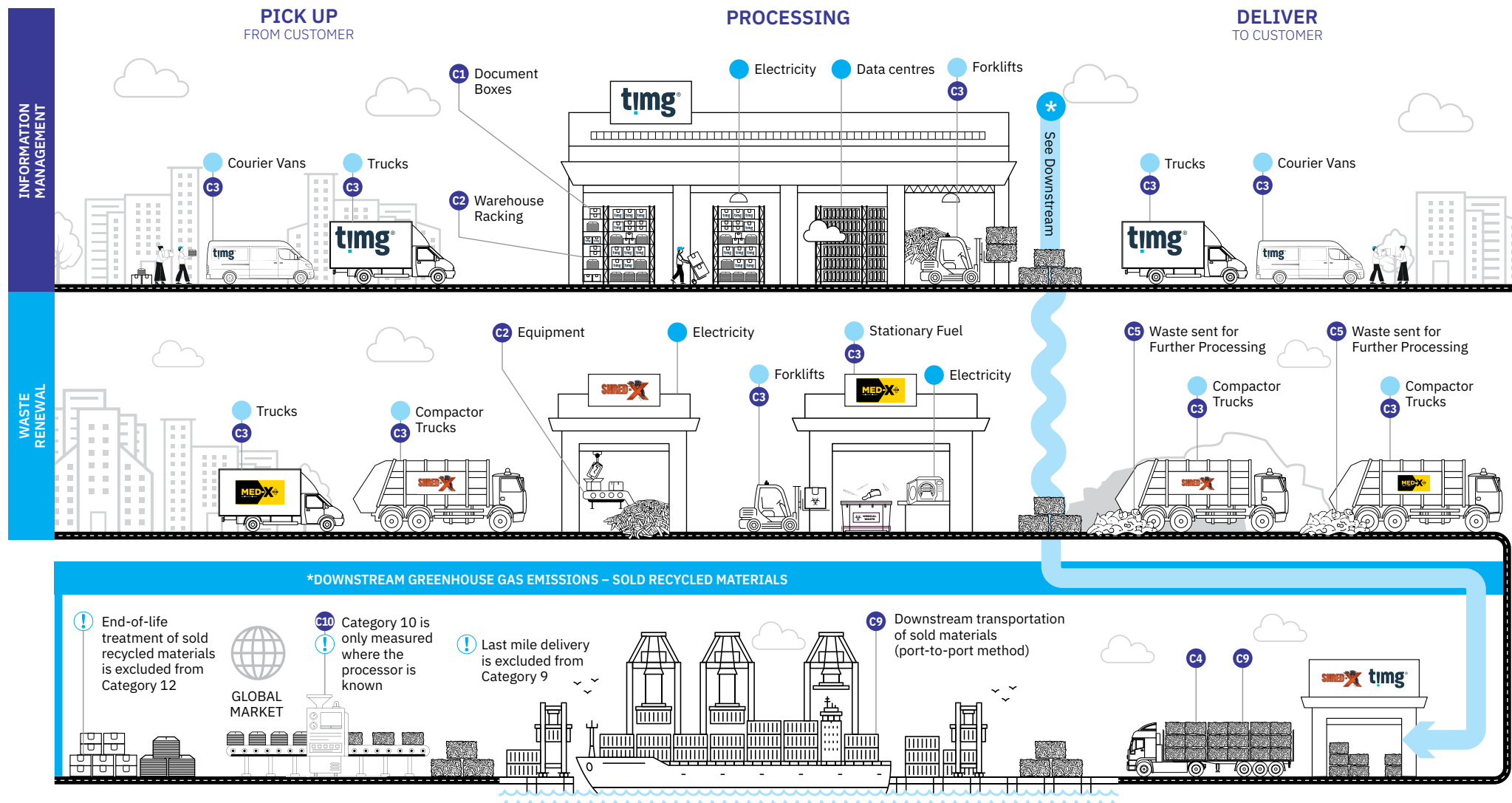
TEMPERATURE CONTROLLED

05



Group activities and emissions impact at a glance (continued)

● Scope 1 ● Scope 2 ● Scope 3 (relevant category)



This image is illustrative in nature and is provided to support understanding of the Group's activities and related emissions. It does not present a complete or exact representation of all activities, businesses, brands, emissions sources, or impacts. Please refer to pages 30 – 36 for information on reported and assured greenhouse gas emissions.



Governance

Oversight by the Board of Directors

GOVERNANCE BODY

Freightways' Board of Directors (the Board) is responsible for the long-term stewardship and resilience of the Group. This covers setting and approving the Group's strategic direction, including climate-related matters, and oversight of climate-related risks and opportunities.

In July 2025, the Board Charter was updated to reflect the Board's climate-related responsibilities, alongside corresponding updates to the Audit & Risk Committee (ARC) Charter. These updates clarified the allocation of responsibility and oversight for climate-related matters between the Board and the ARC.

The ARC is the subcommittee of the Board responsible for overseeing and making recommendations to the Board on financial reporting, compliance, risk management practices, and climate-related reporting. In this role, the ARC oversees the Group's key risks, including climate-related risks.

The People & Safety Committee (PSC) is the subcommittee of the Board responsible for overseeing and making recommendations to the Board on resourcing, diversity and inclusion, remuneration (including short-term incentives), and health and safety matters. In this role, the PSC may consider climate-related matters in remuneration.

GOVERNANCE PROCESS AND FREQUENCY

Climate-related risks and opportunities are a standing item on the Board agenda. Through this standing agenda item, the Board met or received written updates on climate-related matters 13 times during the Reporting Period.

The Board also receives annual reporting from Management on the Group's top risks, including climate-related risks; and annually reviews and approves the Group's Climate Statement and Greenhouse Gas Emissions Report.

In addition to the general regular reporting, the Board considered climate-related matters through specific approvals and decision papers during the Reporting Period. This included:



- Approval of updates to the Delegation of Authority Policy in July 2025, requiring information on climate-related impacts and exposures to be included in new business cases provided to the Board for review and approval.
- Approval of the strategic focus areas for the Group's Transition Plan in July 2025.
- Approval of two operational metrics to guide the pace of transition in parts of the Transition Plan in June 2026.
- Various board papers submitted for approval addressed climate-related impacts and exposures where relevant.

The ARC has responsibility for climate-related reporting and business risks, including climate-related risks. In the Reporting Period, the ARC met 9 times

to review Management's progress on climate-related reporting and identifying and addressing climate-related risks and opportunities.

BOARD SKILLS AND COMPETENCIES

The Board ensures that appropriate skills and competencies are available to provide oversight of climate-related risks and opportunities through training, engaging with internal and external specialists, and taking part in relevant external forums.

All directors are "supporters" of Chapter Zero New Zealand, the New Zealand Chapter of the Climate Governance Initiative. During the Reporting Period, all of the directors participated in two targeted climate-related training sessions facilitated by external advisers to support ongoing Board capability and oversight of climate-related matters.



The Chair of the ARC, Abby Foote, has specific external governance and facilitation roles that expose her on an ongoing basis to the latest climate-related developments in New Zealand. She is a member of the Chapter Zero New Zealand Steering Group and has completed and been a facilitator for the New Zealand Institute of Directors Climate Governance Essentials course and the Climate Change section of the Advanced Directors Course.

The Board's experience and training is supplemented by dedicated external support when required.

Details of the Directors' broader skills and experience (including in relation to climate-related matters) can be found in the matrix on page 33 of the [2026 Annual Report](#).

INTEGRATION OF CLIMATE IN COMPANY STRATEGY

Board and ARC charters allocate oversight and responsibility for setting, monitoring progress against, and overseeing achievement of metrics and targets for managing climate-related risks and opportunities. The Board has responsibility for approving climate-related metrics and targets. The ARC has responsibility for reviewing and recommending metrics and targets to the Board, and for monitoring any metrics and targets set.

The strategic focus areas of the Group's Transition Plan were approved by the Board in July 2025. The Transition Plan outlines Freightways' focus areas to enhance its resilience to the changing climate and respond to the risks and opportunities that climate change presents.

In June 2026 two operational metrics relating to light commercial vehicles were approved by the Board to guide the pace of parts of the Transition Plan. Group-wide emission reduction targets have not yet been set. Additional operational metrics relating to heavy vehicles and aviation emissions, and Group-wide emission reduction targets will continue to be analysed in future reporting periods. The Transition Plan is detailed in the Strategy section, on pages 21 – 27. The operational metrics are detailed in the Targets section on page 41.

MANAGEMENT REMUNERATION

Freightways' PSC provides advice and assistance to the Board in its responsibilities relating to people and safety.

Climate-related matters were included in the short-term incentive (STI) scheme for certain members of senior management in the Reporting Period.

Climate-related performance metrics formed part of the Chief Executive Officer's (CEO) and Chief Financial Officer's (CFO) STI in the Reporting

Period, each having a weighting of 7.5 percent. In the Reporting Period, these climate-related performance metrics were achieved in full.

Other members of the Freightways' Senior Leadership Team (SLT), including the General Manager – Express Package, the General Manager – Freightways, and the General Manager – Safety, as well as most general managers of the Controlled Businesses (General Managers) and the Head of Sustainability & Climate, had climate-related performance metrics incorporated as a component of their 2026 STI arrangements. These metrics also cascaded through to the STI frameworks applicable to relevant team members in some cases.

The role of Management

MANAGEMENT-LEVEL RESPONSIBILITIES

Freightways' CEO and CFO have delegated authority from the Board to oversee the assessment and management of consolidated risks and opportunities across the Group (including climate-related risks and opportunities).

The CEO is responsible for the integration of climate-related considerations in the overall business strategy and its implementation. In the Reporting Period, the CEO had oversight of the integration of the Transition Plan in Freightways' strategy, the climate scenarios

developed, and the establishment of operational metrics in the Transition Plan.

Amongst the SLT, the CFO has primary accountability for the identification and management of all enterprise risks (including climate-related risks) and the preparation of climate-related reporting. The CEO and CFO work with the SLT and the General Managers to maintain and update the Group's strategic risk profile, incorporating inputs from each of the Group's Controlled Businesses. This consolidated strategic risk profile is reported to the ARC on an annual basis. This process is described in the Risk Management section on page 28.

General Managers and the financial controllers (Financial Controllers) of Controlled Businesses are involved in identifying, assessing, and managing climate-related risks and opportunities through the risk management process and through the climate scenario analysis process. They are also responsible for implementing operational-level strategies relating to climate matters and were involved in developing the Transition Plan.

At the Group level, day-to-day responsibility for managing climate-related strategy and reporting is held by the Head of Sustainability and Climate, who reports to the CFO.

The frequency with which Management engage with the Board and ARC is described in the Governance process and frequency section on page 7.



PROCESS AND FREQUENCY OF CLIMATE-RELATED UPDATES TO MANAGEMENT

Climate-related updates are communicated to SLT members and senior management in several ways:

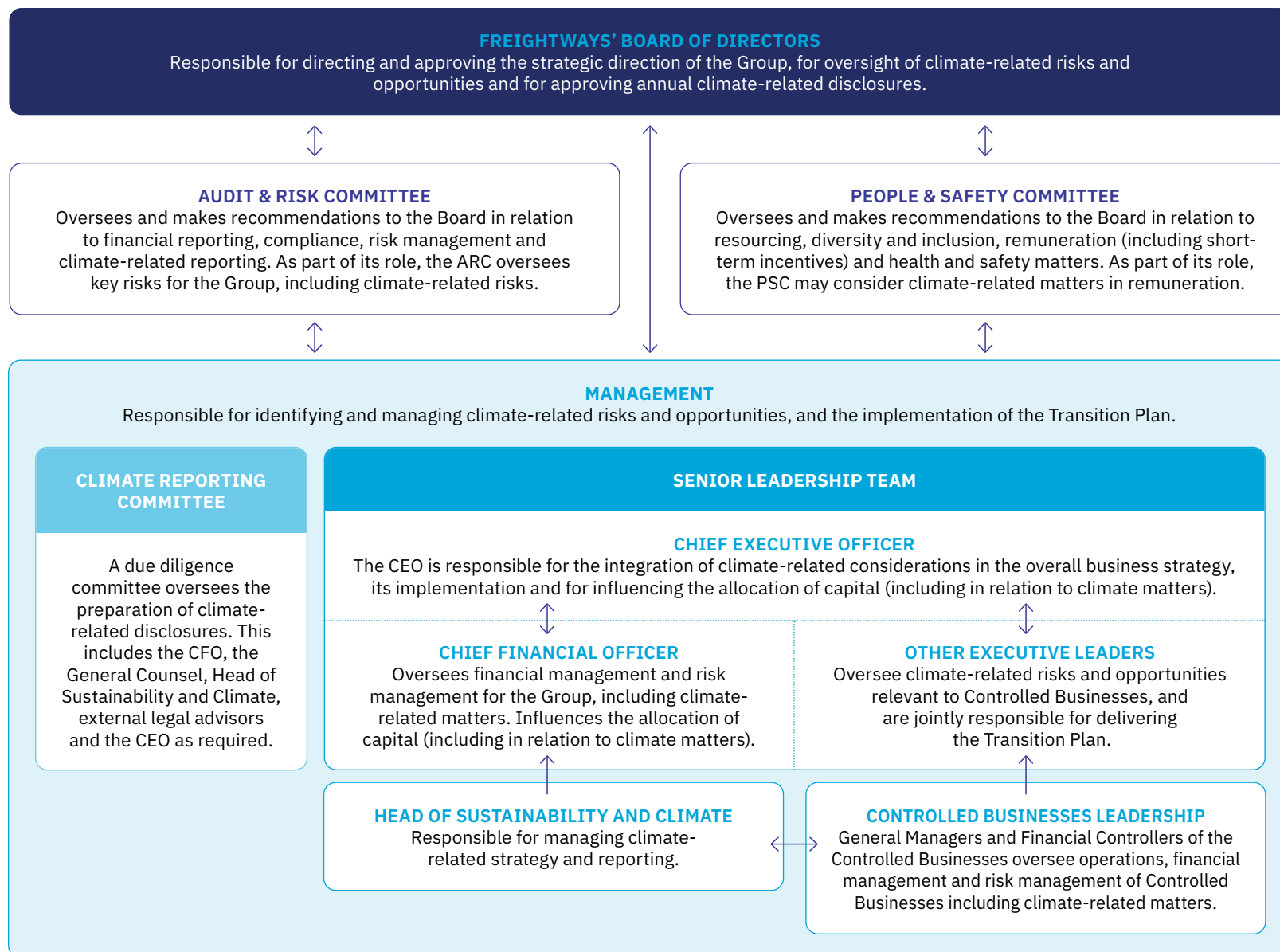
ANNUALLY	On an annual basis, the Controlled Businesses set business plans for the next year to give effect to the Freightways' strategy. Climate-related items are included. Relevant members of the SLT, including the CEO and CFO have oversight of business plans.
MONTHLY	On a monthly basis, the Controlled Businesses provide financial and operational commentary to the CEO, CFO and other relevant members of the SLT. These reports include details on physical climate-related impacts experienced at an operational level by that Controlled Business in the prior month, detail on any low emission vehicles entering or being trialled in the fleet, and other climate-related updates as relevant.
REGULARLY	A climate working group (Climate Working Group) supports climate-related workstreams, including climate scenario analysis, climate risk and opportunity assessments, and financial quantification of climate-related impacts. This group includes the CFO, the New Zealand Group Financial Controller, the Australian Group Financial Controller, the Head of Sustainability and Climate, and the Sustainability and Climate Manager. In carrying out its function, the Climate Working Group worked with KPMG, an external consultant with New Zealand and Australian-specific climate expertise. From May 2026, a due diligence committee was established to oversee the preparation of mandatory climate-related reporting requirements. This committee includes the CFO, General Counsel, Head of Sustainability and Climate, external legal advisors and other members, including the CEO as required. This committee met in May, July and August 2026.
AD HOC	Business case templates for investments or spend requiring CFO and / or CEO approval include details of potential climate-related impacts, lower impact alternatives considered and any climate-related exposures of new business cases. This information assists the CFO and / or CEO to have regard to climate-related matters when making approval decisions. In the Reporting Period, General Managers, Financial Controllers and relevant members of the SLT received externally facilitated training on Freightways' climate scenarios and the risks identified through the climate scenario analysis process. In the Reporting Period, Financial Controllers and relevant team members responsible for the preparation of greenhouse gas emissions data across the Group, received externally facilitated training on greenhouse gas emissions accounting.



Organisational structure

The organisational structure showing climate-related Management-level positions, is illustrated in Figure 2.

FIGURE 2: ORGANISATIONAL STRUCTURE





Strategy

Current climate-related impacts

No material physical or transitional climate impacts were experienced in the Reporting Period.

In the Reporting Period, acute weather events were experienced in the Freightways network in New Zealand and Australia. While these events potentially caused damage and disruption to communities, customers and teams in these locations, they did not result in a material financial impact to the Group in the Reporting Period.

In the Reporting Period, all fossil fuel purchased for use in the New Zealand road and air network, by both company-controlled vehicles and the contracted fleet (including aircraft), included an amount passed through to address the cost faced by the fuel provider to meet its obligations under the New Zealand Emissions Trading Scheme (ETS). The ETS pass through cost to the Group in the Reporting Period was not material.

Fuel price increases during the Reporting Period, arising from geopolitical conflict, have not been reported as current financial climate-related impacts in this

Climate Statement because they were not attributable to a climate-related event. The financial impacts of these increases were generally mitigated through fuel surcharge mechanisms.

Scenario analysis

SCENARIO ANALYSIS PROCESS

In the Reporting Period, Freightways updated its climate-related scenarios and refined its climate-related risks and opportunities.

Freightways engaged KPMG in New Zealand and Australia to support the development of its climate scenarios and the use of these scenarios to identify its climate-related risks and opportunities through a structured process. This included:

- Engaging key internal stakeholders
- Defining the scope and boundaries of the analysis, including relevant time horizons, conducting a value chain mapping exercise and ensuring Australian activities were appropriately integrated
- Identifying and prioritising key driving forces, including an assessment of drivers identified in Freightways'

earlier climate scenario analysis and the driving forces identified in The Aotearoa Circle Transport Sector Climate Change Scenarios (Transport Sector Scenarios)¹

- Aligning with the Transport Sector Scenarios where relevant, agreeing the reference scenarios and temperature outcome for the central scenario and developing draft scenario narratives and detailed parameters
- Qualitatively assessing the resilience of Freightways' business model and strategy against the new climate-related scenarios
- Presenting the scenarios to Management, the ARC and the Board for review and approval. In April 2026, the ARC approved the new scenarios, agreeing they were relevant and appropriate for assessing the resilience of Freightways' business model and strategy to climate-related risks and opportunities given they are tailored to Freightways' operations and business model and underpinned by a structured scenario development process (as described here and further in Appendix 2 on page 45).



In 2024, Freightways participated in the development of the Transport Sector Scenarios. Freightways' updated scenarios consider the Transport Sector Scenarios. However, they are tailored to the Freightways business and its operation. To promote greater differentiation across the scenarios, Freightways' central scenario differs from the reference scenario and warming outcomes in the Transport Sector Scenarios central scenario.²



¹ The Aotearoa Circle. (June, 2024). *Transport sector climate change scenarios*. Available [here](#).

² Freightways' central scenario "Slow Followers" is not aligned with the reference scenario or global temperature outcome used in the Transport Sector Scenarios central scenario "Short Detour". Freightways' central scenario (Slow Followers) uses reference scenarios and global temperature outcomes largely based on the "Slow Followers" scenario developed in The Aotearoa Circle's *Energy sector climate change scenarios*. Available [here](#).



The scenario analysis was conducted as a standalone process, and no in-house modelling was undertaken. However, the new scenarios were used to provide a framework for ongoing work to quantify anticipated financial impacts of climate-related risks, used as reference scenarios for the hazard exposure assessment referred to on pages 38 – 39, and considered as an input to Freightways' assessment of climate-related risks in its risk management process, described in the Risk Management section on page 28.

DESCRIPTION OF SCENARIOS

Table 1 provides a summary of the three emissions reduction pathways used by Freightways' climate-related scenarios, the main assumptions underlying each pathway and sources of data. A summary of each scenario narrative is included on the following pages. More information on the emission reduction pathways used in the scenario analysis is available in Appendix 2 on page 45.

The analysis used short (2027 – 2030), medium (2031 – 2040), and long-term time horizons (2041 – 2050) to evaluate evolving transition and physical risks across Freightways' diverse business units.



Climate-related scenarios are used to provide a range of plausible and challenging future pathways based on assumptions about external drivers, including those that may give rise to physical and transition risks. These scenarios are not predictive or probabilistic, nor do they represent the most likely outcomes of climate change. Rather, they provide reference points to test the resilience of Freightways' strategy and business model, support the assessment of climate-related risks and opportunities, and build internal capability to respond to an uncertain and evolving future.





TABLE 1: OVERVIEW OF SCENARIOS

Scenario	Fully Charged (SSP1-1.9) ¹	Slow Followers (SSP2-4.5)	Route to Overshoot (SSP3-7.0)
Temperature increase ²	2050: +1.6°C 2100: +1.4°C	2050: +1.9°C 2100: +2.7°C	2050: +2.1°C 2100: +3.9°C
Scenario archetype	- SSP1 Sustainability – Taking the Green Road - RCP 1.9 - NGFS Delayed Transition - CCC High Technology, High Systems Change - IEA Net Zero	- SSP2 Middle of the Road - RCP 4.5 - NGFS Fragmented World - CCC Low Technology, Low Systems Change - IEA Stated Policies	- SSP3 Regional Rivalry – A Rocky Road - RCP 7.0 - NGFS Current Policies - CCC Reference - IEA Current Policies
Physical impacts	Lowest	Moderate	Highest. Climate and ecological tipping points are breached.
Transition impacts	Moderate. Greatest in short-term.	Highest. Greatest in medium-term.	Lowest. Steadily increasing, but also giving businesses more time to adapt.
Global policy	Immediate and smooth	Delayed and fragmented	Insufficient
Domestic policy	Immediate and generally coordinated. New Zealand moves ahead while Australia lags. Carbon prices initially rise in line with Slow Followers, before Australia catches up, adopting stronger policy settings and higher carbon prices in the medium-term.	Delayed and fragmented. Australia moves ahead in the short-term while New Zealand lags. Carbon prices rise initially, followed by broader increases in both carbon prices and policy coverage in the medium-term.	Insufficient. New Zealand and Australia remain aligned with limited global climate action. Carbon prices remain relatively low, increasing only gradually over time, and policy coverage expands only marginally.
Speed of technology change	Fastest. Rapid adoption of low-carbon fleet and fuel technologies, with high variation in options. Early supply competition eases in the medium-term.	Moderate. Slow in the short-term, followed by a fast transition of fleet and fuel technologies, with fragmented supply and medium-term constraints.	Slowest. Gradual transition of fleet and fuel technologies, while adoption of other enabling digital and operational technologies continues at a faster rate.
Energy profile	Fastest. New Zealand, followed by Australia, rapidly expands renewable energy and low-carbon fuel production, reducing exposure to global fuel market volatility.	Moderate. Australia expands renewable generation sooner, while New Zealand remains reliant on imported low-carbon fuels and fossil fuels for longer.	Slowest. Limited growth in domestic renewable energy and low-carbon fuel production prolongs reliance on increasingly costly and volatile imported fossil fuels.
Land freight disruption	Lowest. Early investment in resilience and modal alternatives reduces disruption and improves network reliability. Over time, both countries maintain more resilient freight networks, although Australia's delayed transition results in higher long-term costs.	Moderate. Australia strengthens resilience through earlier investment, while New Zealand faces increasing disruption and operational volatility. The resilience gap widens over time, creating growing disparities in network performance and supply chain reliability.	Highest. Frequent climate disruptions reduce network reliability, increasing delays, detours and freight costs. Over time, infrastructure stress further reduces reliability and increases operating costs in both countries.

¹ The Fully Charged scenario is used to represent the 1.5°C scenario required in NZCS.² Relative to the pre-industrial baseline.



SCENARIO 1

Fully Charged

SSP1-1.9

**GLOBAL WARMING***2050: +1.6°C
2100: +1.4°C**NEW ZEALAND WARMING***2050: +1.4°C
2100: +1.6°C**AUSTRALIA WARMING***2050: +1.8°C
2100: +1.6°C

*Average trajectories of warming, relative to 1850-1900 baseline

SHORT-TERM (2027-2030)

Global carbon pricing schemes gain traction, and international trade rules begin to favour low-emissions supply chains. In New Zealand, a series of extreme weather events reinforces the need for decisive climate action, accelerating policy implementation. The New Zealand ETS expands to cover all domestic emissions resulting in higher carbon prices.

Demand for low-carbon fleet technologies and materials drives an early increase in costs globally. New Zealand accelerates investment in rail electrification and other low-emissions freight infrastructure, while Australia initially lags due to fragmented policy settings across states and slower national coordination, remaining more reliant on hybrid fleets and incremental freight improvements.

MEDIUM-TERM (2031-2040)

The 2030s see rapid global decarbonisation. New Zealand largely completes its transition to a low-emissions land freight system, including the electrification of rail and coastal shipping.

The New Zealand ETS becomes linked to key trading partners' carbon markets, resulting in higher carbon prices. Australia enters an accelerated transition phase, with rising costs driven by stronger carbon pricing and increased support for low-emissions technologies and fleet transitions.

The electrification of New Zealand's economy and freight fleet places increasing pressure on grid capacity, while investment in rail and coastal shipping intensifies competition with road freight. Australia continues to support bulk mining exports, although demand for emissions transparency drives diversification into lower-emissions sectors.

Physical climate risks continue to increase, but earlier adaptation investment helps reduce disruption across freight networks.

LONG-TERM (2041-2050)

By mid-century, net-zero is the global operating reality. New Zealand's land-based freight sector is largely decarbonised. Carbon prices in New Zealand remain high, but businesses have largely adapted operating models and investment decisions to reflect or reduce exposure to carbon costs. Australia achieves net-zero too, but at a higher cost. Some legacy infrastructure lingers, and while advanced technologies are widespread, their uptake in remote regions remains uneven. Carbon price remains a significant operating cost.

Low-carbon technology is now easily accessible and cheaper. In New Zealand, heavy road-based land fleets are low emission, but still less energy efficient than rail. Light commercial fleets reap the benefits of mature charging networks and lower operating costs. Australia eventually transitions to low emission trucks, beginning with high-volume routes and then expanding outwards.

Physical climate impacts continue, but early adaptation investment limits disruption and reduces long-term recovery cost.



SCENARIO 2

Slow Followers

SSP2-4.5

**GLOBAL WARMING***2050: +1.9°C
2100: +2.7°C**NEW ZEALAND WARMING***2050: +1.8°C
2100: +2.4°C**AUSTRALIA WARMING***2050: +2.2°C
2100: +2.8°C

*Average trajectories of warming, relative to 1850-1900 baseline

SHORT-TERM (2027-2030)

By the late 2020s, global emissions peak following years of delayed climate action, and fossil fuels still dominate global transport energy. Both governments initially prioritise cost-of-living pressures, although several Australian states continue to advance decarbonisation policies ahead of New Zealand. Political and economic priorities limit investment in systemic change. Carbon prices in both countries increase as governments rely on the mechanisms for a climate response without systems change. Australia expands carbon pricing policies, increasing coverage across high-emitting sectors.

New Zealand conducts early trials of electric fleets for short-haul routes where it provides immediate cost-savings. In Australia, individual organisations recognise the need to transition fleets consistently across states to cut costs in the long-term.

MEDIUM-TERM (2031-2040)

By the 2030s, global decarbonisation accelerates, but New Zealand lags behind Australia and the rest of the world. Australia begins to implement stronger climate policies under the pressure of international carbon border taxes, and in the mid-2030s, the federal government makes significant effort to coordinate policies between states. This includes increasing use of the Safeguard Mechanism to target high emitting sectors including freight. New Zealand follows Australia's lead, but delayed policy action and constrained access to technology result in a more disruptive and costly transition. In the late 2030s, the New Zealand ETS expands its coverage, causing rapid carbon price increases.

Australia's larger market improves access to low-carbon fleet technologies and fuels. In New Zealand the heavy road-based transport sector struggles for access.

Earlier resilience investment helps Australia manage growing climate disruption, while New Zealand experiences increasing network volatility.

LONG-TERM (2041-2050)

By mid-century, global warming reaches approximately 1.9°C above pre-industrial levels and continues to rise, with physical climate risks intensifying. Ongoing adaptation investment is required despite progress to reduce emissions.

Global and domestic carbon prices remain high and 2050 emissions targets force sectors to accelerate transition to alternative fuels and fleet. This mostly impacts the heavy road fleet. Australia continues to decarbonise faster than New Zealand yet still lags behind the rest of the world and both countries face ongoing economic volatility as adaptation costs increase.

Australian heavy and light road freight is largely made up of electric or new energy fleets, with the majority of interoperability challenges resolved. Organisations in Australia have benefitted from earlier investment in low-carbon technologies, allowing operators to address the remaining long-haul routes in all but the most isolated locations. In New Zealand, heavy road freight is mostly decarbonised by 2050 but the sector is more expensive than in Australia due to a later transition.



SCENARIO 3

Route to Overshoot

SSP3-7.0

**GLOBAL WARMING***2050: +2.1°C
2100: +3.9°C**NEW ZEALAND WARMING***2050: +2.1°C
2100: +3.1°C**AUSTRALIA WARMING***2050: +2.9°C
2100: +5.5°C

*Average trajectories of warming, relative to 1850-1900 baseline

SHORT-TERM (2027-2030)

Globally, momentum on international climate collaboration stalls as nationalism and protectionism rise. The New Zealand and Australian governments prioritise adaptation spending and repair over ambitious emissions reductions. Economic growth is uneven but positive. Fuel security concerns reinforce continued reliance on fossil fuels. Carbon prices rise slowly in both New Zealand and Australia.

Investment flows to risk intelligence and network optimisation technology rather than to transport decarbonisation and charging infrastructure. Fleet electrification is largely driven by global technology trends and fuel prices rather than domestic mitigation policy, so transition is slow in both New Zealand and Australia.

MEDIUM-TERM (2031-2040)

By the early 2030s, global climate collaboration has weakened further. Adaptation is prioritised as the key climate response in both New Zealand and Australia, focusing on sustaining GDP growth and protecting critical infrastructure against escalating climate impacts. Carbon pricing mechanisms in New Zealand and Australia remain minimal and stable, with few ramifications for high-emissions sectors. Persistent resource constraints and supply chain disruption contribute to elevated inflation.

Fleet transition remains slow and financially burdensome without clear long-term signals for investors. This is exacerbated in New Zealand as the smaller market is of lower priority for access to a limited supply of low-emissions vehicles compared to Australia.

LONG-TERM (2041-2050)

By the 2040s, escalating climate impacts and ecological degradation increase the frequency and severity of disruptions across freight networks. Extreme weather events increasingly damage roads, ports and other critical freight infrastructure, creating unpredictable delays. Marginal rail and road routes have maintenance support withdrawn and are subsequently closed due to safety concerns. In Australia, heat causes dangerous working conditions and therefore increases downtime. New Zealand and Australia both miss their 2050 net-zero targets as a result of continuing slow and fragmented climate policy. Infrastructure adaptation is underfunded, leaving critical assets increasingly vulnerable to extreme weather and climate-related disruption. Carbon prices remain comparatively low in both New Zealand and Australia.

EV adoption accelerates during the 2040s as technology advancement and mass-market adoption in developed countries reduces costs. Heavy fleet decarbonisation remains incomplete by 2050. Almost all light-vehicles have transitioned, but this is more coordinated in New Zealand where road freight requires shorter distances than Australia.



Climate-related risks and opportunities

Freightways has identified 7 material climate-related risks and 2 climate-related opportunities. Tables 2 and 3 summarise the climate-related risks and opportunities Freightways identified under the three selected climate scenarios. This assessment was undertaken during the current Reporting Period using updated climate scenarios, and accordingly some risks, opportunities and ratings differ from those reported in the prior period.

To assess anticipated impacts, these risks and opportunities were considered against the internal Group Risk Rating Matrix for each scenario and time horizon. This assessment was qualitative and judgement was applied when assessing risks against the Group Risk Rating Matrix. The process for assessing and identifying these risks is further detailed in the Risk Management section on page 28.

The identified climate-related risks and opportunities are considered over short (2027 – 2030), medium (2031 – 2040), and long-term (2041 – 2050) time horizons. These time horizon definitions are not linked to strategic planning horizons or capital deployment plans as Freightways does not adopt standardised time horizons across its broader strategic and capital deployment planning.

Business case templates for investments or activity needing CFO, CEO, or Board approval, require details of climate-related impacts, lower impact alternatives considered and climate-related exposures of new business cases. Beyond this, climate-related risks and opportunities do not formally serve as an input to internal capital deployment and funding decision-making processes.

TABLE 2: CLIMATE-RELATED RISKS

RISK-RATING: Very high ● High ● Medium ● Low ●

TIME HORIZON: Short (2027 – 2030), Medium (2031 – 2040), Long (2041 – 2050)

	Risk type	Risk description	Fully Charged			Slow Followers			Route to Overshoot		
			S	M	L	S	M	L	S	M	L
PHYSICAL	Acute	<i>Weather-related disruption to the transport network and its value chain</i>									
		An increase in the frequency and / or severity of extreme weather events may lead to temporary or prolonged, cascading or concurrent disruptions across Freightways' operations. This includes weather-related impacts experienced in Freightways' value chain, resulting in operational disruptions for Freightways.	●	●	●	●	●	●	●	●	●
		<i>Anticipated impacts</i>									
		Freightways operates an integrated freight and logistics network that involves the collection, processing, and delivery of goods across multiple transport modes and geographic regions. The increasing frequency and / or severity of weather events – such as storms, flooding, heatwaves, and cyclones – could impact the continuity and efficiency of these operations. Disruption may occur through direct damage to or restricted access to critical infrastructure, including Group sites and depots, roads, ports, airports, and the fuel supply. Adverse weather conditions can compromise the safety and operability of transport routes, resulting in delayed or suspended operations, reduced capacity, and heightened risks for personnel operating in adverse conditions. In some cases, roads or infrastructure may become impassable, and operations may need to be paused or altered at short notice, affecting service reliability. In addition, severe weather can negatively impact network efficiency by increasing the incidence of out-of-sequence routing, empty vehicle movements, or suboptimal freight consolidation. These disruptions may result in a reduced ability to meet delivery schedules, spoilage of time or temperature-sensitive goods, and operational inefficiencies.									
		Weather-related disruption has the potential to impact financial performance. Operational inefficiencies and service interruptions can lead to increased direct costs, including additional fuel and labour expenses, higher vehicle maintenance due to adverse conditions, and costs associated with rerouting or rescheduling freight. In some cases, contingency measures may require the use of other freight modes (including increased use of airfreight), which can increase costs per unit delivered. Revenue impacts could arise from delayed or missed pick-ups and / or deliveries, or inability to operate a critical site. Financial impacts could arise from one large event or on a cumulative basis throughout the reporting period.									



TABLE 2: CLIMATE-RELATED RISKS (CONTINUED)

RISK-RATING: Very high ● High ● Medium ● Low ●

TIME HORIZON: Short (2027 - 2030), Medium (2031 - 2040), Long (2041 - 2050)

Risk type		Risk description	Fully Charged			Slow Followers			Route to Overshoot		
PHYSICAL	Chronic	Weather-related damage to Freightways' assets and inventory	S	M	L	S	M	L	S	M	L
		An increase in the frequency and / or severity of extreme weather events may lead to damage and / or destruction of assets, inventory, and property, as well as customer goods in transit or storage.	●	●	●	●	●	●	●	●	●
		Anticipated impacts An increase in the frequency and / or severity of extreme weather events could result in physical damage to the Group's assets, including depots, vehicles, equipment, and inventory. Such events could lead to partial or total loss of property, interruption of site operations, and longer-term degradation of infrastructure resilience. Damage to customer goods in transit or storage, particularly perishable or high-value goods, may result in financial loss and disruption to customer commitments. The financial impacts of such events could include increased costs for repair, replacement, or clean-up; higher insurance premiums or uninsured losses; and potential impairment of fixed assets. Prolonged recovery times may also reduce operational capacity, delay revenue generation, and require additional capital investment to restore affected facilities or improve future resilience.									
TRANSITION	Market	Energy market volatility and supply constraints	S	M	L	S	M	L	S	M	L
		Energy markets may be affected by the pace of electrification and the implications for electricity supply, as well as the demand for liquid fossil fuels. This could affect the relative availability, cost and reliable supply of diesel and electricity, increasing Freightways' fuel and electricity costs and exposure to operational disruptions where supply is constrained.	●	●	●	●	●	●	●	●	●
		Anticipated impacts Volatility and supply constraints in diesel and electricity markets may increase Freightways' operating expenditure and affect the reliability of energy supply across its network. This could result in higher fuel and electricity costs for transport operations, depots, handling equipment and any future charging infrastructure. Freightways may also face indirect cost increases where energy market pressures are passed through by transport contractors, facility operators, or other suppliers. In some circumstances, constrained or unreliable energy supply could disrupt operations, reduce efficiency, or delay the transition to lower emission vehicles. These impacts could reduce margin, increase operating complexity, and require additional investment in contingency measures or energy resilience.									
	Market, Policy & Legal	Insurance availability, cost and retained risk	S	M	L	S	M	L	S	M	L
		As insurance coverage becomes more expensive, restricted or unavailable for climate-exposed assets, Freightways may be required to retain a greater proportion of climate-related risk through higher deductibles, exclusions, self-insurance arrangements or captive structures.	●	●	●	●	●	●	●	●	●
		Anticipated impacts Increasing climate-related weather events may impact the availability and cost of insurance for Freightways. Insurers may place greater emphasis on the climate strategies of policyholders, with a preference for businesses demonstrating effective climate risk management. Globally, increasing insurance claims from more frequent and severe weather events may lead to higher insurance premiums for Freightways. These increased costs could reduce profitability and elevate operational risk if certain insurance products become prohibitively expensive or unavailable. Freightways could reasonably expect insurance retreat by insurance providers for any sites, locations, or regions deemed by the providers to be at a high risk of climate impacts. This could result in Freightways being required to self-insure certain excluded assets.									



TABLE 2: CLIMATE-RELATED RISKS (CONTINUED)

RISK-RATING: Very high ● High ● Medium ● Low ●

TIME HORIZON: Short (2027 - 2030), Medium (2031 - 2040), Long (2041 - 2050)

	Risk type	Risk description	Fully Charged			Slow Followers			Route to Overshoot		
			S	M	L	S	M	L	S	M	L
TRANSITION	Policy & Legal, Technology	Regulation triggers accelerated transition to low emissions operating model	S	M	L	S	M	L	S	M	L
		Climate-related regulations could accelerate Freightways' transition to a lower emission operating model and lead to increased operational expenditure and / or capital expenditure.	●	●	●	●	●	●	●	●	●
		Anticipated impacts Increased stringency and uncertainty in climate-related policy and regulation may require Freightways to accelerate replacement or retrofitting of owned vehicles, warehouse infrastructure and equipment, bringing forward capital investment and potentially shortening asset lives. For leased vehicles and facilities, evolving requirements may also necessitate lease changes or early replacement, increasing total transition costs through lease modification, early exit or replacement. In the air network, the introduction of a Sustainable Aviation Fuel (SAF) blending mandate (or similar) could increase operational costs.									
	Policy & Legal	Carbon pricing regimes increase operational costs	S	M	L	S	M	L	S	M	L
		Carbon pricing regimes in New Zealand and Australia may lead to increased operational expenditure.	●	●	●	●	●	●	●	●	●
		Anticipated impacts In New Zealand, increases in the price of New Zealand Units (NZUs) under the New Zealand Emissions Trading Scheme (ETS) may lead to increased operational expenditure, including higher fossil fuel costs for use in company-controlled vehicles, as well as ETS cost passed through to Freightways from ground transport contractors and aircraft fleet operations. Exposure to similar carbon pricing regimes in Australia would be additional and further increase operating expenditure.									
	Market & Reputation	Inability to meet changing customer expectations	S	M	L	S	M	L	S	M	L
		An increase in customers requiring low emission or climate-related services may result in a loss of market share if Freightways cannot meet this demand.	●	●	●	●	●	●	●	●	●
		Anticipated impacts Freightways could face increasing pressure from customers seeking low emissions freight and services, driven by their own transition planning, regulatory obligations or stakeholder expectations. Shifting expectations could alter shipment volumes, delivery frequency and network utilisation as customers adjust demand and supplier choices. If Freightways is unable to meet this demand, it could lose business to competitors with more advanced or visible offerings potentially impacting revenue and market share.									



TABLE 3: CLIMATE-RELATED OPPORTUNITIES

OPPORTUNITIES-RATING: Very high ○ High ● Medium ● Low ●

TIME HORIZON: Short (2027 - 2030), Medium (2031 - 2040), Long (2041 - 2050)

TRANSITION	Opportunity type	Opportunity description	Fully Charged			Slow Followers			Route to Overshoot		
	Resource efficiency, Technology	Operational efficiency through electrification and optimisation	S	M	L	S	M	L	S	M	L
		Electrification of vehicles and improved network optimisation could reduce operating costs, improve asset utilisation and enhance service efficiency.	●	●	●	●	●	●	●	●	●
		Anticipated impacts Electrification of vehicles and improved network optimisation may reduce Freightways' operating costs and improve overall efficiency. These measures could lower per-kilometre costs, improve reliability, strengthen routing and load planning, reduce kilometres travelled and empty running, and improve asset utilisation. Early adoption of electric vehicles may also support earlier access to vehicles and charging infrastructure and more favourable commercial arrangements, helping manage transition costs and operational disruption.									
	Markets, Products & Services	Preferred provider positioning in low-emission logistics	S	M	L	S	M	L	S	M	L
		Demand for low-emission logistics may create opportunities for Freightways to strengthen customer retention, enhance competitive positioning and support revenue growth.	●	●	●	●	●	●	●	●	●
		Anticipated impacts Rising regulation and customer expectations for low-emissions logistics may increase demand for low-emission transport solutions. By proactively aligning its services, Freightways could position itself as a preferred sustainable logistics provider, strengthening customer retention and competitive positioning, enhancing resilience, and growing revenue through new or expanded offerings.									



Transition Plan

CURRENT BUSINESS MODEL AND STRATEGY

Across the Group, Freightways picks up, processes and delivers physical and digital items providing a reliable and efficient service for customers. This business model covers four key areas of activity:

EXPRESS PACKAGE AND BUSINESS MAIL

Freightways operates a multi-brand strategy in the Australasian courier and business mail markets, catering to a range of customer needs and delivery timeframes. The New Zealand Express Package operations share branch networks, air and road linehaul, and IT systems. These brands include New Zealand Couriers, Post Haste, Castle Parcels, NOW Couriers, SUB60, Security Express, Kiwi Express, STUCK, Kiwi Oversize, Freightways Global, and Pass the Parcel.

Airfreight capability for overnight Express Package delivery services is provided through the joint venture airline, Parcelair, and internal linehaul service provider, Parceline via an agreement with aircraft operator Texel Air.¹

The national Australian network is operated by Allied Express and recently acquired VTFE. The Australian network includes a range of national and courier services.

DX Mail is a dedicated business mail specialist offering time sensitive physical postal services in New Zealand. It leverages the Express Package network ensuring it can operate in a lean manner. Dataprint offers mail house print services and digital mail presentation platforms across New Zealand.



TEMPERATURE CONTROLLED

The New Zealand Temperature Controlled business is made up of Big Chill Distribution and Produce Pronto.

These businesses combine a national refrigerated linehaul fleet with an urban chilled van network, to offer national delivery, same day delivery, third party logistics (3PL) and fourth party logistics (4PL) services utilising Big Chill Distribution depots nationwide and Produce Pronto depots in Auckland and Wellington.



INFORMATION MANAGEMENT

The Information Management Group (TIMG) operates in New Zealand and Australia offering physical storage and information management services, as well as digital information processing services such as digitalisation, business process outsourcing, online back-up and eDiscovery services.

In New Zealand utilisation of storage facilities is enhanced through an eCommerce 3PL service, Stocka.



WASTE RENEWAL

Shred-X offers document destruction, eDestruction and product destruction services in Australia. It also provides medical waste collection and processing services under the Med-X brand.

In New Zealand, TIMG provides secure document and digital destruction, alongside Information Management services.



¹ Freightways has access to capacity on four aircraft in New Zealand via various Aircraft, Crew, Maintenance and Insurance agreements (ACMI). Freightways does not have operational control of Parcelair Limited or these aircraft.



Freightways' strategy pursues growth over three horizons across key areas of activity: Horizon One focuses on core business, Horizon Two builds on core capabilities to provide additional growth prospects and Horizon Three focuses on innovation and identifying emerging niches with revenue potential.

Transition Plan aspects of the strategy

At the beginning of the Reporting Period, the Board approved the strategic focus areas of Freightways' first Group-wide Transition Plan. At the time of this approval, it was also agreed that the Transition Plan would form part of Freightways' existing strategy.

The Transition Plan outlines the actions Freightways expects to take to transition towards a low-emissions, climate resilient future across its Group Controlled Businesses. It is intended to guide decision-making, in line with the Group's broader strategic and financial goals. In implementing the Freightways strategy, each member of the Group will have regard to the strategic objectives of the Transition Plan.

In developing its Transition Plan, Freightways considered the IFRS Foundation's Transition Plan Taskforce (TPT) guidance.¹ The Transition Plan is formed around the three channels recommended by the TPT to develop a strategic and rounded approach:

1. Reducing emissions
2. Responding to climate-related risks and opportunities
3. Contributing to an economy-wide transition

The Transition Plan sets out Freightways' strategic direction and key focus areas. During the Reporting Period, Freightways established two operational metrics to support the transition of its light vehicle fleet, and the New Zealand contractor driver light vehicle fleet, to lower-emissions alternatives.

The Transition Plan does not yet include a Group-wide emissions reduction target. This reflects the need for further

analysis of the Group's operations that rely on heavy vehicles. While operational metrics have been established for light commercial vehicles, further work is required to assess the timing, availability, operational suitability and emissions reduction potential of emerging low-emissions heavy vehicle technologies across New Zealand and Australia. This includes evaluating the supporting infrastructure, investment requirements and network design changes needed to enable their adoption.

Freightways has begun aligning elements of the Transition Plan with internal decision-making processes through updates to business case assessments

(refer to the Governance section on page 9 – the Process and frequency of climate-related updates to Management). Beyond this, the Transition Plan is not integrated into capital deployment and funding decision-making processes. A summary of the Transition Plan's focus areas, and the new operational metrics, is provided in Figure 3.



¹ Transition Plan Taskforce (October 2023). Disclosure Framework. Available [here](#).



FIGURE 3: FREIGHTWAYS' TRANSITION PLAN FOCUS AREAS

We move you to a better place

Across the Group, we pick up, process and deliver physical and digital items providing a reliable and efficient service for our customers. Our Transition Plan is part of our growth strategy. It has three pillars with focus areas in each.



Reducing our emissions

Controlled ground fleet transition: convert a portion of the company-controlled ground vehicle fleet to lower-emission alternatives implementing what is technically feasible and commercially viable. Understand and implement on-site infrastructure to enable a smooth transition.

Contractor ground fleet transition: support contractor drivers to expedite the transition to lower-emission vehicles through fair payment terms, appropriate on-site infrastructure and wrap-around support.

Aircraft modernisation: utilise a modern and fuel efficient fleet.

Network efficiency: optimise network through route, vehicle and load efficiency initiatives.

OPERATIONAL METRICS

Transition at least **75 percent** of Freightways' light commercial vehicle fleet to low-emission vehicles by 2032

Engage with contractor drivers in the New Zealand express package network to support the transition of at least **75 percent** of light commercial pick-up and delivery vehicles to low-emission vehicles by 2032



Responding to our climate-related risks and opportunities

Risk Management Framework: mature the business risk management framework to better accommodate and address climate-related risks.

Network resilience: focus on operational network agility through disaster preparedness plans and exposure assessment for critical sites, routes and infrastructure.

Meeting the needs of customers: understand and meet the needs of our customers for climate-related offerings and services.



Contributing to an economy-wide transition

Connect communities and support companies: implementation of the Freightways Transition Plan will contribute to emissions reductions for users of its services across communities and economies.

Advocate for maintenance of critical shared infrastructure and the transport sector energy transition: Freightways will advocate for resilient and safe transport infrastructure and policy settings.

Support the grid: understand opportunities to increase renewable electricity supply and gain price certainty through targeted investment.

Emission Reduction Plan

Set Freightways' Emissions Reduction Plan and related targets. Monitor through new governance channels and agreed metrics.

Education and awareness

Training and engagement will be available across the Group to increase awareness and engagement.

PILLAR
1

Reducing our emissions

Freightways' greenhouse gas emissions are outlined in the Metrics and Targets section. Scope 1 emissions represent around 16.8 percent and Scope 3 emissions represent around 80.8 percent of Freightways' total greenhouse gas emissions in the Reporting Period.

In the Transition Plan, Freightways has identified the main areas it will focus on to reduce its emissions.

CONTROLLED GROUND VEHICLES
Emissions from the combustion of fossil fuel in vehicles owned or controlled by Freightways.

These emissions primarily relate to operational vehicles used in the Temperature Controlled, Information Management and Waste Renewal businesses, including large truck and trailer units, waste collection trucks, metro trucks, vans, cars, motorbikes and forklifts. These emissions form part of Freightways' Scope 1 and Scope 3, category 3 emissions. In the Reporting Period, emissions generated by fuel used in Freightways' controlled vehicles represented around 20 percent of total greenhouse gas emissions.

Freightways' Transition Plan focuses on minimising these emissions by converting a portion of the fleet to lower emission alternatives. Table 9 on page 40 details the energy profile of company-controlled vehicles at year end.

In June 2026, the Board approved an operational metric to transition at least 75 percent of Freightways' light commercial vehicle fleet to low-emissions vehicles by 2032. For the purposes of this metric, light commercial vehicles include forklifts, hoists, motorbikes, cars, utes and vans owned or controlled by Freightways businesses. Refer to the Metrics and Targets section on page 41 for more information on this metric.

Analysis of transition pathways for the Group's controlled heavy vehicle fleet remains ongoing and, accordingly, no equivalent operational metric has been established for those vehicles.

ELECTRIFYING THE DX MAIL POSTAL DELIVERY BIKES

During the Reporting Period, DX Mail trialled four electric UBCO motorbikes as a lower-emission alternative to petrol motorbikes. The electric bikes were economical to run, had lower maintenance costs, and received positive feedback from riders, who found them responsive and safer due to improved awareness of surrounding sound while on the road. Following the successful trial, DX Mail has ordered an additional 100 UBCO bikes for delivery in the 2027 reporting period.

**BIG CHILL TRIALS LOWER EMISSION VEHICLES**

During the Reporting Period, Big Chill Distribution undertook a small number of short-term trials of low-emission heavy vehicles to better understand their operational performance and potential integration within its refrigerated transport network. These trials were exploratory in nature and did not involve financial commitments. The trials included a Scania R 450E battery-electric tractor unit, which operated for approximately six weeks, and a Schmitz Cargobull electric trailer, which operated for approximately 14 weeks.



CONTRACTOR DRIVERS

Emissions from the combustion of fossil fuel in the contractor driver ground fleet.

Express Package businesses rely on a network of third-party transport providers, including independent contractor drivers, agents, and linehaul operators, to provide courier, road transport, and linehaul services. Emissions arising from these activities are reported within Freightways' Scope 3, category 4 emissions. During the Reporting Period, emissions generated by these third-party transport providers represented around 39.9 percent of total greenhouse gas emissions.¹

Freightways' transition planning considers emissions across this network. However, near-term initiatives are principally focused on contractor drivers, where Freightways has comparatively greater opportunity to support and influence emissions reduction outcomes. Freightways' Transition Plan focuses on minimising these emissions by working with contractor drivers to encourage them to transition to lower emission vehicles.

Contractor drivers have autonomy to purchase the vehicle that best suits their needs. However, Freightways has the ability to influence this decision through closer engagement, leveraging its scale to allow contractor drivers access to

cost-effective and lower emission solutions, and by providing a supportive environment for contractor drivers wishing to use a lower emission vehicle.

At the end of the Reporting Period, 30 contractor drivers in the Express Package business were operating electric vans and 7 contractor drivers were operating hybrid vehicles.

In June 2026, the Board approved an operational metric to engage with contractor drivers in the New Zealand express package network to support the transition of at least 75 percent of light commercial pick-up and delivery vehicles to low-emissions vehicles by 2032. For the purposes of this metric, light commercial vehicles include contractor-owned or operated cars and vans used to provide pick-up and delivery services within the New Zealand courier network. Refer to the Metrics and Targets section on page 41 for more information on this metric.

Operational metrics for contractor-operated light commercial vehicles in Australia, and for contractor-operated heavy vehicles, remain subject to ongoing analysis and development.

¹ The 39.9 percent includes greenhouse gas emissions from contractor drivers, agents and linehaul services as these are the activities relevant to the Transition Plan focus area for ground transport. Other third-party ground transport emissions are not included in this percentage. More information on Scope 3, category 4 is provided in the Metrics section on page 32.

NEW ZEALAND EXPRESS PACKAGE ELECTRIFICATION PROGRESS

During the Reporting Period, New Zealand Couriers and Post Haste increased the number of electric vehicles operating in the contractor driver pick-up and delivery fleet, growing from three to 30 electric vans. This progress was achieved through a coordinated programme designed to reduce barriers to adoption and support contractor drivers through the transition.

To encourage behaviour change and improve electric vehicle affordability for contractor drivers, several initiatives were introduced, including a time-bound early adopter payment for contractor drivers who switched to an electric van; negotiated discounts on selected electric vans through vehicle suppliers; and financing arrangements with two providers for eligible contractor drivers.

Alongside these initiatives, electric van trials were arranged to allow contractor drivers the opportunity to experience electric vans in real-world operating conditions, supported by increased engagement across the network.

The electric vans are performing well in day-to-day operations, demonstrating their suitability for urban pick-up and delivery services. Freightways will continue working with contractor drivers, vehicle suppliers and finance partners to support and encourage further adoption of electric vehicles across the network.

TESTING HYDROGEN-POWERED LINEHAUL VEHICLES

During the Reporting Period, Parceline worked with one of its linehaul contractors and TR Group to trial a hydrogen-powered Hyundai XCIENT Fuel Cell heavy vehicle in the New Zealand commercial freight network. Operating this vehicle is intended to test the viability of the vehicle in the express freight network and improve understanding of its potential role and integration into the network. The vehicle will provide valuable insights into real-world performance, including range, cost, reliability, refuelling requirements and network integration.



AIRCRAFT

Emissions from the combustion of fossil fuel in the aircraft fleet used to support the Express Package businesses.

These emissions form part of Freightways' Scope 3, category 4 emissions. In the Reporting Period, emissions generated from the aircraft fleet represented around 6.2 percent of total greenhouse gas emissions.¹

Freightways accesses airfreight services to support its Express Package businesses in New Zealand through the joint venture airline, Parcelair, and aircraft operator Texel.

Freightways' Transition Plan focuses on lowering airfreight emissions through contracting for more modern, fuel-efficient aircraft to replace older Boeing 737-400 models currently used by the airfreight providers at the end of each contracted term.

¹ Emissions related to the consumption of jet fuel are not included within Scope 1 emissions because Freightways does not have operational control of Parcelair Limited or the aircraft operated for the contracted airfreight services. A fixed percent of airfreight capacity on scheduled flights is made available to Freightways (and another independent party) under various ACMI agreements. Under the ACMIs, Freightways does not have operational control over the flight operations. Under the ACMIs, Freightways procures airfreight services and these emissions are accounted for in Scope 3, category 4.



**PILLAR**
2

Responding to climate-related risks and opportunities

Freightways has identified 7 material climate-related risks and 2 climate-related opportunities. These are outlined in the Climate-related risks and opportunities section on pages 17 – 20.

Addressing climate-related risks and opportunities is a key objective of the Transition Plan. The Risk Management section on pages 28 – 29 outlines the processes in place to identify, integrate and manage climate-related risks. Continued maturation of internal risk management processes remains a focus area, including engagement with Controlled Businesses to strengthen understanding, management and disclosure of physical and transition climate risks.

Freightways continues to work on formalising a Group-wide Emissions Reduction Plan. In the Reporting Period, operational metrics relating to controlled and contractor light vehicle fleets were set. Freightways continues to work towards developing further operational metrics. This is detailed in the Targets section on page 41.

During the Reporting Period, the Freightways Controlled Businesses

demonstrated operational resilience and adaptability in responding to numerous acute weather events across the network. However, improving understanding of the parts of the business and network that are most exposed and / or vulnerable to physical climate impacts remains a focus area. To support this work, in the Reporting Period site assessments were undertaken across premises used by the Controlled Businesses in New Zealand and Australia to evaluate exposure and vulnerability to climate-related hazards. Insights from this assessment are provided in the Metrics and Targets section on pages 38 – 39 and further information is included in Appendix 3 on pages 46 – 47.

Understanding and responding to the climate-related needs of customers across the Group forms part of this pillar. In the Reporting Period, customer focused activity has centred around providing robust emissions reporting tools for customers of certain Controlled Businesses.

PILLAR
3

Contributing to an economy-wide transition

Freightways businesses connect and serve communities across New Zealand and Australia.

Freightways has identified the focus areas it can influence to reduce emissions in its operations. It also relies upon infrastructure and energy systems that it does not control or where it has less direct influence. Transport sector decarbonisation and operational resilience will require coordinated decision-making across the transport and energy sectors supported by governments. Freightways will continue to advocate for coordinated and appropriate policy settings.

Freightways is a signatory to the New Zealand Climate Leaders' Coalition, which provides access to knowledge-sharing, awareness-building and advocacy support. In the Reporting Period, Freightways has also supported advocacy efforts in New Zealand facilitated by Rewiring Aotearoa.

Freightways' decarbonisation relies on an energy system that can be scaled and built to meet growing electricity and charging needs. In the Reporting Period, Freightways has

commenced industry engagement on public heavy vehicle charging, begun planning for onsite vehicle charging solutions and taken steps to understand solar integration options.

All areas of the Freightways' Transition Plan will be facilitated by increased climate-related education and awareness across the Group. Targeted climate-related training has been delivered to a range of employees and teams across the Group in the Reporting Period. Continuing to build internal capability and understanding of climate change and how it impacts Controlled Business operations supports all pillars of the Transition Plan.





Risk Management

Processes for identifying, assessing and managing climate-related risks

In the Reporting Period, Freightways continued to mature the integration of climate-related risk management into its broader enterprise risk management framework. Climate-related risks are identified, assessed and managed through a combination of the Freightways' Climate Risk Register, the Freightways' Corporate Risk Register and the risk registers maintained by each Controlled Business. Collectively, these inform Freightways' strategic risk profile and support oversight by the SLT, ARC and the Board.

During the Reporting Period, the following process was followed:

- Updated climate scenarios were developed and endorsed by relevant members of the SLT, the ARC and the Board. The climate scenario analysis is described in the Strategy section on pages 11 – 16. The scenarios were used to identify, assess and prioritise potential physical and transition climate-related risks and opportunities over the short, medium and long term. Climate-related risks and opportunities were assessed using the Freightways Group Risk Matrix, which considers both the likelihood and potential impact of each risk. This process informed the development of the updated Freightways' Climate Risk Register.
- General Managers and Financial Controllers from each Controlled Business participated in an externally facilitated workshop to understand the updated climate scenarios and their potential implications. The workshop provided guidance on applying the scenarios to identify climate-related risks and opportunities relevant to each business and promoted a consistent approach across the Group.
- Each Controlled Business maintains an annual risk register identifying operational, commercial and strategic risks relevant to its activities. These registers include inherent and residual risk assessments, and mitigation actions. Climate-related risks, where relevant to the Controlled Business, are identified and assessed as part of this process and incorporated into the relevant Controlled Business risk register. During the Reporting Period, all but one Controlled Business adopted Freightways' new risk management platform, improving consistency, visibility and coordination of risk management across the Group.
- The Freightways Corporate function also prepares an annual Corporate Risk Register, which captures Group-level strategic, governance and enterprise risks that cannot be effectively managed by an individual Controlled Business alone. The Corporate Risk Register includes inherent and residual risk assessments and associated mitigation actions. Climate-related governance risks are considered within the Corporate Risk Register where appropriate, while detailed physical and transition climate risks are detailed through the Freightways' Climate Risk Register.
- The CFO reviews and synthesises the Controlled Business risk registers,

the Corporate Risk Register and Freightways' Climate Risk Register to identify common themes, emerging risks and matters requiring Group oversight. These inputs inform the Group's strategic risk profile.

- Members of the SLT, including the CEO, review the Group's strategic risks and associated risk assessments before they are presented to the ARC. In July 2026, the ARC considered the outputs of the Group's annual risk assessment process, including the Group's strategic risks, and provided an update to the Board.

Freightways will continue to mature its enterprise risk management framework, including the integration of climate-related risks into strategic decision-making and risk management processes. Enhancing engagement with Controlled Businesses, improving the consistency of climate risk assessment and strengthening the identification, management and disclosure of physical and transition climate-related risks remain priorities under the Group's Transition Plan.



Tools and time frames

Several risk identification tools and methods have been used to identify and assess the scope, size and impact of identified climate-related risks.

These tools and methods are described to the right. Time frames used for the dedicated climate scenario and climate-related risk analysis were:

- Short term (2027 – 2030)
- Medium term (2031 – 2040); and
- Long term (2041 – 2050).

These time frames differ from the likelihood ratings in the Group Risk Rating Matrix, which does not accommodate the temporal and chronic nature of climate risk. The Group Risk Rating Matrix is therefore not used on its own for climate-related assessments. Judgement from Management is required when comparing the time frames over which climate risks might occur with other, more conventional risks that the Group faces.



CLIMATE SCENARIO ANALYSIS

In the Reporting Period, new climate scenarios were developed at the Group level. The scenarios were used to help identify climate-related risks and opportunities across different time horizons. The scenarios and the process followed are described in the Strategy section on pages 11 – 16.

GROUP RISK RATING MATRIX

The Group Risk Rating Matrix was used to guide an assessment of the likelihood and consequence of potential climate-related risks.

The likelihood ratings were applied to the time horizons specified within the relevant climate scenario. Consequence ratings considered a similar range of impacts as other business risks such as financial or reputational impact. However, climate-related risks and opportunities were assessed on a qualitative basis only and judgement from Management was applied when assessing time frames, likelihood and consequence of climate-related risks.

Likelihood: the probability of the risk occurring	Very Likely	Medium	Medium	High	Very High	Very High
	Likely	Low	Medium	High	High	Very High
	Possible	Low	Medium	Medium	High	High
	Unlikely	Low	Low	Medium	Medium	High
	Very unlikely	Low	Low	Low	Medium	High
		Minor	Moderate	Significant	Major	Catastrophic
Consequence: the severity of the outcome if it occurs						

HAZARD EXPOSURE ASSESSMENTS ACROSS GROUP SITES

In the Reporting Period, site assessments were undertaken across premises used by the Controlled Businesses in New Zealand and Australia to evaluate exposure and vulnerability to certain climate-related hazards. Further information on this assessment is provided in the Metrics and Targets section on pages 38 – 39 and Appendix 3 on pages 46 – 47.

VALUE CHAIN AND PRIORITISATION

Freightways has undertaken an assessment of its value chain to identify and assess climate-related risks and opportunities. This assessment formed part of the process to develop its new climate scenarios in the Reporting Period. No material parts of the value chain were intentionally, or are known to have been inadvertently, excluded from this assessment.

Risk ratings determined through the risk management process detailed above are used to prioritise risks in the Controlled Businesses risk registers and the Group Risk Register. Climate-related risks are given equal weighting to other risks in this assessment process.



Metrics and Targets

Greenhouse gas emissions

Freightways' Scope 1, Scope 2 (location-based) and Scope 3 greenhouse gas emissions for the Reporting Period are set out in Table 4.¹

Freightways' greenhouse gas emissions reporting has been prepared in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) and the Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011) (together the GHG Protocol).²

Any exclusions from reporting are disclosed and justified. The measured greenhouse gas emissions metrics in this section cover the Reporting Period.

PricewaterhouseCoopers (PwC) provided an unqualified limited assurance report on each of the 2026 total Scope 1, total Scope 2 (location-based) and total Scope 3 greenhouse gas emissions shown in Table 4. The PwC assurance report is detailed on pages 42 – 43.



Freightways' greenhouse gas emissions inventory is measured in three scopes:

Scope 1 includes all direct emissions occurring from Freightways' operations, most notably diesel, petrol, and natural gas use across owned or controlled fleet and facilities. It also includes emissions from refrigerant top-ups in chilled facilities and fleet operated by the Group.

Scope 2 covers emissions from the generation of purchased electricity consumed within Group operations. Scope 2 emissions have been measured using location-based emissions factors.

Scope 3 refers to all other indirect emissions that occur as a consequence of Freightways' activities but occur from sources not owned or controlled by the Group, across its value chain (both upstream and downstream).



¹ Freightways has applied an 11+1 methodology when preparing greenhouse gas emissions disclosures for the Reporting Period. Under this approach, emissions for 11 months of the Reporting Period are based on actual activity data. Emissions for the final month are estimated using the average monthly activity recorded during the preceding 11 months of the Reporting Period. The estimated activity is then converted to greenhouse gas emissions using the same emissions factors and calculation methodologies applied to actual activity data.

² In 2024 Freightways' emissions were measured using ISO14064-1:2018 and the GHG Protocol. In 2025, Freightways elected to align with the GHG Protocol. As Scope 3 emissions were not reported in 2024, this had no material impact.



UNDERSTANDING EMISSIONS FROM SOLD RECYCLED MATERIALS

Certain Freightways Controlled Businesses, including TIMG New Zealand and Shred-X, collect paper, cardboard and electrical devices for recycling. These materials are shredded or dismantled before being sold to third parties for further processing.

Category 9 (Downstream transportation and distribution) emissions are estimated for recycled materials sold, based on the country they are transported to (or assumed to be transported to).

Category 10 (Processing of sold products) emissions are estimated only where Freightways can reliably identify the processor undertaking the next stage of processing. This represents approximately 29 percent of the recycled materials sold. The remaining 71 percent of recycled materials are sold through brokers or other channels where Freightways cannot reliably identify the ultimate processor, and the associated category 10 emissions have therefore not been estimated.

Category 12 (End-of-life treatment of sold products) has not been estimated for any recycled materials sold. Freightways does not have sufficient information about the products ultimately manufactured from these materials, the markets in which they are sold, or the end-of-life treatment pathways that apply. As a result, 100 percent of recycled materials sold have been excluded from this category.

Further information on the exclusions, methodology, and assumptions relating to categories 9, 10 and 12 is provided in Table 6 on pages 35 – 36 and Appendix 4.

TABLE 4: FREIGHTWAYS' 2024 – 2026 GREENHOUSE GAS EMISSIONS (tCO₂e)¹

	2024	2025	2026
Scope 1			
Mobile combustion	32,926	33,901 ²	35,697
Stationary combustion	89	820	790
Fugitive emissions	1,173	882 ²	1,043
Total Scope 1	34,187	35,604²	37,531
Scope 2			
Electricity (location-based)	5,051	5,957 ²	5,414
Total Scope 2	5,051	5,957²	5,414
Total Scope 1 and 2	39,238	41,561²	42,945
Scope 3			
Category 1: Purchased goods and services	-	7,343 ²	7,684
Category 2: Capital goods	-	2,944 ²	3,129
Category 3: Fuel- and energy-related activities	-	9,913 ²	10,334
Category 4: Upstream transportation and distribution ²	-	95,331 ²	115,552
Category 5: Waste generated in operations ³	-	19,657 ²	21,502
Category 6: Business travel	-	917 ²	920
Category 7: Employee commuting	-	5,584	6,047
Category 8: Upstream leased assets	-	Not applicable	Not applicable
Category 9: Downstream transportation and distribution	-	Excluded – NZCS 2	6,431
Category 10: Processing of sold products	-	Excluded – NZCS 2	2,697
Category 11: Use of sold products	-	Excluded – NZCS 2	5,524
Category 12: End-of-life treatment of sold products	-	Excluded – NZCS 2	126
Category 13: Downstream leased assets	-	202 ²	482
Category 14: Franchises	-	Not applicable	Not applicable
Category 15: Investments	-	56	68
Total Scope 3	-³	141,948^{2, 4}	180,495
Total greenhouse gas emissions (location-based)	39,238	183,509²	223,440

¹ The figures in the table may not add to the stated total due to rounding.

² This 2025 figure has been restated. Please refer to Table 5 on page 33 for more information.

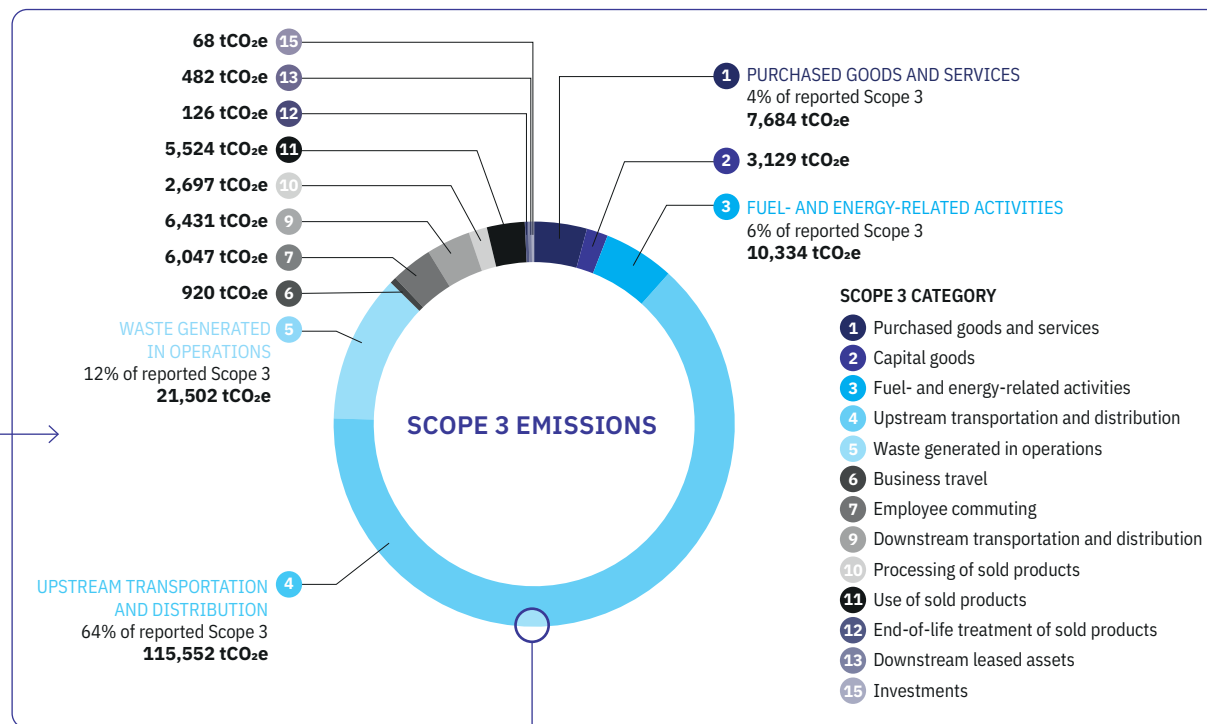
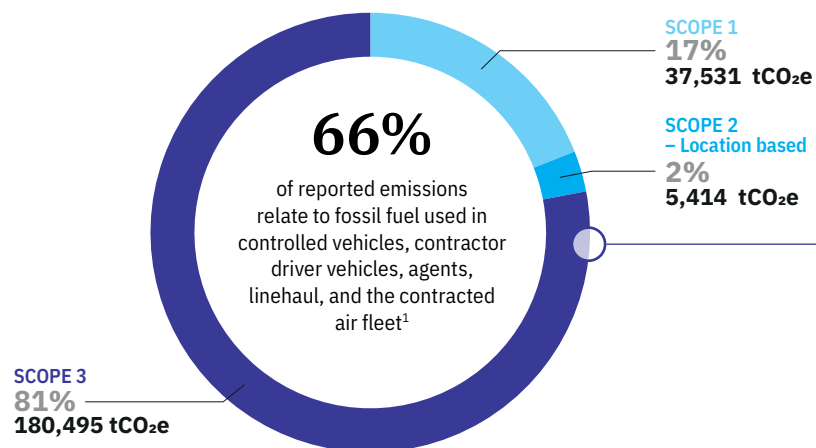
³ In 2024, Freightways did not report any Scope 3 emissions, relying on NZCS 2 adoption relief.

⁴ In 2025, Freightways used adoption relief under NZCS 2 for Scope 3 categories 9, 10, 11 and 12. Remaining Scope 3 emissions were subject to limited assurance provided by PwC.

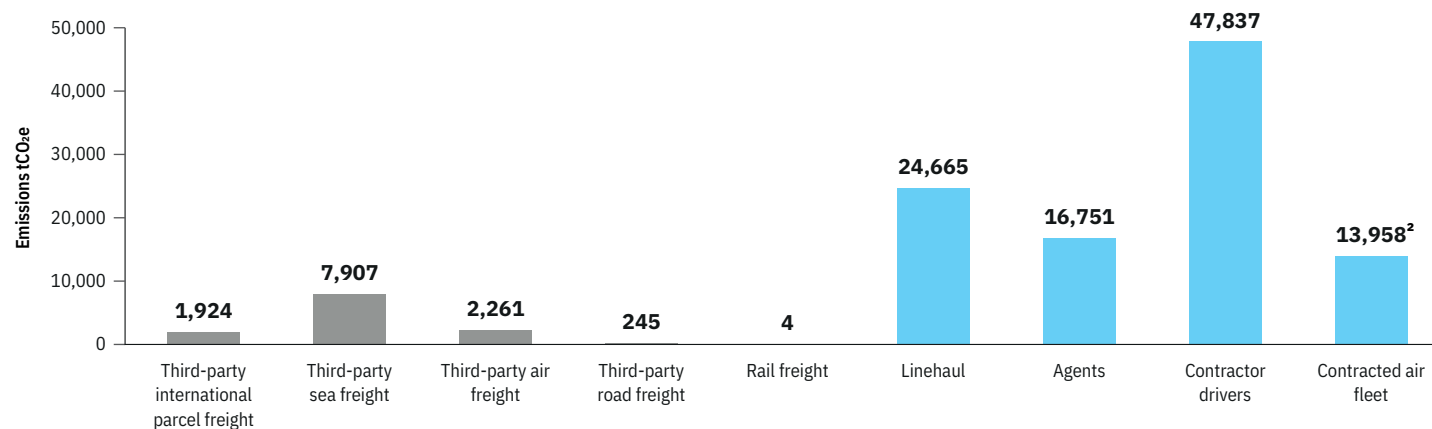


Emissions snapshot

2026 EMISSIONS SNAPSHOT



BREAKING DOWN SCOPE 3, CATEGORY 4



¹ This percentage is aligned with the transport activities covered in Pillar 1 of the Transition Plan detailed on pages 22 – 26. It does not include greenhouse gas emissions from third-party international parcel freight, third-party sea freight, third-party air freight, third-party road freight or rail.

² Emissions related to the consumption of jet fuel are not included within Scope 1 emissions because Freightways does not have operational control of Parcelair Limited or the aircraft operated for the contracted airfreight services. A fixed percent of airfreight capacity on scheduled flights is made available to Freightways (and another independent party) under various ACMI agreements. Under the ACMIs, Freightways does not have operational control over the flight operations. Under the ACMIs, Freightways procures airfreight services and these emissions are accounted for in Scope 3, Category 4.



ANALYSIS OF TRENDS IN GREENHOUSE GAS EMISSIONS

Total reported greenhouse gas emissions increased by 21.8 percent to 223,440 tCO₂e compared to 2025. Of this increase, 6.6 percent (equivalent to 14,777 tCO₂e) related to four downstream Scope 3 categories measured for the first time in 2026. The increase also reflects the inclusion of VTFE, which was acquired on 30 January 2026. As Freightways reset its base year to 2026, VTFE's emissions were included for the full Reporting Period rather than only from the acquisition date, which is in line with the GHG Protocol for structural changes. Excluding the new downstream categories and the emissions relating to VTFE, total emissions increased by 6.1 percent from the previous reporting period.

Scope 1 emissions increased by 5.4 percent from the previous reporting period, to 37,531 tCO₂e. This was principally due to increased mobile

combustion emissions from the Temperature Controlled business, reflecting higher kilometres travelled and sales volumes.

Scope 2 emissions decreased by 9.1 percent from the previous reporting period, to 5,414 tCO₂e, despite electricity consumption increasing. The reduction was primarily due to updated electricity emissions factors published by the New Zealand Ministry for the Environment and the Australian Department of Climate Change, Energy, the Environment and Water. It does not reflect lower electricity use.

Excluding the new downstream categories, Scope 3 emissions increased by 16.7 percent from the previous reporting period. The principal driver was upstream transportation and distribution, which increased by 21.2 percent from the previous reporting period, reflecting the inclusion of VTFE, higher Australian

linehaul and agent activity, and an increase in the spend-based emission factor applied to agent services. Category 5, waste generated in operations, also increased by 9.4 percent from the previous reporting period, partly due to greater volumes processed by the Waste Renewal business and a higher New Zealand landfill emissions factor. Overall, the movement reflects a combination of business growth, increased transport activity and emission factor changes.

RESTATEMENTS AND RECALCULATIONS

In preparing its 2026 greenhouse gas emissions inventory, Freightways reviewed previously reported greenhouse gas emissions data for matters affecting its accuracy and comparability. Previously reported data is restated where a material error is identified. Freightways may elect to restate for errors that are not material, and / or where changes in data quality, methodology, available

information, activities or organisational structure would improve accuracy or comparability. Any required restatement is reflected in the first climate statement issued after the relevant matter is identified. Restatements made in the Reporting Period are detailed in Table 5. None of the restatements made are individually, or collectively, material.

BASE YEAR

In accordance with the GHG Protocol, Freightways has reset its base year to 2026 across all Scopes following the acquisition of VTFE on 30 January 2026. The reset establishes a consistent baseline across the Group's greenhouse gas emissions reporting. For the purposes of the 2026 base year, VTFE emissions have been included for the full financial year to provide a representative and comparable baseline from which future emissions performance and transition activities can be measured.

TABLE 5: 2025 RESTATEMENTS¹

¹ Movement amount in tCO₂e may not add to stated total due to rounding.

Scope / Category	2025 reported (tCO ₂ e)	2025 restated (tCO ₂ e)	Movement (tCO ₂ e)	Impact on Scope (%)	Reason for restatement
Scope 1: Mobile combustion	33,327	33,901	575	1.6%	Data error change
Scope 1: Fugitive emissions	980	882	-99	-0.3%	Data error change
Scope 2: Purchased energy	6,058	5,957	-101	-1.7%	Data error change and emissions factor update
Scope 3: Category 1 (purchased goods and services)	8,473	7,343	-1,130	-0.8%	Methodology update
Scope 3: Category 2 (capital goods)	2,579	2,944	366	0.2%	Data error change
Scope 3: Category 3 (fuel-and-energy related activities)	9,917	9,913	-4	0%	Data error change and emissions factor update
Scope 3: Category 4 (upstream transportation and distribution)	100,326	95,331	-4,995	-3.4%	Data error change and methodology change
Scope 3: Category 5 (waste generated in operations)	19,097	19,657	559	0.4%	Data error change and methodology change
Scope 3: Category 6 (business travel)	1,814	917	-897	-0.6%	Data error change
Scope 3: Category 13 (downstream leased assets)	203	202	-1	0%	Emissions factor update



CONSOLIDATION APPROACH AND ORGANISATIONAL BOUNDARIES

Freightways applies an operational control consolidation approach to determine the boundary of its greenhouse gas emissions. All emissions from operations over which Freightways, or one of its subsidiaries, has control are accounted for.

None of Freightways' subsidiaries have been excluded from the greenhouse gas emissions inventory. Many do not emit any greenhouse gas emissions (as they do not have substantive physical operations), and those that do are reported within the Group. All Australian and New Zealand Controlled Businesses are within the operational control of the Parent and have been included. Freightways, through its subsidiaries, has an equity share in Upcycled Building Materials Limited (38.51 percent), Sweetspot Group Limited (33.3 percent) and Parcelair Limited (50 percent). These Equity Share Entities are excluded from Scope 1 and 2 emissions and accounted for within Scope 3 on the basis that Freightways does not have operational control of these entities.¹

MATERIALITY THRESHOLD

Materiality is assessed by emission Scope, with a materiality threshold set at 5 percent of total emissions for the relevant Scope.

OPERATIONAL BOUNDARIES

In accordance with the GHG Protocol, Freightways' greenhouse gas emissions inventory is measured in three scopes:

Scope 1 includes all direct emissions occurring from Freightways' operations, most notably diesel, petrol, and natural gas use across owned or controlled fleet and facilities. It also includes emissions from refrigerant top-ups in chilled facilities and fleet operated by the Group.

Scope 2 covers emissions from the generation of purchased electricity consumed within Group operations. Scope 2 emissions have been measured using location-based emissions factors.

Scope 3 refers to all other indirect emissions that occur as a consequence of Freightways' activities but occur from sources not owned or controlled by the Group, across its value chain (both upstream and downstream). The GHG Protocol divides Scope 3 emissions into 15 different categories.

The following Scope 3 categories are measured in the Group's greenhouse gas emissions inventory:

- Category 1: Purchased goods and services
- Category 2: Capital goods
- Category 3: Fuel- and energy-related activities
- Category 4: Upstream transportation and distribution
- Category 5: Waste generated in operations
- Category 6: Business travel
- Category 7: Employee commuting
- Category 9: Downstream transportation and distribution
- Category 10: Processing of sold products
- Category 11: Use of sold products
- Category 12: End-of-life treatment of sold products
- Category 13: Downstream leased assets; and
- Category 15: Investments.

Categories 8 and 14 were considered and assessed as not applicable to Freightways in the Reporting Period.

EXCLUSIONS

Freightways seeks to quantify all material greenhouse gas emission sources within its reporting boundary using the best available information. Before excluding an activity, Freightways considers whether a reasonable estimate can be developed using available data and recognised estimation methodologies.

Activities are excluded only where they fall outside the reporting boundary, are assessed as immaterial, or where the available information is insufficient to develop a reasonable estimate without introducing uncertainty so significant that the reported estimate would not provide decision-useful information.

Exclusions are reviewed annually and reassessed where improved data or estimation methodologies become available. Greenhouse gas emission sources wholly or partially excluded in the Reporting Period are detailed in Table 6.

¹ Emissions related to the consumption of jet fuel are not included within Scope 1 emissions because Freightways does not have operational control of Parcelair Limited or the aircraft operated for the contracted airfreight services. A fixed percent of airfreight capacity on scheduled flights is made available to Freightways (and another independent party) under various ACMI agreements. Under the ACMIs, Freightways does not have operational control over the flight operations. Under the ACMIs, Freightways procures airfreight services and these emissions are accounted for in Scope 3, category 4.

**TABLE 6: GREENHOUSE GAS EMISSION SOURCES WHOLLY OR PARTIALLY EXCLUDED FROM FREIGHTWAYS' GREENHOUSE GAS EMISSIONS INVENTORY**

Emissions scope / category	Excluded activity	Basis for exclusion
Scope 1	Fuel purchased using personal credit cards that has not been reported.	Purchase records are not available for fuel acquired using personal payment methods.
Scope 3, category 4	Contractor fuel purchases made outside the Freightways fuel card system.	Contractor drivers may use both Freightways-issued fuel cards and alternative payment methods. Freightways cannot determine which fuel purchases have been made outside the fuel card system or any fuel card purchases for personal use.
Scope 3, category 6	Business travel paid using personal credit cards that has not been reported.	Purchase records are not available for travel acquired using personal payment methods.
Scope 3, category 9	Downstream transportation of exported sold recycled materials from the destination port to the final customer or downstream processing facility, where Freightways measures international transport using a port-to-port methodology.	Freightways measures category 9 emissions from the port of departure to the destination port. Final-mile transportation within the destination country is excluded because export volumes cannot be consistently traced to a final customer or downstream processing location, and information on inland transport routes, modes and distribution arrangements is not available. Freightways considered whether a reasonable estimate could be developed. However, the assumptions required would result in uncertainty so significant that the estimate would not provide decision-useful information.
Scope 3, category 9	Downstream transportation of aviation parts where freight is arranged by the customer.	Freightways has assessed downstream transportation of aviation parts arranged by customers as immaterial.
Scope 3, category 10	Processing of recycled materials sold where the downstream processor, processing method or applicable emissions factor is unknown or cannot be reasonably inferred.	Where recycled materials are sold through brokers, Freightways generally does not know the downstream processor, processing technology or resulting intermediate or finished products. Freightways considered whether generic secondary emissions factors could be applied. However, processing emissions vary significantly depending on the processor, location, technology and end product. In the absence of reliable information, any estimate would rely on unsupported assumptions and would not provide decision-useful information. Accordingly, these processing emissions are excluded. 71 percent of recycled materials sold in the Reporting Period have not been estimated.
Scope 3, category 11	Use-phase emissions associated with aviation parts sold through regulated maintenance services.	Only a subset of aviation parts sold by Freightways generate greenhouse gas emissions during their use phase. These components may remain in service for several decades and are frequently reused, refurbished or transferred between operators. Freightways is not the manufacturer or end user of these products and has limited visibility over how individual parts are installed, operated and maintained throughout their useful lives. Freightways considered whether a reasonable estimate could be developed. However, the assumptions required regarding product use, energy source, energy consumption, operating conditions and service life would result in uncertainty so significant that the estimate would not provide decision-useful information. Accordingly, use-phase emissions associated with these products are excluded.

**TABLE 6: GREENHOUSE GAS EMISSION SOURCES WHOLLY OR PARTIALLY EXCLUDED FROM FREIGHTWAYS' GREENHOUSE GAS EMISSIONS INVENTORY (CONTINUED)**

Emissions scope / category	Excluded activity	Basis for exclusion
Scope 3, category 12	End-of-life treatment of products manufactured from recycled materials sold by Freightways.	Freightways does not have sufficiently reliable information on the downstream processors, the products ultimately manufactured from recycled materials, the markets into which those products are sold, or the end-of-life treatment pathways available in those markets. Freightways considered whether a reasonable estimate could be developed using secondary emissions factors. However, potential treatment pathways include recycling, landfill (with and without gas capture) and incineration, each of which has materially different emissions factors. In the absence of reliable information regarding the location and applicable treatment pathway, any estimate would rely on highly judgemental assumptions and would not provide decision-useful information. Accordingly, these emissions are excluded from the current reporting period.
Scope 3, category 12	End-of-life treatment of aviation parts sold through regulated maintenance services.	Aircraft components typically have long service lives and may be reused, refurbished, repaired or transferred between operators across multiple jurisdictions before reaching end of life. Freightways does not have visibility over the ultimate disposal pathways or treatment methods for these components. Freightways considered whether a reasonable estimate could be developed. However, the assumptions required regarding product life, ownership, location and end-of-life treatment would result in uncertainty so significant that the estimate would not provide decision-useful information. Accordingly, these emissions are excluded.

SOURCE OF EMISSION FACTORS AND GLOBAL WARMING POTENTIAL RATES

All emissions disclosed are expressed in total tonnes of carbon dioxide equivalent (tCO₂e). The time horizon in all cases is 100 years.

Emission factors from a range of sources were used to calculate the Group's greenhouse gas emissions inventory. Emissions factors and the Global Warming Potential (GWP) sources used for the main emission sources covered by Freightways' greenhouse gas emissions inventory are outlined in Appendix 4 on pages 48 – 55.¹

METHODS, ASSUMPTIONS AND UNCERTAINTIES

Greenhouse gas emissions accounting generally relies on assumptions and estimates that can lead to estimation uncertainty. The effect of this uncertainty is that measured emissions might be over- or understated, so the corresponding emissions data should be interpreted accordingly. Appendix 4 on pages 48 – 55 provides an overview of the main emission sources covered by Freightways' greenhouse gas emissions inventory, including calculation methods, assumptions made, and an assessment

of the level of uncertainty. In a few cases, where it is available, supplier-specific emissions data has been used to improve greenhouse gas emissions accuracy. In all other cases, a calculation methodology has been applied for quantifying greenhouse gas emissions in accordance with the GHG Protocol. This approach multiplies activity data by an appropriate emissions factor.



¹ Freightways will incorporate relevant emissions factors released within one month of the end of the Reporting Period into its greenhouse gas emissions calculations where practicable. Emissions factors released more than one month after the end of the Reporting Period will be applied from the subsequent reporting period.



Other metrics

INDUSTRY-BASED METRICS AND INTERNAL EMISSIONS PRICE

Freightways has not adopted industry-based metrics to measure and manage climate-related risks and opportunities in the Reporting Period.

Freightways has not used an internal emissions price in the Reporting Period.

EMISSIONS INTENSITY

In 2024, Freightways reported emissions intensity based on its aggregated Scope 1 and Scope 2 tCO₂e per million dollars of revenue. Due to the expanded scope of emissions measured and reported in 2025, Freightways expanded the assessment across measured greenhouse gas emission scopes. In 2026, Freightways has reported a greater range of Scope 3 emissions and the assessment has expanded accordingly. Table 7 outlines Freightways' greenhouse emissions intensity, measured in tCO₂e per million dollars of revenue.

Scope 1 and 2 emissions intensity decreased by 9 percent from 2025, despite absolute Scope 1 and 2 emissions increasing by 3.3 percent.

Revenue increased by approximately 13.5 percent over the same period. The decrease in intensity therefore primarily reflects revenue growth rather than a reduction in absolute emissions.

Reported Scope 3 emissions intensity increased by 12 percent from 2025. This increase principally reflects the first-time inclusion of Scope 3 categories 9–12 and the acquisition of VTFE in the Reporting Period.¹

Overall, total tCO₂e (Scopes 1 – 3) per million dollars of revenue increased by 7.3 percent from 2025. When calculated using Scope 1, Scope 2, the Scope 3 categories reported in both periods, and excluding greenhouse gas emissions and revenue associated with VTFE in the Reporting Period, total emissions intensity remained broadly stable at 137.6 tCO₂e per million dollars of revenue, compared with 142.3 in 2025.

TABLE 7: tCO₂e PER MILLION DOLLARS OF REVENUE

	2024	2025 ²	2026
Scope 1	28.5	27.6	25.6
Scope 2	4.2	4.6	3.7
Scope 3	- ³	110.1	123.3
Total tCO₂e per million dollars of revenue (Scope 1 and 2)	32.7	32.2⁴	29.3
Total tCO₂e per million dollars of revenue (Scope 1, 2 and 3)	-	142.3	152.7^{1, 5}



¹ Due to the reset of the greenhouse gas emissions base year, VTFE's emissions have been included for the full Reporting Period, whereas its revenue is included only from the 30 January 2026 acquisition date. This timing difference increases reported 2026 emissions intensity. If VTFE's emissions were included only from the acquisition date, emissions intensity would be 148 tCO₂e per million dollars of revenue.

² 2025 figures use the restated 2025 greenhouse gas emissions values.

³ In 2024, Freightways did not report any Scope 3 emissions, relying on NZCS 2 adoption relief.

⁴ In 2025 Freightways used adoption relief under NZCS 2 for Scope 3 categories 9, 10, 11 and 12. Remaining Scope 3 emissions were reported.

⁵ Scope 3 categories 9–12 were reported for the first time in 2026 and contributed 14,777 tCO₂e. Reported Scope 3 and total emissions intensity are therefore not directly comparable with 2025.



EXPOSURE TO CLIMATE-RELATED RISKS AND OPPORTUNITIES

Freightways' assets and business activities are located and operate throughout New Zealand and Australia. These assets and activities are exposed to both physical and transition risk.

Vulnerability to physical risk

Freightways' business model relies on a transportation network and infrastructure across New Zealand and Australia to enable it to pick up, process and deliver on behalf of its customers. Freightways has conducted risk assessments to consider the exposure and vulnerability of its operating premises to climate-related hazards.

During the Reporting Period, Freightways worked with KPMG New Zealand to undertake a high-level climate hazard exposure and vulnerability assessment of its operating premises. This analysis replaced the Route and Premise Assessment referenced in Freightways' earlier climate statements. Climate hazard exposure data was accessed through KPMG's alliance with ClimSystems, a climate intelligence provider that uses global and national data sets, such as the New Zealand CMIP6 Climate Projections Dataset, to provide exposure assessments.

ClimSystems was selected for its extensive experience in climate modelling and risk analysis, as well as its ability to provide a consistent and comparable climate hazard dataset across Freightways' operations in both New Zealand and Australia.

Hazard exposure data was collected across Freightways' three climate scenarios (SSP1-1.9 (Fully Charged), SSP2-4.5 (Slow Followers) and SSP3-7.0 (Route to Overshoot)) across three time horizons – 2030, 2040, and 2050.

Further information on ClimSystems methodology and data sets can be found in Appendix 3 on page 46.

The analysis included both Freightways-owned and leased sites. It did not explicitly assess business disruption, supply chain impacts, or the resilience of individual buildings and controls. However, these factors were considered indirectly through a qualitative review of each site's strategic significance to Freightways, together with consideration of insured value. In the next reporting period, Freightways intends to use the insights from this assessment to further examine the vulnerability of individual buildings, premises, and controls.

The assessment followed a three-step process:

- 1. General exposure assessment:** Identifying sites exposed to material physical climate hazards using ClimSystems' physical hazard modelling.
- 2. Materiality assessment:** Reviewing the materiality of the tested hazards to site and asset damage and identifying sites that could be materially exposed to the material hazards; and
- 3. Vulnerability assessment:** Using these results to identify assets or premises potentially vulnerable to material physical climate-related risks. Due to data limitations, this centred on a qualitative review of various aspects and site features that could affect a site's vulnerability.

Further information on the methodology and sources of information used in this assessment is detailed in Appendix 3 on page 46.

Flood and coastal inundation were assessed as the physical hazards most likely to impact the Group's premises and its assets. Table 8 outlines the percent of sites across the Group assessed as vulnerable to flood and coastal inundation.





TABLE 8: PERCENT OF SITES ACROSS THE GROUP ASSESSED AS VULNERABLE TO FLOOD AND COASTAL INUNDATION HAZARDS

Hazard	Exposure assessment	Vulnerability assessment
Flood	Route to Overshoot scenario (SSP3-7.0) Nine sites representing approximately 9.8 percent of total assessed sites were assessed as having flood exposure in 2050. Of these, four were assessed as medium, four were assessed as high, and one site was assessed as having very high flood exposure. Fully Charged scenario (SSP1-1.9) Seven sites representing approximately 7.6 percent of total assessed sites were assessed as having flood exposure in 2050. Of these, four were assessed as medium, two were assessed as high, and one site was assessed as having very high flood exposure.	Two sites were assessed as potentially vulnerable under SSP3-7.0, representing 2.2 percent of total assessed premises. These same two sites were also assessed as potentially vulnerable under a SSP1-1.9 scenario. The exposure rating was high in each scenario for one of these sites, and medium in each scenario for the other. None of these sites are considered strategically significant.
Coastal inundation	Route to Overshoot scenario (SSP3-7.0) 34 sites representing approximately 37 percent of total assessed sites were assessed as having coastal inundation exposure in 2050. Of these, 32 were assessed as medium, and two were assessed as having high coastal inundation exposure. Fully Charged scenario (SSP1-1.9) 33 sites representing approximately 35.9 percent of total assessed sites were assessed as having coastal inundation exposure in 2050. Of these, 31 were assessed as medium, and two were assessed as having high coastal inundation exposure.	Two sites were assessed as potentially vulnerable under SSP3-7.0, representing 2.2 percent of total assessed premises. These same two sites were also assessed as potentially vulnerable under a SSP1-1.9 scenario. In each case, the exposure rating was assessed as Medium. None of these sites are considered strategically significant.



Vulnerability to transition risk

Freightways' current business model relies on the use of fossil fuel to generate revenue. As such, Freightways considers that all its business activities are currently exposed to climate-related transition risk.

Freightways assessed vulnerability to transition risk with reference to the parts of its transport activities that continue to rely on fossil fuels. Although fuel surcharge mechanisms allow certain Freightways' Controlled Businesses to pass movements in fuel prices on to customers, these mechanisms do not eliminate broader policy, technology, market and reputational transition risks. Accordingly, company-controlled vehicles, third-party transport services (including contractor drivers) and contracted aircraft capacity that have not transitioned to low-emission alternatives were assessed as vulnerable to transition risk.

At the end of the Reporting Period, 73 percent of company-controlled vehicles used internal combustion engines and continued to rely on fossil fuels to operate. This is detailed in Table 9.

At the end of the Reporting Period, the New Zealand Express Package transport network included 30 electric vans and 7 hybrid vehicles operated by independent contractor drivers. Beyond these vehicles, no other low-emission vehicles were known to have been used within the New Zealand and Australia Express Package transport network, other than on a trial basis.

Table 10 outlines the percentage of jet fuel used within the contracted aircraft network that was Sustainable Aviation Fuel (SAF).¹

Climate-related opportunities

Freightways has identified climate-related opportunities to develop new services and increase its operational efficiency. These opportunities have the potential to impact all of Freightways' operations and activities. As such, all of Freightways' activities could be aligned with climate-related opportunities.

TABLE 9: PERCENTAGE OF COMPANY-CONTROLLED VEHICLES BY ENGINE TYPE (AT 30 JUNE 2026)

Vehicle Type	Total vehicle count	Internal combustion engine (%)	Hybrid / PHEV (%)	Battery electric (%)
Forklift / hoist	429	49%	0%	51%
Motorbike	282	99%	0%	1%
Car	302	23%	76%	0%
Ute	9	33%	67%	0%
Van	167	99%	0%	1%
Truck / tractor unit	371	100%	0%	0%
Refrigerated trailer / reefer ²	121	99%	0%	1%
Total	1,681	73%	14%	13%

TABLE 10: PERCENTAGE OF JET FUEL USED BY TYPE

	Aviation fuel type (%)
Jet fuel (fossil)	100%
SAF	0%
Other	0%



¹ Freightways has access to capacity on aircraft in New Zealand via various ACMI agreements. Freightways does not have operational control of Parcelair Limited or the aircraft used for the contracted airfreight services. It can track exposure to jet fuel prices through contract terms with the aircraft operators.

² Non-refrigerated trailers are excluded from this table.



CAPITAL DEPLOYMENT

Freightways generally operates a capital light business model, relying on third-party transport providers across its Express Package businesses and a combination of leased and owned vehicles across the other businesses.

In the Reporting Period, Freightways made investments with climate-related considerations, including various electric vehicles, charging infrastructure and replacement equipment with better energy efficiency. However, these investments were not a financially material amount.

REMUNERATION

Management remuneration linked to climate-related risks and opportunities in the Reporting Period is outlined in the Governance section on page 8.

Targets

During the Reporting Period, Freightways established two operational metrics to support the transition of its light vehicle fleet, and the New Zealand contractor driver light vehicle fleet, to lower-emissions alternatives. These operational metrics form part of the Transition Plan. The operational metrics were approved by the Board in June 2026. Together, these operational metrics are estimated to represent around 9.2 percent of total 2026 greenhouse gas emissions.

These metrics are described in Table 11 below.

The Transition Plan does not yet include a Group-wide emissions reduction target. This reflects the need for further analysis of the Group's operations that rely on heavy vehicles. While operational metrics have been established for light commercial vehicles, further work is required to assess the timing, availability, operational suitability, and emissions reduction potential of emerging low-emissions heavy vehicle technologies across New Zealand and Australia. This includes evaluating the supporting infrastructure, investment requirements and network design changes needed to enable their adoption.

These operational metrics cover the period to the end of the 2032 financial year. Neither metric has any associated interim target. In each case progress will be measured based on the percentage of electric or low-emission vehicles in the in-scope fleet.

The metrics are operational metrics – they are not absolute or intensity emission reduction targets. Freightways continues to consider how to set Group-wide emission reduction targets, and these metrics may form part of the delivery of any emissions reduction target set in future reporting periods.

Transitioning parts of the Freightways network to low-emission vehicles will

displace the combustion of petrol and diesel in parts of the network. However, as Group-wide emissions reduction targets have not been set, Freightways does not have an understanding of how the metrics contribute to limiting global warming to 1.5°C. No third-party methodology has been relied on in setting these metrics, and achievement of these metrics does not contemplate the use of carbon credits or other offsetting instruments.

TABLE 11: OPERATIONAL METRICS FOR LIGHT VEHICLES

Metric	Dependencies and details
Transition at least 75 percent of Freightways' light commercial vehicle fleet to low-emission vehicles by 2032	This metric covers owned or controlled light commercial vehicles in New Zealand and Australia. This includes forklifts, hoists, motorbikes, cars, utes and vans. Achievement of this metric is dependent on the availability of fit-for-purpose electric vehicles across all classes, sufficient charging infrastructure, and electricity network capacity across New Zealand and Australia. Where operational needs cannot be met with an electric vehicle, plug-in hybrid vehicles may be considered a suitable alternative. At the end of the Reporting Period, electric vehicles represented around 18.8 percent of the in-scope fleet.
Engage with contractor drivers in the New Zealand express package network to support the transition of at least 75 percent of light commercial pick-up and delivery vehicles to low-emission vehicles by 2032	This metric does not include Australian Express Package businesses. This metric applies to vehicles owned or controlled by contractor drivers providing pick-up and delivery services to Freightways in light commercial vehicles, such as cars and vans. Low-emission vehicles means fully electric vehicles. In cases where operational requirements limit electric vehicle use, a plug-in hybrid electric vehicle may qualify. Achievement of this metric is dependent on the availability of fit-for-purpose electric vehicles across all classes, sufficient charging infrastructure, and electricity network capacity across New Zealand. It is also dependent on third-party contractor drivers electing to transition to electric vehicles. At the end of the Reporting Period, electric vehicles represented 3.1 percent of the in-scope fleet.



Independent Assurance Report

To the Directors of Freightways Group Limited

Limited Assurance Report on Freightways Group Limited's Greenhouse Gas (GHG) Disclosures

Our conclusion

We have undertaken a limited assurance engagement on the gross GHG emissions, additional required disclosures of gross GHG emissions, and gross GHG emissions methods, assumptions and estimation uncertainty (the GHG Disclosures), as outlined within the *Scope of our limited assurance engagement* section below, included in the Climate Statement of Freightways Group Limited (the Company) and its subsidiaries (the Group) for the year ended 30 June 2026.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the GHG Disclosures are not fairly presented and are not prepared, in all material respects, in accordance with the Aotearoa New Zealand Climate Standards (NZ CSSs) issued by the External Reporting Board (XRB), as explained on page 1 of the Climate Statement.

Scope of our limited assurance engagement

We have undertaken a limited assurance engagement over the following GHG Disclosures on pages 30, 31, 34 to 36 and 48 to 55 of the Climate Statement for the year ended 30 June 2026:

- gross GHG emissions:
 - Total Scope 1 of 37,531 tCO₂e on page 31;
 - Total Scope 2 (location-based) of 5,414 tCO₂e on page 31; and
 - Total Scope 3 of 180,495 tCO₂e on page 31;
- additional required disclosures of gross GHG emissions on pages 30, 31 and 34 to 36; and
- gross GHG emissions methods, assumptions and estimation uncertainty on pages 36 and 48 to 55.

Our assurance engagement does not extend to any other information included, or referred to, in the Climate Statement on pages 1 to 29, 32 to 33 and 37 to 47. We have not performed any procedures with respect to the excluded information and, therefore, no conclusion is expressed on it. The comparative information for the years ended 30 June 2024 and 30 June 2025 disclosed in the Group's Climate Statement is not covered by the assurance conclusion expressed in this report.

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Key Matters to the GHG assurance engagement

In this section we present those matters that, in our professional judgement, were most significant in undertaking the assurance engagement over the GHG Disclosures. These matters were addressed in the context of our assurance engagement, and in forming our conclusion. We did not reach a separate assurance conclusion on each individual key matter.

Description of the key matter	How our assurance engagement addressed the key matter
Key judgements, estimates and assumptions relating to road freight emissions within Scope 3, Category 4: Upstream transportation and distribution Road freight emissions from contract drivers and third-party providers within Scope 3, Category 4: Upstream transportation and distribution account for approximately 50% of the total Scope 3 emissions and involve key judgements, estimates and assumptions. As disclosed in Appendix 4 on pages 50 and 51, where fuel card data was available, road freight emissions were based on recorded fuel consumption. Where fuel card data was not available or fuel consumption could not be reliably estimated, the Group applied the distance-based method, requiring assumptions about the distance travelled and fleet composition (vehicle type, size and age) to select appropriate emission factors. Where distance-based estimates could not be made, the spend-based method was applied. This is considered a key matter because estimation of road freight emissions requires significant management judgement and these estimated emissions are significant to Scope 3.	To evaluate the key judgements, estimates and assumptions relating to road freight within Scope 3, Category 4, we: - Enquired of management to understand the methodology used and the basis for the key judgements made; - Assessed alignment of the Group's approach with the GHG Protocol; - Evaluated whether the Group's methods for developing estimates for fuel consumption, distance travelled, fleet composition and spend are appropriate and had been consistently applied, where relevant; - Tested, on a limited sample basis against underlying records, the distance (kilometres) travelled; - Enquired of management regarding their determination of whether the emission factors used reflect the appropriate vehicle type, size, and age, and tested on a sample basis that these emission factors were correctly applied; - Performed analytical procedures by comparing the expected GHG emissions emitted based on historical GHG emissions to actual GHG emissions emitted and made enquiries of management to obtain explanations for any significant differences we identified; and - Considered the appropriateness of related disclosures for methods, assumptions and estimation uncertainty relevant to these emissions sources on pages 50 and 51.

Directors' responsibilities

The Directors of the Company are responsible on behalf of the Company for the preparation and fair presentation of the GHG Disclosures in accordance with NZ CSSs. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation of GHG Disclosures that are free from material misstatement whether due to fraud or error.

Inherent Uncertainty in preparing GHG Disclosures

As discussed on page 48 of the Climate Statement, the GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our independence and quality management

This assurance engagement was undertaken in accordance with New Zealand Standard on Assurance Engagements 1 *Assurance Engagements over Greenhouse Gas Emissions Disclosures*, issued by the External Reporting Board (XRB) (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 also complied with the following professional and ethical standards and accreditation body requirements:

- Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)*;



- Professional and Ethical Standard 3: *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*; and
- Professional and Ethical Standard 4: *Engagement Quality Reviews*.

In our capacity as auditor and assurance practitioner, our firm also provided audit and review services. Our firm has also carried out an assignment in the area of executive long term incentives market practice benchmarking. In addition, certain partners and employees of our firm may deal with the Group on normal terms within the ordinary course of trading activities of the business. The firm has no other relationship with, or interests in, the Group.

Assurance practitioner's responsibilities

Our responsibility is to express a conclusion on the GHG Disclosures based on the procedures we have performed and the evidence we have obtained. NZ SAE 1 requires us to plan and perform the engagement to obtain the intended level of assurance about whether anything has come to our attention that causes us to believe that the GHG Disclosures are not fairly presented and are not prepared, in all material respects, in accordance with NZ CSs, whether due to fraud or error, and to report our conclusion to the Directors of the Company.

As we are engaged to form an independent conclusion on the GHG Disclosures prepared by management, we are not permitted to be involved in the preparation of the GHG information as doing so may compromise our independence.

Summary of work performed

Our limited assurance engagement was performed in accordance with NZ SAE 1, and ISAE (NZ) 3410 *Assurance Engagements on Greenhouse Gas Statements*. This involves assessing the suitability in the circumstances of the Group's use of NZ CSs 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.

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.

The procedures we performed were based on our professional judgement and included enquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records. In undertaking our limited assurance engagement on the GHG Disclosures, we:

- Obtained, through enquiries, an understanding of the Group'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 the Group's organisational and operational boundaries to assess completeness of GHG emission sources;
- Enquired of management about excluded GHG emission sources and assessed the appropriateness of the basis for those exclusions;
- Evaluated whether the Group's methods for developing estimates are appropriate and had been consistently applied. Where we considered it to be appropriate, we tested, on a limited sample basis, the data on which the estimates are based;
- Assessed a limited number of emission factor sources and reperformed a limited number of emissions calculations for mathematical accuracy;
- Performed analytical procedures on particular emission categories by comparing the expected GHG emissions emitted based on historical GHG emissions to actual GHG emissions emitted and made enquiries of management to obtain explanations for any significant differences we identified; and

- Considered the presentation and disclosure of the GHG Disclosures.

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 we performed a reasonable assurance engagement and does not enable us to obtain assurance that we would become aware of all significant matters that we otherwise might identify. Accordingly, we do not express a reasonable assurance opinion on these GHG Disclosures.

Inherent limitations

Because of the inherent limitations of an assurance engagement, together with the internal control structure, it is possible that fraud, error or non-compliance may occur and not be detected.

Who we report to

This report is made solely to the Company's Directors, as a body. Our work has been undertaken so that we might state those matters which we are required to state to them in our assurance report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Directors, as a body, for our procedures, for this report, or for the conclusions we have formed.

The engagement partner on the engagement resulting in this independent assurance report is Christopher Ussher.

For and on behalf of:

PricewaterhouseCoopers
17 August 2026

Wellington



Appendices

Appendix 1: Glossary of terms

A	ACMI	Aircraft, Crew, Maintenance, and Insurance agreement
	ARC	Audit & Risk Committee
	AR5	IPCC's Assessment Report 5
C	CEO	Chief Executive Officer
	CCC	He Pou a Rangi, the New Zealand Climate Change Commission
	CFO	Chief Financial Officer
	Climate Working Group	Internal working group, made up of the CFO, the New Zealand Group Financial Controller, the Australian Group Financial Controller, the Head of Sustainability and Climate, and the Sustainability and Climate Manager
	Controlled Businesses	A subsidiary of Freightways
	CRE	Climate Reporting Entity
D	DCCEEW	Department of Climate Change, Energy, the Environment and Water (Australia)
	DESNZ	Department for Energy Security and Net Zero (United Kingdom)
E	Equity Share Entity	An entity in which Freightways, through a Controlled Business, holds an ownership interest but does not have operational control.
	ETS	New Zealand Emissions Trading Scheme
F	Financial Controllers	Financial controllers of the Controlled Businesses
	Freightways	Freightways Group Limited and its subsidiaries. Also referred to as the Group
G	General Managers	General managers of the Controlled Businesses
	GHG	Greenhouse gas emissions
	GHG Protocol	The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard and Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard
	Group	Freightways Group Limited and its subsidiaries. Also referred to as Freightways
	GWP	Global Warming Potential
I	IEA	International Energy Agency
	IPCC	Intergovernmental Panel on Climate Change
M	MFE	Ministry for the Environment (New Zealand)

N	NGFS	Network for Greening the Financial System
	NIWA	National Institute of Water and Atmospheric Research (New Zealand)
	NZCS	Aotearoa New Zealand Climate Standards
	NZCS 1	The Aotearoa New Zealand Climate Standard 1 – Climate-related disclosures
	NZCS 2	The Aotearoa New Zealand Climate Standard 2 – Adoption of Aotearoa New Zealand Climate Standards
	NZCS 3	The Aotearoa New Zealand Climate Standard 3 – General Requirements for Climate-related Disclosures
	NZD	New Zealand Dollar
	NZU	New Zealand Unit (used in the ETS)
P	Parent	Freightways Group Limited
	PSC	People & Safety Committee
	PwC	PricewaterhouseCoopers
R	RCP	Representative Concentration Pathway
	Reporting Period	The period 1 July 2025 to 30 June 2026
S	SAF	Sustainable Aviation Fuel
	SLT	Senior Leadership Team
	SSP	Shared Socioeconomic Pathways
	STI	Short-term incentive
T	TCFD	Task Force on Climate-related Financial Disclosures
	tCO₂e	Tonnes carbon dioxide equivalent
	The Aotearoa Circle	A public-private partnership, whose purpose is to restore natural capital in New Zealand
	TIMG	The Information Management Group
	Transport Sector Scenarios	The Aotearoa Circle Transport Sector Climate Change Scenarios
	TPT	Transition Plan Taskforce
	3PL	Third-party logistics
	4PL	Fourth-party logistics
V	VTFE	VT Freight Express Pty Ltd



Appendix 2: Scenario analysis methodology and assumptions

	Fully Charged (SSP1-1.9)	Slow Followers (SSP2-4.5)	Route to Overshoot (SSP3-7.0)
Temperature outcome	2050: +1.6°C relative to the pre-industrial baseline 2100: +1.4°C relative to the pre-industrial baseline	2050: +1.9°C relative to the pre-industrial baseline 2100: +2.7°C relative to the pre-industrial baseline	2050: +2.1°C relative to the pre-industrial baseline 2100: +3.9°C relative to the pre-industrial baseline
Scenario archetype	• SSP1 Sustainability – Taking the green road • RCP 1.9 • NGFS Delayed transition • CCC High Technology, High Systems Change (HTHS) • IEA Net Zero (NZE)	• SSP2 Middle of the road • RCP 4.5 • NGFS Fragmented world • CCC Low Technology, Low Systems Change (LTLS) • IEA Stated Policies (STEPS)	• SSP3 Regional Rivalry – A Rocky Road • RCP 7.0 • NGFS Current policies • CCC Reference • IEA Current Policies (CPS)
Macroeconomic trends (SSP)	Strong economic growth from transition	Moderate to strong economic growth	Moderate, fossil fuel driven growth
Policy assumptions (SSP)	Immediate and smooth. Rapid change in the short-term.	Varies by country. Slow in the short-term, then increases in the 2030s.	Insufficient, retroactive, and reactionary.
Speed of technology change (SSP)	Fastest. Rapid adoption of low-carbon fleet and fuel technologies, with high variation in options. Early supply competition eases in the medium-term.	Moderate. Slow in the short-term, followed by a fast transition of fleet and fuel technologies, with fragmented supply and medium-term constraints.	Slowest. Gradual transition of fleet and fuel technologies, while adoption of other enabling digital and operational technologies continues at a faster rate.
Carbon sequestration from afforestation and nature-based solutions (CCC)	Lower exotic forestry. High native forestry and nature-based solutions.	Medium exotic forestry. Medium native forestry and nature-based solutions.	High exotic forestry. Low native forestry and nature-based solutions.
Carbon dioxide removal (NGFS)	Medium use	Low-medium use	Low use
Socioeconomic assumptions (SSP)	Cost pressures spike in the short-term, but the long-term benefits of transition stabilise the economy, and consumer sentiment, by the 2040s.	Rising costs and unreliable service erode consumer confidence.	Society remains “business-as-usual” with little consumer or behaviour change until the 2040s.
Physical risk severity (RCP)	Lowest	Moderate	Highest. Climate and ecological tipping points are breached.
Transition risk severity (SSP)	Moderate. Greatest in short-term.	Highest. Greatest in medium-term.	Lowest. Steadily increasing, but also giving businesses more time to adapt.
Energy pathways (SSP / CCC / IEA)	Fastest. New Zealand, followed by Australia, rapidly expands renewable energy and low-carbon fuel production, reducing exposure to global fuel market volatility.	Moderate. Australia shifts to renewable energy sooner. New Zealand remains reliant on imported low-carbon fuels and fossil fuels for longer.	Slowest. Slow development of domestic renewable supply in both New Zealand and Australia. High reliance on fossil fuel imports.



Appendix 3: Hazard exposure and vulnerability assessment methodology

Freightways worked with KPMG New Zealand to undertake a high-level climate hazard exposure and vulnerability assessment of its operating premises in New Zealand and Australia. Climate hazard exposure data was accessed through KPMG's alliance with ClimSystems, a climate intelligence provider that uses global and national data sets, such as the New Zealand CMIP6 Climate Projections Dataset, to provide exposure assessments.

ClimSystems was selected for its experience and its ability to provide a consistent and comparable climate hazard dataset across Freightways' operations in both New Zealand and Australia. While the resolution of the data is lower than some available national or regional sets, comparability across the portfolio was prioritised and data outputs are sufficient to understand exposure at each site across a range of hazards.

DATA SOURCES

All climate data sources used by ClimSystems are publicly accessible data sources. These include (but are not limited to):

- CMIP6 climate models (Global)
- Ministry for the Environment CMIP6 Climate Projections Dataset (New Zealand)
- NZ SeaRise Sea-Level Projection and Mapping Tool (New Zealand)
- Earth Sciences New Zealand Flood Hazard across Aotearoa (New Zealand)

METHODOLOGY

The assessment informed Freightways' understanding of potential operating premises vulnerability through a hazard, exposure, vulnerability approach.

The analysis was a high-level, desk-based assessment of potential operating premises damage only, using ClimSystems hazard exposure data for 2050 under SSP1-1.9 and SSP3-7.0 scenarios as a lower and upper boundary, respectively. It did not explicitly assess business disruption, supply chain impacts, or the resilience of individual buildings and controls.

The assessment followed a three-step process:

1. General exposure assessment:

Identifying sites exposed to material physical climate hazards. Using ClimSystems' physical hazard modelling, each site was assessed for its exposure to the following hazards: temperature variability, heat wave, changing air temperature, wildfire, heat stress, heavy precipitation (rain), flood, sea level rise, coastal inundation, storm (wind), cyclone, landslide, land subsidence, and coastal erosion. ClimSystems hazard modelling produces risk rankings (1-10) for hazard exposure based on a risk matrix approach. Ratings of 1-3 were deemed 'Low', ratings of 4-6 were deemed 'Medium', ratings of 7-8 were deemed 'High', and ratings of 9-10 were deemed 'Very High'. Material hazards were determined as those meeting the 'Medium' exposure threshold and above.

2. Materiality assessment: Reviewing the materiality of the tested hazards to potential site and asset damage and identifying sites that could be materially exposed to the material hazards; and

3. Vulnerability assessment: Using these results to identify assets or premises potentially vulnerable to material physical climate-related risks. Due to data limitations, this centred on a qualitative review of various aspects and site features that could affect a site's vulnerability, such as:

- The ownership status of the site and the length of duration of leases – this was used as a proxy for the speed and ease from which Freightways could relocate from the site if required.
- The Controlled Business operating at each site – this was used as a proxy for the potential vulnerability of sites due to the type of material stored and the specific operating requirements at the site.
- Known characteristics of the site could affect that site's vulnerability.
- Review of each site's strategic significance to Freightways, together with a consideration of insured value.

Table 12 on page 47 provides an overview of the process followed.



TABLE 12: HAZARD EXPOSURE AND VULNERABILITY ASSESSMENT METHODOLOGY

Hazard	1. Hazard materiality	2. Exposure assessment	3. Vulnerability considerations
Temperature Variability	Deemed immaterial to site, asset, and inventory damage	Not applicable	Not applicable
Heat Wave	Deemed immaterial to site, asset, and inventory damage	Not applicable	Not applicable
Changing Air Temperature	Deemed immaterial to site, asset, and inventory damage	Not applicable	Not applicable
Wildfire	Potentially material to site, asset, and inventory damage	No sites have medium, high or very high exposure	Not applicable
Heat Stress	Deemed immaterial to site, asset, and inventory damage	Not applicable	Not applicable
Heavy precipitation (Rain)	Deemed immaterial. Direct site or asset damage from rainfall is not expected to be material for most sites given assets are generally located within enclosed depot facilities. Flooding from rainfall is covered under the 'Flood' hazard.	Not applicable	Not applicable
Flood	Potentially material to site, asset, and inventory damage	SSP3-7.0: Nine sites assessed as having flood exposure in 2050. Of these, four were assessed as medium, four were assessed as high, and one site was assessed as very high flood exposure. SSP1-1.9: Seven sites assessed as having flood exposure in 2050. Of these, four were assessed as medium, two were assessed as high, and one site was assessed as very high flood exposure.	• Ownership status • Nature of operations • Known characteristics • Strategic significance
Sea Level Rise	Deemed immaterial for assessment as the effects of flooding due to sea level rise are covered under the coastal inundation hazard.	Not applicable	Not applicable
Coastal Inundation	Potentially material to site, asset, and inventory damage	SSP3-7.0: 34 sites were assessed as having coastal inundation exposure in 2050. Of these, 32 were assessed as medium, and two were assessed as having high coastal inundation exposure. SSP1-1.9: 33 sites were assessed as having coastal inundation exposure in 2050. Of these, 31 were assessed as medium, and two were assessed as having high coastal inundation exposure.	• Ownership status • Nature of operations • Known characteristics • Strategic significance
Storm – Wind	Deemed immaterial. Recent experience indicates limited impacts to sites, and hazard ratings do not increase from 2005 to 2050.	Not applicable	Not applicable
Cyclone	Potentially material to site, asset, and inventory damage	Deemed immaterial: Three sites assessed as exposed at a 'medium' rating but hazard exposure does not increase from 2005 to 2050.	Not applicable
Landslide	Potentially material to site, asset, and inventory damage	No sites have medium, high or very high exposure	Not applicable
Land subsidence	Deemed immaterial. Climate-related driver not separable from other drivers of land subsidence.	Not applicable	Not applicable
Coastal erosion	Potentially material to site, asset, and inventory damage	Deemed immaterial: Two sites assessed as exposed at a 'medium' rating but hazard exposure does not increase from 2005 to 2050.	Not applicable



Appendix 4: Greenhouse gas emissions, methodology, uncertainties and assumptions

GHG emissions accounting is inherently uncertain because of incomplete scientific knowledge used to determine emission factors and the values needed to combine emissions of different gases.

Sources for the emission factors and GWP rates used

- MFE (2026): Ministry for the Environment (New Zealand). 2026. Measuring emissions: A guide for organisations: 2026 detailed guide. (GWP100, IPCC AR5)
- DCCEEW (2025): Department of Climate Change, Energy, the Environment and Water (Australia). 2025. Australian National Greenhouse Accounts Factors. (GWP100, IPCC AR5)
- DCCEEW (2024): Department of Climate Change, Energy, the Environment and Water (Australia). 2024. Australian National Greenhouse Accounts Factors. (GWP100, IPCC AR5)
- DESNZ (2026): United Kingdom Department for Energy Security and Net Zero 2026 Government Greenhouse Gas Conversion Factors for Company Reporting (GWP 100, IPCC AR5)
- DESNZ (2021): United Kingdom Department for Energy Security and Net Zero 2021 Government Greenhouse Gas Conversion Factors for Company Reporting (GWP100, IPCC AR4)
- thinkstep-anz. (2025). Emission Factors for New Zealand: Greenhouse Gas Emission Intensities for Commodities and Industries. v3.0. Wellington: thinkstep-anz (GWP100, IPCC AR5)
- Climalife (2026): R-452A & R-449a product information. (GWP100, IPCC AR5)
- AR5: Intergovernmental Panel on Climate Change (IPCC) 'Climate Change 2013: The Physical Science Basis'
- AR4: IPCC 'Climate Change 2007: The Physical Science Basis'
- Supplier provided
- Customer provided

11+1 METHODOLOGY

Freightways has applied an 11+1 methodology in preparing its greenhouse gas emissions disclosures as actual data for the month of June was unavailable within the reporting timetable. Under this approach, emissions for the first 11 months of the reporting period are based on actual activity data, while emissions for the final month are estimated by applying the average monthly activity observed during the preceding 11 months of the reporting period to the final month and calculating the associated emissions using the applicable emissions factors. Reasonable enquiries were made regarding actual June 2026 activity relating to refrigerants, capital goods and other activities that could have one-off elements. No material June-specific seasonal variations, acquisitions, operational changes or other one-off activities were identified that required adjustment to the estimates.

The use of the 11+1 methodology introduces estimation uncertainty. The estimation uncertainty relates to the calculation of emissions for the final month of the reporting period where complete activity data was not available at the reporting date. Actual activity and emissions for the final month may differ from the estimate used due to operational or other variations occurring during that month.

SCOPE 1				
CATEGORY	EMISSIONS SOURCE / ACTIVITY	DATA SOURCE	CALCULATION METHODOLOGY, ASSUMPTIONS, UNCERTAINTY (QUALITATIVE)	EMISSION FACTOR AND GWP
Mobile combustion	Fossil fuel used in Group owned and leased vehicles	Supplier data	Fuel-based method. Fuel consumption (litre) per fuel type is sourced from fuel card data and transaction reports. Low uncertainty.	MFE (2026). AR5. DCCEEW (2025). AR5. DESNZ (2026). Emission factor: AdBlue. AR5.
	Fossil fuel used in Group owned and leased forklifts	Supplier data	Fuel-based method. LPG (kg) and diesel (litre) consumption is sourced from invoices. Low uncertainty.	MFE (2026). AR5. DCCEEW (2025). AR5.



SCOPE 1				
CATEGORY	EMISSIONS SOURCE / ACTIVITY	DATA SOURCE	CALCULATION METHODOLOGY, ASSUMPTIONS, UNCERTAINTY (QUALITATIVE)	EMISSION FACTOR AND GWP
Stationary combustion	Fossil fuel used in Group owned and leased boilers, generators, autoclaves and other stationary equipment	Supplier data	Fuel-based method. Natural gas (kWh, GJ), LPG (litre, kWh, kg), and diesel (litre) quantities are sourced from invoices. Low uncertainty.	MFE (2026). AR5. DCCEEW (2025). AR5. DCCEEW (2024). AR5.
Fugitive emissions	Refrigerant used in owned and leased air conditioning units and temperature-controlled depots and vehicles	Supplier data Maintenance records	Top-up method. Fugitive emissions calculated using refrigerant top-up quantities (kg) per refrigerant type sourced from maintenance contractors, and invoices. Freightways relies on the refrigerant quantities provided by maintenance contractors to be complete and to include top-ups performed by sub-contractors. Refrigerant top-ups are completed on an ad hoc basis. Freightways does not monitor top-ups. Freightways has limited visibility over quantities used from on-site stock. Refrigerant top-ups could be understated. Medium uncertainty.	MFE (2026). AR5. Climalife (2026) R-452A & R-449A product information. AR5.
SCOPE 2				
CATEGORY	EMISSIONS SOURCE / ACTIVITY	DATA SOURCE	CALCULATION METHODOLOGY, ASSUMPTIONS, UNCERTAINTY (QUALITATIVE)	EMISSION FACTOR AND GWP
Electricity	Electricity used in owned and leased sites – including offices, distribution centres, branches, and depots	Supplier data	Location-based method. Electricity consumption (kWh) is sourced from electricity retailers. Low uncertainty.	MFE (2026). AR5. DCCEEW (2025). AR5.
SCOPE 3				
CATEGORY	EMISSIONS SOURCE / ACTIVITY	DATA SOURCE	CALCULATION METHODOLOGY, ASSUMPTIONS, UNCERTAINTY (QUALITATIVE)	EMISSION FACTOR AND GWP
Category 1 Purchased goods and services	Purchased goods and services	Supplier data General ledger	Spend-based method. Purchased goods and services have been measured at the vendor account name level. Emissions factors have been applied against each account based on the main type of good or service provided. Spend-based emissions factors have been used to measure >99 percent of the category. Due to lack of Australian specific emission factors, New Zealand specific emission factors were applied to goods and services purchased in Australia. High uncertainty due to the use of spend-based emissions factors and their allocation.	Thinkstep-anz (2025). AR5.
Category 2 Capital goods	Purchase of capital goods	Fixed asset registers	Spend-based method. Emission factors are applied to a general category of spend based on the description in the fixed asset register. Medium uncertainty due to the use of spend-based emissions factors.	Thinkstep-anz (2025). AR5.
Category 3 Fuel- and energy-related activities	Electricity and natural gas transmission and distribution losses (T&D)	Supplier data	Average-data method. Emissions from T&D losses are estimated based on Scope 1 and Scope 2 data. Low uncertainty.	MFE (2026). AR5. DCCEEW (2025). AR5.



SCOPE 3				
CATEGORY	EMISSIONS SOURCE / ACTIVITY	DATA SOURCE	CALCULATION METHODOLOGY, ASSUMPTIONS, UNCERTAINTY (QUALITATIVE)	EMISSION FACTOR AND GWP
	Well-to-tank (WTT)	Supplier data	Average-data method. Emissions from WTT (Scope 1) losses are estimated based on Scope 1 data. Low uncertainty. Average-data method. Emissions from WTT (Scope 2) losses are estimated based on Scope 2 data. Medium uncertainty due to the use of an older emissions factor (2021).	DCCEEW (2025). AR5. DESNZ (2021): Emission factor: Electricity supplied from grid - WTT. AR4.
Category 4 Upstream transportation and distribution	Road freight transported by contract drivers and third-party providers	Supplier data General ledger	<i>Contract drivers</i> Contractor fuel emissions are measured using either the fuel-based method or the distance-based method. The fuel-based method is used where contractors use a company provided fuel card. For contractors who do not use a fuel card, but fuel consumption can be estimated based on the consumption patterns of similar drivers using fuel cards, then the fuel-based method is also used. Some fuel consumption reported on company fuel cards may include personal use and some fuel spend may be unreported (i.e. fuel purchased without using a company fuel card). Medium uncertainty due to potential personal use, unreported use and estimation / modelling applied where fuel card data is not available. Where Freightways has been unable to track or estimate fuel usage, the distance-based method has been used (km). Distances were estimated assuming either direct routes between origin and destination location or using scanner data for packages processed per run. Where exact fleet composition (vehicle type, size and age) was unknown assumptions were applied. Medium uncertainty due to the estimation and modelling of contractor mileage (distance-based method) when fuel card data is unavailable.	MFE (2026). AR5. DCCEEW (2025). AR5.



SCOPE 3				
CATEGORY	EMISSIONS SOURCE / ACTIVITY	DATA SOURCE	CALCULATION METHODOLOGY, ASSUMPTIONS, UNCERTAINTY (QUALITATIVE)	EMISSION FACTOR AND GWP
			<i>Third party road freight</i> Third party road freight emissions are measured using two methods. The distance-based method is measured using kilometres (km). For linehaul activities in Australia, specific vehicle data is not available, so an emission factor has been selected based on Freightways' understanding of the vehicle fleet's size and age (>30t gross vehicle mass, post 2015). Medium uncertainty due to allocation of emissions factors based on fleet composition assumption. The spend-based method is used where km data is unavailable, primarily through the use of agents. Medium uncertainty due to the use of spend-based emission factors.	MFE (2026). AR5. DESNZ (2026). AR5. DCCEEW (2025). AR5 Thinkstep-anz (2025). AR5.
	Sea freight services provided by third parties	Supplier data General ledger	Emissions from sea freight are measured through two separate methods. New Zealand interisland ferry freight is measured using supplier-specific methods, where the supplier provides emissions-based reporting relating to Freightways' use of its services. All other sea freight, including container vessels and Australian ferry freight, are measured using the distance-based method. Where the distance was not known or fixed, the distance was estimated, assuming direct routes between origin and destination location and using weight data supplied by sea freight providers. Low uncertainty.	MFE (2026). AR5. Supplier provided
	Air freight (under ACMI agreements) and air freight provided by third-party providers	Supplier data	<i>Airfreight provided under ACMI agreements</i> The fuel-based method is used for airfreight provided to Freightways under ACMI agreements it is party to. Under these agreements, Freightways has access to 50% of capacity on set flights. This is measured in litres of jet fuel consumed and allocated based on the 50% contractual share. Low uncertainty.	MFE (2026). AR5.



SCOPE 3				
CATEGORY	EMISSIONS SOURCE / ACTIVITY	DATA SOURCE	CALCULATION METHODOLOGY, ASSUMPTIONS, UNCERTAINTY (QUALITATIVE)	EMISSION FACTOR AND GWP
			<i>Third-party airfreight</i> The distance-based method is used where supplier specific data is not provided. The distance-based method is measured using tkm. Where the distance was not known or fixed, the distance was estimated, assuming direct routes between origin and destination location, then converted to tkm using supplier provided weight data. Emissions factors include radiative forcing. Low uncertainty.	MFE (2026). AR5.
Category 5 Waste generated in operations	Landfill waste from New Zealand and Australia operations	Supplier data	In most cases, the waste-type specific method used. Measured in kilograms (kg), this estimate is based on reported or estimated weights of waste (unknown composition) sent to landfill from New Zealand and Australian operations. Where actual weights have not been provided by the supplier, internal or supplier-based estimates of average bin weights by size have been used, calculated from the number of bin lifts completed. New Zealand landfill emissions factors consider gas capture, while Australian landfill emissions factors do not. Medium uncertainty due to the use of estimations and assumptions where weight data has not been provided by the supplier (calculated based on the number of bin lifts completed).	MFE (2026). AR5. DCCEEW (2025). AR5. Supplier provided
Category 6 Business travel	Business travel	Supplier data	<i>Air travel</i> The distance-based method is used where supplier specific data is not provided, measured in passenger kilometres (pkm) and mode of flight. Low uncertainty. <i>Accommodation</i> Room nights-stayed method used for hotels and accommodation. Low uncertainty. <i>Road travel</i> Spend-based method is used for taxis and rideshare. Low uncertainty. <i>Rental cars</i> The distance-based method is used for rental cars, measured in kilometres (km). All vehicle classes are included, with average emission factors applied unless specific vehicle types were known. Low uncertainty. <i>Reimbursement for Mileage</i> The distance-based measure is used for reimbursement of mileage based on direct reporting of distance travelled or calculated by converting reimbursement amounts to km using standard rates. Medium uncertainty due to the use of standard rates to convert reimbursement value into kilometre data (km).	MFE (2026). AR5. MFE (2026). AR5. MFE (2026). AR5. MFE (2026). AR5. MFE (2026). AR5.



SCOPE 3				
CATEGORY	EMISSIONS SOURCE / ACTIVITY	DATA SOURCE	CALCULATION METHODOLOGY, ASSUMPTIONS, UNCERTAINTY (QUALITATIVE)	EMISSION FACTOR AND GWP
Category 7 Employee commuting	Employee commute	Internal survey	The distance-based method is used for employee commute, measured in km. Kilometre estimates are derived from an annual employee survey collating information about typical commuting patterns. This includes information on frequency, distance, and mode of transport. Responses are extrapolated to represent the full employee base. High uncertainty due to the significant use of modelling and assumptions to measure this emissions source.	MFE (2026). AR5.
Category 9 Downstream transportation and distribution	Downstream transportation and distribution	General ledger Sales records	The distance-based (tonne-kilometre) method is used for the measurement of all category 9 emissions. Generally, the weight (kg) of product sold by Freightways is known. Where it is unknown (e.g., some functional devices), these are estimated based on product type. All domestic sales are measured using a door-to-door method. Where international sales destinations are known, the tonne-kilometre is measured using port-to-port method. Where international sales destinations are unknown, the associated sales volume (kg) is divided between other known Freightways markets for similar products. The tonne-kilometre is then measured on a port-to-port method. Unless otherwise known, all downstream transportation and distribution is assumed to be via container vessel. In some instances, functional devices are transported via air and are reported accordingly. High uncertainty.	MFE (2026). AR5.
Category 10 Processing of sold products	Processing of sold products	General ledger Sales records	The average-data (kg) method is used for the measurement of all category 10 emissions. Category 10 is only quantified where the sold product is treated as an intermediate product that is processed by a third party after sale. Where the purchaser, processing method, and eventual end use are known or can be reasonably inferred, the category 10 emissions are measured. These emissions are measured using a country-specific emissions factor for the processing of the intermediate product into known or inferred final products. This represents approximately 29 percent of the recycled materials sold.	Customer emissions intensity metrics (2024).



SCOPE 3				
CATEGORY	EMISSIONS SOURCE / ACTIVITY	DATA SOURCE	CALCULATION METHODOLOGY, ASSUMPTIONS, UNCERTAINTY (QUALITATIVE)	EMISSION FACTOR AND GWP
Category 10 (continued)			Where the purchaser, processing method, and eventual end use are unknown and cannot be reasonably inferred, most often due to brokers acting as intermediaries, category 10 emissions are not measured. These intermediate products may be used in a variety of applications, each with distinct greenhouse gas emissions profiles depending on local infrastructure, energy sources, and processing technologies. This variability makes it infeasible to reasonably estimate downstream emissions for sales to brokers. As such, emissions from processing of products sold to brokers are excluded from category 10 on the basis of data unavailability (insufficient processing pathway information). This represents approximately 71 percent of the recycled materials sold. High uncertainty.	
Category 11 Use of sold products	Use of sold products	General ledger Supplier data Sales records Fixed asset register	The average-data method is used for the direct use-phase emissions measurement of category 11 emissions. <i>Ground power units and functional devices</i> Kilowatt-hours (kWh) of electricity consumption for electric ground power units and functional devices is estimated based on product specifications, assumed run time, assumed product lifespan, and use in New Zealand. Medium uncertainty. <i>Sold jet fuel</i> Litres of A1 jet fuel sold by Fieldair to third-parties is measured from supplier invoices on a litre basis. Low uncertainty.	MFE (2026). AR5.



SCOPE 3				
CATEGORY	EMISSIONS SOURCE / ACTIVITY	DATA SOURCE	CALCULATION METHODOLOGY, ASSUMPTIONS, UNCERTAINTY (QUALITATIVE)	EMISSION FACTOR AND GWP
Category 12 End-of-life treatment of sold products	End-of-life treatment of sold products	General ledger Sales records Fixed asset register	The waste-type specific method is used for the measurement of all category 12 emissions. <i>Packaging materials</i> All end-of-life treatment is measured based on the material of the product and known/expected method of disposal. Where product weights are known (e.g., courier packs, document storage boxes), no estimations are required. Where product weights are not recorded (e.g., vehicles, ground power units), these have been estimated on make/model specifications. Products of plastic and paper have been assumed to end up in landfill systems, while vehicle and GPUs are assumed to be scrapped/recycled. High uncertainty. <i>Sold recycled materials</i> End-of-life treatment of sold recycled materials has not been estimated. Freightways does not have sufficient information about the products ultimately manufactured from these materials, the markets in which they are sold, or the end-of-life treatment pathways that apply. As a result, 100 percent of recycled materials sold have been excluded from this category.	MFE (2026). AR5. DESNZ (2026). AR5.
Category 13 Downstream leased assets	Leased ground power units	Leased asset records	Average-data method, based on ground power unit product specifications. Assumes all units operate in the same way and consume electricity or diesel at the average rate. Medium uncertainty due to the use of modelling and assumptions to measure this emissions source.	MFE (2026). AR5.
Category 15 Investments	Investments	Supplier data and reporting provided by investment entity	Investment-specific method, based on the Scope 1 and Scope 2 activities of the investment entities. Data collected from entities through utility invoices and reporting. Medium uncertainty due to emissions reporting processes amongst investment entities.	MFE (2026). AR5. DCCEEW (2025). AR5.

