Climate-related Disclosures

OCEANIA

FY25

Climate-related Disclosures

Introduction.

Oceania Healthcare Limited and its subsidiaries (together, Oceania) is a retirement village and aged care operator in New Zealand with 36 sites across the country. Oceania listed on the NZX in 2017 and had $2.9 billion in total assets as at 31 March 2025.

Approved on behalf of the Board on 5 June 2025

Liz Coutts,
Chair

Alan Isaac,
Chair of Audit Committee and
Chair of Risk Committee

About these climate statements

This report is Oceania's second Climate-related Disclosures (CRD) report. It relates to the reporting period 1 April 2024 to 31 March 2025 and constitutes Oceania's Climate Statements in respect of that period under the Financial Markets Conduct Act 2013 (FMCA). Under the FMCA, Oceania is required to produce climate statements that comply with the Aotearoa New Zealand Climate Standards (NZCS) 1, 2 and 3 issued by the External Reporting Board (XRB). Accordingly, this report has been prepared in compliance with NZCS 1, 2 and 3, and covers four thematic areas: Governance, Strategy, Risk Management and Metrics and Targets.

Oceania has chosen to use the following NZCS 2 adoption provisions for this FY25 report, meaning the disclosures in this CRD do not cover these aspects of NZCS:

Adoption provision 2:
Anticipated financial impacts

Adoption provision 6:
Comparatives for metrics

Adoption provision 7:
Analysis of trends.

Disclaimer

This report is Oceania's second mandatory CRD and sets out Oceania's approach to scenario analysis, Oceania's current understanding of, and response to, Oceania's climate-related risks and opportunities and its understanding of the current and anticipated impacts of climate change. This reflects Oceania's current understanding as at 5 June 2025 in respect of the 12 months ended 31 March 2025. Climate-related risk management is an emerging area, and often uses data and methodologies that are developing and uncertain. In particular, there are inherent uncertainties associated with the calculation of an entity's GHG emissions inventory, including but not limited to, a lack of availability of data and reliance on assumptions and estimates. Oceania acknowledges that the understanding of climate risk and GHG emissions measurement, and the inputs needed to assist with this understanding, are constantly evolving.

This CRD report contains disclosures that rely on early and evolving assessments of current and forward looking information, calculations based on incomplete and estimated data, and Oceania's related judgements, opinions and assumptions.

This CRD contains forward looking statements, including climate-related scenarios, targets, assumptions, climate projections, forecasts, statements of Oceania's future intentions, and estimates and judgements that may not evolve as predicted. Those statements and opinions have been based on the information available at the date of publication. Oceania (including its directors, officers and employees) do not:

- represent that those statements and opinions will not change, or will remain correct after publishing this CRD report, or
- promise to revise or update those statements and opinions if events or circumstances change or unanticipated events happen after publishing this CRD report.

In particular, these statements involve assumptions, forecasts and projections about Oceania's present and future strategies and Oceania's future operating environment. Such statements are inherently uncertain and subject to limitations, particularly as inputs, available data and information are likely to change. As such, Oceania cautions reliance on climate-related forward-looking statements that are necessarily less reliable than other statements Oceania may make in its annual financial reporting. Primary users should not rely on forward-looking statements and opinions as a guarantee of what will happen, as these are often predictions based on information available at the time, which may be affected by mistaken assumptions, unknown risks, or other uncertainties (many of which are outside Oceania's control). Those statements may differ materially from results Oceania eventually achieves.

The risks and opportunities described in this CRD report, Oceania's transition plan objectives, and Oceania's strategies to achieve its targets, may not eventuate or may be more or less significant than anticipated. There are many factors that could cause Oceania's actual results, performance or achievement of climate-related metrics (including targets) to differ materially from that described, including economic and technological viability, climatic, government, consumer, and market factors outside of Oceania's control. Oceania has sought to provide a reasonable basis for forward-looking statements and is committed to progressing its response to climate-related risks and opportunities over time but is constrained by the novel and developing nature of this subject matter. Oceania gives no representation, warranty or assurance that actual outcomes or performances will not materially differ from the forward-looking statements. To the maximum extent permitted by law, Oceania (including its directors, officers and employees) does not accept any liability whatsoever for any loss arising directly or indirectly from any use of the information contained in this CRD report.

This disclaimer should be read along with other methodologies, assumptions and uncertainties and limitations contained in this CRD including the assumptions and uncertainties relating to each GHG emission source contained in Oceania's GHG emissions inventory, which can be found in the Appendices. All amounts disclosed in this report are estimates and are in NZD.

This report is not an offer document and does not constitute an offer or invitation or investment recommendation to distribute or purchase securities, shares, or other interests. Nothing in this report should be interpreted as capital growth, earnings or any other legal, financial, tax or other advice or guidance. For detailed information on Oceania's financial performance, please refer to Oceania's Annual Report, on Oceania's website, available at https://oceaniahealthcare.co.nz/investor-centre/reports-presentations/.

"This second Climate-related Disclosures report marks another step forward in strengthening our understanding of climate-related risks and opportunities across our operations. This year, we're pleased to report our first climate transition plan – laying the foundation for how we'll respond to the risks and opportunities ahead."

Stephanie Spicer – Head of Sustainability & Corporate Responsibility

Contents

Governance

The Oceania Board of Directors is the governance body ultimately responsible for overseeing both the implementation of Oceania's Sustainability Framework and strategy, and Oceania's climate-related risks and opportunities.

In the reporting period, the Board was supported by three Board Committees in relation to climate-related issues:

- the Sustainability Committee, which has delegated responsibility for overseeing implementation of Oceania's sustainability (including climate-related) strategy, and Oceania's strategic approach to climate-related risks and opportunities, as well as reviewing external sustainability reporting and publications, excluding mandatory climate statements, which are the responsibility of the Audit Committee;
- the Audit Committee, which has delegated responsibility for reviewing, and recommending to the Board for approval, Oceania's annual climate statements; and
- the Risk Committee, which considers Oceania's top risks and risk mitigation plans at least twice yearly. Top risks include climate risk (which otherwise falls within the mandate of the Sustainability Committee).

Oceania Climate Governance

1. The Board Risk Committee Charter was updated in March 2025 to require the Board Risk Committee to meet not less than two times per annum.

Sustainability Committee

The Sustainability Committee was established in September 2022 and members include the Chair of the Board and two other directors, with an open invitation to all directors to attend.

The Sustainability Committee has delegated responsibility for assisting the Board to provide leadership for sustainability initiatives, including climate-related initiatives. The Sustainability Committee is responsible for reviewing progress toward achieving climate-related targets and oversees the implementation of Oceania's sustainability strategy including its strategic approach to climate-related risks and opportunities. It reviews progress towards identifying and addressing climate-related issues. The Sustainability Committee Charter specifically includes climate-related responsibilities.

The Sustainability Committee meets at least four times annually, with three meetings in FY25 (as the fourth was held on 1 April 2025 in the new financial year). Oceania's climate-related work was on the agenda for each of these meetings in FY25. The Sustainability Committee Chair updates the full Board on its discussions, as part of the Committee update to the Board, at the Board meeting following each Committee meeting. All Sustainability Committee papers are available to the full Board and an opportunity is given to each Board member to submit questions and attend the Committee as required. Specific items, for example items concerning climate-related risks and opportunities, may be tabled at full Board meetings for noting or approval, as appropriate. In FY25, climate-related items tabled for the full Board included sign-off of Oceania's FY24 CRD, a director education session and climate and sustainability considerations at the Board strategy session (see the timeline on pages 4-5 for further details).

Audit Committee

The Audit Committee assists the Board with oversight of climate-related reporting. It is responsible for reviewing and recommending to the Board for approval Oceania's group climate statements under the FMCA. It is also responsible for considering and reviewing all significant changes in climate-related reporting requirements, including regulator guidance. The Audit Committee is responsible for ensuring Oceania's climate statements are presented in accordance with the NZCS and is responsible for external review and any assurance in relation to the climate statements.[1] The Sustainability Committee is invited to review and provide input on the climate statements before the Audit Committee recommends them to the Board for approval.

Solar PV panel installation on Meadowbank Village's new Ōrākei building.

Risk Committee

The Risk Committee, regularly reviews all top risks applicable to Oceania (including climate risk). Climate risk is owned by the CFO and Chief Property and Operating Officer. The Risk Committee reviews Oceania's top risks and risk mitigation plans at least twice yearly.

Board and Committee engagements on climate in FY25 are set out in the diagram on the following pages.

1. In the reporting period, independent limited assurance over Oceania's full Scopes 1, 2 and 3 emissions disclosures was provided by Ernst & Young Limited.

Oceania Board and Committee engagements on climate-related issues in FY25

April 2024

- Climate considerations discussed as part of **Board Strategy Day.**

May 2024

- Review of Draft Emissions Report and Draft CRD.
- Recommendation of the **GHG Emissions Report for FY24** for Board approval.
- Consideration of exposure to **climate-related physical hazards** during review of developments.
- Approval of **GHG Emissions Report for FY24**, the **Sustainability Charter** and FY24 Annual Report, which included the Sustainability Framework and workstream progress and metrics.
- Approval of **corporate budget** including capital for sustainability related projects.
- Update on **Sustainability Linked Loan** including progress of Year 3 Sustainability Performance Target (SPT) for GHG/KPI.
- Update on **Sustainability Framework** and workstream progress.

June 2024

- Review and recommendation of **FY24 CRD** and **independent assurance report** on **FY24 GHG Emissions Inventory** for Board approval.
- Approval of **FY24 CRD.**
- Sustainability **key workstream update** (as part of CFO report).

August 2024

- Consideration of Oceania's approach to **solar photovoltaic (PV) panels** during review of community facilities at Franklin development site.
- Sustainability **key workstream update** (as part of CFO report).

KEY: Board | Audit Committee | Sustainability Committee | Development Committee | Risk Committee

> "Our climate governance is not a once-a-year agenda item. The cadence of Board Committee discussions demonstrates how climate is embedded across our planning, risk, and processes throughout the year."
>
> Kathryn Waugh – Chief Financial Officer

September 2024

- Review of sustainability related **KPIs, metrics** and **targets** as they relate to the Sustainability Framework goals and Sustainability Linked Loan.
- Review of Oceania's **GHG emissions performance** and **reduction plan.**
- FY25 CRD Roadmap.
- Approval of paper considering Oceania's **emissions reduction target** in the renewal of a supply contract.
- Approval of land purchase, including consideration of exposure to climate-related physical hazards.

October 2024

- Review of top risks including climate risk.
- Consideration of **sustainability issues** during review of developments.

November 2024

- Update on progress towards **GHG emissions reduction target.**
- **Sustainability Framework priorities** for FY25 and FY26 and associated metrics and targets.
- Update on **CRD Roadmap.**

February 2025

- Introduction of revised **Board Paper template** requiring sustainability and climate considerations.
- **Director education** session with external provider.
- Sustainability Framework **key workstream update.**

March 2025

- Review of **top risks** profile including climate risk.
- Sustainability Framework **key workstream update.**
- Sustainability and climate considerations discussed as part of **Board Strategy Day.**

April 2025[1]

- Update on progress towards **GHG emissions reduction targets** and **CRD programme.**
- Update on **Sustainability Framework priorities** and **Sustainability Linked Loan** performance.

1. The Sustainability Committee meets four times annually, with three meetings in FY25 (as the fourth was held on 1 April 2025).

KEY: Board | Audit Committee | Sustainability Committee | Development Committee | Risk Committee

Management

Oceania's Management Sustainability Steering Group (the Steering Group) was established in September 2022 to lead implementation of Oceania's sustainability agenda. The Steering Group meets four times per year (three times in FY25) and consists of the Executive Team (being the CEO, CFO, Chief Property and Operating Officer, Chief Legal and Risk Officer, Chief Sales and Marketing Officer, Director Clinical and Care Services) and the Head of Sustainability. Climate has been a standing agenda item in FY25.

A key responsibility of the Steering Group is to review and recommend proposed sustainability (including climate-related) priorities, goals and targets and strategies and monitor Oceania's progress in achieving them. Towards the end of the reporting period, the Steering Group took on the ongoing identification and oversight of climate-related risks and opportunities. In FY25, the Steering Group was supported by internal subject matter experts (SMEs) who reviewed and consolidated climate-related risks, and suggested relevant updates to the climate risk register (see Risk Management for more information on this process). In addition, the Steering Group is from time to time supported by external experts.

As the full Oceania Executive is represented on the Steering Group, the Steering Group meetings themselves are the primary method for informing management about climate-related issues.

Amongst Oceania's Executive, the CFO has primary accountability for Oceania's climate-related risk management programme and preparation of Oceania's climate statements under the FMCA, working with the Head of Sustainability and Chief Legal and Risk Officer as an informal climate working group that meets as needed. At a management level the CFO and Chief Property and Operating Officer hold responsibility for realising climate-related opportunities.

The Steering Group meetings are normally scheduled to take place before each meeting of the Sustainability Committee. Updates to the Steering Group are provided by the Head of Sustainability, relevant Executive members and external advisors from time to time. The CEO, CFO, Chief Legal and Risk Officer, Chief Property and Operating Officer and the Head of Sustainability attend the Sustainability Committee meetings. This allows for regular discussion and engagement between management and the Board to discuss climate-related matters, with information flowing between management and the Board, and between management and business leaders. The Sustainability Committee has been provided with a Roadmap for Oceania's delivery of its group climate statements.

The Sands, Auckland, certified to Homestar 6 Built rating.

Management and Board working together on climate-related issues

In FY25, Oceania engaged external experts to support the development of its first climate transition plan. This work included updating scenario narratives and refining climate-related risks and opportunities. The process was informed by workshops with the Executive Leadership Team and subject matter experts, and was integrated with Oceania's broader strategic reset. Outputs from these sessions - including the updated scenario narratives and draft transition plan - were provided to the Board for feedback following the March 2025 Strategy Day. The Sustainability Committee also reviewed the draft transition plan and associated risk and opportunity disclosures. Through this process, management kept governance engaged and informed on progress.

Board climate skills evaluation and training

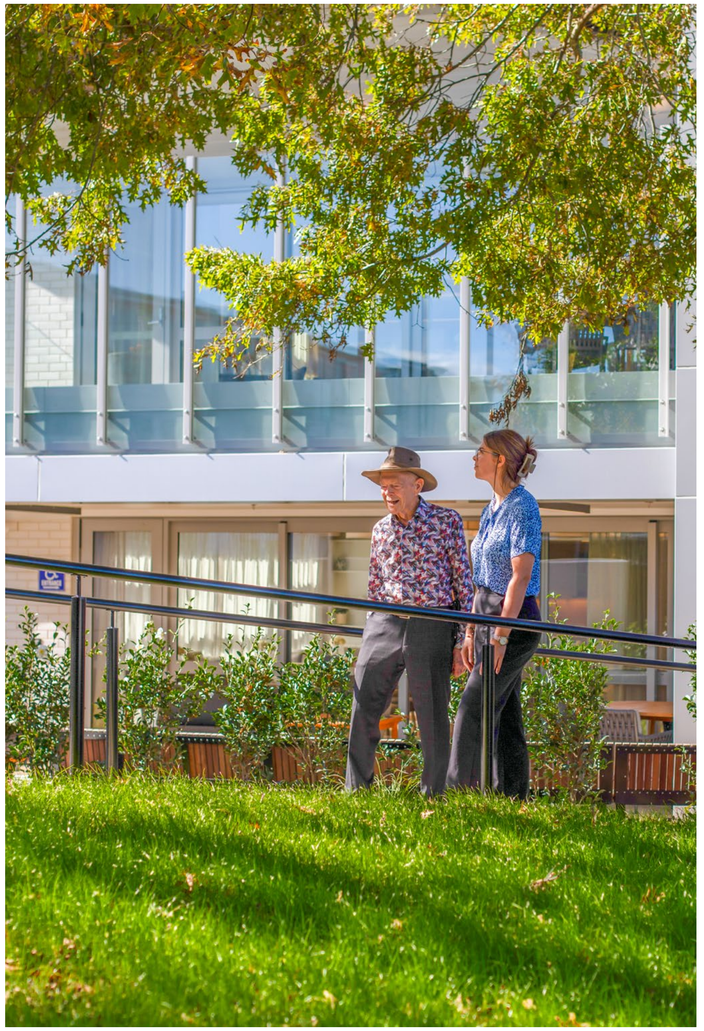
The Board monitors expertise across its directors to ensure it has an appropriate skills matrix[1], including climate-related skills. In FY25, the Board updated its climate competency self-assessment (first completed in FY24), to inform its climate-related training for FY25. Full Board training, focusing on the development areas identified through the self-assessment, took place at the February 2025 Board meeting. Members of the Management Steering Group also attended this training session. The training in the reporting period built on previous upskilling initiatives including external training and deep dives on environmental and climate change issues in previous reporting periods.

Tracking metrics and achieving targets

The Sustainability Committee reviews progress towards achievement of Oceania's sustainability (including climate-related) targets. As discussed further in the Metrics and Targets section of this CRD report, the Board approved Oceania's near-term science-based emissions reduction targets which were then validated by the Science Based Target initiative (SBTi) in May 2024. The Sustainability Committee reviews progress against these targets, which is then reported to the full Board as appropriate. In future, the Board may consider other climate-related metrics and targets as these are developed by Oceania.

Remuneration

Performance metrics are included in Executive and other senior management remuneration. In FY25, achieving the SBTi-approved annual Scope 1 and 2 GHG emissions reduction target served as a gateway hurdle for the FY25 Short Term Incentive.



1. See a snapshot of the Board's skill set in the Annual Report 2025, on pages 32 and 33.

Solar PV panel installation at The Helier, Auckland.

Strategy

Oceania's strategy and business model

Oceania is a leading provider of retirement village and aged care centres in New Zealand, operating 36[1] villages and serving approximately 3,900 residents nationwide.

Business model

Oceania designs, develops, sells, and operates retirement villages, offering both independent living options (apartments and villas), and aged care services (care suites and care beds). These care services include rest home level care, hospital level care and, at select locations, dementia care.

The developments, innovations, and experiences provided by Oceania are inspired by the evolving needs and expectations of older New Zealanders, backed by extensive clinical experience.

Strategy and Sustainability Framework

Oceania's integrated approach to strategy is demonstrated by its four strategic pillars, which were recently updated as part of its new five year strategy.[2]

Oceania Strategic Pillars

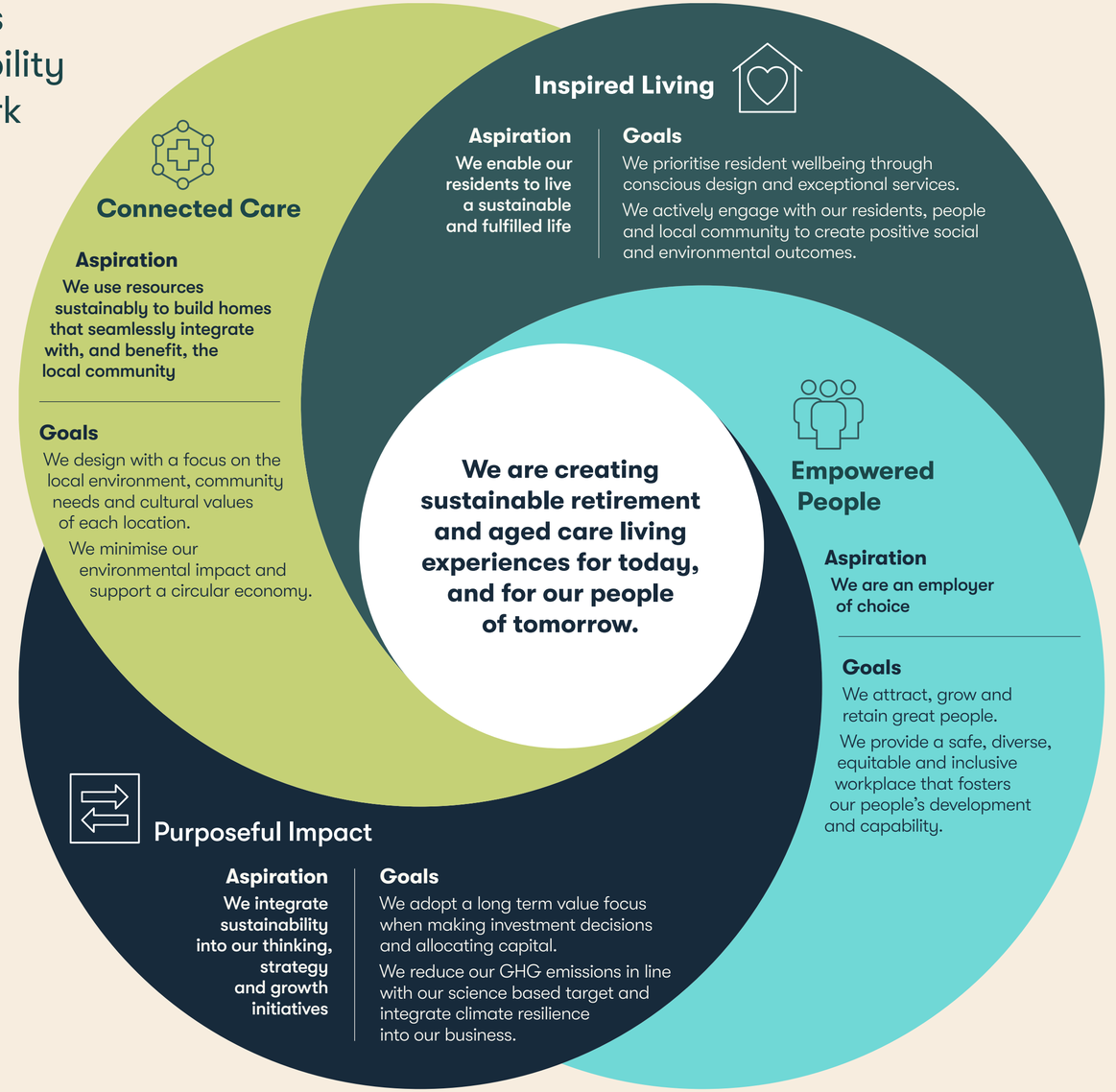
Inspired Living	Connected Care	Empowered People	Purposeful Impact
Elevating the ageing experience through thoughtful environments and tailored wellbeing services that support the whole person	Delivering seamless transitions across lifestyle, health and care, strengthened by trusted relationships with family, whānau, and community, and supported by smart technology.	Supporting a dedicated, high performing workforce to deliver outstanding care and experiences, backed by strong leadership and a culture aligned with our strategic purpose.	Building long term, sustainable growth through innovation, operational excellence, and investments that create social and environmental value.

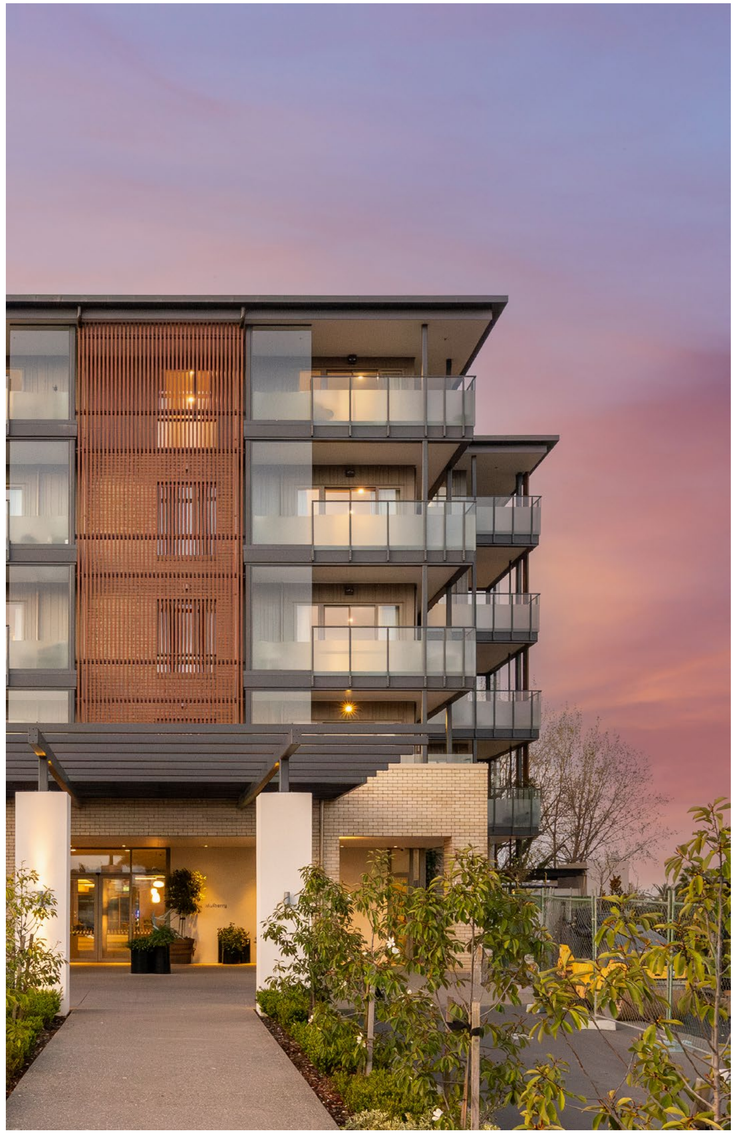
1. This total reflects the settlement of a divested site, which occurred after the balance date of 31 March 2025.
2. Please see FY25 annual integrated report for further information on Oceania's strategic reset available on our website, at https://oceaniahealthcare.co.nz/investor-centre/reports-presentations/.

Sustainability is integrated into Oceania's strategy. Oceania aspires to create sustainable retirement and aged care living experiences for older New Zealanders through the delivery of its Sustainability Framework 2023 – 2030. This Framework integrates Oceania's four strategic pillars by aligning goals and aspirations across these four areas, informed by its FY23 materiality assessment.

Oceania is integrating sustainability into its strategic thinking and growth initiatives as represented in its Purposeful Impact pillar. Oceania has set a science-based near term GHG emissions reduction target with the SBTi (see Metrics and Targets section) and is seeking to integrate climate resilience across its business.

Oceania's Sustainability Framework





Awatere, Hamilton, certified to Homestar 6 Built rating.

Current climate-related impacts

This table sets out management's view of Oceania's material current climate-related impacts in FY25.

Physical impacts		Oceania did not experience material physical climate-related impacts in FY25.
Transition impacts	Insurance	The weather events of 2023, such as the Auckland Anniversary weekend floods and Cyclone Gabrielle[1], contributed to pressure on the New Zealand insurance market. In FY25, Oceania continued to experience the effects, albeit immaterial, of weather-related events on its insurance cover, premiums and, to a related extent, policy excesses. While the financial impact remained immaterial during this period, the broader trend of increasing insurance premiums and potential impact on policy excesses is expected to persist. Given Oceania's property portfolio across New Zealand, it recognises the importance of monitoring these evolving insurance market dynamics.
	Regulation	Oceania continues to put in place processes, procedures and systems to support compliance with climate disclosure requirements and to embed climate resilience into its business. During the reporting period, no new implementation milestones were introduced under the Ministry for Business, Innovation and Employment's Building for Climate Change programme.[2] However, insulation and energy efficiency measures – specifically the H1 changes to the Building Code aimed at improving thermal performance – are already in place. There was no material financial impact in the reporting period. At certain developments, Oceania designs and builds to standards that exceed minimum Building Code requirements, guided by New Zealand Green Building Council (NZGBC) Homestar certification (Oceania is also piloting NZGBC Green Star certification at Franklin Village). Further details on Oceania's capital deployment towards these developments is provided in the Metrics and Targets section on page 39.

1. For the purposes of this climate-related disclosure, Oceania has not assessed whether these individual events are climate change related.
2. A consultation on H1 Energy Efficiency Standards closed in February 2025

Scenario analysis

Oceania has used climate-related scenario analysis to support its understanding of climate-related risks and opportunities. In FY24, Oceania developed three climate-related scenarios to help assess its climate-related risks and opportunities, and to help it understand the resilience of its business model and strategy. This qualitative exercise was facilitated by an external provider and drew on the NZGBC's Construction and Property Sector Scenarios[1].

In FY25, Oceania updated its scenario analysis process. It redefined its scenarios, drawing on the sector-developed Health Sector Scenarios[2], revised its climate risk and opportunity register and retested the resilience of its strategy. A summary of Oceania's updated scenario narratives is set out on pages 15-17.

Sector scenario development

Oceania contributed to the development of climate-related scenarios for both the Construction and Property Sector, and the Health Sector (together, the Sector Scenarios), participating as a member of the respective Technical Working Groups.

These Sector Scenarios aligned with the International Panel on Climate Change (IPCC) Shared Socioeconomic Pathways (SSPs) and the Climate Change Commission's Tailwinds, Headwinds and Current Policies scenarios. The Construction and Property Sector Scenarios also aligned with the Network for Greening the Financial System (NGFS) archetypes of Orderly, Disorderly and Hothouse World, as well as the IEA World Outlook Energy scenarios. Both Sector Scenarios considered similar timeframes being short term (present day to 2030), mid-term (2031-2050) and long term (2051-2100).

1. New Zealand Green Business Council (NZGBC). 2023. Climate Scenarios for the Construction and Property Sector. Facilitated by Beca and available at https://nzgbc.org.nz/news-and-media/property-and-construction-sector-release-climate-scenarios-for-new-zealand.
2. Sustainable Healthcare Aotearoa. 2024. Climate Change Scenarios for the Health Sector. Facilitated by Tonkin + Taylor and available at https://www.esr.cri.nz/digital-library/climate-change-scenarios-for-the-health-sector/

Overview of scenario analysis process

Oceania's scenario analysis was based on the Sector Scenarios, which in turn incorporated the international archetypes listed above. The Sector Scenarios cover entities with similar climate-related property and health sector risks.

Oceania's entity level scenario analysis process was conducted with input from management and subject matter experts including clinical, operational and functional expertise. Across a series of workshops, with executive sponsorship from the CFO, Oceania developed three climate scenarios from the Sector Scenarios: Orderly, Disorderly and Hothouse World. These three scenarios were chosen because they cover a plausible range of futures and, therefore, are useful to test and identify a range of physical and transition risks and opportunities under different levels of uncertainty. While Oceania's scenario analysis includes a 1.5°C (Orderly scenario) pathway in compliance with NZ CS 1, it acknowledges that current global emissions trajectories and recent temperature records suggest that limiting warming to 1.5°C is becoming increasingly challenging. Oceania's scenarios incorporate driving forces and critical uncertainties from the Sector Scenarios, prioritised specifically for Oceania, allowing it to test the resilience of its business model and strategy to climate-related risks and opportunities. With the inclusion of driving forces from the Health Sector scenarios in FY25, scenario narratives were updated.

Oceania's scenario narratives incorporate various elements of the Sector Scenarios. For example, narrative from the Property and Construction Sector Scenario relating to energy and electricity demand and changes to building regulations and supply chain, and narrative from the Health Sector scenarios relating to communities, the effects of global trade volatility, rising costs for senior citizens and technological advancements in care. Where applicable, these narrative elements have been adapted or expanded to reflect the specific context of the aged care sector.

Oceania has not performed additional modelling beyond that used to create the international archetypes, which Oceania relied on to develop the Sector Scenarios.

Oceania's scenario analysis process was a standalone exercise in FY24, subsequently refined in FY25. As in the previous year, the outputs fed into Oceania's most recent Board strategy day.

The steps taken by Oceania in its scenario analysis process are outlined below:

Step 1	Involved in the Sector Scenarios development and analysis.
Step 2	Engaged key internal stakeholders to update Oceania's climate scenarios and refine climate-related risks and opportunities.
Step 3	Defined (and reconfirmed in FY25) scope and boundary including the focal question, time horizons, and value chain.
Step 4	Identified and prioritised driving forces, including those from the Health Sector scenarios in FY25, considering these across political, social and economic perspectives and select emissions pathways.
Step 5	Aligned Sector Scenarios (and their use of scenario architecture) and developed (and, in FY25, updated) draft narratives.
Step 6	Refined scenarios, including review and feedback from the Board.
Step 7	Qualitatively assessed the resilience of Oceania's business model and strategy using Oceania's climate-related scenarios to inform Oceania's FY25 strategic reset and transition planning.

Community Building, Franklin, Auckland, designed to Green Star 5. Image is indicative only and subject to change.

Time horizons

An overview of the time horizons considered as part of the scenario analysis process, and the link to Oceania's strategic planning horizons and capital deployment plans, is set out in the table below. These are aligned with the timeframes in the Sector Scenarios:

Short-term	Present day – 2030	Aligns with Oceania's near-term capital allocation and funding cycle, Oceania's refurbishment cycles and process, near-term GHG reduction targets, and the need for global emissions to halve by 2030.
Medium-term	2031 – 2050	Aligns with capital allocation for next wave of Oceania's funding strategy, home ownership trends, evolution of human capital elements, NZ and global net zero by 2050 ambitions.
Long-term	2051 – 2080[1]	Aligns with ownership and operation of long-lived assets subject to the long-term impacts of climate change, building conversion trends, and design lifespans.

1. This is shorter than the long-term time frame for the Sector Scenarios which extended to 2100.

Description of scenarios

This table provides a brief overview of the various emissions reduction pathways in each of Oceania's climate-related scenarios, the assumptions underlying each pathway and sources of data. A summary of each scenario narrative is included on the following pages.[1]

Climate-related scenarios are a plausible, challenging description of how the future may develop (based on assumptions about external driving forces, including those which may lead to physical and transition risks). Climate-related scenarios are not intended to be probabilistic or predictive, or to identify the 'most likely' outcomes of climate change. They are intended to provide an opportunity for entities to test their strategies against these potential futures. They also help to develop internal capacity to better understand and prepare for the uncertain future impacts of climate change.

Oceania Scenario name	Orderly	Disorderly	Hothouse World
Alignment to Sector Scenarios			
Health Sector	Ambitious and Orderly	Delayed and Disorderly	Hothouse World
Property and Construction Sector	Orderly	Disorderly	Hothouse World
Scenario archetypes used by Sector Scenarios:			
Network for Greening the Financial System	Net Zero 2050 (1.5°C)	Delayed Transition	Current Policies
IPCC scenario (AR6) for global narrative[2]	IPCC SSP1-1.9	IPCC SSP2-4.5	IPCC SSP3-7.0
IPCC scenario (AR5) for NIWA's downscaled physical risk data	RCP2.6[3]	RCP4.5[4]	RCP8.5
Global temperature outcomes	<1.5°C	~2.7°C	>3°C
Relative severity of physical impact	Lowest	Medium	Highest
Relative severity of transition impacts	High	Highest	Lowest
Domestic policy response	Immediate, rapid and well signalled	Delayed until the mid-2030s and then abrupt and volatile	Reactive
Relative pace of technology change	Fast pace of change	Medium pace of change	Slow pace of change
Relative pace of behaviour change	Fast	Slow	Slow
Relative health impacts	Lowest	Medium	Highest

1. Oceania's climate scenario narratives do not expressly include carbon sequestration from afforestation or nature-based solutions, as anticipated by NZ CS 3, paragraph 51(a)(iii).
2. Oceania used these narratives for transition risk testing. In FY25, Oceania changed the global narrative used for its Disorderly scenario to make it more distinct from its Orderly scenario and to align with the Health Sector Scenario of Delayed and Disorderly. These changes did not materiality affect Oceania's risks and opportunities.
3. Note RCP2.6 formed the lower bound of the physical risk assessment and hence is associated with an Orderly scenario insofar as RCP2.6 is associated with a ~1.5°C warming above pre-industrial levels, by 2100. This differs from the global SSP narrative scenario as NIWA has not downscaled SSP1-1.9 for New Zealand and the closest downscaled scenario is SSP1-2.6.
4. The Disorderly scenario describes a hypothetical world where warming is approximately 2.7°C by 2100. Oceania has aligned the RCP4.5 scenario as this reflects the mid-tier level of risk for Oceania's physical risk assessment, for which the IPCC estimates as representing a mid-term warming of 2.0°C by 2050.

Orderly Scenario <1.5°C

The Orderly scenario describes a future where the world is able to limit warming to within 1.5°C. Effective but ambitious decarbonisation targets and policies are introduced quickly, resulting in a rapid but steady decline in emissions to achieve net zero by 2050. The scenario assumes a moderate level transition risk to meet net zero 2050 goals and the comparatively lower exposure to physical risks compared to Disorderly and Hothouse scenarios.

Physical

Heavy rainfall events[1]

2090[3]: +3%

Sea level rise[2]

2040: 0.2m

2090[3]: 0.4m

Number of Days >25°C[1]

2090[3]: +22 days per year

Drought exposure[4]

Eastern side of both islands: *Increasing exposure*

Western side of both islands: *Decreasing exposure*

Transition

Total population[5]

2025: 5.22m

2050: 6.13m

Population > 65 yrs[5]

2025: +17.5%

2050: +23.3%

Whole of life building GHG reduction rules[6]

2025: 20%

2050: 90%

Risk to supply chain continuity[5]

Minor increase

Government aged care spending[5]

2030–40: Minor reduction

2040–50: Minor increase

Life expectancy changes[5]

General population: *Moderate increase*

Communities of need: *Minor increase*

1. MfE, Auckland Climate Projections Map, using SSP1-2.6. Annual data. Base period is 1986-2005, future period is 2080-2099.
2. NIWA Coastal Flood Layers Viewer, 2023, Eagle Technology, LINZ, StatsNZ, NIWA, Natural Earth
3. Projections of climate-related hazards for 2090 were more readily available than for 2080. Differences between 2080s and 2090s projections are immaterial to decision-making in the context of Oceania's long-term time horizon.
4. Climate projections insights, Ministry for Environment
5. Health Sector Scenarios
6. Construction & Property Sector Scenarios

Short term (2025 to 2030)

New Zealand introduces ambitious climate policies, including updated building regulations to improve operational efficiency, cap embodied carbon, and circular economy regulations. Rising electricity demand and prices are abated by investment in new, distributed energy solutions. The aged care labour market is stable, supported by steady immigration and technological advancements in care.

Global trade volatility works positively to accelerate decarbonisation but does divert some funds from aged care, resulting in rising costs for senior citizens. Health outcomes worsen due to disparities and continued healthcare strain. There are intermittent and temporary shortages of medical supplies. Retirement villages and aged care service providers face increased demand for services but increasing operational and compliance costs.

Medium term (2031 to 2050)

Achievable and effective climate policies support organisations' commitment to climate targets, climate resilience measures are standardised, and there is managed retreat where appropriate. Strengthened building regulations and supply chain innovations make low carbon materials cost effective, driving embodied emissions reductions. Innovations in the supply chain protect against disruptions and evolve to make low carbon materials more cost effective than traditional options by 2040. Rising carbon prices and subsidies accelerate low carbon methods. Proactive carbon pricing positively supports continued global trade.

Globally, energy grids shift to renewables, with New Zealand's grid reaching nearly 100% renewable generation by 2050, with decentralised solutions offsetting growing pressure on government infrastructure. Population growth increases demand for healthcare and some aged care providers expand into broader community based care. Urban greening initiatives mitigate extreme heat. Public and private financing supports emissions reductions and climate resilience. Consumer demand for sustainable services grows. Companies that fail to meet ambitious, science based reduction targets could face reputational impairment and loss of market share.

Long term (2051 to 2080)

Evolving building regulations keep enhancing resilience against extreme weather. Rising carbon prices and waste levies reinforce principles of a circular economy. New Zealand maintains near 100% renewable generation, but blackouts make on site generation critical for many aged care providers. The labour market remains stable, attracting skilled workers through climate migration.

Robust policy frameworks balance climate goals with social welfare, ensuring that healthcare subsidies are economically sufficient and sustainable. The aged care sector offers diversified services and contributes to improved health outcomes for aged New Zealanders. There is some inequity between aged care operators, with those who proactively and continuously evolve their sustainability practices more likely to prosper. The frequency of heatwaves and other extreme weather stabilises, along with associated health risks, but ongoing management is still required.

Disorderly Scenario ~2.7°C

The Disorderly scenario describes a future where there is limited success in managing climate change, and warming reaches approximately 2.7°C by 2100. Significant decarbonisation is delayed until the 2030s, due to delayed policy and market transition, requiring a more rapid, reactive and costly response. This scenario assumes the highest transition risks as New Zealand attempts to meet net zero targets by 2050, but still experiences some escalation in physical climate risks.

Physical

Heavy rainfall events[1]
2090[3]: +8%

Sea level rise[2]
2040: 0.2m
2090[3]: 0.5m

Number of Days >25°C[1]
2090[3]: +51 days per year

Drought exposure[4]
Eastern side of both islands: *Increasing exposure*
Western side of both islands: *Decreasing exposure*

Transition

Total population[5]
2025: 5.22m
2050: 6.13m

Population > 65 yrs[5]
2025: +17.5%
2050: +23.3%

Whole of life building GHG reduction rules[6]
2025: 0%
2050: 80%

Risk to supply chain continuity[5]
Major increase

Government aged care spending[5]
2030–40: Moderate reduction
2040–50: Moderate reduction

Life expectancy changes[5]
General population: *Minor decline*
Communities of need: *Moderate decline*

1. MfE, Auckland Climate Projections Map, using SSP2-4.5. Annual data. Base period is 1986-2005, future period is 2080-2099.
2. NIWA Coastal Flood Layers Viewer, 2023, Eagle Technology, LINZ, StatsNZ, NIWA, Natural Earth
3. Projections of climate-related hazards for 2090 were more readily available than for 2080. Differences between 2080s and 2090s projections are immaterial to decision-making in the context of Oceania's long-term time horizon
4. Climate projections insights, Ministry for Environment
5. Health Sector Scenarios
6. Construction & Property Sector Scenarios, based on SSP1-2.6.

Short term (2025 to 2030)

The government's funding and response to climate change is slow, constrained by other national priorities and the need to manage increasingly stressed physical and social infrastructure. Uncertain or ineffective climate policies delay investments, and stagnant building regulations hinder low carbon design.

Globally, carbon price volatility and trade issues result in sporadic decarbonisation efforts. Rising electricity and other supply chain costs, coupled with insufficient healthcare subsidies, also strain the aged care sector in New Zealand. The labour market suffers from a 'brain drain' as workers seek greater financial security in offshore economies. Global and regional trade conflicts lead to increasing use of tariffs impacting the cost of the overall supply chain.

Medium term (2031 to 2050)

Sudden and uncoordinated policy implementation in the 2030s, results in extreme costs of compliance for the aged care sector. Failure to meet emissions targets results in reliance on costly international offsets. Rapid policy shifts to avoid global sanctions lead to public and industry pushback, and difficulties with compliance. Government spending on superannuation and aged care becomes increasingly constrained from 2030s as funding is diverted to national decarbonisation and recovery from weather events. Reduced aged care subsidies increase reliance on informal caregiving at home.

Aged care operators that proactively invested in low carbon, climate resilient design and energy security, now benefit from regulatory compliance, lower funding costs, and investor confidence, while other operators face high costs, reputational damage, and a risk of asset stranding.

Abruptly introduced carbon caps cause project delay and an increase in operational costs. Demand for energy increases, but supply is volatile, with increasing frequency and duration of blackouts, necessitating more frequent activation of emergency plans. Extreme weather causes increasing health risks for older people, and insurance providers withdraw from high risk locations. Workforce shortages persist, and climate migration adds to strain on the healthcare system.

Long term (2051 to 2080)

Climate policy focuses on adaptation and immigration management but alongside growing social inequity and regionalism. Lack of affordable housing policies stresses social infrastructure. Ongoing financial constraints in the aged care sector delay further adoption of climate resilient technologies, but public private partnerships drive some improvement in the sector.

Rising insurance costs and asset devaluation challenge the financial stability of some aged care providers, leading to consolidation or closure. Social inequity continues to fragment and disrupt communities with increasingly inequitable access to quality care. Building regulations evolve, but supply chains remain volatile. Adaptation measures improve stability, but extreme weather events and health risks persist.

Hothouse Scenario >3°C

The Hothouse scenario describes a future where limited effective policies have been implemented to reduce emissions, which continue to rise, with warming > 3°C. This scenario involves fewer policy and market transition risks but extreme physical climate risks.

Physical

Heavy rainfall events[1]

2090[3]: +10%

Sea level rise[2]

2040: 0.2m

2090[3]: 0.7m

Number of Days >25°C[1]

2090[3]: +78 days per year

Drought exposure[4]

Eastern side of both islands: *Increasing exposure*

Western side of both islands: *Decreasing exposure*

Transition

Total population[5]

2025: 5.25m

2050: 6.93m

Population > 65 yrs[5]

2025: +17%

2050: +22%

Whole of life building GHG reduction rules[6]

2025: 0%

2050: 50%

Risk to supply chain continuity[5]

Extreme increase

Government aged care spending[5]

2030–40: Minor reduction

2040–50: Moderate reduction

Life expectancy changes[5]

General population: *Moderate decline*

Communities of need: *Major decline*

1. MfE, Auckland Climate Projections Map, using SSP3-7.0. Annual data. Base period is 1986-2005, future period is 2080-2099
2. NIWA Coastal Flood Layers Viewer, 2023, Eagle Technology, LINZ, StatsNZ, NIWA, Natural Earth
3. Projections of climate-related hazards for 2090 were more readily available than for 2080. Differences between 2080s and 2090s projections are immaterial to decision-making in the context of Oceania's long-term time horizon
4. Climate projections insights, Ministry for Environment
5. Health Sector Scenarios
6. Construction & Property Sector Scenarios

Short term (2025 to 2030)

Aged care providers navigate the lack of government action on climate change, policy uncertainty, and outdated building regulations. Investment in national energy solutions is slow and uncoordinated, power outages start to become more frequent, and backup power generation becomes a growing concern. The lack of effective climate policies undermines the implementation of low carbon design and circular economy regulations. Workforce shortages also intensify due to stronger offshore economies.

Climate driven migration places pressure on urban housing, creating some competition for aged care beds. Supply chain volatility disrupts access to essential medical supplies, while rising temperatures lead to an increase in heat related illnesses, particularly among the elderly.

Medium term (2031 to 2050)

Government coordination of policy change remains limited, and incentives for emissions reductions are lacking. Significant shortcomings in the emissions trading scheme and other climate policies delay upgrades to energy efficient production. Aged care facilities and retirement villages experience increasingly frequent power disruptions, affecting the provision of care and the maintenance of safe, cool environments – particularly during heatwaves. Prolonged blackouts necessitate private investment in on site energy solutions.

Globally, the failure to meet carbon targets results in runaway global warming, with increasingly intense and frequent incidences of drought, extreme weather, wildfires and floods – all contributing to rising resource scarcity and material costs. Climate driven migration increases demand for aged care, but many incoming residents don't necessarily have the financial security or means to access premium facilities. Supply chain failures drive up costs for medical supplies, and public health organisations are prioritised during shortages. There is increasing demand for privately funded health services, highlighting the growing disparities in access to healthcare for New Zealanders. Workforce shortages persist.

Long term (2051 to 2080)

There is marked social inequity and political instability, and withdrawal of international investment and credit from New Zealand. Climate driven migration strains New Zealand housing and healthcare services. Building regulations start to evolve, reactively addressing the need for buildings to withstand climate impacts. There is little to no government funding for the construction of climate resilient buildings. Supply chain volatility results in unreliable deliveries of medical and other supplies, significantly increasing operating costs and risk.

Extreme weather events cause significant and expensive damage and disruption to aged care operations. Power and water outages are frequent, making self-sufficient energy and water solutions essential. People move away from coastal hazards and areas exposed to flooding with little government coordination of managed retreat.

Public healthcare funding continues to decline, leaving the public sector overwhelmed and driving increased demand for private healthcare, which remains highly inequitable due to cost.

Globally, social cohesion degrades, and conflict increases. Older people become more vulnerable. Political polarisation and conflict undermine governments, increasing regionalism.

Climate-related risks and opportunities

As part of the scenario analysis process, Oceania undertook a climate-related risk and opportunity assessment with its SMEs, with reference to its climate-related scenarios. The time horizons for this risk and opportunity assessment were consistent with those adopted for scenario analysis as set out on page 13.

Material Climate-related Risks

Risk	**Type**	**Time Horizon**[1]	**Scenario** (where the risk is greatest)	**Anticipated impacts of the risk**
Risk of acute weather events on infrastructure and property As acute extreme weather events[2] become increasingly frequent and intense, this may cause significant or sustained damage to Oceania land and buildings, as well as critical infrastructure such as power, water and telecommunications that support Oceania's villages.	Physical (acute)	Medium Long	Disorderly Hothouse	Damage to infrastructure (including water, power and telecommunications) would disrupt business operations and impact resident and employee experience, wellbeing and safety. Oceania's assets at risk include site roading, cladding and components, basements, carparks, storage of critical infrastructure, lifts, roofing, guttering, fences, gas and water pipes, shifting foundations, paint and flashings. The range of reasonably anticipated impacts to operations include: • outages to power, water and communications • disruption to site access • evacuation and need for temporary accommodation • loss of revenue • impact on resident and employee experience and wellbeing (see also 4 below) • increased remedial and operational costs (direct and indirect costs, such as insurance).

1. The time horizon indicates Oceania's assessment of where the risk is likely to be most significant.
2. Acute weather events could include sea surge, storms, variability in rainfall, flooding, drought, landslides, high winds and falling debris, and wildfires.

Risk	**Type**	**Time Horizon**[1]	**Scenario** (where the risk is greatest)	**Anticipated impacts of the risk**
Risk of changing climate patterns on land and property Changing climate patterns cause chronic or ongoing deterioration of Oceania's buildings, property and grounds.	Physical (chronic)	Medium Long	Disorderly Hothouse	In the longer term, changing climate patterns could cause chronic or sustained damage to Oceania's buildings, property and grounds. This includes damage caused by rising sea levels, coastal inundation and erosion, rising water tables and increase in salination, persistent and higher temperatures, and increased variability and length of wet and dry periods. The range of reasonably anticipated impacts to operations include: • accelerated asset wear • deterioration of grounds, facilities and infrastructure • increasing cost to remediate or retrofit/upgrade (e.g. cooling systems) with higher energy consumption and operational costs • loss of usability or access to sites • insurance retreat or increase • market devaluation • more frequent evacuations and relocation plans (and associated costs).
Risk of acute and/or chronic climate hazards on supply chain A range of climate hazards (both acute and chronic) cause significant and ongoing disruption to Oceania's supply chain.	Physical (acute and chronic)	Medium Long	Disorderly Hothouse	The range of reasonably anticipated impacts to supply chain include: • disruption to essential supplies (and associated labour) • delays to construction • disruption to community infrastructure (including roading access to Oceania's sites) • resident and employee experience, wellbeing and safety (see also 5 below).

1. The time horizon indicates Oceania's assessment of where the risk is likely to be most significant.

Risk	**Type**	**Time Horizon**[1]	**Scenario** (where the risk is greatest)	**Anticipated impacts of the risk**
Risk of changing climate patterns on staff and residents Changing climate patterns risk harm to people and poorer health outcomes for staff and residents.	Physical (acute and chronic)	Medium Long	Orderly Disorderly Hothouse	Poor health outcomes may include respiratory issues (e.g. caused by dampness, mould, ash and smoke), increased risk of infection, a rise in water-borne and other infectious diseases, dehydration, heatstroke and other heat-related illnesses, and impacts on psychosocial and cognitive wellbeing and behaviour. The range of reasonably anticipated impacts include: • availability of skilled labour resources for Oceania • resident experience and care.
Risk of abrupt policy or regulatory changes Abrupt, rapid or significant policy or regulatory changes risks Oceania's operations.	Transition (policy)	Short Medium	Orderly Disorderly	Specific regulatory or policy changes that could impact Oceania include changes to building regulations such as caps on embodied or operational carbon, temperature controls, and restrictions on carbon intensive materials, as well as measures like managed retreat, changes to resource consenting or land use, and carbon border taxes impacting Oceania's supply chain. The range of reasonably anticipated operational and financial impacts include: • supply chain shocks (e.g. disruption or price volatility), including rising costs of carbon intensive materials • increased cost of mid-life asset retrofitting, with a risk of sunk costs associated with decommissioned assets • project delays and rising development costs • compliance challenges • loss of social licence and/or public trust in Oceania • legal action or punitive regulatory response, reduced access to capital, or increased cost of capital, and/or fines and penalties.

1. The time horizon indicates Oceania's assessment of where the risk is likely to be most significant.

Risk	**Type**	**Time Horizon**[1]	**Scenario** (where the risk is greatest)	**Anticipated impacts of the risk**
Risk of failure to decarbonise Oceania fails to decarbonise leading to a range of outcomes.	Transition (market, policy)	Short Medium	Orderly Disorderly	A failure to decarbonise could result from a lack of government drivers to influence sector change, a failure to invest in the right practices and/or failure of Oceania's supply chain to decarbonise. The range of reasonably anticipated impacts include: • a shortfall against stakeholder expectations, impacting access to capital and funding, eroding reputation or resulting in punitive regulatory responses or litigation • a decline in sales pipeline and revenue due to an inability to competitively meet consumer preferences • carbon offset liabilities or penalties, and rising cost of carbon that may affect the cost of goods and services • increased capital expenditure to support decarbonisation, potentially impacting product pricing, margins and/or affordability.
Risk to electricity supply Increasingly constrained capacity or availability of electricity supply and/or associated increases in cost of energy.	Transition (market, technology)	Medium Long	Disorderly Hothouse	The range of reasonably anticipated impacts include: • increased energy costs • greater exposure to blackouts if the risk is not mitigated. The risk of blackouts may be further amplified if Oceania does not invest in on-site renewable energy solutions • further exacerbation of energy reliability issues if viable commercial battery storage is not achieved • reduced available storage space (including car parks) if repurposed for battery infrastructure.
Risk of reallocation of government aged care funding Reallocation of government aged care funding due to government's prioritisation of climate-related initiatives or issues (including remediation).	Transition (policy)	Medium Long	Disorderly Hothouse	It is reasonably anticipated that this risk could impact: • reduced public funding for the aged care sector • potential decline in national superannuation funding • negative impacts on the financial viability of standalone care • reduced capacity or levels of care that can be delivered.

1. The time horizon indicates Oceania's assessment of where the risk is likely to be most significant.

Material Climate-related Opportunities

Opportunity	**Type**	**Time Horizon**[1]	**Scenario** (where the opportunity is greatest)	**Anticipated impacts of the opportunity**
Climate resilient villages Opportunity to design and build climate resilient and sustainable residences and services	Physical Transition (market)	Short Medium Long	Orderly Disorderly Hothouse	By designing and offering climate-resilient villages, Oceania is positioned to provide safer, more adaptive, and potentially more cost-effective living environments and services. This may include mitigating against the impacts of physical climate change, improved access to essential utilities and services (e.g. food, power, water, insurance) that are increasingly impacted by climate-related disruption, as well as enhancements to resident experience and wellbeing (e.g. temperature regulation, biophilic design). Climate-resilient construction practices can potentially also support more efficient long term cost management (e.g. repairs and maintenance).
Decarbonised business model Opportunity to transition to an energy efficient, decarbonised business model.	Transition (market, reputation)	Short Medium	Orderly Disorderly	By making a swift and efficient transition to a climate-resilient and decarbonised business model, Oceania may be better placed to capture a larger market share and increase revenue. Decarbonising operations may help to reduce or avoid future carbon offset costs and climate liability, as well as help to improve the return on end-to-end investments (e.g. in new technology). A clear climate strategy and transition plan may assist in access to well-priced capital and funding.
Supporting ageing New Zealanders Opportunity to support an ageing population to thrive through the impacts of climate change.	Transition (market, reputation) Physical	Short Medium Long	Disorderly Hothouse	By offering climate-resilient places to live and enhanced support, Oceania has the potential to access a long-term pipeline of demand for Oceania products and services. Oceania anticipates an increase in both the local ageing population, as well as a possible increase in aged-immigration.

1. The time horizon indicates Oceania's assessment of where the opportunity is likely to be most significant.

Climate Transition Plan

Oceania's strategic response to its climate-related risks and opportunities, and how these connect to the broader strategy and Sustainability Framework, is set out in the table below.

Future planned action Elements already underway or ongoing Already in place, continuing, or completed

Climate transition workstream	Link to Oceania strategic pillars	Oceania's strategic response (actions being taken under this workstream)	Alignment to risks and opportunities
A resilient portfolio investment strategy for sustainable growth This workstream is about supporting Oceania's property portfolio to remain appropriate for the future, through timely acquisition, development and divestment planning.	 Connected Care Purposeful Impact This workstream aligns with strategic and Sustainability Framework pillars of Purposeful Impact and Inspired Living; aligning developments with Oceania's growth trajectory, and integrating sustainability into its thinking, strategy and growth initiatives.	**Due diligence on portfolio:** Oceania manages NZ$2.9 billion in assets. Oceania's portfolio is geographically diversified across New Zealand and has been assessed for exposure to certain climate-related physical hazards. **Climate hazard exposure assessment integrated into acquisition and divestment strategy:** Oceania considers a range of strategic and risk factors when evaluating potential acquisition or divestment of sites. Increasingly, this includes assessing exposure to climate-related physical hazards and the site's ability to adapt. **Low emissions designs for resource efficiency and climate resilience:** Oceania intends to design and build for resource efficiency and climate resilience, including to NZGBC Homestar and Green Star, where appropriate, as well as assessing whole of life return on investment. **Monitoring insurance sector developments:** Oceania continues to monitor the impact of climate change on the insurance market, including insurance retreat, access to cover for specific risks and premium trends.	This workstream seeks to mitigate physical climate risks (acute and chronic), insurance retreat, regulatory changes and changing preferences of residents for resilient living (risks 1 to 5). This workstream aligns with opportunities to design and build for climate resilience and to support an ageing population through the impacts of climate change (opportunities 1 and 3).

Climate transition workstream	Link to Oceania strategic pillars	Oceania's strategic response (actions being taken under this workstream)	Alignment to risks and opportunities
Site-specific property enhancements to build resilience This workstream is about adaptation improvements to Oceania's long term assets to strengthen climate resilience.	 This workstream aligns with the strategic and Sustainability Framework pillars of Purposeful Impact, Inspired Living and Connected Care; delivering safer and more sustainable villages and care centres for residents, through conscious design and adaptation, as the climate changes.	**Site specific adaptation plans:** In FY24, Oceania undertook a climate risk assessment of its portfolio. Oceania plans to develop site specific adaptation plans. Oceania takes a long-term view and continued investment will be required in the longer term, as high physical impacts unfold. This work is planned to integrate with asset management planning to enable capital works, maintenance, procurement, and renewal programs to reflect climate risk and resilience needs. **Portfolio strategies:** At a portfolio level, Oceania intends to formally develop and/or mature portfolio energy, water, and temperature management strategies, to be applied to each site based on the site level physical climate risk assessments, enabling Oceania to deliver practical, targeted adaptation and resilience initiatives. **Emergency response and business continuity planning:** Oceania plans to continue strengthening business continuity planning, including planning for more complex and extreme weather events. This is planned to include ongoing practice and maturation of evacuation and site emergency management procedures, alternative supplier arrangements, comprehensive crisis communications plans and desktop exercises.	This workstream seeks to mitigate physical climate risks (acute and chronic) and help Oceania to mitigate risks from extreme weather events, water scarcity, and energy reliability (risks 1 to 4). It also seeks to anticipate and prepare for regulatory changes, as well as changing preferences from residents for resilient living spaces (opportunity 1). The workstream aligns with the opportunity to support an ageing population through the impacts of climate change (opportunity 3).
A resource efficiency plan and scope 1, 2 and 3 emissions reduction strategy This workstream is about a cost effective approach to meeting emissions reductions.	 This workstream aligns with the strategic and Sustainability Framework pillars of Purposeful Impact and Inspired Living; minimising environmental impact, supporting a circular economy, and reducing GHG emissions in line with science-based targets as Oceania grows.	**Scope 1 and 2 emissions reduction:** Oceania plans to continue to deploy its Scope 1 and 2 emissions reduction plan to deliver its near-term science-based target (see Metrics and Targets section). **Scope 3 emissions:** Oceania measures its Scope 3 emissions and obtains external assurance over these. Oceania plans to focus on improving resource efficiency and reducing emissions associated with capital goods linked to its development activity. Recognising that many Scope 3 emissions sources are outside of Oceania's direct control, Oceania plans to continue to implement its existing supplier engagement target as part of its approach to encouraging alignment with climate goals and identifying opportunities for emissions reduction across purchased goods and services.	This workstream seeks to mitigate the impact of potential future regulatory changes and supply chain shocks (risks 3, 5 and 6). It also aligns with the opportunity to move to a low carbon business model – attracting finance and building reputation - and improving resource efficiency (opportunity 2).

Future planned action Elements already underway or ongoing Already in place, continuing, or completed

Climate transition workstream	Link to Oceania strategic pillars	Oceania's strategic response (actions being taken under this workstream)	Alignment to risks and opportunities
Investing in employee wellbeing and climate preparedness This workstream is about supporting Oceania's people to manage and adapt to climate-related challenges while continuing to care for Oceania's residents.	 This workstream aligns with the strategic and Sustainability Framework pillars of Empowered People and Connected Care; sharing learnings about climate change and continuing to deliver exceptional care through a changing climate. This supports Oceania's aspiration to be an employer of choice and goal of attracting, growing and retaining great people.	**Enabling Oceania's people to manage the change:** Oceania's staff are integral to the implementation of its climate transition plan. Oceania intends to provide staff with education and support relating to managing climate risk and transition planning. **Delivering excellent care:** Oceania plans to continue to invest in its people to deliver excellent care and services through a changing climate. This may involve integrating learnings into Oceania's clinical risk governance and framework and model of care, including the expansion of its nurse practitioner model. **Site champions:** Oceania intends to implement site "green champions" to support on the ground operational and behaviour change around managing climate risk and sustainability.	This workstream seeks to mitigate the climate-related risks related to staff and resident wellbeing and operational disruptions (focused on risk 4, but relates to the impacts of all physical climate risks). It also aligns with the opportunity to support an ageing population through the impacts of climate change and to transition to a low carbon climate resilient business model through the enablement of Oceania's people (opportunity 3).
Evolving financial models and best in class resident care offering This workstream is about embracing change and evolving Oceania's service model to meet the needs of ageing New Zealanders in a sustainable manner.	 This workstream aligns with the strategic and Sustainability Framework pillars of Inspired Living and Connected Care; maintaining business viability during the transition and/or as physical climate impacts materialise, enabling residents to live a sustainable and fulfilled life and delivering exceptional services.	**Funding models and changing resident expectations:** In the longer term, climate change is likely to precipitate changes in funding models, sources of finance and/or diversification of resident care and living options, alongside evolving property market dynamics, shifting customer demographics, and changing government priorities. Oceania plans to continue to be flexible and adaptable as the impacts of climate change unfold and the economy transitions. Oceania's $500m sustainability linked loan demonstrates its commitment to integrating sustainable practices into its financial strategies. **Stakeholder strategy:** Part of this workstream involves formally documenting a coordinated stakeholder and government relations approach, specifically addressing climate-related risks and opportunities as well as generally monitoring for future potential policy and regulatory changes, and building effectiveness through industry bodies on issues such as aged residential care funding.	This workstream seeks to mitigate climate-related risks related to regulatory and aged care funding changes, and changing resident preferences (risks 5, 8 and 9). It also aligns with the opportunity to support an ageing population through the impacts of climate change (opportunity 3).

Future planned action Elements already underway or ongoing Already in place, continuing, or completed

In the design and upgrade of both new and existing villages, Oceania actively seeks to capitalise on climate-related opportunities by embedding sustainable design principles and energy efficient technologies.

Governance of Oceania's transition plan

The Sustainability Committee oversees the implementation of Oceania's sustainability strategy, including Oceania's strategic approach to climate-related risks and opportunities. This includes oversight of Oceania's Climate Transition Plan going forward. Review of progress against the Climate Transition Plan workstreams is intended to be a standing agenda item at the Sustainability Committee. Management's Sustainability Steering Group will include review of the workstreams and the Climate Transition Plan is also intended to be a standing agenda item at Steering Group meetings going forward. Each workstream has an Executive sponsor and will be supported by senior leaders across the business.

Delivery of Oceania's Climate Transition Plan

The processes that support funding decisions and capital allocation for Oceania's Climate Transition Plan workstreams are integrated into Oceania's 'business as usual' decision making frameworks. Climate considerations are assessed alongside financial, operational, and strategic criteria during capital planning and investment evaluations. By considering climate transition initiatives within existing governance and investment approval mechanisms, Oceania aims to ensure that climate transition is not treated as a separate stream but as a core component of Oceania's business.

Oceania integrates climate-related risks and opportunities into Oceania's investment and planning decisions through project level assessments. For instance, when evaluating potential sites for new villages, Oceania's land acquisition due diligence includes review of exposure to physical climate hazards, as well as consideration of transition risks such as the implications of managed retreat and insurance availability.

In the design and upgrade of both new and existing villages, Oceania actively seeks to capitalise on climate-related opportunities by embedding sustainable design principles and energy efficient technologies. Oceania utilises financial instruments such as sustainability linked loans to support Oceania's initiatives.

This embedded approach reflects how climate considerations are directly influencing Oceania's capital allocation decisions, supporting risk mitigation and positioning Oceania to benefit from the transition to a low emission, climate resilient future.

Details on the capital deployed towards managing Oceania's climate-related risks and opportunities in the reporting period can be found in the Metrics and Targets section of this report, at page 39.

Assumptions, dependencies and risks

Oceania's Climate Transition Plan is subject to a number of assumptions, dependencies, and risks, including potential barriers to execution - many of which are outside of Oceania's direct control. Key dependencies include the availability and quality of climate-related data, access to low carbon building materials at viable cost, information from the insurance market, the availability and affordability of fossil fuel alternatives and necessary electrical infrastructure (including grid capacity and transformer upgrades), and sufficient internal capability and resourcing to implement initiatives.

The Plan also relies on resident expectations remaining supportive of low-carbon initiatives, continued market demand for retirement living options, and stability in government policy and regulation. In relation to Scope 3 emissions, success is dependent on the ability of Oceania's suppliers to adopt science-aligned targets, Oceania's level of influence over supply chains, and the availability and cost of low carbon alternatives to capital goods currently used in developments.

The Plan assumes continued technological advancement, market acceptance of low carbon solutions, and a stable regulatory environment.

Material risks include economic volatility impacting funding and investment in transition initiatives, supply chain disruption, policy and regulatory change that hinders the transition, technology performance gaps (not performing as expected), and stakeholder resistance slowing down implementation. Key limitations could include availability of quality data, infrastructure, and organisational capacity.

These factors may impact the timing, cost, and overall feasibility of Oceania's Climate Transition Plan.

Franklin, Auckland, villas designed to Homestar 7. Image is indicative only and subject to change.

Building design and reducing embodied carbon

Oceania designs and builds to NZGBC certification. Having utilised Homestar 6 certification (for residential units) for several years, Oceania is now designing to the more aspirational and rigorous Homestar 7 (version 5) at its first greenfield, broadcare site, at Franklin village, Auckland. The villas feature high insulation, efficient glazing, and fresh air circulation through mechanical heat recovery ventilation systems. Oceania is also designing its first Green Star project for the community and care buildings at the same site.

Franklin has been modelled to significantly outperform minimum Building Code requirements. Energy modelling across the site - covering villas, the community and care buildings - indicates an estimated 50% reduction in operational GHG emissions compared to a reference case based on gas heated buildings. The villas are designed to deliver approximately 40% improvement in heating and cooling thermal demand compared to Building Code-compliant homes. These outcomes were calculated using Green Star and Homestar energy models.[1]

Oceania measures its upfront carbon from new developments (or stages of development). In the reporting period, emissions from capital goods (Scope 3, Category 2) were Oceania's highest source of emissions. As part of achieving NZGBC Green Star Design & As Built v1.1 certification, Oceania must demonstrate at least a 10% reduction in upfront embodied emissions when compared to a reference build for the Franklin village community and care buildings. Preliminary modelling suggests actual reductions will comfortably exceed this minimum. These reductions are being achieved through more efficient material choices, less carbon intensive structural steel and concrete. These efforts support Oceania's broader intention to address capital goods emissions under Scope 3.

Oceania has completed a climate change risk assessment and adaptation plan for the Franklin village site, which includes solutions for the building that specifically address key risks identified through the risk assessment.

1. Oceania's approach incorporates more realistic assumptions for heat pump performance (using conservative, research based coefficients of performance); plug load energy use, often omitted in default modelling tools; and, assesses cooling demand, to more accurately reflect resident comfort and energy needs. These enhancements are intended to better reflect the site's climate performance in line with operational realities rather than theoretical minimums.

Risk Management

Process for identifying, assessing and managing climate risk

Oceania's climate-related risks are identified, assessed and managed in accordance with Oceania's Risk Management Policy and Framework, including its risk rating methodology, which is aligned with the principles of AS/NZS ISO 31000:2018.

The identification and assessment process described below, undertaken in FY24, was Oceania's first formal climate-related risk and opportunity assessment. The full process is planned to be carried out every three years, and the first annual review of Oceania's climate-related risks and opportunities arising from this assessment took place in FY25.

Identification and assessment

Oceania, with support from external experts, identified climate-related risks and opportunities as one of the outputs of its scenario analysis process described in the Strategy section of this disclosure. That process identified specific physical risks (acute and chronic) and transition risks (associated with transitioning to a low carbon and climate resilient economy) that could arise under each of the scenarios considered and how those risks may impact Oceania over time. The process to identify and assess the physical and transition risks set out on page 18 onwards is set out below.

Physical Risks

In FY24, Oceania engaged external climate risk experts to provide an initial assessment of the potential exposure of its retirement villages and care centres, intended to form part of its longer term portfolio, across a range of geospatial climate-related hazards, including coastal flooding, coastal erosion, river and surface flooding, over time[1]. In FY25, this was updated to include exposure to landslides and to cover all of Oceania's villages and care centres.

Drawing on the results of the physical exposure assessment, Oceania identified physical climate risks via a survey and workshops, with input from SMEs across its property, design, facilities management, clinical, people, sustainability, finance, legal and operations teams. The climate-related physical risks were assessed in terms of their exposure, vulnerability (based on sensitivity and adaptive capacity) and organisational consequences (impact) using Oceania's risk rating methodology[2]. In FY25, Oceania worked with external experts and its SMEs to consolidate these physical risks and opportunities in its updated Climate Risk and Opportunity Register (Register), reviewing and updating owners and mitigants. The risks were also checked against Oceania's refreshed scenarios (see Strategy section).

1. In FY25 Oceania added two additional sites to the exposure assessment.
2. This approach is consistent with the Intergovernmental Panel on Climate Change (IPCC) conceptual risk framework, the Ministry for the Environment's National Climate Change Risk Assessment (NCCRA) Framework methodology and ISO1409:2021.

"Oceania engaged external climate risk experts to provide an initial assessment of the potential exposure of its retirement villages and care centres"

Erica Jenkin – Chief Risk and Assurance Officer

Waterford, Auckland, certified to Homestar 6 Built rating.

Transition Risks

As with physical climate-related risks, in FY24 the transition climate-related risks were identified and assessed through workshops with input from a range of SMEs across Oceania. The climate-related transition risks were identified using the Taskforce for Climate-related Financial Disclosure's (TCFD) recommended methodology, applying the TCFD's four risk categories (market, reputation, policy and legal, technology). These risks were assessed using a modified urgency criteria derived from the NCCRA and the UK Committee on Climate Change's rating methodologies (with the urgency criteria modified by introducing a temporal element to further define the level of urgency and to provide context for transition risk rating purposes). Oceania then applied its risk rating methodology to assess the materiality of its transition risks. As it did for physical risks, in FY25 Oceania worked with external experts and its SMEs to consolidate these transition risks and opportunities in its updated Register and checked them against Oceania's refreshed scenarios.

Prioritisation and management

As described above, Oceania's risk rating methodology uses impact (or consequence) ratings in the physical and transition risk assessment processes. This approach is intended to support the ongoing integration and prioritisation of climate-related risks, alongside other risks, within Oceania's enterprise Risk Management Framework.

Managing climate-related risks forms part of Oceania's overall strategy discussions and response described in the Strategy section of this disclosure. In FY24, management reviewed the assessment process and identified potential responses and opportunities to manage climate-related risks arising from different scenarios. These were discussed with the Board at Oceania's annual strategy day. This process was repeated in FY25, with Oceania retesting its strategic resilience and identifying potential strategic options, which were inputs to the Board's strategy session on 28 March 2025. Oceania's management and response forms part of its climate transition planning, which is discussed in the Strategy section of this disclosure.

Time horizons and value chain

The time horizons adopted for the climate-related risk assessment are as set out in the Strategy section of this disclosure (see page 13), being short term (present day to 2030), medium term (2031 to 2050) and long term (2051 to 2080). These timeframes were first set in FY24 and reconfirmed as still appropriate in FY25.

Oceania determined its risk and opportunity assessment boundary by defining its value chain as core services, as well as two-tiers upstream and one-tier downstream of these core services across its property development, and retirement village and aged care offering and services.

No parts of this value chain were excluded from the assessment.

Integration of climate risk within Oceania's risk management framework

Oceania's enterprise Risk Management Policy and Framework includes a top risk profile and associated risk appetite statements.

At the governance level, as described in the Governance section of this disclosure, the Risk Committee reviews climate-related risks as relevant, as part of its broader risk mandate. The Risk Committee's mandate includes recommending to the Board for approval and oversight of Oceania's enterprise risk management policy and framework, and annual assessment of the effectiveness of Oceania's risk management framework, policy and practices.

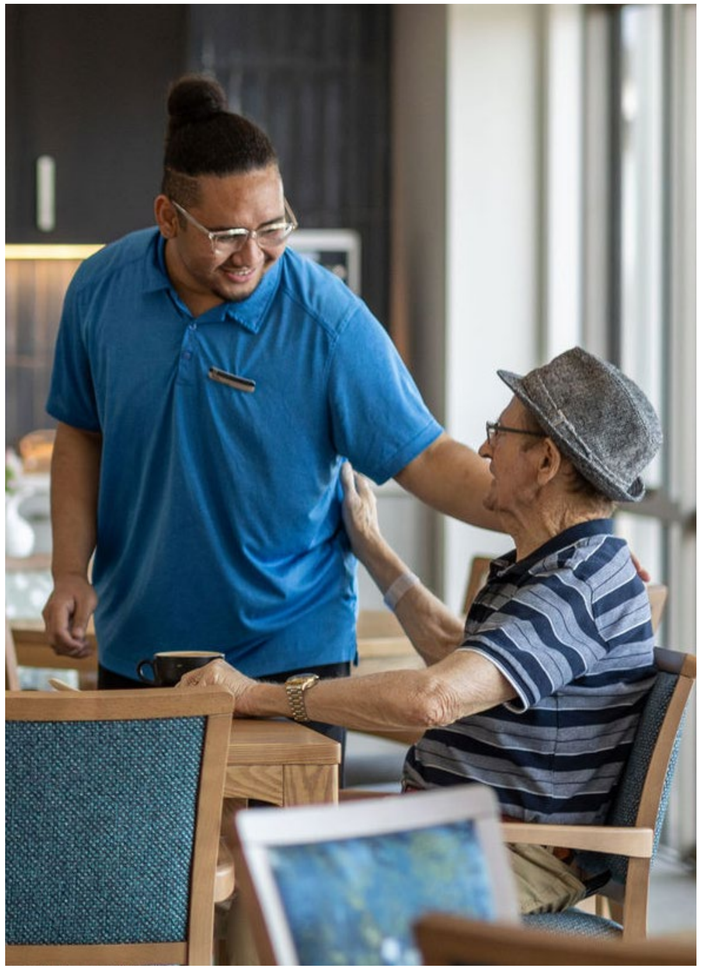
As described on page 2 in the Governance section, climate risk continues to fall within the mandate of the Sustainability Committee, with the Risk Committee able to request 'deep dives' into any top risk, including climate risk.

Oceania continues to enhance how its Risk Management Policy and Framework explicitly integrates climate change within its risk artefacts.

At the management level, Oceania's enterprise risk management policy and framework is the responsibility of the Chief Legal and Risk Officer and is reviewed annually by the Board. As noted in the Governance section, the CFO retains responsibility for the climate-related risk programme.

Oceania continues to enhance how its risk management policy and framework explicitly integrates climate change within its risk artefacts.

To assist with progressing integration of Oceania's climate risk assessment into the broader risk management business processes, management maintains a climate risk register, which Oceania is working toward integrating into relevant operational and business processes. The operational risk registers will continue to be updated as required, to support regular monitoring of climate-related risks and mitigations. In addition, climate-related considerations will continue to be embedded into strategic and operational policies and processes.



Metrics and Targets

Upstream | Scope 3

Purchased goods & services, construction, waste, travel, commuting, fuel- and energy-related activities

Operations | Scope 1 & 2

Fuel & energy use

Downstream | Scope 3

Resident electricity consumption

Metrics

A description of the metrics and targets Oceania currently uses to measure and manage its climate-related risks and opportunities is detailed below. This section notes the capital investment in the reporting period to address climate-related risks and opportunities. The remuneration metric details how climate is currently incorporated into senior management's short term incentives.

Greenhouse gas (GHG) emissions

Oceania's emissions inventory for FY25 is prepared with guidance from, and in accordance with the *Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard*, and the *Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard* (together, the GHG Protocol). Oceania uses a base year of FY22 for its GHG emissions reporting.

Independent limited assurance over Oceania's emissions inventory and GHG disclosures was provided by Ernst & Young Limited[1] (see page 55 of this report).

Different Types of Scope

Scope 1 emissions

Scope 1 GHG emissions refer to the direct emissions from sources owned or controlled by Oceania. They come from the day to day activities involved with running the company, such as natural gas and LPG used for domestic heating and hot water.

Scope 2 emissions

Scope 2 GHG emissions refer to indirect emissions from the generation of electricity acquired and consumed by Oceania.

Scope 3 emissions

Scope 3 GHG emissions are other indirect emissions. They come from Oceania's value chain and include upfront carbon from Oceania's developments.

An emissions source, or category, is included as material if those emissions are greater than 1% of total emissions for the relevant Scope. However, emissions sources or categories below the materiality threshold may still be reported where the data is easily available.

1. Ernst & Young Limited has assured Oceania's GHG emissions inventory since FY22.

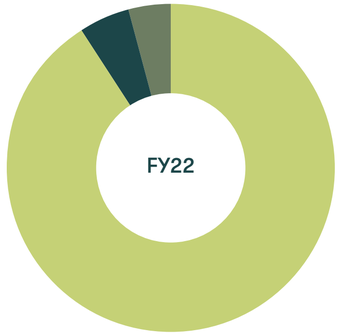
Oceania's GHG emissions inventory for FY25 is set out on the following page.

Oceania's GHG emissions are reported in tonnes of CO_2 equivalents (tCO_2e), as required by the GHG Protocol. GHG emissions are reported both on absolute basis and on an intensity basis. For a breakdown of Scope 1 and Scope 2 emissions by greenhouse gas, please see page 35.

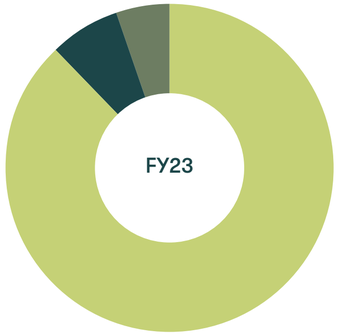
Oceania applies an operational control consolidation approach (as defined by the GHG Protocol) to define its organisational boundary for the purposes of calculating its GHG emissions. This means Oceania accounts for all GHG emissions from operations over which it has control. The organisational boundary encompasses Oceania's parent company, Oceania Healthcare Limited, and its subsidiaries, and includes retirement villages and care centres as well as its leased support office and other leased or owned spaces over which Oceania has operational control. No material facilities, operations or assets have been excluded. There were no relevant joint venture arrangements or investments existing during the reporting period. These disclosures have been prepared for the same reporting entity as Oceania's financial statements.

To calculate emissions in FY25, Oceania implemented the BraveGen emissions management data system, which integrates emissions factors and corresponding Global Warming Potential (GWP) rates. Please see Appendix *GHG Emissions Methodology, Uncertainties and Assumptions* for information on the emissions factor libraries and GWP rates used to calculate Oceania's GHG emissions inventory.

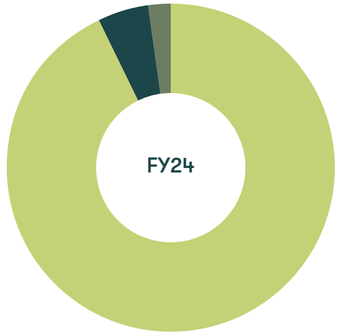
Oceania's emissions by Scope (tCO_2e %)[1]



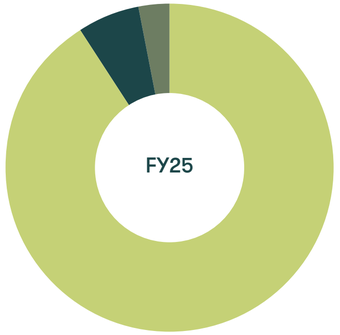
Scope 1	2,534 (5%)
Scope 2	1,885 (4%)
Scope 3	41,744 (90%)



Scope 1	2,578 (7%)
Scope 2	1,864(5%)
Scope 3	29,259 (87%)

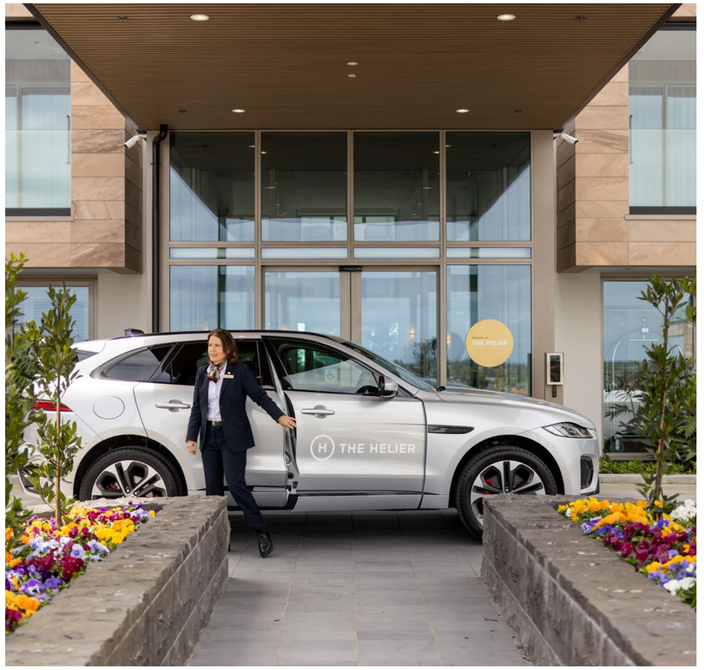


Scope 1	2,421(5%)
Scope 2	1,170 (2%)
Scope 3	43,885 (92%)



Scope 1	2,334 (6%)
Scope 2	1,285 (3%)
Scope 3	37,256 (91%)

1. Location based approach
Figures may not equal the sum of parts due to rounding.



The Helier, Auckland, electric vehicle.

Oceania reports Scope 2 GHG emissions, using both market-based and location-based methods. In compliance with the NZCS, location-based emissions are disclosed, which reflect the average grid intensity where electricity is consumed. To align with its near term targets approved by the Science Based Target initiative (SBTi), Oceania also reports market-based Scope 2 GHG emissions, which are used to measure progress against this target.

Oceania's FY22-FY25 Greenhouse Gas Emissions (tCO_2e)

	FY22	FY23	FY24	FY25
Scope 1 – total	2,534	2,578	2,421	2,334
Natural gas	1,934	1,968	1,781	1,673
LPG	315	290	279	228
Diesel (mobile and stationary)	225	256	261	244
Petrol	60	64	63	67
Refrigerants	0	0	36	121
Scope 2 – total (location-based)	**1,885**	**1,864**	**1,170**	**1,285**
Electricity (location-based)	1,885	1,864	1,170	1,285
Electricity (market-based)	1,919	1,897	1,139	818
Scope 3 – total (location-based)	**41,744**	**29,259**	**43,885**	**37,256**
Category 1 Purchased goods and services[1]	5,544	5,789	6,779	8,305
Category 2 Capital goods[2]	29,468	16,003	30,899	23,777
Category 3 Fuel- and energy-related activities[3]	1,170	1,176	869	789
Category 4 Upstream transportation and distribution		Captured within Categories 1 and 2		
Category 5 Waste generated in operations[4]	1,335	1,480	1,155	1,054
Category 6 Business travel[5]	140	329	337	252
Category 7 Employee commuting	3,224	3,535	3,222	2,415[6]
Category 8 Upstream leased assets	N/A[7]	N/A	N/A	N/A
Category 9 Downstream transportation and distribution	N/A	N/A	N/A	N/A
Category 10 Processing of sold products	N/A	N/A	N/A	N/A
Category 11 Use of sold products	N/A	N/A	N/A	N/A
Category 12 End-of-life treatment of sold products	N/A	N/A	N/A	N/A
Category 13 Downstream leased assets (location-based)	863	948	625	664[8]
Category 13 Downstream leased assets (market-based)[16]	875	961	639	687
Category 14 Franchises	N/A	N/A	N/A	N/A
Category 15 Investments	N/A	N/A	N/A	N/A
Total Scope 1, 2 and 3 (location-based)	**46,163**	**33,701**	**47,476**	**40,875**
Total Scope 1, 2 and 3 (market-based)	**46,208**	**33,747**	**47,460**	**40,431**

*Figures may not equal the totals (+/- 1tCO_2e) due to rounding.

Oceania's total gross Scope 1, 2 and 3 (location based) emissions decreased by 14% in FY25, as compared with FY24, and decreased by 11% as compared with the base year of FY22. Oceania's total gross Scope 1, 2 and 3 (market based) emissions decreased by 15% in FY25, as compared with FY24, and decreased by 13% as compared with the base year of FY22.

Notes

1. In FY25 Oceania restated its Scope 3, Category 1 (Purchased Goods and Services) and Scope 3, Category 2 (Capital Goods) emissions due to a change in the emissions factor library. Please see page 36 for more information.
2. Oceania accounts for emissions from its new developments stage by stage, or upon completion of the project.
3. Category 3 emission changes will directly correlate with the changes in consumption of Scope 1 and 2 energy sources.
4. General waste reductions over time are largely impacted by the exiting of several sites and, to a lesser extent, site specific initiatives.
5. Although business travel is below Oceania's materiality threshold, Oceania includes these emissions in its inventory as they fall within its operational control and can be actively managed or reduced through internal policies and practices. This approach is consistent with the GHG Protocol's principles of relevance and completeness (GHG Protocol, Chapter 1.4), which support the inclusion of emissions that contribute to a full and accurate picture of a company's emissions profile.
6. Employee working days and shifts decreased and emission intensity of passenger vehicles reduced when using emissions factors from the Ministry for Environment and UK Department for Energy Security and Net Zero emissions libraries (see Appendices). In FY25, Oceania updated its employee commuting survey to reflect current travel behaviours.
7. Anything denoted as 'N/A' has been assessed as not applicable to Oceania's GHG emissions inventory following a screening exercise. This designation indicates that Oceania does not have any emissions sources associated with these categories.
8. For Scope 3, Category 13, where Oceania bulk purchases electricity that is on-charged to independent living residents or proxied due to actual usage data not being available, Oceania applies, the Residual Supply Factor (RSF) i.e. Oceania does not apply any carbon zero electricity products or renewable energy certificates (RECs) (see Appendices).

Industry metrics and emissions intensity

While the retirement village industry has not yet formally adopted a standard set of industry-based metrics to measure and manage climate-related risks and opportunities, emissions per square metre and emissions per million dollars of revenue are emerging as commonly used benchmarks. The table below shows Oceania's GHG emissions intensity, measured in tCO_2e per million dollars of revenue (NZD).

In Oceania's FY24 disclosure, Oceania noted that emissions intensity per square metre may provide better alignment with emerging industry practices[1], given the size of its property portfolio. This metric may better reflect the physical drivers of emissions – such as energy use and upfront carbon – rather than financial variability. While Oceania has not yet been able to consolidate gross floor area data across its portfolio, it is actively working to do so and aims to begin reporting emissions intensity on this basis in future reporting periods.

Emissions intensity measured in tCO_2e (location based) per million dollars of revenue (NZD)

	FY22	FY23	FY24	FY25
Scope 1	11	10	9	9
Scope 2	8	8	4	5
Scope 3	180	118	165	143
Total (Scope 1, 2, 3)	**199**	**136**	**178**	**157**

Changes in GHG Emissions

Oceania's total gross Scope 1, 2 and 3 (location based) emissions decreased by 14% in FY25, as compared with FY24, and decreased by 11% as compared with the base year of FY22. Oceania's total gross Scope 1, 2 and 3 (market based) emissions decreased by 15% in FY25, as compared with FY24, and decreased by 13% as compared with the base year of FY22.

This decrease is primarily due to a decrease in Scope 3 emissions, mainly driven by a decrease in emissions from construction activity (Scope 3, Category 2 - Capital Goods). There was a 19% reduction on base year and 23% reduction on prior year in this category. Oceania accounts for its Scope 3, Category 2 emissions in the year that a new development (or stage of development) completes. Therefore, emissions from this category fluctuate year to year (sometimes significantly) depending on the phasing of Oceania's development pipeline and the number of developments (or stages) completing in the reporting period.

Oceania's Scope 1 and 2 (market based) emissions, which Oceania uses to measure performance against its near term science based target, decreased by 11% in FY25, as compared with FY24, and by 29% as compared with the base year of FY22. This decrease on base year is largely due to a decrease in Scope 2 (market based) emissions as a result of a change in emissions factor intensity[2] (even while electricity consumption increased 35% from base year as Oceania grows and transitions from gas to electricity at some sites), market based instruments[3] (Oceania's market based Scope 2 emissions were 467tCO_2e less than location-based emissions in FY25), site sales (or closure) and efficiency measures, partly offset by organic growth.

The Bellevue, Christchurch, certified to Homestar 6 Built rating.

1. Comparability across providers may still be limited, as retirement village operators have varying proportions of care and independent living units. Care centres tend to have higher emissions intensity due to 24/7 operations and centralised energy use (Scope 1 and 2), while independent living often involves resident-controlled energy use (Scope 3). These differences in operational control and emissions attribution can affect the usefulness of tCO_2e/m^2 as a consistent benchmark.
2. Between 2022 (the RSF used in FY22 and FY23) and 2024 (the RSF used in FY25) the market based Scope 2 emissions factors reduced by 30%.
3. Oceania sources electricity through three main contracts, two of which qualify as market-based instruments and contribute to market-based Scope 2 emissions reporting, as detailed in (a) and (b) below:
   a) an Ecotricity Toitū certified climate positive renewable electricity product. In FY25 this accounted for approximately 14% of electricity consumption. Ecotricity has power purchase agreements (PPAs) that are linked to approximately 6% wind and solar farms and approximately 94% hydro, the latter ranging in age from 40 years old to 76 years old. Please find more information in Ecotricity's product disclosure statement on the Toitū website.
   b) A Meridian product, where Oceania receives Renewable Energy Certificates (RECs). In FY25, this accounted for approximately 21% of electricity consumption. Meridian's RECS assigned to Oceania are linked to approximately 61% wind generation from White Hill Wind Farm and approximately 39% hydro generation from Benmore hydro station, which is roughly 60 years old. Please find more information in Meridian's product disclosure statement on their website.

Scope 1 emissions decreased by 4% as compared with FY24, and by 8% from base year, due to decreased natural gas and LPG usage following the exit from some sites and installation of decarbonisation projects, and removing stationary diesel for hot water heating, (see case study to the right), partly offset by emissions from refrigerant losses in FY25.

Oceania's Scope 1 and 2 (location based) emissions increased by 1% in FY25, as compared with FY24, and decreased by 18% as compared with the base year of FY22. This decrease from base year is largely due to a decrease in Scope 2 (location based) emissions as a result of selling (or closing) sites, a change in emissions factor intensity[1] and efficiency measures, partly offset by organic growth. However, Scope 2 (location based) emissions increased on the prior year, largely due to organic growth and switching from natural gas, LPG or stationary diesel to electricity, partly offset by site sales.

As with FY24, Oceania has not used an internal emissions price in the reporting period.

Scope 1 and 2 (location based) emissions by GHG in FY25[2]

	TOTAL tCO_2e	CO_2	CH4	N2O	HFC	SF6	PFC	NF3
Scope 1 – total	**2,334**	**2,201**	**6**	**6**	**121**	**0**	**0**	**0**
Stationary combustion	1,907	1,902	5	1	0	0	0	0
Mobile combustion	305	299	1	5	0	0	0	0
Fugitive emissions	121	0	0	0	121	0	0	0
Scope 2 – total	**1,285**	**1,248**	**34**	**2**	**0**	**0**	**0**	**0**
Electricity consumption (location-based)	1,285	1,248	34	2	0	0	0	0
Total	**3,619**	**3,449**	**40**	**8**	**121**	**0**	**0**	**0**

CO_2=Carbon dioxide, CH4=Methane, N2O=Nitrous oxide, HFC=Hydrofluorocarbons, SF6=Sulfur Hexafluoride, PFC= Perfluorocarbons, NF3= Nitrogen trifluoride.

Figures may not equal the totals (+/- 1tCO_2e) due to rounding.

1. Between 2022 (the factor used in FY22 and FY23) and 2024 (the factor used in FY25) the location based Brave Trace electricity emission factors reduced by 31%.
2. Scope 3 emissions by individual greenhouse gases have not been reported, as not all emission factors used provide gas by gas breakdowns. Reported values reflect total emission in tCO_2e only.

Scope 1 and 2 emissions reductions

Oceania is working towards achievement of science-based GHG emissions targets, which have been validated by the SBTi. Oceania has committed to reduce absolute Scope 1 and Scope 2 GHG emissions by 42% by FY30 from a FY22 base year. One of Oceania's sustainability performance targets under its $500m sustainability linked loan is associated with having a science-based target and reducing emissions.

To achieve Oceania's science-based Scope 1 and Scope 2 absolute emissions reduction target, it has adopted an emissions reduction plan, which is updated periodically. Oceania's focus is on addressing its most material emissions sources, including by transitioning away from utility gas and day-to-day stationary diesel, investing in renewable electricity (solar PV is installed at The Helier and the Meadowbank Ōrākei building, and is planned for installation at Franklin village), and improving energy efficiency (LED lighting upgrades and installation of water efficient fixtures) at Oceania villages and care centres. In the reporting period, high efficiency electric hot water heat pumps were installed at seven sites, replacing natural gas, LPG or diesel for either domestic hot water (DHW) or heating hot water (HHW), as applicable. After also considering divestments, 14 sites (of 36) continue to use natural gas or LPG for HHW and/or DHW, as well as at two central laundries. New developments are designed without utility gas.

Oceania utilises a carbon abatement cost curve to support its emission reduction plan and help prioritise initiatives. Additional measures include conversion of its fleet to a greater proportion of EV/hybrids.

Adjustments to Inventory

Oceania continually strives to improve the quality and completeness of its emissions data. The prior years' inventories have been recalculated due to a change in spend based emissions factors impacting Scope 3 Category 1 (Purchased Goods and Services) and Category 2 (Capital Goods). These are set out in the table below.

		ADJUSTMENT AMOUNT (tCO_2e)		
	REASON FOR ADJUSTMENT	**FY22**	**FY23**	**FY24**
Scope 3, Category 1 - purchased goods and services	Change in emissions factor library from EORA to thinkstep-anz. This change was driven by the implementation of a new emissions data management system, BraveGen, which does not support access to the EORA spend based emissions factors. As a result, Oceania transitioned to thinkstep-anz's emissions factor database, which is updated annually and incorporates trade adjusted, New Zealand-specific production and supply chain assumptions.	-7,491	-8,340	-11,025
Scope 3, Category 2 - capital goods		-767	-987	-1,399
Total adjustments		-8,258	-9,328	-12,424

*Figures may not equal the totals (+/- 1tCO_2e) due to rounding.

Exposure to climate-related risks and opportunities

Oceania's assets are located throughout New Zealand and are variously exposed to both physical and transition risk.

Vulnerability to physical risks

As set out in the Risk Management section, for the purposes of its climate-related disclosures, Oceania engaged external climate experts to conduct a physical risk assessment across its business in FY24. In FY25, Oceania has again chosen to report the exposure of assets to physical climate hazards with exposure being determined by overlaying hazard data (as described in the table on the following pages) with site and building footprint data. Given the high-level nature of the assessment, any sites or building footprints which intersected with the hazard layer were deemed to be exposed. This method is a conservative approximation and provides the potentially exposed locations; it is not necessarily indicative of the exposure of particular assets on that site, nor of potential future financial implications of physical climate risk. The vulnerability of assets will vary depending on the location of the site and the nature of the physical risk events to which they are subject. In FY25, Oceania extended its exposure assessment to include landslides and in future reporting periods will include the anticipated financial impacts of physical climate risk.

The table on the following page notes the climate-related physical hazard exposure across Oceania's sites.

Key parameters relating to the percentages disclosed include:

- Measurement applies to entire site, irrespective of whether exposed areas are land or buildings.
- Excludes sites if 2% or less of the site is exposed.
- Relates to the long term time horizon (data was to 2090-2100) and assessment under RCP 8.5.[1]

1. Not applicable to landslide exposure assessment.

Physical Climate-related Hazard Exposure Across Oceania's Sites[2]

Physical Risk	Description[1]	Assets exposed to Risk FY24	Assets exposed to Risk in FY25
Coastal inundation including sea level rise	Climate change and warming temperatures are causing sea levels to rise. The IPCC AR6 report confirms that sea level rise is accelerating. A national coastal inundation dataset was sourced from NIWA and was used in this assessment. This dataset is based on the global IPCC AR6 projections and includes modelled inundation polygons, which include both sea level rise and extreme event (storm) related surges.	Of the sites assessed for longer term holding, two sites are potentially exposed to coastal inundation and may have some portion of the site at risk of coastal inundation due to sea level rise. These two sites represent approximately 3% of the portfolio based on total number of beds / units across the whole portfolio.	Three sites are potentially exposed to coastal inundation and may have some portion of the site at risk of coastal inundation due to sea level rise.[3] These three sites represent approximately 4% of the portfolio based on total number of beds / units across the whole portfolio.
Coastal erosion	Coastal erosion is the loss of land due to coastal processes such as waves and tidal currents wearing away land, suddenly or over time. At the time of completing the review there was no current nationally consistent dataset for coastal erosion and this remains the case in FY25. The assessment used an approach that screens for coastal erosion exposure by assessing coastal edge proximity. Where this screening approach identified sites within the coastal edge proximity extents, a subsequent, more accurate assessment was undertaken using more accurate datasets held by Councils (where available).	Of the sites assessed for longer term holding, one site is potentially exposed to coastal erosion and may have some portion of the site at risk. This site represents approximately 1% of the portfolio based on number of beds / units across the whole portfolio.	One site is potentially exposed to coastal erosion and may have some portion of the site at risk. This site represents approximately 1% of the portfolio based on number of beds / units across the whole portfolio.

1. These hazard descriptions have been taken from the physical risk assessment Oceania undertook in FY24 and FY25 and are derived from sources including national coastal inundation modelling carried out by NIWA, various flood hazard layers held by relevant local authorities, and Tonkin+Taylor derived datasets and processes.
2. In FY24, the assessment was completed on 36 sites intended for long-term holding. In FY25, the assessment covers all 36 sites in Oceania's portfolio.
3. Noting there was no coastal inundation data for one region. One site within this region is located on the coast and, taking a conservative approach, is included in this table as potentially being exposed.

Physical Risk	Description[1]	Assets exposed to Risk FY24	Assets exposed to Risk in FY25
River and surface flooding	Heavy rainfall can greatly increase water levels in streams, rivers and lakes and cause water to overflow into surrounding land, causing flooding. Flooding can also occur due to rainfall and runoff in urban areas, which exceeds capacities of drainage systems. At the time of completing the assessment New Zealand did not have a nationally consistent flood hazard dataset at an appropriate resolution for identifying communities and assets in river and surface floodplains. This remains the case in FY25. Data is held by individual Councils, and this is of varying quality and consistency. Councils have taken different approaches in regard to: • The annual exceedance probability (AEP) of rainfall scenarios which have been modelled; • The RCP scenario and time horizons which are used to inform future rainfall intensities; and • A range of other assumptions specific to the flood modelling approach undertaken. These limitations have been considered when comparing and contrasting flood exposure results across different sites.	Of the sites assessed for longer term holding, ten sites potentially exposed to river and surface flooding and may have some portion of the site at risk of flooding. These ten sites represent approximately 24% of the portfolio based on number of beds / units across the whole portfolio.	Eleven sites potentially exposed to river and surface flooding and may have some portion of the site at risk of flooding. These eleven sites represent approximately 28% of the portfolio based on number of beds / units across the whole portfolio.
Landslide	A landslide is the movement of a mass of earth, rock, or debris down a slope. It typically occurs when the stability of a slope is compromised, often due to factors such as heavy or prolonged rainfall, earthquakes or erosion. Generally speaking, climate change can increase the potential for landslide occurrence over time, due to the increased severity and frequency of extreme rainfall. Susceptibility was assessed based on a desktop review of surface geology, site slope angle and any visible indications of land instability.	Not assessed in FY24	Seven sites are potentially exposed to landslide susceptibility (six with moderate exposure and one with high exposure). These seven sites represent approximately 22% of the portfolio based on number of beds / units across the whole portfolio.

1. These hazard descriptions have been taken from the physical risk assessment Oceania undertook in FY24 and FY25 and are derived from sources including national coastal inundation modelling carried out by NIWA, various flood hazard layers held by relevant local authorities, and Tonkin+Taylor derived datasets and processes.

Vulnerability to transition risks

Oceania will likely be affected by regulatory and policy related risks and market risks (see material risks and opportunities table in the Strategy section), which have the potential to impact on the way Oceania designs, builds, constructs, sells, operates and manages its villages and care centres. For that reason, it is not possible to disclose a specific percentage of business activities or assets vulnerable to these types of risk, and, as with FY24, Oceania conservatively assesses that all of its business activities are vulnerable to climate-related transition risks.

Climate-related opportunities

Oceania's risk and opportunity assessment showed climate-related opportunities to build resilience, develop new services, grow its market share, and invest in alternative energy sources and resource efficiency.

Because the climate related transition or physical opportunities are expected to impact all of Oceania's operations, as with FY24, Oceania considers that all of its business activities are aligned to climate-related opportunities.

Capital deployment

Oceania updated its $500m five year syndicated debt facility, to become a sustainability linked loan in July 2022. One of the key Sustainability Performance Targets (SPTs) is meeting a GHG emissions target verified by the SBTi. Meeting this SPT attracts an interest margin discount and not meeting this SPT incurs an interest margin penalty. In this reporting period, Oceania met this SPT, attracting an interest margin and line fee reduction.

The SPTs, as well as Oceania's decision to invest in sustainability initiatives in order to mitigate climate-related transition risks and realise opportunities, demonstrate the operation of Oceania's capital deployment and funding decision making processes. These include designing and building to NZGBC Homestar (and, at its Franklin development, Green Star) certification, no longer designing for utility gas and installing solar PV panels on new developments. Details of Oceania's capital deployment in FY24 and FY25 are set out in the table below.

The Bayview, Tauranga, certified to Homestar 6 Built rating.

Capital deployment	Spend during 12 months to 31 March 2024	Spend during 12 months to 31 March 2025	Description
Capital deployed for design and enabling works and development of Homestar or Green Star accredited buildings and communities	$85.7m[1]	$59.4m	Homestar accredited buildings in FY25: – Waterford Stage One, Auckland – Awatere Stage Three, Hamilton – Franklin Stage One, Auckland
Capital deployed towards decarbonisation, maintenance and refurbishment	$1.3m	$2.4m	This amount includes capital deployed towards double glazing, LED lighting, air-to-air heat pumps, water efficient tapware, insulation, EV power points and back up generators. It also includes capital deployed towards converting fossil fuels used for domestic hot water and heating hot water to electric hot water heat pumps.

1. In FY24, capital for the development of Homestar or Green Star accredited buildings ($81.2m) and capital deployed for design and enabling works of Homestar or Green Star accredited buildings and communities ($4.5m), was reported separately.

Remuneration

Sustainability (including climate-related) metrics formed part of the short term incentive (STI) scheme for senior management in FY23 and FY24, comprising 5% of total STI in both of those years. In FY25, sustainability metrics – specifically, the achievement of Oceania's annual absolute Scope 1 and 2 emissions reduction target (validated by the SBTi) – were no longer included as a weighted component of the STI. Instead, this target was introduced as a gateway hurdle, meaning that STI payments to senior management in FY25 were only made if the gateway hurdle was met within the reporting period. Oceania confirms that this target was achieved in FY25, and the STI is therefore payable.

Targets

Oceania has committed to a SBTi-approved near-term science-based emissions reduction target to reduce absolute Scope 1 and Scope 2 GHG emissions by 42% by FY30 from a FY22 base year.

Oceania's Scope 1 and 2 target uses the Absolute Contraction Method, which aims for an absolute reduction in total emissions. This method supports the scientific consensus necessary to limit global warming to 1.5°C under the Paris Agreement, without adjusting for company size or economic output. Using the Absolute Contraction Method, which is an SBTi methodology, means that Oceania's target aligns with limiting global warming to 1.5°C. Oceania's Scope 1 and 2 target does not rely on the use of offsets.

In accordance with Oceania's Sustainability Framework and associated aspirations, Oceania has a target to obtain NZGBC Homestar 7 (version 5) accreditation or above for all new independent living developments.

Oceania's Targets from a Baseline Year of FY22

Target	Commitment	Type	Target year	Performance against targets in FY25
Scope 1 and 2 target[1]	To reduce absolute Scope 1 and 2 GHG emissions by 42% by FY30 from a FY22 base year.	Absolute reduction target	FY30	-29% (reduction against FY22 base year)
Scope 3 supplier engagement target[2]	That 72.5% of Oceania's suppliers by spend covering purchased goods and services and capital goods, will have science-based targets by FY27.	Supplier Engagement Target	FY27	Further engagement with all key suppliers in FY25 and 38% of these key suppliers engaged now have science based targets.[3]
Construction waste diversion target[4]	A stepped target so that by FY27, Oceania achieves an 80% construction waste away from landfill diversion rate for Auckland and a 60% construction waste away from landfill diversion rate for regional areas. In FY25, Oceania's target was achieving a construction waste away from landfill diversion rate of ≥80% for Auckland and ≥52.5% for regional areas.	Diversion target	FY27, with a stepped year on year target	Auckland = 85.1% construction waste diverted from landfill Non-Auckland = 79.8% construction waste diverted from landfill
NZGBC Homestar 7 (version 5)[5]	All new independent living developments are being designed to NZGBC Homestar 7 (version 5).	Design target	FY30	Franklin development was designed to this standard. More than 650 units have been previously built to Homestar 6.

1. Oceania reports progress against its SBTi validated Scope 1 and 2 target using the market-based approach, in line with its SBTi Near Term Target Validation Report, which confirms that a market-based approach is used to account for Scope 2 emissions and assess performance against the target. For comparison, if performance were assessed using a location-based approach, that would represent 18% reduction against FY22 base year.
2. A change in emissions factor library, as described on page 36, for Scope 3, Category 1 and Category 2, may lead to a change of suppliers in scope of this target in future.
3. Not all suppliers have their science-based targets verified by the SBTi; some have their targets assured through alternative frameworks such as those offered by Toitū. Some suppliers are covered by SBTi targets set at the parent company level.
4. Relevant to Oceania's Scope 3 emissions.
5. Does not have a FY22 baseline. Oceania's decision to design to this standard is made at the concept design stage. There were no other applicable developments in the reporting period.

Appendices

GHG Emissions, Methodology, Uncertainties and Assumptions

Scope 1					
Category	Emissions source/activity	Data source	Emissions factor and GWP	Methodology, estimation and assumptions	Level of uncertainty
N/A	Natural gas Used at some sites for domestic hot water and heating hot water.	Supplier invoices. Managed by utilities management supplier, Smart Power.[1]	Ministry for the Environment (2024). Measuring emissions: A guide for organisations: 2024 detailed guide. Wellington: Ministry for the Environment. Global Warming Potential (GWP) is from Intergovernmental Pannel on Climate Change (IPCC) AR5.	Measured in kilowatt hours consumed and calculated using the activity based method. Oceania assumes that the kilowatt hours provided by natural gas suppliers is an accurate record of natural gas consumed and that reporting by third party utilities management supplier is complete and accurate.	Low uncertainty.
	LPG Used at some sites for domestic hot water. Also used in communal BBQs for independent residents.	Supplier invoices. Managed by utilities management supplier, Smart Power. [1]	Ministry for the Environment (2024). Measuring emissions: A guide for organisations: 2024 detailed guide. Wellington: Ministry for the Environment. GWP is from IPCC AR5.	Measured in kilograms consumed and calculated using the activity based method. Oceania assumes that the kilograms provided by LPG suppliers is an accurate record of LPG consumed and reporting by third party utilities management supplier is complete and accurate. Oceania also assumes that 9kg cylinder LPG bottles for communal BBQs are captured in scope 3 Category 1 (purchased goods and services).	Low uncertainty.
	Diesel – stationary Used for heating hot water at one site and for backup generators.	Supplier invoices. Managed by utilities management supplier, Smart Power.[1]	Ministry for the Environment (2024). Measuring emissions: A guide for organisations: 2024 detailed guide. Wellington: Ministry for the Environment. GWP is from IPCC AR5.	Measured in litres consumed and calculated using the activity based method. Oceania assumes that the litres provided by the diesel suppliers for heating hot water and diesel generators is an accurate record of diesel consumed and that reporting by third party utilities management supplier is complete and accurate.	Low uncertainty.
	Diesel – transport Used in diesel powered vehicles.	Fuel card data. Managed by third party fleet management supplier, Fleet Partners.[2]	Ministry for the Environment (2024). Measuring emissions: A guide for organisations: 2024 detailed guide. Wellington: Ministry for the Environment. GWP is from IPCC AR5.	Measured in litres consumed and calculated the using the activity based method. Oceania assumes that litres recorded on fuel card data is an accurate record of diesel consumed and reporting by third party fleet management supplier is complete and accurate.	Low uncertainty.

GHG Emissions, Methodology, Uncertainties and Assumptions cont.

Scope 1 cont.

Category	Emissions source/activity	Data source	Emissions factor and GWP	Methodology, estimation and assumptions	Level of uncertainty
N/A	Petrol - transport Used in petrol powered vehicles.	Fuel card data. Managed by third party fleet management supplier, Fleet Partners.[2]	Ministry for the Environment (2024). Measuring emissions: A guide for organisations: 2024 detailed guide. Wellington: Ministry for the Environment. GWP is from IPCC AR5.	Measured in litres consumed and calculated using the activity based method. Oceania assumes that litres recorded on fuel card data is an accurate record of petrol consumed and that reporting by third party fleet management supplier is complete and accurate.	Low uncertainty.
	Fugitive emissions From HVAC systems used across sites.	Records from HVAC suppliers (emails and reports).	Ministry for the Environment (2024). Measuring emissions: A guide for organisations: 2024 detailed guide. Wellington: Ministry for the Environment. GWP is from IPCC AR5.	Measured in kilograms and calculated using the activity based method. Oceania assumes that gas replacement or top up records provided by HVAC suppliers represent a complete and accurate account of all quantities used to top up HVAC systems.	Medium uncertainty. Based on actual servicing data, but may miss minor leaks or unreported losses. Some maintenance may occur outside reporting channels; mitigated through checks with regional maintenance managers.

Scope 2

Category	Emissions source/activity	Data source	Emissions factor and GWP	Methodology, estimation and assumptions	Level of uncertainty
N/A	Purchased electricity Used at sites for operations and for offsite electric vehicle (EV) charging.	Supplier invoices. Managed by utilities management supplier, Smart Power.[1] Chargenet data. Managed by fleet management supplier, Fleet Partners.[2]	BraceTrace electricity emission factors: NZECS 2023/24 National Supply and Residual Supply Mix. GWP is from IPCC AR5.	Measured in kilowatt hours consumed and calculated using the activity based method. Oceania assumes that all data provided by electricity suppliers is an accurate record of electricity consumed, and all offsite EV charging is captured through Chargenet report. It further assumes reporting by third party utilities management and fleet management suppliers is complete and accurate.	Low uncertainty.
	Onsite generation using solar PV Used directly at sites where solar PV is installed.	Generation data from solar online portal (Sunny Portal, powered by ennexOS).	N/A	Measured in kilowatt hours consumed and calculated using the activity based method. Oceania assumes all data captured via solar online portal is complete and accurate.	Low uncertainty.

GHG Emissions, Methodology, Uncertainties and Assumptions cont.

Scope 3					
Category	**Emissions source/activity**	**Data source**	**Emissions factor and GWP**	**Methodology, estimation and assumptions**	**Level of uncertainty**
Category 1 Purchased Goods and Services	Emissions from goods and services purchased and used in operations.	Supplier specific emissions (coverage: 15.8% of spend).	Supplier-specific emissions intensity factors using supplier-reported emissions and revenue data.	Oceania requests data from suppliers accounting for >1% of annual spend. Supplier emissions were divided by revenue to calculate an intensity, then multiplied by Oceania supplier spend. This method assumes supplier reported emissions and revenue data is complete and accurate.	Medium uncertainty. The use of supplier specific data tailored to Oceania's spend improves accuracy over generic spend-based methods but results remain dependent on the accuracy and completeness of supplier disclosures.
		Supplier product use emissions.	Department for Energy Security and Net Zero (2024). UK Government greenhouse gas conversion factors for company reporting 2024. GWP is from IPCC AR5.	Suppliers provide product quantity data and emissions are calculated using the activity based method. Oceania assumes supplier reported data is complete and accurate, and that the emissions factors applied accurately represents the product.	Medium uncertainty. The calculation is based on physical activity data and product specific factors but may be affected by variability in product specifications or accuracy of supplier reported quantities.
		Supplier EPD[3] product specific emissions.	Product specific factor.	Emissions were calculated using supplier-provided EPD data under the product-specific method. Oceania assumes data reflects current product specifications and is reported consistently.	Low uncertainty.
		Oceania operational expenditure derived from the General Ledger [4] (coverage: 84.2% of spend).	Thinkstep-anz. (2024). Emission Factors for New Zealand: Greenhouse Gas Emission Intensities for Commodities and Industries. v2.0. Wellington: thinkstep-anz. GWP is from IPCC AR5.	Measured using the spend based method as emissions per dollar spent on products or services procured. This method applies average emissions intensity per dollar spent to procurement data. Oceania assumes a consistent relationship between cost and carbon intensity across product and service types and suppliers.	High uncertainty. It relies on generalised factors that may not reflect actual product or service specific emissions, supplier practices, or regional differences.

GHG Emissions, Methodology, Uncertainties and Assumptions cont.

Scope 3 cont.

Category	Emissions source/activity	Data source	Emissions factor and GWP	Methodology, estimation and assumptions	Level of uncertainty
Category 1 cont.	Water use Emissions from water use in operations.	Supplier invoices. Managed by utilities management supplier, Smart Power.[1]	Ministry for the Environment (2024). Measuring emissions: A guide for organisations: 2024 detailed guide. Wellington: Ministry for the Environment. GWP is from IPCC AR5.	Measured in cubic metres and calculated using the activity based method. For ten council serviced sites with annual or biannual data, missing values are estimated using the average of previous months. Estimates assume relatively consistent usage over time.	Low to medium uncertainty. Data is provided through supplier invoicing and has low uncertainty. Uncertainty arises where estimates are used, particularly if seasonal or operational changes occurred during unreported periods.
Category 2 Capital Goods	Emissions from construction.	Volume of construction materials per build.	Unique emission factors based on reference builds.	Emissions are measured using the NZGBC Green Star embodied carbon calculator for three reference builds and the NZGBC Homestar embodied carbon calculator (HECC) for a reference villa. Results are expressed as kg CO_2e per m^2 and applied to new developments of the same typology. Typologies are assigned by Oceania's design team based on building characteristics. Each typology is matched to a representative material composition. This method assumes consistency in design, materials, and construction methods across comparable developments. Where a component (e.g. wall structure) includes multiple elements, Oceania uses standard high emission compositions from the BRANZ database. Where exact materials are unknown, conservative estimates are applied.	Medium uncertainty. Estimated material quantities may vary to the actual quantities of materials used during construction, which may span multiple reporting periods. Additional uncertainty exists due to potential differences in the typologies compared to the actual building characteristics of each development.
	Refurbishment expenses Emission generated during refurbishment.	Oceania operational expenditure.	Thinkstep-anz (2024). Emission Factors for New Zealand: Greenhouse Gas Emission Intensities for Commodities and Industries. v2.0. Wellington: thinkstep-anz. GWP is from IPCC AR5.	Measured using the spend based method as emissions per dollar spent on products or services procured. This method applies average emissions intensity per dollar spent to procurement data. Oceania assumes a consistent relationship between cost and carbon intensity across product and service types and suppliers.	High uncertainty. It relies on generalised factors that may not reflect actual product or service specific emissions, supplier practices, or regional differences.

GHG Emissions, Methodology, Uncertainties and Assumptions cont.

Scope 3 cont.

Category	Emissions source/activity	Data source	Emissions factor and GWP	Methodology, estimation and assumptions	Level of uncertainty
Category 2 cont.	Flooring Includes flooring materials such as carpet and vinyl.	Supplier EPDs.[3]	Product specific factor.	Measured in metes squared of laid flooring and calculated using the product specific method. Oceania assume all emissions were reported consistently and reflect current product specifications.	Low uncertainty.
Category 3 Fuel and Energy-related Activities	Natural gas Includes well-to-tank and transmission and distribution losses emissions of Scope 1 natural gas consumption.	Supplier invoices. Managed by utilities management supplier, Smart Power.[1]	Department for Energy Security and Net Zero (2024). UK Government greenhouse gas conversion factors for company reporting 2024. GWP is from IPCC AR5.	Measured in kilowatt hours consumed and calculated using the activity based method. See scope 1 above for assumptions.	Low uncertainty.
	LPG Includes well-to-tank emissions of Scope 1 LPG consumption.	Supplier invoices. Managed by utilities management supplier, Smart Power.[1]	Department for Energy Security and Net Zero (2024). UK Government greenhouse gas conversion factors for company reporting 2024. GWP is from IPCC AR5.	Measured in kilograms consumed and calculated using the activity based method. See scope 1 above for assumptions.	Low uncertainty.
	Diesel Includes well-to-tank emissions of Scope 1 diesel consumption.	Fuel card data. Managed by third party fleet management supplier, Fleet Partners.[2]	Department for Energy Security and Net Zero (2024). UK Government greenhouse gas conversion factors for company reporting 2024. GWP is from IPCC AR5.	Measured in litres consumed and calculated using the activity based method. See scope 1 above for assumptions.	Low uncertainty.
	Petrol Includes well-to-tank emissions of Scope 1 petrol consumption.	Fuel card data. Managed by third party fleet management supplier, Fleet Partners.[2]	Department for Energy Security and Net Zero (2024). UK Government greenhouse gas conversion factors for company reporting 2024. GWP is from IPCC AR5.	Measured in litres consumed and calculated using the activity based method. See scope 1 above for assumptions.	Low uncertainty.

GHG Emissions, Methodology, Uncertainties and Assumptions cont.

Scope 3 cont.

Category	Emissions source/activity	Data source	Emissions factor and GWP	Methodology, estimation and assumptions	Level of uncertainty
Category 3 cont.	Electricity Includes well-to-tank and transmission and distribution losses of Scope 2 electricity consumption.	Supplier invoices (managed by Oceania's third party utilities management supplier and uploaded to an automated data management system).	BraveTrace electricity emission factors: NZECS 2023/24 National Supply and Residual Supply Mix. GWP is from IPCC AR5.	Measured in kilowatt hours consumed and calculated using the activity based method. See scope 2 above for assumptions.	Low uncertainty.
Category 4 Upstream Transportation and Distribution	N/A	N/A	N/A	Transportation spend could not be separately identified from Category 1 and 2 operational expenditure. Emissions assumed to be captured within the supplier emissions reported under those categories.	N/A
Category 5 Waste	General operational waste Landfill waste generated from operations.	Waste management supplier report.	Unique emission factors based on site general waste audits.	Measured in kilograms of waste collected and calculated using the activity based method. Emission factor is based on composition of waste determined through a FY24 general waste audit. Oceania assumes audited sites are representative of the broader portfolio, and that this method provides greater accuracy than using the Ministry for the Environment's generic general waste emissions factor.	Low to medium uncertainty. Oceania specific emissions factor is deemed more appropriate than the general Ministry for the Environment waste emission factor.
	Construction waste Waste generated from building and development.	Waste management supplier report sourced via construction partners.	Ministry for the Environment. (2024). Measuring emissions: A guide for organisations: 2024 detailed guide. Wellington: Ministry for the Environment. GWP is from IPCC AR5.	Measured in kilograms of waste collected and calculated using the activity based method. Oceania assumes that the kilograms by waste material is an accurate record of construction waste and that data provided by waste management suppliers is complete and accurate.	Low uncertainty.
	Food waste Food waste to landfill generated from operations.	Waste management supplier report.	Ministry for the Environment (2024). Measuring emissions: A guide for organisations: 2024 detailed guide. Wellington: Ministry for the Environment. GWP is from IPCC AR5.	Measured in kilograms of waste collected at sites with commercial food waste collection, and calculated using the activity based method. Oceania assumes that at sites without separate food waste collection, food waste is captured under general operational waste.[5]	Medium uncertainty. Waste volumes are directly measured at some sites but uncertainty arises from assumptions made for sites without separate collection.

GHG Emissions, Methodology, Uncertainties and Assumptions cont.

Scope 3 cont.

Category	Emissions source/activity	Data source	Emissions factor and GWP	Methodology, estimation and assumptions	Level of uncertainty
Category 5 cont.	Wastewater Emissions generated from the treatment and discharge of water used in operations.	Supplier invoices. Managed by utilities management supplier, Smart Power.[1]	Ministry for the Environment (2024). Measuring emissions: A guide for organisations: 2024 detailed guide. Wellington: Ministry for the Environment. GWP is from IPCC AR5.	Estimated wastewater as 95% of water consumption volume and calculated using the activity based method. Oceania assumes a consistent and typical proportion of water is returned to the wastewater system across sites.	Medium uncertainty The water consumption data is reliable, but the wastewater volume is estimated and may not account for variations in site specific water use.
Category 6 Business Travel	Air travel Flights taken by staff.	Travel report provided by third party travel management supplier.	Ministry for the Environment (2024). Measuring emissions: A guide for organisations: 2024 detailed guide. Wellington: Ministry for the Environment. GWP is from IPCC AR5.	Measured by distance and mode of flight and calculated using the activity based method. Oceania assumes that all reported flights are for business purposes and that the travel data report is complete and accurate. It is also assumed that no significant deviation in efficiency or emissions performance by specific carriers or aircrafts, and that layovers or multi leg trips do not affect the haul categorisation.	Low to medium certainty. While the activity data reflects actual travel, considering both distance and class, some assumptions exist around the use of multiple carriers or aircraft types and the deviations in their emission performance.
	Rental vehicles Staff use of hired cars.	Rental vehicles Staff use of hired cars.	Ministry for the Environment (2024). Measuring emissions: A guide for organisations: 2024 detailed guide. Wellington: Ministry for the Environment. GWP is from IPCC AR5.	Measured by distance travelled and vehicle size and calculated using the activity based method. Oceania assumes that rental vehicles are for business purposes and supplier travel reports are complete and accurate.	Low uncertainty.
	Staff mileage claims Staff travel with personal vehicles	Internal mileage claim report.	Ministry for the Environment (2024). Measuring emissions: A guide for organisations: 2024 detailed guide. Wellington: Ministry for the Environment. GWP is from IPCC AR5.	Calculated using the spend based method. Total mileage claim spend was divided by the IRD Tier 1 rate per kilometre to estimate distance travelled. Oceania assumes all employee travel in personal vehicles is submitted through formal mileage claim process and that cost data accurately reflects actual distances.	Medium to high uncertainty. The spend based method carries high uncertainty due to assumptions about vehicle efficiency, route conditions, and the completeness of mileage claims. The IRD Tier 1 rate provides a reasonably proxy for estimating distance from cost data.

GHG Emissions, Methodology, Uncertainties and Assumptions cont.

Scope 3 cont.

Category	Emissions source/activity	Data source	Emissions factor and GWP	Methodology, estimation and assumptions	Level of uncertainty
Category 6 cont.	Taxis and rideshares The use of on demand transport services such as Uber.	Travel report provided by rideshare supplier.	Ministry for the Environment (2024). Measuring emissions: A guide for organisations: 2024 detailed guide. Wellington: Ministry for the Environment. GWP is from IPCC AR5.	Measured using kilometres travelled and calculated using the activity based method. Oceania assumes that the supplier report is complete and accurate.	Low uncertainty.
	Hotels Overnight accommodation used during business travel.	Travel report provided by a third party travel management supplier.	Ministry for the Environment (2024). Measuring emissions: A guide for organisations: 2024 detailed guide. Wellington: Ministry for the Environment. GWP is from IPCC AR5	Measured by per night stay and calculated using the activity based method. Oceania assumes the supplier report is complete and accurate.	Low uncertainty.
Category 7 Employee Commuting	Emission associated with employee travel to and from work.	Employee survey (via third party survey platform).	Ministry for the Environment (2024). Measuring emissions: A guide for organisations: 2024 detailed guide. Wellington: Ministry for the Environment.	Calculated using the activity based method, based on typical travel mode and distance data from an FY25 employee survey, applied to total headcount. Oceania assumes that the survey results accurate represent commuting behaviour.	Medium uncertainty. Self-reported survey data may be subject to recall bias or variability in travel patterns, as well as applying average responses to full headcount.
Category 13 Downstream Leased Assets	Independent living (ILU) residents' electricity consumption	Check metre data from internal reporting app.	BraveTrace electricity emission factors: NZECS 2023/24 National Supply and Residual Supply Mix. GWP is from IPCC AR5.	Calculated using the activity based method. Proxy data was established from actual metered electricity readings from 10 sites for villas and apartments, segmented by unit size. Average consumption values applied to estimate residents with Installation Control Points (ICPs). Oceania assumes consistent electricity usage among similarly sized units, that readings below 2Wh/day indicate vacancy, and that electricity supplied is not covered by carbon zero electricity products or RECs.	Medium uncertainty. Although based on real metered data, it uses averages to estimate consumption across sites, which may not reflect individual usage variations.

Notes

1. Smart Power validate and pay supplier invoices on Oceania's behalf.
2. Fleet Partners manage Oceania's fleet, and fleet related energy use.
3. An Environmental Product Declaration (EPD) is a report that states the environmental impacts of a product over its life cycle, including its global warming potential, measured in tonnes of CO_2e.
4. Property rates (i.e. local council rates) have been excluded from Scope 3, Category 1 (Purchased Goods and Services) emissions. While these costs fall within Oceania's operational control boundary, they do not represent a good or service with associated upstream emissions. Rates are classified as a tax or levy and do not reflect emissions attributable to a specific product or service purchased. This treatment is consistent with the GHG Protocol, which excludes taxes and other non purchase expenditures from Scope 3 Category 1 emissions calculations. Transactions relating to employee reimbursements for professional expenses and temporary labour costs, which are classified as non-emitting sources, are also excluded. These are not considered purchases of goods or services from third party vendors, and emissions associated with temporary personnel are assumed to be captured under other categories such as waste, water, and electricity. This methodology is consistent with prior year disclosures, and the emissions impact is considered immaterial (<1%) in the context of total purchased goods and services emissions. This treatment is consistent with the GHG Protocol, which excludes taxes and other non purchase expenditures from Scope 3 Category 1 emissions calculations.
5. This approach differs from previous reporting periods, where food waste at these sites was estimated, posing a risk of double counting.

Aotearoa New Zealand Climate Standards

CLIMATE-RELATED DISCLOSURES (NZCS 1) - INDEX

Objective	Category	Provision	Location
Theme: Governance			
6.* To enable primary users to understand both the role an entity's governance body plays in overseeing climate-related risks and climate-related opportunities, and the role management plays in assessing and managing those climate-related risks and opportunities.	7. Disclosures	(a) the identity of the governance body responsible for oversight of climate-related risks and opportunities.	Page 2
		(b) a description of the governance body's oversight of climate-related risks and opportunities.	Pages 2-3, and 7
		(c) a description of management's role in assessing and managing climate-related risks and opportunities.	Pages 2 and 6
	8. Governance body oversight	(a) the processes and frequency by which the governance body is informed about climate-related risks and opportunities.	Pages 2-5
		(b) how the governance body ensures that the appropriate skills and competencies are available to provide oversight of climate-related risks and opportunities.	Page 7
		(c) how the governance body considers climate-related risks and opportunities when developing and overseeing implementation of the entity's strategy.	Pages 4-5, and 7
		(d) how the governance body sets, monitors progress against, and oversees achievement of metrics and targets for managing climate-related risks and opportunities, including whether and if so, how, related performance metrics are incorporated into remuneration policies.	Pages 2-3, and 7
	9. Management's role	(a) how climate-related responsibilities are assigned to management-level positions or committees, and the process and frequency by which management-level positions or committees engage with the governance body.	Pages 2 and 6
		(b) the related organisational structure(s) showing where these management-level positions and committees lie.	Pages 2 and 6
		(c) the processes and frequency by which management is informed about, makes decisions on and monitors, climate-related risks and opportunities.	Pages 2 and 6

* Numbering refers to NZCS 1 paragraphs.

Aotearoa New Zealand Climate Standards cont.

Objective	Category	Provision	Location
Theme: Strategy			
10. To enable primary users to understand how climate change is currently impacting an entity and how it may do so in the future. This includes the scenario analysis an entity has undertaken, the climate-related risks and opportunities an entity has identified, the anticipated impacts and financial impacts of these, and how an entity will position itself as the global and domestic economy transitions towards a low-emissions, climate-resilient future.	11. Disclosures	(a) a description of its current climate-related impacts.	Page 10
		(b) a description of the scenario analysis it has undertaken.	Pages 11-14
		(c) a description of the climate-related risks and opportunities it has identified over the short, medium, and long term.	Pages 18-22
		(d) a description of the anticipated impacts of climate-related risks and opportunities.	Pages 18-22
		(e) a description of how it will position itself as the global and domestic economy transitions towards a low-emissions, climate-resilient future state.	Pages 23-27
	12. Current impacts and financial impacts	(a) its current physical and transition impacts	Page 10
		(b) the current financial impacts of its physical and transition impacts identified in (a).	Page 10
		(c) if the entity is unable to disclose quantitative information for paragraph (b), an explanation of why that is the case.	Page 10
	13. Scenario analysis undertaken	An entity must describe the scenario analysis it has undertaken to help identify its climate-related risks and opportunities and better understand the resilience of its business model and strategy. This must include a description of how an entity has analysed, at a minimum, a 1.5°C climate-related scenario, a 3°C or greater climate-related scenario, and a third climate-related scenario.	Pages 11-17
	14. Climate-related risks and opportunities	(a) how it defines short, medium and long term and how the definitions are linked to its strategic planning horizons and capital deployment plans.	Page 13
		(b) whether the climate-related risks and opportunities identified are physical or transition risks or opportunities, including, where relevant, their sector and geography.	Pages18-22
		(c) how climate-related risks and opportunities serve as an input to its internal capital deployment and funding decision-making processes.	Page 25-26 and 39

Aotearoa New Zealand Climate Standards cont.

Objective	Category	Provision	Location
10. To enable primary users to understand how climate change is currently impacting an entity and how it may do so in the future. This includes the scenario analysis an entity has undertaken, the climate-related risks and opportunities an entity has identified, the anticipated impacts and financial impacts of these, and how an entity will position itself as the global and domestic economy transitions towards a low-emissions, climate-resilient future – cont.	15. Anticipated impacts and financial impacts	(a) the anticipated impacts of climate-related risks and opportunities reasonably expected by the entity.	Pages 18-22
		(b) the anticipated financial impacts of climate-related risks and opportunities reasonably expected by an entity.	*Adoption provision 2*
		(c) a description of the time horizons over which the anticipated financial impacts of climate-related risks and opportunities could reasonably be expected to occur.	*Adoption provision 2*
		(d) if an entity is unable to disclose quantitative information for paragraph (b), an explanation of why that is the case.	*Adoption provision 2*
	16. Transition plan aspects of its strategy	(a) a description of its current business model and strategy.	Page 8-9
		(b) the transition plan aspects of its strategy, including how its business model and strategy might change to address its climate-related risks and opportunities.	Pages 23-27
		(c) the extent to which transition plan aspects of its strategy are aligned with its internal capital deployment and funding decision-making processes.	Pages 23-27
Theme: Risk Management			
17. To enable primary users to understand how an entity's climate-related risks are identified, assessed, and managed and how those processes are integrated into existing risk management processes.	18. Disclosures	(a) a description of its processes for identifying, assessing and managing climate-related risks.	Pages 28-30
		(b) a description of how its processes for identifying, assessing, and managing climate-related risks are integrated into its overall risk management processes.	Pages 28-30
	19. An entity must include the following information when describing its processes for identifying, assessing, and managing climate-related risks (see paragraph 18(a))	(a) the tools and methods used to identify, and to assess the scope, size, and impact of, its identified climate-related risks.	Pages 28-29
		(b) the short-term, medium-term, and long-term time horizons considered, including specifying the duration of each of these time horizons.	Page 29
		(c) whether any parts of the value chain are excluded.	Page 29
		(d) the frequency of assessment.	Page 28
		(e) its processes for prioritising climate-related risks, relative to other types of risks.	Pages 29-30

Aotearoa New Zealand Climate Standards cont.

Objective	Category	Provision	Location
20. To enable primary users to understand how an entity measures and manages its climate-related risks and opportunities. Metrics and targets also provide a basis upon which primary users can compare entities within a sector or industry.	21. Disclosures	(a) the metrics that are relevant to all entities regardless of industry and business model.	See below
		(b) industry-based metrics relevant to its industry or business model used to measure and manage climate-related risks and opportunities.	Page 34
		(c) any other key performance indicators used to measure and manage climate-related risks and opportunities.	N/A
		(d) the targets used to manage climate-related risks and opportunities, and performance against those targets.	Pages 34-35 and 40
	22. Metric categories	(a) greenhouse gas (GHG) emissions: gross emissions in metric tonnes of carbon dioxide equivalent (CO_2e) classified as: (i) Scope 1 (ii) Scope 2 (calculated using the location-based method) (iii) Scope 3.	Pages 33 and 35
		(b) GHG emissions intensity	Page 34
		(c) transition risks: amount or percentage of assets or business activities vulnerable to transition risks.	Page 39
		(d) physical risks: amount or percentage of assets or business activities vulnerable to physical risks.	Pages 36-38
		(e) climate-related opportunities: amount or percentage of assets, or business activities aligned with climate-related opportunities.	Page 39
		(f) capital deployment: amount of capital expenditure, financing or investment deployed toward climate-related risks and opportunities.	Page 39
		(g) internal emissions price: price per metric tonne of CO_2e used internally by an entity.	Page 35
		(h) remuneration: management remuneration linked to climate-related risks and opportunities in the current period, expressed as a percentage, weighting, description.	Page 40

Aotearoa New Zealand Climate Standards cont.

Objective	Category	Provision	Location
20. To enable primary users to understand how an entity measures and manages its climate-related risks and opportunities. Metrics and targets also provide a basis upon which primary users can compare entities within a sector or industry – cont.	23. Targets	(a) the time frame over which the target applies.	Page 40
		(b) any associated interim targets.	N/A
		(c) the base year from which progress is measured.	Page 40
		(d) a description of performance against the targets.	Pages 34-35 and 40
		(e) for each GHG emissions target: (i) whether the target is an absolute target or intensity target (ii) the entity's view as to how the target contributes to limiting global warming to 1.5°C (iii) the entity's basis for the view expressed in (ii), including any reliance on the opinion or methods provided by third parties (iv) the extent to which the target relies on offsets, whether the offsets are verified or certified and if so, under which scheme or schemes .	Page 40
	24. GHG emissions	(a) a statement describing the standard or standards that its GHG emissions have been measured in accordance with.	Pages 34-35 and 40
		(b) the GHG emissions consolidation approach used: equity share, financial control or operational control.	Page 32
		(c) the source of emission factors and the global warming potential (GWP) rates used or a reference to the GWP source.	Page 32 and 41-48
		(d) a summary of specific exclusions of sources, including facilities, operations or assets with a justification for their exclusion.	Page 32

Glossary of Terms

C	CEO	Chief Executive Officer
	CFO	Chief Financial Officer
	CRD	Mandatory climate-related disclosures for the reporting period 1 April 2023-31 March 2024 under the Financial Markets Conduct Act 2013
	CRE	Climate Reporting Entity
E	EV	Electric vehicle
F	FMCA	Financial Markets Conduct Act 2013
	FY	Financial year
G	GHG Protocol	The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard and Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard
	GHG Report	Oceania's GHG inventory report
	Green Star	A sustainability rating system for buildings and communities, administered by the NZGBC. Green Star evaluates environmental and social impacts across key categories such as energy, water, materials, indoor environment quality, and innovation. Ratings range from 4 to 6 stars.
H	Homestar	A comprehensive, independent rating tool developed by the NZGBC that assesses the health, efficiency, and sustainability of residential homes. Homestar ratings range from 6 to 10 stars.
I	IPCC	Intergovernmental Panel on Climate Change
	ISO	International Organisation for Standardisation
	ISO 31000:2018	ISO guidelines on managing risk faced by organisations.
	ISO 14091:2021 – Adaption to climate change	ISO guidelines for assessing the risks related to the potential impacts of climate change.
K	KPI	Key performance indicator
M	M&A	Mergers and acquisitions
	MfE	Ministry for the Environment
N	NCCRA	Ministry for the Environment's National Climate Change Risk Assessment
	NGFS	Network for Greening the Financial System
	NZCS	Aotearoa New Zealand Climate Standards
	NZCS 1	The Aotearoa New Zealand Climate Standard 1 – Climate-related disclosures
	NZCS 2	The Aotearoa New Zealand Climate Standard 2 – Adoption of Aotearoa New Zealand Climate Standards
	NZCS 3	The Aotearoa New Zealand Climate Standard 3 – General Requirements for Climate-related Disclosures
	NZD	New Zealand Dollar
	NZGBC	New Zealand Green Building Council
O	ORA	Occupation Right Agreement
S	SBTi	Science Based Targets initiative
	SMEs	Subject Matter Experts
	Solar PV	Solar Photovoltaic
	SPTs	Sustainability Performance Targets under Oceania's sustainability linked loan
T	TCFD	Taskforce for Climate-related Financial Disclosures
X	XRB	External Reporting Board

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Independent limited assurance report to Oceania Healthcare Limited

Assurance conclusion

Based on our limited assurance procedures performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Oceania Healthcare Limited's consolidated gross Greenhouse Gas ("GHG") emissions, related additional required disclosures of gross GHG emissions and gross GHG emissions methods, assumptions and estimation uncertainty, within the scope of our limited assurance engagement (as outlined below) included in Oceania Healthcare Limited's Climate-Related Disclosures for the year ended 31 March 2025 ("Climate Statement") are not fairly presented and not prepared, in all material respects, in accordance with the Aotearoa New Zealand Climate Standards ("NZ CS") issued by the External Reporting Board (XRB).

Scope

Ernst & Young Limited ("EY") has undertaken a limited assurance engagement, to report on Oceania Healthcare Limited's (the "Company" or "Oceania"):

- Consolidated gross GHG emissions on page 33:
  - Scope 1;
  - Scope 2 (location based but not market based);
  - Scope 3;
- Related additional requirements for the disclosure of consolidated GHG emissions on page 32;
- Related GHG emissions methods, assumptions and estimation uncertainty on page 41-48

included in the Climate Statement for the year ended 31 March 2025 (the "Subject Matter" or "GHG disclosures"). The reported amounts and disclosures relate to the Company and its subsidiaries (together the "Group") as explained in the Climate Statement.

Our assurance engagement does not extend to any other information included, or referred to, in the Climate Statement on pages 1-40 to 49-54. We have not performed any procedures with respect to the excluded information and, therefore, no conclusion is expressed on it.

Criteria applied by Oceania

In preparing the GHG disclosures, Oceania applied NZ CS (the "Criteria"). In applying the Criteria, the methods and assumptions used are described on pages 41 to 48 of the GHG disclosures, as are the estimation uncertainties inherent in the methods and assumptions used.

Key matters

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

Spend-based methods used in measurement of certain Scope 3 emissions sources

Why significant	Procedures to address key matter
As explained on page 43 and 44, Oceania has measured the GHG emissions from "Scope 3 – Purchased goods and services" and a component of "Scope 3 – Capital goods" using the spend-based calculation method as described in the GHG Protocol Corporate Accounting and Reporting Standard and the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Standard (together the "GHG Protocol"). The spend based components of these emission categories comprise approximately 26% of the Group's total GHG emissions for the period ended 31 March 2025. The spend-based calculation method estimates emissions for goods and services by multiplying the value of goods and services purchased with emission factors relevant to the type of good or service. This method uses average emissions per dollar spend factors, which may differ significantly from the emissions actually created from a certain spend on a particular product due to differences between the supply chain and characteristics of a product and the assumed average. The use of the spend-based calculation method comes with inherent uncertainty and may result in significantly different estimated emissions compared to actual emissions. Due to the high level of estimation involved, improvements to the calculation method or assumptions for these emission sources could result in future material changes and restatements to previously reported amounts. In the current year Oceania have used a New Zealand derived source of spend-based emissions factors as opposed to an international source used in prior periods. This has resulted in a material restatement of emissions previously reported in relation to the "Scope 3 - Purchased goods and services" and "Scope 3 - Capital goods" categories.	In considering Oceania's measurement and disclosure of Scope 3 emissions measured using spend-based methods we: • Obtained an understanding of the spend-based calculation method, assumptions and estimation uncertainties used; • Considered whether the application of the spend-based calculation methodology by Oceania aligned with the GHG Protocol; • Considered the reasonableness of the selected spend-based emission factors and their application in the calculation process; • Considered the categorisation of Oceania's dollar spend on purchased goods and services and capital goods by performing analytics and inquiry; • Considered the disclosures made by Oceania in relation to the calculation method, assumptions and uncertainties in estimating these emission sources and in relation to the restatements made to previously reported amounts, as disclosed on page 33, 43 and 44.

Calculation methodology used for measuring certain capital goods emissions sources

Why significant	Procedures to address key matter
Oceania has measured the majority of its "Scope 3 – Capital goods" GHG emissions using the average-data method as described in the GHG Protocol. These emissions comprise approximately 58% of the Group's total GHG emissions for the period ended 31 March 2025. The calculation methodology used by Oceania is described on page 44. This methodology has been developed by Oceania to provide a measurement approach for estimating the embodied emissions from their building development activities based on the characteristics of different types of units and suites ("typologies"). This calculation methodology is complex and relies on the use of experts to estimate the quantity of different building products used to construct different typologies and match these with the appropriate product-specific emissions factor for that building product to create Oceania specific emissions factors for each typology. Oceania then classifies development activities for each completed build in the financial year into these typologies to estimate the total embodied emissions associated with that build. This calculation methodology relies on significant judgements and estimation.	In considering Oceania's measurement and disclosure of "Scope 3 – Capital goods" emissions we: ▪ Obtained an understanding of the calculation method, assumptions, and estimation uncertainties used; ▪ Considered whether Oceania's application of the average-data calculation methodology aligned with the GHG Protocol; ▪ Considered Oceania's use of experts in developing the calculation inputs and whether their work was suitable for Oceania's purpose and aligned with their area of expertise; ▪ Considered the reasonableness of the assumptions made to develop the typologies and the associated building product specific emissions; ▪ Checked the builds included in the calculation to those completed in the year; ▪ Considered the allocation of typology to the completed builds in the current year; ▪ Checked a sample of the calculations used to estimate embodied emissions for arithmetic accuracy;

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Independent assurance report cont.

Why significant	Procedures to address key matter
	▪ Considered the disclosures made by Oceania in relation to the calculation method, assumptions and uncertainties in estimating these emission sources, as disclosed on page 33 and 44.

Oceania's responsibility

The Directors are responsible, on behalf of the Company, for the preparation and fair presentation of the GHG disclosures in accordance with NZ CS. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the GHG disclosures, such that they are free from material misstatement, whether due to fraud or error.

EY's responsibility

Our responsibility is to express a limited assurance conclusion on the GHG disclosures based on the procedures we have performed and the evidence we have obtained.

Our engagement was conducted in accordance with New Zealand Standard on Assurance Engagements 1 *Assurance Engagements over Greenhouse Gas Emissions Disclosures* ("NZ SAE 1") and in accordance with the International Standard for Assurance Engagements (New Zealand): *Assurance Engagements on Greenhouse Gas Statements* ("ISAE (NZ) 3410"). Those standards require that we plan and perform this engagement to obtain limited assurance about whether the GHG disclosures have been prepared, in all material respects, in accordance with the Criteria. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

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

EY provides financial statement audit and review services and assurance in relation to sustainability-linked loan performance to Oceania. Partners and employees of our firm may deal with the Group on normal terms within the ordinary course of trading activities of the business of the Group. We have no other relationship with, or interest in, the Group.

Our independence and quality management

We have complied with the independence and other ethical requirements of NZ SAE 1 *Assurance Engagements over Greenhouse Gas Emissions Disclosures* issued by the External Reporting Board (XRB) and the Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board*, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Professional and Ethical Standard 3 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than, for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the report and related information and applying analytical and other relevant procedures.

Our procedures included:

- Obtaining, through inquiries, an understanding of Oceania's control environment, processes and information systems relevant to the preparation of the GHG disclosures. We did not evaluate the design of particular control activities, or obtain evidence about their implementation;
- Evaluating whether Oceania's methods for developing estimates are appropriate and had been consistently applied. Our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate Oceania's estimates;
- Evaluating organisational and operational boundaries to test completeness of GHG sources;
- Performing analytical procedures on particular emission categories by comparing the expected GHGs emitted to reported GHGs emitted and making inquiries of management to obtain explanations for any significant differences we identified; and
- Considering the presentation and disclosure of the GHG disclosures.
- Performing recalculations and aggregation of GHG emissions; and
- Considering the presentation and disclosure of the GHG disclosures.

We also performed such other procedures as we considered necessary in the circumstances.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.

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Independent assurance report cont.

Inherent uncertainties

The GHG quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of GHGs. Additionally, GHG procedures are subject to estimation uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge.

Use of our assurance report

We disclaim any assumption of responsibility for any reliance on this assurance report to any persons other than Oceania, or for any purpose other than that for which it was prepared.

The engagement partner on the engagement resulting in this independent assurance conclusion is Pip Best.

Ernst & Young Limited
Auckland
5 June 2025

oceaniahealthcare.co.nz

OCEANIA

Climate-Related Disclosures FY2025

Oceania