THE WAREHOUSE GROUP

Sustainability Report

For the reporting period 4 August 2025 to 2 August 2026

thewarehouse

warehouse stationery

noel leeming

About this report

This report covers The Warehouse Group's environmental and social sustainability performance for the 52-week period 4 August 2025 to 2 August 2026. It covers the same entities as our FY26 Annual Report, available at www.thewarehousegroup.co.nz/investor-centre/company-reports. References to "we", "our", or "us" are references to the Group.

This year's report does not include climate statements prepared under the Aotearoa New Zealand Climate Standards. This follows the Government's announcement in late 2025 of proposed changes to the regime, which will (once legislation is passed) mean that The Warehouse Group is no longer a climate reporting entity. In October 2025, the Financial Markets Authority (FMA) announced "no action" relief for entities that are climate reporting entities under existing legislation but are expecting their climate reporting obligations to cease once legislation is passed. This no action relief means that those entities will face no action from the FMA for failing to meet climate reporting obligations under Part 7A of the Financial Markets Conduct Act 2013 for their 2025/26 reporting period. We are relying on the "no action" relief for this reporting period. Our climate transition plan, greenhouse gas emissions (GHG) and targets, and approach to governance and risk management are covered on pages 25–32. Our GHG emissions, energy and waste metrics have been independently assured. This report is not a climate statement that complies with the Aotearoa New Zealand Climate Standards.

Unless stated otherwise, all data is for the year ended 2 August 2026. Figures may be rounded, so totals and percentages may not add up exactly. Target years refer to the end of the relevant financial year unless otherwise stated.

Date published

This report was published on 30 September 2026 and is available on the Group's website at https://www.thewarehousegroup.co.nz/investor-centre/company-reports.

Enquiries

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

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Introduction

Chair's Introduction

> **Doing the right thing and doing good business have always been the same thing to us - long before either was expected of retailers.**

As a Board, we've always believed doing the right thing and doing good business are the same thing. This Group was striving to be affordably sustainable, making the right choice the best-value choice, decades before either was expected of retailers. That hasn't changed, even as the world around us has.

This is my first Sustainability Report as Chair, having served on the Board and in executive roles across the business, including as Interim Group Chief Executive Officer. It's a privilege to keep serving this business.

New Zealand has had another tough year, and households are still feeling real cost-of-living pressure. We can't solve affordability on our own, but as one of the country's largest retailers, we know we can play a part, through the value we offer and how we support the communities we're part of.

This year the Board reaffirmed the Group's sustainability vision, to make sustainable living easy and affordable for everyone. It shapes how we source, how we treat our people, and how we show up locally, and that connection to our wider strategy matters more than ever.

Sustainability sits so close to everything else we oversee that we changed where that oversight sits this year. We disestablished the Environmental and Social Sustainability Committee, moving oversight directly to the Board, with the Audit and Risk Committee now looking after sustainability-related risk and reporting. This isn't a reduction in focus — quite the opposite, it reflects how integrated into strategy this work needs to be.

In late 2025, the Government announced proposed changes, which if passed will mean that we are no longer required to prepare climate statements under the Aotearoa New Zealand Climate Standards. For this year, we are relying on "no action" relief published by the FMA for entities who expect their reporting obligations to cease, and so are not preparing compliant climate statements. However, we've chosen to keep reporting on climate-related matters in a more streamlined way. Transparency here matters to us regardless of any reporting requirements.

As one reporting requirement eases, another is taking shape. We are supportive of the proposed Modern Slavery legislation before Parliament. Respecting the basic human and labour rights of workers in our supply chain is work we've taken seriously for years. We've urged policy makers to learn lessons from the climate-related disclosures regime, where New Zealand went further than comparable markets like Australia, adding complexity without necessarily delivering a better outcome. Getting that alignment right is important, both to enable the legislation to work and to help businesses like ours apply it.

This report shows a business still building for the long term, even in a demanding year, and I'm proud of our people's part in that. On behalf of the Board, thank you to our management, team members and everyone who contributed. Doing the right thing isn't new for us. It's part of who we are, and what we're building on for what comes next.

Ngā mihi nui,

John Journee
Chair

CEO's Introduction

> **Thank you to our team, suppliers and customers who keep making sustainability something we do, not something we say.**

At The Warehouse Group, our purpose is to build exceptional retail brands that customers love, our team take pride in, and that deliver sustainable shareholder returns. Sustainability isn't an add-on to that, it's part of how we get there. It guides how we source, how we reduce waste, and how we show up for the communities that have backed us since Sir Stephen Tindall opened our first store in 1982.

This year, we launched *This Is Warehouse Country*, our brand platform that reconnects us with our heritage and the role we've played in communities across New Zealand for decades. It's a reminder that we've never stopped showing up for families, and a commitment to making The Warehouse feel like the centre of the community again, not just a place where people shop.

The Good Drop, our clothing take-back partnership with The Salvation Army, is a good example of what that looks like in practice. It had its first full year, growing from five stores to 14 and collecting more than six tonnes of clothing, and receiving the Sustainability Leadership Award at the Retail NZ Awards. Our long-running Red Shirts in Schools programme and The Salvation Army's Aspire programme, which we helped establish, remain some of the things I'm proudest of. Watching young people build confidence through work experience is a reminder of what this business can do beyond selling products and services.

We had some real wins elsewhere too. Noel Leeming kept over 11,000 households' old appliances out of landfill, and its repair teams gave around 35,000 products a second life. And we launched New Zealand's first Sustainable Supply Chain Finance facility with HSBC, so suppliers doing the right thing on sustainability get paid faster, on better terms.

A business only becomes genuinely sustainable when its people believe in it. This year we focused on bringing our culture home after a period of significant change, strengthening leadership capability and giving our people the consistency they need to do their best work, and I've been pleased with how our teams have leaned into that.

Our continued partnership with Lodestone Energy kept us moving on our own emissions. Since January 2026, every store and site across New Zealand where we purchase electricity has been matched with solar generation. Lower costs, more certainty and a genuine contribution to New Zealand's renewable future – this is sustainability and commercial sense pointing the same way.

We're reporting a little differently this year, following proposed changes to New Zealand's climate-related disclosures regime, but our commitment to transparency on emissions, our transition plan and the risks we're managing hasn't changed.

None of this happens without our 10,000 team members, who kept showing up for customers and communities through a demanding year. The spirit Sir Stephen built this business on is still what drives us.

Ngā mihi nui,

Mark Stirton
Group Chief Executive Officer

2026 at a Glance

People and Communities

0%
Median Gender Pay Gap (FY25: 0%)
Group-wide median gender pay gap was 0% (FY25: 0%), though differences remain within some parts of our business

25
employee Net Promoter Score (FY25: 36)
FY26 eNPS reflects Group-wide survey results across stores, distribution centres and head offices. FY25 excluded distribution centre team members and is therefore not directly comparable.

$1.9m
contributed to New Zealand charities and communities in FY26

Products and Circularity

284 tonnes
of post consumer waste collected for reuse or recycling

14 stores
offering The Good Drop clothing reuse and recycling drop-offs
Winner of the KNAPP Sustainability Leadership Award at the 2026 Spark Retail NZ Awards

36%
of private label product sales had at least one approved sustainability attribute (FY25: 40%)

66%
of private label sales with packaging that met our sustainability requirements

Climate and Operations

90%
of our electricity matched with electricity produced by Lodestone Energy's solar farms

74%
reduction in Scope 1 and market-based Scope 2 emissions (compared to FY23 base year)

79%
of operational waste diverted from landfill (FY25: 79%)

Ethical and Responsible Sourcing

492
Tier 1 private label factory social and environmental assessments completed

55%
of direct sourcing private label factory spend covered by verified carbon maturity assessments

HSBC
New Zealand's first Sustainable Supply Chain Finance facility launched with HSBC

Our Approach to Sustainability

About The Warehouse Group

The Group was founded by Sir Stephen Tindall in 1982, and has evolved from a single The Warehouse store, to become one of the largest retailing groups in New Zealand. Our brands include The Warehouse, Warehouse Stationery and Noel Leeming. We have 217 retail stores across New Zealand, as well as online stores and apps, and our two distribution centres. We also have three overseas sourcing hubs located in China, Bangladesh and India. We are a people-centred business with approximately 10,000 team members across our locations, serving more than one million Kiwis in our stores each week.

Our purpose is to build exceptional retail brands that customers love, our team take pride in, and deliver sustainable shareholder returns. Our ambition is to be a highly desired retail stock. We're focused on delivering the best products at the best price, with outstanding customer experiences to achieve our objectives and to deliver on our long-term strategy and growth for our shareholders and all stakeholders.

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

This year, 44 years on from that first store, we launched our new platform *This Is Warehouse Country* – reconnecting with the communities we've never stopped showing up for and renewing our ambition to be New Zealand's most loved retailer again.

Our value chain

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

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

Our Purpose

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

Our Ambition

Be a highly desired retail stock

Our Values

Think Customer | Do Good | Own It

Our Sustainable Living Plan

Sustainability is integral to how we deliver our strategy: building exceptional retail brands that customers love, our team take pride in, and delivering sustainable shareholder returns. Our Sustainable Living Plan is embedded in the decisions that shape our business every day: from how products are sourced and made, to how waste is reduced, to how value is created for customers, teams and communities.

Last year we reviewed the Plan against the Group's strategy, reaffirmed its vision, and sharpened our four Building Blocks into 12 action areas. In FY26, as part of the Group's wider strategy refresh process, we continued considering how our long-standing community and people priorities sit alongside our environmental commitments, and how our approach may evolve from here.

Our ambition is underpinned by goals and metrics across each Building Block, enabling us to track progress, respond to emerging risks and expectations, and maintain strong governance – including through our Climate Transition Plan, which guides our journey to a lower-carbon, more climate-resilient business that supports a just transition.

The Sustainable Living Plan runs through every part of The Warehouse Group, helping us safeguard product quality and availability, build resilience across our supply chain, and support the communities we serve.

What follows is a summary of progress against each Building Block. Many goals were reset last year, with our supplier engagement goal updated this year to focus on supplier carbon-management maturity. Some areas remain at an early stage, while others are well on track.

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

Vision: To make sustainable living easy and affordable for everyone

Product Sustainability Leadership

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

- Value Chain Emissions
- Product Sustainability Attributes
- Packaging Sustainability
- Supplier Engagement

Sustainable Living Solutions

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

- Reducing Customer Emissions
- Product Efficiency
- Customer Reward

Circularity Solutions for Customers

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

- Post Consumer Solutions
- Circular Innovation

Sustainable Operations

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

- Operational Emissions
- Operational Efficiency
- Reduced Waste

Responsible Retail Foundations

Communications and Marketing

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

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

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

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

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

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

Product Sustainability Leadership

Value Chain Emissions

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

Progress
In FY26, we focused on building the data and supplier capability needed to define credible Scope 3 priorities and targets. See page 28 for further detail.

Product Sustainability Attributes

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

Progress
In FY26, 36% of private-label sales across The Warehouse and Warehouse Stationery came from products with one or more approved sustainability features[1], down from 40% in FY25. This was influenced by significant renewal across our product ranges during the year, particularly in apparel. This represents 42,635 product lines and $350 million in sales. We will aim to increase the use of approved sustainability features across our ranges in the year ahead.

At year end, 70% of apparel and home textile sales featured Better Cotton, recycled content or responsible certifications, Play Studio toys using 100% recycled-content filling and FSC®-certified wood, Market Kitchen coffee and cocoa remained 100% Rainforest Alliance Certified, and Cruelty Free International approved status was extended from Good One to our new Poppi bath and shower range.

Packaging Sustainability

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

Progress
By the end of FY26, 66% of The Warehouse and Warehouse Stationery private-label sales came from products with packaging that met our sustainability requirements, matching FY25's performance. This year we moved to measuring this metric by sales volume rather than sales value, to avoid higher-priced lines skewing the result. As we move closer to our goal, the remaining gap increasingly sits in harder-to-switch formats, and this shift gives a more representative view across our full range. The two years aren't directly comparable like-for-like.

We continued rolling out the Australasian Recycling Label scheme, though this work remains at an early stage.

Supplier Engagement

Aim
We will aim to build carbon-management maturity across our direct-sourcing factories.

Progress
Most of our GHG emissions sit in Scope 3, so supplier engagement is critical. In FY26, we gained a clearer view of carbon-management maturity across our direct-sourcing factories and concluded that building capability, rather than target adoption alone, should be our immediate focus. Further detail, including our 2028 milestone and longer-term maturity goal, is provided on page 28.

Sustainable Living Solutions

Reducing Customer Emissions

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

Progress
Through our ongoing partnership with EECA - Energy Efficiency & Conservation Authority, the Warmhouse initiative aims to help New Zealand households stay warm for less and use energy more efficiently. This year's winter campaign combined practical advice with a 'Win a Year's Worth of Free Power' giveaway and we introduced a new Winter Saving Tips icon on our private-label heaters directing customers to trusted guidance at the point of purchase.

Product Efficiency

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

Progress
We continued to drive energy efficiency improvements across our private-label electronics range, with nearly half of TV models sold during the year achieving energy star ratings above EECA's reported market average – including three models reaching industry-leading 6- and 7-star ratings, among them the best-selling VEON 50-inch 4K Smart TV. Five of our seven Veon computer monitors also achieved above-average energy star ratings.

Customer Reward

Aim
We will aim to incentivise and reward 1 million customers for making more sustainable choices by 2035.

Progress
This year we deepened our understanding of what drives customers to take part in circular and sustainable initiatives. Through The Good Drop (see page 13) and promotional giveaways with EECA, a clear insight has emerged: purpose, both environmental and social, is the strongest motivator, ahead of the reward itself. Our "thank you" offer plays a supporting role, recognising customers and encouraging them to come back. Over time, our aim is to turn one-off actions into lasting habits that deliver impact at scale.

Circular Solutions for Customers

Post Consumer Solutions

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

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

Progress
We continued to strengthen practical pathways across our priority waste streams – problem plastics, electronics and textiles.

The Warehouse's participation in the Soft Plastics Recycling Scheme expanded to include Palmerston North and our stores now span 54 collection points nationwide. Across 37 Noel Leeming and Warehouse Stationery stores, TechCollect NZ collected 170 tonnes of e-waste, complemented by nationwide take-back for phones (on behalf of RE:MOBILE) and ink/toner cartridges (on behalf of Brother). FY26 was also the first full year of The Good Drop, our clothing take-

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

back programme with The Salvation Army and ImpacTex, expanding from five to 14 stores and donating over six tonnes of apparel, with 94% diverted from landfill (see also page 13). These initiatives collectively diverted more than 284 tonnes of material in FY26 (FY25: 283 tonnes).

Circular Innovation

Aim

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

Progress

In FY26, we tested practical circular models to extend product life and reduce waste. The Good Drop helped us understand customer behaviour and the requirements for scaling apparel take-back, with 45% of participating customers saying they felt "much more positive" about The Warehouse afterwards. With TechCollect NZ, we trialled an electronics repair and reuse pathway and the internal logistics needed to support it. We also began preparing for New Zealand's emerging synthetic refrigerant product stewardship scheme through Fleet Team training and de-gassing equipment at our North Island Distribution Centre.

Sustainable Operations

Operational Emissions

Aim

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

Progress

By January 2026, all sites where we control electricity supply had transitioned to electricity matched with generation from Lodestone Energy's solar farms. This covers 186 sites, or around 98% of our estate, excluding shared areas outside our operational control. The only exceptions are four landlord-supplied sites, where electricity is supplied by the landlord, and ChocolateWorks, our joint venture chocolate factory.

Scope 1 and market-based Scope 2 emissions are now 74.2% below our 2023 base year up from 45% in FY25. This means we have achieved our 2030 goal four years early. We will review the target and our electricity accounting approach as international standards evolve. Further detail is provided on pages 27-30.

Operational Efficiency

Aim

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

Progress

Work has continued on improving the efficiency of our buildings and logistics. More detail is on pages 25, 28 and 30.

Reduced Waste

Aim

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

Progress

In FY26, we again diverted 79% of operational waste from landfill, matching the FY25 result. Operational waste covers logistics packaging, general waste from warehouses, stores and offices, and waste arising from services provided to customers. FY26 was a pivotal year, as we completed a comprehensive review of our national waste and resource recovery model to identify materials currently treated as waste and lift diversion rates further in FY27 and beyond.

Group non-hazardous waste totalled 12,220 tonnes, an increase of 2% from 11,952 tonnes in FY25. We recovered 8,566 tonnes of fibre, 548 tonnes of plastic (rigid plastic, plastic film and expanded polystyrene), achieved a 79% hanger reuse rate, and kept hazardous waste below one tonne.

In April 2026, some sand products were recalled after testing indicated possible asbestos. Returns have been stored securely pending specialist disposal and are not included in the waste figures above.

Through our KiwiHarvest partnership, more than 21 tonnes of surplus food and non-grocery products were redistributed to communities in FY26 rather than disposed of. We also began planning to extend the programme from our North Island Distribution Centre into stores.

Operational waste	Waste generated (tonnes)	Waste diverted from landfill (tonnes)	Waste directed to landfill (tonnes)
General waste (includes contaminated recycling, general mixed commercial and special burial)	2,605		2,605
Paper, cardboard and document destruction	8,566	8,566	
Mixed recycling, glass and wood	122	122	
Metal (metal appliances and e-waste)	358	358	
Plastic (rigid plastic, plastic film and expanded polystyrene)	548	548	
Food redistribution	11	11	
Organic waste (includes green and food waste)	9	9	
Hazardous waste	<1	<1	<1
Total operational waste	**12,220**	**9,615**	**2,605**
FY26 operational waste diverted and directed to landfill		**79%**	**21%**

NOTE: Waste data covers waste generated through the Group's operations, including waste from services such as our large appliance collection and recycling service. It excludes product returns and post-consumer waste from free take-back or recycling programmes open to the public, regardless of where the product was purchased.

Responsible Retail Foundations

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

For more on our approach to people, see pages 15-16; for engaging with communities, see pages 18-19; and for ethical and responsible sourcing, see pages 20-23.

Further detail on our approach to governance can be found on page 32.

Case Studies

Noel Leeming

Helping technology go further for longer

Technology has value long after the first sale. It runs households, supports learning, powers work, grows businesses and keeps whānau connected. For Noel Leeming, the job is to help that value last.

For more than a decade, we've built services across the full technology life-cycle: helping customers choose efficient products, keeping products working through repair, giving them a second life through trade-in and refurbishment, and making recycling easy at the end. Better choices, longer use, more recovery, less waste. That's circularity in action.

Designing circularity into the customer experience

Some of our most important sustainability work happens in the everyday. In FY26, our teams completed around 35,000 repairs and service interventions, keeping products customers already own working harder for longer.

Second-life pathways are growing fast. Since our trade-in programme launched in April 2024, customers have swapped eligible smartphones, laptops, tablets and smartwatches for a gift card, with around 1,970 trade-ins processed in FY26. In November 2025, we added quality refurbished phones to the mix - an affordable way in for customers and more life out of every device.

Making responsible recovery easier

Every product eventually reaches the end of the road, and what happens next matters. Noel Leeming has run a large appliance removal and recycling service for over a decade. In FY26, Noel Leeming supported 11,026 households to responsibly recycle old whiteware and appliances through its long-standing removal and recycling service. This was a 9.3% increase on FY25, reflecting growing customer demand for convenient and responsible end-of-life solutions.

That same service quietly handles the packaging too—cardboard, plastic film and expanded polystyrene (EPS). Each year, our stores return more than 67 tonnes of EPS, 489 tonnes of cardboard and 4.2 tonnes of plastic film through our own logistics network. Cardboard and film are sent to established recycling pathways; EPS is consolidated, cleaned, compressed and shipped to INTCO Recycling in China, where it's remade into products like picture frames.

E-waste has become a growing focus since becoming a TechCollect NZ drop-off point in 2023, customers have recycled approximately 170 tonnes of e-waste through our stores in FY26, safely recovering valuable materials and hazardous components alike. We also run nationwide take-back for mobile phones with RE:MOBILE and ink and toner cartridges with Brother, recycling 500kg of phones and 14 tonnes of cartridges in FY26.

Preparing for product stewardship

Product stewardship is reshaping appliance and electronics recovery in Aotearoa New Zealand, and for us, it's nothing new. We're not waiting to be told; our work here is voluntary because we believe in it. For years we've partnered with certified degassing agents to safely destroy synthetic refrigerant gases from old appliances. In 2026, we went further, qualifying four delivery team members and a dedicated trainer as certified gas fillers, joining the Cool-Safe recovery programme, and preparing to bring degassing in-house at selected hubs.

We support product stewardship and a move to extended product stewardship in New Zealand, and our e-waste work reflects that. In March 2025, TechCollect NZ applied for priority product stewardship accreditation, drawing on real-world experience gained through three years of operation across 29 Noel Leeming stores. In FY26, Hastings, Gore and Porirua stores joined the scheme, with support from local council funding, bringing the TechCollect footprint to 32 Noel Leeming stores, alongside five Warehouse Stationery stores. While the Ministry for Cities, Environment, Regions and Transport (MCERT) continues to consider the application, we've continued to grow the programme and strengthen how we recover e-waste. We're also testing smarter recovery, trialling our own delivery fleet to move e-waste at Wairau Park and Manukau from November to January, and working with a specialist refurbishment partner to assess how much donated e-waste could be repaired rather than recycled. Early signs are promising, with some higher-value assets worth saving even when first written off.

Powered by people and looking ahead

Behind every repair, removal, trade-in and recycled product are Noel Leeming people making circularity real for customers, day in, day out. That everyday expertise is one of our strongest sustainability assets.

The future of technology isn't just about what's next. It's about making what we already have go further, through services, partnerships and capability that help customers buy well, use longer, recover value, and recycle responsibly at the end.

The Good Drop

Finding value in unwanted clothing

The Good Drop began as a five-store pilot in June 2025 to help customers donate unwanted clothing for reuse or recycling. In FY26, we expanded the initiative to 14 stores from Whangārei to Timaru, and collected more than six tonnes of clothing. By keeping more garments in use, the initiative supports affordable access to clothing, helps generate funding for community services through charitable reuse partners, and reduces the volume of textiles going to landfill. The initiative's impact hasn't gone unnoticed either, with The Good Drop receiving the KNAPP Sustainability Leadership Award at the 2026 Retail NZ Awards, acknowledging its role in providing a practical, end-to-end circular solution for clothing, helping extend garment life while delivering environmental and community benefits.

Strong results, responsibly delivered

Results to date are strong. Research suggests only 20% of clothing donations are considered re-sellable, but in practice 52% of Good Drop donations have been retained for resale, 42% through The Salvation Army Family Stores and a further 10% through other charity or reuse pathways. The initiative is intentionally designed to support charitable reuse, not overwhelm the system. Any Good Drop garments not suitable for resale are boxed up and sent to ImpacTex for recycling, so 94% of donations are kept out of landfill.

Whangārei in practice

Sustainability is about more than preserving and restoring nature. It is also about helping whānau and communities flourish. In Whangārei, The Warehouse store and local Salvation Army Family Store show what this looks like in practice. Since joining the pilot, the store has collected more than 2.5 tonnes of unwanted clothing, with over half suitable for reuse through Salvation Army pathways.

The local Family Store sits within a wider reuse ecosystem that includes Intercept Fabric Rescue. Together, these organisations direct garments to the pathway where they can deliver the greatest social, environmental and community value. Intercept gives materials new life through repair, reuse and upcycling, while other local partners provide accessible clothing support for people experiencing financial hardship.

Turning donations into social value

Through resale, every two donated garments sold through The Family Store generate approximately $13 in revenue on average. After operating costs, around 20% supports The Salvation Army's social and community programmes, including food support, housing assistance, debt counselling, family support, children's services and addiction support. One unwanted garment can become affordable clothing for one household, while helping fund practical support for another.

This local ecosystem shows that second-hand retail isn't just a stop-over to landfill. It sorts, prices, repairs, redistributes and recovers products that have already had a first life, creating affordable access to essential goods, supporting community services and reducing material moving to landfill or lower-value recycling. The Good Drop is a small part of a much larger movement: the 2026 Aotearoa New Zealand Reuse Impact Study found charitable reuse organisations nationally enabled the reuse of 46.9 million items and delivered an estimated $844 million in cost-of-living relief last year alone.

What we're learning about customers

The Good Drop is also giving us a better understanding of how customers engage with circular initiatives, and how we can thank them for taking part. Through The Warehouse's loyalty platform, the pilot has recorded 437 confirmed donations from 336 unique customers, including 24 repeat donors, with 37% of customers redeeming the thank-you offer they received. Encouragingly, customers who took up the offer came back to shop with us too, spending on average 90% more per transaction than baseline apparel shoppers.

Looking ahead

While still early, The Good Drop shows how circular initiatives can deliver for people, planet and profit, supporting customers and communities, keeping more clothing in use, and helping The Warehouse build insight into commercially viable models for circular retail.

The Good Drop's impact is best understood as a practical example of shared value. Customers find it easier to act, community partners capture more value from donated goods, and more clothing stays in circulation for longer.

For The Warehouse, it shows how a value retailer can make circular action more accessible while supporting trusted community partners. As the initiative evolves, the focus remains on increasing the proportion of clothing that stays in reuse and strengthening the partnerships that turn unwanted garments into lasting social and environmental outcomes.

The Good Drop

Click here to find out more about The Good Drop

Our People

Growing Our People and Culture

Bringing our culture home

The past year has been about reconnecting our people to our brands and purpose, while building strong foundations for the next chapter of The Warehouse Group.

Following a period of significant organisational change, we focused on supporting leaders through change and creating greater consistency in how our teams work, learn and grow.

Across The Warehouse, Warehouse Stationery and Noel Leeming, we invested in a stronger and more connected team member experience. This included leadership development, learning opportunities, new ways of working, and programmes focused on recognition, wellbeing and belonging.

This work is ongoing, but the foundations are now in place. As a proudly New Zealand business, we are building a culture that reflects who we are, our heritage, and where we are heading together.

Growing leaders and capability

This year was about creating greater consistency, discipline and support for leaders across our stores, distribution centres and support offices.

We continued to invest in leadership development through Lead 1, Lead 2, Emerge and Evolve, with a focus on building capability across our store and frontline leadership teams. Alongside these programmes, we provided practical support for leaders navigating organisational change, leading integrated teams and building connection across remote and hybrid environments.

We broadened access to development opportunities for frontline team members, improving onboarding experiences and ensuring compliance learning remained a priority. We expanded cultural learning opportunities and supported leaders through coaching, feedback, CEO breakfast sessions and high-performing team workshops.

Looking ahead, our focus is on building deeper expertise through craft-specific learning, succession planning and future talent pathways that support career development and help our people grow with The Warehouse Group.

Building a culture people want to be part of

Over the past year, we continued to invest in team engagement through recognition, wellbeing and belonging programmes, helping our people feel more connected, supported and valued.

Through Celebrate, High Five Awards, Quarterly Values Awards, Trailblazer CEO Awards, service milestones and our annual Impact Awards, we created more opportunities to recognise great work and reinforce the behaviours that matter most. Alongside this, we continued creating moments of connection through cultural celebrations, community initiatives, sporting events, team activities and other small moments that bring people together.

This year, we expanded our MyVoice engagement survey across our stores, distribution centres and support offices, giving us our clearest view yet of the team member experience.

The results reflect an organisation undergoing significant change and highlight areas where we can do better. While there is more work to do, the survey provides valuable insights to help us strengthen engagement and better support our people.

FY26 People & Culture Snapshot

Measure	FY26
Learning Hours Delivered	32,900[1]
Leaders Participating in Lead, Emerge & Evolve, Leading Integrated teams, CEO Breakfast series	382
MyVoice Participation	65%
eNPS	25[2]
Average team member tenure	7 years[3]

1. *Covers structured learning delivered across the Group, including eLearning and in-person sessions, but excluding on-the-floor onboarding*
2. *Down from 36 in FY25, although the results are not directly comparable as distribution centre team members were not surveyed in FY25.*
3. *Average (mean) length of service for permanent New Zealand-based team members as at year-end (headcount 7,539).*

Employee Turnover	
FY26	32.2%
FY25	18.1%
FY24	23.7%
FY23	26.9%
FY22	28.4%

NOTE: The employee turnover rate relates to voluntary departures only and excludes redundancies and other employer-initiated leavers. The increase in FY26 reflects changes in voluntary departures and a lower average headcount, partly reflecting organisational changes associated with the transfer of some services to TCS during the year.

Supporting Our People to Thrive

Wellbeing, inclusion and belonging

Supporting our people to thrive remains central to our culture.

Our wellbeing approach continues to focus on four key pillars: physical, mental, financial and social wellbeing.

Throughout the year, we delivered initiatives that supported team members through different life stages while increasing awareness of the wellbeing resources available to them.

We continued to support our people through important life stages, including our 26-week paid parental leave. In FY26, 83 team members made use of the policy.

Through The Warehouse Group Foundation, we also provide a Team Member Emergency Assistance Fund for those facing unforeseen personal hardship or the impacts of a natural disaster. In FY26, four team members received grants from this fund.

We strengthened our focus on diversity, equity, inclusion and belonging. This included ongoing work to improve gender equity, celebrate the diverse cultures represented across our workforce and create an environment where people feel respected, valued and included.

We remain committed to building a diverse and inclusive workforce that reflects the communities we serve. In FY26, 37.5% of our senior leaders were women (FY25: 45.2%), against our target of 50%. Our Group-wide median gender pay gap was 0% (FY25: 0%), though differences remain within some parts of our business. Additional workforce diversity data is provided in the Corporate Governance section of our FY26 Annual Report. In FY27, we intend to review our diversity and inclusion objectives, along with the initiatives needed to support their achievement.

Our commitment to Te Ao Māori remains an important part of this journey, helping us strengthen our connection to Aotearoa New Zealand while ensuring our culture reflects the communities and customers we serve. This includes activities for our teams to celebrate and participate in Te Wiki o te Reo Māori and Matariki.

Health and safety

As an ACC-Accredited Employer, we continue to maintain effective health and safety systems across the Group. In line with the commitment set out in last year's report, we delivered targeted measures in FY26 to address the injury trends identified in FY25.

Although we recognise there is more work to do, we saw an improvement in our injury indicators in FY26. Total Recordable Injuries (TRI) decreased 12.2% to 330, from 376 in FY25, while the Total Recordable Injury Frequency Rate (TRIFR) decreased to 28.3 per million hours worked, from 30.2 in FY25. Lost Time Injuries (LTI) decreased 16.6% to 196, from 235 in FY25, and the Lost Time Injury Frequency Rate (LTIFR) decreased to 16.8 per million hours worked, from 18.9 in FY25. Musculoskeletal injuries continued to account for the majority of our injuries and will be the focus of a targeted improvement initiative in FY27.

Recorded critical risk events decreased to two in FY26, from eight in FY25. We continued the reset of our critical risk programme and aligned our assurance processes to support it. This included establishing risk profiles to support a right-fit health, safety and wellbeing framework across our organisation, developing key critical risk standards and completing initial testing to assess whether our critical controls were in place and effective. Findings from this testing will inform our FY27 improvement priorities and the continued development of our supporting systems.

Violent and aggressive behaviour towards our store teams remains a significant challenge for the New Zealand retail sector. In FY26, recorded events decreased 15% to 193, from 227 in FY25. We continue to focus on strengthening the systems and controls that support our teams and manage this risk, including exploring technology-based solutions to improve monitoring and early identification of concerning behaviour in our stores.

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

Looking ahead

In FY27, our focus is to build on the progress made over the past year.

We will focus on leadership capability, succession planning and talent pathways, while reviewing our diversity, equity, inclusion and belonging objectives and the initiatives needed to support them.

We will continue developing our health and safety programme, with a focus on reducing musculoskeletal injuries, strengthening critical risk management and improving the systems and controls that help keep our teams safe.

By investing in our people, we are creating a stronger organisation and a workplace where people can grow, contribute and thrive.

Total Recordable Injury Frequency Rate (TRIFR)

28.3 per million hours

(FY25: 30.2)

Lost Time Injury Frequency Rate (LTIFR)

16.8 per million hours

(FY25: 18.9)

2 critical risk events

(FY25: 8)

Our Relationships

Our Communities

Across our three brands, we're within a 20-minute drive of 85% of Kiwis, wherever they live. That reach comes with a responsibility, not just to provide the products and services our customers need, but also to back the communities they call home, in the way we always have.

This year, alongside our wider strategy work, we took a closer look at how we show up for communities, thinking harder about the causes that matter most to New Zealanders and to us, and the partners best placed to help us make a genuine difference rather than just a gesture. That thinking builds on the strategy we refined in FY25, and continues to focus on the essentials, from period products and youth development to festive support at Christmas.

We continued to partner with The Kindness Collective, The Salvation Army, Variety – the Children's Charity, Youthline and Women's Refuge, working with each to find new ways to reach the people who need it most, through both national campaigns and local, store-level initiatives.

This year, we deepened our partnerships with KiwiHarvest, redistributing surplus food and products to communities in need, and with EECA, helping families find more affordable ways to stay warm this winter.

We support two national campaigns each year, Be the Joy at Christmas and Kindness Collective's PJ Project in winter, alongside local fundraising our stores run throughout the year for the causes that matter most in their communities.

Our team members can give directly through payroll giving, donating straight from their wages to the causes they care about, with $54,884 contributed this way in FY26.

Every team member can take a paid day each year to volunteer in their community. In FY26, 185 volunteering hours were recorded, although we know this understates team member participation because not all activity was captured centrally. Our teams volunteered in activities ranging from packing food parcels to helping families at The Kindness Collective's Joy Store, reflecting our value of Doing Good. Improving how we capture data on volunteering activity will be a focus in FY27.

We expect our community work to evolve further in FY27, focusing on the causes and partnerships where we feel we can make the greatest impact.

Thanks to the generosity of our customers and our teams, $1.9 million was contributed to New Zealand charities and local community groups in FY26.

The power of the Red Bag

Our iconic $1 Red Bag is more than just a recycled, reusable shopping bag. Every time a customer purchases one, the proceeds help us give back to Kiwi communities in a meaningful way. A portion of every Red Bag sold supports our national community partners, while another portion stays with the local store team, empowering them to respond to the unique needs of their communities. This year, Red Bag sales generated $1.35 million in support for causes across Aotearoa New Zealand.

Be the Joy: bringing joy to families at Christmas

Our team and customers came together in an extraordinary show of generosity for Be the Joy in FY26, our annual Christmas fundraising campaign. Running from 19 November to 24 December, customers could add $2 or more at the checkout in-store or online, or donate new toys and gifts for Women's Refuge at dedicated in-store collection points. Across our retail brands, we raised $262,067 for four partners: The Kindness Collective, The Salvation Army, Variety – the Children's Charity, and Women's Refuge. Together, we helped bring joy to thousands of families across the country with gifts, toys, and food for Christmas.

PJ Project: keeping Kiwi kids warm over winter

This winter, our team and customers supported Kindness Collective's PJ Project, their campaign to keep children and families warm during the coldest months of the year. Alongside in-store donations, we sold exclusive Kindness Collective pyjamas at $10 a pair, with $1 from every sale going straight to the project. We supported their National PJ Day, with many of our stores and head office team members wearing their PJs for the day and donating a gold coin to the cause. Thanks to their generosity, we raised $148,982, and 34,484 pairs of PJs were donated to families across Aotearoa New Zealand.

Products that give back

Some of the everyday products our customers buy also give back. Our iconic $1 Red Bag leads the way, but it's far from being the only product that gives back.

We help make period products more accessible through our range of private label $2 pads, with one in every ten sold being donated to local organisations in need through our partnership with The Kindness Collective. We donated 66,224 units in FY26, bringing the total donated since the programme began to 534,540 units. We also provide free period products for our team members.

Also, our exclusive Kindness Collective pyjama range saw $1 from every pair donated to the PJ Project to help keep Kiwi kids warm.

$1.9m
contributed to charities and community groups in FY26

More than
$90m
contributed to charities and community groups since our doors opened in 1982

$262,067
raised to help Kiwi families for Christmas 2025

$148,982
raised to help keep kids warm this winter

Supporting youth pathways

With youth unemployment in New Zealand at its highest in decades, helping rangatahi into work matters more than ever, and as one of the country's largest retail employers, we believe we have a role to play.

Red Shirts in Schools

Our long-running Gateway programme, Red Shirts in Schools, gives Year 11 to 13 students hands-on retail experience, helping them build confidence, develop workplace skills and earn NCEA credits. This year we relaunched the programme with a new delivery partner, GRIP, bringing a more consistent, nationally supported model and reducing the coordination load on our stores. We also introduced a new Level 3 pathway, RISE (Retail Industry Skills Experience), alongside the existing Level 2, giving students a clearer route from school towards employment.

In FY26, 361 students took part across 33 stores and 40 schools. Since the programme began in the mid 2000s, it has supported more than 7,700 students, including team members across the business who started their careers this way.

Aspire with The Salvation Army

We continue to support Aspire, a programme created in partnership with The Salvation Army, which celebrated its tenth year in FY26. Aspire helps young people build confidence, resilience and essential life skills through weekly group sessions, outdoor adventures and community projects, all led by experienced youth workers. The impact shows up in real change: early results this year found a 22% increase in young people feeling comfortable engaging with adults, and a 33% increase in those feeling able to talk to others about their problems.

Aspire runs on a calendar-year basis, and across the school years spanning FY26 some 381 rangatahi took part, with more to come during the rest of the 2026 calendar year. Since it began, the programme has supported over 3,500 young people.

Variety – the Children's Charity

For more than 20 years, we have proudly supported Variety – the Children's Charity, helping improve the health, education and wellbeing of children experiencing material deprivation.

In FY26, our support helped 371 children through Variety's Individual Grant programme, having a positive impact on an estimated 1,744 lives across Aotearoa New Zealand. This funded 91 education grants for needs including digital devices, school uniforms and stationery, 166 wellbeing grants to help children take part in extracurricular activities, and 114 health grants covering essentials such as medical costs, mobility support and bedding. Our teams also raised $75,128 for Variety through Noel Leeming's Friends and Family event and annual Gala Awards night, and we directly sponsor 100 children through the Kiwi Kid Sponsorship programme.

Trading Ethically and Responsibly

Our ethical sourcing programme has been in place for more than 20 years, and the principle behind it hasn't changed: we have a duty to make sure the basic human and labour rights of the workers in our supply chain are respected, and that the products we sell are made in safe, fair and environmentally responsible conditions. In a global sourcing environment that remains fast-moving and fiercely competitive, that work matters as much now as it ever has.

Our Ethical Sourcing Policy sets the framework. It applies to all suppliers, with our focus on the private label, exclusive and licensed products we source for The Warehouse and Warehouse Stationery — around 49% of sales for these retail brands in FY26. It draws clear Zero Tolerance lines on issues like child or forced labour, bribery and unauthorised production, treats transparency as non-negotiable, and sets baseline expectations on environmental responsibility and compliance with local laws.

The programme has continued to mature over the past decade moving from factory-level compliance towards responsible sourcing across the whole value chain — engaging lower-tier suppliers in priority categories and tightening our approach to raw materials such as timber, palm oil, cocoa and cotton, where social and environmental risks are most closely linked. We back this with training, supported improvement plans and a Supplier Scorecard rating ethical and environmental performance. This year we went further on climate, making completion of the ERSA Verified Carbon Self-Assessment Questionnaire (SAQ) a qualification requirement for factories with significant spend (see page 28), and our Supply Chain Finance programme with HSBC evolved into a Sustainable Supply Chain Finance mechanism, linking a supplier's sustainability performance to the finance rates available to them (see page 23).

We also made written and oral submissions to the Education and Workforce Committee on the Modern Slavery Bill, supporting the Bill while calling for alignment with Australia and other international regimes and for offshore selling platforms to be brought into scope.

Assessment and monitoring

We qualify every production site before any orders are placed and monitor on a risk basis from there. Our assessments use the LRQA Elevate Responsible Sourcing Assessment (ERSA) 3.0 tool, which looks across labour, health and safety, business ethics and basic environmental practices, with sites graded A to D; a site must reach at least a C to qualify, though in certain cases a D may be given temporary approval where a focused remediation plan is in place. Assessments are carried out by approved partners, with validated self-assessments or recent third-party audits accepted where appropriate, and sites are reassessed every one to three years depending on risk. Most assessments are semi-announced, but we will visit unannounced where we have cause for concern, and our local teams run witnessed and shadow audits and random spot checks to test consistency and catch risks like unauthorised production or subcontracting.

While our focus is first-tier production sites, since FY22 we've traced and assessed second-tier sites in textiles, wood and paper. Where an assessment identifies a critical issue, the supplier must put a time-bound Corrective Action Plan (CAP) in place, overseen by our local teams, and persistent non-disclosure can end a relationship. Our Zero Tolerances cover the most serious breaches — denying us access to a site or records, unauthorised production, child or forced labour, harassment or abuse of workers, bribery or corruption, and serious environmental harm such as the dumping of hazardous waste. When any of these come to light, we act straight away, whether that's by enforcing a financial penalty, halting production, or ultimately ending the contract.

We use LRQA's EiQ platform to benchmark social and environmental risk in real time and track assessment status, and continue to draw on its Sentinel feature, which scans global media and online sources to flag emerging environmental, social and governance (ESG) or labour-related concerns linked to our supply chain as they arise.

Source country profile

China remained our largest sourcing base in FY26, accounting for 65% of private-label and licensed product spend, followed by New Zealand at 19% and Bangladesh at 7%. Together, these three markets represented more than 91% of spend. India, Vietnam and Indonesia accounted for a further 5%, with the remaining 4% spread across a long tail of lower-volume markets in Asia, Europe and elsewhere. While China remains our primary sourcing market, New Zealand-made products continue to play an important role, particularly across grocery and garden. Since 2018, we have published on our website a list of the Tier 1 sites used to manufacture our private-label products, together with Tier 2 sites in the textiles, wood and paper supply chains above a defined spend threshold.

FY26 Ethical Sourcing Programme

183 Newly qualified factories[1]

837 active Tier 1 factories

307,500+ workers in active Tier 1 factories

Worker voice

2,614 Worker interviewees[9]

Audit and due diligence

492 Tier 1 factory assessments[2]

48 Tier 1 factories declined or discontinued

59% Average onsite audit score

94% Audit transparency[3]

96% Production traceability[4]

34 Tier 2 factories registered, trained and assessed

Zero tolerance findings[8]

8 Unauthorised production

2 Bribery notification

1 Access denied

1 Withholding of wages

1 CAP refusal

1 Threatened worker retaliation

Remediation and supplier development

473 Corrective Action Plans (CAPs) actively managed[5]

317 Corrective Action Plans (CAPs) completed

2,044 e-learning lessons completed[6]

207 Supplier training sessions[7]

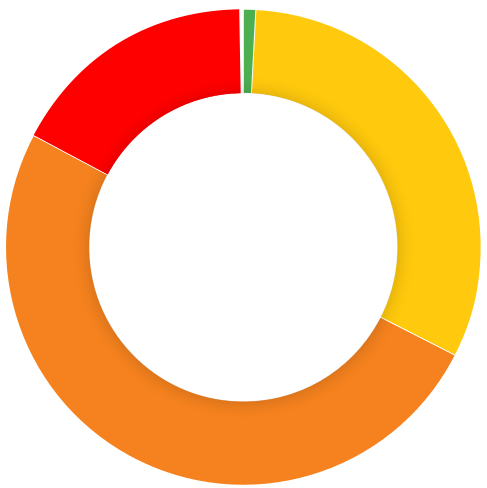
7 factories enrolled in our Beyond Social Compliance Programme

1. *Includes ERSA audits, ERSA Self-Assessment Questionnaires (SAQs), and qualifying audit reports converted into an ERSA equivalent score (EQs)*
2. *Includes ERSA audits, ERSA SAQs, and EQs*
3. *% validated verbal and documented audit disclosures*
4. *Traceability of orders to qualified factories*
5. *Factories under post-audit monitoring and support and includes CAPs carried over from FY25*
6. *Modules include audit preparation, working hours control, wages and benefits, health and safety, transparency and ethics, corrective action planning, vendor responsibility, climate and water management, and prevention of modern slavery (forced and child labour)*
7. *Number of onsite or virtual training sessions delivered to vendors or factories to assist them to prepare for assessments or execute any Corrective Action Plans*
8. *Discovered via independent auditors or local team assessments, and may be subject to financial penalties and / or business termination*
9. *Privately interviewed by our team members or independent auditors.*

Audit performance and findings

The charts below summarise the results of our FY26 assessments for Tier 1 production sites. The first shows the distribution of audit ratings across all factories. The second highlights the prevalence of non-compliances by topic.

FY26 audit rating distribution



Note: Audit rating distribution from 233 ERSA onsite audits carried out in FY26. Audits are scored 0-100 and graded as follows A (100-91), B (90-71), C (70-51) and D (50-0).

FY26 audit finding prevalence by topic

Note: 2,141 findings identified across 233 ERSA audits carried out in FY26. Labour (e.g. issues associated with hours of work and wages and benefits) and health and safety findings represented over 94% of findings. Business ethics includes transparency issues such as site access denied or inconsistent records.

In FY26 we qualified 183 new factories, while 48 factories were declined or discontinued for failing to meet our required standards. We applied our Zero Tolerance escalation process wherever serious concerns were identified, recording 14 escalations during the year. These comprised eight cases of unauthorised production, two bribery notifications, one instance of access being denied, one wage withholding concern (flagged through routine monitoring, where a verified enhanced compensation payment was followed by a repeat breach, leading to discontinuation), one refusal to complete a Corrective Action Plan, and one threat of retaliation against workers; the bribery and retaliation cases have also been discontinued. Each case was managed through our escalation and remediation process, which can result in penalties, halted production or, ultimately, ending the relationship.

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

During FY26, Sentinel flagged two factory fire incidents, one in Bangladesh and one in Pakistan, that had not been reported to us directly. Our local teams followed up with the suppliers concerned, and neither incident affected orders.

Deeper due diligence – Tier 2 transparency

Our Tier 2 programme, begun in FY22, focuses on textiles, wood and paper, categories where labour and environmental risks like water use and chemical discharge often sit deeper in the supply chain. In FY26, valid assessments covered 38% of spend across these products.

Looking ahead, we will sharpen our country and category risk lens so effort follows the highest risks, refresh assessments as they fall due, and make greater use of Sentinel monitoring to track modern slavery and other ESG risks in real time, building a Tier 2 programme that is increasingly proactive, data-driven and scalable.

Supplier engagement and development

Because audits on their own don't create lasting change, we invest in capability alongside them, through e-learning, training and supported improvement plans covering both labour rights and basic environmental practices.

Beyond Social Compliance Programme

In FY25 we piloted our Beyond Social Compliance Programme, now a key part of how we support factories that matter to us but fall short of our standards, where there is a genuine willingness to improve. Working alongside factory management and specialist local partners, the pilot has supported seven factories across China and India, tackling issues from excessive working hours and wage compliance to fire safety, chemical handling and, in one case, a critical wastewater problem resolved by connecting untreated discharge to the site's treatment plant. Results have been encouraging, with one factory lifting its compliance score by more than 60% and resolving its most serious finding. A key learning is that lasting change takes more than fixing individual issues. One factory began strongly, but a change in leadership midway through set progress back. This highlighted that sustained improvement depends on stable management and embedded capability, not one-off remediation.

Supplier Scorecard and Sustainable Supply Chain Finance

Every active direct-sourcing supplier providing products in FY26 had a Supplier Scorecard. Rather than looking at audit results alone, the Scorecard combines three sustainability measures (ethical sourcing, packaging sustainability and product sustainability) alongside wider commercial and operational performance, giving a single view of each supplier and an overall Red, Amber or Green rating. Of the 408 suppliers rated in FY26, 15% were Green, 69% Amber and 16% Red.

We plan to add a carbon management maturity metric to the Scorecard in FY27, embedding a supplier's climate capability progress directly into its overall rating (see page 28 for more detail).

The Scorecard also underpins our Sustainable Supply Chain Finance (SSCF) programme with HSBC, New Zealand's first facility of its kind, which evolved from our long-standing supply chain finance arrangement in FY26. Around 80% of direct-sourcing suppliers are enrolled in the programme, which rewards stronger sustainability performance through the finance rates available from HSBC. During the year our SSCF programme was named joint regional winner of the Best ESG Supply Chain Solution at The Asset Triple A Treasurise Awards 2026, and was a finalist in the INFINZ Awards (Innovation in Financial Services) and the Retail NZ Awards (Sustainability Leadership).

Our Climate Transition and Emissions

Our Climate Transition and Emissions

We have measured, reported and independently assured our GHG emissions since around 2006. Following proposed changes to the Group's reporting obligations, from FY26 we are providing streamlined climate-related reporting as part of our broader sustainability reporting. This focuses on progress against our Climate Transition Plan and our annual GHG emissions inventory. Our approach continues to be informed by the climate-related scenario analysis, risks and opportunities developed through our earlier disclosures, which remain broadly unchanged and continue to shape our transition planning.

A key development this year is that our climate-related key risk indicators, previously under development, have progressed and been incorporated into the Group's enterprise risk management framework. Further detail on how we monitor these risks is provided on page 32.

Transition Planning

Guided by our Sustainable Living Plan, our Climate Transition Plan sets out how we intend to move towards becoming a lower-carbon, more climate-resilient business that supports a just transition. As a founding signatory of the Climate Leaders Coalition, we support the goals of the Paris Agreement and are committed to contributing to New Zealand's target of net zero GHG emissions by 2050.

Developed in FY25, the plan focuses on four priority levers:

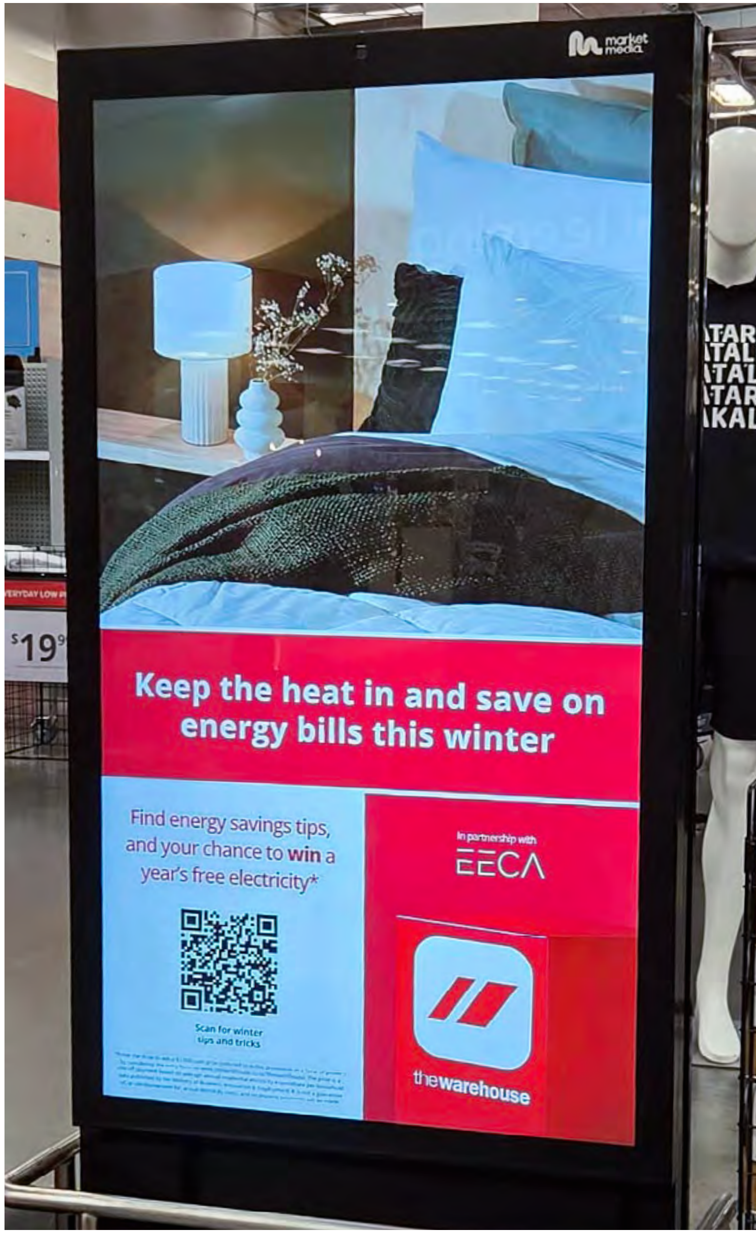
- **Products and customers:** expanding lower-impact ranges and services that help customers reduce in-use emissions and household energy costs.
- **Supply chain:** improving supplier data quality and carbon-management maturity to support future embodied-emissions reductions in priority categories.
-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

The overview on the next page maps these levers across our Sustainable Living Plan Building Blocks and supporting enablers, showing the foundations established through FY25, our priorities through to FY28 and potential future steps.

This year we continued to progress actions across these levers. We expanded the use of independently Verified Carbon SAQ assessments across our direct-sourcing factories, with completion now a qualification requirement for factories with significant spend. We also launched Sustainable Supply Chain Finance with HSBC, progressed LED lighting and HVAC upgrades in parts of our estate, completed a review of our national waste and resource-recovery model, moved to a new GHG emissions inventory solution and incorporated climate-related risks into the Group's enterprise risk management framework.

In FY27, we will continue reviewing the transition plan and its targets to ensure they remain aligned with our business strategy, priorities and evolving climate standards. Delivering the plan depends on addressing several foundational challenges, including gaps in Scope 3 data and capability, potential misalignment in policy and regulation, and constraints around cost, capital and technology. We also recognise the inherent tension between our drive to return to profitability and growth, and the need to reduce our environmental footprint. Regulation, insurance costs, consumer sentiment and supply chain resilience remain key uncertainties that we continue to monitor so our plan can adapt as conditions change.

We have not identified any specific amounts of capital expenditure, financing or investment deployed towards climate-related risks and opportunities in FY26. In FY24, we amended our project reporting to include a dedicated field for identifiable projects with climate and sustainability considerations applicable to all investment requests regardless of value. For example, in FY26 the Group invested approximately $1.75 million in store upgrades, including LED retail lighting and HVAC replacement.



An overview of our Climate Transition Plan

The following overview shows the foundations established through FY25, our priorities through to FY28 and potential future steps. The plan will continue to evolve in response to science, regulation, stakeholder feedback, business needs and our commercial and financial realities. This may include updating our goals, capabilities and actions as the challenges, assumptions and dependencies underpinning the plan change.

Towards becoming a lower carbon, more climate-resilient, and just retail business			
Sustainable Living Plan Building Block and Foundations	**FY23-25 Foundations established**	**FY26-28 Our priorities**	**FY29+ Potential future steps**
Product Sustainability Leadership	Established product and packaging sustainability requirements, introduced the Supplier Sustainability Scorecard and began verified carbon-management assessments with our direct-sourcing factories.	Build carbon-management maturity across our direct-sourcing factories (p. 28), while continuing to improve product and packaging sustainability within commercial guardrails (p. 10) and recognising stronger supplier performance through Sustainable Supply Chain Finance (p. 23).	Further supplier collaboration and innovation to reduce product and packaging impacts.
Sustainable Living Solutions	Established customer partnerships and trials focused on household energy efficiency, more efficient products and incentives for more sustainable choices.	Strengthen partnerships, product improvements and customer incentives that help households reduce energy use, emissions and costs (p. 10).	Scale commercially viable solutions in collaboration with suppliers, partners and customers.
Circular Solutions for Customers	Expanded customer access to recycling for soft plastics, electronics and other difficult-to-recycle products, and piloted clothing take-back and reuse.	Expand viable reuse, repair and recycling solutions that help products and materials remain in use for longer (p. 10; case studies, pp. 12–13).	Scale circular services and partnerships that keep products and materials in use for longer.
Running a More Sustainable Operation	Established our renewable electricity partnership with Lodestone Energy, shifted our passenger fleet towards lower-emissions vehicles and maintained operational waste diversion above 70%.	Having achieved our 2030 operational emissions reduction target early, continue improving the emissions and resource efficiency of our stores, distribution centres and logistics (pp. 25 and 28–30), while progressing waste reduction and landfill diversion (p. 11).	Future actions guided by new insights, public policy, and innovation as we continue our pathway to zero emissions across our owned New Zealand operations by 2040.
Responsible Retail Foundations	Embedded climate expectations within our Ethical Sourcing Policy and began strengthening customer and team engagement on sustainability.	Strengthen climate awareness and capability across our teams and suppliers, including through supplier qualification, development and performance processes. See pages 20–23 and 28.	Future actions may include assessing supply chain climate vulnerability and expecting strategic suppliers to have adaptation plans in place.
Supporting Activity and Enablers			
Governance and Accountability	Strengthened Board and executive oversight of climate-related matters and began aligning climate-related risks with the Group's enterprise risks.	Embed climate-related risks within enterprise risk management (p. 32) and clarify accountability for transition priorities, targets and reporting.	Continue embedding climate considerations across the business through Board oversight, enterprise risk management and periodic strategy reviews.
Data, Systems and Insights	Identified material emissions-data gaps and began improving the collection and management of Scope 1, Scope 2 and selected Scope 3 information.	Improve emissions data, systems (pp. 27–30) and supplier capability (p. 28) to support credible Scope 3 priorities, targets and reporting.	Improve alignment with financial reporting and progressively integrate emissions data across our financial, procurement and supplier systems.
Policy and Financial Alignment	Reflected climate targets in our wider sustainability strategy and introduced climate and sustainability considerations into capital-investment requests.	Continue to consider climate and sustainability in relevant investment, financing, procurement and operational decisions (p. 25).	Continue integrating climate into procurement, investment, and capital planning processes.

Key Goals

FY23 Base year
Operational emissions baseline

2028 Milestone
Supplier carbon maturity
Majority of direct-sourcing factory spend moving beyond foundational carbon management practices

2030 Target
✔ 65% emissions reduction
Scope 1 and market-based Scope 2 emissions

2040 Aspiration
Net Zero emissions
across our New Zealand operations

Metrics and Targets

GHG emissions inventory

Emissions categories

The Group currently assesses operational impact on the climate by measuring our absolute Scope 1 and 2 and certain Scope 3 emissions against an FY23 base year. A full list of legal entities included and excluded within our organisational boundary is provided in Appendix 1.

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

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

Methodology for measuring GHG emissions

In measuring GHG emissions, we employ an operational control approach for The Warehouse Limited, Warehouse Stationery, Noel Leeming, ChocolateWorks NZ Ltd, our New Zealand Store Support Office, and our international sourcing hubs (China, India, and Bangladesh). Current reported GHG emissions sources adhere to the measurement requirements of the GHG Protocol's Corporate Standard, the Scope 2 Guidance, and the Corporate Value Chain (Scope 3) Standard. During FY26, we moved to a new GHG emissions inventory solution to improve the collection, calculation and management of our emissions data.

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

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

Appendix 1 of this report outlines:

- The standards, methodologies, assumptions and calculation methods used to prepare the inventory
- Source of emission factors and the global warming potential (GWP) rates applied
- Emissions data for the six Kyoto Protocol greenhouse gases, separately for Scope 1 and Scope 2 (location-based) emissions
- Exclusions from the inventory, including their rationale and current status

Categories 13, 14 and 15 are not currently applicable for the Group. We will continue improving the data and methodologies for significant unmeasured categories, particularly purchased goods and services and the use of sold products, so they can better inform future Scope 3 priorities and targets.

Our approach to recalculating base year emissions, including the threshold that would trigger a restatement, is available on our website.

Emissions reduction targets

Scope 1 and 2 targets

Our target is to reduce absolute Scope 1 and market-based Scope 2 emissions, aligned to a 1.5-degree Celsius trajectory, by 65% by 2030 compared to a 2023 base year, with a pathway to net zero operational emissions by 2040. This target was developed using the Science Based Targets initiative (SBTi) target-setting tool. While we believe it is aligned with SBTi's requirements, it has not been validated by them.

This target does not rely on the use of voluntary offsets, but in the context of Scope 2 emissions it does rely on our partnership with renewable energy generator Lodestone Energy. All electricity that Lodestone Energy generates under its arrangements with the Group is certified 100% renewable and has zero emissions through the New Zealand Energy Certificate (NZEC) System maintained by BraveTrace. This energy is matched and verified against electricity purchased by the Group. A total of 67,684 NZEC certificates, the equivalent of 67,684 megawatt-hours (MWh) of electricity, were redeemed against the Group over FY26 from solar generation at the Edgecumbe, Kaitaia and Waiotahe Lodestone Energy solar farms, representing 90% of our total electricity for the reporting period.

Our long-term partnership with Lodestone Energy also supports additional renewable generation in New Zealand, contributing towards New Zealand's aspirational goal to achieve 100% renewable electricity generation by 2030.

International standards governing corporate emissions targets and Scope 2 accounting are evolving. The SBTi published its Corporate Net-Zero Standard V2.0 in June 2026. The GHG Protocol is separately revising its Scope 2 Guidance, with proposed changes including more granular time and geographic matching requirements for market-based electricity claims. As these requirements are finalised and implemented, we will review our Scope 1 and 2 target, our market-based Scope 2 methodology and the continued treatment of electricity supplied through our Lodestone Energy partnership.

Scope 3 priorities and supplier engagement

Footprinting work carried out in FY24 estimated that Scope 3 represents more than 90% of our overall emissions footprint, with purchased goods and services under Category 1 accounting for around 70% of Scope 3. These estimated emissions are not included in our reported and assured GHG inventory due to underlying data-quality and completeness limitations, but they reinforce why supplier engagement, particularly at factory level, is central to our Scope 3 approach.

We had intended to define our Scope 3 priorities more precisely in FY26. Doing this credibly depends not only on understanding where emissions sit, but also on whether suppliers can measure and reduce them. This is why supplier capability has become our immediate focus. Since February 2025, we have used the ERSA Verified Carbon SAQ tool to assess factories across carbon accounting, energy and emissions-reduction activity, target-setting and governance, with results independently verified and graded from A, strong maturity, to D, low maturity. In FY26, direct-sourcing private-label factories representing 55% of spend had completed an assessment. Completion is now a qualification requirement for factories with significant spend.

In FY27, we plan to incorporate carbon-management maturity into our Supplier Scorecard, which underpins the sustainability ratings used in our Sustainable Supply Chain Finance programme with HSBC. This reflects our move beyond a supplier-engagement goal focused primarily on science-based target adoption. A target alone is not enough without the capability to measure emissions, deliver reductions and maintain effective governance. Our strongest relationships and greatest influence sit within our direct-sourcing factory base, which supplies around 90% of our private-label product lines.

Most of our assessed factories currently sit at the lowest maturity grade, reflecting the genuine starting point across much of our supply base, while those with any form of emissions-reduction target represent 33% of FY26 direct-sourcing spend. By 2028, our aim is for the majority of our direct-sourcing factories, by spend, to be progressing beyond foundational carbon-management practices. By 2030, our aim is for the majority to have reached moderate maturity. We will continue reviewing our approach as international standards, including SBTi's Corporate Net-Zero Standard and supplier capability evolve.

Performance against Scope 1 and 2 targets

The table on page 29 summarises our operational GHG emissions data for the reporting period (4 August 2025 to 2 August 2026) and our baseline data from 2023 for our Scope 1 and market-based Scope 2 target.

Target

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

FY26 Performance

In FY26, our absolute Scope 1 and market-based Scope 2 emissions were 74.2% below our FY23 base year, exceeding our 65% reduction target for 2030 four years early. The reduction was primarily driven by electricity matched with renewable generation through our Lodestone Energy partnership, alongside lower Scope 1 refrigerant emissions following improvements to HVAC maintenance.

We will continue to report progress against the target while reviewing its future form and the underlying market-based Scope 2 methodology as international standards evolve.

Scope 1

Scope 1 emissions decreased 25.3% this year compared with FY25, predominantly due to lower refrigerant emissions following last year's HVAC maintenance programme, and the replacement of some older HVAC units. Emissions were broadly consistent with our FY23 base year (up 1.8%).

Scope 2

Our Scope 2 market-based emissions have decreased 93% since FY23, largely due to our renewable energy partnership with Lodestone Energy. The partnership matches our electricity use with renewable generation and supports investment in new renewable energy capacity in New Zealand.

Location-based Scope 2 emissions decreased 34.7% from FY25 and 3% from FY23. Electricity consumption across our core New Zealand operations remained broadly consistent with FY25, meaning the year-on-year reduction primarily reflected a return to a less emissions-intensive New Zealand electricity generation mix and, consequently, lower grid-average emission factors. FY25 factors reflected increased fossil-fuelled generation during a period of lower hydro inflows.

Scope 3

Measured Scope 3 emissions have increased 65.8% from our FY23 base year, primarily due to higher upstream transportation and distribution emissions.

During migration to a new emissions inventory tool, we identified an error in data from one freight supplier that understated FY25 Category 4 emissions by 2,422.1 tCO_2e. We have restated FY25 figures, increasing Category 4 emissions by 9.3% and the total measured inventory by 6.8%.

Compared with restated FY25 figures, Scope 3 emissions increased 24.9% in FY26, including a 17.6% increase in Category 4. This primarily reflected a combination of higher emissions intensity under our new freight forwarder's supplier-specific calculations and lower use of a lower-emissions shipping fuel mix due to commercial considerations. Changes in data coverage and classification also contributed, including the reclassification of public-facing electric vehicle (EV) charger emissions to Category 3 and the inclusion of additional upstream and well-to-tank emissions associated with fuels and electricity reported in Scopes 1 and 2.

During the year, we began improving freight efficiency through a new freight-forwarding contract and fewer stock movements between the North and South Islands.

FY26 GHG emissions inventory

The table below summarises our operational GHG emissions data for the reporting period (4 August 2025 to 2 August 2026) and comparisons have been provided against FY25 and our base year of FY23.

GHG Emissions (tCO_2e)[1]	This year FY26	Last year FY25	Base year FY23	% change since last year	% change since base year
Scope 1	2,308.8	3,088.8	2,268.2	-25.3%	1.8%
Scope 2 (Location-based)	4,922.3	7,538.1	5,067.0	-34.7%	-2.9%
Scope 2 (Market-based)	638.4	3,167.3	9,176.2	-79.8%	-93.0%
Sub-total: Scope 1 and 2 (Location-based)	**7,231.1**	**10,626.9**	**7,335.2**	**-32.0%**	**-1.4%**
Sub-total: Scope 1 and 2 (Market-based)	**2,947.2**	**6,256.1**	**11,444.3**	**-52.9%**	**-74.2%**
Scope 3					
Category 3: Fuel and energy-related activities	2,954.9	589.0	719.5	401.7%	310.7%
Category 4: Upstream transportation and distribution	33,393.4	28,398.9	19,244.3	17.6%	73.5%
Category 5: Waste generated in operations	922.1	408.7	587.2	125.6%	57.0%
Category 6: Business travel	1,692.4	1,375.0	1,778.6	23.1%	-4.8%
Category 9: Downstream freight	711.2	979.9	1,603.7	-27.4%	-55.7%
Category 13: Downstream leased assets	NA	11.4	NA	NA	NA
Sub-total: Scope 3	**39,674.0**	**31,762.9**	**23,933.3**	**24.9%**	**65.8%**
Total: Scope 1, 2 (Location-based) and Scope 3 emissions	**46,905.1**	**42,389.8**	**31,268.4**	**10.7%**	**50.0%**
Total: Scope 1, Scope 2 (Market-based) and Scope 3 emissions	**42,621.2**	**38,019.0**	**35,377.6**	**12.1%**	**20.5%**
Emissions intensity ratio (tCO_2e / $million of Revenue)[2]	**14.1**	**12.3**	**10.9**	**14.4%**	**29.2%**

1. *There are some gaps in the inventory, listed as exclusions in Table 4 in Appendix 1*
2. *GHG emissions intensity has been calculated using Scope 1, Scope 2 (market-based) & Scope 3 total measured emissions.*

FY26 energy consumption[1]

	FY26 consumption	Units	FY26 energy (GJ)[5]	Change from FY25(%)
Non-renewable fuel consumed				
Diesel	455,828.4	Litres	17,594.8	-12.6
LPG[2]	453,384.3	Litres	11,653.0	26.1
Petrol (all grades)[3]	46,512.0	Litres	1,590.7	-15.9
Sub-total	955,724.7	Litres	30,838.5	-1.3
Renewable fuel consumed				
Solar PV-rooftop[4]	49,926	kWh	179.7	-68.2
Sub-total	49,926	kWh	179.7	-68.2
Electricity consumed				
Electricity purchased	75,329,226.9	kWh	271,185.2	-0.4
Sub-total	75,329,226.9	kWh	271,185.2	-0.4
Total energy consumption			**302,203.4**	**-0.6**

FY26 Energy intensity ratio

99.8 GJ per $m of revenue (FY25: 98.5 GJ per $m).

Change in energy consumption from FY25

1,791.6 GJ reduction (0.6%) compared to FY25

1. Includes diesel, LPG, petrol and electricity consumption within the Group's New Zealand based operations aligned to our Scope 1 and 2 emissions reporting but excludes our overseas sourcing hubs and ChocolateWorks our joint venture chocolate factory.
2. LPG is reported in kilogrammes for emissions purposes and converted to litres for energy reporting.
3. Petrol (all grades) includes both regular and premium as they have identical energy content per litre despite different octane ratings.
4. Solar PV generated at our Warkworth store, all consumed on site. Generation was lower than FY25 due to reported equipment performance issues at the site.
5. Energy content factors from the Australian National Greenhouse Accounts Factors 2026 have been used for all fuel conversions to GJ. These factors are unchanged from the 2025 edition. The conversion of electricity from kWh to GJ is a standard SI conversion.

Assurance of GHG emissions

The assurance for our FY26 GHG emissions inventory has been obtained externally by Bureau Veritas. Limited assurance has been achieved for Scope 1 and 2 emissions and selected Scope 3 emissions and energy consumption (see tables above). This assurance engagement was undertaken in accordance with International Standard on Assurance Engagements (New Zealand) 3000: Assurance Engagements other than Audits or Reviews of Historical Financial Information; and International Standard on Assurance Engagements (New Zealand) 3410: Assurance Engagements on Greenhouse Gas Statements, issued by the New Zealand Auditing and Assurance Standards Board; as well as informed by Bureau Veritas' standard procedures and guidelines for external verification of sustainability reporting. See Appendix 3 for a copy of the Bureau Veritas independent limited assurance report.

Our Approach to Sustainability Governance and Risk Management

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

The Role of our Board

As part of a wider effort to streamline the Group's management and governance arrangements, a number of important changes were made this year. In November 2025, the Board decided to disestablish the Environmental and Social Sustainability Committee. Its responsibilities transferred to the Board, with related risk management and non-financial reporting responsibilities moving to the Audit and Risk Committee (ARC). The Board and ARC Charters were updated in April 2026 to reflect this.

The Board now directly oversees the Group's sustainability strategy, sets objectives and targets, holds Management accountable, and approves this report ahead of publication. The Board meets at least nine times a year. During the year, the Board received monthly updates on sustainability matters. It also considered how our sustainability priorities align with the Group's wider strategy.

The ARC, under its amended Charter, oversees sustainability-related risk management as part of the Group's overall approach to enterprise risk management and non-financial reporting, including this report, the assurance framework, and management's progress against our objectives, metrics and targets. It meets at least four times a year, and in June 2026 was updated on progress against sustainability-related risks and our approach to FY26 sustainability reporting as a result of proposed changes to the mandatory climate-related disclosures regime.

The Role of our Management Team

Consistent with the above changes, responsibility for driving delivery of our sustainability priorities across the business now sits directly with our Executive Leadership Team (ELT), supported by senior managers and functional teams across the Group. The CEO is accountable for delivery of the Group's sustainability programme, supported on the ELT by the Chief Legal, Corporate Affairs and Sustainability Officer. Day to day, our Sustainability and Ethical Sourcing team, led by the GM Sustainability and Ethical Sourcing, shapes strategy, policy and reporting, working closely with Internal Audit and Risk, Corporate Strategy, and Legal and Corporate Affairs.

During the year, the ELT reviewed how our sustainability approach aligns with the Group's broader strategic direction as part of the wider strategy process. This included how community and people agendas sit alongside our long-standing environmental commitments.

Managing Sustainability-related Risks

The Group's Enterprise Risk Management Framework, approved by the ELT, applies to all enterprise risks across four categories: strategic, financial, operational and business. It enables us to identify, assess, control and monitor risk while responding to a fast-moving retail environment. Management-level responsibility sits with the ELT, supported by the Head of Internal Audit and Risk, GMs and senior manager risk stewards, with risk insights reported periodically to the ELT and ARC.

A significant step this year has been to bring our sustainability-related risks fully inside this framework. Although we expect to fall outside the mandatory climate-related disclosures regime, we continue to assess and respond to the key climate-related risks identified through our earlier disclosure work. Sustainability-related risks are now managed alongside the Group's other key risks under three areas: climate-related disruption, human rights and modern slavery, and sustainable business practices. For each, we have identified primary mitigations and controls, and progress is monitored and reported to the ELT and ARC each quarter. Key risk indicators have been identified for each, though a number are still being developed and refined as data and reporting processes mature. Sustainability-related opportunities continue to be identified and progressed through our wider sustainability strategy work.

Sustainability Risk Profile 2026

Details of our Group risk management framework are included in our FY26 Annual Report. Here, we summarise the key changes to our sustainability-related risks during the past 12 months:

- Overall, our sustainability-related risks remained broadly stable, with existing mitigations considered appropriate to the current risk profile.
- Brand and reputational trust, our ability to meet stakeholder expectations across environmental, social and ethical matters, continues to be an area of focus, as customers, investors and other stakeholders increasingly expect to see clear evidence of action, not just intent.
- Climate-related disruption remains an area we are watching closely. New Zealand experienced repeated extreme weather events during the year, resulting in numerous local states of emergency. The Group continued to experience associated trading and operational disruption, the most significant being the extended closure of our Oamaru Noel Leeming store following severe flooding in July 2026. However, these events were not considered material in financial terms.
- Human rights and modern slavery, and broader sustainable business practices risk, continue to be actively monitored, particularly given uncertainty regarding the timing and progress of proposed legislation, including modern slavery and product stewardship reforms, ahead of the New Zealand General Election in November 2026, which might influence our assessment of these risks and the processes and mitigations required to manage them.

Global Reporting Initiative (GRI) Disclosures

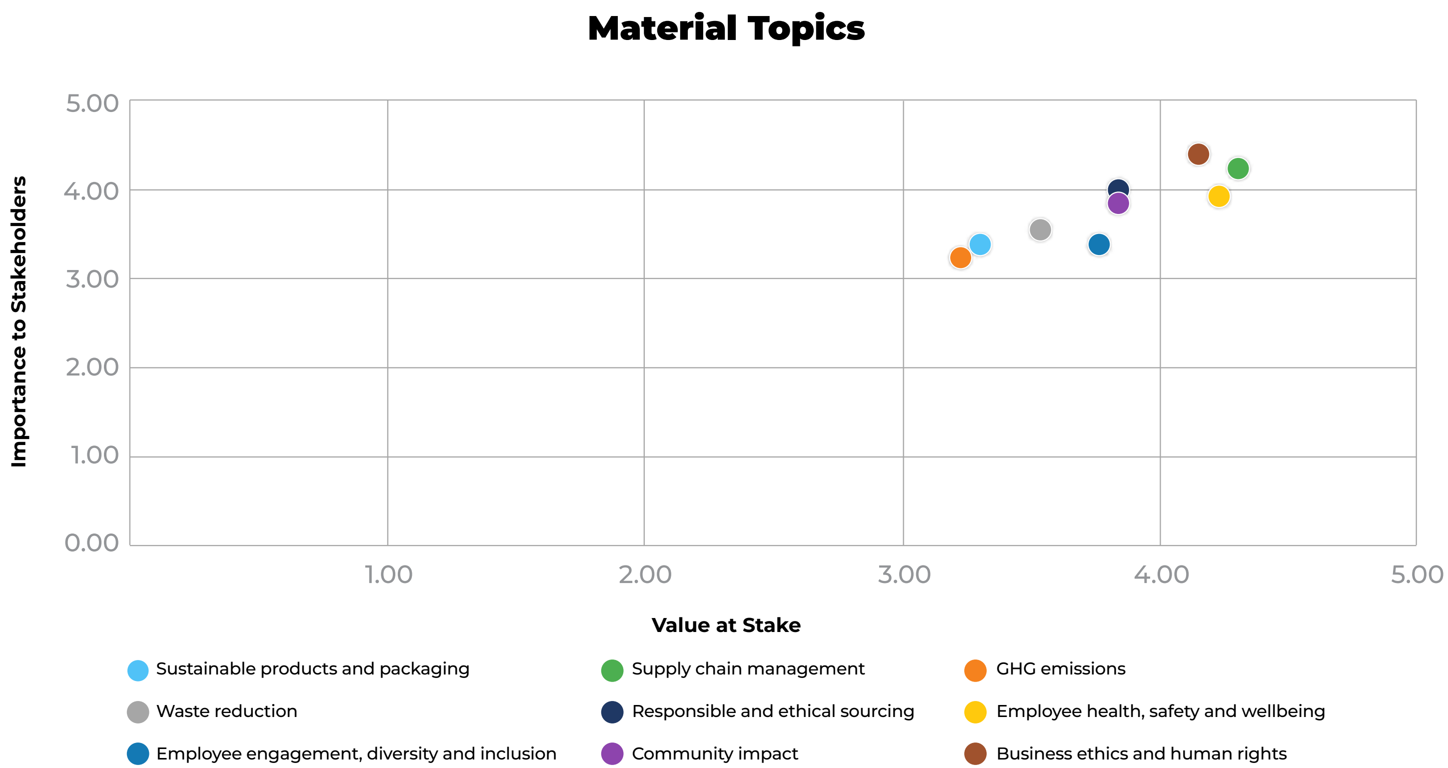
The Group has reported in accordance with the GRI Standards for the period 4 August 2025 to 2 August 2026. In preparing this report, we applied the GRI reporting principles of Accuracy, Balance, Clarity, Comparability, Completeness, Sustainability Context, Timeliness and Verifiability.

We reviewed our material topics through an internal assessment involving the ELT and selected direct reports. The assessment considered the significance of the Group's impacts on the economy, environment and people, alongside stakeholder importance and the operational and financial relevance of each topic to the Group. It also considered actual and potential impacts on people and the environment, informed by operational knowledge and ongoing stakeholder engagement.

The review reaffirmed our existing material topics and identified community impact as an additional topic, reflecting the importance of our role in supporting communities across Aotearoa New Zealand. No other significant changes were identified.

The assessment informed the material topics and related disclosures in this report in accordance with GRI 3: Material Topics 2021. The following pages explain why each topic is material, how the Group manages its impacts and how performance is measured.

The Group operates in the New Zealand retail sector, for which no GRI Sector Standard is currently available. Refer to pages 35-43 for the GRI Content Index.



Material Topics – Assessment and Reporting

Material Topic	Impact / Commitment	How we measure performance	GRI Reporting Standard	Where reported
Sustainable products and packaging	To increase the share of private label sales from products with at least one approved sustainability attribute to 100% by 2035.	Percentage of private-label sales derived from products with one or more sustainability features.	N/A	Sustainability Report p.10
	To phase out unnecessary or problematic single use plastics from our private label products and ensure all product packaging meets our sustainability requirements by 2035.	Percentage of private-label sales derived from products with packaging which can be recycled via New Zealand's kerbside recycling infrastructure, or circularity solutions.	N/A	Sustainability Report p.10
	To pilot at least one innovative proposition or initiative each year which aims to help products last longer or reduce waste.	Number of initiatives each year which help products last longer, or help customers reduce waste.	N/A	Sustainability Report pp.10–13
Supply chain management	To build a reliable and sustainable supply chain network	Stockturn.	N/A	Annual Report pp.14–15 and 18–19
		Supplier assessments and results.	GRI 414-1 GRI 414-2	Sustainability Report pp.20–23
GHG emissions	To reduce Scope 1 and market-based Scope 2 emissions, aligned to a 1.5-degree Celsius trajectory, by 65% by 2030 compared to FY23 base year and on a pathway to net zero operational emissions by 2040.	Absolute Scope 1 and market-based Scope 2 emissions, measured against the FY23 base year.	GRI 305-1 GRI 305-2	Sustainability Report pp.27–29, 46, 50
	To progress meaningful Scope 3 emissions reductions in high-impact and influenceable areas.	Progress in improving data and methodologies for significant Scope 3 categories, together with supplier carbon-management maturity and measured Scope 3 emissions.	GRI 305-3	Sustainability Report pp.27–29, 47–49
	To meaningfully improve the energy-efficiency of our buildings and domestic and international logistics activities by 2030 (compared to 2023).	Total energy consumption, energy intensity and reductions in energy consumption, together with progress on building and logistics efficiency initiatives.	GRI 302-1 GRI 302-3 GRI 302-4	Sustainability Report p.30
Waste reduction	To demonstrably reduce total waste from our activities in New Zealand and divert at least 90% of waste that's produced from landfill by 2035.	Percentage of waste diverted from landfill year on year.	GRI 306-1 GRI 306-2 GRI 306-3 GRI 306-4 GRI 306-5	Sustainability Report p.11, p.51
	To enable at least 80% of Kiwis to access solutions to reuse or recycle a minimum of five difficult to recycle items by 2035.	Number of tonnes of post-consumer waste recycled.	N/A	Sustainability Report pp.10–13
Responsible and ethical sourcing	We will source ethically and responsibly.	Number of new and existing production sites assessed against social and environmental criteria, assessment results and actions taken in response to identified impacts.	GRI 308-1 GRI 308-2 GRI 407-1 GRI 408-1 GRI 409-1 GRI 414-1 GRI 414-2	Sustainability Report pp.20–23
	To build carbon-management maturity across our direct-sourcing factories.	Percentage of direct-sourcing private-label factory spend covered by independently verified carbon-management maturity assessments, and the proportion of assessed factories progressing beyond foundational maturity.	GRI 305-3	Sustainability Report p.28
		Membership of relevant sustainability initiatives and associations	GRI 2-28	Sustainability Report p.52

Material Topic	Impact / Commitment	How we measure performance	GRI Reporting Standard	Where reported
Employee health, safety and wellbeing	To provide a safe and supportive workplace and promote the health and wellbeing of our team members.	Number of violent and aggressive behaviour events Number of recorded critical risk events Total Recordable Injury Frequency Rate Lost Time Injury Frequency Rate Workplace fatalities	GRI 403-9	Sustainability Report p.16
Employee engagement, diversity and inclusion	To foster an engaged, diverse and inclusive culture in which team members can develop, feel connected and thrive.	Employee Net Promoter Score and MyVoice participation Learning hours and participation in leadership and capability programmes Programmes for upgrading employee skills Promotion of worker health and wellbeing	GRI 403-6 GRI 404-1 GRI 404-2	Pages 15–16
		Percentage of senior leaders who are women Group-wide median gender pay gap	GRI 405-1 GRI 405-2	Annual Report pp.74–75 Sustainability Report p.16
Business ethics and human rights	To operate ethically, respect human rights and report openly and transparently on our policies, impacts and performance.	Adherence to NZX Corporate Governance Code, Principle 1	GRI 2-23 to 2-27	Annual Report p.64
		Compliance with Code of Ethics, Financial Products Trading Policy and Market Disclosure Policy	GRI 205-2 GRI 205-3 GRI 206-1	Annual Report p.64 Sustainability Report pp.20–22
		Supplier and production-site labour, human-rights, social and environmental assessments, findings and corrective actions.	GRI 407-1 GRI 408-1 GRI 409-1 GRI 414-1 GRI 414-2	Sustainability Report pp.20–23
Community impact	To support New Zealand communities through long-term partnerships, community investment and programmes that respond to local needs.	Value contributed to charities and community organisations; funds raised by customers and team members; volunteering hours; and participation in key community and youth programmes.	GRI 3-3	Sustainability Report pp.18–19

General Disclosures

Standard	Disclosure	Location of disclosure / response	Annual Report Page Reference	Sustainability Report Page Reference
2-1	Organisation details	Directory (AR) Financial Statements, Note 1.1 (AR) About The Warehouse Group (SR)	24–25, 38–39, 82–83	8
2-2	Entities included in the organisation's sustainability reporting	Financial Statement, Note 1.3 (AR) About this report (SR) Methodology for measuring GHG emissions (SR) Appendix 1 (SR)	38–39	2, 27, 45–46
2-3	Reporting period, frequency and contact point	Financial Statements, Note 1.5 (AR) About this report (SR)	38–39	2
2-4	Restatements of information	Metrics and Targets – GHG emissions inventory (SR)	-	28–29

Standard	Disclosure	Location of disclosure / response	Annual Report Page Reference	Sustainability Report Page Reference
2-5	External assurance	Assurance of GHG emissions (SR) Appendix 3 (SR)	-	30, 53–54
2-6	Activities, value chain and other business relationships	Our Brands (AR) About The Warehouse Group (SR) Our value chain (SR)	24–25, 26–31	8
2-7	Employees	Celebrating Diversity and Inclusion (AR) Our People (SR)	74–75	15–16
2-8	Workers who are not employees	A small number of workers who are not employees perform services on the Group's sites through third-party contract arrangements. These workers are not controlled by the Group.	-	-
2-9	Governance structure and composition	Corporate Governance (AR)	64–67	-
2-10	Nomination and selection of the highest governance body	Governance Report – Board Composition and Performance (AR)	64–65	-
2-11	Chair of the highest governance body	Corporate Governance – Chair (AR)	64-65	-
2-12	Role of the highest governance body in overseeing the management of impacts	Corporate Governance – Board Committees (AR) Our approach to sustainability governance and risk management (SR) www.thewarehousegroup.co.nz/about-us/corporate-governance	66–67	32
2-13	Delegation of responsibility for managing impacts	Our Board (AR) Executive Leadership Team (AR) Board Committees (AR) Role of our management team (SR)	60–63, 66–67	32
2-14	Role of the highest governance body in sustainability reporting	Board Committees (AR) Role of our Board (SR) www.thewarehousegroup.co.nz/about-us/corporate-governance	66–67	32
2-15	Conflicts of interest	Director Independence and Conflicts (AR) Directors Shareholding and Substantial Product Holders (AR)	64–65, 76–77	-
2-16	Communication of critical concerns	Risk Management (AR) Corporate Governance – Ethical Standards (AR)	20–23, 64, 72–73	-
2-17	Collective knowledge of the highest Governance body	Corporate Governance – Board Skills Matrix (AR)	66–67	-
2-18	Evaluation of the performance of the highest Governance body	Corporate Governance – Board Evaluation (AR)	66–67	-
2-19	Remuneration Policies	Remuneration Report (AR)	68–70	-
2-20	Process to determine remuneration	Remuneration Report (AR)	68–70	-
2-21	Annual compensation ratio	Remuneration Report (AR)	71	
2-22	Statement of sustainable development strategy	Our Sustainable Living Plan (SR) Transition planning (SR) Overview of our Climate Transition Plan (SR)	-	9, 25–26
2-23	Policy commitments	Group Corporate Governance and Policies (AR, website) Ethical Sourcing Policy (SR, website)	64	20

Standard	Disclosure	Location of disclosure / response	Annual Report Page Reference	Sustainability Report Page Reference
2-24	Embedding policy commitments	Corporate Governance – Ethical Standards (AR) Reporting and Disclosure (AR) Risk Management (AR) Celebrating Diversity and Inclusion (AR) Our Sustainable Living Plan (SR) Trading Ethically and Responsibly (SR)	64, 68, 74–75	9, 20–23
2-25	Processes to remediate negative impacts	Risk Management (AR) Financial Risk Management, Note 12 (AR) Corporate Governance – Risk Management (AR) Trading Ethically and Responsibly – Assessment and monitoring (SR) Audit performance and findings (SR) Supplier engagement & development (SR)	20–23, 48–50, 72–73	20, 22–23
2-26	Mechanisms for seeking advice and raising concerns	Risk Management (AR) Corporate Governance – Ethical Standards, Code of Ethics (AR)	20–23, 64	-
2-27	Compliance with laws and regulations	The Warehouse pleaded guilty to nine representative charges laid by the Commerce Commission for supplying, offering to supply and/or advertising to supply a Roo Crew Take-Apart Vehicle toy with 3 variants that did not meet the relevant Product Safety Standards (Children's Toys) Regulations 2005. A fine was imposed of $234,000. There have been no other significant instances or fines imposed for non-compliance with laws and regulations during the reporting period.	-	-
2-28	Membership associations	Appendix 2 – Initiatives and Associations	-	52
2-29	Approach to stakeholder engagements	Integrated Report (AR) Our People (SR) Our Communities (SR) Global Reporting Initiative Disclosures (SR)	18–19	15–16, 18–19, 34
2-30	Collective bargaining agreements	Currently, 16.9% of our employees are covered by collective agreements.	-	-

Material Topics

Standard	Disclosure	Location of disclosure / response	Annual Report Page Reference	Sustainability Report Page Reference
3-1	Process to determine material topics	Global Reporting Initiative Disclosures (SR)	-	34
3-2	List of material topics	Material Topics – Assessment and Reporting (SR)	-	34
3-3	Management of material topics	Material Topics – Assessment and Reporting and relevant topic sections (SR)	-	35–36

Topic Disclosures – Economic

GRI 205: Anti-Corruption (2016)

Standard	Disclosure	Location of disclosure / response	Annual Report Page Reference	Sustainability Report Page Reference
3-3	Management of material topics	Material Topics – Assessment and Reporting (SR) Trading Ethically and Responsibly (SR) Risk Management (AR) Corporate Governance – Ethical Standards (AR)	20–23, 64	20, 35–36
205-2	Communication and training about anti-corruption policies and procedures	In FY26, our Anti-Bribery and Corruption Policy was communicated to all new team members, and team members across the business were assigned mandatory Anti-Bribery and Corruption training. Overall, 95.5% of team members completed the training, including 82.7% of Store Support Office team members, 97.7% of Store team members and 94% of Distribution Centre team members. Team members will be required to complete the training again in 2028.	-	-
205-3	Confirmed incidents of corruption and actions taken	Trading Ethically and Responsibly – Assessment and monitoring (SR) Audit performance and findings (SR)	-	20, 22

GRI 206: Anti-Competitive Behaviour (2016)

Standard	Disclosure	Location of disclosure / response	Annual Report Page Reference	Sustainability Report Page Reference
3-3	Management of material topics	Material Topics – Assessment and Reporting (SR) Risk Management (AR) Corporate Governance – Ethical Standards (AR)	20–23, 64	35–36
206-1	Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	We are not aware of any legal cases against the organisation regarding anti-competitive behaviour or violations of anti-trust and monopoly legislation during the reporting period.	-	-

Topic Disclosures – Environmental

GRI 302: Energy (2016)

Standard	Disclosure	Location of disclosure / response	Annual Report Page Reference	Sustainability Report Page Reference
3-3	Management of material topics	Integrated Report (AR) Our Sustainable Living Plan – Sustainable Operations (SR) Transition planning (SR) Metrics and Targets – Energy consumption (SR) Governance and risk management (SR) Material Topics – Assessment and Reporting (SR)	18–19	9, 11, 25, 30, 32, 35
302-1	Energy consumption within the organisation	Metrics and Targets – Energy consumption (SR)	-	30
302-3	Energy intensity	Metrics and Targets – Energy consumption (SR)	-	30
302-4	Reduction of energy consumption	Metrics and Targets – Energy consumption (SR)	-	30

GRI 305: Emissions (2016)

Standard	Disclosure	Location of disclosure / response	Annual Report Page Reference	Sustainability Report Page Reference
3-3	Management of material topics	Integrated Report (AR) Our Sustainable Living Plan (SR) Our Climate Transition and Emissions (SR) Governance and risk management (SR) Material Topics – Assessment and Reporting (SR)	18–19	9, 25–26, 32, 35
305-1	Scope 1 GHG emissions	Metrics and Targets – GHG emissions inventory (SR)	-	29, 46, 50
305-2	Scope 2 GHG emissions	Scope 1 and 2 targets (SR) Metrics and Targets – GHG emissions inventory (SR)	-	27, 29, 46, 50
305-3	Scope 3 GHG emissions	Emissions categories (SR) Methodology for measuring GHG emissions (SR) Scope 3 priorities and supplier engagement (SR) Metrics and Targets – GHG emissions inventory (SR)	-	27–29, 47–49
305-4	GHG emissions intensity	Metrics and Targets – GHG emissions inventory (SR)	-	29
305-5	Reduction of GHG emissions	Performance against Scope 1 and 2 targets (SR) Metrics and Targets – GHG emissions inventory (SR)	-	28–29

GRI 306: Waste (2020)

Standard	Disclosure	Location of disclosure / response	Annual Report Page Reference	Sustainability Report Page Reference
3-3	Management of material topics	Integrated Report (AR) Our Sustainable Living Plan – Circular Solutions and Sustainable Operations (SR) Material Topics – Assessment and Reporting (SR) Governance and risk management (SR)	18–19	10–11, 32, 35
306-1	Waste generation and significant waste-related impacts	Our Sustainable Living Plan – Reduced Waste and Post Consumer Solutions	-	11
306-2	Management of significant waste-related impacts	Our Sustainable Living Plan – Reduced Waste and Post Consumer Solutions (SR) Transition planning (SR)	-	11, 25
306-3	Waste generated	Our Sustainable Living Plan – Reduced Waste (SR) Metrics and Targets – GHG inventory, Scope 3 Category 5 (SR)	-	11, 29
306-4	Waste diverted from disposal	Our Sustainable Living Plan – Reduced Waste and Post Consumer Solutions (SR)	-	11
306-5	Waste directed to disposal	Our Sustainable Living Plan – Reduced Waste (SR)	-	11

GRI 307: Environmental Compliance (2016)

Standard	Disclosure	Location of disclosure / response	Annual Report Page Reference	Sustainability Report Page Reference
3-3	Management of material topics	Integrated Report (AR) Material Topics – Assessment and Reporting (SR) Governance and risk management (SR)	18–23	32, 35–36
307-1	Non-compliance with environmental laws and regulations	We are not aware of any incidents related to non-compliance with environmental laws and regulations during the reporting period.	-	-

GRI 308: Supplier Environmental Assessment (2016)

Standard	Disclosure	Location of disclosure / response	Annual Report Page Reference	Sustainability Report Page Reference
3-3	Management of material topics	Trading Ethically and Responsibly – Assessment and monitoring (SR) FY26 Ethical Sourcing Programme (SR) Ethical Sourcing Policy (website)	-	20–21
308-1	New suppliers that were screened using environmental criteria	Trading Ethically and Responsibly – Assessment and monitoring (SR) FY26 Ethical Sourcing Programme (SR)	-	20–21
308-2	Negative environmental impacts in the supply chain and actions taken	Trading Ethically and Responsibly – Assessment and monitoring (SR) Audit performance and findings (SR)	-	20,22

Topic Disclosures – Social

GRI 403: Occupational Health and Safety (2018)

Standard	Disclosure	Location of disclosure / response	Annual Report Page Reference	Sustainability Report Page Reference
3-3	Management of material topics	Integrated Report (AR)- Corporate Governance – Board Responsibilities (AR) Corporate Governance – Health, Safety and Wellbeing Committee (AR) Corporate Governance – Risk Management (AR) Material Topics – Assessment and Reporting (SR) Our People – Health and safety (SR) Governance and risk management (SR)	18–19, 64, 66–67, 72–73	16, 32, 35–36
403-6	Promotion of worker health	Our People – Wellbeing, Inclusion and Belonging (SR)	-	16
403-9	Work-related injuries	Our People – Health and safety (SR)	-	16

GRI 404: Training and Education (2016)

Standard	Disclosure	Location of disclosure / response	Annual Report Page Reference	Sustainability Report Page Reference
3-3	Management of material topics	Integrated Report (AR) Corporate Governance – Board Responsibilities (AR) Material Topics – Assessment and Reporting (SR) Our People – Growing Leaders and Capability (SR)	18–19, 64	15, 35–36
404-1	Average hours of training per year per employee	Our People – FY26 People & Culture Snapshot (SR)	-	15
404-2	Programmes for upgrading employee skills and transition assistance programs	Our People – Growing Leaders and Capability (SR) Looking Ahead (SR)	-	15–16

GRI 405: Diversity and Equal Opportunity (2016)

Standard	Disclosure	Location of disclosure / response	Annual Report Page Reference	Sustainability Report Page Reference
3-3	Management of material topics	Integrated Report (AR) Corporate Governance – Board Responsibilities (AR) Material Topics – Assessment and Reporting (SR) Our People – Wellbeing, Inclusion and Belonging (SR)	18–19, 64	16, 35–36
405-1	Diversity of governance bodies and employees	Celebrating Diversity and Inclusion (AR) Our People – Wellbeing, Inclusion and Belonging (SR)	74–75	16
405-2	Ratio of basic salary and remuneration of women to men	Celebrating Diversity and Inclusion (AR) Our People – Wellbeing, Inclusion and Belonging (SR)	75	16

GRI 407: Freedom of Association and Collective Bargaining (2016)

Standard	Disclosure	Location of disclosure / response	Annual Report Page Reference	Sustainability Report Page Reference
3-3	Management approach	Corporate Governance – Ethical Standards (AR) Trading Ethically and Responsibly (SR) Ethical Sourcing Policy (website)	64	20
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Trading Ethically and Responsibly – Assessment and monitoring (SR) Supplier engagement & development (SR)	-	20, 23

GRI 408: Child Labour (2016)

Standard	Disclosure	Location of disclosure / response	Annual Report Page Reference	Sustainability Report Page Reference
3-3	Management approach	Corporate Governance – Ethical Standards (AR) Trading Ethically and Responsibly (SR) FY26 Ethical Sourcing Programme (SR) Ethical Sourcing Policy (website)	64	20–21
408-1	Operations and suppliers at significant risk for incidents of child labour	Trading Ethically and Responsibly – Assessment and monitoring (SR) Audit performance and findings (SR)	-	20, 22

GRI 409: Forced or Compulsory Labour (2016)

Standard	Disclosure	Location of disclosure / response	Annual Report Page Reference	Sustainability Report Page Reference
3-3	Management Approach	Corporate Governance – Ethical Standards (AR) Trading Ethically and Responsibly (SR) FY26 Ethical Sourcing Programme (SR) Ethical Sourcing Policy (website)	64	20–21
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Trading Ethically and Responsibly – Assessment and monitoring (SR) Audit performance and findings (SR)	-	20, 22

GRI 414: Supplier Social Assessment (2016)

Standard	Disclosure	Location of disclosure / response	Annual Report Page Reference	Sustainability Report Page Reference
3-3	Management approach	Corporate Governance – Ethical Standards (AR) Trading Ethically and Responsibly – Assessment and monitoring (SR) Supplier engagement & development (SR) FY26 Ethical Sourcing Programme (SR) Ethical Sourcing Policy (website)	64	20–21, 23
414-1	New suppliers that were screened using social criteria	Trading Ethically and Responsibly – Assessment and monitoring (SR) FY26 Ethical Sourcing Programme (SR)	-	20–21
414-2	Negative social impacts in the supply chain and actions taken	Trading Ethically and Responsibly – Assessment and monitoring (SR) Audit performance and findings (SR) Supplier engagement & development (SR)	-	20, 22–23

Community Impact

Standard	Disclosure	Location of disclosure / response	Annual Report Page Reference	Sustainability Report Page Reference
3-3	Management approach	Material Topics – Assessment and Reporting (SR) Our Communities (SR) Products that give back (SR) Supporting Youth Pathways (SR)	-	18–19, 35–36

Appendices

Appendix 1 – Greenhouse Gas Emissions Inventory Criteria

Table 1: The Warehouse Group FY26 Organisational Boundary

Entity Name	Location	Operational Control	Emissions Source/Sink
1-Day Liquor Limited	New Zealand	Yes	No (non-trading entity)
Bond and Bond Limited	New Zealand	Yes	No (non-trading entity)
Boye Developments Limited	New Zealand	Yes	No (non-trading entity)
ChocolateWorks NZ Limited	New Zealand	Yes	Yes
Eldamos Investments Limited	New Zealand	Yes	Yes
Eldamos Nominees Limited	New Zealand	Yes	No (non-trading entity)
Lincoln West Limited	New Zealand	Yes	No (non-trading entity)
Farran (Nine) Limited	New Zealand	Yes	No (non-trading entity)
Noel Leeming Limited	New Zealand	Yes	No (non-trading entity)
Noel Leeming Finance Limited	New Zealand	Yes	No (non-trading entity)
Noel Leeming Financial Services Limited	New Zealand	Yes	No (non-trading entity)
Noel Leeming Furniture Limited	New Zealand	Yes	No (non-trading entity)
The Book Depot Limited	New Zealand	Yes	No (non-trading entity)
The Market.com Limited	New Zealand	Yes	No (amalgamated non-trading entity)
The Warehouse Group Limited	New Zealand	Yes	No (holding company)
The Warehouse Limited	New Zealand and Bangladesh	Yes	Yes
The Warehouse Card Limited	New Zealand	Yes	No (non-trading entity)
The Warehouse Group Support Services Limited	New Zealand	Yes	No (non-trading entity)
The Warehouse Investments Limited	New Zealand	Yes	No (non-trading entity)
The Warehouse Management Trustee Company Limited	New Zealand	No	No
The Warehouse Management Trustee Company Limited No. 2	New Zealand	No	No
The Warehouse Nominees Limited	New Zealand	Yes	No (non-trading entity)
The Warehouse Planit Trustees Limited	New Zealand	No	No (non-trading entity)
The Warehouse (Shanghai) Trading Company Limited	China	Yes	Yes
TWGI Operations Limited	New Zealand	No	No (non-trading entity)
TWGA Pty Limited	Australia	No	No (non-trading entity)
TW House Sourcing Private Limited (India)	India	Yes	Partial – ceased operations in April 2026
TWL Australia Pty Limited	Australia	Yes	No (non-trading entity)

Entity Name	Location	Operational Control	Emissions Source/Sink
TWP No.1 Limited	New Zealand	Yes	No (non-trading entity)
TWP No.4 Limited	New Zealand	Yes	No (non-trading entity)
TWP No.5 Limited	New Zealand	Yes	No (non-trading entity)
Warehouse Stationery Limited	New Zealand	No	No (non-trading entity)

Table 2: FY26 GHG and GWP Emissions Sources Included

The Group uses Watershed as its GHG inventory management system and applies the relevant Ministry for the Environment 2026 emission factors. The table below describes our methodology, estimates, limitations, and instances where we have relied on other emission factors. These factors include BraveTrace's Residual Supply mix factor, the guarantee-of-origin emission factor applied to our LNG and biomethane shipping fuel mix, and supplier emission factors. Table 4 details the exclusions to our methodology and inventory.

GHG Protocol Category	Emissions Source	Methodology, Estimates and Limitations
Scope 1	Mobile Combustion - Fleet Fuel (Petrol and Diesel) Stationary Combustion - LPG and diesel Fugitive Emissions - Refrigerant Gas	**Mobile Combustion** Monthly invoices and reports from our fleet-management supplier provide fuel-consumption data. The Group's fleet includes light passenger vehicles used by Store Support Office and regional managers; light commercial vehicles, primarily used by Noel Leeming Tech Solutions; and vehicles used to deliver Noel Leeming whiteware. MfE 2026 mobile-combustion emission factors for premium petrol, regular petrol and diesel have been applied. We have a high level of confidence in this data. **Stationary Combustion** Monthly diesel and LPG exchange-cylinder reports are used to calculate emissions. Diesel is reported in litres, while LPG is reported in kilogrammes for emissions purposes. The calculation assumes that the supplier reports are complete and accurate. The LPG is used in equipment such as forklifts and straddles. We also receive reports for diesel consumed in operating stores, including sprinkler-pump systems. 2026 MfE Stationary Combustion Emissions factors for LPG and Diesel have been applied to these emissions. We have a medium level of confidence in this data from our supplier. **Refrigerants** The HVAC systems in our stores and sites are regularly maintained by external contractors, who report the refrigerant top-ups. There is some uncertainty because refrigerant emissions are calculated based on recorded refrigerant top-ups, which may not capture all leakage. Refrigerants used include HCFC-22 (R-22, Genetron 22 or Freon 22), HFC-32, R-407C, R-410A, and R-438A. AR5 GWP100 factors sourced from 2026 MfE have been applied. We have a medium level of confidence in this data.
Scope 2	Purchased electricity	A third-party energy-management company verifies our monthly electricity invoices and raises billing, charge and consumption alerts during the data-import process. It also provides a consolidated summary of total consumption and cost to support reconciliation with supplier invoices. At four sites, electricity is supplied through the landlord, with billing and verification managed monthly by our finance team. Some sites have non-time-of-use meters, and estimates are applied where invoices are not received in time for reporting. Overall, we have a medium level of confidence in this data. Purchased electricity for the Group's India sourcing operations is included until April 2026, when TWG-owned operations ceased. **Location-based Emissions** The monthly electricity invoicing and reports provided to the Group are used to derive full-year consumption and converted to tCO_2e. The emission factor applied to the location-based emissions for the Group was sourced from Watershed using the MfE 2026 purchased grid-average electricity - calendar quarters. If quarterly electricity emissions factors are not available for a specific quarter, the annual average value published by MfE (0.0786625) is used as a proxy. This approach has been taken in preference to applying the same quarter from the previous year, as grid emission factors have fallen significantly year-on-year, meaning prior-year factors would produce a less accurate result. **Market-based Emissions** The emissions factor applied to the market-based emissions for the Group was sourced from Watershed and aligns to the Residual Supply Factor (kg CO_2e/MWh) sourced from BraveTrace, released in August 2026. 67,684 NZEC Renewable energy certificates, which are maintained by BraveTrace, have been applied to our FY26 market-based Emissions. The NZECs reduced our Scope 2 market-based emissions by 4,470.04 tCO_2e. This was calculated using an annual average of the Residual Supply Factor sourced from BraveTrace (66.05 kg CO_2e/MWh for the 2025/2026 production year). We were not able to calculate reductions using the monthly equivalent emission factor due to functionality limitations in our inventory management system meaning we were not able to amend this calculation. We believe the difference resulting from this approach is immaterial and impacts our Scope 2 market-based emissions by <1%.

GHG Protocol Category	Emissions Source	Methodology, Estimates and Limitations
Scope 3: Category 3	Fuel and Energy Related Activities	**Transmission and Distribution Losses** This is the same methodology as Scope 2 emissions; however, the equivalent T&D loss emission factor is applied using MfE's 2026 emission factors. We have a medium level of confidence in this data as it relies on the accuracy of our Scope 2 data. **Fleet (EV charging)** Electricity consumption associated with charging our electric and plug-in hybrid passenger fleet is based on monthly invoices and reports provided by our fleet management supplier. We apply the location-based emission factor for purchased electricity using the MfE 2026 purchased grid-average electricity - calendar quarters. If quarterly electricity emissions factors are not available for a specific quarter, the quarterly emissions factor for the same quarter in the previous year is used as a proxy. Our supplier is highly confident in this data. **Public facing EV charging** Monthly ChargeNet totals are obtained for each site and included in the inventory. We apply the location-based emission factor for purchased electricity using the MfE 2026 purchased grid-average electricity - calendar quarters. If quarterly electricity emissions factors are not available for a specific quarter, the quarterly emissions factor for the same quarter in the previous year is used as a proxy. Our supplier is highly confident in this data.
Scope 3: Category 4	Upstream Transportation & Distribution	The Group tracks upstream transportation and distribution through three freight arrangements: 1. FOB (Free on Board). This is freight where the supplier is responsible for the goods until they are loaded onto a ship or a plane. This arrangement is common for stock purchased by The Warehouse and Warehouse Stationery. 2. FID (Free into Distribution Centre). This is freight where the supplier is responsible for the goods until they are delivered to one of our DCs. 3. FIS (Free into Store). This is freight where the supplier is responsible for the goods until they are delivered into a store. This is common for Noel Leeming stock. For FOB we calculate international freight emissions for products and the domestic freight emissions for these products as they move to our Distribution Centres (DC) and stores. For FID and FIS, we calculate the associated freight from the point we order the stock. For example, if a washing machine is purchased FIS for Noel Leeming, we calculate the freight from the location of the washing machine when we order it, through to its delivery in store. Suppliers provide us with freight reports monthly. Our freight reporting has significant uncertainties and limitations. These are primarily due to the bespoke methodologies between suppliers and the limited visibility on all freight movements within our value chain. We will continue to work with our suppliers to understand and address these issues. Each supplier's data and emissions calculations rely on various assumptions, methods, and limitations. They also use different approaches to determining the underlying quantity/activity data, which can vary in availability, support, and quality. **International Sea and Air Freight Suppliers** Our international freight forwarders provide us with monthly freight data, which we use to calculate full-year freight activity and associated tCO_2e using supplier-specific methodologies. We have a high level of confidence in this data. The 2026 MfE emission factors for short- and long-haul air freight and bulk carrier shipping have been applied to the inventory, depending on the mode of transport. This excludes shipping containers covered by the fossil-based LNG and biomethane mix factor described below. We continued to work with our sea freight partners to purchase a fossil-based LNG and biomethane shipping fuel mix supported by guarantees of origin. However, the associated emissions reduction was 43.5% lower than in FY25, reducing the benefit from this lower-emissions fuel mix. This is a mass-balance mechanism that allows us to purchase a lower-emissions fuel mix, even though the physical fuel used for our shipments may not be the same fuel or mix. For the shipments covered, the fuel mix can reduce well-to-wake emissions by up to 25%. Well-to-wake emissions include all upstream and downstream marine fuel emissions, including fuel production, delivery and use on board ships. The guarantee of origin declarations meet the requirements of the Clean Cargo Working Group and ISO 14020, ISO 14021 and ISO 14067, allowing the relevant tCO_2e reductions to be allocated to our shipments. These declarations are provided quarterly and verified against our international sea freight movements.

GHG Protocol Category	Emissions Source	Methodology, Estimates and Limitations
Scope 3: Category 4	Upstream Transportation & Distribution	**NZ Ports** We rely on the monthly emissions calculations from our South Island port using both road and rail freight. This calculation includes container movements at the terminal, transport to the Midland Port, unloading at the Midland Port, the return journey to our South Island distribution centre, unloading at the distribution centre, and the return of containers to the Midland Port. This calculation is based on generally accepted practices and standards when it is prepared. It relies on third-party data and assumptions. Key assumptions include that road transport distances are based on the shortest possible routes and do not include deviations and assume full container weight of 16 tonnes and empty container weight of 2.5 tonnes. We have a high level of confidence in these calculations. **Domestic Road, Rail, and Sea Freight** We use several road, rail and sea-freight suppliers to transport our freight from the holding park in Auckland, and Midland Port in Christchurch to our distribution centres and stores. Two of these suppliers provide us with monthly reports using tonnes/km per trip, which we convert into tCO_2e. When the trip involves travel over the Cook Strait, and the supplier has not calculated this, an additional 97.6km is assumed. We have a medium confidence level in this data as we have limited information on the exact stock in each trip and the suppliers' own assumptions in preparing these reports. 2026 MfE emission factors for Longhaul heavy trucks, urban heavy trucks, all trucks and inter-island ferries have been applied. One supplier provides us with monthly emission calculations. They assume crossing the Cook Strait is equivalent to 96.304 km. Emission sources include long haul heavy trucks, urban delivery heavy trucks, and all truck tonnes/km converted to tCO_2e. Emission factors are sourced from 2026 MfE emission factors. They have provided us with a clear methodology. We have a medium level of confidence in this data. One supplier uses fuel usage for each route/mode and applies the emission factor sourced from the 2025 MfE Emissions guide to calculate the total carbon emission. The total carbon emission is then divided by its capacity to calculate the carbon per tonne. This figure is then used by the monthly km for that route to determine the tonnes of carbon emissions per month. We have a medium level of confidence in this data as we have limited information on suppliers' assumptions in preparing these reports. **Last Mile Road Freight** We receive reports from one of our suppliers about bulk item deliveries to our customers. Our supplier provides us with monthly reports using tonnes/km per trip we convert this into tCO_2e. We have a medium level of confidence in this data. 2026 MfE emissions factors for Freight Road trucks have been applied. **Non-Trade Procurement Freight** For non-trade procurement freight not covered in the above, our supplier provides us with reports with the weight, distance and pre-calculated CO_2e of the freight. We have a medium level of confidence in this data because the underlying transaction-level data is not available to us.
Scope 3: Category 5	Waste Generated in Operations	The data is reported monthly by waste collection providers, who weigh materials as they are collected and provide reports in kilogrammes or tonnes. This data is converted to tCO_2e. Supplier-reported waste data is available for the majority of our estate. Waste volumes for 10 store locations are currently estimated using waste profiles from comparable stores, primarily where sites are located within shopping malls or where waste services are managed by local councils or municipalities and detailed waste reporting is not available. Construction waste is included in the inventory. Emissions are calculated using factors from Section 10.3 Waste Disposal of the Ministry for the Environment's Measuring Emissions Catalogue 2026. Where the destination landfill is known, the relevant landfill-specific emissions factor is applied. In Hawke's Bay and Dunedin, waste service providers consolidate waste before transferring it to one of several landfills in the region, some with landfill gas recovery and some without. Because the final destination landfill cannot be confirmed in these locations, we take a conservative approach and apply the emissions factor for landfills without gas recovery. We have a medium level of confidence in the overall waste data due to these uncertainties. Waste from ChocolateWorks, which forms part of the Group's organisational boundary, is reported monthly in tonnes by both of its waste collection providers. As actual monthly waste volumes are now available, no assumptions are required regarding waste weights. The relevant 2026 waste-disposal emissions factors are applied to these reported volumes.

GHG Protocol Category	Emissions Source	Methodology, Estimates and Limitations
Scope 3: Category 6	Business Travel	**Flights** The Group uses a flight booking agency to book all travel. The Group changed travel providers at the start of FY26, meaning that data was received from both providers for a period while pre-existing bookings made through the former provider were fulfilled. A monthly report is provided that includes flight information, including distance travelled, flight type (short/long haul), and cabin class. These are used to calculate the emissions. The data sources are considered reliable. We have a high level of confidence in this data. 2026 MfE emissions factors for domestic, long-haul and short-haul business air travel have been applied. Specific cabin class factors were also applied for long and short haul travel. **Hotels** The reports for accommodation include location (city and country), the service provider, date travelled, room type, and pre-calculated kgCO_2e. The data sources are considered reliable. We have a high level of confidence in this data. The emissions factor relevant to the applicable country is applied. Where no data is available, the New Zealand room rate is applied which is derived from 2026 MfE emission factors. **Rental Vehicles** The rental vehicle report includes location, travel date, service provider, vehicle type and estimated mileage. We have a medium level of confidence in this data as the mileage is estimated rather than actual. The travel booking agency has specific emissions factors for each car type (at a mode level - e.g. electric). We retain a copy of their calculation methodology. **Private Vehicles** When our team members travel in their private vehicles, their km travelled is converted into tCO_2e. This assumes accurate record-keeping by team members. We have a medium level of confidence in this data. The 2026 MfE emissions factors for car average, unknown fuel type have been applied. **Other Sources** In FY25, we began reporting on business travel for several other entities that sit under the Group's operational control. We have a medium level of confidence in this data as we have seen improvements to the data quality since last FY. The same emissions factors as above have been applied.
Scope 3: Category 9	Downstream Transportation & Distribution	We use NZ Post's calculation for products couriered to our customers from online sales. We are provided a monthly breakdown of carbon emissions across parcels, pickup, processing, transportation, and delivery, and the total emissions are divided by the volume of parcels to calculate average emissions per parcel. This report produces a customer profile emissions report associated with GHGs and is verified by Toitū Envirocare. The report is produced with an independently verified data methodology for a transport measurement of delivery services' environmental impact, and the data is suitable for auditing an ISO 14064-1:2018 and GHG Protocol inventory. We have a high level of confidence in this data.

Table 3: FY26 Scope 1 & Location-Based Scope 2 GHG Gases Breakdown

This table breaks down the Group's FY26 Scope 1 and location-based Scope 2 emissions by source and by greenhouse gas, showing both carbon dioxide equivalent emissions (tCO_2e) and the underlying mass of each gas emitted.

	Total	GHG CO_2 EQUIVALENTS							GHG MASS						
Emissions[1]	tCO_2e[2]	CO_2 (tCO_2e)	CH_4 (tCO_2e)	N2O (tCO_2e)	SF6[4] (tCO_2e)	HCFCs[3] (tCO_2e)	HFCs[3] (t CO_2e)	PFCs[4] (tCO_2e)	CO_2 (t)	CH_4 (t)	N_2O (t)	SF_6[4] (t)	HCFCs[3] (t)	HFCs[3] (t)	PFCs[4] (t)
Scope 1: Direct emissions and removals															
Diesel - Stationary	139.54	139.08	0.16	0.30	-	-	-	-	139.08	0.0057	0.0011	-	-	-	-
Diesel - Transport	1,070.48	1,066.92	1.23	2.33	-	-	-	-	1,066.92	0.0440	0.0088	-	-	-	-
Petrol	125.59	120.30	1.61	3.69	-	-	-	-	120.30	0.0574	0.0139	-	-	-	-
LPG - Mobile	637.10	635.40	1.43	0.27	-	-	-	-	635.40	0.0509	0.0010	-	-	-	-
R-410A	125.16	-	-	-	-	-	125.16	-	-	-	-	-	-	0.0630	-
R-22 (HCFC-22)	128.48	-	-	-	-	128.48	-	-	-	-	-	-	0.0730	-	-
R-32 (HFC-32)	14.22	-	-	-	-	-	14.22	-	-	-	-	-	-	0.0210	-
R-407C	68.22	-	-	-	-	-	68.22	-	-	-	-	-	-	0.0420	-
R-438A	0.00	-	-	-	-	-	0.00	-	-	-	-	-	-	0.0000	-
Total Scope 1	**2,308.79**	**1,961.69**	**4.43**	**6.59**	**0.00**	**128.48**	**207.60**	**0.00**	**1,961.69**	**0.1580**	**0.0249**	**0.0000**	**0.0730**	**0.1260**	**0.0000**
Scope 2: Indirect emissions from imported energy (Location-based)															
Purchased Electricity	**4,922.30**	**4,742.20**	**172.81**	**7.29**	**-**	**-**	**-**	**-**	**4,742.20**	**5.7989**	**0.0267**	**-**	**-**	**-**	**-**
Total Scope 2	**4,922.30**	**4,742.20**	**172.81**	**7.29**	**0.00**	**0.00**	**0.00**	**0.00**	**4,742.20**	**5.7989**	**0.0267**	**0.0000**	**0.0000**	**0.0000**	**0.0000**
Total (Scope 1 + 2)	**7,231.08**	**6,703.89**	**177.23**	**13.88**	**0.00**	**128.48**	**207.60**	**0.00**	**6,703.89**	**5.9569**	**0.0516**	**0.0000**	**0.0730**	**0.1260**	**0.0000**

1. **Organisational boundary** The inventory covers all operations within the Group's organisational boundary, including our sourcing hubs in China, India and Bangladesh.
2. **Emission factors and global warming potentials** Unless otherwise stated, calculations use the New Zealand Ministry for the Environment 2026 Emissions Factors Workbook and IPCC AR5 100-year Global Warming Potentials. Emission factors are presented in rounded form; calculations use unrounded values, so component figures may not sum exactly to reported totals. Figures are presented to two decimal places for emissions and carbon dioxide mass, and four decimal places for other greenhouse gas masses. The Group does not combust biomass or biofuels, and no biogenic CO_2 emissions have been identified for the reporting period.
3. **Refrigerants** Refrigerant emissions are calculated from actual leakage and top-up data reported by our maintenance contractors. R-22 (HCFC-22) is a hydrochlorofluorocarbon regulated under the Montreal Protocol rather than a Kyoto Protocol gas; it is reported in a separate HCFC column and is included in the Scope 1 total above. R-438A remains in use, but no leakage was recorded during FY26.
4. **Excluded greenhouse gases** No emissions of sulphur hexafluoride (SF_6), perfluorocarbons (PFCs) or nitrogen trifluoride (NF_3) were identified during the reporting period.

Table 4: FY26 GHG and GWP Emissions Sources Excluded

GHG Protocol Category Number	GHG Protocol Category Name	Full or Partial Exclusions of GHG Emissions and Rationale
Scope 1	Direct emissions	No notable exclusions from the FY26 inventory. **Biogenic Emissions** The Group does not combust biomass or biofuels, and no biogenic CO_2 emissions have been identified for the reporting period.
Scope 2	Indirect emissions associated with the purchase of electricity	No notable exclusions from the FY26 inventory.
Scope 3 Upstream Emissions		
1	Purchased goods & services	Full exclusion from inventory. Reliable calculation of emissions not available. Work is underway to determine these emissions.
2	Capital goods (e.g. plant, property & equipment).	Full exclusion from inventory. Reliable calculation of emissions not available. Work is underway to determine these emissions.
3	Fuel- and Energy-related activities	Emissions from company fleet EV home charging are currently excluded due to limited access to reliable and consistent data across users. We expect this to be immaterial.
4	Upstream Transportation & Distribution	Notable exclusions: • Reverse logistics of empty containers and trucks once the product has been delivered to one of our sites. • Inter-store transfers for The Warehouse, Warehouse Stationery and Noel Leeming. • Emissions from unloading containers at the Ports of Auckland. • We are aware that some stores and the Store Support Office arrange their own courier services from time to time, and we have limited visibility over these emissions. • International freight outside our main freight-forwarding arrangements is excluded and considered immaterial. Work is underway with our suppliers and internal teams to further improve freight data quality and completeness. • Freight to and from our overseas sourcing hubs and ChocolateWorks, our joint venture chocolate factory, that sits under the Group has been excluded due to data quality issues or missing datasets. Work is underway to capture this data.
5	Waste Generated in Operations	Waste from overseas sourcing hub has also been excluded due to data quality or completeness issues. Work is underway to capture this data.
6	Business Travel	No notable exclusions from the FY26 inventory.
7	Employee commuting	Full exclusion from inventory. Reliable calculation of emissions not available. Work has started to determine these emissions.
8	Upstream leased Assets	At some leased sites, landlords control HVAC systems and other energy sources, including diesel used for sprinkler pumps. Associated emissions are currently excluded from our inventory. Electricity used in landlord-controlled shared spaces, such as car parks and mall corridors, is also excluded. We do not control this consumption and, in most cases, it is bundled with other occupancy charges, meaning consumption data is not available. Work has started to determine these emissions.
Scope 3 Downstream Emissions		
9	Downstream freight	We do not include courier emissions from sales made by Marketplace merchants through our online platforms, as we are not the seller of record and do not own, store, or dispatch these products. These emissions fall within the value chains of the third-party sellers. Some emissions were incorrectly included in our FY23 inventory in relation to orders we fulfilled on behalf of third-party merchants. These emissions have been removed from our restated inventory. Emissions associated with operating the platform itself (e.g. outsourced hosting or cloud services) would typically fall under Scope 3, Category 1 or 2, but are currently excluded (see above). There is a gap with store-to-store freight not being recorded accurately. Work is underway to improve the capture of this data.
10	Processing of sold products	Not applicable.
11	Use of sold products	Full exclusion from inventory. Reliable calculation of emissions not available. Work is underway to determine these emissions.
12	End-of-life of sold products	Full exclusion from inventory. Reliable calculation of emissions not available. Work is underway to determine these emissions.
13	Downstream leased assets	Not applicable in FY26.
14	Franchises	Not applicable.
15	Investments	Not applicable.

Appendix 2 – Initiatives and Associations

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

Area	Initiatives	Association
Environmental	• Climate Leaders Coalition • NZ Soft Plastics Recycling Scheme • TechCollect NZ • Retail NZ Sustainability Working Group	• Sustainable Business Council (SBC) • Waste Management Institute New Zealand Incorporated (WasteMINZ) • The Packaging Forum
Human Resource	• UN Women Aotearoa NZ	• HRNZ • Rainbow Tick (Toitū Takatāpui)
Product Sourcing and Development	• Australasian Recycling Label (ARL) • Forest Stewardship Council • Rainforest Alliance • Cruelty Free International	• New Zealand Business Round Table in China (NZBRiC) • Australian Packaging Covenant Organisation (APCO) • Better Cotton Initiative
Other	• Vocational Education with Services Workforce Development Council (WDC) • Vocational Education training through Te Pukenga • Applied Business Management Project, AUT • Seniors@Work	• Retail NZ • NZ Marketing Association

Appendix 3 – Independent Limited Assurance Report

INDEPENDENT ASSURANCE REPORT

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

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 energy consumption, energy intensity, Scope 1, 2 and 3 greenhouse gas (GHG) emissions and waste disclosures ("Subject Matter Information"), including the associated methodologies, assumptions, and estimation uncertainty within the scope of our limited assurance engagement, as disclosed in TWG Sustainability Report 2026 ("the Report") for the period of 4 August 2025 to 2 August 2026, are not fairly presented and prepared, in all material respects, in accordance with the Reporting Criteria.

Scope of the Assurance Engagement

The scope of assurance was limited to the Subject Matter Information relating to TWG's operating assets, as listed in Table 1: "The Warehouse Group FY26 Organisational Boundary", of the Report, for the period of 4 August 2025 to 2 August 2026.

Subject Matter Information	*Page reference*	*Reporting Criteria*
Energy Consumption within the Organisation	p.30	GRI 302-1 (e): Energy 2016
Energy intensity	p.30	GRI 302-3 (a): Energy 2016
Direct (Scope 1) GHG emissions	p.29 and 50	GRI 305-1, 2, 3: Emissions 2016, and GHG Protocol Corporate Accounting and Reporting Standard (Revised Edition) (2015)
Energy indirect (Scope 2) GHG emissions	p.29 and 50	
Other indirect (Scope 3) GHG emissions	p.29	
Reduction of GHG emissions	p.29	GRI 305-5: Emissions 2016
Waste generated	p.11	GRI 306-3: Waste 2020
Waste diverted from disposal	p.11	GRI 306-4 (a) and (c): Waste 2020
Waste diverted to disposal	p.11	GRI 306-5 (a) and (c): Waste 2020

Our assurance engagement did not extend to any other information included in the Report, nor to information relating to prior reporting periods. We have not performed any procedures on such information and, accordingly, do not express a conclusion thereon.

Inherent Uncertainty in preparing GHG disclosures

The GHG quantification is subject to inherent uncertainty due to incomplete scientific knowledge underlying the determination of emission factors and the methodologies used to convert and aggregate different greenhouse gases into a common metric (e.g. CO_2-equivalent). Additional uncertainty arises from the use of assumptions and estimation techniques required to calculate emissions. Consequently, reported greenhouse gas emissions should be interpreted in the context of these inherent scientific and estimation uncertainties.

TWG's Responsibilities

Management of TWG was responsible for:

- Preparing and presenting the Subject Matter Information in accordance with the Reporting Criteria.
- Establishing and maintaining appropriate internal controls to enable the preparation of information free from material misstatement, whether due to fraud or error.
- Selecting and applying appropriate methods, assumptions and estimates.
- Providing us with all relevant information and access necessary to perform the assurance engagement.

Our Responsibilities

Bureau Veritas Australia Pty Ltd ("Bureau Veritas") was responsible for:

- Planning and performing the assurance engagement to obtain limited assurance over the Subject Matter Information.
- Obtaining sufficient and appropriate evidence on which to base our assurance conclusions.
- Forming an independent conclusion based on the procedures performed and evidence obtained.
- Reporting our assurance conclusions to the Directors of TWG.

Bureau Veritas was not involved in the preparation of the Report. We have maintained our independence and performed the engagement in accordance with the relevant ethical requirements applicable to assurance engagements.

Summary of Work Performed

Our limited assurance engagement on the energy consumption and GHG emissions was conducted in accordance with ISAE 3410 *Assurance Engagements on Greenhouse Gas Statements* issued by the International Auditing and Assurance Standards Board (IAASB).

In addition, our limited assurance engagement on the waste metrics was conducted in accordance with ISAE 3000 *Assurance Engagements other than Audits or Reviews of Historical Financial Information* issued by IAASB.

Our work was planned and performed to obtain the intended level of assurance and to provide a reasonable basis for our conclusions.

The procedures performed were based on our professional judgement and included enquiries, observation of processes, inspection of documents, analytical procedures, evaluation of quantification methodologies and reporting policies, and the agreement or reconciliation of reported information to underlying records. Our procedures included:

- Reviewing the suitability and application of the Reporting Criteria used in the preparation of the Subject Matter Information.
- Conducting enquiries of TWG personnel to obtain an understanding of, and evaluate, the processes, systems and internal controls used to collect, aggregate, calculate, analyse and report the information.
- Conducting enquiries of personnel responsible for preparing and reporting the information.
- Reviewing supporting documentation and evidence provided by TWG.
- Testing selected data, including source documentation, and assessing the mathematical accuracy of calculations underlying the reported information.
- Assessing the reasonableness and consistent application of estimation methodologies, assumptions and calculation approaches.
- Reviewing the presentation of the Subject Matter Information within the Report.
- Obtaining a Management Representation Letter in support of key representations made during the assurance engagement

The scope of a limited assurance engagement is significantly narrower than a reasonable assurance engagement. This includes fewer risk assessment procedures, a more limited understanding of internal controls, and less extensive responsive testing. Consequently, the level of assurance obtained in a limited engagement is substantially lower than a reasonable assurance. Even a reasonable assurance engagement, while providing a high level of assurance, does not guarantee the detection of all material misstatements, should they exist.

Inherent Limitations and Exclusions

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less extensive than, those performed in a reasonable assurance engagement. In particular, a limited assurance engagement involves less detailed testing and does not require the practitioner to obtain the same level of understanding of internal controls as a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than that which would have been obtained had a reasonable assurance engagement been performed. Even a reasonable assurance engagement, while providing a high level of assurance, does not guarantee that all material misstatements will be detected.

Excluded from the scope of our assurance engagement is any assurance over information relating to:

- Activities occurring outside the reporting period.
- Statements of future intent, commitment or planned actions by TWG.
- Statements of position, opinion, belief or aspiration made by TWG.
- Financial information subject to audit or assurance by another independent assurance provider.
- Sites, operations or activities not included within the defined scope.

This independent assurance statement should not be relied upon to detect all errors, omissions or misstatements that may exist within the Report.

Statement of Independence, Impartiality, Competence

Bureau Veritas is a leading provider of Testing, Inspection and Certification (TIC) services. Bureau Veritas operates a quality management system and applies a Code of Ethics that includes requirements relating to integrity, objectivity, professional competence, confidentiality and the management of conflicts of interest.

Bureau Veritas maintains policies and procedures designed to safeguard its independence and impartiality in the conduct of assurance engagements. Throughout this engagement, Bureau Veritas remained independent of TWG and complied with the applicable ethical requirements relevant to assurance engagements.

No member of the assurance team has any business relationship with TWG, its Directors or Management beyond that required for the performance of this engagement. We confirm that there were no conflicts of interest that could impair our independence or objectivity

The assurance team was selected based on its qualifications, experience and industry expertise, including experience in the independent verification and assurance of environmental, social and governance (ESG) information, greenhouse gas emissions data, and associated management systems and reporting processes.

Bureau Veritas Australia Pty Ltd

21st September 2026

Bureau Veritas

Jeremy Leu

Executive General Manager, Perth, Australia

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