Spark nz

Climate-related Disclosures Report FY26

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Introduction

Welcome to Spark's FY26 Climate-related Disclosures report. This report provides all our climate-related disclosures in one document, including our Greenhouse Gas (GHG) Inventory Report.

The effects of climate change are increasingly part of the broader operating environment for New Zealand businesses, communities, and the wider economy, including Spark. **Severe weather events** are already testing the infrastructure, and systems communities rely on, including the power and transport infrastructure that supports telecommunications sites. At the same time, New Zealand's dependence on digital connectivity, data centres, and technologies such as Artificial Intelligence (AI) continues to grow, and customer expectations of continuous service are increasing. This reinforces the importance of Spark's role in providing **resilient digital infrastructure**, and of embedding climate-related risks into our strategy, network planning, and operational resilience.

This changing context also creates an **opportunity** for Spark to play a role in **helping customers respond** to climate change. Digital technology can support emissions reduction, improve productivity, and strengthen adaptation to a warming and more volatile climate. Our sector has an important **contribution to** make to New Zealand's transition to a **low-emissions**, **climate-resilient future**. We are also focused on **reducing our own footprint**, and this report includes data on our progress against our science-based emissions reduction target.

A successful climate transition must also consider **people and communities**. As digital technology becomes more central to resilience, adaptation, and participation in the future economy, **digital equity** is essential to **a just transition**. Digital skills will be vital for the workforce of the future, and digital access will continue to shape social connection, inclusion, and participation in a more digital and climate-impacted world.

Compliance with Climate Standards

This Climate-related Disclosures report complies with the Aotearoa New Zealand Climate Standards (NZ CS 1, NZ CS 2 and NZ CS 3) issued by the External Reporting Board (XRB). Climate Standard NZ CS 2 provides a number of adoption provisions, that climate reporting entities may elect to use. Spark New Zealand has elected to apply the following adoption provision for our FY26 Climate-related Disclosures Report (our third reporting period):

- **Adoption provision 2** (related to anticipated financial impacts).

Spark's FY26 Climate-related Disclosures report is a stand-alone report. Where documents are referred to or web links are provided in this report, those documents and links are provided by way of additional context only and are not incorporating disclosures by cross-reference, unless stated otherwise.

Reporting entity

Spark New Zealand Limited is a climate-reporting entity under Part 7A of the Financial Markets Conduct Act 2013. These climate statements relate to the Spark Group, which consists of Spark New Zealand Limited and its subsidiaries (referred to throughout this report as "Spark", "we" or "our"). The scope of the reporting entity aligns with that used for Spark New Zealand Limited's FY26 group financial statements. All figures are expressed in New Zealand dollars. While Spark Finance Limited (a subsidiary of Spark New Zealand Limited) also meets the definition of a climate-reporting entity under Part 7A of the Financial Markets Conduct Act 2013, the Financial Markets Conduct (Climate Statements – Spark Finance Limited) Exemption Notice 2024 (available here) exempts it from the requirement to prepare climate statements.

This report is dated 20 August 2026 and is signed on behalf of the Board of Spark New Zealand Limited by Justine Smyth, Chair; and Lindsay Wright, Chair Audit and Risk Management Committee.

Justine Smyth CNZM
Chair

Lindsay Wright
Chair Audit and Risk Management Committee

Important notice: challenges and uncertainties

Our climate-related disclosures and the conclusions we make reflect our current understanding as at August 2026. This includes current and forward-looking information regarding climate change, its impact on Spark, and our response to it. Climate change, and the impacts it will have on individual businesses, is subject to significant uncertainty. The information in this report is based on estimates, judgements, assumptions, and incomplete data that we consider to be appropriate under current circumstances. As such, we caution reliance on information that is inherently subject to significant uncertainty and data limitations.

This report includes forward-looking statements, including in relation to climate-related scenarios, targets, risks and opportunities, anticipated impacts, and transition plans. Such forward-looking statements are based on the beliefs of, and assumptions made by, our Management, along with information currently available at the time such statements were made.

These forward-looking statements are not guarantees or predictions of future performance. Any statements in these climate statements that are not historical facts are forward looking statements.

Climate governance

The role of Spark's Board and Management team in assessing and managing climate-related risks and opportunities

Governance body oversight of climate-related risks and opportunities

The Spark Board is the governance body responsible for oversight of climate-related risks and opportunities. The Board is informed and engaged on climate change through a number of regular processes:

- Oversight of Spark's overarching enterprise risk management system via the Audit and Risk Management Committee (ARMC) – a subcommittee of the Spark Board which incorporates material climate-related risks (see Climate Risk Management section, page 30)
- Approval of, and engagement in, Spark's climate scenario risk analysis processes, and annual climate risk reporting (via the ARMC)
- Quarterly sustainability updates from the Chief Marketing and Corporate Affairs Officer, and non-cyclical Board papers that include climate-related risks or opportunities and performance against climate targets

The ARMC assists the Board in relation to the oversight of, and monitoring compliance with, the Risk Management Framework. It meets at least four times each year and receives twice-yearly updates on all principal business risks, including the key risk 'Ensuring a Better Network and reliable operation of Spark's telco network, systems and infrastructure'. This includes physical adaptation risk to our networks, and risk in our network supply chain (see detailed climate risk tables on page 19 onwards). The papers and minutes from ARMC meetings are available to the Board and all directors may attend meetings of the ARMC.

The ARMC is also responsible for Spark's climate reporting in compliance with the Aotearoa New Zealand Climate Standards, with this Climate-related Disclosures report published alongside our annual financial disclosures. This includes review and approval of the climate-related risks and opportunities identified, which are published alongside our emissions metrics and performance against our climate targets. The Board is engaged in climate scenario analysis processes, to pressure test the climate scenario narratives and validate the identified effects on Spark, and to review climate scenario analysis against our evolving strategic context (see page 13 for more information on our climate scenario analysis). The Board also approves this Climate-related Disclosures report.

The Board is provided a sustainability update on a quarterly basis, including as part of annual integrated reporting for year-end. In FY26, these updates covered a range of topics, including performance against key

performance indicators (KPIs), which include tracking emissions, energy use and emissions reduction actions, discussion and review of Spark's climate scenarios, and also on broader topics such as digital equity and modern slavery. This, together with additional papers (on an ad-hoc basis) that contain climate-related content, mean that climate-related risks and opportunities are discussed regularly at Spark Board meetings.

As the governance body for significant sustainability and climate-related decisions, the Board approves Spark's Sustainability Framework, policies, and targets (such as Spark's science-based emissions reduction target, and approval of key initiatives, such as our renewable energy partnership with Genesis Energy, see page 11).

Our directors are committed to continuously educate themselves to ensure that they have the appropriate expertise and can effectively perform their duties. Sustainability, together with risk management and regulatory, is one of the competencies assessed in our Board Skills Matrix (see page 54 of our FY26 Annual Report). While the Board did not undergo specific climate-related training in FY26, the Board has been provided with briefings and sessions to support further development of skills relating to the oversight and management of climate-related risks and to foster its climate expertise, particularly in the context of climate reporting updates to the ARMC, and a Board climate scenario session (see page 14 for more information).

Expertise is also gained by directors who have directorships in industries with climate risks that are related to Spark's. Jolie Hodson, Spark CEO and Board member, is also a member of the Climate Leaders Coalition Steering Committee. The Climate Leaders Coalition is a CEO-led community of organisations aiming to lead the response to climate change. The Coalition provides opportunities to upskill through fostering connections with other organisations that have signed up to be part of the Coalition.

A description of how the Board considers climate-related opportunities when developing and overseeing Spark's strategy, and the way in which resiliency (related to physical risk) is integrated into our business, is set out in the 'Transition plan elements of Spark's strategy' section on page 9 and in the climate-related risk and opportunity tables on pages 19 – 29.

The Board is also responsible for remuneration policies. For our Leadership Team (direct reports to the CEO) and a select group of senior leaders, a Long-Term Incentive (LTI) scheme forms part of their remuneration package. As a long-term measure, an LTI is assessed over a future performance period, with the outcome determined at the end of that period, three years after the measure is set. The FY23, FY24 and FY25 LTI schemes included performance measures relating to Spark's Environmental, Social and Governance (ESG) performance, including performance against our emissions reduction target, which constitutes 12.5% of the LTI performance assessment weighting. These long-term incentives relate to performance for the years FY25, FY26 and FY27. In FY26 we report the outcome for the FY23 scheme, the first year that ESG performance measures were included. Performance measures related to ESG performance have not been included in the FY26 and FY27 LTI schemes, impacting remuneration outcomes for the future FY28 and FY29 years. For further information see page 46 of Spark's FY26 Annual Report.

An overview of the climate-related risks and opportunities responsibilities between the Spark Board and Management is described in the diagram on page 7.

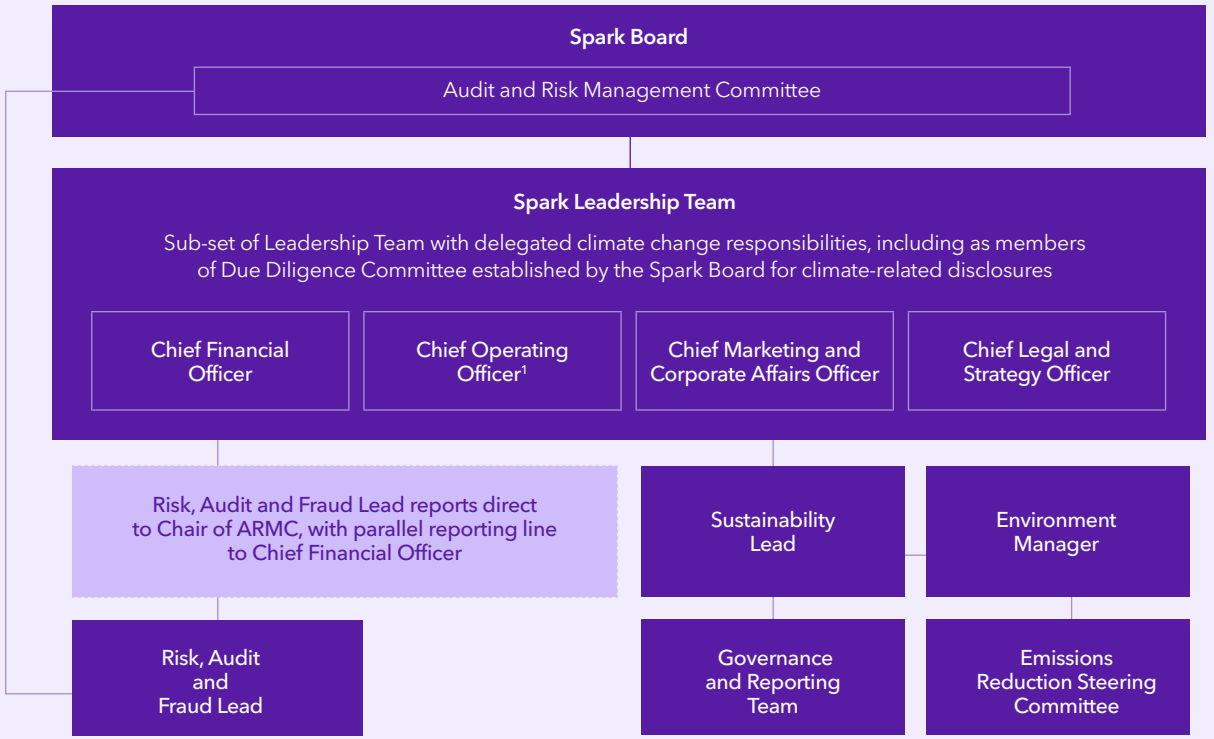
Management's role in climate-related risks and opportunities

Climate-related responsibilities are assigned across the Spark Leadership Team and supported by internal governance groups and processes:

- The Chief Financial Officer is responsible for management of our overarching risk management system
- The Chief Marketing and Corporate Affairs Officer is responsible for Spark's overall sustainability strategy
- The Chief Operating Officer[1] is responsible for our most material climate change risks, which are integrated into the key risk 'Ensuring a Better Network and reliable operation of Spark's telco network, systems and infrastructure' in our enterprise risk management system, and progress against our emissions reduction target

For the preparation of Spark's climate-related disclosures, the Board and Leadership Team established a formal due diligence process and approved the establishment of a Due Diligence Committee to oversee the preparation of the Climate-related Disclosure Report. This Committee was first established for our FY24 disclosures, and is re-constituted each year to provide oversight of consequent climate-related disclosures, including this FY26 report.

Climate governance structure



1. In FY26 this role was performed by the General Manager of Network & Operations in an acting capacity.

For broader issues, the full Leadership Team serves as Spark's sustainability steering group, with a standing agenda item each quarter to review performance against sustainability KPIs, discuss risks and opportunities and make decisions related to climate change and our broader sustainability work. The Chief Marketing and Corporate Affairs Officer then provides a quarterly sustainability update to the Spark Board. The key sustainability KPI that relates to climate change is our emissions reduction target – see page 34 for more information.

The Leadership Team has been engaged in our climate scenario analysis, supporting the development of our climate scenario narratives and exploring the identified effects on Spark through the initial sector scenarios developed in late FY24. In FY26 the Leadership Team reviewed our climate scenario analysis against our evolving strategic context (see page 17 for more information on our climate scenario analysis). The Leadership Team is also engaged in the preparation and review of our Annual Report, meaning all Leadership Team members are informed about climate-related risks and opportunities on an annual basis.

The Leadership Team is regularly updated on risks identified in our Enterprise Risk Management System. Spark's Risk, Audit and Fraud Lead provides a quarterly update to the Leadership Team and ARMC, a subcommittee of the Board. Our risk management system helps our people to manage uncertainty and adapt to challenges as they pursue our strategy.

A number of supporting teams and steering committees are led by our Sustainability Lead and Environment Manager. This includes our Governance and Reporting Team and Emissions Reduction Steering Committee. These teams report progress to the Leadership Team and Board through the quarterly sustainability updates.

The Governance and Reporting Team is a cross-functional group accountable for our performance, reporting, and risk management, including representatives from our financial, risk, legal, regulatory affairs, people and culture, and corporate affairs functions. The Team is led by our Sustainability Lead and provides additional oversight and tracking of actions related to climate change. The Emissions Reduction Steering Committee is led by our Environment Manager and comprises senior leaders and Leadership Team members from Network and Operations and Procurement and Partnerships teams.

Climate strategy

How climate change may impact Spark now and into the future: scenario analysis, climate transition, risks and opportunities

Our climate strategy and transition plan actions are integrated into our overarching strategy and business processes. This integrated approach to transition planning reflects the connection of the climate transition to business strategy and financial value creation to shareholders. We consider that the core of our business strategy – investment in resilient infrastructure and supporting customers through connectivity and digital technology – combined with the relatively low emissions footprint of our direct operations, is broadly consistent with the need to transition to a low-emissions, climate-resilient future. As such, while we anticipate careful evolution of our strategy to respond to climate risks and opportunities in our business and broader value chain, we have not identified that a significant shift of our business model or asset base is required.

As an infrastructure provider we have robust processes established to manage physical risk across our business, which includes resilience to climate change alongside other hazards such as earthquake risk. We focus on ensuring that these existing business processes are prepared for the increase in frequency and severity of climate incidents. Resiliency (related to physical risk) is a key input into our network capital deployment and funding, and lifecycle energy costs and emissions reduction considerations are also factored into our capital investment decisions.

The Board and Leadership Team have considered opportunities from climate change as an input to Spark's strategic evolution. A focus of Spark's SPK-30 strategy is a better network, linked to resilience, reliability and trust. The strategy is underpinned by a number of enablers, including technology leadership, and sustainability. The sustainability elements of our strategy are expanded in our 'Better Digital Future' Sustainability Framework, available **here**. This includes working in our operations and supply chain to reduce climate impact, working with customers and communities to champion digital equity, and supporting Aotearoa's transition to a low-emissions future.

Applying the <IR> Integrated Reporting capitals model (see page 12 of our FY26 Annual Report) we describe our business model as:

- Investment and innovation in network, technology, and digital infrastructure that enables customers and underpins New Zealand's digital economy
- Market-leading products and services that connect and enable New Zealanders, including businesses and Government
- Sustainable business practices that protect and grow our licence to operate and market leadership
- A high-performing and inclusive culture that develops and empowers our people

Resilience to power outages

Power outages are the leading cause of telecommunications disruption during extreme weather events, rather than damage to cell towers or network infrastructure. All mobile towers require a continuous power supply to operate and are equipped with battery back-up to keep mobile service running while mains power is being restored. If power outages continue beyond battery capacity, generators are deployed to provide extended back-up power.

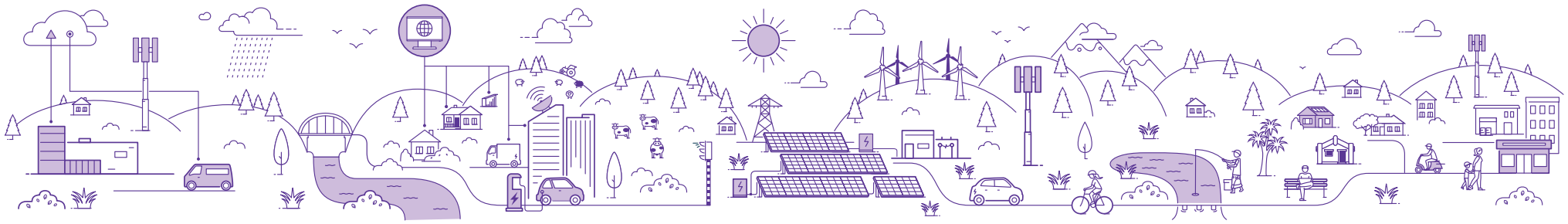
In FY26, Spark, in partnership with Connexa, was awarded a contract by National Infrastructure Funding and Financing (NIFF) to enhance the resilience of 295 Spark mobile cell towers across New Zealand by upgrading their battery back up capacity to 24 hours. This will help maintain mobile connectivity for longer and support critical services, such as access to 111 during prolonged power outages. The increased battery capacity is co-funded by Connexa, Spark, and the Government. The upgrades will start in the second half of 2026 and are expected to be completed by June 2027.

The 'Transition plan aspects of Spark's strategy' infographic on the following page provides a high-level view of the key actions across four key focus areas: resilient infrastructure, enabling customer transition through technology, reducing our emissions, and supporting a just transition. This includes metrics and targets we use to track our performance, and how these focus areas are aligned to our funding and capital allocation processes.

We provide more detailed commentary on transition planning actions in the tables on pages 20 – 29, with actions detailed under 'Management actions/ commentary' for each of the material climate-related risks and opportunities identified through our climate scenario analysis. Although supporting a just transition is an important part of our climate transition approach, linked to our focus on digital equity and inclusion, this does not relate to a specific material risk to Spark. Information on our approach to Digital Equity is available in our FY26 Annual Report and our website **here**.

Transition plan aspects of Spark's strategy

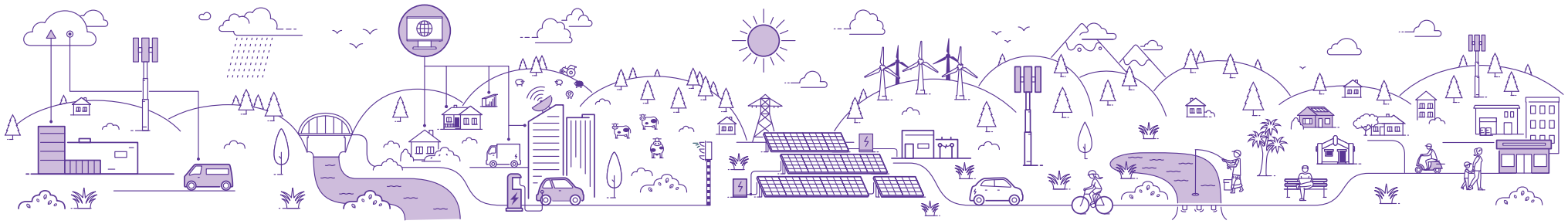
(Current, ongoing actions supporting Spark's climate transition)



	Resilient infrastructure	Enabling customer transition through technology	Reducing our emissions	Supporting a just transition
Key actions integrated into Spark strategy	**Ongoing investment in infrastructure** • Annual investment to build network capacity, coverage, and resilience considering natural risk factors (see page 20) • Targeted investment to increase resilience at key sites **Incident response** • Our Network Operations Centre (NOC) function coordinates incident response (see page 20) • Investment to support response, including satellite-connected portable mobile towers, and additional portable generators (see page 21) **Advocacy and collaboration** • Working with telecommunications and other critical infrastructure sectors on disaster preparedness and during major incidents (see page 19)	**Focus on technology** • Enabling New Zealand businesses to grow and become more productive and sustainable through technology is part of our business strategy • Our analysis of sector-by-sector emissions reduction opportunities has been used as an input to strategy-setting processes • Spark subsidiary Adroit is a leading IoT provider that specialises in technology solutions for real-time environmental monitoring **Thought leadership and advocacy** • We advocate for the role of digital technology in New Zealand's response to the challenge of climate change	**Renewable energy partnership** • Partnership with Genesis Energy, linking procurement to new renewable energy generation to decouple Spark's business growth from emissions growth (see page 37) • Lauriston solar farm, operational since FY25, enables significant reduction in reported market-based scope 2 emissions • Working to complete the transition to matching 100% of electricity use to renewable energy from new generation capacity **Decarbonising our operations** • Continue to transition our vehicle fleet and optimise fleet efficiency (see page 36) • Improving the energy efficiency of our assets and infrastructure, including through retiring legacy infrastructure (see page 36) • Investigating and adopting low carbon alternatives to refrigerants, fire suppressants and diesel back up generators (see page 42) • Working with our partners to design and deliver more energy efficient networks **Engaging with our suppliers** • Work with our suppliers to encourage them to set science-based targets and reduce their emissions (see page 38)	**Integration with purpose and strategy** • As our economy decarbonises, digital skills and access will become increasingly important for a socially just transition. This aligns with our purpose to support all New Zealanders to win big in a digital world, and is integrated into our strategy through our commitment to digital equity **Community investment** • Spark Foundation leads Spark's digital equity work in the community, funding programmes using a strategic partnership approach **Improving digital access and affordability** • Low-cost subsidised broadband service, Skinny Jump, is delivered in partnership with community providers to reduce barriers to access

Transition plan aspects of Spark's strategy (continued)

(Current, ongoing actions supporting Spark's climate transition)



	Resilient infrastructure	Enabling customer transition through technology	Reducing our emissions	Supporting a just transition
Alignment to capital allocation processes	• Improvements to network capacity, coverage, and resiliency is a key input into our capital allocation processes, with the majority of our capital invested into our network infrastructure (see page 20)	• Opportunities are considered through our strategy development process, with investment weighed against other business priorities as part of our ongoing capital management process	• Climate impact and lifecycle energy/carbon costs are included in IVP (Investment Value Proposition) process to support decision making • Emissions Reduction Steering Committee (see page 8) provides a forum to highlight investment opportunities to key decision makers, enabling prioritisation • Our ten-year renewable energy partnership was a financially material long-term commitment requiring Board approval supported by detailed analysis of commercial, strategic and emissions outcomes	• Spark provides annual funding to Spark Foundation • Skinny Jump is designed to operate on a not-for-profit basis, with the revenue generated covering programme costs

How we track performance and progress	• Network reliability and coverage measures are integrated into our network strategy and performance tracking	• Revenue linked to opportunities for climate mitigation and adaptation services (see page 29)	• Emissions performance is reported to Management and the Board quarterly and included in full year reporting annually, including an external audit of the GHG Inventory. Key targets include:
			  • SBTi target: Scope 1 + 2: 56% reduction in scope 1 and 2 emissions by FY30 from a FY20 baseline year (see page 34)
			  • Scope 3: 70% of suppliers by spend with science based target by FY26 (see page 34)
				• The Spark Foundation Board of Trustees monitors progress of Spark's community investments.
				• Skinny Jump performance is reported to Management quarterly – at the end of FY26 38,222 households were using the service

Climate scenario analysis

We have undertaken climate scenario analysis to help identify climate-related risks and opportunities and develop a better understanding of the resilience of our business model and strategy. Climate scenarios provide an opportunity for organisations to develop their internal capacity to better understand and prepare for the uncertain future impacts of climate change. They are plausible, challenging descriptions of how the future may develop based on a coherent and consistent set of assumptions about physical and transition risks:

- **Physical risks**: risks relating to the physical impacts of climate change. Physical risks emanating from climate change can be event-driven (acute), such as increased severity of extreme weather events. They can also relate to longer-term shifts (chronic) in precipitation and temperature, and increased variability in weather patterns, such as sea level rise
- **Transition risks**: risks related to the transition to a low-emissions, climate-resilient global and domestic economy, such as policy, legal, technology, market and reputation changes associated with the mitigation and adaptation requirements relating to climate change

Spark co-led a sector-wide approach for the development of our climate scenarios. A shared sector approach is recommended by the XRB. The sector scenarios were developed in FY24 through a series of workshops, facilitated by environmental consultancy Tonkin + Taylor and our industry body the Telecommunications Forum (TCF). The process was guided by a focal question:

"How could climate change plausibly disrupt the telecommunications sector over the short (5 years), medium (15 years), and long-term (30+ years)?"

The sector-wide approach to climate scenario analysis supports collective engagement with other sectors and stakeholders. This is particularly important to inform long-term collaboration and planning. Throughout the process the sector consulted with the Ministry for the Environment, the Climate Change Commission, and representatives from the energy sector who were integrated into the TCF process. The TCF has established a cross-sector Climate Change Working Group to continue collaboration and present a single voice for the telecommunications sector. This Group plans to revisit the sector scenarios in the year ahead, drawing on internal climate scenario work across TCF member businesses, scenario reports published by other sectors such as energy and transport, and the recently published second National Climate Change Risk Assessment.

Our three climate scenarios

The three climate scenarios the telecommunications sector selected are outlined in the table on the following pages. These scenarios align to the requirements in NZ CS 1 for entities to analyse three scenarios, and each draw from a range of widely used global and local scenario archetypes, for example, the Intergovernmental Panel on Climate Change (IPCC) Shared Socioeconomic Pathways (SSPs), the National Institute of Water and Atmospheric Research (NIWA) representative concentration pathways (RCP) and the New Zealand Climate Change Commission decarbonisation pathways. They are also based on scenario archetypes that are consistent with those used by other infrastructure sectors in New Zealand to develop sector scenarios. The scenarios were designed and agreed in consultation across the sector. Given the broad range of inputs and alignment to recognised scenario archetypes, we believe the scenarios capture a broad set of possible outcomes that are relevant and appropriate to assessing the resilience of our business model and strategy to climate-related risks and opportunities.

A full report of the sector climate scenarios is published on the TCF and Spark websites. This includes detailed descriptions of the emissions reduction pathways in each scenario and the assumptions underlying pathway development over

time, including the policy and socioeconomic assumptions and macroeconomic trends.[1] It also includes full descriptions of the relevant scenario narratives, and an outline of the process followed to develop the scenarios. Those descriptions are included in this report by cross-reference. The report is available here.

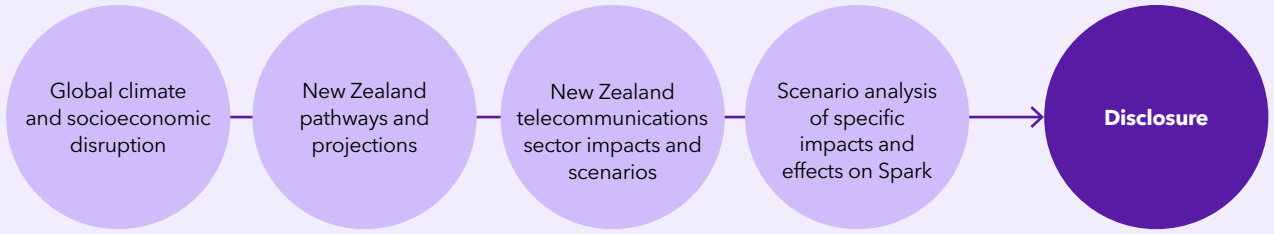
These three scenarios have been used to drive Spark's internal climate scenario analysis, which applied the detailed scenarios to our business and strategy to identify risks and opportunities specific to Spark. This is a stand-alone process, independent of our existing risk governance. The scope of our climate scenario analysis covers all of Spark's operations and the entire value chain, from upstream supply chain impacts to downstream impacts on our customers and the broader economy. It covers all business activities, operating companies, and subsidiaries. While external stakeholders and partners were involved in the sector-based scenario development, Spark's internal process did not involve any external partners or stakeholders.

The Spark Board and Leadership Team were engaged in the internal scenario analysis. The initial climate scenario process (for our FY24 disclosure) included separate workshop sessions with the full Board and Leadership Team. The purpose of these sessions was to discuss and pressure test the assumptions behind the three scenarios and to examine the potential effects of each scenario on Spark. This involved testing and building on effects identified by Spark employees as part of the sector-based process. These were considered across a number of categories:

- Economic
- Business-to-business customers
- Consumer customers
- Government and policy
- Infrastructure
- Supply chain
- Investors
- Managed retreat
- Social

In FY26 we revisited the three climate scenarios through two dedicated climate risk sessions: one with the Leadership Team and one with the Board. The purpose of these sessions was to focus on changes over the past two years in our business, strategy, and external environment, and consider what has changed since our initial scenario analysis. This included how Spark should respond to evolving risks and opportunities, and testing that we have identified the correct potential impacts on our business. A key theme across both sessions was that climate-related issues are increasingly being framed as part of a broader operating context defined by volatility, resilience and strategic infrastructure dependence rather than climate change alone. The three scenarios were still considered relevant and appropriate for testing plausible climate-related effects on Spark, noting the intent to refresh the sector-based scenarios in the year ahead in partnership with the TCF.

Stages of scenario analysis



1. See Section 4 and Appendix A of the sector climate scenarios. The assumptions used to create the sector scenarios were those that were considered to be most relevant to the sector. Specific assumptions were not included relating to energy pathways, carbon sequestration from afforestation, climate technology such as negative emissions technology, and nature-based solutions.

Following these climate risk sessions we have reviewed and updated our detailed climate-related risk and opportunity tables (pages 20 – 29). These have been informed by our climate scenario analysis and previous workshops with the Spark Board and Leadership Team. Updates in FY26 include expanded commentary on current impacts, including current financial impacts. One key change is reporting disruption to electrical grid infrastructure as a stand-alone risk, emphasising its importance as the most common cause of climate-related network outages.

Members of the Leadership Team have reviewed and approved the updated disclosure, including as part of the Board-approved due diligence processes overseen by the Due Diligence Committee (see 'Management's role in climate-related risks and opportunities' section on page 7). The Board has reviewed and approved the updated FY26 climate-related risks and opportunities disclosed in this report arising from our review of the scenarios in FY26.

Remuera Exchange: Smarter infrastructure, lower impact

At our Remuera Exchange, we are demonstrating how targeted upgrades, and real-time data can significantly improve energy efficiency and environmental performance across our network.

As a pilot site for modernising critical infrastructure, the Remuera Exchange brings together solar generation, smarter design, and advanced IoT monitoring to reduce energy consumption while improving operational insight.

New solar panels provided through Spark subsidiary, Entelar Group are already delivering tangible benefits, supplying up to one-third of the site's daily energy needs during peak summer periods. This reduces reliance on grid electricity and lowers the overall emissions associated with our operations.

We have also reconfigured the transmission environment to improve efficiency. By separating active equipment zones from surrounding space, we have reduced the footprint requiring cooling, resulting in a meaningful reduction in power demand.

To support ongoing optimisation, the site is now equipped with multiple real-time monitoring systems that provide detailed visibility of energy use and temperature conditions. These include Packet Power sensors and Spark's IoT Bridge platform, enabling performance data to be captured at frequent intervals to support more responsive decision-making.

Looking ahead, we are expanding IoT capability at the site, including the integration of a rooftop weather station to track environmental factors such as solar irradiance, temperature and wind conditions. Over time, these data streams will be brought together through our Asset IQ platform, creating a single view of operational and environmental performance.

Remuera serves as a proof of concept for how we can modernise exchanges using data, smart design and existing infrastructure. The insights gained are informing how we scale similar improvements across our network, multiplying both energy savings and operational efficiency over time.

Spark's Autonomous Network Lead, Ulrich Frerk demonstrates a Packet Power sensor which enables real-time power monitoring at the Remuera Exchange.

Physical risk analysis

Our physical risk analysis includes mapping climate model outputs (including 2024 Ministry for the Environment data) against the location of Spark mobile and fixed network sites. This analyses risk to our infrastructure and assets against the risks of sea level rise/coastal flooding, temperature, wind and rain pattern changes. This modelling provides information on the number and location of sites that may be of greater risk, and enables us to quantify the scale of potential impact and the investment required to mitigate risk, for example by strengthening or relocating vulnerable sites.

We updated this analysis against our current assets based at the end of FY26, adding new sites added over the past financial year. However, we recognise that this type of geospatial mapping has limitations. In particular, it does not fully capture the interconnected infrastructure that Spark relies on, such as electricity, transport and fibre networks, and does not provide the same level of insight as more sophisticated flood modelling for pluvial and fluvial flooding.

For FY26 we have built on our previous analysis by adding a more detailed assessment of the risks most relevant to different parts of our network. For mobile sites, our analysis recognises that the most material physical climate-related impact is not direct damage to mobile towers, which is rare, but disruption to the infrastructure that supports those sites. Most outages at mobile sites are caused by loss of power from the electrical grid, which can be affected by severe weather events including high winds, flooding and landslips.

To identify mobile sites with greater exposure to this interconnected infrastructure risk, we analysed maintenance records from the past three years to identify sites with multiple maintenance events caused by unplanned power outages. Sites with three or more unplanned power outage events over this three-year period, with unique events in each year that could be attributed to weather events, have been classified as 'high risk' to disruption from interconnected infrastructure failure. We note that this risk can be mitigated through existing and planned resilience measures, including battery back-up investment and the provision of portable generators.

For Spark-owned fixed network sites, including exchange buildings, we have considered the exposure of our assets against a broader set of physical risk categories, including flood risk. For the majority of sites, where information was available, this assessment used public data (e.g. from local council resources) to identify sites currently located in flood hazard areas. This includes zones up to 1% AEP (Annual Exceedance Probability, equivalent to a one-in-100-year event).

Mobile sites: physical risk assessment

	Total sites assessed	Sites at high risk to coastal flooding under 20cm sea-level rise scenario	Sites at high risk to current electrical grid infrastructure disruption	Total high-risk sites (no sites meeting both criteria)
Number of sites	1,722	28	21	49
Percentage of mobile sites	100%	1.6%	1.2%	2.8%

Fixed-network sites: physical risk assessment

	Total sites	Sites at high risk to coastal flooding under 20cm sea-level rise scenario	Sites assessed as high and moderate-to-high risk from flood events	Total moderate to high-risk sites (one site meeting both criteria)
Number of sites	40	1	7	7
Percentage of fixed-network sites	100%	2.5%	17.5%	17.5%

Our climate scenarios

(Developed for FY24 telecommunications sector climate scenario analysis)

	Scenario #1: Orderly Transition	Scenario #2: Disorderly Transition	Scenario #3: Hothouse
Brief description of scenario narrative (further detail included in sector scenarios)	New Zealand and the world transitions to net zero by 2050 with strong policy and market changes clearly signalled by the government. Physical impacts from climate change are limited and align with the SSP1-1.9 scenario. Average global temperatures are limited to 1.5˚C above pre-industrial levels by 2050.	New Zealand and the developed world are delayed in their transition to net zero. This results in a steady increase in temperature and physical impacts in alignment with SSP2-4.5 (2 degrees by mid-century). By 2030, prompted by a number of significant weather events, NZ and the developed world realise that urgent action is needed to reach net zero, which results in poorly signalled policy and market changes coinciding with increased adaptation and recovery costs creating significant medium-term challenges.	New Zealand and the world abandon net zero targets, and there is no national or global movement to reduce emissions. Existing policies are reversed, and fossil fuel use continues. Physical impacts from climate change are severe with annual average global temperatures rising to 2 degrees above pre-industrial levels by 2050 and 3.6 degrees by 2100 (in alignment with SSP3-7.0).
Scenario datasets	• Intergovernmental Panel on Climate Change: SSP1-1.9 • NIWA: RCP 2.6 • Climate Change Commission: Tailwinds pathway	• Intergovernmental Panel on Climate Change: SSP2-4.5 • NIWA: RCP 4.5 • Climate Change Commission: Headwinds pathway	• Intergovernmental Panel on Climate Change: SSP3-7.0 • NIWA: RCP 8.5 • Climate Change Commission: Current policy
Global temperature change	1.5˚C	<2˚C	>3˚C
Transition risk	Highest	Medium	Lowest
Physical risk	Lowest	Medium	Highest
Policy response	Early and strategic	Slow until 2030, then reactive and significant	Slow, market-led, focused on adaptation
Economic impact	Highest in 5-year horizon, lowest over 30+ years	Highest over 15-year horizon	Highest over 30+ year horizon

Time horizons for scenario analysis and climate-related risks and opportunities

	Short term	Medium term	Long term
Time horizon	5 years	15 years	30 + years*
Year relative to baseline year (2024)	2030	2040	2055+
Rationale for selection and link to strategic planning horizons and capital deployment plans	Aligns with emissions reduction target and with future-facing investment horizon	Aligned with typical life of technology assets	Aligned with further materialisation of physical risks, particularly on infrastructure.

* For risk analysis we used a timebound 30-year horizon. The 30+ year time horizon was used for long-term scenario development.

Supporting climate adaptation through digital technology

Spark subsidiary, Adroit, worked with the Far North District Council and Germany-based Dryad Networks, to deploy an early wildfire detection system at the Waitangi Endowment Forest and adjoining Waitangi Mountain Bike Park, establishing New Zealand's first fully connected 'smart forest'.

Northland's climate has shifted in the past decade, with longer dry spells, elevated temperatures, and more frequent high-wind events increasing the region's vulnerability to fast-moving fire. Traditional detection methods only identify fires once they are visible above the canopy, when a fire may already be burning at a size and intensity that demands a full emergency response.

Adroit's system uses a network of 250 solar powered sensors connected via Spark's IoT network to detect early indicators of fire, including changes in air quality associated with smouldering, enabling faster response in the critical early minutes when a small crew can extinguish a potential wildfire quickly and safely.

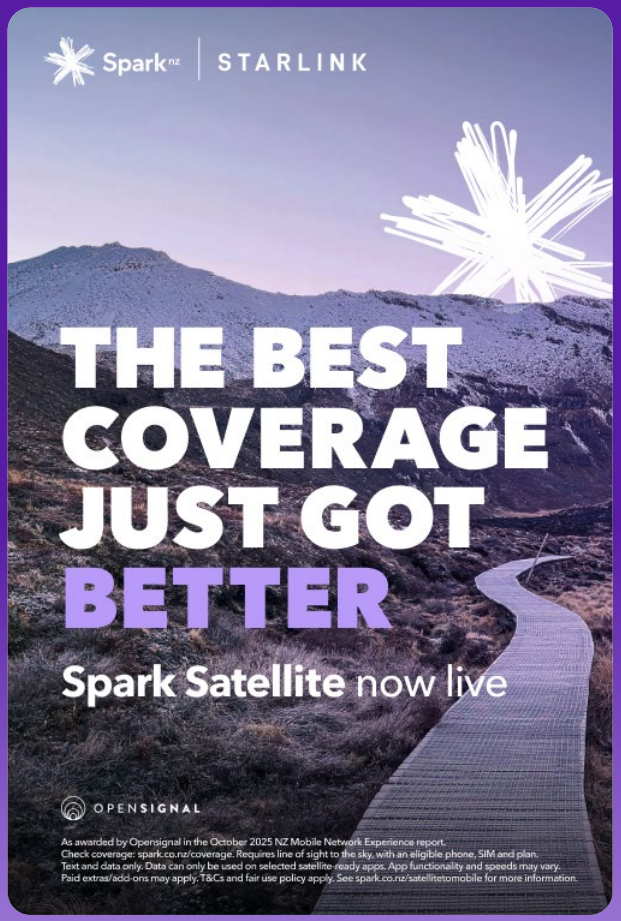
By strengthening preparedness and helping protect native biodiversity and valuable ecosystems, along with safeguarding one of New Zealand's cultural landmarks, the project demonstrates how connected technology can enhance resilience to climate driven hazards.

A fire-detection, solar-powered IoT sensor at Waitangi Endowment Forest.

Impact of satellite technology

The development of satellite technology supports resilient connectivity. Spark maintains a number of satellite connected emergency small cells that can be rapidly deployed when sites are impacted. These sites have been deployed during severe weather events as part of our emergency response. We work collaboratively with our peers on disaster preparedness and during major incidents. The sector comes together through our industry group, the Telecommunications Forum (TCF), which coordinates operators and other infrastructure sectors including electricity, roading and government to restore services.

In FY26 we also launched satellite-to-mobile services through Starlink. This service provides an additional connectivity option during disruptions. The satellite-to-mobile service is available to customers on specific plans, however, in the event of a natural disaster we open the service up to all Spark customers. In April, as Cyclone Vaianu impacted parts of the North Island, Marlborough and the Chatham Islands, Spark made satellite texting available to all Spark and Skinny customers across these areas as a precaution, so they could stay connected if mobile coverage was disrupted.



Spark launched its satellite-to-mobile service in April.

Climate-related risks and opportunities

The tables below outline the current impacts of climate change on our business, and climate-related risks and opportunities that we have identified over the short, medium, and long term. As many of the risks and opportunities identified are present across all time horizons we have explained the trend that these risks and opportunities follow across time horizons, identifying the horizon in which the risk or opportunity is most significant. The tables also include information relating to the anticipated impacts of Spark's climate-related risks and opportunities.

Where we have reported a quantified current financial impact, we have explained the methodology and data included in each calculation. We acknowledge that the precise quantification of current climate-related financial impact is subject to significant uncertainty, and that isolating climate-related factors from interrelated factors is not always possible. Through this financial quantification disclosure our objective is to provide transparent and useful data to provide context on the scale of climate-related impacts and costs on our business over the past year.

Physical risks

Damage to Spark infrastructure

Risk description

Increased frequency and intensity of weather events featuring high winds and heavy rain may result in increased damage to Spark sites through wind damage (including falling vegetation), flooding and rain-induced landslides. This includes damage to active mobile network equipment, exchange buildings, and data transport networks

Time horizon

Increasing in severity over time, most significant in the 30+ year time horizon

Scenario where risk is greatest

Present in all scenarios, but most significant under Hothouse scenario

Current impacts

We have observed an increase in the frequency and intensity of weather events over the past three years, however this has not had a significant impact on direct damage to Spark infrastructure, including exchange sites, mobile network sites and Spark-owned fibre networks. The majority of network outages are caused by disruption to supporting infrastructure, particularly power outages. See the risks below for commentary on impacts related to disruption to supporting infrastructure.

Current financial impact (including adaptation costs)

Year-on-year there was no material change in reactive maintenance costs to Spark infrastructure that could be attributed to long-term increases in frequency or intensity of weather events.

We saw no direct climate-related impact on our insurance costs in FY26. We also saw no climate-related increase in costs of new infrastructure.

No identified climate-specific impact in FY26

Note: We have quantified specific climate-related FY26 investment in network resilience in the "Disruption to electrical grid infrastructure" and "Disruption to other supporting infrastructure" physical risks on the following pages (21). This is because the majority of our climate-related investment in network resilience is to address failure to supporting infrastructure, including power and fibre networks. This includes investment in batteries, generators, portable cell sites and satellite backhaul technology.

Potential impacts (anticipated impacts pre-mitigation)

Identified potential impacts include:

- Increased reactive maintenance costs (labour, fleet, contractors, and parts)
- Increased customer disruptions impact revenue, brand, and reputation
- Increased insurance cost
- Increased costs of new infrastructure builds to meet higher climate resilience standards

We anticipate impacts to be limited. Our physical risk analysis shows only a small number of Spark sites are likely to face significant risk of direct physical damage, with a small number of mobile sites, and one regional exchange, in locations vulnerable to coastal inundation and flooding over a 30-year horizon. See the 'Physical risk analysis' section on page 16 for a summary of the process and limitations of our analysis.

Management actions/commentary (transition planning actions integrated into strategy)

We continue to invest in network capacity and resilience annually, which is a key part of our business model. Investment to support the growth in capacity of our network, such as the roll out of new mobile sites, and other connectivity options such as satellite-to-mobile, also provides network redundancy and protects against other physical hazards, such as earthquake and tsunami risks. For this reason it is not possible to isolate climate-specific investment. **In FY26 our capital investment in fixed and mobile networks, which includes investment that supports resilience against physical climate risk, was over $200m.**

Existing exchange buildings (and data centres now under TenPeaks – see page 35) have been carefully located considering physical hazards.

Our three geographically diverse, resilient network data centres provide core voice and mobile services, with each site able to operate independently and support our total national demand.

We have strengthened our high-speed fibre optic backbone, which carries data across the country, and are now extending its reach to more regional areas. This ensures better connectivity and faster recovery in the event of an outage, with multiple redundancy paths and automated technology to diagnose and resolve network issues.

All network outages are managed through a centralised Network Operations Centre (NOC). The NOC function is based across multiple geographically diverse locations, supported by our strategic network partners in New Zealand and overseas. It is supported by a unified monitoring system, improving coordination and making it easier to respond to network issues quickly.

Spark's Outage Assist service notifies customers when we detect fixed-broadband service outages. Eligible Spark mobile customers can receive free mobile data, calls and texts to stay connected during the outages.

For more detail refer to the network resilience case studies (page 10).

Physical risks (continued)

Disruption to electrical grid infrastructure

Risk description

Increased frequency and intensity of weather events featuring high winds and heavy rain result in more outages and disruption to electrical grid infrastructure that provides energy to Spark sites. This includes damage from high winds, including falling vegetation on transmission lines, and flooding of critical infrastructure sites, such as grid substations, and flooding and rain-induced landslip damage including impacting power lines

Time horizon

Increasing in severity over time, most significant in the 30+ year time horizon

Scenario where risk is greatest

Present in all scenarios, but most significant under the Hothouse scenario

Current impacts

Over the past three years we have observed an increase in reactive maintenance events for our mobile network sites linked to unplanned power outages. In FY26 our network was resilient to these events, and we were able to address and resolve outages through our standard operating practices.

Current financial impact (including adaptation costs)

In FY26 there were no direct operational cost increases related to increased power outages linked to weather events. We did observe an increase in reactive call-outs to address unplanned power outages at mobile network sites. However, these are indirect costs via our tower infrastructure partners, Connexa.

In FY26 proactive resilience investments included:

- Expanded and/or refreshed battery back up at a number of sites
- Minor weather tightening in our exchanges

These costs to Spark are included in the financial impact quantification below.

FY26 financial impact: less than $1m

Note: In FY26 our capital investment in fixed and mobile networks, which includes investment that supports resilience against physical climate risk, was over $200m.

Potential impacts (anticipated impacts pre-mitigation)

Identified potential impacts include:

- Increase in frequency and duration of grid outages results in increased network outages

The majority of outages to Spark's network are caused by extended power outages. As an interconnected risk, damage to roads exacerbates outages as it limits access to repair electricity lines, or to access Spark sites to install temporary generators.

Management actions/commentary (transition planning actions integrated into strategy)

Spark's programme of investment to protect against electrical grid disruption also protects against other physical hazards, such as earthquake and tsunami risks.

For our mobile network we invest to extend battery life on major, critical mobile sites to ensure they can withstand power outages for longer periods of time, alongside improvements to cell tower management during outages to prioritise connectivity for essential communications functions such as calls and texts.

For prolonged outages portable generators are used to provide power to mobile sites. Large-scale fixed generators are in place at critical exchange and data centre sites, which can operate continuously without grid power.

Through our network partner Connexa we have upgraded the capacity of portable generators to ensure they are able to meet these increased power needs. We are also partnering with Connexa, supported by Government funding, to enhance the resilience of 295 Spark mobile cell towers across New Zealand by upgrading their battery back-up capacity to 24 hours. For more detail refer to page 10.

The development of satellite technology supports resilient connectivity. In FY26 we launched satellite-to-mobile services through Starlink. This service provides an additional connectivity option during disruptions. The satellite-to-mobile service is available to customers on specific plans, however, in the event of a natural disaster we open the service up to all Spark customers. See page 19 for more information.

Physical risks (continued)

Disruption to other supporting infrastructure

Risk description

Increased frequency and intensity of weather events featuring high winds and heavy rain result in more outages and disruption to infrastructure that supports Spark's operations, including passive tower infrastructure and supporting transport and telecommunications networks. This includes damage from high winds, including falling vegetation, flooding of non-Spark network sites, and flooding and rain-induced landslip damage to road corridors, bridges and culverts disrupting fibre backhaul and physical site access

Time horizon

Increasing in severity over time, most significant in the 30+ year time horizon

Scenario where risk is greatest

Present in all scenarios, but most significant under the Hothouse scenario

Current impacts

We have observed an increase in the frequency and intensity of weather events over the past three years. This has not had a significant impact on damage to passive tower infrastructure, with no damage noted in FY26. We have not noted a significant increase in disruption to fibre backhaul related to increased weather events.

We have noted an increased incidence of high rainfall and flooding increasing disruption to roading. These events are managed as business-as-usual, with our network being resilient to this disruption, including outages to supporting infrastructure. We were able to address and resolve outages through our standard operating practices.

Current financial impact (including adaptation costs)

As per 'Damage to Spark Infrastructure', year-on-year there was no material change in reactive maintenance costs that could be attributed to long-term increases in frequency or intensity of weather events.

In FY26 resilience and readiness investments included:

- Investment in satellite capable backhaul equipment to be deployed reactively to sites that have lost connection

These costs to Spark are included in the financial impact quantification below.

FY26 financial impact: less than $100,000

Note: In FY26 our capital investment in fixed and mobile networks, which includes investment that supports resilience against physical climate risk, was over $200m.

Potential impacts (anticipated impacts pre-mitigation)

Identified potential impacts include:

- Increase in damage to passive tower infrastructure (e.g. tower masts) causes outages or creates damage to Spark's active infrastructure
- Increased frequency of backhaul (fibre) outages caused by flooding, landslips, and road and/or bridge damage along transport corridors
- Increased damage to road transport networks limits ability to reach sites to perform maintenance and upgrades or address outages, e.g. installing and/or fuelling generators, restoring backhaul connectivity etc.

Damage to supporting infrastructure is potentially material in many regions, and is interconnected with the risk of disruption to electricity supply. As noted above, damage to roads exacerbates outages as it limits access to repair electricity lines, to access Spark sites to install temporary generators, or to provide repairs to other supporting infrastructure such as fibre backhaul.

Management actions/commentary (transition planning actions integrated into strategy)

We continue to invest in resilience to support infrastructure outages. This includes power back up and alternatives to fibre backhaul, allowing our sites to maintain connectivity whilst other infrastructure is unavailable. This investment also protects against other physical hazards, such as earthquake and tsunami risks.

As noted in our management actions to address electrical grid infrastructure disruption, we are continuing to invest in increased battery capacity at key sites. In part this is to address risk to roading infrastructure, with the risk that we are unable to access sites to install temporary generators in the event of weather events impacting power and roading networks.

To improve backhaul resiliency we have established a network of satellite-connected temporary small cell sites throughout the country for use in emergencies. We are also implementing backup satellite backhaul at a number of permanent cell towers.

For more detail refer to the network resilience case studies (page 10).

As noted above, the development of satellite technology supports resilient connectivity. In FY26 we launched satellite to mobile services through Starlink. This service provides an additional connectivity option during disruptions. The satellite-to-mobile service is available to customers on specific plans, however, in the event of a natural disaster we open the service up to all Spark customers. See page 19 for more information.

Physical risks (continued)

Supply chain disruption

Risk description

Physical climate impacts (e.g. factory fire/flooding) disrupt global supply for critical inputs, including network equipment and customer devices. Increased global weather events increase competition and demand for network spares.

Time horizon

Increasing in severity over time, most significant in the 30+ year time horizon

Scenario where risk is greatest

Present in all scenarios, but most significant under Hothouse scenario

Current impacts

We have not identified any significant global supply chain disruption linked to climate change or weather events in FY26. We observed significant disruption to global supply chains related to geo-political events in FY26, however this is not directly climate related.

Current financial impact (including adaptation costs)

No identified climate-specific impact in FY26

Potential impacts (anticipated impacts pre-mitigation)

Identified potential impacts include:

- Constrained supply of network equipment increases costs, limits ability to respond to reactive maintenance needs, and slows opportunities for investment in new technologies
- Disruption to supply chain for customer devices (e.g. mobile handsets, modems etc.) limits ability to serve customers, impacting revenue, brand, and reputation

Management actions/commentary (transition planning actions integrated into strategy)

Through our annual supplier ESG survey we ask priority suppliers to share their processes to identify climate-related risks in relation to the provision of products and services to Spark and other customers. This includes information on identified risks and mitigations.

For supply chain and strategic partners a key consideration is diversity to reduce single points of failure and build resilience.

For critical inventory items and spares we continually review our working capital levels to hold appropriate levels of stock in-country.

Transition risks

Telecommunications market disruption

Risk description

Customers in rural or vulnerable locations shift to satellite or alternative technologies due to concerns over resilience of connectivity due to physical climate risks

Time horizon

Already happening to a degree, likely to increase to be most material in the 15-year time horizon

Scenario where risk is greatest

Present in all scenarios

Current impacts

We continue to see the roll out of satellite technology, including Spark's own services provided in partnership with Starlink. However, we have not identified any climate-specific impacts in FY26.

Current financial impact (including adaptation costs)

No identified climate-specific impact in FY26

Potential impacts (anticipated impacts pre-mitigation)

Identified potential impacts include:

- Loss of customers in rural and/or vulnerable locations to satellite providers

Management actions/commentary (transition planning actions integrated into strategy)

Technology evolution will continue to influence the market. Over short/medium term it is clear that satellite can complement telecommunications, enabling customers to be served in areas where it is uneconomic or not viable to provide mobile connectivity or there is greater risk of service disruption due to climate-related events. Many of the people in remote locations who have already adopted satellite broadband are likely to have done so for non-climate reasons.

For satellite-to-mobile services, we launched services through Starlink in FY26. The satellite-to-mobile service is available to customers on specific plans, however, in the event of a natural disaster we open the service up to all Spark customers. See page 19 for more information.

Over the long-term 30+ year horizon there is lower certainty on the impact of technology evolution on Spark.

Transition risks (continued)

Regulation and government intervention

Risk description

Regulation of network resilience standards, coordination of managed retreat

Time horizon

Most likely under the Orderly scenario in the 5-year horizon (risk of inflexible regulation)

Scenario where risk is greatest

Most likely under the Disorderly scenario in the 15-year time horizon (risk of uncoordinated approach)

Current impacts

We identified no specific climate-related impacts from regulatory interventions requiring additional investments during the year.

Current financial impact (including adaptation costs)

No identified climate-specific impact in FY26

Potential impacts (anticipated impacts pre-mitigation)

Identified potential impacts include:

- Inflexible regulation could mandate inefficient investment and reduce ability to innovate and adapt to evolving technologies, e.g. satellite. (Most likely under the Orderly scenario in the 5-year horizon)
- Uncoordinated approach to managed retreat may lead to investment uncertainty. (Most likely under the Disorderly scenario in the 15-year time horizon)

An interconnected regulatory risk relates to potential barriers to future technology choices due to perceived national security and data sovereignty risk. Although not a direct climate-related risk, this could limit options to integrate some technologies, e.g. satellite, into integrated approaches to national infrastructure investment.

Management actions/commentary (transition planning actions integrated into strategy)

We are engaging with local and central Government to advocate for a coordinated approach to adaptation and resilience, with clear cost/benefit analysis supporting any new standards.

Transition risks (continued)

Supply chain disruption

Risk description

Rapid adoption of low-emissions technologies disrupts supply of input materials to digital technologies

Time horizon

Most likely under the Orderly scenario in the short-term 5-year horizon (constrained supply of network equipment)

Scenario where risk is greatest

Most likely under the Disorderly scenario in the 15-year time horizon (disruption to customer devices)

Current impacts

We have not identified any climate-specific impacts in FY26.

Current financial impact (including adaptation costs)

No identified climate-specific impact in FY26

Potential impacts (anticipated impacts pre-mitigation)

Identified potential impacts include:

- Constrained supply of network equipment increases costs and limits ability to respond to reactive maintenance needs, also slowing opportunities for investment in new technologies. (Most likely under the Orderly scenario in the short-term 5-year horizon)
- Disruption to supply chain for customer devices (e.g. mobile handsets, modems etc.) limits ability to serve customers, impacting revenue, brand and reputation. (Most likely under the Disorderly scenario in the 15-year time horizon)

Management actions/commentary (transition planning actions integrated into strategy)

We are engaging with priority suppliers to understand their climate risk processes and critical failure points.

For critical inventory items and spares we work with our suppliers and partners to ensure we hold appropriate levels of stock in-country.

Economic disruption

Risk description

New Zealand Gross Domestic Product (GDP) reduction caused by economic transformation and climate events

Time horizon

Likely in **Disorderly** due to combined transition and physical impacts in **15-year time horizon**

Scenario where risk is greatest

Likely in **Hothouse** scenario due to significant long-term physical impacts in **30+ year time horizon**

Current impacts

As a long-term macroeconomic issue it is not possible to isolate any particular impacts on Spark in FY26.

Current financial impact (including adaptation costs)

We are unable to quantify impact on a short-term annual basis. On an annual basis we consider this to be unmeasurable unless there is a single (or series of) significant events that result in measurable economic contraction. There were no significant events noted in the past 12 months.

FY26 financial impact: NOT QUANTIFIABLE

Potential impacts (anticipated impacts pre-mitigation)

Identified potential impacts include:

- Reduced revenue caused by reduced economic activity that is unevenly distributed across customer sectors

Management actions/commentary (transition planning actions integrated into strategy)

We maintain a flexible business plan and can adjust to shifting economic conditions. We are planning for long-term climate impacts across our customer base by understanding exposure to high-risk sectors and regions.

Transition risks (continued)

Meeting stakeholder expectations

Risk description

Increased expectations to reduce climate impact drive stakeholder behaviour change, including investors, customers and communities

Time horizon

Most likely in the short-term 5-year horizon

Scenario where risk is greatest

Most likely under the Orderly scenario

Current impacts

No negative impacts identified in FY26. Spark's long-term renewable energy partnership with Genesis Energy supports our long-term emissions reductions. The long-term commitment is anticipated to reduce electricity costs over the ten-year period vs. standard market costs.

Current financial impact (including adaptation costs)

No identified climate-specific impact in FY26

Potential impacts (anticipated impacts pre-mitigation)

Identified potential impacts include:

- **Investors**: Shifting capital to low-carbon, low-risk organisations that are well positioned for climate transition and other ESG risks
- **Customers**: Consumers and business customers shifting spend to organisations aligned to their climate expectations and broader sustainability concerns
- **Renewable energy**: Risk that insufficient new renewable energy generation capacity limits data centre growth opportunities due to customer requirements and national decarbonisation expectations
- **Data centre concerns**: Potential social licence to operate (and grow) risks related to stakeholders concern on growing environmental footprint of data centres, particularly related to AI-focused data centres

Management actions/commentary (transition planning actions integrated into strategy)

ESG is integrated into our business strategy. We have a Sustainability Framework that guides continual improvement, and clearly established governance frameworks with oversight at the highest level, through our Board.

We have established a near-term science-based emissions reduction target for our scope 1 and 2 emissions, which has been verified by the SBTi (see page 34). This establishes our own internal decarbonisation pathway against which we are tracking progress. Initiatives include our ten-year renewable energy partnership with Genesis Energy that supports the generation of new renewable energy in New Zealand (see page 37).

Data centre sustainability remains a focus through Spark's investment in TenPeaks following the sale of our data centres. This includes sustainable design, build and operations, and linking to new renewable generation supported by Spark's renewable energy partnership with Genesis Energy.

We benchmark our performance via the S&P Corporate Sustainability Assessment.

For more detail refer to www.spark.co.nz/online/about/sustainability

Transition risks (continued)

Access to capital

Risk description
Climate-related disruption to global markets limits long-term access to capital

Time horizon
Not a short-term risk. Most significant in the 30+ year time horizon

Scenario where risk is greatest
Most significant under the Hothouse scenario

Current impacts
This is a long-term risk. In FY26 we have not identified any instances where investors in Spark have shifted capital away or towards Spark for climate-related reasons.

Current financial impact (including adaptation costs)
No identified climate-specific impact in FY26

Potential impacts (anticipated impacts pre-mitigation)
Identified potential impacts include:

- Limited access to capital for future investment

Management actions/commentary (transition planning actions integrated into strategy)
We are not a heavy emitting business, and as outlined above, we have an approach to ESG that drives continual improvement. As a digital services company, we enable climate mitigation and adaptation through the services we provide. On this basis we believe that climate risk is unlikely to limit Spark's long-term access to financial capital.

Climate-related opportunities

COMBINED CURRENT IMPACTS

Opportunity for climate mitigation and adaptation services

Current impacts

Many of our existing IoT services, including connectivity and monitoring solutions, are linked to climate benefits. An example is connectivity services related to smart energy meters, which can enable climate mitigation innovation through a smarter, connected grid alongside other benefits to customers.

We also provide hardware solutions to support the solar industry (via Entelar Energy), and Starlink Satellite Internet to enterprise customers which can support business continuity in the event of severe weather.

These services provide an ongoing source of revenue to Spark.

Current financial impact (including adaptation costs)

Includes revenue from:

- Connectivity services for IoT customers used in monitoring, e.g. smart energy meters, environmental monitoring
- Specific customer solutions, e.g. environmental monitoring, fleet tracking, resilient connectivity
- Entelar Energy through hardware solutions to support the solar industry

FY26 financial impact: ~$20m revenue

Opportunity for climate mitigation services

Opportunity description: Innovation and provision of digital and high-tech services that support customers to become more productive, efficient and sustainable

Time horizon

Most significant in the 5 and 15-year horizons

Scenario where risk is greatest

Most significant under the Orderly scenario

Potential impacts (anticipated impacts pre-mitigation)

Identified potential impacts include:

- Increased revenue from connectivity services and or advanced/converged digital solutions that drive efficiency, e.g. GPS fleet optimisation, industrial process automation
- New revenue opportunities through supporting the energy transition through supply chain and hardware solutions

Management actions/commentary (transition planning actions integrated into strategy)

Our IoT business provides solutions to customers that deliver environmental benefits, with connections and revenues continuing to grow year-on-year.

We have completed research on the key sectors where the greatest emissions reduction opportunities lie. We have partnered with NZTech to promote the integration of these opportunities into New Zealand's national emissions reduction planning. We continue to advocate for the role of digital technology in addressing climate-related challenges.

Entelar Energy is a division of the Entelar Group, a Spark subsidiary. They provide hardware solutions to support the solar industry in New Zealand for both the residential and commercial market, including batteries.

Opportunities for climate adaptation services

Opportunity description: Providing services to enable customers to adapt to climate change, including environmental monitoring to track physical risks such as flooding, wind, fire etc.

Time horizon

Present across all scenarios and time horizons, but most material across the following:

Disorderly: 15 years
Hothouse: 30+ years

Potential impacts (anticipated impacts pre-mitigation)

Identified potential impacts include:

- Increased revenue from IoT and monitoring services, which monitor climate risks
- Increased revenue from services to support resilient connectivity in the event of severe weather

Management actions/commentary (transition planning actions integrated into strategy)

Our IoT business provides solutions to customers that deliver environmental benefits, with connections and revenues continuing to grow year-on-year. This includes the integration of environmental IoT company Adroit, which was acquired in FY24 and now forms part of Spark IoT.

We provide Starlink Satellite Internet to enterprise customers which can support business continuity in the event of severe weather.

For an example of a climate adaptation service see the Supporting customer transition through technology case study on page 18.

Climate risk management

How climate-related risks are identified, assessed and managed

Processes and tools for identifying, assessing, and managing climate-related risks and integration into overall risk management processes

Our climate scenario analysis is our primary process for identifying new and emerging risks and opportunities from climate change. The risks and opportunities identified through this process are reviewed annually by our Board and Leadership Team as part of annual reporting processes. We completed our first climate scenario analysis in FY21, the results of which were published in our FY21 Annual Report. For FY24 we refreshed our scenario analysis, supported by a sector-wide approach. For this FY26 report we engaged with our Leadership Team and Board to revisit the sector scenario analysis against our changing strategic context. See the 'Climate scenario analysis section on page 13 for more information on the processes we have followed to identify and assess risk, and the time horizons considered by our analysis. The scenario analysis processes undertaken consider Spark's entire value chain.

Our climate scenario analysis is an input into our overarching risk governance. Our risk policy and framework are benchmarked to COSO ERM 2017 (COSO), a leading practice risk management standard. We also use other leading risk management standards like ISO31000:2018 and specific standards and guidance, where available, to benchmark and inform our risk management practices.

Within our overarching risk framework, we update our principal risk profiles twice a year. Our risk framework is how we prioritise different types of risks across the organisation. This considers risks to Spark delivering against its SPK-30 strategy. The materiality of risks is considered against the likelihood of occurrence and the scale of financial impact. 'Ensuring a Better Network and reliable operation of Spark's telco network, systems and infrastructure' is one of the principal risks, which includes physical adaptation risk to our networks, and risk in our network supply chain, aligned to the physical risks identified through our climate scenario analysis. See the Managing Risk section of our FY26 Annual Report (page 126) more detailed information on how Spark manages principal risks.

To ensure linkage between our principal risk processes and our sustainability/ESG risks (including climate change) we include a summary of sustainability risks in quarterly risk reporting to our Board and Leadership Team. This lists our most material sustainability topics, identified through our sustainability materiality processes and our climate scenario analysis. We also map these topics across to our principal risks to show how we have integrated emerging and longer-term issues into our enterprise risk management approach.

The timeframes for our climate scenario analysis (5, 15 and 30+ years) extend beyond the time horizons considered by our principal risk assessment which is aligned to our SPK-30 (2030) strategy horizon.

For emerging risks that fall outside of the principal risks described above, we identify actions for managing those risks outside the enterprise risk system. An example of an action from previous climate risk assessment is research published into the role of digital technology in supporting emissions reductions.

Climate metrics and targets

How Spark measures and manages climate risks and opportunities, including our emissions targets and performance

Climate-related metrics

The table below sets out our key climate-related metrics by reference to the relevant paragraph of NZ CS 1. Outside of the metrics below, Spark does not use any industry-based metrics or key performance indicators to measure and manage climate-related risks and opportunities. We have included information relating to the methods, assumptions and uncertainties associated with the below metrics within the table, with further detail of the methods, assumptions and uncertainties relating to our GHG emissions outlined in our GHG inventory report (Appendix 1 of this report). Please see Appendix 2 for the Independent Limited Assurance Report on GHG Inventory Report and selected GHG disclosures provided by Deloitte.

	Metric Category	Metric	Notes
22(a)(i)	Scope 1 emissions (including comparatives and analysis of trends)	FY26: 1,973 tCO_2e FY25: 2,139 tCO_2e FY24: 4,438 tCO_2e	See our GHG Inventory Report for breakdown of scope 1 emissions (page 39) and 'Our emissions performance' for comparatives/analysis of trends (pages 31 – 38) Our scope 1 comparatives for FY24 and FY25 have been restated to exclude data centre operations.
22(a)(ii)	Scope 2 emissions (location-based) (including comparatives and analysis of trends)	FY26: 6,217 tCO_2e FY25: 13,148 tCO_2e FY24: 9,703 tCO_2e	Using location-based method required by NZ CS 1. See our GHG Inventory Report for breakdown of scope 2 emissions (page 39) and 'Our emissions performance' for comparatives/analysis of trends (pages 31 – 38). Location-based scope 2 emissions have decreased in FY26 primarily as a result of a reduction in the grid emissions factor alongside reductions in electricity use. Our scope 2 comparatives for FY24 and FY25 have been restated to exclude data centre operations.
	Scope 2 emissions (market-based) (including comparatives and analysis of trends)	FY26: 4,352 tCO_2e FY25: 12,726 tCO_2e FY24: 9,983 tCO_2e	Using a market-based approach aligned to our existing GHG reporting against our SBTi target. See our GHG Inventory Report for breakdown of scope 2 emissions (page 39) and 'Our emissions performance' for comparatives/analysis of trends (pages 31 – 38). Market-based scope 2 emissions have decreased in FY26 primarily as a result of a change to the relevant emissions factor, and the retirement of renewable energy certificates. Our scope 2 comparatives for FY24 and FY25 have been restated to exclude data centre operations.
22(a)(iii)	Scope 3 emissions	FY26: 144,726 tCO_2e FY25: 212,909 tCO_2e FY24: 397,721 tCO_2e	See our GHG Inventory Report for breakdown of scope 3 emissions (page 39) and 'Our emissions performance' for comparatives/analysis of trends (pages 31 – 38). Scope 3 emissions have not been restated to reflect the divestment of Spark's data centre operations, and the reduction in scope 3 emissions represents both operational reductions in emissions and scope/boundary changes. This means like-for-like comparison of performance against previous years is not possible.

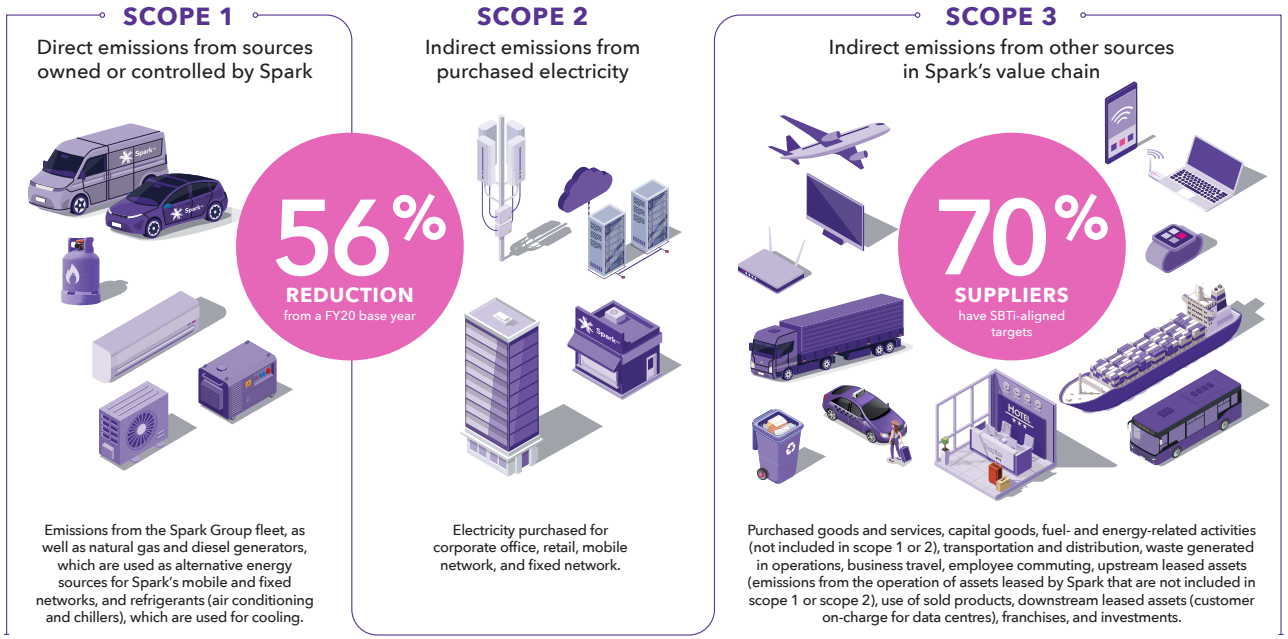
	Metric Category	Metric	Notes
22(b)	GHG emissions intensity	FY26: 0.038 $kgCO_2e$ / $ revenue FY25: 0.062 $kgCO_2e$ / $ revenue FY24: 0.107 $kgCO_2e$ / $ revenue	Calculated as total scope 1, 2 (market-based) and 3 emissions divided by reported revenue. FY24 and FY25 numbers are as reported in previous years, which include data centre emissions and revenue. A direct year-on-year comparison is not possible due to this and changes to scope 3 reporting methodology impacting these figures, and accordingly it is not possible to disclose an "analysis of trends" for this metric. See page 36 for more information.
22(c)	Transition risks – amount or percentage of assets or business activities vulnerable to transition risks	FY26: Not quantifiable for individual assets or activities (unchanged from FY24 and FY25).	We have identified enterprise-wide transition risks, with the most material risks related to medium/long-term economy-wide economic impacts of climate change. As such, these relate to the entire Spark business rather than to an identifiable amount or percentage of assets or business activities. Given this is unchanged since FY24, there is no "analysis of trends" to report.
22(d)	Physical risks – amount or percentage of assets or business activities vulnerable to physical risks	FY26: ~3.2% of all sites identified in physical risk analysis FY25: <2% of all sites identified in physical risk analysis. FY24: <2% of all sites identified in physical risk analysis.	The FY26 analysis has been expanded to include mobile sites considered vulnerable to current electrical grid disruption and fixed-network sites vulnerable to pluvial and fluvial flooding. Refer to the Physical risk assessment section on page 16. In terms of an analysis of trends, the only material change to this metric since FY24 has been the expansion of the metric as outlined above.
22(e)	Climate-related opportunities: amount of percentage of assets or business activities aligned with climate-related opportunities	FY26: Not quantifiable for individual assets or activities (unchanged from FY24 and FY25).	It is not possible to distinguish climate-related opportunities from broader telecommunications and digital service assets and activities. Our infrastructure supports solutions aligned to climate-related opportunities, as they enable technologies and services that enable climate mitigation and adaptation. Note we report revenue associated with specific climate mitigation and adaptation related services on page 29. Given this is unchanged since FY24, there is no "analysis of trends" to report.
22(f)	Capital deployment: amount of capital expenditure, financing, or investment deployed toward climate-related risks and opportunities	FY26: Not quantifiable (unchanged from FY24 and FY25)	Due to the nature of our business, the majority of Spark's capital expenditure is to build capacity, coverage, or resilience of our infrastructure – all of which contribute towards addressing both climate-related risks and opportunity. For example, our investment in network resilience and expanded mobile networks. Note we report that in FY26 our capital investment in fixed and mobile networks, which includes investment that supports resilience against physical climate risk, was over $200m – see page 20. Given this is unchanged since FY24, there is no "analysis of trends" to report.
22(g)	Internal emissions price: price per metric tonne of CO_2e used	Range considered, escalating over time: $72.1-$88.3 (FY24) $76.8-$97.5 (FY25) $81.4-$106.8 (FY26) $100.0-144.0 (FY30)	We have used a range of escalating emissions prices, including an emissions price aligned to the Climate Change Commission's demonstration pathway, to assess and compare emissions reduction opportunities, including renewable energy and certificate costs. We have built indirect carbon cost into energy cost models for investment analysis, incorporating Renewable Energy Certificate (REC) costs into lifecycle energy cost. We have not adjusted these ranges from previous years, so there is no underlying "analysis of trends" to report.
22(h)	Management remuneration linked to climate-related risks and opportunities		Refer to the 'Climate Governance' section on page 5.

GHG emissions reporting approach

	Disclosure requirement	Approach
24(a)	GHG measurement/reporting standards	Our GHG Inventory report has been prepared in accordance with The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) ('the GHG Protocol') and Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Standard (2011) ('the Corporate Value Chain')
24(b)	GHG consolidation approach	Operational control approach: A detailed description of consolidation approach is available on pages 45 – 46 under 'Organisational boundary'. This is included in our GHG Inventory Report disclosure (Appendix 1 of this report)
24(c)	Source of emissions factors and GWP rates	A detailed list of emissions factors and GWP rate sources is available for each scope/category in the tables on pages 48 – 56 under 'FY26 Emissions Source Inclusions', and under 'References' on page 57. This is included in our GHG Inventory Report disclosure (Appendix 1 of this report)
24(d)	Summary of specific exclusions from emissions reporting	A detailed description of our reporting methodology and approach is available in on pages 47 – 56 under 'Operational boundary'. This is included in our GHG Inventory Report disclosure (Appendix 1 of this report)

Our short-term emissions reduction target

Spark's scope 1, 2 and 3 emissions



Spark's emissions reduction target was verified by the Science Based Targets initiative (SBTi) in 2021. SBTi targets must include a strict absolute reduction target for Scope 1 and 2 emissions, and a separate Scope 3 target where Scope 3 emissions exceed 40% of a company's total footprint. Targets are set against sector-specific emissions trajectories. For the ICT sector, these pathways were developed with the International Telecommunications Union (ITU) based on projected growth and efficiency gains. SBTi sets the wording of verified targets in a common format requiring companies to "commit" to the target established. For Spark, this is as follows:

- Spark New Zealand commits to reduce absolute Scope 1 and 2 GHG emissions 56% by FY30 from a FY20 base year.
- Spark New Zealand commits that 70% of suppliers by spend (covering purchased goods and services, and capital goods) will have SBTi-aligned targets in place by FY26.

This means Spark is committed to pursuing these targets and is working towards them. For clarity, this is not a guarantee that we will meet them. Our Scope 1 and 2 target has been verified by SBTi as consistent with a 1.5°C pathway to FY30. We use a market-based approach to calculate base year emissions and track performance against the target. Our scope 3 supplier target is an engagement target, it does not directly require us to reduce our own emissions, but contributes to limiting warming to 1.5°C by requiring us to engage suppliers on setting their own science-based targets.

To achieve our target, we are pursuing emissions reductions within our direct value chain. Spark does not intend to use carbon offsets to meet our target, consistent with SBTi rules, which do not permit offsets to be counted against emission targets.

Reviewing our emissions reduction targets

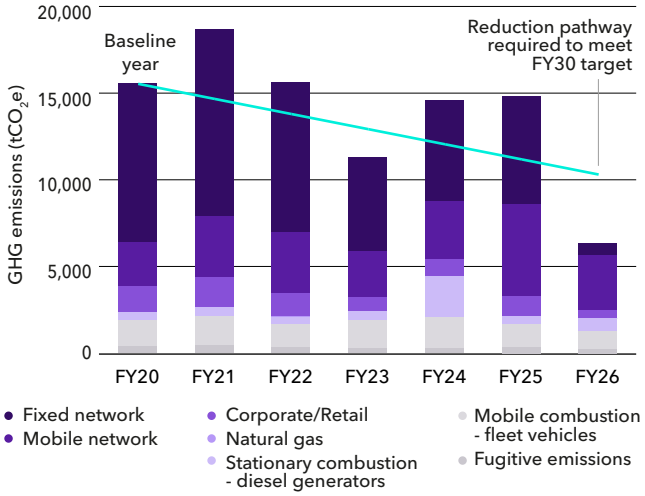
Under the GHG Protocol, a change in operational control over a significant asset requires a company to restate its historical emissions and review its baseline to reflect the new organisational boundary. Spark's sale of its data centre operations, sold to TenPeaks on 30 January 2026, triggered a rebaseline and a restatement of our Scope 1 and 2 figures for FY20–FY25.

Fuel use, refrigerant leaks, and electricity consumption previously associated with data centre operations have been removed from all reported years, as these emissions no longer sit within Spark's operational boundary. Emissions from shared co-location exchange sites are retained, as Spark continues to hold operational control over those assets. Our FY26 scope 1 and 2 reporting reflects the changed operational boundary, and we have also restated historical scope 1 and 2 emissions to reflect this change.

This rebaseline reduces our FY20 base year scope 1 and 2 emissions from 18,341 tCO_2e to 15,574 tCO_2e (-2,767 tCO_2e, 15%). This is a boundary adjustment, not a real-world reduction in emissions. (See the scope 3 section below for further information on our scope 3 target and reporting).

The percentage commitment underlying our SBTi target, a 56% reduction in Scope 1 and 2 emissions by FY30, is unchanged. However, applying that percentage to the restated FY20 base year revises our FY30 target from 8,070 tCO_2e to 6,853 tCO_2e. The lower absolute target reflects the smaller boundary, not reduced ambition, and we remain committed to a 56% reduction across the operations we control. We have self-assessed this rebaseline against SBTi's recalculation criteria and confirmed it aligns with all requirements, meaning we consider that revalidation by SBTi is not required.

Performance against our emissions reduction target (scope 1 and 2)



Our work in FY26 has provided greater certainty on the scope of our emissions reporting and targets. In last year's Climate-related Disclosures Report we stated that setting long-term reduction targets across Scope 1, 2 and 3 was a focus for FY26. This remains a focus for FY27, particularly as we have achieved our previous Scope 3 supplier engagement target, and we are required by SBTi to review our Scope 1 and 2 target after five years. This process will be informed by international guidance and Spark's contribution to New Zealand's 2050 net-zero goal.

Performance against our emissions reduction target

Please see pages 42–43 for our detailed scope 1, 2, and 3 disclosure tables which are contained within Appendix 1: our FY26 GHG Inventory Report.

Our emissions performance

Emissions reduction does not track in a straight-line trajectory and often occurs in step changes tied to specific initiatives. FY26 included a significant boundary change following the sale of our data centre operations to TenPeaks, effective 30 January 2026. As set out on page 40, our FY20 base year and historical scope 1 and 2 figures have been restated to reflect this new boundary. All FY26 scope 1 and 2 performance below is reported, and compared, on this restated and rebaselined basis.

We saw a significant reduction in scope 1 and 2 emissions in FY26, both against our previous year and against our FY20 baseline. Year-on-year emissions reduced 57%, and are now tracking 59% below our FY20 base year, ahead of our FY30 target of a 56% reduction.

Scope 2 emissions reduced 66% year-on-year. These emissions, related to electricity use which powers our networks and infrastructure, remains our largest overall source of emissions related to our direct operations, at 69% of our total scope 1 and 2 emissions. These emissions are influenced by several factors, including the national grid emissions factor, which decreased in the past year to 0.06202kg/kWh, from 0.10759 kg/kWh, a 42.4% decrease. This follows the winter energy crisis experienced in FY25, when reduced hydroelectric generation drove increased reliance on coal-fired generation to meet demand. In FY26, hydro generation recovered, reducing the need for coal and gas generation and easing pressure on the grid emissions factor. This meant the market-based emissions factor we use to report our scope 2 emissions reduced 41.8%. Our renewable energy partnership with Genesis also allowed us to decouple some of our market-based scope 2 emissions reporting from the residual grid emissions factor.

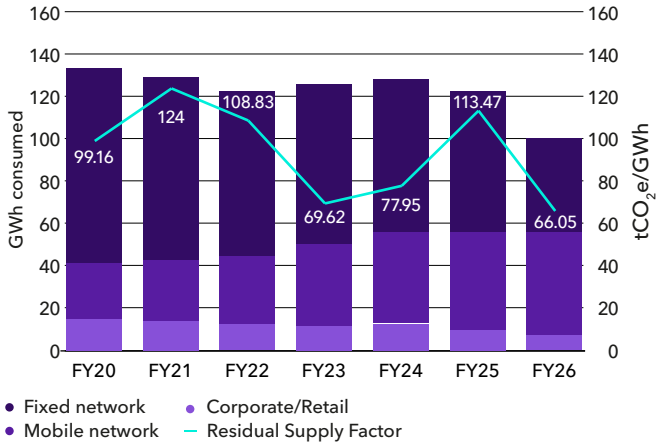
Scope 1 emissions: Fugitive emissions

Fugitive emissions increased 215 tCO_2e (+45%) year-on-year in FY26. This increase was primarily driven by a higher volume of reactive maintenance jobs logged against HVAC infrastructure across the site portfolio.

Scope 1 emissions: Our fleet

Fleet fuel emissions decreased 255 tCO_2e (-20%) year-on-year in FY26. While Entelar (a Spark subsidiary) remains the largest fuel consumer within the portfolio, its fuel emissions reduced this year. Our baseline for fleet emissions has not been restated to reflect the sale of the data centre business, as historical consumption cannot be reliably disaggregated from it, however, the impact of this has been assessed as immaterial.

Scope 2 emissions: Electricity consumption



Scope 2: Our electricity consumption performance

In the past year we have seen a decrease in electricity consumption linked to our scope 2 emissions. Our electricity consumption is down 18% from 122.4 GWh to 100.22 GWh. This decrease is largely due to the acceleration of our long-standing programme of network simplification, including the decommissioning of legacy equipment, such as the Public Switched Telephone Network (PSTN), which has driven year-on-year reductions in electricity use across our fixed network. These savings offset growth in other areas, such as our mobile network, which is increasing its energy use as we expand coverage of our 5G network.

We reported a 66% decrease in market-based scope 2 and a 53% reduction in location-based scope 2 emissions in FY26. This reduction was driven by a significant decrease in the relevant grid emissions factors, which were down from 0.11347 kg/kWh to 0.06605 kg/kWh and 0.10759 kg/kWh to 0.06202, a 41.8% and 42.4% reduction, respectively. The emissions intensity of the electricity we use is dependent on New Zealand's generation mix in any given period, specifically, the extent to which the grid draws on renewable sources such as hydro, geothermal, and wind, versus fossil fuels such as coal and gas. Following the reduced hydro generation experienced during the previous year's winter energy

crisis, New Zealand's generation mix moved back towards renewables in FY26 as hydro output recovered, easing reliance on coal and gas.

Our strategy prioritises reducing energy consumption at the source, through network efficiency, infrastructure modernisation, and site-level energy reduction initiatives, as the most durable way to decouple our business growth from emissions growth. We complement this efficiency-first approach through our partnership with our energy partner, using our electricity procurement to support the development of new renewable energy generation in New Zealand.

Renewable energy partnership

Spark began its renewable energy partnership with Genesis Energy in FY25. The Lauriston solar farm started supplying the grid in early 2025, and Spark's energy use is now partly matched with new renewables through Renewable Energy Certificates.

The partnership demonstrates how New Zealand businesses can work together to support New Zealand's decarbonisation – with Spark's procurement supporting Genesis's renewable energy investments, and those investments in turn enabling Spark to meet its emissions reduction target.

This was the first reporting period Lauriston was generating for the entire 12 months. Spark retired the equivalent of 2,270 tCO_2e of RECs against its market-based scope 2 electricity emissions.

Scope 3 emissions

For FY26 Spark has not reported a fixed historical base year for its scope 3 inventory. Each year's scope 3 emissions are reported based on the methods and data available at that time, with no restatement of past periods as methodologies improve. This approach reflects ongoing enhancements in measurement, supplier classification, emission factors, and data quality, and aligns with our supplier engagement target, which is evaluated annually based on the current supplier base and spend. We intend to establish an absolute scope 3 emissions reduction target in FY27, at which point a fixed base year will also be determined.

Prior-year scope 3 figures are therefore presented as originally reported, under the methodology and data sources applicable at the time. As methodology continues to evolve, year-on-year movements in scope 3 emissions may reflect measurement improvements as well as changes in underlying emissions performance, and direct comparability between periods is therefore limited.

The majority of our scope 3 emissions relate to category 1 (purchased goods and services), which made up 79% of total scope 3 emissions in FY26. We calculate these emissions by analysing our spend across different categories and applying spend-based emissions factors. These factors reflect the emissions intensity of different industries, with higher factors applied to more emissions-intensive spend, such as construction, and lower factors applied to less emissions-intensive spend, such as software.

Reported Scope 3 emissions for FY26 totalled 144,726 tCO_2e, a decrease from the previously reported 212,909 tCO_2e in FY25. This reduction, following the earlier described methodology, results from the impact of operational and boundary changes made during the year. Changes that influenced our scope 3 inventory included the sale of the data centre business on 30 January 2026, a significant reduction in the residual grid emission factor of 42.2% compared to FY25, and reduced headcount. The largest category decrease was seen in purchased goods and services, which fell by 60,127 tCO_2e (a 35% drop), mainly due to reduced spending and less activity among suppliers with high emissions compared to FY25.

We also saw movements across other scope 3 categories. Emissions from upstream leased assets rose by 56%, while those from downstream leased assets fell by 83%, following the sale of the data centre business and the retirement of renewable energy certificates against a full year of our data centre customer's electricity consumption. Commuting related emissions declined due to a reduced workforce and a 3% shift towards more sustainable commuting

options among our team members. Business travel emissions saw a slight uptick, with a 3% increase in international travel linked to our partnership arrangements, partially offset by decreased domestic and Trans-Tasman flights. Emissions associated with use-of-sold products also declined by 59% due to a lower grid emissions factor combined with a smaller number of products sold in FY26.

Ongoing improvements in scope 3 data collection

We are continually refining how we collect emissions data across various scope 3 categories. Many of these categories are complex and require elements of lifecycle analysis (LCA), such as assessing upstream manufacturing emissions, emissions during product use, and downstream emissions from products at end-of-life. In FY26, we partnered with Resilio Solutions, a lifecycle assessment platform, to enhance our analysis of product lifecycle emissions and raise the quality of available data for selected scope 3 categories.

Our initial analysis using this LCA-driven approach for annual category 11 (use of sold products) and category 12 (end-of-life treatment of sold products) emissions revealed substantial reductions in calculated emissions compared to our previous methodology, which relied on desktop research and estimation. Given the complexity of the data, and the challenges in assuring product lifecycle emissions data, we have not included these figures in our FY26 GHG Inventory Report and have instead used FY25 data as a proxy to determine average kWh consumption per item sold, and applied this to the volume of electricity-consuming products sold in FY26 to calculate category 11 emissions. We plan to incorporate this improved LCA-based data into our GHG inventory in future reporting periods.

Performance against our scope 3 supplier engagement target.

The close of FY26 marks the end point of our scope 3 spend-based target that 70% of our suppliers by spend covering purchased goods and services and capital goods will have SBTi-aligned targets in place by the end of 2026. Since establishing the target as part of our SBTi commitment, we have seen a steady increase in the percentage of our spend against suppliers (in scope 3 categories 1 and 2) with SBTi-aligned targets in place. In 2021 approximately 25% of our spend was against SBTi-aligned suppliers. For FY26 this has increased to 71%, achieving our target.

Of this 71%, the majority (63%) of spend is with suppliers with SBTi-validated targets, the gold standard for climate commitments. A further 8% is with suppliers with SBTi-aligned targets. These targets have not been validated through the SBTi, but we consider they match science-based criteria to align targets with international efforts to limit warming (i.e. against a 1.5°C pathway), focus on emissions reductions within the organisations and their value chains (i.e. they are not reliant on the purchase of carbon credits) and they include scope 3 emissions where these are material and relevant to the organisation.

Outside the organisations counted within our 71% we have a number of other suppliers taking meaningful climate action that doesn't fit science-based criteria. This includes suppliers that have adopted credible emissions reduction approaches, including energy reduction and renewable energy targets, and net zero targets that rely on emissions offsetting. Other organisations include suppliers where we already capture a significant proportion of related emissions in our own emissions reporting and SBTi-verified targets, such as our tower infrastructure partners, where the operational emissions from electricity use is captured within Spark's scope 2 reporting for mobile network.

Across our supply chain our membership of the global industry group, the Joint Alliance for CSR (JAC) initiative, has provided a platform to engage suppliers alongside other telecommunications companies with similar SBTi-verified supplier engagement targets. For more information on our approach to engaging suppliers on sustainability and ESG matters, refer to our **Modern Slavery and Human Rights Statement**.

Appendices

Appendix 1: Greenhouse Gas (GHG) Inventory Report FY26

About this report

This Appendix is the FY26 Greenhouse Gas Inventory Report for Spark New Zealand Limited ('Spark' and together with its subsidiaries, the 'Spark Group'). This Report covers the emissions for FY26 (the period of 1 July 2025 to 30 June 2026) and provides information about our baseline year (FY20 for scope 1 and 2) and comparative years (FY21–FY25). It has been prepared in accordance with The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) ('the GHG Protocol') and Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Standard (2011) ('the Corporate Value Chain').

This report is dated 20 August 2026 and is signed on behalf of the Board of Spark New Zealand Limited by Justine Smyth, Chair

Justine Smyth, CNZM
Chair

Spark New Zealand Limited (NZX: SPK, ASX: SPK)

Our baseline year for reporting

FY20 remains our baseline year for reporting scope 1 and 2 emissions and forms the foundation of our Science Based Targets initiative (SBTi)-validated commitment to reduce these emissions by 56% by FY30.

In FY26, we made a structural change that impacted the boundaries and data quality of our emissions inventory:

- **Sale of data centre operations**. In January 2026, Spark sold operational control of its data centres to TenPeaks, retaining a 25% equity stake, triggering a restatement of our FY20 baseline.

Restatement and rebaseline triggers

Spark maintains a robust and transparent framework for reporting greenhouse gas emissions, consistent with the GHG Protocol Corporate Standard and Science Based Targets initiative (SBTi) requirements.

We distinguish between two related actions:

- Restatement – the recalculation of previously reported Scope 1, 2 and/ or 3 emission figures for one or more historical reporting years, to reflect a change in organisational boundary, underlying data, or calculation methodology.
- Rebaseline – the recalculation of the base year emissions figures used to track progress against Spark's SBTi approved emissions reduction target, ensuring that target progress remains measured on a consistent, like-for-like basis over time.

A restatement and/or rebaseline is triggered where one or more of the following occur, individually or cumulatively, and result in a change to reported emissions of 5% or more relative to base year emissions:

- Structural or operational changes (e.g. acquisitions, divestments, insourcing or outsourcing) impact emissions by 5% or more. (In FY26 Spark's data centre sale exceeded this).
- There are significant improvements in data availability, emissions factors, or calculation methodologies.
- Material errors are identified in previously reported data, whether identified individually or in aggregate.

Where a trigger is met, affected historical reporting years are restated, and where the base year itself is affected, Spark's SBTi base year is correspondingly rebaselined. Changes that fall below the 5% threshold are monitored but do not trigger restatement.

In FY26, we did not restate our scope 3 emissions. All scope 3 emissions are reported as they occurred during the year. Please see the 'Scope 3 approach to restatement and rebaseline' section below for more information.

Sale of data centre operations

Impact of sale of data centre operations on scope 1 and 2 inventory

Under GHG protocol emission accounting rules, when a company divests operational control of a significant asset, it is required to go back and restate its emissions history and review its baseline to reflect the new boundary. The sale of our data centre operations has materially impacted our baseline emissions, triggering a rebaseline and restatement of our historical scope 1 and 2 figures.

Fuel use (diesel generator stationary fuel combustion), refrigerant leaks, and electricity consumption associated with data centres were previously under Spark's operational control. Following the sale, those emissions no longer sit within our operational boundary. The historical record for FY20 through FY25 has been adjusted accordingly, removing emissions attributed to data centre operations from every reported year. In a small number of sites where Spark and TenPeaks share space (co-location exchange sites), fuel use and refrigerant leaks have been retained in Spark's inventory, as Spark maintains operational control of those assets. This report reflects this new operational boundary.

The restatement reduces Spark's FY20 base year emissions from 18,341 tCO_2e to 15,574 tCO_2e, a reduction of 2,767 tCO_2e (15%), reflecting the removal of **scope 1 and 2 emissions** associated with the transferred data centre operations. This is not presented as a real-world reduction in emissions; rather, it is a boundary adjustment reflecting that those emissions now sit with TenPeaks rather than Spark.

Impact of sale of data centre operations on scope 1 and 2 target

Spark's science-based target, validated by the Science Based Targets initiative (SBTi), commits us to reducing Scope 1 and 2 emissions by 56% by FY30, from an FY20 base year. That percentage commitment is unchanged.

Following the sale of our data centre operations to TenPeaks on 30 January 2026, we have restated our FY20 base year to reflect our current organisational boundary, as SBTi and GHG Protocol requirements direct. The restated base year is 15,574 tCO_2e (previously 18,341 tCO_2e), which means the FY30 target becomes 6,853 tCO_2e (previously 8,070 tCO_2e).

The lower target reflects the smaller boundary, not reduced ambition. We remain committed to the 56% reduction across the operations we control against the restated baseline. We have assessed the change against SBTi's criteria and confirmed the restated target continues to meet the initiative's minimum ambition requirements, with no revalidation required.

Scope 3 approach to restatement and rebaseline

In contrast to Spark's treatment of Scope 1 and Scope 2 emissions, which have been restated to reflect the sale of our data centre operations to TenPeaks, Spark has not recalculated and restated the base-year emissions and comparative figures for Scope 3. This is due to limitations in the availability of historical data required to accurately calculate the emissions associated with the divested operation. Spark's FY26 Scope 3 emissions have been calculated using the best available data and methodologies available. Spark therefore plans to use FY26 as the new base year for Scope 3 emissions going forward.

Prior-year Scope 3 emissions continue to be presented as originally reported and have not been restated to reflect these methodological refinements or organisational changes. As a result, the year-on-year movement in Scope 3 emissions between FY25 and FY26 reflects both changes in underlying emissions performance and improvements in data quality, measurement approaches, and methodologies. Further information on these changes is provided on page 43.

Renewable Energy Use and Certificate Retirement

Spark's renewable energy partnership with Genesis Energy commenced in January 2025. Through the partnership, a proportion of Spark's energy consumption is matched via Renewable Energy Certificates (RECs) with new renewable energy generated by the Lauriston solar farm. FY26 is the first full financial year of generation at the site.

Generation months were matched to the reporting period (July 2025 – June 2026). Each REC certifies that one megawatt-hour (MWh) of electricity was generated from a renewable source and fed into the New Zealand grid. To avoid double counting of renewable energy attributes, RECs are cancelled against energy users' site ICPs (Installation Control Points), which are the points at which sites connect to the grid.

During the reporting year, Spark retired 71,774 MWh of RECs against FY26 consumption. These were matched against data centre sites (up to 1 February 2026) and Fixed Network ICP consumption, prioritising 100% coverage of sites with data centre utilisation. As emissions are reported on a continuing-operations basis, RECs matched against data centre consumption are excluded from the reported figures, together with that consumption. At sites where an ICP serves both data centre and other Spark consumption, certificates are apportioned on the same basis as the underlying electricity consumption, with the data centre share excluded and the remainder retained.

Certificates are applied first to the electricity Spark oncharges to customers at relevant ICPs, and then to Spark's own electricity consumption at those sites. Certificates are only ever applied against consumption at the connection points they were cancelled for, and only up to the amount of electricity consumed there. Spark does not apply renewable attributes to consumption RECs were not matched against.

Where certificates did not fully cover fixed network electricity consumption for the period, the remainder is reported by applying the residual grid emissions factor.

Treatment of on-charged electricity – Scope 3

Some electricity used in our fixed network is on-charged to customers based on estimated kWh consumption. This is energy associated with powering customer-owned equipment that is hosted at Spark-operated sites. This estimated electricity consumption is used to report our emissions against Scope 3 Category 13 – downstream leased assets. We provide detail on this reporting methodology, including assumptions, estimations, and levels of uncertainty on page 55.

By retiring the RECs associated with the specific sites that host customer equipment, we can ensure that the energy consumed by customer-owned assets at these locations is accurately attributed to renewable energy sources for reporting purposes.

Greenhouse gas emissions inventory

Scope 1 and 2 emissions

Scope / category	Greenhouse gas emissions (tCO_2e) FY20 (SBTI baseline year)	FY21	FY22	FY23	FY24	FY25	FY26
Scope 1	**2,378**	**2,644**	**2,090**	**2,409**	**4,438**	**2,139**	**1,973**
Fugitive emissions	485	520	441	466	2,375	478	693
Mobile combustion – vehicle fleet	1,483	1,678	1,337	1,659	1,768	1,304	1,049
Stationary combustion – diesel generators	395	431	304	270	285	349	231
Natural gas combustion	15	15	8	14	10	8	<1
Scope 2 (Market based)	**13,196**	**16,086**	**13,579**	**8,761**	**9,983**	**12,726**	**4,352**
Corporate/Retail	1,450	1,722	1,361	799	989	1,106	464
Mobile network	2,589	3,535	3,546	2,687	3,350	5,325	3,211
Fixed network	9,157	10,829	8,672	5,275	5,644	6,295	677
Scope 2 (Location based)*	13,176	15,950	13,267	8,589	9,703	13,148	6,217
Total Scope 1 and 2 (Market based)	**15,574**	**18,730**	**15,669**	**11,171**	**14,420**	**14,865**	**6,325**
Total Scope 1 and 2 (Location based)	**15,554**	**18,594**	**15,357**	**10,998**	**14,141**	**15,287**	**8,190**

Notes:

See page 47 for more information on methodologies and emission factors used to calculate and measure emissions and specific exclusions of sources.

We split our scope 2 market-based electricity reporting across three activity categories - Corporate/Retail, Mobile Network, and Fixed Network. These operational categories align with the ICT sector pathways developed with the International Telecommunications Union (ITU) in its guidance for setting a science-based emissions reduction target. Our market-based scope 2 emissions have fallen in FY26, including because of updated emissions factors and the retirement of RECs against fixed network scope 2 emissions (see page 35 for further explanation).

All figures are presented on a restated basis excluding the data centre operations transferred to TenPeaks. Renewable Energy Certificates were retired on an ICP-attributed basis, certificates attributed to the transferred sites are excluded together with the associated electricity consumption, while certificates attributed to retained sites remain applied as originally retired, with no reallocation between sites. See page 41 for more information.

Numbers may not sum due to rounding.

Scope 3 emissions

GHG Protocol Category	GHG emissions (tCO_2e) FY2024	FY2025	FY2026 (Baseline year)
Category 1: Purchased goods and services	358,987	174,214	114,087
Category 2: Capital goods	401	3,099	4,536
Category 3: Fuel-and energy-related activities	1,489	2,461	5,558
Category 4: Upstream transport and distribution	17,128	3,174	1,601
Category 5: Waste generated in operation	822	833	353
Category 6: Business travel	2,089	1,838	1,888
Category 7: Employee commuting	3,565	3,968	3,029
Category 8: Upstream leased assets	567	870	1,356
Category 9: Downstream transport and distribution	1,302	1,628	4,019
Category 11: Use of sold products	9,699	16,836	6,977
Category 12: End of life processing	N/A	585	4
Category 13: Downstream leased assets	1,176	2,760	472
Category 14: Franchises	338	370	297
Category 15: Investments	158	272	549
Total Scope 3 emissions (tCO_2e)	**397,721**	**212,909**	**144,726**

Notes:

Please see page 47 for information on methodologies and emission factors used to calculate and measure emissions and specific exclusions of sources.

Category 13 (Downstream Leased Assets): Reported emissions for FY25 and FY26 include emission reductions from the retirement of renewable energy certificates. See page 41 for more information.

Scope 3 emissions have not been restated to reflect the FY26 data centre sale to TenPeaks. See page 40 for more information.

Year-on-year movements in scope 3 emissions may reflect measurement and methodology improvements as well as changes in underlying emissions performance. Direct comparability between periods is limited. See page 49 and 55 for more information.

Category 8 (Upstream leased assets): FY26 includes, for the first time, emissions from data centre space leased by Spark, following the FY26 divestment of Spark's data centre assets to TenPeaks.

Category 15 (Investments): FY26 includes, for the first time, emissions from Spark's 25% equity share in TenPeaks, calculated using the equity share approach.

Numbers may not sum due to rounding.

Greenhouse gas emissions by gas type

Scope / category	Greenhouse gas emissions (tCO_2e)	CO_2	CH_4	N_2O	HFC
Scope 1	**1973**	**1254**	**6**	**20**	**693**
Fugitive emissions	693	0	0	0	693
Mobile combustion – fleet fuel	1,049	1,024	5	20	0
Stationary combustion – diesel	231	230	1	<1	0
Natural gas combustion	<1	<1	0	0	0
Scope 2 (Market-based)	**4,352**	**4,211**	**133**	**7**	**0**
Corporate/Retail (Market-based)	464	449	14	1	0
Fixed Network (Market-based)	677	655	21	1	0
Mobile Network (Market-based)	3,211	3,107	98	5	0
Scope 2 (Location-based)	**6,217**	**6,016**	**190**	**10**	**0**

Notes:

Spark does not have emissions of SF_6, NF_3, or perfluorocarbons (PFCs). Scope 3 emissions are not broken down by individual gas type due to incomplete data. Totals may not add exactly due to rounding.

For Scope 2 market-based emissions, we apply the gas-by-gas breakdown from the Ministry's Scope 2 emissions factor proportionally to the residual mix emissions factor published by BraveTrace, to estimate the individual gas contributions.

Numbers may not sum due to rounding.

Scope 1 and scope 2 energy usage by type

	FY20	FY21	FY22	FY23	FY24	FY25	FY26
Fugitive emissions	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Vehicle fleet – premium petrol (litres)	60,079	60,387	24,624	26,235	29,258	16,414	1,643
Vehicle fleet – regular petrol (litres)	225,672	212,408	183,263	307,267	272,302	188,109	135,496
Vehicle fleet – diesel (litres)	197,756	245,046	240,181	309,282	392,537	304,286	271,400
Stationary combustion – Diesel generators (litres)	148,529	161,875	113,971	100,676	106,245	130,186	86,326
Natural gas combustion (kWh)	78,927	75,731	43,460	70,564	52,934	41,217	948
Corporate / Retail (GWh)	14.67	13.83	12.28	11.48	12.69	9.75	7.02
Mobile Network (GWh)	26.18	28.38	32.02	38.59	42.97	46.13	48.61
Fixed Network (GWh)	92.58	86.95	78.28	75.77	72.41	66.54	44.62

Notes:

Figures prior to FY26 are not included in the Deloitte assurance scope due to restatement from previously-reported data. Numbers may not sum due to rounding.

Organisational Boundary

Our organisational emissions reporting boundary takes an operational control approach as defined by the GHG Protocol and includes Spark and its subsidiaries.

Spark New Zealand Limited is the parent entity of the Spark Group. Spark is publicly listed, and our issued shares are quoted on the New Zealand Stock Exchange (NZX) and Australian Securities Exchange (ASX). As at 30 June 2026 the Spark Group comprised 25 controlled entities.

More information on significant subsidiaries and controlled entities in the Spark Group as at 30 June 2026 (including ownership percentages and principal activity information) is available on pages 61, 95 and 120 of the Spark **FY26 Annual Report**.

Spark subsidiary inclusions

Subsidiary company	Principal activity	Emissions reporting inclusions / exclusions
Adroit Holdings Limited	Environmental IoT solutions	Included in Spark corporate reporting
Adroit IoT Limited	Environmental IoT solutions	Included in Spark corporate reporting
Adroit Research Limited	Environmental IoT solutions	Included in Spark corporate reporting
Entelar Group Limited	Telecommunications and IT infrastructure build, and maintenance services, and distribution and supply chain services	Scope 1: fleet, scope 2: corporate/retail, scope 3 categories 1-9, 11, 12
Gen-I Australia Pty Limited (Australia)	Provides international wholesale and outsourced telecommunications services	Excluded as no operational emissions
MATTR Limited (NZ)	Software company focused on decentralised identity and verifiable data	Scope 1: natural gas, scope 2: corporate retail, scope 3: category 3, 6, 7
MATTR Trading US, Inc	Software company focused on decentralised identity and verifiable data	Scope 3 category 1, category 2. No operational emissions outside spend
MATTR Trading Australia Pty Limited	Software company focused on decentralised identity and verifiable data	Scope 3 category 1. No operational emissions outside spend
Qrious Limited (NZ)	Data analytics business	Included in Spark corporate reporting
Revera Limited (NZ)	IT infrastructure and data centre provider	Electricity, business travel, fleet, refrigerants, purchased goods and services, capital goods, fuel-and-energy related activities, employee commuting, use of sold products, downstream leased assets
Spark Finance Limited (NZ)	Group finance company	Excluded as no operational emissions
Spark New Zealand Cables Limited (NZ)	Investment company	Included in Fixed Network Electricity (Scope 2)
Spark New Zealand Trading Limited (NZ)	Telecommunication and digital services company	Included in Spark corporate reporting

Subsidiary company	Principal activity	Emissions reporting inclusions / exclusions
Spark Trustee Limited (NZ)	Corporate trustee entity	Excluded as no operational emissions
TCNZ Australia Investments Pty Limited	Australian operations	Excluded as no significant operational emissions
TCNZ (Bermuda) Limited	Holding company	Excluded as no operational emissions
TCNZ Financial Services Limited	Investment company	Excluded as no operational emissions
TCNZ (United Kingdom) Securities Limited	Holding / investment company	Excluded as no operational emissions
Teleco Insurance Limited	Group insurance company	Excluded as no operational emissions
Teleco Insurance (NZ) Limited	Mobile phone insurance	Excluded as no operational emissions
Telecom Capacity Limited (NZ)	Holding company	Excluded as no operational emissions
Telecom Enterprises Ltd	Investment company	Excluded as no operational emissions
Telecom New Zealand USA Limited (USA)	Provides international wholesale telecommunications services	Excluded as no significant emissions
Telecom Pacific Limited	Holding company	Excluded as no operational emissions
Telecom Southern Cross Limited (NZ)	Holding company	Excluded as no operational emissions
Telecom Wellington Investments Limited	Investment company	Excluded as no operational emissions

Computer Concepts Limited and Revera Limited were amalgamated into Spark New Zealand Trading Limited on 1 June 2026.

Investments in associates and joint ventures (at 30 June 2026)

Name	Type	Country	Ownership/ investment	Principal activity	Inclusion/exclusion
Flok Limited	Associate	New Zealand	37.7%	Hardware and software development	Excluded – no operational emissions
Hourua Limited	Joint Venture	New Zealand	50%	Delivering the Public Safety Network	Captured in Scope 1 and 2
Pacific Carriage Holdings Limited, Inc.	Associate	United States	41%	A holding company	Excluded – no operational emissions
Rural Connectivity Group Limited	Joint Venture	New Zealand	33%	Rural broadband	Captured in Category 15 – Investments
Southern Cross Cables Holdings Limited	Associate	Bermuda	41%	A holding company	Excluded – no operational emissions
TenPeaks Holding Company	Associate	New Zealand	25%	Data centre infrastructure	Captured in Category 15 – Investments
TNAS Limited	Joint Venture	New Zealand	50%	Telecommunications development	Excluded – no operational emissions

Operational Boundary

In line with the GHG Protocol, Spark New Zealand categorises its GHG emissions into three distinct scopes:

Scope 1 – Direct emissions. These emissions arise from sources Spark owns or controls. These include fuel consumption from our fleet, refrigerant leakages, natural gas consumption and diesel top-ups for our generators.

Scope 2 – Indirect emissions from purchased electricity. This scope covers electricity consumption at Spark operated sites.

Scope 3 – Other indirect emissions. Scope 3 encompasses a broad range of emissions throughout Spark's value chain, both upstream and downstream. Based on the GHG Protocol's Value Chain Standard, Scope 3 includes 15 potential categories. We assess which categories are relevant to include in our GHG inventory by considering the nature and scale of emissions across our value chain, the availability and quality of activity data, relevance to stakeholders, our ability to influence emissions, and relevant sector-specific guidance.

Based on these criteria, the following categories are included in our inventory:

- Category 1: Purchased goods and services 78.8%
- Category 2: Capital goods 3.1%
- Category 3: Fuel- and energy- transmission and distribution 3.8%
- Category 4: Upstream transportation and distribution 1.1%
- Category 5: Waste generated in operations 0.2%
- Category 6: Business travel 1.3%
- Category 7: Employee commuting 2.1%
- Category 8: Upstream leased assets 0.9%
- Category 9: Downstream transportation and distribution 2.8%
- Category 11: Use of sold products 4.8%
- Category 12: End of life treatment of sold products <0.01%
- Category 13: Downstream leased assets 0.3%
- Category 14: Franchises 0.2%
- Category 15: Investments 0.4%

GHG emissions source exclusions

Scope 3 Category 10: Processing of sold goods is excluded from our inventory as Spark Group does not sell any unfinished products.

FY26 Emission source inclusions

The majority of emission factors in Spark's greenhouse gas inventory are sourced from the Ministry for the Environment (MfE) and the UK Department for Environment, Food and Rural Affairs (DEFRA), both government-published sources of emission factors, supplemented by non-government-published sources BraveTrace and thinkstep-ANZ where these do not publish factors covering the relevant activity or category. All sources use global warming potential (GWP) values from the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5) to convert individual greenhouse gases into carbon dioxide equivalents (CO_2-e), ensuring methodological consistency regardless of source. BraveTrace and thinkstep-ANZ are established providers of emission factors widely used in New Zealand corporate reporting, and their factors are considered appropriate given this consistency with IPCC AR5 methodology and their use to fill specific gaps not covered by government-published datasets. For electricity specifically, BraveTrace is used in preference to government-published factors as it reflects the specific timeframe being reported on and accounts for renewable energy certificates retired within that period, providing a more accurate reflection on Spark's actual emissions impact.

Each emission source has been assigned a data quality tier reflecting its data and estimation uncertainty, from Tier 1 (metered or invoiced primary data, indicatively ±5%) through Tier 2 (activity data with published national emission factors, ±10%) and Tier 3 (estimated, extrapolated or proxy data or factors, ±15%) to Tier 4 (spend-based or survey-extrapolated data, ±20%). These percentages indicate the estimated range within which actual emissions may reasonably vary from the reported value due to data and methodological uncertainty. Ranges are indicative rather than statistically derived. Sources classified as Tier 1–2 represent 9% of total reported gross emissions; Tier 4 sources, principally spend-based Scope 3 categories, represent 89% and could vary by approximately ±20%, affecting the precision of category-level reporting rather than the overall emissions profile or trend.

Scope / Category	Activity	Calculation method	Activity data source	GWP / Emission factor source	Assumptions / estimations	Level of uncertainty
Scope 1: Fugitive Emissions	Refrigerant leakage	Top-up method	Supplier reports, internal work orders, internal refrigerant asset register	MfE (2026), AR5 Refrigerants and other gases: R410A, R134A, R407F, R22, R32, R404A, R407C, The California Air Resources Board (2025), AR5 – R438A GWP	All Spark Group refrigerant recharges are included. Only captures known leaks, minor leaks may go unreported until recharge is required. We do not include fire extinguisher routine testing in our inventory due to lack of available data.	Moderate uncertainty – Refrigerant recharge data quality is dependent on what is collected and communicated to us by our supplier. To reduce this uncertainty, we cross-check against our internal work order reports. We continue to work with our supplier to strengthen this data source. Data quality tier: 3 (indicatively ±15%).
Scope 1: Stationary Combustion	Generator diesel consumption	Fuel-based method	Supplier invoices	MfE (2026) , AR5 – Stationary combustion fuel: Diesel	All Spark Group generator diesel top-ups are included.	Low uncertainty. Data quality tier: 2 (indicatively ±10%).

Scope / Category	Activity	Calculation method	Activity data source	GWP / Emission factor source	Assumptions / estimations	Level of uncertainty
Scope 1: Natural Gas	Natural gas consumption	Fuel-based method	Supplier invoices	MfE (2026), AR5 – Stationary combustion fuel: Natural gas (kWh)	All Spark Group gas consumption is included.	Low uncertainty. Data quality tier: 2 (indicatively ±10%).
Scope 1: Mobile combustion	Vehicle fleet fuel consumption	Fuel-based method	Supplier reports, internal fleet management reports	MfE (2026) , AR5 – Transport fuels: Regular petrol, Premium petrol, Diesel	All fuel consumed by Spark Group fleet is included. Our inventory does not include personal vehicle use for business.	Low uncertainty. Data quality tier: 2 (indicatively ±10%).
Scope 2: Electricity (Market-Based)	Electricity usage	Market-based method	Supplier invoices	BraveTrace (2025/2026) Residual Supply Factor (Interim) – AR5, applied to consumption not covered by RECs	All electricity used by Spark Group is included, presented on a continuing-operations basis. Renewable Energy Certificates (RECs) from the Lauriston solar farm, retired through Spark's partnership with Genesis Energy, are applied to consumption at the ICPs against which they were cancelled, and only up to the amount of electricity consumed there. The BraveTrace Residual Supply Factor is applied to remaining consumption. RECs matched against data centre consumption are excluded together with that consumption; at ICPs serving both data centre and other Spark consumption, certificates are apportioned on the same basis as the underlying electricity consumption.	Low uncertainty. At ICPs serving both data centre and other Spark consumption, the FY26 consumption split is based on metered data and restated comparative periods use estimated splits. Data quality tier: 2 (indicatively ±10%); restated-period mixed-ICP splits are Tier 3 (indicatively ±15%).
Scope 2: Electricity (Location-Based)	Electricity usage	Location-based method	Supplier invoices	BraveTrace (2025/2026) National Grid Factor (Interim) – AR5	All electricity used by Spark Group is included, presented on a continuing-operations basis excluding the transferred data centre operations.	Low uncertainty. Data quality tier: 2 (indicatively ±10%).

Scope / Category	Activity	Calculation method	Activity data source	GWP / Emission factor source	Assumptions / estimations	Level of uncertainty
Scope 3: Category 1 – Purchased goods and services	Extraction, production, and transportation of goods and services purchased in FY26	Spend-based method	Internal spend transaction reports, call centre electricity consumption report	ThinkStep (2024) EEIO factors, AR5 – 2026 Q1 Inflation applied, Carbon Database Initiative (2026), AR5 (derived from DEFRA 2025 factors) – Philippines national grid factor	Emission factors used may not be the most representative for all types of goods and services purchased due to Supplier-based categorisation. Due to the nature of our billing data and reliance on supplier categorisation, it is not always possible to clearly distinguish between certain Scope 3 categories. As a result, emissions reported under Categories 1, 2, 4, and 9 may include overlapping activities or data from one another. This may affect the precision of category-level reporting, though total emissions remain representative. Expenditure related to individuals, intercompany transactions or general ledger codes not directly associated with the purchase of goods and services was excluded.	High uncertainty due to the emission factors applied and our current inability to categorise spending by specific purchased goods and services, only by supplier industries. We will continue collaborating with our Finance, Data and Procurement teams to improve the completeness, accuracy and robustness of this data. Data quality tier: 4 (indicatively ±20%).
Scope 3: Category 2 – Capital goods	Extraction, production, and transportation of capital goods acquired in FY26	Spend-based method	Internal supplier spend transaction reports	ThinkStep (2024) EEIO factors, AR5 – 2026 Q1 Inflation applied	Emission factors used may not be the most representative for all types of goods and services purchased due to Supplier-based categorisation. Due to the nature of our billing data and reliance on supplier categorisation, it is not always possible to clearly distinguish between certain Scope 3 categories. As a result, emissions reported under Categories 1, 2, 4, and 9 may include overlapping activities or data from one another. This may affect the precision of category-level reporting, though total emissions remain representative. Expenditure related to individuals, intercompany transactions or general ledger codes not directly associated with the purchase of goods and services was excluded.	High uncertainty due to the emission factors applied and our current inability to categorise spending by specific purchased goods and services, only by supplier industries. We will continue collaborating with our Finance, Data and Procurement teams to improve the accuracy and robustness of this data. Data quality tier: 4 (indicatively ±20%).

Scope / Category	Activity	Calculation method	Activity data source	GWP / Emission factor source	Assumptions / estimations	Level of uncertainty
Scope 3: Category 3 – Fuel and energy transport and distribution	Extraction, production, and transportation of fuels and energy purchased in FY26, not already accounted for Scope 1 and 2	Fuel-based method	Supplier reports, internal spend transaction reports	MfE (2026), AR5 – Transmission and Distribution losses: Natural Gas used (kWh) and Electricity used, DEFRA (2026), AR5 – WTT Fuel,ThinkStep (2025) EEIO factors, AR5 – 2026 Q1 Inflation applied	All Spark Group fuel, gas and electricity transmission and distribution included	Low uncertainty. Data quality tier: 2 (indicatively ±10%).
Scope 3: Category 4 – Upstream transportation and distribution	Transportation and distribution of goods to Spark Group	Spend-based method	Internal spend transaction reports	ThinkStep (2024) EEIO factors, AR5 – 2026 Q1 Inflation applied	Emission factors used may not be the most representative for all types of goods and services purchased due to Supplier-based categorisation. Due to the nature of our billing data and reliance on supplier categorisation, it is not always possible to clearly distinguish between certain Scope 3 categories. As a result, emissions reported under Categories 1, 2, 4, and 9 may include overlapping activities or data from one another. This may affect the precision of category-level reporting, though total emissions remain representative. Expenditure related to individuals, intercompany transactions or general ledger codes not directly associated with the purchase of goods and services was excluded.	High uncertainty due to the emission factors applied and our current inability to categorise spending by specific purchased goods and services, only by supplier industries. We will continue collaborating with our Finance, Data and Procurement teams to improve the completeness, accuracy and robustness of this data. Data quality tier: 4 (indicatively ±20%).

Appendix 1: Greenhouse Gas (GHG) Inventory Report FY26 (continued)

Scope / Category	Activity	Calculation method	Activity data source	GWP / Emission factor source	Assumptions / estimations	Level of uncertainty
Scope 3: Category 5 – Waste generated in operations	Landfill disposed of by Spark corporate employees and e-Waste recycled from operations	Average-data method and weight based method	Service provider reports, HR FTE report by location, internal spend transaction reports	MfE (2026), AR5 – Waste-to-landfill with gas recovery – Unknown composition: Office waste, e-Waste processing emission factor source – AR5, ThinkStep (2024) EEIO factors, AR5 – 2026 Q1 Inflation applied, e-Waste supplier climate impact report	Uses an estimate of total waste-to-landfill based on assumed kg per Spark FTE at 50 Albert Street. This assumes waste generation patterns at 50 Albert Street are representative of all Spark employees. To capture any ad-hoc waste collection, spend based methodology has been applied for spend associated with suppliers are categorised as waste collection and disposal services. E-waste processing emissions are excluded.	Moderate – high uncertainty due to using an estimated waste-to-landfill per person derived from a single corporate building. We will continue to work with our internal service provider to get more robust data for collections outside of 50 Albert Street. We do not account for the carbon-positive benefits of e-Waste recycling in this calculation, only the process emissions. Data quality tier: 3 (indicatively ±15%).

Scope / Category	Activity	Calculation method	Activity data source	GWP / Emission factor source	Assumptions / estimations	Level of uncertainty
Scope 3: Category 6 – Business travel	Air travel, hotel stays, travel in rental cars, taxis for business use	Distance-based method and spend-based method is applied	Supplier reports Internal spend transaction reports	MfE (2026), AR5 – Rental car -petrol default, Taxi travel – regular dollars spent, Hotel stays (country applied), Air travel with radiative forces – domestic national average, shorthaul economy class, shorthaul business class, shorthaul average, longhaul economy class, longhaul premium economy class, longhaul business class, longhaul first class. Where country of hotel stay is not in MfE database, we utilise hotelfootprints.org to determine emissions associated with the stay; these emissions are based on AR6 GWP values. ThinkStep (2024) EEIO factors, AR5 – 2026 Q1 Inflation applied	Includes all of Spark Group business travel.	Low – medium uncertainty. Uncertainty increased where spend-based method is required due to lack of specific travel data. Data quality tier: 2 for distance-based components and 4 for spend-based components (indicatively ±10% and ±20% respectively).

Scope / Category	Activity	Calculation method	Activity data source	GWP / Emission factor source	Assumptions / estimations	Level of uncertainty
Scope 3: Category 7 – Employee commuting	Employee commuting	Average-data method	Survey data, HR FTE report by location	MFE (2026), AR5 – Public transport national averages, private car default factors, Motorcycle >600 cc petrol	Includes an estimate of employee commuting emissions for all employees. We did not include part time, contract staff or those who are assigned to work from home. We assumed total annual working hours, accounting for sick and annual leave entitlements. We used HR FTE report by location as at 30 June 2026, providing a point in time snapshot and may not accurately represent the full reporting period.	High uncertainty due to estimates and assumptions made from our survey responses (27% of total FY26 FTE). We will continue to survey our people, aiming to increase response rate year-on-year. Data quality tier: 4 (indicatively ±20%).
Scope 3: Category 8 – Upstream leased assets	Electricity usage at leased sites by Spark assets	Average-data method, activity- data method	Supplier invoices, internal spend transaction reports, TenPeaks DCIM data	BraveTrace (2025/2026) Residual Supply Factor (Interim) – AR5	Includes estimated electricity consumption of leased mobile sites. Due to the diversity of these sites, there may be some overestimation of kWh consumption. For Spark internal data centre workload at external sites, calculation includes Spark's IT load (kWh, sourced from TenPeaks DCIM data) at TenPeaks-operated sites, multiplied by the applicable site Power Usage Effectiveness (actual where available, or an assumed 1.6 where not), then multiplied by the applicable NZ grid emission factor.	Moderate uncertainty – For leased mobile sites, there is moderate uncertainty due to inability to determine the exact size of assets on leased sites. Internal workload data relies on TenPeaks-provided DCIM data, completeness and accuracy depend on TenPeaks' own reporting and controls. Data quality tier: 3 (indicatively ±15%).
Scope 3: Category 9 – Downstream transportation and distribution	Transportation and distribution of goods from Spark Group	Spend-based method	Internal spend transaction reports	ThinkStep (2024) EEIO factors, AR5 – 2026 Q1 Inflation applied	Emission factors used may not be the most representative for all types of goods and services purchased due to Supplier-based categorisation. Due to the nature of our billing data and reliance on supplier categorisation, it is not always possible to clearly distinguish between certain Scope 3 categories. As a result, emissions reported under Categories 1, 2, 4, and 9 may include overlapping activities or data from one another. This may affect the precision of category-level reporting, though total emissions remain representative. Expenditure related to individuals, intercompany transactions or general ledger codes not directly associated with the purchase of goods and services was excluded.	High uncertainty due to the emission factors applied and our current inability to categorise spending by specific purchased goods and services, only by supplier industries. We will continue collaborating with our Finance, Data and Procurement teams to improve the completeness, accuracy and robustness of this data. Data quality tier: 4 (indicatively ±20%).

Scope / Category	Activity	Calculation method	Activity data source	GWP / Emission factor source	Assumptions / estimations	Level of uncertainty
Scope 3: Category 11 – Use of sold products	Emissions associated with use phase of electricity-consuming products sold by Spark	Average-data method	FY25 Internal sold product reports, FY26 Internal sold product reports, Manufacturer product reports	BraveTrace (2025/2026) Residual Supply Factor (Interim) – AR5	For FY26 we used FY25 product level energy consumption data as a proxy, applied to FY26 sales volumes. Using the total estimated use-phase kWh for FY26, we applied the Bravetrace residual supply factor to estimate emissions associated with the use of sold products. Data was available for 11 of 12 months in FY26, the final month was extrapolated from the available trend to estimate full-year coverage.	Data is based on FY25 data as a proxy for FY26 due to complexity in assurance process. This may not fully reflect changes in product mix, energy efficiency and usage patterns between FY25 and FY26. We plan to refine this methodology in future reporting periods. Data quality tier: 4 (indicatively ±20%).
Scope 3: Category 12 – End-of-life treatment of sold products	Emissions associated with the treatment and disposal of electronic products sold by Spark	Average-data method	FY25 Internal sold product reports, FY26 Internal sold product reports, Manufacturer product reports	DEFRA (2026) – Waste Disposal – Electrical Items – WEEE: Small, Open-loop emission factor (AR5), DEFRA (2026) – Waste Disposal – Electrical Items – WEEE: Small, Landfill emission factor (AR5), Global E-Waste Monitor (2024) end of life e-Waste treatment split	For FY26 we used FY25 product level weight data as a proxy, applied to FY26 sales volumes. Using the total estimated mass for FY26 products sold, we applied DEFRA small electronic emission factors to e-Waste treatment split assumptions from the Global E-Waste Monitor 2024. Data was available for 11 of 12 months in FY26, the final month was extrapolated from the available trend to estimate full-year coverage.	Data is based on FY25 data as a proxy for FY26, and end of life treatment assumptions (22% recycling, 78% landfill split) are based on global external reference data rather than Spark-specific tracking of product disposal outcomes. This may not fully reflect actual end-of-life pathways for Spark's specific product range. We plan to refine this methodology in future reporting periods. Data quality tier: 4 (indicatively ±20%).
Scope 3: Category 13 – Downstream leased assets	Electricity on-charged to Spark Group data centre customers	Average-data and activity-data method	Customer on-billing reports, Smart Power report	BraveTrace (2025/2026) Residual Supply Factor (Interim) – AR5	All customer electricity on-charge is captured. For customers with data centre consumption in our exchange sites, kWh is derived from the average input power of their equipment multiplied by hours in the month, or from invoiced cost at an average price per kWh.	Medium – high uncertainty. Because consumption is derived by average input power of their equipment or their invoice, there is a risk of over- or under-estimating individual customer consumption profiles. Data quality tier: 3 (indicatively ±15%).
Scope 3: Category 14 – Franchises	Electricity usage and fuel consumption of Spark Business Hubs	Activity-data method	Supplier reports, Business hub electricity reports	BraveTrace (2025/2026) Residual Supply Factor (Interim) – AR5, MfE (2026), AR5 – Transport fuels: Regular petrol, Premium petrol, Diesel	All Spark Business Hubs are included.	Low uncertainty. Data quality tier: 2 (indicatively ±10%).

Scope / Category	Activity	Calculation method	Activity data source	GWP / Emission factor source	Assumptions / estimations	Level of uncertainty
Scope 3: Category 15 – Investments	Electricity and diesel consumption of Rural Connectivity Group (RCG) Electricity consumption of TenPeaks (without Spark internal workload) Diesel consumption of TenPeaks, Refrigerant top-ups of TenPeaks	Activity-data method	RCG electricity and diesel report, TenPeaks electricity, diesel and refrigerant reporting	BraveTrace (2025/2026) Residual Supply Factor (Interim) – AR5	33% of Rural Connectivity Group's total FY26 electricity and diesel consumption has been included. Investment in Southern Cross cable is captured in our scope 2. Category 15 (TenPeaks component) is calculated as 25% of TenPeaks' total Scope 1 and Scope 2 emissions, excluding (i) Spark internal workload electricity reported under Category 8 and (ii) diesel and refrigerant emissions at co-located exchange sites, which remain within Spark's Scope 1 under Spark's operational control. The completeness of this category relies on the completeness of investee reporting.	Low-moderate uncertainty. The completeness of this category relies on investee reporting. Data quality tier: ±10%

References

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Deloitte.

Independent Limited Assurance Report on Selected Greenhouse Gas ('GHG') Disclosures and the GHG Inventory Report included within the Group Climate Statements (also referred to as 'Climate-related disclosures')

To the Shareholders of Spark New Zealand Limited

Limited assurance conclusion

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 gross GHG emissions, additional required disclosures of gross GHG emissions, and gross GHG emissions methods, assumptions and estimation uncertainty, within the scope of our engagement (as outlined below), included in the Climate-related Disclosures Report FY26 of Spark New Zealand Limited (the '**Company**') and its subsidiaries (the '**Group**') for the year ended 30 June 2026 (the '**Selected GHG Disclosures**'), are not fairly presented and not prepared, in all material respects, in accordance with *Aotearoa New Zealand Climate Standards* ('**NZ CSs**') issued by the External Reporting Board ('**XRB**'); and
- the Greenhouse Gas Inventory Report included as Appendix 1 to the Group Climate Statements for the year ended 30 June 2026 (the '**GHG Inventory Report**'), is not prepared in all material respects, in accordance with the requirements of the *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)* (the '**Applicable Criteria**'). For scope 3 emissions the Applicable Criteria includes the *Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011)*.

Scope of assurance engagement

We have undertaken a limited assurance engagement over the following Selected GHG Disclosures prepared in accordance with NZ CSs, that is required to be the subject of an assurance engagement per section 461ZH of the Financial Markets Conduct Act 2013 ('**FMCA**').

Subject matter: Selected GHG Disclosures	Reference
GHG emissions: gross emission in metric tonnes of Carbon dioxide equivalent ('**CO_2e**') classified as: • Scope 1 • Scope 2 (calculated using the location-based method) • Scope 3	Page 31, Appendix 1 Pages 42 – 43
Additional requirements for the disclosure of gross GHG emissions per paragraph 24 (a) to (d) of Aotearoa New Zealand Climate Standard 1: *Climate-related Disclosures* ('**NZ CS 1**'), being: • The statement describing the GHG emissions have been measured in accordance with the requirements of the Applicable Criteria; • The statement that the GHG emissions consolidation approach used is operational control; • Sources of emission factors and the global warming potential ('**GWP**') rates used or a reference to the GWP source; and • The summary of specific exclusions of sources, including facilities, operations or assets with a justification for their exclusion.	Pages 33, Appendix 1 Pages 39, 45 – 46, 48 – 56

Subject matter: Selected GHG Disclosures	Reference
Disclosures relating to GHG emissions methods, assumptions and estimation uncertainty per paragraphs 52 to 54 of Aotearoa New Zealand Climate Standard 3: *General Requirements for Climate-related Disclosures* ('**NZ CS 3**'): • Description of the methods and assumptions used to calculate or estimate GHG emissions, and the limitations of those methods. • Description of uncertainties relevant to the Group's quantification of its GHG emissions, including the effects of these uncertainties on the GHG emissions disclosures. • Explanation for base year GHG emissions restatements, where applicable.	Pages 35, Appendix 1 Pages 48 – 56

In addition, we have undertaken a limited assurance engagement in relation to the GHG Inventory Report of the Group, comprising the emissions inventory and the explanatory notes set out on in Appendix 1 on pages 39-57 to the Group Climate Statements for the year ended 30 June 2026. The GHG Inventory Report is based on historical information and provides further disclosures about the GHG emissions of the Group for the year ended 30 June 2026 to meet the requirements of the Applicable Criteria, in addition to the minimum disclosure requirements of NZ CSs.

Our limited assurance engagement does not extend to any other information included, or referred to, in the Group Climate Statements on pages 3 to 38 or the Annual Report for the year ended 30 June 2026. We have not performed any procedures with respect to the excluded information and, therefore, no conclusion is expressed on it.

Other matter – comparative information

The comparative information, being the FY24, FY23, FY22, FY21 and FY20 Group's Selected GHG Disclosures on pages 42-44 have not been the subject of an assurance engagement undertaken in accordance with New Zealand Standard on Assurance Engagements 1: *Assurance Engagements over Greenhouse Gas Emissions Disclosures* ('**NZ SAE 1**').

These disclosures are not covered by our assurance conclusion.

Director's responsibilities

Directors are responsible for the preparation and fair presentation of the Selected GHG Disclosures in accordance with NZ CSs, which includes determining and disclosing the appropriate standard or standards used to measure its GHG emissions. In addition, the Directors are responsible for the preparation of the GHG Inventory Report included as Appendix 1 to the Group Climate Statements in accordance with the requirements of the Applicable Criteria. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation of the Selected GHG Disclosures and GHG Inventory Report that are free from material misstatement whether due to fraud or error.

Inherent uncertainty

Non-financial information, such as that included in the Group Climate Statements, is subject to more inherent limitations than financial information, given both its nature and the methods used and assumptions applied in determining, calculating and sampling or estimating such information. Specifically, as discussed in Appendix 1, pages 48 -56 of the Group Climate Statements, 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.

As the procedures performed for this engagement are not performed continuously throughout the relevant period and the procedures performed in respect of the Group's compliance with NZ CSs and/or the requirements of the Applicable Criteria are undertaken on a test basis, our limited assurance engagement cannot be relied on to detect all instances where the Group may not have complied with the NZ CSs or the requirements of the Applicable Criteria. Because of these inherent limitations, it is possible that fraud, error or non-compliance may occur and not be detected.

In addition, we note that a limited assurance engagement is not designed to detect all instances of non-compliance with the NZ CSs or the requirements of the Applicable Criteria, as it generally comprises making enquires, primarily of the responsible party, and applying analytical and other review procedures.

Our responsibilities

Our responsibility is to express an independent limited assurance conclusion on the Selected GHG Disclosures and GHG Inventory Report, based on the procedures we have performed and the evidence we have obtained.

We conducted our limited assurance engagement in accordance with NZ SAE 1 and the International Standard on Assurance Engagements (New Zealand) 3410: *Assurance Engagements on Greenhouse Gas Statements* issued by the XRB ('**ISAE (NZ) 3410**'). These standards require that we plan and perform this engagement to obtain limited assurance about whether the Selected GHG Disclosures and GHG Inventory Report are free from material misstatement.

Our independence and quality management

We have complied with the independence and other ethical requirements of NZ SAE 1, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We have also complied with the following professional and ethical standards:

- 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* which requires us to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements; and
- Professional and Ethical Standard 4: *Engagement Quality Reviews*.

In addition to this engagement, we carried out other engagements including the audit of the annual financial statements, review of the interim financial statements, agreed upon procedures in relation to the sustainability linked loans and assurance services relating to regulatory audit requirements. We also provided non-assurance services including an HR Business Partner training programme, tax advisory services and administrative and other advisory services provided to the Corporate Taxpayers Group, of which the Group is a member.

The Chief Executive has extended family members who are partners at Deloitte and who are not involved in the provision of any services to the Group; this matter has not impacted our independence. Also, the firm, its partners and employees deal with the Group on normal terms within the ordinary course of trading activities of the business of the Company and its subsidiaries. The firm has no other relationship with, or interest in, the Group.

As we are engaged to form an independent conclusion on the Selected GHG Disclosures and GHG Inventory Report prepared by the Group, 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. This involves assessing the suitability in the circumstances of Group's use of NZ CSs and the Applicable Criteria as the basis for the preparation of the Selected GHG Disclosures and the GHG Inventory Report respectively, assessing the risks of material misstatement of the Selected GHG Disclosures and GHG Inventory Report whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Selected GHG Disclosures and the GHG Inventory Report.

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 Selected GHG Disclosures and the GHG Inventory Report, we:

- Obtained, through inquiries, an understanding of the Group's control environment, processes and information systems relevant to the preparation of the Selected GHG Disclosures and GHG Inventory Report. We did not evaluate the design of particular control activities or obtain evidence about their implementation.
- Evaluated whether the Group's methods for developing estimates are appropriate and had been consistently applied. Our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the Group's estimates.
- Undertook site visits as deemed necessary to assess the completeness of the emissions sources, data collection methods, source data and relevant assumptions applicable to the sites.
- Tested, at each site visited, a limited number of items to, or from, supporting records, as appropriate.
- Performed analytical procedures on particular emission categories by comparing the expected GHGs emitted to actual GHGs emitted and made inquiries of management to obtain explanations for any significant differences we identified.
- Considered the presentation and disclosure of the Selected GHG Disclosures and the GHG Inventory Report.

Our report does not cover any forward-looking statements made by the Group, any external references or hyperlinked documents.

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. Accordingly, we do not express a reasonable assurance opinion about whether Selected GHG Disclosures and the GHG Inventory Report are fairly presented and prepared, in all material respects, in accordance with NZ CSs or the requirements of the Applicable Criteria respectively.

Use of our Report

Our limited assurance report ('**our Report**') is intended for users who have a reasonable knowledge of GHG related activities, and who have studied the GHG related information in the Group Climate Statements with reasonable diligence and understand that the Selected GHG Disclosures and the GHG Inventory Report are prepared and assured to appropriate levels of materiality.

Our Report is made solely to the Company's shareholders, as a body. Our limited assurance engagement has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in our 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's shareholders as a body, for our work, for our Report, or for the conclusions we have formed.

Deloitte Limited

Melissa Collier, Partner
for Deloitte Limited

Auckland, New Zealand
20 August 2026

This limited assurance report relates to the Selected GHG Disclosures and the GHG Inventory Report included within the Group Climate Statements for the year ended 30 June 2026 included on the Group's website. The Directors are responsible for the maintenance and integrity of the Group's website. We have not been engaged to report on the integrity of the Group's website. We accept no responsibility for any changes that may have occurred to the Selected GHG Disclosures and the GHG Inventory Report included within the Group Climate Statements since they were initially presented on the website.
The limited assurance report refers only to the Selected GHG Disclosures and the GHG Inventory Report included within the Group Climate Statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these disclosures. If readers of this report are concerned with the inherent risks arising from electronic data communication, they should refer to the copy of the Group Climate Statements lodged with the New Zealand Companies Office and available in the Climate-related Disclosures Register that include the Selected GHG Disclosures and GHG Inventory Report and related limited assurance report dated 20 August 2026 to confirm the information presented on this website.

Appendix 3: Glossary

- **NZ CS1 / CS2 / CS3**: New Zealand Climate Standards 1, 2, and 3 – These are climate-related disclosure standards published by the External Reporting Board (XRB) of New Zealand. They set out the requirements for climate-related disclosures for entities operating in New Zealand, with NZ CS1 covering climate-related disclosures, NZ CS2 outlining the adoption of climate standards, and NZ CS3 addressing general requirements for climate-related financial disclosures.
- **XRB**: External Reporting Board – An independent Crown entity responsible for accounting and auditing standards in New Zealand, including the development of climate and sustainability reporting frameworks.
- **IPCC**: Intergovernmental Panel on Climate Change – The United Nations body responsible for assessing the science related to climate change, providing comprehensive reports on climate science, impacts, and potential response strategies.
- **SSPs**: Shared Socioeconomic Pathways – Scenarios developed to explore how different socioeconomic developments may affect future climate change, used in climate modelling and policy analysis.
- **NIWA**: National Institute of Water and Atmospheric Research – New Zealand's leading environmental science research institute, providing climate, freshwater, and marine research and data. (In 2025 NIWA merged with GNS Science to become Earth Sciences New Zealand.)
- **RCPs**: Representative Concentration Pathways – Greenhouse gas concentration trajectories adopted by the IPCC for climate modelling and research, each representing different climate futures, depending on how much greenhouse gases are emitted in the years to come.
- **CCC**: Climate Change Commission (New Zealand) – An independent Crown entity that provides expert advice and monitoring to the New Zealand Government on climate change action, including emissions reduction and adaptation strategies.
- **NOC**: Network Operations Centre – A central location from which IT professionals monitor, manage, and maintain telecommunications or computer networks, ensuring operational stability and efficiency.
- **GRI**: Global Reporting Initiative – An independent international organisation that provides the world's most widely used standards for sustainability reporting, helping organisations understand and communicate their impacts on issues such as climate change and human rights
- **GHG**: Greenhouse Gas – Gases that trap heat in the atmosphere, including carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), and fluorinated gases, contributing to global warming and climate change.
- **tCO_2e**: Tonne of carbon dioxide equivalent – A standard unit for measuring carbon footprints, representing the amount of CO_2 that would have the same global warming potential (GWP100) as one tonne of another greenhouse gas.
- **kWh**: Kilowatt hour – A measure of electrical energy equivalent to consuming 1,000 watts for one hour.
- **GWh**: Gigawatt hour – A unit of energy equal to one billion (1,000,000,000) watt hours or one million kilowatt hours.
- **Integrated Reporting** – A process that results in periodic integrated reports by an organisation about value creation over time, combining financial and non-financial data, such as environmental, social, and governance (ESG) information.
- **SBTi**: Science Based Targets initiative – A global body that helps organisations set greenhouse gas emissions reduction targets that are in line with the latest climate science and the goals of the Paris Agreement.
- **Scope 1**: Direct greenhouse gas emissions from owned or controlled sources, such as emissions from company vehicles or on-site fuel combustion.
- **Scope 2**: Indirect greenhouse gas emissions from the generation of purchased electricity, steam, heating, and cooling consumed by the reporting company.

- **Scope 3**: Other indirect greenhouse gas emissions that occur in a company's value chain, such as emissions from purchased goods and services, transportation, waste disposal, business travel, and investments.
- **TCF**: Telecommunications Forum – An industry body representing New Zealand's telecommunications sector. The TCF works collaboratively with industry participants to develop standards, codes of practice, and solutions that promote a fair, competitive, and innovative telecommunications environment for consumers and providers across New Zealand.
- **ESG**: Environmental, Social, and Governance – A set of criteria and standards for a company's operations that socially conscious investors use to screen potential investments.
- **SBTi-validated target**: An emission reduction target that has been reviewed and approved by the Science Based Targets initiative as being consistent with climate science and the goals of the Paris Agreement.
- **Paris Agreement**: An international treaty adopted in 2015 within the United Nations Framework Convention on Climate Change (UNFCCC) aiming to limit global warming to well below 2°C, preferably to 1.5°C, compared to pre-industrial levels.
- **JAC**: Joint Alliance for CSR (Corporate Social Responsibility) – A global industry association that brings together telecommunications operators for collaborative supplier engagement on sustainability and CSR topics.

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