CH●RUS

Sustainability Report
2024

For the 12 months ended 30 June 2024

This report has not been independently verified.
Please also see the Important note on page 35 of this report.

Chorus has also released its first Climate Statements https://company.chorus.co.nz/sustainability, prepared under the new climate-related disclosures regime, with limited assurance gained for our FY24 Green House Gas Inventory.

Message from Mark Cross and Kate Jorgensen

The past year has been significant for Chorus, marked by both progress and challenges. Our journey towards achieving our sustainability goals has been ongoing, focusing on environmental, social, and governance (ESG) principles. While we are proud of our accomplishments, we acknowledge that there is still much to do.

In FY24, our sustainability strategy revolved around three key areas: Thriving Environment (climate mitigation, climate adaptation), Sustainable Digital Futures (supporting digital equity across Aotearoa), and Thriving People (diversity, equity and inclusion). These areas are not just buzzwords for us; they guide our actions and policies.

This year we've published our first Climate Statements https://company.chorus.co.nz/sustainability containing our climate-related disclosures for FY24, prepared under the new Aotearoa New Zealand climate-related disclosures regime. Fibre networks provide more energy efficient digital infrastructure than copper because they transmit data via light over large distances, offering additional environmental benefits.[1]

In 2022, the World Broadband Association noted that fixed broadband service providers will play a key role in reducing the environmental impact of the telecommunications sector, particularly fibre-to-the-home (FTTH) networks.[2]

One of our primary environmental goals is to reduce our carbon footprint. This year, we concentrated on lowering our electricity consumption and exploring ways to generate renewable energy.[3]

In addition to our emissions reduction and renewable energy initiatives, we are working on enhancing our climate adaptation strategies. We understand the importance of building resilience against climate change impacts. We are developing our business planning and asset management processes with climate considerations in mind, seeking to prepare Chorus for the challenges of a changing climate.

Digital inclusion remains a cornerstone of our social sustainability efforts. This year, we have supported programmes to bridge the digital divide. These initiatives go towards helping more people across Aotearoa, regardless of ethnicity, gender, age, or location, to access and benefit from the digital world. Our work has illuminated the affordability gap in connectivity, and we are committed to playing our part in closing this gap.

One of our key programmes has been working with local organisations to support digital literacy in under-served communities. This effort helps show individuals how to navigate the online world safely and effectively. Chorus also advocates for improved connectivity in rural areas outside today's fibre footprint; we want to ensure that all New Zealanders can participate fully in the digital age.

Our commitment to diversity, equity, and inclusion (DE&I) has been recognised this year. We were a winner in the HRNZ 2024 Awards, a winner in the Newmarket Business Association awards and a finalist in the Deloitte Top 200 Awards. These accolades reflect our work and focus on creating a more inclusive workplace. However, we know there is still more to do, and true inclusivity requires continuous effort and vigilance.

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1   Assessing the emissions footprint of the fibre networks relative to other fixed broadband options in NZ.
    https://assets.ctfassets.net/7urik9yedtqc/629sLjWrhQWrbqOuU8JlKc/17b61d7c556852f52f18f92ff7bfaa65/Broadband_Emissions_Footprint_Report_2021_-_Broadband_Emissions_Footprint_Report.pdf.
2   World Broadband Association, 'Importance of Environmental Sustainability in Telecom Service Providers' Strategy', 2022. https://worldbroadbandassociation.com/wp-content/uploads/2022/09/Print_2609_WBBA-Environmental-Sustainability.pdf.
3   Subject to trial findings and capital management/business plan approval.

We strive to create an environment where everyone feels valued and can contribute to their full potential. We have policies and programmes in place which have been designed to support this goal, promoting a culture of respect, and understanding. This is not just about meeting targets; it's about fostering a workplace where diversity thrives, and all voices are heard.

Chorus has a sustainability governance structure that helps ensure sustainability is overseen at the highest levels of the organisation and embedded throughout everyday operations. Our corporate governance documents, including our Sustainability Policy, Diversity, Equity and Inclusion Policy, Code of Ethics, Health & Safety Policy and Managing Risk policy, are available at; https://company. chorus.co.nz/governance.

Connecting New Zealanders is at the heart of what we do. This connection is not just about providing internet services; it's about enabling people to live, learn, work, and play sustainably. Our community engagement efforts reflect this commitment. As you'll see in this report, we support various initiatives that help people understand and utilise the benefits of digital connectivity.

As we move forward, we will continue to work towards building a sustainable future for all New Zealanders. We will continue to enhance our climate strategies and support digital inclusion initiatives. Our commitment to diversity and inclusion will remain strong, as we continue to work towards creating a workplace and services reflect the diverse communities we serve.

We recognise that our journey is far from over. Sustainability is a continuous process requiring constant adaptation and improvement. We have set meaningful targets and are committed to meeting them, not just for today but for future generations.

In conclusion, we would like to thank our dedicated team, partners, and communities for their support and collaboration. Together, we can create a sustainable future where people and the planet thrive.

Mark Cross
Chair

Kate Jorgensen
Chair Audit & Risk Management Committee

CH●RUS

Sustainability
Overview
2024

Chorus overview

Chorus is New Zealand's largest fixed line telecommunications network operator providing wholesale telecommunications services to broadband retailers.

Our fibre network offers individuals, communities, and businesses access to high-speed, reliable, and world-class fibre broadband.

At 30 June 2024:

846
EMPLOYEES WORKING FOR CHORUS

1,150
TECHNICIANS WORKING ON CHORUS' BEHALF

71.4%
FIBRE UPTAKE

1,084,000
FIBRE CONNECTIONS

157,000
COPPER CONNECTIONS
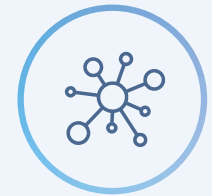
7,974
PETABYTES OF DATA CARRIED ON OUR NETWORK

Recycling
93% OF TOTAL WASTE DIVERTED FROM LANDFILL IN FY24

3% Reduction
IN ELECTRICITY USE IN FY24 (AGAINST FY23)
FY24 (75.1 GWH)
FY23 (77.4 GWH)
FY22 (81 GWH)
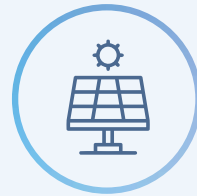
Renewable energy
SIX EXCHANGES SELECTED FOR SOLAR TRIAL

39% Reduction
IN SCOPE 1 & 2 EMISSIONS AGAINST BASE YEAR FY20

2,800+ students
SUPPORTED WITH FREE CONNECTIONS BY CHORUS VIA THE MINISTRY OF EDUCATION FREE CONNECTION INITIATIVE

28% of Chorus
PEOPLE USED THEIR VOLUNTEER DAY TO SUPPORT COMMUNITIES UP FROM 21% IN FY23

Materiality assessment

Our focus on Sustainability is guided by our purpose, by Kaitiakitanga (environmental guardianship) and Manaakitanga (acts of giving and caring for).

Over the last four years, we have worked with external consultants, most recently in 2022, to validate our sustainability approach and run materiality assessments with stakeholders[4] to ensure we focus on what makes business sense while supporting important initiatives for Aotearoa New Zealand. We asked stakeholders in 2022 to rank a list of material topics in terms of Chorus' ability to create value.

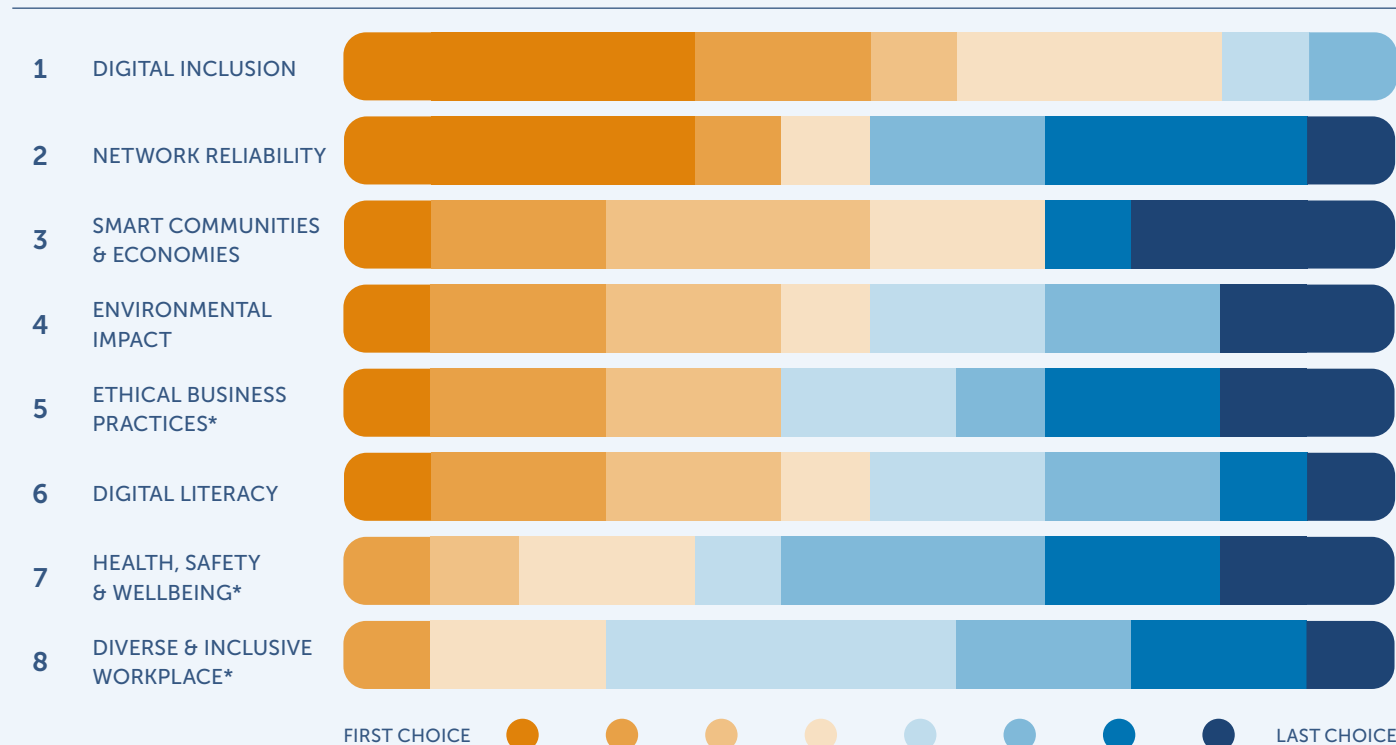The results of our materiality assessment helped us refine our areas of focus for our sustainability strategy and align to our three pillars; Thriving environment (environmental impact and, network reliability and smart communities), Sustainable Digital Futures (digital inclusion and literacy) and Thriving People (ethical business practice, health, safety & wellbeing, diversity, equity and inclusion).

RANK OPTIONS

RANK	OPTIONS
1	DIGITAL INCLUSION
2	NETWORK RELIABILITY
3	SMART COMMUNITIES & ECONOMIES
4	ENVIRONMENTAL IMPACT
5	ETHICAL BUSINESS PRACTICES*
6	DIGITAL LITERACY
7	HEALTH, SAFETY & WELLBEING*
8	DIVERSE & INCLUSIVE WORKPLACE*

FIRST CHOICE ● ● ● ● ● ● ● ● LAST CHOICE

*   Ethical business practices; diverse and inclusive workplace; health, safety and wellbeing were lower on the priority list for stakeholders referenced in the external report as business as usual topics that must be done.

4   Stakeholders contacted in the 2022 materiality assessment included Investors, Board, sub-group of Chorus employees, 750 public and 400 small medium businesses and a representatives of the commerce commision, government, enerprise busnesses, retail service providers, local fibre companies, Māori Spectrum Group, Crown Infrastructure Partners and consumer groups.

Chorus' FY24 business strategy

In FY24, sustainability was integrated into our business strategy with three key areas of focus representing our commitment to improving Chorus' environmental, social, and governance performance: Thriving Environment (Climate mitigation, climate adaptation); Sustainable Digital Futures (supporting digital equity across New Zealand) and Thriving People (Diversity, Equity & Inclusion).

Our purpose in FY24 was to 'Connect Aotearoa so that we can all live, learn, work and play'. This helps guide how Chorus invests and innovates to deliver connectivity services for Aotearoa to help enable the environmental, digital, and social transformation ahead.

Chorus' FY24 sustainability strategy

Our commitment to improving environmental and social impact.

Thriving Environment Accelerate climate mitigation and adaptation by...

Sustainable Digital Futures and Thriving People – partnering to bridge the digital divide...

Sustainability is at the heart of Chorus, it's **how** we connect Aotearoa so that we can **all** live, learn, work and play – and help solve some of the environmental, economic, and social issues Aotearoa is facing.

CH●RUS

KNOW OUR IMPACT
We act to reduce our emissions and hit our science-based targets of a 62% reduction of Scope 1 & 2 emissions by 2030 from 2020 levels, and have a scope 3 target of 70% of suppliers to have a science-based target by FY29.

REDUCE ELECTRICITY USE
We identify ways to switch off legacy equipment and run our network more efficiently. We'll reduce our use of electricity by 25% by 2030 from 2020 levels.

INVEST IN RENEWABLE POWER
We use 100% renewable energy to power our networks and invest in solar to help power our nationwide exchanges.

ENERGY EFFICIENCY
We consider energy efficiency in our product design and equipment purchases.

REDUCE, REUSE, RECYCLE
We work across our supply chain to minimise waste and help create a circular economy, ensuring full lifecycle management of our assets and kit are climate friendly.

CLIMATE SCENARIO ANALYSIS
We understand the impact of climate change and the impact on our business, our sector and the communities we serve.

CLIMATE RELATED RISKS & OPPORTUNITIES
We are prepared for the impact of climate change on our business, and we innovate to keep our network resilient and sustainable.

Access
Fibre is a low emission technology, so we'll focus on getting it to as much of Aotearoa as we can. We will push to get internet recognised as a critical infrastructure.

Affordability
With a cost of living crisis, being a digital citizen is out of reach for many. We will partner with industry, government and community organisations to find affordable connectivity solutions.

Adoption
We will partner with community organisations and not for profits to strengthen digital capability and remove digital exclusion barriers.

Inspiring rangatahi
We're building an inclusive, and equitable culture where differences are our strength, we connect on shared values, and everyone has the opportunity to thrive – and we want to inspire future generations to join us.

While the three pillars of our Sustainability strategy are enduring, the activities within them will evolve over time to ensure we continue to be responsive to a changing operating environment and the needs of our stakeholders. Our Sustainability strategy sits alongside our Diversity, Equity and Inclusion Strategy.

Achievement – FY24 overview

The results below represent a snapshot of our progress in FY24 across our sustainability initiatives. More detail is set out in the individual sections of this Report (Thriving Environment, Building Resilience, Sustainable Digital Futures and Thriving People) below.

Thriving Environment

1   **39% Reduction**
in Scope 1 & 2 emissions in the years since our base year of FY20.

2   **3% Reduction**
in electricity use in FY24 (against FY23)
FY24 (75.1 GwH)
FY23 (77.4 GwH)
FY22 (81 GwH).

3   **Renewable energy**
Six exchanges selected for solar trial.

4   **Recycling**
93% of total waste diverted from landfill in FY24.

Building Resilience
(includes Health & Safety)

1   **Achieved**
Business Continuity Maturity (BCM) PwC Capability model rating of 3 'defined'.

2   **SafePlus**
'Leading' rating achieved.

3   **100% score**
Joint Audit Co-operation (JAC) Audit for our corporate social responsibility approach.

4   **H&S low injury rates**
Well below industry benchmarks.

Sustainable Digital Futures

1   **2,800+ students**
Supported by Chorus via the Ministry of Education free connection initiative.

2   **100 people**
Graduated from the Hapori Connect digital skills programme.

3   **854 seniors**
Supported with tech queries at the Digital Senior Hubs.

4   **28% take up of employee volunteer days**
Up from 21% in FY23.

Thriving People

1   **Winner D,E & I Awards**
HRNZ Awards 2024 and the Newmarket Business Association Awards. Finalist Deloitte Top 200 Awards 2023.

2   **40:40:20**
Gender ratio achieved at Board, and Executive level.

3   **Advanced Category**
of the Gender Tick achieved along with gold level Pride Pledge and Accessibility Tick accreditation.

4   **Top 5-10% employee score**
Technology industry benchmark for employee engagement in the pillars of Wellbeing and D,E&I.

5   **31% participation**
in the Te Ao Māori online programme. 201 people participated in additional Te Ao Māori wānanga / knowledge sessions.

Te taiao puāwai
Thriving environment

Our focus is to understand our environmental impact, identify climate-related risks and opportunities that apply to our business and find ways to reduce our emissions. We're also preparing for what's to come, using climate change scenarios to understand the current and future impacts of climate change, and help us adapt for the future.

Thriving Environment overview

This is Chorus' first reporting period under the mandatory climate-related disclosures (CRD) regime. This 'Thriving environment' section of our Sustainability Report provides a snapshot of our key environmental progress.

Please refer to our Climate Statements at https://company.chorus.co.nz/sustainability for our CRD for FY24 prepared in accordance with the requirements of the Aotearoa New Zealand Climate Standards.

Climate-related sector scenario analysis and Chorus' climate-related risks and opportunities

In June 2023, New Zealand's Telecommunications Forum (TCF) established a Climate Change working group. This development saw members of the New Zealand telecommunications sector, including Chorus representatives, come together to better understand the plausible climate scenarios that we could face as a sector. Tonkin & Taylor was engaged to provide expertise and facilitate this scenario analysis programme which spanned across most of FY24. Chorus has used the analysis work arising from this programme (including specific climate scenario narratives adapted to our business as an infrastructure provider of fixed-line networks) to deepen our assessment of Chorus' resilience to climate-related risks and opportunities in FY24.

Chorus' climate-related risk and opportunity framework uses the same, approach, principles, tolerances, impact and likelihood scales used in Chorus' enterprise-wide risk management processes, and in line with the risk management policy endorsed by the Chorus Board. We have consolidated all climate-related risks and opportunities into a single risk and opportunities register so we can manage these holistically. Business owners are assigned to each risk who endeavour to manage and mitigate that risk.

An overview of Chorus' FY24 climate-related risk management framework and our identified risks and opportunities (both physical and transitional), possible impacts, and risk mitigation to address those risks is set out in our Climate Statements.

Emissions targets & reduction progress

Our targets are science-aligned*, following guidance from the
Science Based Targets Initiative (SBTi) for the Information Communications
Technology (ICT) sector.

Science-aligned target*

62%

Scope 1 & 2
emissions reduction
(based on FY20
base year emissions
levels) by FY30

Progress against target

39%

Scope 1 & 2
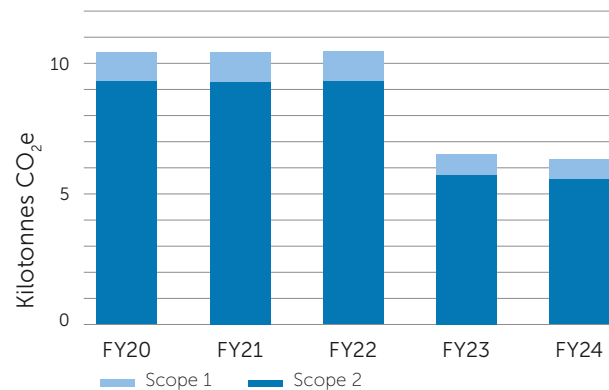emissions reduction
against the FY20
base year

Our focus for FY24 has been on reducing our electricity use
and exploring opportunities to invest in renewables.

In FY24 we achieved a 3% reduction in electricity against
FY23, mainly due to our copper withdrawal programme and
upgrading or removing legacy network equipment.

We also completed a solar feasibility assessment and report,
which has led to the solar PV programme for six of our
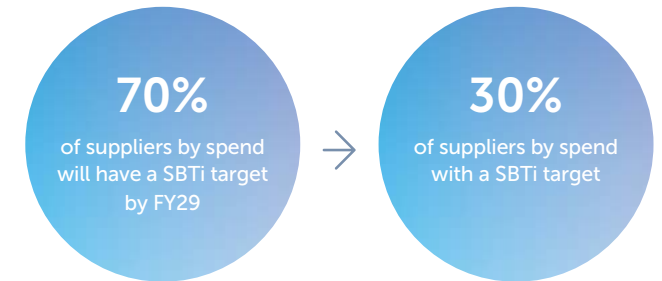exchanges with build expected to start in FY25.

Figure 1:

Scope 1 & 2 emissions reduction from FY20 base year

Bar chart showing Kilotonnes CO_2e for FY20 through FY24, with Scope 1 and Scope 2 emissions.

Legend: Scope 1, Scope 2

Science-aligned target

70%

of suppliers by spend
will have a SBTi target
by FY29

Progress against target

30%

of suppliers by spend
with a SBTi target

We continue to work closely with suppliers to understand
their environmental and broader sustainability commitments,
including through our contractual arrangements and ongoing
engagements with key suppliers.
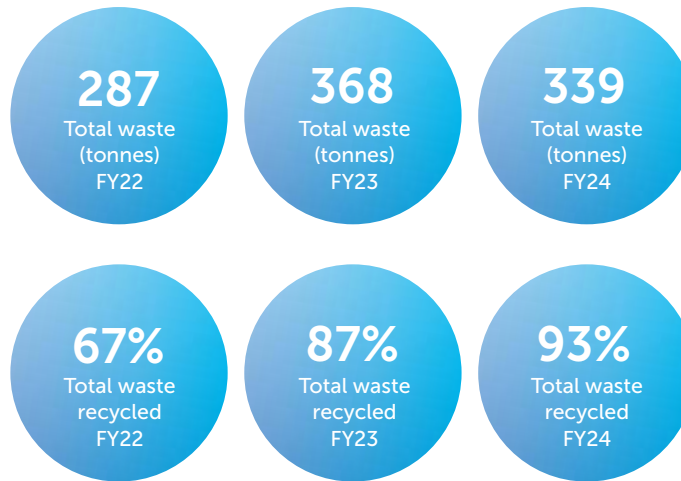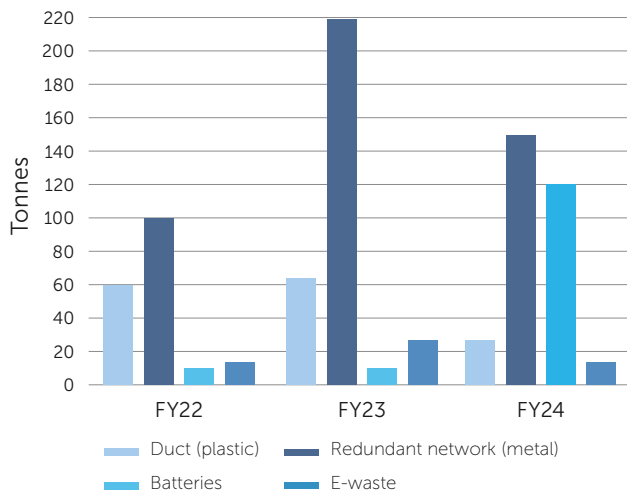
A more detailed view of our climate targets and supporting
metrics and targets can be found in our FY24 Climate
Statements. https://company.chorus.co.nz/sustainability.

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* Science-aligned as our two targets are with SBTi for validation
  and are currently listed on SBTi's website as 'Targets Set'.

Waste reduction

Waste across our organisation FY22 - FY24 (recycled)

Legend: Duct (plastic), Redundant network (metal), Batteries, E-waste

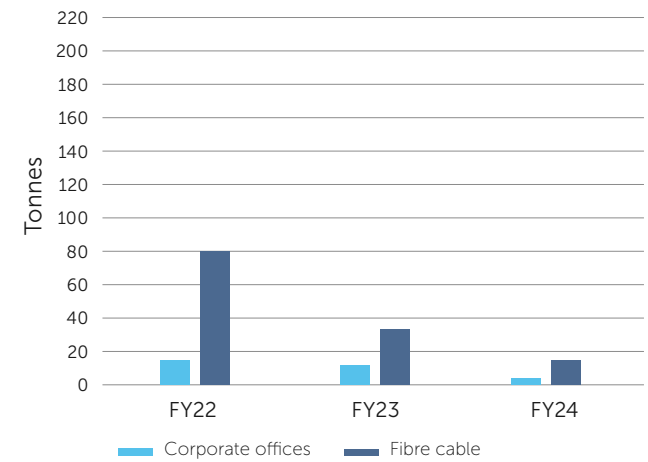|	Total waste (tonnes)
287	Total waste (tonnes) FY22
368	Total waste (tonnes) FY23
339	Total waste (tonnes) FY24
67%	Total waste recycled FY22
87%	Total waste recycled FY23
93%	Total waste recycled FY24

FY24 saw:

- Lower duct (plastic) and fibre cable recycling volumes as a result of lower build volumes, with the completion of UFB2/2+ in FY23.

- An uplift in battery recycling due to Chorus' battery replacement activity.

- Lower metal & E-waste recycling volumes compared to previous years, due to steady removal of redundant Chorus equipment in exchanges.

Plastic duct is collected so that it can be made into pellets and reused for new plastic ducting. E-waste ready for collection to be recycled.

Waste across our organisation FY22 - FY24 (landfill)

Legend: Corporate offices, Fibre cable

Whakapakari
Building resilience

At Chorus, we know that investing in our people and their safety, along with ensuring our assets are safe, resilient and efficient is essential to our business.

Building resilience

Safe, resilient and efficient asset operator

We care — Providing for the safety and welfare of all the people in our telco ecosystem through

Caring about our people, enabling a positive, visible and values-driven health and safety culture helping everyone get home safe everyday.

CH●RUS

INDUSTRY & SECTOR PARTNERSHIPS
Leverage our position in the telco ecosystem to influence safe and sustainable outcomes for both Chorus and our sector workforce.

TRAINING & PROCESS
Enable our people with the information, instruction, training, and supervision to carry out their work safely.

CONTRACTOR MANAGEMENT
Manage and maintain comprehensive safety measures, collaboration, and communication among all stakeholders in our supply chain.

SYSTEMS UPLIFT & AUTOMATION
Drive improved risk mitigation and management, and improved governance and reporting, delivering greater H&S maturity.

REPORTING & ASSURANCE
Provide accurate, timely information on performance, incidents and trends, and conducting assessments to identify areas for improvement.

Engagement
Active involvement, participation, and collaboration in promoting a safe and healthy work environment.

Leadership & Commitment
Active involvement, commitment, and support from leaders for every Chorus person to remain physically and mentally safe at work.

Risk Management
Insight over hindsight. Identifying potential hazards, managing risks, and understanding the impact of these risks on employees, processes and Chorus supply chain.

Continuous Improvement
Uplifting capability driven through an ongoing process of enhancements to practices, policies, procedures and training.

Increasing Maturity
Enabling and encouraging behaviour to improve safety maturity in Chorus and across the Supply Chain.

Network reliability

The OECD[5] has said the shift to a post-pandemic digital future requires high-quality broadband networks characterised by high speeds, high reliability and low latency. It's little wonder that the OECD reports an accelerating international shift to fibre networks, with fibre being the dominant fixed network technology in December 2023. Of total fixed broadband subscriptions on OECD countries, 42.5% were on fibre with cable falling to 29.6% and copper falling to 20.3%.

For the year to 30 June 2024, fibre comprised 87% of our total fixed line connections and fibre broadband uptake grew to just over 71% of addresses passed, up from 69% at the end of FY23. Average monthly data usage on fibre was 623 gigabytes in June 2024, above the peaks last seen during COVID lockdowns in 2021. The proportion of fibre users consuming more than 1 terabyte of data (1,000GB) a month lifted to 16%.

Fibre's capability relative to other technologies is clear when you consider the scale of data growth it has absorbed. Total data traffic on our combined fibre and copper network has grown 12% in the last two years, from 7,140 petabytes (PB) in FY22 to 7,974 PB in FY24. Within that total, the proportion carried by our fibre network has grown from 87% to 94%. Despite this growth, fibre has greater electricity efficiency relative to other technologies such as copper, meaning we've been able to reduce our overall electricity consumption and lower our emissions.

We recognise our network's essential role in customers' daily lives and businesses. We monitor our network 24/7 and have disaster response plans to help maintain or restore service in an emergency. Our employees and service company technicians often go the extra mile to keep communities connected during extreme weather or natural disasters.

We report fibre performance measures to the Commerce Commission. This includes two standards measuring network availability in 23 geographic regions based on downtime in the Layer 1 (physical) and Layer 2[6] (electronic) parts of the network. Figure 4 shows this data for fault restoration and unplanned downtime in FY24 at an aggregated national level. Another quality standard reported to the Commission measures national port utilisation to ensure network capacity is meeting demand.

Figure 4:

Fibre fault data: FY23 − FY24*

Fibre network	Faults per 100 connections		Average monthly unplanned downtime in minutes	
	FY23	**FY24**	**FY23**	**FY24**
Layer 1	2.47	3.06	32.52	27.74
Layer 2 (includes premises electronics)	1.1	1.22	12.17	10.68

*   excludes force majeure events and Chorus network in other local fibre company areas.

Environmental management

As the owner of nationwide exchange sites and an extensive fixed line network throughout urban and rural Aotearoa, we take practical steps to avoid environmental breaches.[7]

For FY24, we had no material environmental breaches.

Our environmental framework requires that we, and our suppliers, ensure our physical and operational work complies with all relevant local and central government legislation, including the National Environmental Standards for Telecommunications Facilities; the Health and Safety at Work Act NZ; the Resource Management Act; and the Heritage New Zealand Pouhere Taonga Act.

We have about 70 network sites on Department of Conservation (DOC) land, typically transmitter links on hilltops or mountains. Some of these remote sites are being retired as new technologies, that better meet the needs of rural customers, become available.

We have an in-house Environmental Management System that allows us to manage network build and other physical works projects. We engage with a range of local Māori organisations and Heritage New Zealand to ensure cultural impacts are mitigated, particularly where we are building network in culturally sensitive areas.

5   Source OECD 2024 - https://www.oecd.org/en/data/insights/statistical-releases/2024/07/future-proof-broadband-access-technologies-are-gaining-ground-for-both-fixed-and-mobile-networks-across-the-oecd-in-2023.html
https://www.oecd.org/content/dam/oecd/en/topics/policy-sub-issues/broadband-statistics/data/1-3-fixed-and-mobile-subscriptions-by-technology.xls
6   Definitions for Layer 1, Layer 2 and other technical terms are set out in the Glossary.
7   An environmental breach is an event that is a departure from standard operating conditions that can or does have an impact on human health or the environment (e.g. diesel spillage that pollutes the surrounding land).

Network resilience

Our network is designed to limit the customer impact of service outages through a range of practices including:

- physical duplication, or redundancy, within parts of the network to protect against equipment, cable or power system element failure.
- geographic separation of critical network elements
- developing the network in a way that limits the scale of any individual network failures.
- network practices to reduce the likelihood of accidental damage or network failure.

Chorus continues to make substantial investment in the resilience of its network through the rollout of fibre to premises and we've begun withdrawing copper network in areas where fibre is available. Other projects for FY24 included the design and build of mobile exchange on wheels (MEOW) units. The MEOWs were developed in the wake of last year's Auckland floods and Cyclone Gabrielle. In the event of a natural disaster, these units could potentially be on site to help replace a destroyed exchange within a day or two. With the ability to run on mains power or their own generator, they can support up to 25,000 fibre connections.

As a member of the Telecommunications Forum emergency response working group, Chorus is part of Government conversations (local and national) and sector initiatives focused on network resilience.

In FY24, Chorus also reviewed its resiliency strategy, focusing on the considerations we need to make when designing systems and networks along with ensuring that we are testing and measuring operational reliability.

Our FY23 assessment of flooding risk for our network assets continues to support our future asset management plans, along with the knowledge gained from extreme weather events. We are, for example, considering ways to make river crossings more resilient and how alternative technology may be used to provide added diversity to key fibre routes. For more information on Chorus's current climate-related impacts, refer to our FY24 Climate Statements at https://company.chorus.co.nz/sustainability.

Cyclone Gabrielle also highlighted the interdependence between telco networks, and other infrastructure, such as electricity and roads, in a natural disaster. The Telecommunications Forum's proposals for disaster preparedness and emergency management include improved understanding of other infrastructure's resilience and planning.

Earthquakes remain the primary focus for our resiliency planning. Historically, earthquake damage has tended to be limited to local copper cables, with the fibre cabling tending to have more flexibility or slack, and damage to exchange buildings has been minimal. We have an ongoing programme to strengthen critical network sites for earthquakes. Seismologists are using our West Coast fibre network to analyse the South Island's Alpine Fault and gather data to help model possible seismological scenario. This first-of-its-kind study will help inform local communities and organisations and help them to plan for future essential utility resiliency.

Our insurance programme covers all risks (subject to standard exclusions) of physical damage and business interruption for above-ground assets. Specific cover is provided for earthquake damage to underground cables in Auckland, Hamilton, Wellington and Dunedin.

We undertake probability-based loss estimate modelling to ensure adequate policy limits covering material damage and business interruption.

Business Continuity Planning

Chorus continues to enhance its business continuity management (BCM) to effectively prepare for and recover from disruptive events such as climate-related extreme weather events, natural disasters, cyber-attacks, and other emergencies. Our strategy involves identifying potential risks to critical business functions, developing plans to mitigate the impact of these risks and rigorously testing these plans. In FY24, following Cyclone Gabrielle, we conducted a post event review where we were able to identify that Fibre service restoration took just six days in some areas.

In FY23, Chorus engaged an external consultant, to support an uplift of our internal Resilience Programme. We are now in the second year of a four-year internal BCM programme and will progressively mature over time by implementing the practices we have developed and by further integration of BCM into business-as-usual activities.

In FY24, PwC reviewed our BCM practices using their BCM Capability model and confirmed we are operating at a '3 – Defined' maturity level. We are investing in key capabilities to progress towards a positive maturity level of 3.5.[8] This provides comprehensive view of critical business functions, dependencies, and recovery timeframes, with tailored recovery strategies for each business unit.

Keeping people healthy and safe

The health, safety and wellbeing of our staff and field workforce are paramount and has been a foundational part of the way we run our business. This includes our direct employees and people working on our behalf to build, connect and maintain our network. Our health and safety (H&S) focus extends to anyone in, or in the vicinity of, our workplaces.

In FY24, our focus on H&S has supported our resiliency strategy through continued investment in critical controls, such as vehicle telematics that help to monitor and modify Chorus driver behaviours, capability training for driving, and manhole proactive management programme, all designed to limit harm to our field workforce and members of the public.

We implemented a new H&S reporting and management initiative in FY24. The initiative supports swift and effective incident responses, robust reporting, and deep insights into incident trends to proactively address safety concerns.

20,000
safety inspections
completed
FY24

6 million
hours worked,
only 8 minor
recordable injuries
FY24

Critical H&S Risk Management Framework

In addition to our Business Continuity Planning, we have a core team that manages our critical H&S risks for our staff and field workforce. Critical risks are those where the potential for serious harm is high, so we implement an additional layer of management to ensure that we have taken all measures we have identified to minimise that risk.

Approved by executive leadership and aligned with the Board's H&S risk tolerance, our framework puts in place systems to minimise the potential for our H&S to be compromised for business objectives. Key H&S performance measures are integrated into leadership targets, with overall targets monitored by the H&S Executive Steering Group, chaired by the CEO. This group meets monthly and receives insights on H&S critical risks, including incidents and status of controls, providing confidence that risks are managed effectively. A summary of the insights is also presented to the Board at their scheduled meetings.

In FY24, we reviewed our top ten critical H&S risks (vehicle accident, violence and aggression, mental health, asbestos, confined space, service contacts, manholes and utility covers, moving objects, traffic management and working at height). The risk review process includes discussions with our people and supply chain to ensure that proper controls have been identified and implemented to limit the potential likelihood and impact.

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8   PwC's BCM Maturity Model provides an indicative current state view of Chorus' BCM Capability Maturity on a scale of 1 to 5.

Joint Audit Co-operation (JAC) assessment

In FY24, Chorus voluntarily participated in a JAC assessment for one of its customers. JAC is an association of telecom operators aiming to verify, assess and develop the corporate social responsibility (CSR) frameworks of its main suppliers. The assessment was broad, looking at a range of areas including Labour requirements, Health & safety, Environment, Ethics & anti-corruption, Measurement & continuous improvement and Key performance indicators. Chorus received a 100% score with no issues, underscoring our strong focus on sustainability and safety.

SafePlus maturity assessment

In FY24 Chorus completed an independent H&S SafePlus[9] assessment of our performance against good practice health and safety requirements. We achieved a 'leading' result due to our risk management maturity (ability to identify, assess and control risks effectively). This shows H&S is integrated into our core business activities, demonstrating a strong sense of corporate social responsibility (CSR), and commitment beyond legislative H&S requirements.

Health & Safety injury rates

The volume of work performed, including our service companies, totalled 6 million hours for FY24. This is a reduction of 100k hours from the 6.1 million hours reported in FY23, resulting from decreasing connection activity and the end of the UFB rollout programme.

The Total Recordable Injury Frequency Rate (TRIFR) remained stable at 1.33 in FY24, compared to 1.30 in FY23. The number of recordable injuries to our people for FY24 was eight - the number in FY23 was also eight. The observed injuries included strains, sprains, and lacerations caused by manual handling activities, as well as slips, trips, falls, and vehicle accidents.

These trends were consistent with previous years. There were no fatalities. The Lost Time Injury Frequency Rate (LTIFR) also remained stable at 0.67 at the end of FY24, compared to 0.65 in FY23.

Our Health and Safety Policy is available online. https://company.chorus.co.nz/about/governance.
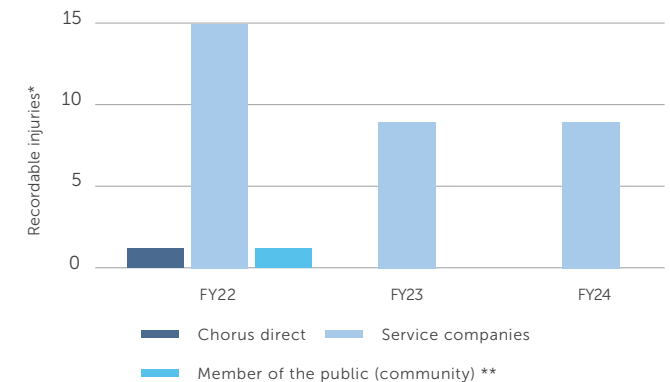
Figure 5:

Injury frequency rates FY22–FY24
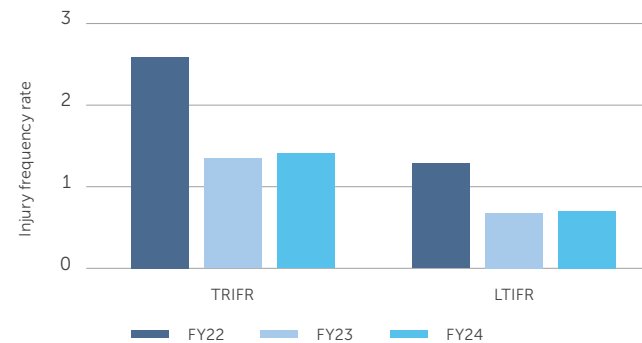
LTIFR: number of lost time injuries + medical treatment injuries + restricted work injuries per million hours worked.

Figure 6:

Actual recordable injuries* FY22–FY24

* Recordable injuries are medical treatment, lost time or restricted work injuries

** Member of the public (community) injuries reflect those sustained by slips and trips on Chorus infrastructure e.g. utility covers, which are remediated as quickly as possible.

Cybersecurity & Privacy

Privacy

We don't sell telecommunications services directly to customers or bill them directly. This means we hold less personal information than the retailers who use our network to provide services to their customers.

We protect and manage personal information in line with the requirements of the New Zealand Privacy Act 2020 and the Telecommunications Information Privacy Code 2020 that sets out additional rules for our sector.

Our privacy policy covers how people can raise concerns or make requests, such as access, correction, or deletion of personal information – https://www.chorus.co.nz/terms-and-conditions/our-privacy-policy.

We take our privacy obligations seriously and have a group of subject matter experts across our business who are responsible for keeping privacy policies and related staff training up to date to help ensure our obligations are front of mind whenever we deal with personal information.

Our Privacy Officer is responsible for implementing our privacy framework within our wider risk management framework. They promote awareness of our privacy systems and processes and escalate matters to the Executive team if required.

FY24 privacy initiatives

A roadmap for further enhancements to our privacy framework includes:

- a refreshed privacy policy to clarify how we collect, use and share personal information,
- a new employee website with resources such as privacy guidelines, policies on information management, and training videos,
- a new privacy training module for employees and contractors, to be completed annually,
- a new internal privacy breach reporting tool and process to clarify how we address and mitigate breaches,
- a process to identify and assess privacy risks for product and marketing decisions,
- bi-annual privacy reports to the Chorus Board.

Cybersecurity

The Audit and Risk Management Committee receives cybersecurity reports from our Chief Technology Officer every six months, with interim updates as required. These are reported back to the Board.

We have detailed policies, processes, and registers to ensure cybersecurity is addressed through technology selection, network delivery practices, and ongoing operations and protection of our IT systems. Access controls and encryption are applied to systems identified as containing sensitive information.

Our Principal Security Officer tests our security incident responses and liaises with the National Cyber Security Centre on advanced cyber threats. We undertake regular reviews, including annual external audits, and ad-hoc reviews, to provide assurance and feedback on our assessments and controls. Analysis of cyber-attacks against other businesses inform our approach.

We provide annual training to anyone who accesses our information systems, including contractors, on issues such as phishing and malware. Our contracted suppliers are required to meet our information security standards and we have insurance for key cybersecurity risks. We undertake incident exercises and vulnerability audits, including with external parties, in parallel with internal real-time scanning of our systems.

Toa hangarau
Sustainable Digital Futures

We're committed to positive social impact by working with others to strive for digital equity across Aotearoa.

Availability, affordability & adoption

Chorus is an active supporter of DECA (Digital Equity Coalition for Aotearoa), a network of organisations dedicated to achieving digital equality for all New Zealanders. The digital divide in Aotearoa has several obstacles, such as availability, affordability, and adoption.

Availability: Better connectivity for all

Chorus believes in connectivity services for more of Aotearoa, so all New Zealanders can access the digital world regardless of their location.

In FY24 Chorus announced:

• a programme to deliver fibre to close to 10,000 homes and businesses in 59 communities

• It's ambition to explore extending our fibre network to more of the country beyond the 87%

• It's intent to provide a more reliable network via copper network retirement
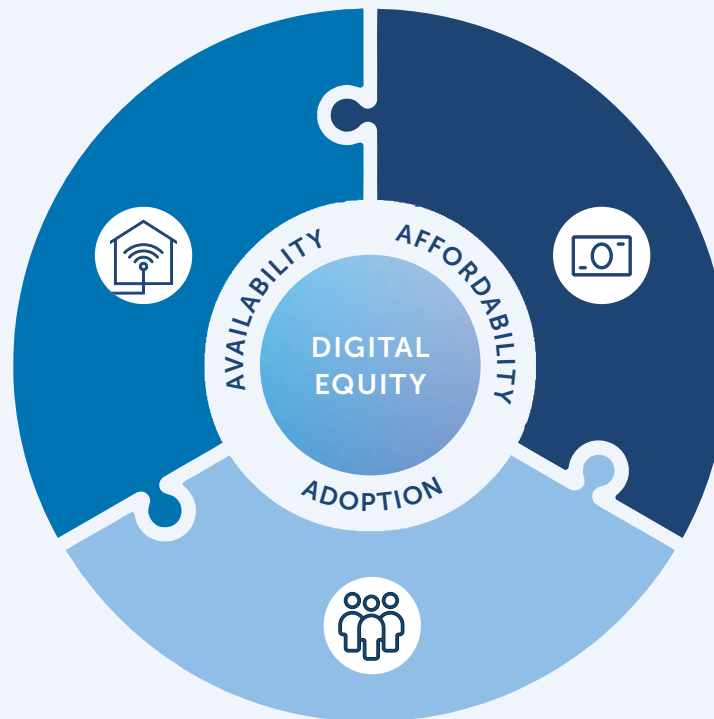
Affordability

With a cost-of-living crisis, being a digital citizen is financially out of reach for many. We partner with organisations to find affordable connectivity solutions.

• Delivery programmes for digitally excluded households
• Working with government to deliver internet for those in need
• Public Housing Tenants programme for eligibility
• Digital Equity Strategy pricing programme

Adoption

Chorus is partnering with others to help bridge the digital divide and has partnered with organisations with a key focus in this area.

In FY24 our partnerships included Katoa Connect (formerly 2020 Trust), Digital Seniors and NetSafe.

Affordability

Digital Equity Strategy and product proposition

Chorus took part in the Ministry of Education initiative to provide free internet for students whose families did not have a connection during the COVID pandemic. 3,000 households (2,843 on a Chorus connection) were on the free connection MOE initiative throughout FY24.

The next iteration of support has moved from a free service to a household contribution model[10], with Manaiakalani Education Trust acting as the intermediary from 1 July 2024 to 30 June 2025. Manaiakalani are engaging with households to confirm eligibility and whether they want to opt into the new initiative.

Our contribution has been to release the Digital Equity (Education) Broadband Package 2024, a fibre and copper low price wholesale offer to Retail Service Providers with a maximum retail price cap for these households.

We took the findings from the DECA Affordable Connectivity Report to frame up what the pricing levels of a fibre broadband connection could be for digitally excluded households and this supported our pricing structure for our Digital Equity (Education) Broadband Package 2024.

In FY25 we will begin the development of a proof-of-concept pilot with a broader equity product with public housing tenants.

Adoption

Volunteering

Our flexible working framework extended into volunteering in FY24. After feedback from our people about the existing volunteer programme, a new framework was launched in March 2024. These changes included splitting the 8 hours staff receive for volunteering into smaller chunks, allowing operational teams to volunteer outside of work hours, removing the barrier of only volunteering for non-profits and charities and lastly, giving time in lieu to people who volunteer at a Chorus event outside of work hours.

Since re-launching there has been increased engagement, ending the year with 28% of kaimahi using some or all of their 8 hours. The goal is to increase this number in FY25 and expand our engagement with our partnerships.

1,670
Volunteer hours in FY24

28%
Chorus people used volunteer hours in FY24
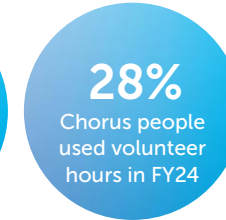
Our people can use their 8 hours volunteer leave in their local community.

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10 Household contribution model relates to the price a household pays per week for their internet connection to the Manaiakalani Education Trust. Connection prices range from $4 per week for fibre/copper connections (Chorus offer currently in place), but other connections types like fixed wireless, rural broadband and satellite vary.

Adoption continued

Digital Seniors

In FY24, we started a new partnership with Digital Seniors, a non-profit that provides one-on-one tech support to seniors in trusted local spaces. Launched in the Wairarapa in 2018, Chorus is supporting the growth of Digital Seniors in Auckland and since partnering opened hubs in Whangaparaoa and moved into East Auckland. Although tech support is what brings seniors into the hubs, the coaches who work with them often discover that the senior has additional needs and connect them with other community support organisations, providing them with holistic support and care.

Via our volunteer programme, Digital Seniors have organised pop up hubs for our staff to attend, including four of our executives, giving us an opportunity to coach and give back to our partnership and the local community.

This year Digital Seniors are hosting their first Digital Seniors Tech expo on the North Shore in Auckland. We've supported them with their marketing plan and will be attending as a partner in November.

622
0800#
Support calls
in FY24

2,747
Registered
seniors
in FY24

1,666
Senior visits
in FY24

Katoa Connect

After a successful pilot in FY23, Katoa Connect delivered the Hapori Community Connect programme to the next cohort of students in Te Tai Tokerau.

We identified three at risk communities (Kaitaia, Kaikohe and Kaipara Harbour), which either lack stable or reliable internet connections, or have limited access to foundational digital skills training. Māori learners are given priority for this programme and in FY24, 93 Māori and 7 Pasifika students successfully graduated, completing the 20-hour programme and receiving a Chromebook and a $30 internet subsidy for 12 months.

93%*
of learners
want basic skills

91%*
of learners want to
be safe online

93%*
of learners want
social connection
and more

*   The Hapori Connect programme ran throughout FY24, with graduation taking place in May 2024. Statistics are from the post programme feedback.

Netsafe

In February, through Netsafe we launched *Get Set Up for Safety*, a free tool kit of resources and videos designed for seniors to stay safe online.

Feedback has been positive with almost 9,000 *Get Set Up for Safety* pamphlets in English and Te Reo Māori distributed to almost 65 community and public organisations across New Zealand.

These resources are also available online through the *Get Set Up for Safety* hub. The toolkit covers a range of topics including safe online shopping and banking, how to spot a scam, social media settings and safety, secure your devices, user-friendly device settings and a glossary explanation of commonly used technology terms.

The Get Set Up for Safety toolkit was launched with an in person event with coaches from Digital Seniors in attendance.

Personal case studies

Digital Seniors – Hannah

Our Head of Sustainability, Hannah, spent time with a handful of people during a Digital Seniors pop up hub, including the gentleman pictured below who was keen to get some tips for smart phone navigation, but one particular interaction stayed with her. Hannah helped a woman…who wanted to upgrade her old phone to a smartphone but was hesitant because it contained pictures of her father that she had been trying to copy over for four years.

"It was an emotional moment, after we transferred the photos of her dad off her phone and onto her tablet. She was excited by using technology but just needed a helping hand to build her confidence."

Volunteering – Paveena

Chorus kaimahi, Paveena, volunteered with Christchurch City Council this year – creating a mural on a fence.
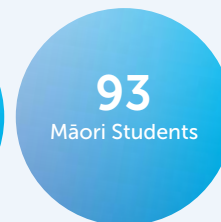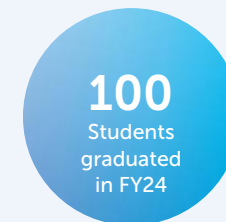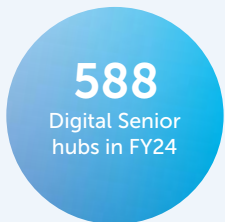
"I love the hub page and I've been following the videos - they're super inspiring! That's what led us to participate in the volunteer day and motivated me to reach out to CCC to join in on this graffiti work to support the community. It's like a ripple effect; after this event, my husband has also started volunteering."

Katoa Connect – Vanessa

A recent graduate, Vanessa enrolled to build confidence in using a Chromebook, admitting she is from the blackboard generation and fearful of making mistakes or breaking anything.

"I'm more confident now and the course has helped me tremendously. I'm using my new skills for ongoing business projects."

588
Digital Senior hubs in FY24

69
Digital Senior volunteers in FY24

100
Students graduated in FY24

93
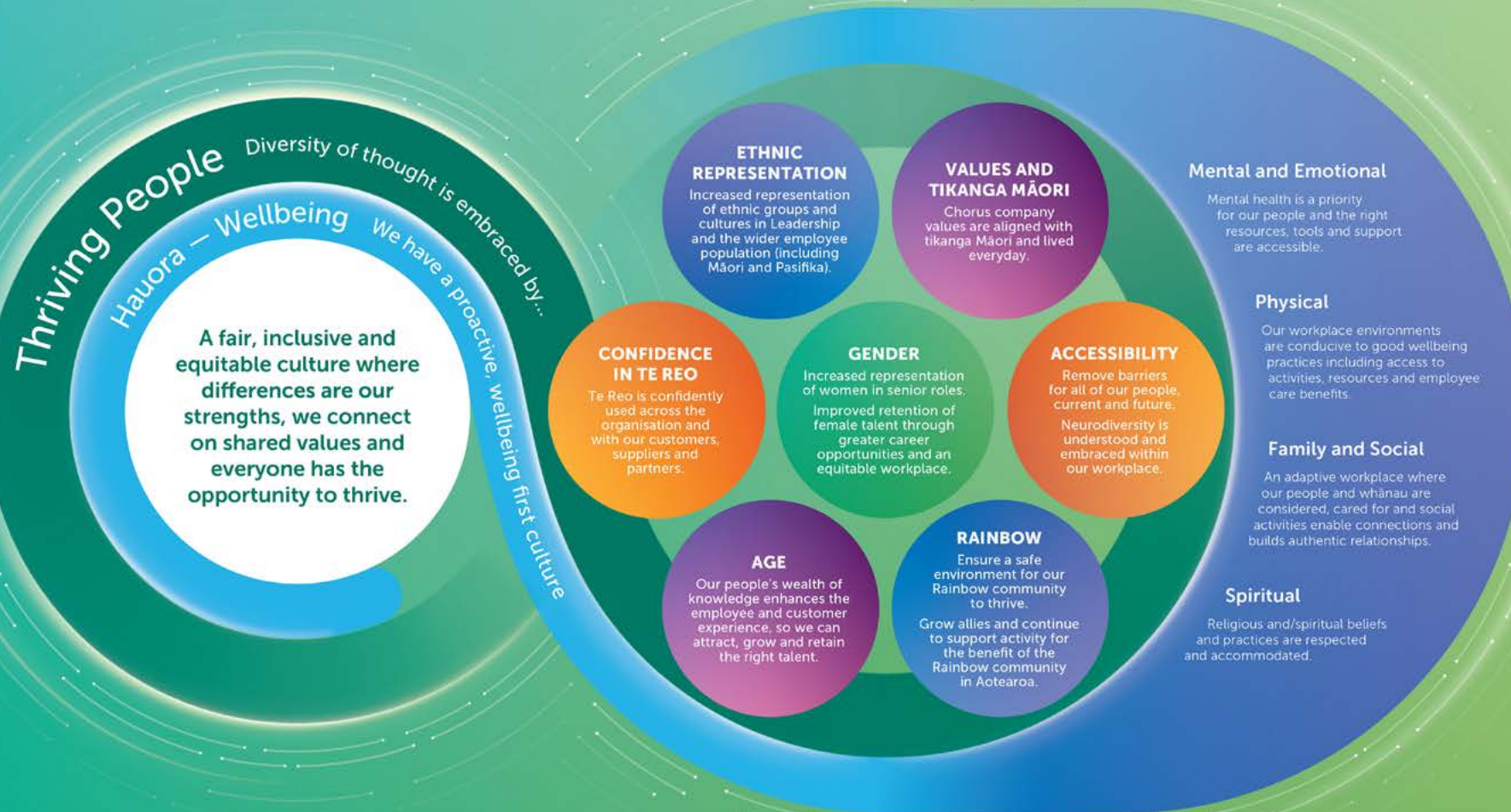Māori Students

7
Pasifika Students

Nga iwi whai hua
Thriving people

Champions of safe, fair and inclusive workplaces.

Diversity, Equity and Inclusion

Thriving People, diversity of thought and wellbeing are all central to Chorus'
Diversity, Equity & Inclusion (D,E&I) strategy*, launched at the start of FY23.

Thriving People

Diversity of thought is embraced by...

Hauora — Wellbeing We have a proactive, wellbeing first culture

A fair, inclusive and equitable culture where differences are our strengths, we connect on shared values and everyone has the opportunity to thrive.

ETHNIC REPRESENTATION
Increased representation of ethnic groups and cultures in Leadership and the wider employee population (including Māori and Pasifika).

VALUES AND TIKANGA MĀORI
Chorus company values are aligned with tikanga Māori and lived everyday.

CONFIDENCE IN TE REO
Te Reo is confidently used across the organisation and with our customers, suppliers and partners.

GENDER
Increased representation of women in senior roles.
Improved retention of female talent through greater career opportunities and an equitable workplace.

ACCESSIBILITY
Remove barriers for all of our people, current and future.
Neurodiversity is understood and embraced within our workplace.

AGE
Our people's wealth of knowledge enhances the employee and customer experience, so we can attract, grow and retain the right talent.

RAINBOW
Ensure a safe environment for our Rainbow community to thrive.
Grow allies and continue to support activity for the benefit of the Rainbow community in Aotearoa.

Mental and Emotional
Mental health is a priority for our people and the right resources, tools and support are accessible.

Physical
Our workplace environments are conducive to good wellbeing practices including access to activities, resources and employee care benefits.

Family and Social
An adaptive workplace where our people and whānau are considered, cared for and social activities enable connections and builds authentic relationships.

Spiritual
Religious and/or spiritual beliefs and practices are respected and accommodated.

* The D,E&I strategy contains key performance indicators for Chorus' Thriving People pillar.

Chorus employee overview

846
Total number
permanent and
fixed-term employees,
consistent with FY23

Employee
engagement
**8.6
out of 10**
PEAKON
METHODOLOGY[11]

Engagement
result
**ACHIEVED
TOP 10%**
INTERNATIONAL
'TECHNOLOGY' COMPANY
BENCHMARK

Figure 7:

Employee turnover rates - FY22 – FY24

Employee turnover rate	FY22	FY23	FY24
Voluntary	14.4%	9.6%	4.4%[15]
Total turnover rate	15.3%	10.1%	9.3%
Positions filled by internal candidates	54.0%	46.0%	58%

Figure 8:

eNPS[12] - three year view FY22 – FY24

Employee engagement[12]	FY22	FY23	FY24
Total (out of 10)	8.5	8.7	8.6
Employee net promoter score (eNPS)	+64	+70	+65
Participation rate	85%	86%	85%

Figure 9:

Employee learning investment - FY22 – FY24

Training & development	FY22	FY23	FY24
Average hours per FTE	5 hours	8 hours	19.7 hours[13]
Average spend per FTE	$693	$1,012	$692[14]

11   Chorus Engagement Survey data is provided by Peakon who provide a technology sector benchmark for comparison.
12   eNPS means employee Net Promoter Score. Net promoter scores can range from -100 to +100 and are calculated by subtracting the percentage of detractors (0-6 engagement score) from the percentage of promoters (9-10 engagement score).
13   The increase in learning hours in FY24 is due to a combination of improved reporting and enhanced learning opportunities.
14   Although hours of learning are up, cost is not, this is due to the fact that we have utilised internal resources to deliver learning ourselves and we will continue to do so wherever possible.
15   In FY24 Chorus made changes to our operating model and organisational structure which resulted in a higher % of involuntary turnover.

Diversity, Equity & Inclusion

Our strategy was developed in consultation with a diverse group of people across the business, using the Aotearoa Inclusivity Matrix (AIM) as the framework and employee data points for input. AIM is an evidence-based framework developed for NZ workplaces that identifies the maturity of their D,E&I measures across seven components.[16] It provides a basis for workplaces to understand their current capabilities, identify areas for improvement and create a roadmap for transformation.

We use AIM as a measure of progress against our D,E&I objectives in addition to other overall organisational objectives, like specific demographic measures. As of 30 April 2024, we achieved a top 5% of the technology industry benchmark for Chorus' Engagement Survey drivers of diversity and inclusiveness, and were within the top 10% of the technology industry benchmark for Chorus' Engagement Survey driver of non-discrimination. We report on our measures to the People Performance and Culture Committee annually.

Progress with our D,E&I strategy has been acknowledged externally with a win in the D,E&I category of the HRNZ awards 2024, a finalist in the Deloitte Top 200 awards 2023 and a win in the Newmarket Business Association awards August 2023.

Gender

Chorus has achieved the Global Women recommended target of a 40:40:20[17] gender ratio at Executive, Board and overall employee level. We continue to work towards this goal in our senior and people leader community. Organisational re-design completed in late 2023 created new and different pathways and in senior role applications, the success rate for females was 50% compared to 37.5% for males. Female voluntary turnover has continued to decrease. Our total gender pay gap has reduced to −18.4% (as of 30 April 2024) from -19% (as of 30 April 2023). A gender equity plan is underway which we hope will help address gender imbalance, and this alongside other initiatives will help to further reduce the gender pay gap.

Figure 10:

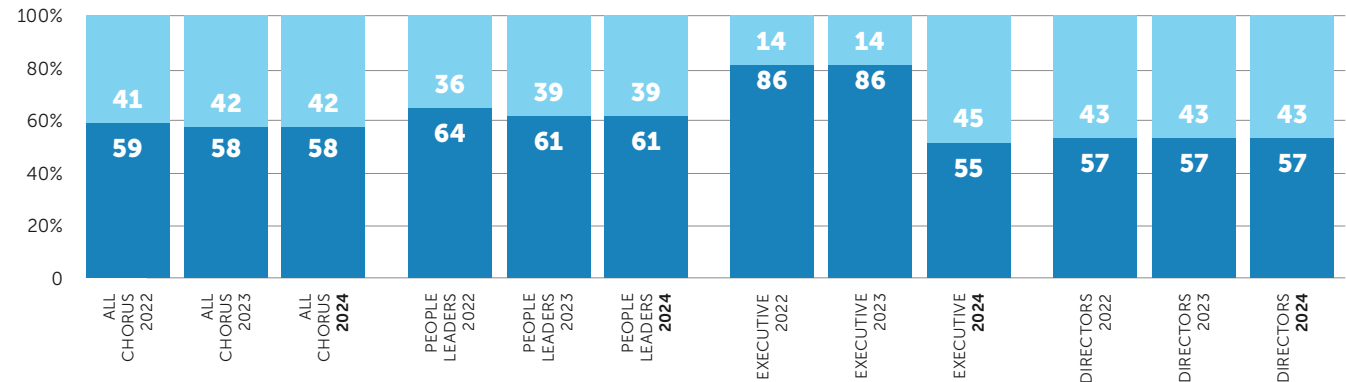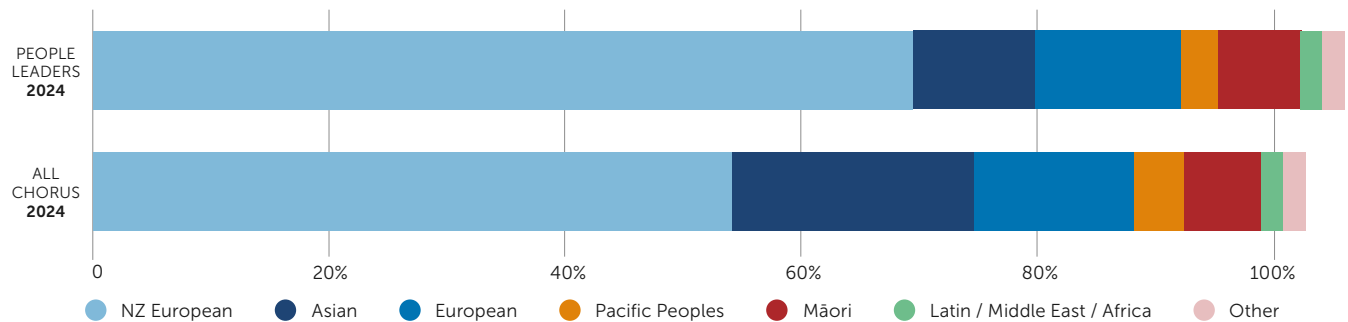### Gender by role - FY22 - FY24 (as of 30 April 2024)

Figure 11:

Ethnicity by role 2024

NOTE - these two % columns don't add to 100%. This is because our people can chose up to three ethnicities that they identify as, so where someone has more than one they are represented in each of their ethnicities, but over the total headcount. This is consistent with how we report ethnicity splits elsewhere.

Ethnic representation: Chorus has 99% of our employee population's ethnicity data. Chorus seeks to grow diverse leadership population with internal development and education programmes, sponsorship and mentoring.

Accessibility

Interest and awareness of accessibility has gained momentum in the last year, resulting in notable progress with accessibility plan actions. Many teams including our talent acquisition team, customer experience team, social media and internal communications team have completed relevant training and we've invested in improvements to our company website. An accessibility network has been created, Te Āhei Whanui, (The Enable Community) with two executive sponsors and Chorus continues to sponsor the New Zealand Disability Employers Conference.

Confidence in Te Reo and Values

We've expanded our online Te Ao Māori programme to include monthly wānanga, Te Reo coaching for executive and senior stakeholders as well as educational wānanga for Matariki and Te Wiki o te Reo Māori week. Further Te Tiriti o Waitangi wānanga/knowledge sessions have taken place in all four Chorus office locations. Chorus will continue to work on our evolving Te Ao Māori journey and intends to develop a broader Te Ao Māori strategy.

Age

Our people's knowledge enhances the employee and customer experience, so we can attract, grow and retain the right talent. An example of this is the Business Analyst Development programme which provides structured learning along with coaching and mentoring by Principal Business Analysts, to enable employees to transition into another career path within Chorus.

Wellbeing

Hauora is the Te Ao Māori view of wellbeing and our holistic approach is modelled on the four pillars of Te Whare Tapa Whā – Mental and Emotional, Physical, Family, Spiritual. We achieved our measure of being in the top 5% of the technology industry benchmark for the wellbeing drivers in Chorus' Engagement Survey[18]. Employees are provided two wellbeing days each year. Wellbeing support services such as Habit Health, EAP, special leave, flexible working practices and resources were provided and regularly promoted in FY24. Monthly webinars covering a variety of wellbeing topics were well attended and local office activities such as massages on site, walking groups, tai chi and fruit supplies were well utilised. Chorus subsidises flu vaccinations.

18   Company level results have an external industry benchmark consisting of scores from all companies running the Peakon survey.

Ethical supply chain

We want to have sustainable and valuable supplier relationships.

Given the rapid change within our industry, we focus on building enduring relationships with our suppliers that deliver value to both parties and encourage innovation. We consider a range of criteria when evaluating potential suppliers, including environment, health and safety, worker welfare and corporate reputation. We encourage our suppliers to go beyond legal compliance, drawing on internationally recognised standards, where applicable to advance social, labour and business ethics. We do this primarily through regular and consistent engagement, and through weighted evaluation criteria in tenders or market exercises. Our commercial team administers our Supplier Code of Practice, which is incorporated into our supplier contracts, and has governance oversight from the Board.

See https://company.chorus.co.nz/about/contracts-and-agreements/suppliers.

Modern Slavery Statement

Our supply chains span around 1,150 direct suppliers representing approximately $810 million in procurement spend in FY24. Most of our direct supplier spend is in Aotearoa.

We source a range of goods and services internationally, primarily from suppliers in Europe, North America, and Asia with a New Zealand presence. Beyond our service company partners, we have surveyed key suppliers to better understand their risks and responses to modern slavery.

In FY24, Chorus focused on managing the reducing workforce requirements as fibre installation and maintenance needs reduce.

To support this, we surveyed technicians and sub-contractors on health and safety and employment conditions. These surveys led to action plans to improve conditions and communications. Further information can be found in Chorus' Modern Slavery Statement.

We audited the worker welfare programme within Chorus and at our service companies to ensure that the programmes are operating effectively. We reviewed technician onboarding procedures to satisfy ourselves migrant workers in our ecosystem were properly inducted into the work force and their employment was consistent with the employment law and their visa conditions. We have supported service companies and new migrants into New Zealand and continued monitoring for exploitation.

A small number of complaints were received and dealt with by Chorus, service companies or specialist investigators. Chorus takes such complaints seriously. Three companies were required to undertake remedial action and three companies were removed from further work on the our network.

Our latest Modern Slavery Statement is available at: https://company.chorus.co.nz/about/governance.

Worker welfare

We also manage modern slavery risks during the procurement lifecycle including during the tendering process, supplier selection, pre-qualification and strong contract terms and conditions. This is supported by an ongoing worker welfare programme and audit regime focused on our field workforce to assess supplier performance.

We expect our suppliers to share our commitment that everyone is treated fairly. We work closely with our service company partners, to maintain our network, meet the demand for fibre connections and deliver a good customer experience.

The aim is to make worker welfare an everyday part of our business, like health and safety. From our Ethical Voice survey to technicians, through our online portal and independent whistle-blower process, our worker welfare team monitors our contractor and subcontractor field workforce within Aotearoa.

Our cross-business governance team oversees any investigation of actual or potential work mistreatment and oversees the service companies' worker welfare programmes. Our worker welfare policy requires us to notify relevant regulatory authorities if we identify exploitation and, where appropriate, ban companies from working on our network.

See: https://worker-welfare.chorus.co.nz.

Stakeholder and community

Stakeholder and investor relations

The rollout and ongoing maintenance of our fibre network has entailed an extensive stakeholder engagement programme at all levels of government, local councils, and other stakeholders.

We monitor customer satisfaction through surveys on fault restoration and connecting homes with an existing fibre box. These measures are linked to organisational objectives for remuneration purposes. We also use independent customer surveys to assess broadband satisfaction and the public's perception of Chorus.

Our investor relations programme facilitates two-way communication with investors and other market participants about our business, governance, and performance. Our annual and half-year results presentations are available to all investors via webcast, as is our annual meeting.

The Australasian Investor Relations Association awarded Chorus 'Best Investor Relations by a New Zealand Company' in 2024 (and 2022). The award is based on voting by equities analysts and fund managers.

Community relations

In FY24 our Community Relations team worked closely with local councils, government agencies and community groups, with key highlights in FY24 being;

- Engaged with 50 local councils to get around 200 murals on our cabinets and exchange buildings, enhancing our streets, creating work for local artists, and lifting their profile while at the same time playing our part in working to reduce graffiti vandalism. These included eight Rainbow themed murals.

- Partnered with community and business groups such as the Beautification Trust; Creative Bay of Plenty and Creative Northland; Business Associations in Parnell, Wiri and Papakura; graffiti teams in Auckland, Wellington, and Christchurch; Art Trusts, Rural Women and Federated Farmers.

- Delivered 10 Shine the Light events in towns and communities around Aotearoa. These face-to-face events run in communities to promote fibre uptake and help build community goodwill, identify digital skills needs and help us understand the barriers people have to connect to the digital world.

- Delivered 23 Shed the Lights in areas where we are extending our fibre network to another 10,000 premises.

- Hosted a stand at the Local Government NZ conference, where we engaged with Mayors, Councillors, Chief Executives, and other stakeholders.

200
New murals applied by local artists in FY24

50
Local councils working with us to decorate cabinets in FY24

33
Shed and Shine the Light events delivered around the motu in FY24

Code of Ethics

Our directors and employees are expected to act honestly and with high standards of personal integrity. Our codes of ethics set the expected minimum standards for professional conduct. They also facilitate behaviours and decisions consistent with our values, business goals and legal and policy obligations.

Annual training is provided to our directors and employees, including part-time workers and contractors. Our people are encouraged to report unethical behaviour and are asked annually to register any potential conflicts of interest. This process is subject to internal audit, and all reported breaches are investigated.

Bribery and gifts

Acceptance of bribes, or gifts and other benefits which could be perceived as influencing decisions, are prohibited under our code of ethics. Our Gifts and Entertainment policy applies to all directors, employees, and contractors. Gifts and entertainment over $150 require approval and internal reporting. Chorus is not involved in any ongoing bribery and corruption cases, and no fines or settlements were incurred for anti-competitive business practices in FY24. Our Supplier Code of Conduct requires our suppliers to comply with laws relating to anti-bribery and corruption. This includes bribery, abuse of power, extortion, fraud, deception, collusion, cartels, and embezzlement.

Anti-bullying, harassment, and discrimination

We're committed to a psychologically and physically safe working environment, and we take a zero-tolerance approach to bullying, harassment, and discrimination. All new starters take 'A respectful, safe, and inclusive workplace' training as part of their induction. Our policy reflects legislation, such as the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993, prohibiting discrimination and protecting the right to freedom of expression.

Whistleblowing and fraud

The Protected Disclosures (Protection of Whistle-blowers) Act 2022 provides enhanced legislative protection for employees who notify an appropriate authority about serious wrongdoing in, or by, an organisation. We encourage confidential reporting of serious misconduct or wrongdoing and suspected fraud or corruption. We have a number of internal reporting channels with anonymous reporting available via a dedicated whistle-blower email address and phone number monitored by PwC. All reporting channels are available to all employees and subcontractors. In addition, there is a dedicated email address available for reporting suspected fraud.

We did not receive any reports of serious instances of unethical behaviour by our employees in the year to 30 June 2024.

Glossary

Board	Chorus Limited's Board of Directors.
Chorus' Engagement Survey	Chorus engagement survey data is provided by Peakon who provide a technology sector benchmark for comparison.
CRD	Climate-Related Disclosures.
Emissions	Emission sources are categorised by scope to manage risks and impacts of double counting. There are three scopes in greenhouse gas reporting.
FY	Financial year – twelve months ended 30 June. FY24 is from 1 July 2023 to 30 June 2024.

Gpbs	Gigabits per second - measure of the average rate of data transfer.
Layer 1	The physical cables and co-location space for the network (the passive network infrastructure).
Layer 2	The data link layer, including broadband electronics, for the network.
Mbps	Megabits per second – a measure of the average rate of data transfer.
PB	A petabyte is equivalent to 1,024 gigabytes

SBTi	Science Based Target initiative.
Scope 1	Direct emissions from sources that are owned or controlled by a company.
Scope 2	Indirect emissions from the generation of purchased electricity consumed by a company.
Scope 3	Indirect emissions from the value chain of a company.
Solar PV	A photovoltaic (PV) cell, commonly called a solar cell, is a non mechanical device that converts sunlight directly into electricity.
UFB	Ultra-Fast Broadband.

Important note

Climate and sustainability-related information

This report relates to Chorus Limited and its wholly owned subsidiary (and operating company) Chorus New Zealand Limited (hereinafter referred to as "Chorus", "we", "us", "our") unless otherwise noted in the report.

This report contains climate change and sustainability-related statements that are based on data, methodologies, assessments and judgements that are subject to significant uncertainty, limitations and assumptions, and which may change. While Chorus has sought to provide accurate information in respect of the reporting period ended 30 June 2024, we caution reliance being placed on information in this report, which may be necessarily less reliable than Chorus' other public reporting. The climate-related and other sustainability-related strategy, analysis and data (including from third parties and our supply chain) may be incomplete, inconsistent, unreliable or unavailable, and we may have needed to rely on assumptions, estimates or proxies instead. Except as required by law, Chorus does not, and does not undertake any obligation to, independently verify such third party information.

Our approach to the disclosures included in this report differs from our approach to the disclosures we include in other reports. Inclusion of matters in this report does not necessarily indicate those matters are material for the purposes of complying with any applicable regulations or other reporting framework, even where we use the word "material" or "materiality" in this report.

Forward-looking statements

This report also contains forward-looking statements, including with respect to climate-related and other sustainability-related strategy, analysis, data, impacts, targets, forecasts and projections, as well as Chorus' business plans and operations, future operating environment and market conditions, which may not eventuate as predicted. The risks and opportunities described here may not eventuate or may be more or less significant than anticipated. There are many factors that could cause Chorus' actual results, performance or achievement of climate-related and other sustainability-related metrics (including targets) to differ materially from that described, including economic and technological viability, as well as climatic, government, customer, and market factors outside of Chorus' control. We similarly caution reliance being placed on such statements, which are necessarily subject to significant risk, uncertainty and assumptions. We have based our statements and opinions on reasonable information known to us at the time of publication, but these may change including for reasons beyond Chorus' control.

We reserve the right to update those statements in future, as the quality and completeness of inputs and information improves, and our organisational strategy evolves.

Chorus gives no representation, guarantee, warranty or assurance that actual outcomes or performance will occur in line with forward-looking statements, and accepts no liability for any loss arising from use of information contained in this report. 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 our financial performance, please refer to our Annual Report.

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