

— EST 1947 —

DELEGAT

CLIMATE-RELATED DISCLOSURE 2026



DELEGAT IS BUILDING A LEADING GLOBAL SUPER PREMIUM WINE COMPANY.

AS A LEADER IN THE NEW ZEALAND WINE INDUSTRY, AND AS A
FOUNDING MEMBER OF SUSTAINABLE WINEGROWING (SWNZ) SINCE
2002, THE GROUP TAKES ITS RESPONSIBILITIES TO RESPECT AND
PROTECT THE ENVIRONMENT VERY SERIOUSLY.



CONTENTS

3	1 STATEMENT OF COMPLIANCE
4	2 BUILDING A LEADING GLOBAL SUPER PREMIUM WINE COMPANY
7	3 GOVERNANCE 3.1 Board oversight of climate risks and opportunities 3.2 Board skills and competence 3.3 Management's role in assessing and managing climate-related risks and opportunities 3.4 Monitoring targets
9	4 STRATEGY 4.1 Current business model and strategy 4.2 Approach to scenario analysis 4.3 Climate scenarios
11	5 RISK MANAGEMENT 5.1 Climate risk identification 5.2 Process to assess climate-related risks and opportunities 5.3 Monitoring and review 5.4 Climate-related risks and opportunities 5.5 Transition planning
20	6 METRICS AND TARGETS 6.1 Sustainability metrics and targets 6.2 GHG emissions 6.3 Exposure to climate-related risks and opportunities 6.4 Capital deployment FY26 6.5 Industry based metrics 6.6 Targets and emissions reductions

A MESSAGE FROM THE CHAIR AND THE CHIEF EXECUTIVE OFFICER

We are pleased to present the 2026 Climate-Related Disclosure Report for Delegat Group Limited and its subsidiaries (the “Group” or “Delegat”).

It is our view we have a responsibility to operate the group efficiently and to demonstrate care for the company’s people, customers, suppliers, local communities and the natural ecosystems we depend on. As climate-related risks intensify globally, Delegat recognises the importance of aligning our business with the transition to a low carbon economy.

This is the third year in which we have published climate-related disclosures in alignment with the Aotearoa New Zealand Climate Standards. Following announced changes to the reporting thresholds under the Financial Markets Conduct Act 2013, these disclosures will no longer be mandatory for Delegat if the proposed threshold changes are enacted. The Group has prepared this Climate Statement having regard to the climate-related disclosure regime as it currently applies, and to the Financial Markets Authority’s ‘no-action’ approach pending legislative change. We have elected to continue reporting on a voluntary basis to support informed business and investment decision-making and ensure climate-related risks and opportunities remain embedded in our governance and strategic processes. We remain committed to transparency, accountability, and continuous improvement as we respond to the risks and opportunities associated with climate change.

Our Board maintains active oversight of climate-related risks and opportunities, supported by the Delegat Senior Leadership Team and external experts. We continue to review these risks and opportunities annually, ensuring our strategic decisions are informed by robust climate analysis and aligned with industry best practice.

Delegat’s sustainability framework supports a broad range of initiatives designed to deliver positive environmental, social, and governance outcomes across the business. A central pillar of this framework is our focus on reducing greenhouse gas (GHG) emissions. In 2026, total Scope 1 and Scope 2 emissions were 3,970 tCO₂e, representing an 18% reduction from the 2021 base year. This reduction was achieved while the total company-owned planted vineyard area increased by 26% over the same period.

Within Scope 3 emissions, Delegat continued to advance key emissions reduction initiatives in FY26, including the transition to 100% locally sourced glass supply and ongoing bottle-weight optimisation. As a result, total emissions from glass decreased by 40% in FY26 compared with FY25 and by 69% compared with the FY21 base year. Shipping freight emissions per bottle sold also decreased by 28% compared with FY21. These actions are consistent with our broader commitment to achieving net zero emissions by 2050, in alignment with relevant industry benchmarks.

Jim Delegat
Chair



7 October 2026

Murray Annabell
Chief Executive Officer



7 October 2026

1. STATEMENT OF COMPLIANCE

Reporting entity

This Group Climate-related Disclosure covers the period of 1 July 2025 to 30 June 2026. It complements the 2026 Delegat Annual report which contains information on the Group's financial and business performance and can be found at: www.delegat.com/investor-information.

Basis of preparation

The disclosures in the report have been prepared in alignment with the Aotearoa New Zealand Climate Standards (CS 1, 2 and 3) and are presented on a voluntary basis. The New Zealand Government announced changes in October 2025 to the reporting thresholds for listed issuers by proposed amendment to the Financial Markets Conduct Act 2013. The Financial Markets Authority ("FMA") has indicated a "no-action approach" for affected entities pending legislative change. Consistent with this position, the Group has prepared this Climate Statement having regard to the existing climate-related framework and FMA's guidance. Scope 1 and 2 greenhouse gas emissions disclosed in this report have not been subject to an independent limited assurance.

The Group has applied available adoption provisions under New Zealand CS 2 where appropriate, including:

- Adoption provision 2: anticipated financial impacts of climate-related risks and opportunities, time horizons over which these occur and explanation of why quantitative information is not able to be provided;
- Adoption provision 4: disclosure of Scope 3 greenhouse gas (GHG) emissions;
- Adoption provision 5: comparative information for Scope 3 GHG emissions;
- Adoption provision 8: Scope 3 GHG emissions assurance.

Reasonable care and forward-looking statements

This report contains forward-looking climate-related statements which are subject to risks and uncertainties, many of which are outside of the control of Delegat. They should not be considered a prediction or forecast of performance outcomes.

This report has been prepared with due consideration of the need for a fair presentation using assumptions about the company's current business and future plans, as well as assumptions around the physical environment currently and in the future.

The identified climate related risks and opportunities may not eventuate and if they do, the actual impacts may differ materially from these estimates.

2. BUILDING A LEADING GLOBAL SUPER PREMIUM WINE COMPANY

At Delegat we are building a leading global Super Premium wine company. We consider that addressing the need for activities that are consistent with a transition to a low-emissions, climate resilient future is consistent with this goal. We are conscious of the need to allocate capital to mitigate climate-related risks and take advantage of climate-related opportunities.

Our strategic goal is to build a leading global
Super Premium wine company.

Our strategic plan is underpinned by four pillars:

Vineyards in Three of the World's Great Wine Regions

Scientifically and sustainably-led viticulture management of our own world-class vineyards in Marlborough, Hawke's Bay and the Barossa Valley, underpins the supply and consistency of quality of our renowned Super Premium wines.

Uncompromising Super Premium Quality

Consistent Super Premium wine quality is achieved through our state-of-the-art wineries, regarded as some of the most technologically advanced winemaking operations in the world. Our distinctly regional wine styles are some of the most sought after in the world today.

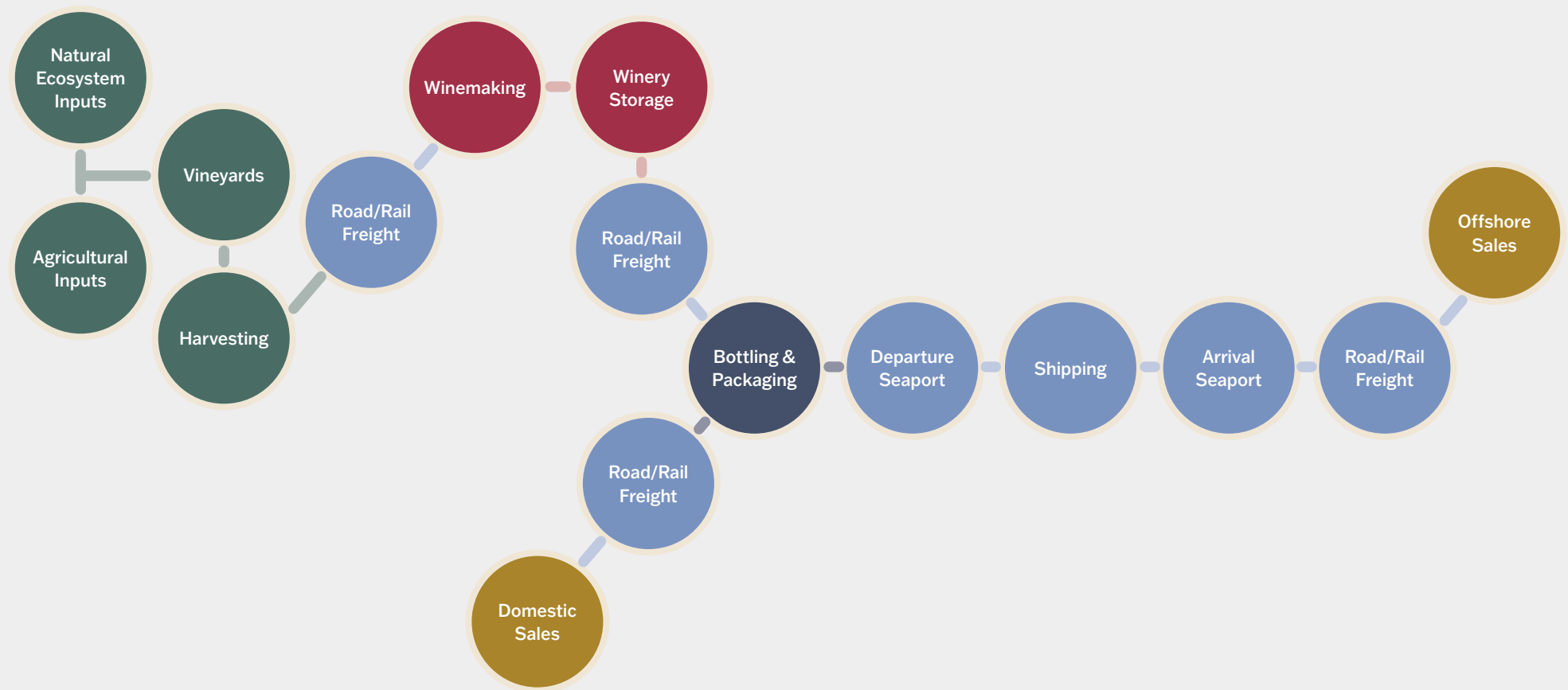
Our Global Distribution Network

With our own dedicated sales teams in the United Kingdom, Ireland, the United States, Canada, Australia, China and New Zealand, we directly partner with some of the world's most recognised wine retailers and venues to lead Super Premium category growth.

Leading Global Super Premium Wine Brands

Our Super Premium brands are regarded as category benchmarks, sought out by aspirational wine lovers looking to experience the leading wines from the world's most recognised wine regions. We are enormously proud that at any given moment a bottle of our wine is being enjoyed somewhere around the world. Oyster Bay was recognised by Drinks International as one of The World's Most Admired Wine Brands 2024.

DELEGAT VALUE CHAIN



There are no exclusions from the value chain

KEY:



GROWING



WINE
PRODUCTION



BOTTLING &
PACKAGING



SHIPPING &
DISTRIBUTION



SALES

OUR SUSTAINABILITY FRAMEWORK

Delegat has a longstanding commitment to sustainability and a history of driving environmental sustainability initiatives across its business. The Group has a Sustainability Strategy that helps drive positive environmental and social outcomes and reduces risk in various parts of the business.

The Delegat Sustainability Framework was developed by the Sustainability and Climate Change Steering Committee (SCCC) who engaged with external sustainability consultancy advisors. The board approved this framework in 2022. It focuses on three key areas:

1. **Building an enduring wine business** (addressing climate risk and greenhouse gas emissions, shareholder value, risk & governance, and water stewardship);
2. **Our people and community thrive** (encompassing health, safety & wellbeing, diversity, inclusion & equity, and engagement, employment, & collaboration); and
3. **Crafting wine with care** (covering biodiversity, waste & packaging, and sustainable growing & production).

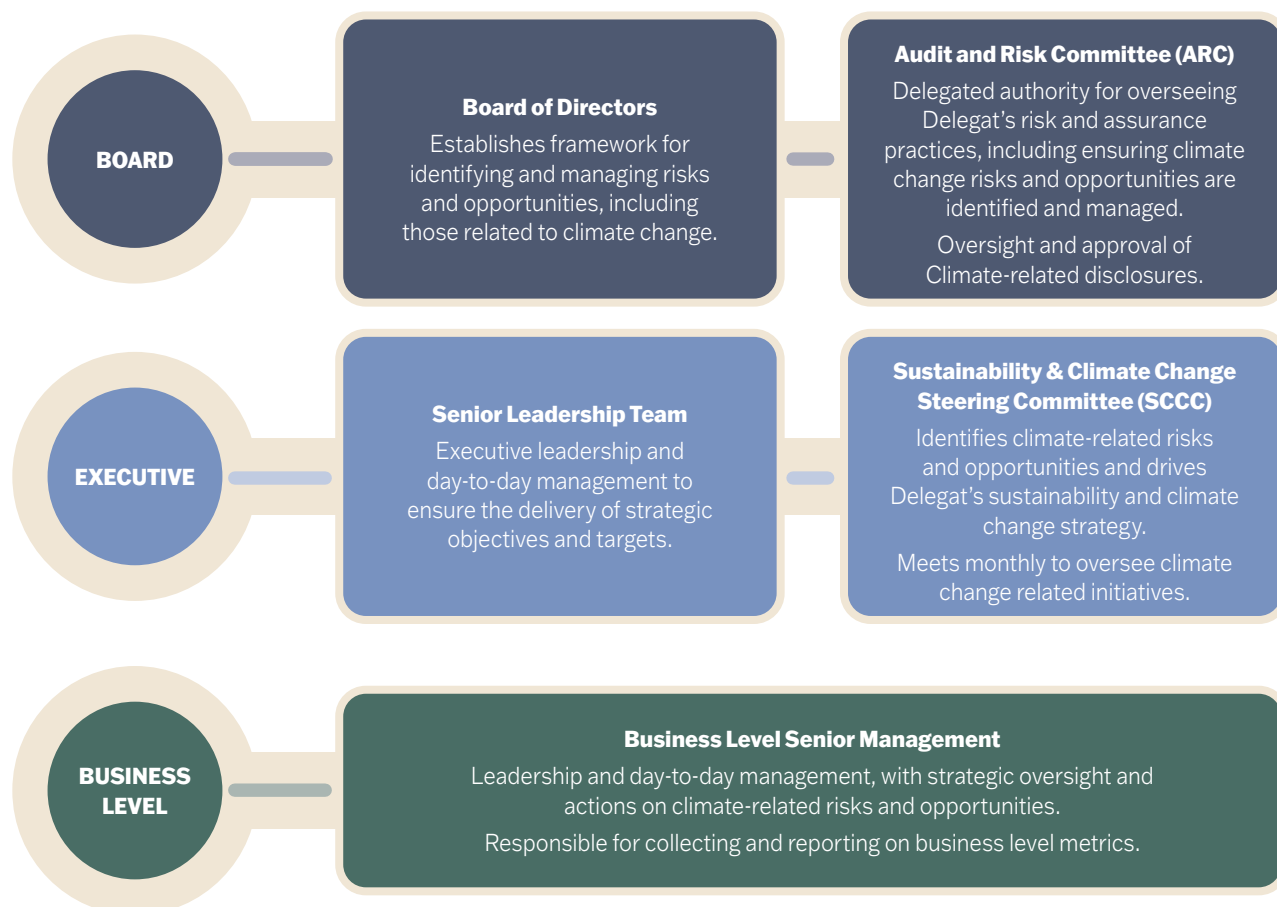
The Delegat values of Winning Together, Aim High, and Mastery are explicitly linked to the Sustainability Framework, anchoring the strategy to a strong, values-based approach that will resonate with the Delegat team internally and establishes a robust, ethical foundation for our external stakeholders. This framework encompasses various initiatives aimed at promoting positive environmental, social, and governance outcomes.



3. GOVERNANCE

This section includes a summary of the Delegat governance and management structures that are in place to manage climate-related risks and opportunities.

GOVERNANCE STRUCTURE



3.1 BOARD OVERSIGHT OF CLIMATE RISKS AND OPPORTUNITIES

The Board of Delegat Group Limited holds the responsibility for the Group's strategic direction and safeguarding and enhancing the interests of Shareholders and other stakeholders. This responsibility encompasses the oversight of risk management, including risks associated with climate change. The Board's mandate includes identifying, assessing, monitoring, and managing climate-related matters. The Board meets formally a minimum of six times during the financial year, with additional sessions scheduled as needed to address specific matters that may arise. At least annually, the Board is informed specifically about climate-related risks and opportunities.

The Audit and Risk Board Sub-Committee (ARC) oversees the framework of internal control mechanisms that secure the proper management of the Group's operations. These controls include designs towards safeguarding of assets, maintaining proper accounting records, complying with legislation, ensuring the reliability of financial information, and assessing and reviewing business operational risks. The committee advises and supports the Board in discharging its responsibility with respect to financial reporting, tax planning, compliance, and risk management practices of the Group. As part of these responsibilities the ARC has oversight of climate-related risks and opportunities. It assists the Board towards identifying, assessing, monitoring, and managing these risks and opportunities. It reviews the Group's climate-related metrics and targets, and annual climate-related disclosures, before recommending them to the Board for approval.

3.2 BOARD SKILLS AND COMPETENCE

The Board endeavours to maintain the necessary skills and capabilities to provide oversight of climate-related risks and opportunities. All Directors are required to be members of the Institute of Directors and to engage in continuous education to remain current on how to best perform their responsibilities, including staying informed of changes and trends in climate-related issues and governance.

To enhance decision-making, the Board also leverages the climate-related expertise of the Delegat Senior Leadership Team and consults independent external consultants as required. Should there be significant changes in climate-related risks or regulations, the Board holds sessions to brief members on new requirements, proposed responses, and the impact on Delegat.

An updated Board Skills Matrix was completed in 2025, which includes sustainability and environmental expertise. This is published in the Delegat Group Limited 2026 Annual Report.

3.3 MANAGEMENT'S ROLE IN ASSESSING AND MANAGING CLIMATE-RELATED RISKS AND OPPORTUNITIES

The board assigns the day-to-day leadership and management of climate-related risks and opportunities to the Senior Leadership Team. The Senior Leadership Team have oversight of the Delegat Sustainability Framework, including climate-related initiatives and targets, and climate-related reporting. Remuneration for the Senior Leadership team is linked to an individual's contribution to the business, incorporating the achievement of targets established under the Group's Sustainability Framework, which includes climate-related initiatives.

Delegat has established a Sustainability and Climate Change Steering Committee (SCCC), chaired by the Sustainability and Technical Support Manager and comprising four members of the Senior Leadership Team, including the Chief Executive Officer, Chief Financial Officer, Group People & Culture Manager, and Group Operations Manager.

The SCCC meets monthly to identify, assess, and manage climate-related risks, opportunities and initiatives. The committee progress the integration of climate change risks and opportunities into business strategy, risk management, financial planning, and capital allocation decisions.

All climate-related targets and metrics are developed by the SCCC and are informed by the Group's identified climate-related risks and opportunities. These targets and metrics are reviewed annually by the ARC, who subsequently recommend them to the Board for approval.

The Senior Leadership Team maintains an enterprise-wide Risk Register, reviewed annually by the ARC, with the outcomes reported to the Board. The Group's climate-related risks and opportunities are incorporated in the Group's Risk Register, and the consideration of these risks and opportunities are a standing agenda item at all Risk Register reviews. During this process, the SCCC seeks to identify and understand any significant changes to the climate change landscape that could introduce new risks or opportunities that may impact on Group's strategy.

The SCCC also advises on, monitors and gives feedback in climate-related disclosure records, and prepares Delegat's annual climate-related disclosures, which are approved by the ARC.

3.4 MONITORING TARGETS

The ARC meets at least four times a year, with additional meetings as required. These meetings include reviewing progress against goals and targets set under the Group's Sustainability Framework twice per year. Additionally, the ARC discusses climate-related issues at meetings as required. During these meetings, updates on sustainability and climate-related initiatives are presented by the SCCC. ARC proceedings are subsequently reported to the Board by the ARC Chair at the next Board meeting.

Annually, the SCCC presents an ESG report to the Board, detailing progress against the Group's Sustainability Framework targets and proposing targets and metrics for the next financial year for Board approval.

4. STRATEGY

4.1 CURRENT BUSINESS MODEL AND STRATEGY

The Delegat strategy is to create long-term value as a leading global Super Premium wine company. Sustainability is a cornerstone for the Group, reflecting its strong leadership role in sustainable winegrowing and production practices. The Delegat Sustainability Framework provides a strategy focusing on long-term sustainability, resilience and sound governance.

4.2 APPROACH TO SCENARIO ANALYSIS

Developed in 2024, the Group employs scenario analysis to identify possible climate-related risks and opportunities that may affect our business over the next 50 years. Delegat continues to use three climate change scenarios that are in line with the Agri-Adaptation Roadmap. In 2023, the New Zealand agricultural sector collaborated to produce an Agri-Adaptation Roadmap to guide the sector's adaptation to climate change. The roadmap uses three climate-related scenarios to describe plausible futures for agriculture in New Zealand when impacted by different physical and transitional factors. The Agri-Adaption Roadmap is the most widely accepted set of scenarios for the agricultural sector in New Zealand and is supported by robust and tested assumptions, and references the Intergovernmental Panel on Climate Change (IPCC) 2018 report on Global Warming of 1.5°C.

These scenarios use both Representative Concentration Pathways and Shared Socioeconomic Pathways. Representative Concentration Pathways (RCPs) detail future emissions of greenhouse gases and related climate impacts and have been formally adopted by the IPCC. Shared Socioeconomic Pathways (SSPs) were developed to study how societal, demographic and economic changes globally might change over the next century and influence various emissions scenarios. SSPs were defined in the IPCC Sixth Assessment Report on climate change in 2021.

The RCP 2.6 and RCP 8.5 scenarios align with those used in Plant and Food Research's June 2022 technical paper, modelling the effect of climate change on land suitability for growing perennial crops. This paper included sections dedicated to the impact of climate change on Sauvignon Blanc grapes in New Zealand. In 2024, members of the SCCC met with Plant and Food scientists involved in preparing the technical paper to facilitate a comparison between Plant and Food's risk assessment methodology and the methodology used by Delegat.

Additionally, the RCP 4.5 and RCP 8.5 scenarios align with the Barossa Water Security Strategy prepared in 2022, addressing the impact of climate change on the Barossa Valley region and sourcing information from Climate Change in Australia, Climate Ready-SA and NARClIM. We also reviewed the RDA Barossa Region Climate Change Adaptation Plan from 2014.

The SCCC conducted Climate Scenario analysis in 2024, evaluating climate-related risks and opportunities against the three identified climate scenarios. The climate scenarios and analysis were reviewed by the ARC and subsequently approved by the Board. In 2025, the Group enhanced its scenario analysis by incorporating updated climate projections from the Ministry for the Environment Aotearoa New Zealand Climate Projections Insights published in September 2024, and the IPCC Sixth Assessment Report. In 2026, scenarios analysis has been further refined using insights from the 2026 National Climate Change Risk Assessment for Aotearoa New Zealand. Scenarios will continue to be reviewed and updated as climate science and industry-specific data evolve.

4.3 CLIMATE SCENARIOS

	Orderly (Net Zero 2050)	Disorderly (Delayed Transition)	Hothouse (Current Policies)
SSP	SSP1	SSP2	SSP5
RCP	RCP2.6	RCP4.5	RCP8.5
Warming Level	1.5°C warming by 2100 ¹	2.0°C warming by 2100 ¹	3.0°C warming by 2100 ¹
Description	This scenario follows an immediate but orderly transition to Net Zero. It assumes decisive and coordinated action intended to keep the global mean temperature to warming within 1.5°C. Both physical and transition risks are relatively subdued. A global net zero emissions economy is achieved by 2050.	This scenario follows a disorderly transition with delayed and uncoordinated global efforts and emissions reductions until 2030. From 2030 aggressive responses are required to keep the global mean temperature to within 2.0°C. Consequently, physical and transition risks are higher.	This scenario follows a business as usual approach where no further policies are introduced to address climate change. The physical impacts of climate change are severe with some irreversible changes. The global mean temperature will rise to more than 3.0°C.
Climate Change Effects on New Zealand grape-growing regions. (Plant and Food Research paper on Climate change impacts on Sauvignon Blanc, Ministry for the Environment Aotearoa New Zealand Climate Projections Insights, 2026 National Climate Change Risk Assessment for Aotearoa New Zealand.)	About half of the North Island is expected to decrease in suitability for growing Sauvignon Blanc grapes, but the remainder of the North Island and the bulk of the South Island is expected to have small to moderate gains in suitability. Some current Sauvignon Blanc vineyards in Gisborne and Hawke's Bay may be negatively impacted, but Marlborough is expected to increase slightly in suitability, as well as Canterbury and Central Otago. Most changes will occur by mid-century.	There are projected to be an increase of 17 hot days (>25°C) per year mid century and 33 days by the end of the century in the Hawke's Bay. Drought exposure projected to increase in the East of the North Island and areas that are currently optimal could become too hot. Marlborough will see smaller increases in daily temperatures and number of hot days. Annual rainfall will stay the same but with an increase in extreme rainfall events. The number of frosts each year will reduce. Increasing irrigation demand and water-deficits by mid-century.	By mid-century the changes are on par with the low GHG concentration pathway, with slightly greater increases in suitability in Canterbury and Central Otago. By the end of the century, most of the North Island is expected to have substantial losses in suitability, and these losses also affect Marlborough. Most of the South Island is expected to have gains in suitability by the end of the century, some of them substantial, and Canterbury and parts of Otago overtake Marlborough in suitability. Drought and irrigation challenges intensify due to less rainfall, more dry days and constrained water allocations.
Climate Change Effects on Barossa Valley Region (Barossa Water Security Strategy, RDA Barossa Region Climate Change Adaptation Plan, IPCC Sixth Assessment Report.)	Annual frequency of days over 35°C may increase 25–85% by 2090. South Australia could see a 15% reduction in annual rainfall by 2050. An increase of severe fire weather days across Australia could increase by between 5-35% by 2050.	Annual average rainfall in the Barossa could decline by 7.4% to 15% by 2050 with the largest decline projected to occur in spring. Average irrigation water demand is projected to increase by 23% in the 2050s. The number of hot days (over 35°C) is projected to increase, with a significant number of projections showing the possibility of 50% more hot days by mid-century. By 2050, increases in average maximum temperatures are projected across all seasons.	Changes in growing season temperatures likely to see more warmer than cooler vintages and increases in growing degree days are likely to affect phenological development. Irrigation water demand will not be met in 55% of years by the 2050s. Time in drought could be 60% by 2090. A greater risk of bushfires creating increased risk of smoke taint in wine. Climate change could make the Barossa Valley Region more popular for wine-grape growing as other regions in Australia become less suitable for certain varieties.

¹ Rise in average global temperatures in the 2081-2100 period relative to the preindustrial baseline (1850-1900).

Pathway Assumptions

These pathways illustrate a broad spectrum of climate outcomes and should not be seen as forecasts or policy recommendations. They encompass a wide range of assumptions regarding population growth, economic development, technological innovation and attitudes to social and environmental sustainability. Each pathway can be met by a combination of different socioeconomic assumptions as per the IPCC's SSP-RCP scenarios.

Limitations of Scenarios

Climate scenarios give some insights to the impacts the business may face because of climate change. They are created with assumptions and projections based on the best information available at the time. These assumptions may not reflect actual outcomes and are not intended to present a definitive view of the future.

5. RISK MANAGEMENT

5.1 CLIMATE RISK IDENTIFICATION

The climate change analysis for Delegat considers three potential future scenarios.

These scenarios help Delegat identify ways to reduce the impact of climate change and build climate resilient business strategies and operations.

We have considered the impact of each scenario over a 50-year time horizon, which aligns generally with the lifetime of our vineyard and winery assets.

Short-term	Medium-term	Long-term
1-3 years Aligns with business planning and capital allocation processes	4-10 years Aligns with long-term business planning and global climate change ambitions under the Paris Agreement 2030	11-50 years Aligns with vineyard growing cycles and the lifespan of major assets

5.2 PROCESS TO ASSESS CLIMATE-RELATED RISKS AND OPPORTUNITIES

The Delegat risk management process includes identifying and managing risks, including climate-related risks, to support the Group's business objectives and strategy. This process comprises five steps:

Stage 1: Identification

New climate-related physical risks and opportunities are identified, and existing ones are reviewed during the Group's annual risk review undertaken by the Senior Leadership Team, with input from internal or external experts as needed. This review encompasses all parts of the Delegat value chain. An annual workshop for the SCCC facilitates climate scenario analysis, examining climate-related risks and opportunities against the three identified climate scenarios.

Stage 2: Analysis

Climate-related risks are analysed against the Group's climate change scenarios and time horizons using the Delegat Risk Matrix. The Risk Matrix rating for all of the Group's risks, including climate-related risks, determines their level of priority for action required by management and the Board. Opportunities are analysed to determine their potential benefit to the business.

Risk Matrix

		Consequence Severity				
		Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood	Almost Certain	Priority 2	Priority 2	Priority 1	Priority 1	Priority 1
	Likely	Priority 3	Priority 2	Priority 2	Priority 1	Priority 1
	Possible	Priority 4	Priority 3	Priority 2	Priority 1	Priority 1
	Unlikely	Priority 4	Priority 4	Priority 3	Priority 2	Priority 1
	Rare	Priority 4	Priority 4	Priority 3	Priority 2	Priority 2

Priority 1	Immediate action required to actively manage risk and limit exposure
Priority 2	Attention required to ensure risk exposure is managed effectively, disruptions minimised and outcomes monitored
Priority 3	Cost/benefit analysis to assess extent to which risk should be mitigated. Monitor to ensure risk does not increase over time
Priority 4	Effectively manage through routine procedures and appropriate internal controls

Stage 3: Evaluation

The effectiveness of existing controls for managing each risk are evaluated and new controls are considered where required. The remaining risk after the effective operation of controls is considered the residual risk. Opportunities for each scenario are assessed to determine those which could present the most benefit for the business.

Stage 4: Treat Risk

For each residual risk, an assessment is made to either:

- Accept the risk and make a conscious decision not to take any action.
- Accept the risk but take some actions to lessen or minimise likelihood or impact.
- Transfer the risk to another individual or organisation (e.g. through insurance) where possible.
- Eliminate the risk by ceasing to perform the activity causing it.

Stage 5: Escalation

The severity of the residual risk rating determines which climate-related risks are escalated via the SCCC to the ARC. Climate-related opportunities that could deliver material benefits for the Group are escalated to the Board. The Board consider their feasibility, and if appropriate, determine support, funding and actions required to capitalise on these opportunities.

5.3 MONITORING AND REVIEW

Climate-related risks and opportunities, controls, action plans and owners are documented and monitored through the Delegat risk management process. All climate-related risks and opportunities will be reviewed annually by the Senior Leadership Team and integrated into the Delegat Risk Register. Climate-related reporting requirements, supporting documentation and changes to regulations are captured in the company's risk management system and monitored on an ongoing basis.

5.4 CLIMATE-RELATED RISKS AND OPPORTUNITIES

Climate-related risks and opportunities are defined below.

Physical Risks:

Physical climate change risks encompass both acute and chronic impacts resulting from shifts in climatic conditions. Acute risks involve sudden and severe events such as cyclones and heatwaves, while chronic risks include gradual changes such as sea level rise and altered precipitation patterns.

Transitional Risks:

Transitional climate change risks refer to the challenges and uncertainties associated with transitioning from a high-carbon to a low-carbon economy. These risks include economic disruptions in sectors dependent on fossil fuels, as well as opportunities and challenges in emerging clean energy industries. Additionally, transitional risks encompass social and political implications, such as job displacement and retraining needs, shifts in energy geopolitics, and changes in investor behaviour and regulatory landscapes. Effective management of these risks necessitates proactive policies, strategic investments, and societal adaptation to facilitate a smooth and fair transition towards sustainability.

Opportunities:

Climate-related opportunities encompass the potential benefits and advantages arising from addressing climate change and transitioning to a low-carbon economy. These opportunities span investments in renewable energy infrastructure, green technologies, and sustainable practices that drive economic growth, job creation, and innovation. Additionally, climate action presents opportunities to enhance resilience, improve public health, foster social equity, and preserve natural ecosystems. Embracing climate-related opportunities can lead to a more sustainable and prosperous future for society.

Climate-related risks, current and anticipated impacts, and controls

Risk	Current Impact	Anticipated Impact	Controls	Geography	Type/Time Horizon
Customers and consumers become more interested in sustainability	No current impact.	Sustainability considerations are likely to become more prevalent in the procurement decisions of customers and end consumers, with increased demand for low emission products. Market share could be lost to more sustainable competitors.	• Execution of our decarbonisation plan to demonstrate emissions reductions. • Communicate progress to customers and investors. • Continue to invest in lower emissions products. • Continue to reduce glass bottle weights.	New Zealand, Australia, North America and Europe.	Type: Transition. Time Horizon: Short-term.
Increased frequency and intensity of extreme climate events, specifically storms, extreme wind, and extreme rainfall events	Severe weather events in Marlborough in mid-2025 caused significant flooding in region and damage to vineyards and infrastructure. Financial impact in FY26 was \$894,000.	Volatility of our own growing yields and supply from third-party grape growers. Damage to assets or land. Risk to internal, local, regional and national transport infrastructure, causing short-term operational disruption or long-lasting damage, and increased costs for alternate routes or modes.	• Investment in technology to mitigate quality loss. • Spot market grape purchases to offset yield risks. • Diversification of growing regions across New Zealand. • Delegat self-insure company-owned vines and property. Crop insurance premiums are restrictive at the current time, but the Group will continue to assess the cost/benefit of crop insurance. • Engagement with transport suppliers to improve risk understanding and alternate options.	New Zealand and Australia.	Type: Physical. Time Horizon: Short-term
Increased regional temperatures. More hot days each year (>25°C), less summer rainfall, and increased drought risk	No current impact.	Vine heat stress and an increase in soil moisture deficits could lead to a reduction in yields and changes to wine styles. Increase in pest and disease risk.	• Continued investigation and modification of growing systems to enable more resilience to heatwave and drought events. • Continued investigation into sun protectant products. • Continued investment in reservoirs and irrigation systems at vineyards. • Continued investment in measuring water requirements and increasing the efficiency of the Group's water use. • Continued investment into precision viticulture technology. • Explore further diversification of growing regions.	New Zealand and Australia.	Type: Physical. Time Horizon: Short/Mid-term.
Increasing regional temperatures lead to water scarcity and increased water regulation	Due to dry conditions throughout the growing season, additional water allocation was required to be brought forward for irrigation of Barossa Valley vineyards. Financial impact in FY26 was \$38,000 (FY25 \$91,000).	This risk and the risk of increased regional temperatures are related. Increased demand for water may result in additional regulation as well as reductions in allowable water take. This could result in land use change or reductions in growing yields and third-party grape supply.	• Continued investment in reservoirs and irrigation systems at vineyards. • Continued investment in measuring water requirements and increasing the efficiency of our water use. • Engagement in regulatory processes around water allocation. • Continued investment into precision viticulture technology.	New Zealand and Australia.	Type: Physical & Transition. Time Horizon: Mid/Long-term.
Carbon emission regulation increases	No current impact.	Fuel, refrigerant, packaging and fertiliser may all become subject to taxes or increased regulation in the future. This may lead to increased compliance costs and cost of capital. Access to specific markets could be reduced as they prioritise or require wines with certain certifications.	• Execution of our emissions reduction plans including targets and actions on reducing company Scope 1 vineyard and winery diesel usage, improving energy efficiency, and innovating the value chain to decarbonise goods and services.	All.	Type: Transition. Time Horizon: Mid/Long-term.

Climate-related opportunities, current and anticipated impacts, and controls

Opportunity	Current Impact	Anticipated Impact	Controls	Geography	Type/Time Horizon
New growing areas will become available	No current impact.	As the climate warms new areas in New Zealand and Australia could become suitable for growing grapes.	• Explore the diversification of growing regions for Delegat.	New Zealand and Australia.	Type: Physical. Time Horizon: Long-term.
Growers will seek climate-tolerant grape varieties	Delegat is a gold participant in the Sauvignon Blanc Grapevine Improvement Research Programme. Financial impact in FY26 \$20,000 (FY25 \$20,000).	As the climate warms and weather events become more extreme, growers will seek new climate-tolerant grape varieties.	• Continue investment in partnerships to research and commercialise climate-tolerant varieties.	New Zealand.	Type: Physical & Transitional. Time Horizon: Short to Long-term.
Customers and consumers become more interested in sustainability	No current impact.	Our decarbonisation and sustainability progress to date presents a competitive advantage against some of our competitors. We expect this to enhance relationships with customers and increase demand for our products.	• Execution of our emissions reduction plans to demonstrate emissions reductions. • Continue to invest in lower emissions products. • Continue to reduce glass bottle weights. • Improve systems and data to that provide improved supply chain transparency.	Global.	Type: Transition. Time Horizon: Short-term.

5.5 TRANSITION PLANNING

Delegat's transition planning is structured to address and manage the climate-related risks and opportunities identified within the overall business strategy. Although no changes are planned for the Delegat business model or the strategic goal to build a leading global Super Premium wine company, these key aspects address the climate-related risks and opportunities identified within the four pillars that underpin the strategic plan, considering the potential impacts on stakeholders and society.

Building climate resilience

In 2024, the Group conducted scenario analysis to identify potential climate-related risks and opportunities that may impact its business over the next 50 years. These risks and opportunities are integrated into related management processes and are reviewed annually to improve business and operational resilience against climate change.

Projected changes in growing season temperatures will likely result in areas of Marlborough having increased suitability for grape growing. The first harvest at the Birch Hill vineyard was completed in 2025, a development block in the Wairau Valley, Marlborough. The selection of this site considered the long-term increase in suitability of this area, based on projections and insights from research completed by Plant and Food Research and historical weather data. Delegat continues to explore the diversification of growing regions.

Future water availability challenges for Delegat are significantly influenced by climate change and subsequent government policy responses. Water stewardship is an important area of focus for Delegat, and the Group's transition planning includes continued investment in reservoirs and irrigation systems at vineyards, improvements in measuring water requirements, increasing the efficiency of the Group's water use and engagement in regulatory processes around water allocation. A water availability risk assessment and mitigation strategy has been established across all vineyard sites, with ongoing work to incorporate vine water use data and forecast demand.

A climate-related opportunity is identified through climate and disease tolerant grape varieties. Delegat is an industry participant in the seven-year Sauvignon Blanc Grapevine Improvement programme, led by the Bragato Research Institute and in partnership with the Ministry for Primary Industries. This research will develop 12,000 entirely new variants of New Zealand Sauvignon Blanc, with the goal of making the wine industry both more resilient and more sustainable. The project aims to create, identify and select vines that display resilient traits such as drought and frost resistance, and natural resistance to pests and diseases. Vines that either maintain the iconic Marlborough Sauvignon Blanc wine flavour and aroma or offer novel Sauvignon Blanc styles to expand market opportunities will be progressed.

Managing carbon emissions

Increasing carbon emission regulations and evolving customer expectations present both risks and opportunities. Since 2021, Delegat has measured GHG emissions and set emissions reduction targets with a long-term emission reduction target of Net Zero by 2050, aligning with New Zealand Winegrowers. The Group's priority is to reduce Scope 1 and 2 emissions through technology upgrades and energy efficiency projects. Detailed plans beyond FY30 for achieving this target are not yet developed, as emission reduction past 2030 is reliant on suitable technology becoming commercially available.

Approximately 90% of our carbon footprint comes from Scope 3 emissions. The largest sources are from purchased goods and services and upstream freight. Initiatives include ongoing reductions in glass bottle weight and collaboration with glass manufacturers to increase the use of sustainable energy and recycled content. Total emissions from glass have reduced by 69% since FY21. Shipping freight emissions per bottle sold in FY26 have reduced by 28%.

Delegat has planned transition initiatives to adopt technologies, improving energy efficiency, and drive sustainable innovation as outlined below:

Transition Initiatives	Expected Reductions	Progress to Date
All harvester machines were replaced for the 2024 vintage with new fuel-efficient, Euro 5 emissions standards compliant machines.	These machines reduce diesel usage per ha of producing area by approximately 25%.	Completed in FY24.
The Group plans to replace its tractor fleet over the next 5 years with modern fuel-efficient Euro 5 emissions standards compliant vehicles.	This programme will reduce tractor diesel usage per hectare of planted area by 25%.	19 tractors have been replaced and 30% of operational tractors now have Tier 5 engines. 24 tractors to be replaced in FY27. Average litres diesel usage per hour for tractors with Tier 5 engines was 28% lower than other company tractors.
The Group plans to replace its Marlborough winery cooling plant with new technology for increased cooling/production capacity. It will utilise modern heat recovery technology to produce all hot water requirements on site, eliminating the need for diesel-fuelled hot water heating.	The carbon emission reduction will be at least the fuel usage reduction versus the current cooling plant.	Deferred to FY28 due to capital deployment prioritisation.
The Group plans to replace diesel electricity generation at its Birch Hill vineyard to lines electricity.	5% reduction in Marlborough viticulture diesel use.	Planned FY30 (dependent on Marlborough Lines capital infrastructure investment).
The Group will continue with ongoing bottle weight reductions using lightweight glass.	Target to reduce total emissions from glass production by 45%. Reductions in bottle weight subsequently reduce freight emissions.	94% of products in 390g bottle in FY26. Weight reductions also introduced for Sparkling and Barossa Valley Estate bottles, with average bottle weight in FY26 399 grams, compared to 480 grams in FY21.
The Group is working with glass manufacturers to use more sustainable energy sources in their glass furnaces, and to transition to more New Zealand supplied bottles.	Target to reduce total emissions from glass production by 45%.	The Group transitioned to 100% locally sourced glass supply in FY26. This resulted in a reduction of 1900 tCO ₂ emissions from FY25 associated with transporting the bottles prior to bottling. Higher percentage of recycled content in glass bottles reduced glass emissions by 40% from FY25, and 69% from FY21.

Navigating increased regulations and access to markets

With increasing carbon emission regulations, Delegat must collaborate with suppliers to reduce Scope 3 emissions. Access to specific markets could be reduced as regulations are introduced or they prioritise or require wines with certain certifications. Ensuring compliance with environmental reporting requirements remains a priority to safeguard market access and maintain competitiveness.

Extended producer responsibility (EPR) schemes in global markets requires increased reporting of packaging data and paying of EPR fees. Several U.S. states have passed packaging EPR laws in recent years and the UK government has expanded regulated payment for the EPR scheme from October 2025. Delegat continues to work with suppliers and industry partners to seek ways to optimise our packaging and innovate the value chain to decarbonise goods and services, while preparing for increased compliance costs.

Growing Capability and Engagement

Internal Capability

To ensure that climate-related risks and opportunities are effectively managed, Delegat is investing in internal capability at all levels. The Board will be responsible for the oversight of transition planning. At a Board level, the Sustainability and Climate Change Steering Committee (SCCC) ensure the directors are informed of changes and trends in climate-related issues and governance.

Delegat's SCCC, established in 2022, progress the integration of climate-related risks and opportunities into business strategy, risk management, financial planning, and capital allocation decisions. All committee members engage in continuous education to stay informed of changes and trends in climate-related issues and governance. Members of the SCCC and other key personnel attend external industry sessions to continue to build knowledge.

The wine industry will need to collaborate to build shared knowledge and understanding on current and projected risks, investigate industry solutions, and engage collectively with government and local councils. Delegat is represented in the Marlborough Circular Wine Group, which acts in an advisory role to allow Council, Wine Marlborough, New Zealand Winegrowers and key industry participants and suppliers to seek input and make decisions on sustainability and circular economy issues facing the Marlborough wine industry. Delegat continues to connect with others in the wine industry to investigate new vineyard technology and automation solutions to improve environmental outcomes.

Engagement with all our teams is crucial, and every employee has the opportunity to contribute to the Delegat sustainability initiatives through the work they do. An internal engagement programme is ongoing to increase the understanding of the Delegat Sustainability Framework, helping educate teams and improve engagement and involvement in the development and delivery of our sustainability initiatives and actions, including our emissions reduction and adaptation plans. In 2024, specific sustainability questions were added to our annual Culture Survey to allow us to benchmark our engagement with the framework company-wide and measure improvements. In the November 2025 survey, 90% of respondents were aware of Delegat's sustainability framework, and 86% agree that Delegat is committed to minimising its impact on the environment (compared to the Qualtrics global average of 61%).

Support Growers and Supply Chain to Transition

All growers are members of Sustainable Winegrowers NZ, through which they have the resources to measure and reduce their largest sources of emissions such as diesel usage and electricity. The Delegat Grower Business Development Programme supports our Growers to maintain best environmental practise in the vineyards and Delegat holds annual grower meetings, which provides a platform to share climate knowledge as required.

Our value chain is critical to our adaptation and decarbonisation efforts. Delegat will continue to engage with our supply chain to improve information collection and accuracy of emission factors. We are committed to support and influence change where we can in our supply chain by actively engaging with our suppliers and are introducing a supplier code of conduct in 2027 which includes expectations for environmental performance.

Engaging With Customers

Growing customer interest in sustainability is both a risk and an opportunity for Delegat. As the global focus on environmental responsibility intensifies, several of our customers are setting ambitious decarbonisation and sustainability targets for themselves and their supply chains. Consequently, they are increasingly requesting detailed information on Delegat's own sustainability goals, progress, and actions. In FY26, we met with UK and Australian customers, and hosted key suppliers at our operations to focus on these topics. Delegat will continue to work with our biggest customers to strengthen our relationships with these key accounts.

Capital Deployment

Certain funding decisions have been influenced by the identification of climate risks. The Group's most significant investments to date to mitigate climate risk is the investment in fuel efficient machinery and the development of water storage reservoirs and irrigation systems to reduce the risk of crop loss due to drought conditions. Funding decisions are assessed using a combination of cost/benefit and payback period analysis. Capital deployment in relation to climate related initiatives in FY26 is detailed in the metrics and targets section.

While influenced, Delegat's transition initiatives listed are not separately accounted for and have been undertaken through the standard capital deployment process. Equipment selection considers carbon reduction targets and transitional planning. Further capital spend may be required in the years ahead to support transition aspects of our strategy independent of the capital replacement program. Future reporting years will provide more information on estimated capital deployment towards climate-related transition plans.

6. METRICS AND TARGETS

6.1 SUSTAINABILITY METRICS AND TARGETS

Delegat establishes annual targets within its Sustainability Framework, which encompasses various social and environmental initiatives, including emission reduction goals under the 'We build an Enduring Wine Business' pillar. Delegat's climate-related risks and opportunities are taken into consideration when setting metrics and targets.

6.2 GHG EMISSIONS

Delegat partners with Toitū Envirocare to prepare its annual GHG Inventory for scope 1 and 2 emissions. Emissions data is collated and tracked throughout the financial year and includes information from third-party suppliers and internal records. The GHG emissions have been measured in accordance with the Greenhouse Gas Protocol; A Corporate Accounting and Reporting Standard (Revised Edition) ('GHG Protocol'). Where relevant, the inventory is aligned with industry or sector best practice for emissions measurement and reporting.

All Scope 1 and 2 emissions are calculated using emissions factors sourced by geographical region. Sources are New Zealand Ministry for the Environment, MfE Guidance for Voluntary Greenhouse Gas Reporting 2026 (MfE, 2026), and Australian Department of Climate Change, Energy, the Environment and Water, National Greenhouse Accounts Factors 2025 (DCCEEW, 2025). Global Warming Potentials (GWP) are provided by the Toitū Programme with those from the Intergovernmental Panel on Climate Change Fifth Assessment Report (AR5) the preferred GWP conversion. An operational control consolidation approach is used to account for emissions.

The current New Zealand Emissions Trading Scheme Price was used when assessing our decarbonisation initiatives for our internal abatement calculation. Remuneration policies do not directly link performance against these metrics and targets.

Scope 1 and 2 greenhouse gas emissions for FY26 have not been subject to an independent limited assurance engagement. In FY25, emissions were subject to limited assurance by Deloitte Limited. Delegat will continue to maintain Toitū Carbon Reduce certification to support the quality and integrity of emissions reporting. Management considers this approach provides an appropriate level of external validation given the voluntary nature of the FY26 disclosure.

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

Delegat has utilised the exemption provisions in NZCS2 to not disclose scope 3 emissions (adoption provision 4).

The emissions metric tracked is tonnes of CO₂ equivalent (tCO₂e).

Scope 1 and 2 GHG Emissions Inventory

Emissions Category	2021 tCO ₂ e unassured	2024 tCO ₂ e unassured	2025 tCO ₂ e assured	2026 tCO ₂ e unassured	% change 2021 vs. 2026
Scope 1	3,541	3,354	4,182	3,026	-15%
Mobile Combustion	2,534	2,535	3,038	2,634	4%
Stationary Combustion	116	127	121	109	-6%
Emissions – Industrial Processes	105	97	86	92	-12%
Fertiliser Use	398	279	348	118	-70%
Addition of lime to soils	388	310	589	73	-81%
Leakage of refrigerants	–	6	–	–	–
Scope 2 – location based	1,316	929	1,170	944	-28%
Purchased electricity (location-based)	1,316	929	1,170	944	-28%
Total scope 1 and 2	4,857	4,283	5,352	3,970	-18%

The Group's emissions base year is 2021. Total Scope 1 and Scope 2 emissions was 3,970 tCO₂e in 2026, a decrease of 18% from 2021. This reduction was driven by decreases in both Scope 1 and Scope 2 emissions.

Scope 1 emissions decreased by 15% since the base year. The largest source of direct emissions remains mobile combustion, primarily vineyard diesel use which varies annually with different seasonal requirements due to weather. Since 2021, Delegat has expanded the total company-owned planted vineyard area by 26%; on an intensity basis, vineyard diesel emissions per planted hectare reduced by 15% over this period. The overall reduction in Scope 1 emissions was principally supported by lower emissions from fertiliser use, which decreased by 70%, and additions of lime to soils, which decreased by 81%. These reductions reflect lower levels of vineyard development in FY26, and seasonal variations with ongoing integrated management programmes. Scope 2 location-based emissions decreased by 28%, due to both reduced electricity consumption and the high availability of renewable electricity generation in New Zealand during 2026.

Emissions Intensity Metrics

Emissions Intensity Metrics	2021	2024	2025	2026	% change 2021 vs. 2026
tCO₂e per million dollars of operating revenue	16.05	11.40	15.31	10.90	-32%
kgCO₂e per litre of wine produced	0.18	0.16	0.15	0.14	-22%

Inclusions

The emissions sources deemed significant for inclusion in this inventory were classified into the following categories:

Scope 1 Direct GHG Emissions: Scope 1 Direct Emissions includes GHG emissions from sources owned or controlled by Delegat. This includes fuel combusted in vehicles owned or leased by Delegat, stationary combustion of fuel for heating, addition of nitrogen-containing fertiliser and lime in vineyards and any leakage of refrigerants.

Scope 2 Indirect GHG Emissions from purchased energy: Scope 2 Indirect Emissions are from the generation of electricity purchased by Delegat. Purchased electricity is measured by the installation control point (ICP). All purchased and generated energy emissions are reported as gross emissions using the location-based method.

Calculation Methodology

The table below provides detail on the categories of emissions included in the GHG emissions inventory, an overview of how activity data was collected for each emissions source, and an explanation of any uncertainties or assumptions made based on the source of activity data. Overall assessment of uncertainty for Scope 1 and 2 emissions is low.

Activity data has been obtained from a variety of sources. Where practical, information has been obtained directly from supplier sources via invoice or online portals. Additionally, the Group tracks relevant raw material, freight weight and usage data directly from its ERP system.

Scope	Emission Category	Activity	Data Source	Methodology, Data Quality, Uncertainty (Qualitative)	Emission factor source
Scope 1	Mobile combustion.	Fossil fuels used by vehicles and equipment – Diesel industry, Diesel, Petrol premium, Petrol regular.	Fuel purchase transaction history and invoices.	Fuel-based method. Low uncertainty.	MfE (2026) DCCEEW (2025)
	Stationary combustion.	Fossil fuels used by plant equipment – LPG stationary commercial, LPG stationary industry, Natural Gas distributed industry.	Invoices.	Fuel-based method. Low uncertainty.	MfE (2026) DCCEEW (2025)
	Emissions – Industrial Processes.	CO ₂ used in winemaking.	Invoices.	Location-based method. Low uncertainty.	MfE (2026)
	Fertiliser Use.	Nitrogen-containing fertiliser use in vineyards.	Invoices.	Purchase approach. Low uncertainty. Assume that consumption occurred in the same year as purchased.	MfE (2026)
	Addition of lime to soils.	Lime use in vineyards.	Invoices.	Purchase and use approach. Low uncertainty.	MfE (2026)
	Leakage of refrigerants.	Refrigerant used by refrigeration equipment.	Maintenance reports and invoices.	Top-up method. Applicable to owned refrigeration equipment. Low uncertainty.	MfE (2026)
Scope 2	Purchased Energy.	Electricity consumption.	Invoices and supplier reports.	Location-based method. High data quality and low uncertainty due to complete invoice sets.	MfE (2026) DCCEEW (2025)

Exclusions

All the Group's viticulture and winemaking operations in New Zealand and Australia have been included in the emissions inventory. Our offshore sales and marketing operations in Australia, Europe, North America and China have been excluded. These emissions sources are considered relevant to our operations, however, are either not material to stakeholders, not material in the context of the inventory, and/or not technically feasible or cost effective to be quantified at present.

6.3 EXPOSURE TO CLIMATE-RELATED RISKS AND OPPORTUNITIES

Vulnerability to Physical Risks

The Group's viticulture operations are exposed to both chronic and acute climate events. Winemaking and supply chain operations are also exposed to this risk due to the integrated value chain within the business.

As a conservative estimate, 100% of Delegat business activities are exposed to some degree of physical climate-related risk.

Vulnerability to Transition Risks

The Group's viticulture operations are currently the most exposed to climate-related regulation for viticultural practices (e.g. fertiliser and water). The Group's winemaking and supply chain operations have some exposure to potential changes in climate-related regulations and shifts in consumer preferences.

As a conservative estimate, 100% of Delegat business activities are exposed to some degree of transitional climate-related risk.

Climate-related Opportunities

The Group's viticulture operations are the most exposed to climate-related opportunities, such as new areas becoming suitable for growing grapes because of climate change.

6.4 CAPITAL DEPLOYMENT 2026 – TO ADDRESS CLIMATE-RELATED RISKS AND OPPORTUNITIES

Certain funding decisions have been influenced by the identification of climate risks. The Group's most significant investments to date to mitigate climate risk is the investment in fuel efficient machinery and the development of water storage reservoirs and irrigation systems to reduce the risk of crop loss because of drought conditions. Funding decisions are assessed using a combination of cost/benefit and payback period analysis.

Capital deployment in relation to climate related initiatives is detailed below:

Transition Initiative	Capital Deployed in FY24 (NZD)	Capital Deployed in FY25 (NZD)	Capital Deployed in FY26 (NZD)	Target
Replacement of Harvester Machines with new fuel-efficient, Euro 5 emissions standards compliant machines.	\$5.2 million	–	–	Reduction of diesel use in vineyards by 25% by 2030.
Replacement of Tractors with new fuel-efficient, Euro 5 emissions standards compliant machines. Leased and purchased.	\$1.1 million	\$1.7 million	–	Reduction of diesel use in vineyards by 25% by 2030.
Reservoir and Irrigation construction.	\$3.7 million	\$2.5 million	\$0.7 million	Protection of grape vines against the potential of increased regional temperatures, less summer rainfall, and increased drought risk.

6.5 INDUSTRY BASED METRICS

We have disclosed tCO₂e/million dollars revenue and kgCO₂e/litre of wine produced, which are widely adopted metrics across the wine industry as per the EECA National Greenhouse Gas Emissions Reports prepared for Sustainable Winegrowing New Zealand and reports from Australian Wine Research Institute with support from Sustainable Wine Australia.

6.6 TARGETS AND EMISSIONS REDUCTIONS

The IPCC special report 2018 states “Limiting global warming to 1.5°C compared to 2°C is projected to lower the impacts on terrestrial, freshwater, and coastal ecosystems and to retain more of their services to humans.” Limiting global warming to 1.5°C requires reaching net zero CO₂ globally around 2050, mitigating the worst impacts of climate change through reducing vulnerability and exposure to its detrimental effects.

New Zealand Winegrowers, the national organisation for the country’s grape and wine sector, has a target to be Carbon Neutral by 2050. In 2024, New Zealand Winegrowers, with support from EECA, prepared the Roadmap to Net Zero 2050, outlining the key opportunities to reduce GHG emissions for the New Zealand wine industry. These measures include improving energy efficiency, reducing diesel usage, decarbonising electricity, and innovating the value chain to decarbonise goods and services. These initiatives will be guided by industry emission reduction targets and actions. Similarly, Sustainable Winegrowing Australia has set 2050 Net Zero targets for carbon emissions and waste. Delegat has aligned its emission reduction programme to these industry benchmarks based on Science-Based Target methods, a framework that aligns with the 1.5°C pathway and is consistent with the latest climate science. Progress to date against GHG targets does not include any offsetting and the Group does not currently plan to use offsetting to achieve its net zero by 2050 target.

Currently, our emission reduction targets encompass scope 1 and 2, and we are developing additional targets for Scope 3. Our objectives and programmes will evolve as more data becomes available and technologies advance. The table below summarises our current targets.

Target	Base year	Metric	Timeframe	Commentary
Net zero by 2050	2021	tCO ₂ e	By 2050	The Group's emission reduction targets all are guided by the industry benchmark of Net Zero by 2050.
Reduce company Scope 1 diesel usage by 25%.	2021	kg CO ₂ /planted ha area	By 2028	The Group has replaced its Harvester machines and will replace its tractor fleet over the next five years with modern fuel efficient and E5 emissions standards, which will reduce diesel usage by vineyard planted hectare by 25%. In FY25, average litres diesel usage per hour for tractors with Tier 5 engines was 28% lower than other company tractors.
Reduce company Scope 1 diesel usage.	2021	Vineyard diesel usage emissions tCO ₂ e	2029 onwards	Emission reduction past 2030 in this area will depend on suitable commercially available technology to replace diesel power across all tractor, harvester and frost fan usage. The approach the Group will apply is to evaluate best in class vineyard technology for each cycle of harvester, tractor and frost fan power replacement cycle. This is typically five years for tractors and 10 years for harvesters, with several opportunities to select best performance/least carbon emission technology at each replacement cycle. This is in line with NZ Wine Industry stated targets.
Renewable electricity supply 100% by 2035.	2021	100% renewable electrical energy	2035 onwards	Primarily the Group will achieve this through the NZ energy Sector reduction target alignment (reliance). Delegat will also consider using photovoltaic power generation at the Marlborough winery at the completion of the cooling / heat recovery plant replacement FY28 and will move to do this if it makes economic sense, including considering full carbon emission costs.

IT'S NOT
HOW FAR
YOU'VE
COME. IT'S
HOW FAR
YOU'RE
PREPARED
TO GO.

