

FLETCHER BUILDING LIMITED

2026 Climate-related Disclosures (CRD)

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Reporting Entity

These Climate-related Disclosures (CRD) constitute the Group Climate Statements for Fletcher Building Limited and its subsidiaries, and the Group's mandatory Climate-related Disclosures for New Zealand. When used in these statements, references to the 'Company' are references to Fletcher Building Limited. References to 'Fletcher Building', 'FB', 'we', 'our' or the 'Group' are to Fletcher Building Limited together with its subsidiaries and, where relevant, its interests in associates and joint ventures. These CRD generally present information on the basis of the Group's continuing operations, unless otherwise stated. The scope of the reporting entity aligns with that used in the Group's 2026 consolidated financial statements and reflects the Group's portfolio as at 30 June 2026. This includes businesses classified as held for sale or presented as discontinued operations where disposal had not been completed by that date.

Reporting Period and Currency

These CRD have been prepared for the financial year ended 30 June 2026 (FY26). All references to financial years are to the financial year ended 30 June. References to $ and NZ$ are to New Zealand dollars unless otherwise stated. Information, including metrics, is presented on the basis described above unless otherwise stated.

Important Notice

See the 13. Cautionary Statement for important information and disclaimers in relation to this report and the CRD.

Message from the Chair and Managing Director & Group CEO

Over the past five years, our manufacturing businesses have focused on carbon reduction activities, waste diversion from landfills and the preparation of environmental product declarations (EPDs). We have been making progress despite some challenging operating conditions.

In FY26, we refreshed our sustainability approach under a decentralised operating model and updated our internal processes to support stronger business unit leadership and ownership of performance.

We introduced materiality workshops to engage divisional leaders directly in assessing and confirming the material risks in their divisions or strategic verticals based on their medium-term strategic viewpoint. We also introduced annual scenario analysis workshops with Directors and Executives to provide the long-term view and challenge.

We have updated our science-based emissions targets to align with a 1.5°C pathway. The Science Based Targets initiative (SBTi) validated our new targets in July 2026 which include: a 56% reduction of our absolute Scope 1 and Scope 2 emissions by FY35 from the FY18 baseline, and a 40% reduction in our absolute Scope 3 emissions by FY35 from the FY23 baseline. These replace our previous target of a 30% absolute reduction in combined Scope 1 and Scope 2 GHG emissions by FY30 from the FY18 baseline.

We recognise that this represents an increase in our ambition. However, we have a plan that focuses on the areas that have the greatest influence on the Group's emissions profile, resilience and long-term competitiveness: cement and clinker, energy, process heat, low-carbon steel and cement, supply chain resilience, product innovation and customer adaptation solutions.

As production recovered in FY26, Scope 1 and 2 emissions increased slightly from FY25. However, they remained 21% below our FY18 baseline, compared with 23% below the baseline in FY25, on a restated market-based basis. While this possibility was anticipated, the outcome reminds us of the challenging path we have set for ourselves in the future, when we want to both grow the business and reduce absolute emissions.

We believe our leaders are up to the challenge – we have the right mindset in the organisation to lead a growth strategy while still finding ways to be more efficient, less wasteful and leaving a smaller footprint.



Peter Crowley
Chair, Fletcher Building Limited





Andrew Reding
Managing Director and Group CEO,
Fletcher Building Limited



Key highlights from FY26

Carbon emissions 21% lower vs FY18 baseline[1]

76% of manufacturing revenue from sustainably certified products[2]

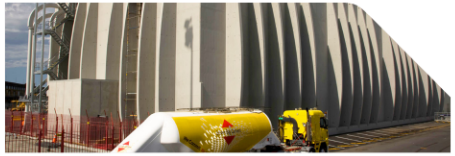
A- Leadership Rating from Climate Disclosure Project



Golden Bay Cement® supported the re-introduction of around 450 wētāpunga (giant wētā) to Matakohe Limestone Island, in partnership with local iwi, community groups and conservation organisations.

THE URBAN QUARRY

Urban Quarry opened a new site in Tamahere, offering managed and cleanfill solutions to clients in the central North Island. Urban Quarry throughput over 250,000 tonnes of cleanfill in FY26 (+35% YoY).



Golden Bay Cement® received the Carbon Reduction Award at the 2025 Concrete NZ Conference Awards. GBC® produces NZ's lowest carbon general-purpose cement, ~15%-20% lower than imported alternatives[3].



Comfortech® has partnered with Lodestone Energy to match 100% of electricity used at Penrose site with solar-generated renewable energy.

1. Scope 1 and Scope 2 Emissions (market-based method);
2. The revenue for sustainably certified products is a percentage of the total revenue from products made or sold by our manufacturing businesses only. See 11.3 Appendix C: Glossary of Terms for definitions;
3. Based on the published Environmental Product Declarations (EPDs).

1. Statement of Compliance

Fletcher Building Limited (together with its subsidiaries, the 'Group', 'Fletcher Building' or 'FB') is a Climate Reporting Entity under the Financial Markets Conduct Act 2013 (the 'Act').

This report, which constitutes our Group Climate-related Disclosures ('CRD') in accordance with the Act, covers the period from 1 July 2025 to 30 June 2026. The statements and disclosures are prepared in compliance with the Aotearoa New Zealand Climate Standards (NZ CS), comprising NZ CS 1: Climate-related Disclosures, NZ CS 2: Adoption of Aotearoa New Zealand Climate Standards and NZ CS 3: General Requirements for Climate-related Disclosures. In accordance with NZ CS 2, Fletcher Building has applied Adoption Provision (AP) 2 in relation to anticipated financial impacts. Accordingly, anticipated financial impacts of climate-related risks and opportunities (CRRO) are not disclosed, although selected financial information is provided where available.

On behalf of Fletcher Building Limited, 20 October 2026.



Peter Crowley
Chair



Cathy Quinn
Director,
Chair of Safety, Health, Environment and Sustainability Committee



Sandra Dodds
Director,
Chair of Audit and Risk Committee

2. Strategy

Fletcher Building is a building products manufacturer and distributor with operations across Australia and New Zealand.

Our medium-term focus is on operational business performance while planning for capital investment over the medium to long term. This includes considering how we mitigate climate-related risks and respond to climate-related opportunities where they are identified.

Our portfolio includes operations of varying scale and climate impact, from large manufacturing sites (such as Golden Bay Cement®, Laminex® and Winstone Wallboards® (WWB)) with high emissions, and high energy and water use to smaller manufacturing sites and distribution centres.

Over the past five years, our manufacturing businesses have focused on waste diversion from landfills and the preparation of EPDs. As our approach matures going forward, our operations are expanding their focus to include product solutions and lifecycle as well as circular economy opportunities, including product recycling back into the manufacturing processes where feasible.

We have reviewed our sustainability approach under a decentralised operating model and updated our internal processes to support stronger business unit leadership and ownership of performance, including environmental and social impacts. This includes incorporating both 'top-down' and 'bottom-up' inputs into the identification and assessment of material CRRO.

2.1 Climate-related strategy

Fletcher Building recognises climate change as a strategic issue with the potential to impact long-term business resilience, operational performance, supply chain continuity, market competitiveness, customer expectations and access to capital. The Group's approach to climate-related strategy is integrated into its broader Environmental, Social and Governance Strategy and Governance Framework ('ESG Framework') and is aligned to the Group's decentralised operating model.

The Group maintains strategic oversight of climate-related governance, risk and disclosure obligations, while divisions and business units are responsible for managing climate-related impacts, risks and opportunities within their operations and strategic plans. This approach enables climate-related considerations to be embedded into operational decision-making, while maintaining Group-level governance, consistency and accountability.

CLIMATE-RELATED MATTERS

Climate-related matters are grouped into three key pillars within the Group's ESG Framework:

- **ESG Matter 05 Climate: Our Operations** – Scope 1 and Scope 2 emissions, operational efficiency and physical climate risks.
- **ESG Matter 06 Climate: Supply Chain** – upstream Scope 3 emissions and supply chain-related climate risks.
- **ESG Matter 07 Climate: Products & Solutions** – downstream Scope 3 emissions, product-related emissions profiles and opportunities associated with lower-carbon products and circular economy solutions.

The Group considers both transition risks and physical climate risks across its operations, supply chain and markets. Climate-related opportunities are also considered, including operational efficiencies, product innovation, resilience improvements and evolving customer demand for lower-emissions and more sustainable products. The Group considers value chain exposure through its operations, supply chain, products and markets, with CRRO-specific assessment methodologies and limitations described in the 3. Climate-related Risks and Opportunities (CRRO) section and the overarching assessment process described further in the 10. Risk Management section.

2.2 Climate scenario analysis

The Group undertakes climate scenario analysis as a standalone process to assess the resilience of its strategy and business model under a range of climate futures.

In FY24, Fletcher Building assessed and adopted climate scenarios aligned with the New Zealand Green Building Council (NZGBC) 'Climate Scenarios for the Construction and Property Sector' guidance and relevant Intergovernmental Panel on Climate Change (IPCC) Shared Socioeconomic Pathways (SSP) SSP1-1.9, SSP1-2.6 and SSP3-7.0 pathways. The Group contributed to the NZGBC Leadership Group and Technical Working Group involved in development of the sector scenarios. The scenario framing remained unchanged in FY25 and FY26 to provide continuity and comparability.

The analysis considers a broad range of transition and physical climate-related factors that may affect operations, strategy and long-term resilience, including policy and regulatory developments, carbon pricing, market and customer demand shifts, supply chain disruption, technology and energy transition pathways, infrastructure and electricity system resilience, acute and chronic physical hazards,

asset stranding risk, demographic change and evolving stakeholder expectations. Scenario analysis workshops are conducted with divisional leadership, Executives and Directors to assess strategic resilience and validate material CRRO. Outputs from the analysis are used to inform strategic and operational planning, capital allocation and investment decisions, transition planning, resilience and business continuity activities, risk management processes, decarbonisation initiatives and climate-related disclosures.

The Group applies three climate scenarios:

- **'Orderly' (1.5°C)** – aligned with rapid decarbonisation and an accelerated transition to a low-emissions economy;
- **'Disorderly' (<2°C)** – reflecting a delayed and uneven transition pathway characterised by abrupt policy, technology and market shifts post-2030; and
- **Hot House World' (>3°C)** – reflecting continued global emissions growth and increasingly severe physical climate impacts.

These scenarios are not forecasts. They are used to identify CRRO, assess vulnerabilities and resilience, test strategic responses and support decision-making under uncertainty. Scenario analysis is applied through the Group's CRRO and strategic planning processes, with further details provided in the 9. Governance and 10. Risk Management sections. As indicated in 2025, we are becoming increasingly clear on the likelihood of different climate scenarios and how they can be used more effectively to support and assess the resilience of the organisation. To simplify these compounding complexities, Fletcher Building's strategy and business planning are informed by a defined 'World View'. The 'World View' scenarios are not intended to represent forecasts or conclusions about the future of climate; they are internally defined based on recognised scenarios and our strategic horizons to support our assessment processes.

Our 'World View' applies a more targeted use of the scenarios to assess material CRRO, informing ambition and goal setting, and strengthening the link between climate analysis, business planning and informing capital allocation. Our climate scenarios remain aligned to the internationally recognised RCP and the NZGBC 'Climate Scenarios of the Construction and Property Sector'. Further details are provided in 11.1 Appendix A: Detailed climate scenarios and 11.2 Appendix B: Data sources used for the three scenarios.

'WORLD VIEW' SCENARIO	AMBITION	REALISTIC	WORST-CASE
OUR VIEW	Represents the outcome we are working towards and seek to support through our actions.	Represents the scenario we use as our central planning assumption when evaluating transition impacts.	Represents a severe climate outcome used to test the resilience of our assets, operations and strategy.
REFERENCE CLIMATE SCENARIO	**Orderly (1.5°C)** In this scenario, decarbonisation policies are enacted immediately and smoothly. Whole-of-life carbon emission reductions requirements for buildings is at 90% by 2050. The data for this scenario is sourced from downscaled NIWA projections from the Intergovernmental Panel on Climate Change Fifth Assessment Report (IPCC AR5) and is aligned to RCP2.6. Once downscaled data for IPCC AR6 is available, this scenario will align to SSP1-1.9.	**Disorderly (<2°C)** In this scenario, significant decarbonisation is delayed until 2030, leading to global warming being limited by 2100. The sector faces high transition risks and costs after 2030 as entities rush to decarbonise. The data for this scenario is sourced from downscaled NIWA projections from IPCC AR5 and is aligned to RCP2.6. Once downscaled data for IPCC AR6 is available, this scenario will align to SSP1-2.6.	**Hot House World (>3°C)** In this scenario, global warming reaches more than 3°C above pre-industrial levels by 2100. No further decarbonisation policies are enacted. Emissions continue to rise, and the sector faces limited transition risk, but extreme physical risk. This scenario, and the assessments in FY20 and FY22, align to RCP8.5 and SSP3-7.0.
HOW WE USE IT	Used for our Carbon Reduction Roadmaps, Transition Plan and testing materiality.	Used to assess operational risks and opportunities associated with transition, with a particular focus on the medium and short term.	Used for our physical risk analysis, asset management planning and testing materiality.

Figure 1 - Our 'World View'

2.3 Time horizons

The Group has further reduced complexity in its climate scenario analysis by aligning climate assessment activities to a single set of strategic time horizons linked to business planning, capital allocation and operational decision-making, while retaining flexibility to consider longer-term periods where relevant. In FY26, these short-, medium- and long-term horizons were applied consistently to physical risks, transition risks and climate-related opportunities. This differs from the prior year, where physical risk assessment considered longer-dated horizons than transition risk assessment. The refreshed approach is intended to improve consistency across the CRRO process and better align assessment outputs with the Group's 'World View', strategic planning, capital allocation and operational decision-making horizons.

The Group applies the following strategic time horizons:

TIME HORIZON	STRATEGIC ALIGNMENT	APPLICATION TO FB
Short Term (0-5 years) from current to 2030	Operational business planning	Includes capital deployment for decarbonisation initiatives and near-term operational planning.
Medium Term (5-10 years) from 2030 to 2035	Strategic business focus	Includes operational planning for capital investment and strategic business decisions.
Long Term (10+ years) from 2035 up to 2050	Growth and asset resilience	Aligns to lifetime for significant physical assets and longer-term resilience considerations as well as our Net Zero ambition.

Figure 2 - Our time horizons

The Group's climate scenario analysis considers a broad range of transition and physical climate-related factors that may affect operations, strategy and long-term resilience, including policy and regulatory developments, carbon pricing, market and customer demand shifts, supply chain disruption, technology and energy transition pathways, infrastructure and electricity system resilience, acute and chronic physical hazards, asset stranding risk, demographic change and evolving stakeholder expectations.

Outputs from the analysis are used to inform strategic and operational planning, capital allocation and investment decisions, transition planning, resilience and business continuity activities, risk management processes, decarbonisation initiatives and climate-related disclosures.

Scenario analysis workshops are conducted with divisional leadership, Executives and Directors to assess strategic resilience and validate material climate-related risks and opportunities.

3. Climate-related Risks and Opportunities (CRRO)

In FY26, Fletcher Building refreshed its assessment of CRRO, using prior-year CRRO as the starting point, to confirm their relevance and materiality. The refresh was undertaken through the FY26 process described in the 10. Risk Management section and considered current business and economic circumstances, divisional and business unit input, changes in the Group's portfolio, including completion of the Construction division divestment, and the Group's climate scenarios and materiality assessment. Executive and Director scenario workshops and energy resilience stress testing also informed the assessment. This resulted in a more focused set of CRRO for FY26, including the Group's previously identified high-priority transition risks, following a more targeted materiality review than in FY25. Disclosure focuses on CRRO assessed as material at Group level and most relevant to current business strategy, planning and decision-making.

In line with NZ CS 2 Adoption Provision 2, anticipated financial impacts have not been disclosed for CRRO. However, selected financial information has been provided where available and relevant.

PHYSICAL CLIMATE RISK MODELLING (PR1 AND PR2)

The Group assesses physical climate risk exposure using an Average Annual Loss (AAL) methodology, which estimates expected annual damage and disruption on a long-term average basis. This includes potential property damage, business interruption and associated operating costs arising from climate-related hazards. AAL represents gross exposure before insurance recoveries and other operational mitigation measures.

External modelling undertaken in FY25 covered 177 assessed Group sites across Australia and New Zealand, representing approximately 92% of Total Insured Value (TIV). The Group sites comprise locations occupied or operated by the Group, including manufacturing sites, distribution centres, warehouses, offices and other operational facilities, whether owned or leased. Exposure percentages are calculated as the TIV of assessed assets exposed to each physical hazard as a proportion of the total TIV of assets assessed. The assessment considered a range of acute and chronic climate hazards across multiple climate scenarios and modelling horizons to 2100. In FY26, the Group updated its disclosure time horizons to short term (<2030), medium term (2030–2035) and long term (2035-2050). This change affected disclosure framing only and did not alter the underlying modelling or conclusions. While modelled exposure increases beyond 2050, the considerations set out in Tables PR1 and PR2 remained broadly consistent and did not change the overall conclusions. The modelling was limited to the assessed Group sites and did not extend to suppliers or customers.

In FY26, the Group reviewed the prior-year assessment using updated asset and insured value information. This did not result in a material change to the Group's overall physical risk exposure, and the prior-year modelling conclusions remained broadly consistent. No material physical climate-related financial impacts were identified that required changes to the carrying values or expected useful lives of the Group's non-current assets.

AAL provides an indication of average exposure over time but does not capture the potential financial impact of low-probability, high-severity events, such as a 1-in-200-year event. As AAL reflects the frequency and severity of modelled events across the assessed portfolio on an annualised basis, it is considered a more relevant measure of the Group's overall physical risk exposure. Based on the modelling and FY26 refresh, average annualised financial exposure to the assessed Group sites was not considered material at Group level. Physical climate risk exposure is reassessed periodically, supported by ongoing monitoring of key risk drivers and material events.

Physical Risk - PR1

Acute Impact

The acute risk of increasing frequency and/or severity of extreme weather events to assets and operations of the Group

Description

The risk includes the increasing frequency and/or severity of extreme weather events to assets of the Group. This includes acute physical climate risks from:

- **Fluvial (riverine) and pluvial (flash) floods** including the potential for increased frequency and intensity of rainfall leading to increased river discharge as well as localised overland and flash flooding, particularly in more urbanised locations.
- **Hurricanes/typhoons/cyclones** including the increase in intensity and frequency due to changes in wind regimes and sea surface temperatures enhancing wind speeds and intensity.
- **Wildfires/bushfires** with increased incidence of fire-inducing weather due to confluence of days with higher temperatures, wind speeds and drier conditions.

Scenario & Time horizon

- **Floods** - Particularly a risk in New South Wales (NSW) and Queensland in the long term under the 'Disorderly' and 'Hot House World' scenarios. However, the risk profile is expected to remain broadly consistent across all scenarios and time horizons.
- **Hurricanes/typhoons/cyclones** - Particularly a risk in Auckland and Queensland under all scenarios, with risk to Western Australia and Whangarei expected to increase over the medium to long term under the 'Disorderly' and 'Hot House World' scenarios.
- **Wildfire/bushfires** - Identified as a primary risk in Queensland area under all scenarios and time horizons, with limited/lower risk to other regions.

Exposure

Percentage of assessed TIV exposed to each acute physical hazard, with a site treated as exposed where any modelled AAL is identified (no minimum AAL threshold is applied)[1]:

HAZARD	FY26	FY25	FY24
Hurricanes	81%	81%	
Wildfires	38%	38%	
Flooding	23%	23%	

Assessment Methodology / Limitations

Assessed using the Group's physical climate risk modelling; reviewed and updated for continuing operations in FY26.

The assessment excludes supply chain and asset devaluation risks. Results are indicative and subject to uncertainties inherent in climate modelling. These findings support our ongoing risk management and strategic resilience planning.

Current impact

No acute physical climate-related event during FY26 resulted in a material impact at Group level.

Anticipated impacts

- Physical damage to buildings, manufacturing plants, quarries, warehouses and distribution centres;
- Operational downtime and business interruption;
- Disruption to transport links to and from sites, delaying deliveries of raw materials and finished goods;
- Increased insurance costs and resilience requirements;
- Health and safety risks during extreme events; and
- After considering the anticipated impacts and management responses in place, the modelled average annual exposure was not considered material at Group level. Individual severe events could nevertheless significantly affect particular assets or operations, with the financial outcome dependent on event severity, recovery capability and available insurance.

Management response

- Managed through the Enterprise Risk Management Framework and business continuity planning;
- Insurance coverage for material damage and business interruption;
- Site-level controls, emergency response procedures and resilience planning;
- Monitoring of weather trends and event impacts; and
- Periodic reassessment of physical risk modelling where material changes occur.

1. FY26 and FY25 percentages reflect the proportion of assessed TIV exposed to each hazard. This differs from the physical risk exposure metric presented in prior years, which focused on the proportion of the Group's asset base covered by the physical risk assessment. FY24 was also assessed using a different methodology and is therefore not directly comparable. Restatement on the current basis was considered; however, a reliable like-for-like restatement is not available due to differences in methodology, assessment population and modelling inputs.

Physical Risk - PR2

Chronic Impact

The risk of chronic longer-term shifts in climate patterns to assets and operations of the Group

Description

The risk includes the impact of increasing heat stress and drought conditions on the assets and operations of the Group. This includes chronic physical climate risks from:

- **Water stress** (reduced supply, drought) due to the reduced availability/supply of, and increased demand for, usable water.
- **Heat stress** due to increased heightened temperature, humidity, and urban heat island effects resulting in increased heat stress.

Scenario & Time horizon

- **Water stress** - Identified as a heightened risk in Western Australia and Queensland under all scenarios and time horizons, with increased risk in Victoria in the medium and long term in a 'Hot House World' scenario.
- **Heat stress** - In the long-term horizon, heat stress emerges as the dominant physical risk driver under a 'Hot House World' scenario.

Exposure

Percentage of assessed TIV exposed to each chronic physical hazard, with a site treated as exposed where any modelled AAL is identified (no minimum AAL threshold is applied)[2]:

HAZARD[3]	FY26	FY25	FY24
Heat stress	100%	100%	
Water stress	60%	60%	

Assessment Methodology / Limitations

Assessed using the Group's physical climate risk modelling; reviewed and updated for continuing operations in FY26.

The assessment excludes supply chain and asset devaluation risks. Results are indicative and subject to uncertainties inherent in climate modelling.

Current impact

No heat or water stress impacts during FY26 resulted in material impact at Group level.

Anticipated impacts

- Reduced operational efficiency due to heat stress impacting workforce health and wellbeing, and equipment;
- Increased energy demand and costs for cooling and ventilation;
- Constraints on water availability affecting manufacturing processes and site operations;
- Higher costs associated with water access, treatment or recycling infrastructure;
- Potential regulatory restrictions on industrial water use during drought periods;
- Increased compliance requirements and adaptation costs over time; and
- Potential need for asset adaptation, relocation or capital investment.

Management response

- In FY26, senior management reviewed our critical assets for water constraints and resilience, particularly in Australia, with consideration for dedicated bore supply or other arrangement;
- Physical climate risks are considered through existing asset planning, capital allocation and business continuity processes where relevant; and
- Physical risk exposure is monitored and reassessed periodically, including where there are material changes in assets, operations or underlying risk drivers.

2. FY26 and FY25 percentages above reflect the proportion of assessed TIV exposed to each hazard. This differs from the physical risk exposure metric presented in prior years, which focused on the proportion of the Group's asset base covered by the physical risk assessment. FY24 was also assessed using a different methodology and is therefore not directly comparable. Restatement on the current basis was considered; however, a reliable like-for-like restatement is not available due to differences in methodology, assessment population and modelling inputs.

3. Sea-level rise has been removed from PR2 in FY26 as prior-year modelling identified very low exposure across all scenarios and time horizons, with no material change identified in FY26.

Physical Risk - PR3

Supply Chain

The acute risk of increasing frequency and/or severity of extreme weather events and risk of chronic longer-term shifts in climate patterns to supply chain

Description

This risk includes the Group's reliance on suppliers in climate-vulnerable regions that may cause disruption and price volatility. This includes natural hazards (including extreme heat, river flood and coastal flood) that may impact supplier sites and supply chain for business units.

Scenario & Time horizon

Could occur across all time horizons and climate scenarios. Climate-related impacts are difficult to distinguish from other supply chain drivers.

Major drivers of supply chain vulnerability include high natural hazard exposure and moderately high supplier concentration risk, particularly in India, New Zealand, China and Taiwan. In many cases, these risks are underpinned by exposure to suppliers of suppliers (Tier 2 suppliers), rather simply to our direct suppliers.

Exposure

The FY25 assessment covered 27 key Tier 1 supplier sites identified as critical to the Group's supply chain. The assessment considered natural hazard exposure; however, the results include both climate-related hazards and non-climate hazards, such as earthquake risk. Accordingly, a reliable quantitative metric of supplier exposure specifically to climate-related physical risk is not currently available and no such metric has been disclosed.

A high-level review in FY26 identified no material changes in the suppliers assessed or the overall risk profile. The Group will continue to develop its assessment approach, including exploring opportunities to better distinguish climate-related exposure and expand assessment coverage over time.

No comparable climate-specific quantitative supplier exposure metric was disclosed in prior years.

Assessment Methodology / Limitations

The risk is monitored through the Group's Enterprise Risk Management Framework, procurement and business continuity processes.

The FY25 assessment of 27 key Tier 1 supplier sites provided the foundation for the FY26 review. The assessment was broader than climate risk and included natural hazard, geopolitical and supplier concentration risks. Climate-specific impacts cannot currently be separately isolated or reliably quantified from the broader assessment. In FY26, a high-level review identified no material changes to the suppliers assessed, and those findings were considered alongside ongoing monitoring of key suppliers and disruption events.

Climate-specific impacts cannot be separately isolated or reliably quantified from geopolitical, economic, energy and logistics factors.

Detailed climate scenario modelling has not been undertaken across the broader value chain due to data limitations and complexity.

Current impact

- No material climate-related supply chain disruption to Fletcher Building's operations was identified in FY26.
- Where disruption occurred, it was primarily associated with geopolitical, economic and logistics factors, and the climate-related component could not be separately identified or reliably quantified.
- Accordingly, no material physical climate-related supply chain risk was identified for the current reporting period. The assessment covers selected critical suppliers; wider value chain exposure remains subject to data limitations.

Anticipated impacts

- Delays or disruption to the supply of critical raw materials and inputs;
- Increased procurement costs and price volatility;
- Operational disruption affecting the ability to meet customer demand;
- Exposure to supplier concentration risk and shared logistics infrastructure; and
- Potential cascading impacts across supply chain tiers.

Management response

- This risk is considered immediate / short-term and managed through business unit procurement and business continuity processes;
- Supplier engagement, alternative sourcing, supplier diversification, inventory management and pricing responses are used where appropriate;
- Key suppliers, logistics providers and emerging disruption events are monitored based on their criticality and risk profile; and
- Available insurance coverage for residual risks arising from disruption at certain direct supplier and customer premises is considered.

Physical Risk - PR4

Customer

The acute risk of increasing frequency and/or severity of extreme weather events and risk of chronic longer-term shifts in climate patterns on customers

Description

This risk includes the impact of physical climate risks on our customers. This includes acute climate risks such as floods, wildfire, and cyclones/typhoons. It also includes chronic, long-term climate risks such as heat and water stress.

The risk to Group is the inability to meet the change in demand and preferences coming from customers as they respond to chronic and acute climate risks. This could impact revenue and profitability of the Group.

Scenario & Time horizon

Anticipated impacts are more pronounced in the medium to long term. The timing and extent of downstream impacts are uncertain and have not been separately assessed across individual scenarios, given the indirect nature of the exposure and limitations in downstream data.

Exposure

No separate quantitative metric was disclosed for PR4 in FY24 or FY25.

In FY26, the Group reassessed downstream customer and market impacts and determined that customer exposure to physical climate risk cannot be reliably quantified at an individual customer or project level, given variation in end use, geography and available data.

Accordingly, no separate quantitative exposure metric has been determined for PR4.

Assessment Methodology / Limitations

- Consistent with FY25, downstream customer and market impacts were reassessed qualitatively at divisional and business unit level, informed by business unit engagement and market and regulatory monitoring.
- Separate quantitative scenario analysis at an individual customer or project level was not undertaken, given variation in end use, geography and available data.
- Direct physical climate-related impacts on customers cannot be separately isolated or reliably quantified from broader market, regulatory and customer demand factors.

Current impact

- No material physical climate-related downstream customer or market impact was identified in FY26.
- Based on the divisional and business unit reassessment, observed changes in customer demand and market conditions during FY26 could not be separately attributed to physical climate drivers at a level material to the Group.

Anticipated impacts

- Changes in customer preferences, construction methods and the location or type of construction activity;
- Government regulation and building standards may change in response to climate risks;
- Spikes in local demand arising from flooding, extreme rainfall, heat, drought and water stress; and
- Potential increased demand for products and solutions supporting customer adaptation and resilience; refer to TO1.

Management response

- Considered through strategy, product development, market monitoring and customer engagement; and
- Opportunities associated with customer adaptation and resilience identified through the FY26 reassessment have been incorporated into the Group's climate-related opportunity assessment (TO1).

Transition Risk - TR1

Carbon Pricing & Regulation

Policy changes may disadvantage local manufacturers, incentivise imports or more carbon-intensive products or increase operational costs through emissions trading schemes or carbon pricing

Description

Policy and regulatory changes for emissions-intensive, trade-exposed (EITE) businesses, including re-baselining of industrial allocation, that make local manufacturing financially unsustainable. Carbon pricing policies and regulatory changes governing imported products can result in local manufacturing being less cost-competitive.

Scenario & Time horizon

As at 30 June 2026, anticipated impacts were greater under the 'Orderly' and 'Disorderly' scenarios in the short to medium term, reflecting uncertainty over New Zealand Emissions Trading Scheme (NZ ETS) settings, industrial allocation and the competitiveness of domestically manufactured cement relative to imports. Transition risk is lower under the 'Hot House World' scenario beyond the short term, reflecting lower assumed policy and regulatory intervention.

Golden Bay Cement® is particularly exposed to changes in carbon pricing and regulatory settings, particularly the NZ ETS, industrial allocation and treatment of EITE emitters. These settings may affect the cost and competitiveness of domestic cement manufacturing relative to imports and the commercial viability of decarbonisation investment.

Subsequent to 30 June 2026, the Government agreed to support continued domestic cement manufacturing through to 2040. However, longer-term uncertainty remains beyond 2040 and, in a downside scenario where future policy and regulatory settings adversely affect the competitiveness of domestic manufacturing, Golden Bay Cement® may need to reconsider its operating model.

Exposure

Annual gross revenue from business units with exposure to carbon pricing and regulatory risk that could be potentially material[4]:

FY26	FY25	FY24
3%	4%	3%

Exposure remained broadly stable at 3-4% across FY24-FY26.

Golden Bay Cement® remains the Group's largest source of Scope 1 and 2 emissions, representing approximately 60% of Group's Scope 1 and 2 emissions.

Assessment Methodology / Limitations

- The risk assessment considers uncertainty in future carbon pricing, NZ ETS settings, industrial allocation and the competitiveness of domestically manufactured cement relative to imports across the Group's climate scenarios and time horizons.
- As at 30 June 2026, the underlying long-term transition risk remained materially unchanged from the prior year.
- The assessment is subject to significant uncertainty in the long term regarding future policy and regulatory settings, carbon pricing, industrial allocation, technology availability and the commercial viability of decarbonisation options.

Current impact

- As at 30 June 2026, the underlying longer-term transition risk had not materially changed from the prior year. During FY26, NZUs were surrendered in respect of the Group's emissions obligations for the 2025 calendar year. The units surrendered during FY26 had been received through industrial allocation under the EITE provisions of the NZ ETS and, as no consideration was paid for those units, were held at nil carrying value. Accordingly, their surrender resulted in no additional P&L charge or cash outflow in FY26.
- No impairment or related provision was recognised.
- The Government agreement occurred subsequent to the financial year-end and was a non-adjusting event after the reporting period.

Anticipated impacts

- Golden Bay Cement® has committed to invest at least $150 million through to 2040 to support continued operations, resilience and decarbonisation;
- Changes in regulatory settings, technology availability and commercial feasibility may affect the mix, sequencing and timing of individual decarbonisation initiatives;
- While future risks are mitigated by the government agreement to 2040, future changes to carbon pricing, NZ ETS settings or industrial allocation need to be monitored as they could increase manufacturing costs and reduce the competitiveness of domestic cement relative to imports; and
- In a scenario where these settings materially undermine the economics of domestic production, Golden Bay Cement® may need to reconsider its operating model. Such a scenario could give rise to non-cash impairment and asset write-downs and bring forward make good cash costs of $43.5 million. These amounts are subject to significant judgement and estimation uncertainty and are not the Group's current expected outcome.

Management response
(transition planning actions integrated into strategy)

- Subsequent to year end, Golden Bay Cement® entered into an agreement with the New Zealand Government under which the Government agreed to provide up to $60 million of support for continued operation of the Portland plant. Golden Bay Cement® committed to continue domestic cement production until at least 2040 and to invest at least $150 million through to 2040 in continued operations, resilience and decarbonisation initiatives;
- Golden Bay Cement® subsequently acquired 1,050,000 NZUs funded by a Government grant of $59.1 million. The NZUs are expected to be used to meet Golden Bay Cement®'s NZ ETS surrender obligations from 2030 to 2040;
- Continued operational optimisation, including coal substitution using waste-derived fuels and increased use of alternative energy sources;
- The business is assessing the specific mix, sequencing and feasibility of decarbonisation initiatives that could support the emissions reduction pathway through to 2040, including opportunities relating to clinker, cement and binders, electricity and Carbon Capture, Storage and Utilisation (CCSU); and
- Beyond 2040, further emissions reductions will be required to support the Group's long-term ambition of achieving Net Zero Scope 1 and Scope 2 emissions by 2050. The pathway will depend on the availability and commercial feasibility of technologies for hard-to-abate cement emissions, future regulatory settings and the effectiveness of decarbonisation initiatives implemented through to 2040.

4. In prior-year disclosures, 100% of Group's gross revenue was reported as exposed to transition risks because each division was subject to at least one identified material transition risk. In FY26, the metric has been refined to separately measure exposure by each transition risk and measure gross revenue from business units identified as having potentially material exposure to carbon pricing and regulatory risk. FY25 and FY24 have been restated on the same basis to provide a more meaningful and consistent comparison across periods. Revenue indicates the relative scale of potentially exposed business activities and does not represent the expected financial impact of the risk.

Transition Risk - TR2

Market preference shift

Customer, investor, employee and shareholder demand impacted by cost pressures, reputation and/or appetite for more sustainable products and services

Description

Stakeholder demand for lower-carbon products and services may erode our market share if not met. Our failure to meet consumer, client and employee expectations on sustainable innovation may also impact on our market share, as would the early introduction of greener products/services by competitors.

We may also suffer loss of market share or margin if Fletcher Building's lower-carbon product offering does not keep pace with customer demand or competitor innovation. Conversely, investment in lower-carbon products ahead of customer demand may result in higher costs or lower returns.

Scenario & Time horizon

Anticipated impacts are principally medium term and are most pronounced under the 'Orderly' and 'Disorderly' scenarios, increasing in materiality in the long term.

Availability and affordability of lower-carbon steel, cement and other materials may affect procurement and product decisions in the medium term, while customer uptake and the pace of market transition may influence delivery of the Group's Scope 3 decarbonisation pathway over the longer term.

Exposure

Annual gross revenue from business units with exposure that could be potentially material[5]:

FY26	FY25	FY24
55%	54%	53%

Exposure remained broadly stable at 53-55% across FY24-FY26. Steel, cement and fuel- and energy-related activities account for approximately 31% of the Group's Scope 3 emissions. Manufacturing revenue from sustainably certified products[6]:

FY26	FY25	FY24
76%	79%	74%

The manufacturing revenue from sustainably certified products[6] remained high at 74-79% across FY24-FY26.

Assessment Methodology / Limitations

- Assessed through FY26 divisional and business unit materiality workshops, considering customer demand, availability and affordability of lower-carbon products and inputs, supplier capability and market developments.
- The assessment is subject to uncertainty regarding customer willingness to pay, supplier capability and behaviour, affordability, data quality, policy and procurement settings, and the pace of supply chain transition.

Current impact

- Customer demand for lower-carbon products remains cost-sensitive, with limited willingness to pay a premium in some markets.
- No material current financial impact was identified in FY26.

Anticipated impacts

- Supply constraints, higher costs or delayed availability of lower-carbon steel, cement and other materials may constrain procurement choices and product development;
- Potential supply and demand imbalance affecting procurement costs, supply resilience and delivery of the Carbon Reduction Roadmaps; and
- Potential for our locally manufactured building products to be displaced by overseas imports and loss of market share.

Management response

(transition planning actions integrated into strategy)

- Continue to monitor supplier offerings and customer demand and maintain sustainable product certifications;
- Continue category planning and supply resilience work, including supplier diversification;
- Continue to explore cost-effective, lower-carbon steel, cement and other material options;
- Continue customer education and engagement on lower-carbon product options and market requirements;
- Develop affordable lower-carbon product options and explore alternatives for high-carbon inputs and fossil-derived materials; and
- Position the portfolio to respond to regulation, procurement requirements and market preference shifts without increasing carbon leakage risk.

5. In prior-year disclosures, 100% of Group's gross revenue was reported as exposed to transition risks because each division was subject to at least one identified material transition risk. In FY26, the metric has been refined to measure gross revenue from business units identified as having potentially material exposure to market preference shift. FY25 and FY24 have been restated on the same basis to provide a more meaningful and consistent comparison across periods. Revenue indicates the relative scale of potentially exposed business activities and does not represent the expected financial impact of the risk.

6. These include products made or sold by our manufacturing businesses with Type I environmental labelling requirements under the ISO 14024 Standard (Eco Choice Aotearoa, Good Environmental Choice Australia, Global GreenTag GreenRate™) and Type III environmental declaration requirements under the ISO 14025 Standard. See 11.3 Appendix C: Glossary of terms for further details.

Transition Risk - TR3

Renewable energy availability and cost

Renewable energy sources and new technology may be difficult or expensive to access, raising costs

Description

This risk includes the inability to make use of alternative renewable energy sources, the unstable supply and pricing of low-carbon material feedstocks and fuels, and difficulty in accessing or affording renewable energy sources.

Scenario & Time horizon

Anticipated impacts are principally medium to long term and are most pronounced under the 'Orderly' and 'Disorderly' scenarios.

The exposure is particularly relevant to Australian businesses (which are reliant on grid exposure and access to renewable sources) and heat-intensive manufacturing operations (e.g., Laminex® AU, Winstone Wallboards®, Golden Bay Cement® which are reliant on access to renewable alternatives and technologies).

In the medium term, renewable energy availability and cost may affect operations, particularly in Australia where there is increasing cost pressure from a higher-carbon grid, and in New Zealand where natural gas supply constraints may affect the availability and cost of alternative renewable energy sources. Over the medium to long term, access to renewable electricity, process heat alternatives and heavy-fleet technology may influence delivery of the Group's Scope 1 and 2 decarbonisation pathway.

Exposure

Total annual energy and utilities spend by potentially impacted business units as a percentage of Group's gross revenue[7]:

FY26	FY25	FY24
2%	2%	1%

Exposure remained broadly stable at 1-2% across FY24-FY26.

Energy-related sources account for approximately 61% of the Group's Scope 1 and 2 emissions.

Assessment Methodology / Limitations

- Assessed through FY26 divisional and business unit materiality workshops, considering energy cost, renewable electricity availability, process heat alternatives, heavy-fleet technology and infrastructure readiness.
- The assessment is subject to uncertainty regarding future energy pricing, continued grid decarbonisation, renewable electricity availability, natural gas supply in New Zealand (which may impact availability and cost of alternative renewable energy sources), process heat and heavy-fleet technology, cost-effective fuel alternatives and infrastructure readiness.

Current impact

- Low-carbon fuels and renewable energy cost and availability pressures continued in FY26, particularly in Australia.
- In New Zealand we continue to observe supply constraints related to natural gas, which may impact future availability and costs of renewable energy alternatives.
- No material current financial impact was identified in FY26.

Anticipated impacts

- Higher costs or constrained availability of lower-carbon energy sources;
- Reduced operational resilience where reliable and cost-effective energy alternatives are not available;
- Cost and operational impacts from implementing changes to fuel or energy sources;
- Delayed delivery of the Group's Carbon Reduction Roadmaps and Scope 1 and 2 targets where lower-carbon energy, process heat or heavy-fleet technologies are not available at sufficient scale or acceptable cost; and
- Exposure to renewable energy and fuel price volatility over the medium to long term.

Management response

(transition planning actions integrated into strategy)

- Progress the Australia energy strategy as a key component of the Group's Carbon Reduction Roadmaps, including strategic electricity procurement and reducing reliance on grid decarbonisation;
- Continue to evaluate Power Purchase Agreements (PPAs), Large-scale Generation Certificates (LGCs) and Renewable Energy Guarantee of Origin certificates (REGOs) where commercially justified, and expand behind-the-meter solar where appropriate;
- Continue to assess biomass, biofuel and other process heat alternatives;
- Continue to monitor heavy-fleet technology and supporting infrastructure;
- Advance renewable electricity procurement where value is demonstrated, progress process heat feasibility, and support lower-emission heat and fleet technologies as infrastructure and supply become available; and
- Maintain energy resilience as part of business planning.

7. In prior-year disclosures, 100% of Group's gross revenue was reported as exposed to transition risks because each division was subject to at least one identified material transition risk. In FY26, the metric has been refined to measure annual energy and utilities spend for business units identified as having potentially material exposure to renewable energy availability and cost, expressed as a percentage of Group's gross revenue. FY25 and FY24 have been restated on the same basis to provide a more meaningful and consistent comparison across periods. The metric indicates the relative scale of energy and utilities spend associated with potentially exposed business activities and does not represent the expected financial impact of the risk.

Opportunity – TO1

Policy and regulation

Policy and regulation changes may benefit early movers and domestic manufacturers

Description

Policy and regulatory developments may create greater demand for climate-resilient and low-carbon products and materials. This provides an opportunity for Fletcher Building to support customers to adapt, supports the Group's transition to a lower-carbon economy, and provides revenue streams for low-carbon and other building solutions. This includes potential demand for resilience-related infrastructure and building solutions arising from adaptation initiatives and evolving building requirements, including New Zealand's National Adaptation Framework and the Australian Building Codes Board's increasing focus on climate resilience.

Scenario & Time horizon

Anticipated opportunities are principally medium to long term and are greatest under the 'Orderly' and 'Disorderly' scenarios, where stronger adaptation, building and decarbonisation policy settings may increase demand for resilience-related products/ solutions and support investment in lower-carbon domestic manufacturing.

Exposure

In FY24 and FY25, the Group reported that all divisions had some activities aligned with at least one climate-related opportunity.

Following the FY26 review, the Group determined that this measure did not provide a sufficiently precise or meaningful indication of exposure to individual climate-related opportunities, as opportunity alignment cannot be reliably distinguished or quantified at an individual asset or activity level.

Accordingly, no separate quantitative metric has been determined for TO1 in FY26. The Group will continue to explore more meaningful and reliably measurable opportunity metrics for future reporting periods.

Assessment Methodology / Limitations

- Identified through the FY26 CRRO assessment as material.
- The assessment considered local adaptation initiatives, evolving building and regulatory requirements across Australia and New Zealand.
- The timing and scale of the opportunity depend on regulatory settings, local infrastructure investment, customer demand, product performance and the commercial feasibility of associated decarbonisation initiatives.

Current impact

- No material current financial impact was identified from this opportunity in FY26.
- A large number of Fletcher Building's products and solutions support customer adaptation and resilience, including water and drainage, insulation, roofing and heat- or UV-resistant solutions. However, the financial contribution attributable specifically to this opportunity cannot be reliably distinguished or quantified.
- Subsequent to year end, the Government agreement with Golden Bay Cement® provided greater certainty for continued domestic lower-carbon cement manufacturing through to 2040 and supports associated resilience and decarbonisation investment.

Anticipated impacts

- Increased demand for infrastructure, commercial and residential building materials and solutions that support adaptation to drought, heat stress, water shortages and extreme weather;
- Opportunities to support local authorities, customers and infrastructure providers through targeted adaptation and resilience solutions as regulatory and market requirements develop; and
- Policy support may enable continued domestic cement manufacturing and associated decarbonisation investment.

Management response (transition planning actions integrated into strategy)

- Continue to develop and market products and systems that support water, heat and extreme-rainfall adaptation;
- Partner with customers, councils and infrastructure providers on targeted low-carbon products and resilience solutions; and
- Grow the Group's role in climate-resilient and low-carbon building systems and adaptation-related infrastructure markets.

Opportunity – TO2

Industry leadership to drive market change

Participation in decarbonisation initiatives strengthens positioning and influence

Description

Participation in climate and industry initiatives, together with the development and promotion of lower-carbon products and solutions, may strengthen Fletcher Building's market positioning and ability to influence customer preference.

Scenario & Time horizon

Anticipated opportunities are principally medium to long term, with the opportunity arising under the 'Orderly' and 'Disorderly' scenarios as market adoption of lower-carbon products and solutions develops.

Exposure[8]

Our manufacturing revenue from sustainably certified products[9]:

FY26	FY25	FY24
76%	79%	74%

The manufacturing revenue from sustainably certified products[9] remained high at 74-79% across FY24-FY26.

Assessment Methodology / Limitations

- The opportunity is inter-dependent with customer demand, supplier capability, affordability, policy and procurement settings, and the pace of market transition. The majority of our customers continue to indicate that price is their primary driver that influences preference.
- Assessed through FY26 divisional and business unit materiality workshops, considering customer demand, availability and affordability of lower-carbon products and inputs, supplier capability and market developments.

Current impact

- 76% of manufacturing revenue was from sustainably certified products[9] in FY26, exceeding the Group's 75% target for FY26 (set under FY22-26 strategy).
- No material current financial impact attributable specifically to TO2 was separately identified in FY26.

Anticipated impacts

- Increased market adoption of lower-carbon products and solutions; and
- Opportunity to influence customer preference, with potential benefits through increased market share and customer loyalty.

Management response
(transition planning actions integrated into strategy)

- Continue to monitor supplier offerings and customer demand and maintain sustainable product certifications;
- Continue category planning and supply resilience work, including supplier diversification;
- Continue to explore cost-effective lower-carbon steel, cement and other material options;
- Continue customer education and engagement on lower-carbon product options and market requirements; and
- Develop affordable lower-carbon product options and explore alternatives for high-carbon inputs and fossil-derived materials.

8. In prior-year disclosures, 100% of Group business activities were reported as aligned with climate-related opportunities, as each division aligned with at least one identified opportunity. In FY26, the metric has been refined to measure each opportunity using the most relevant available indicator. FY25 and FY24 have been presented on the refined basis where comparable data is available.

9. These include products made or sold by our manufacturing businesses with Type I environmental labelling requirements under the ISO 14024 Standard (Eco Choice Aotearoa, Good Environmental Choice Australia, Global GreenTag GreenRate™) and Type III environmental declaration requirements under the ISO 14025 Standard. See 11.3 Appendix C: Glossary of terms *for further details.*

Opportunity – TO3

Innovation in energy and processes

Shifting to lower-emission fuels and materials, and investing in more efficient processes, onsite renewable generation, and electric vehicles to reduce costs and decarbonise supply chain

Description

Shifting to lower-emission fuels and materials, investing in more efficient processes, onsite renewable generation and lower-emission fleet technologies may reduce operating costs, strengthen energy resilience and support delivery of the Group's Carbon Reduction Roadmaps.

Scenario & Time horizon

Anticipated opportunities are principally medium to long term, particularly under the 'Orderly' and 'Disorderly' scenarios, as investment in energy efficiency, renewable electricity, alternative fuels and process heat solutions develops.

Exposure

In FY24 and FY25, the Group reported that all divisions had some activities aligned with at least one climate-related opportunity.

Following the FY26 review, the Group determined that this measure did not provide a sufficiently precise or meaningful indication of exposure to individual climate-related opportunities, as opportunity alignment cannot be reliably distinguished or quantified at an individual asset or activity level.

Accordingly, no separate quantitative metric has been determined for TO3 in FY26. The Group will continue to explore more meaningful and reliably measurable opportunity metrics for future reporting periods.

Assessment Methodology / Limitations

- The assessment considered renewable electricity, process heat, alternative fuels, onsite generation, energy efficiency and heavy-fleet technology.
- The opportunity depends on energy pricing, renewable electricity availability, grid decarbonisation, process heat and fuel technologies and infrastructure readiness.

Current impact

- No material current financial impact was identified from this opportunity in FY26, with the initiatives noted below forming part of ongoing operational improvements.
- Golden Bay Cement® increased coal substitution to 59% (from a baseline of 10% in 2003).
- Behind-the-meter solar and renewables implemented in Australia only achieved modest abatement relative to site demand.

Anticipated impacts

- Investment in infrastructure and alternative fuels may reduce operating costs and improve energy resilience; and
- Increased use of lower-emission fuels, onsite renewable generation and more efficient processes may support emissions reduction and long-term competitiveness.

Management response
(transition planning actions integrated into strategy)

- Continue to explore renewable energy sources and arrangements;
- Continue to trial and test lower-emission heavy fleet; and
- Continue to review the feasibility of onsite generation, process heat alternatives and lower-emission technologies.

4. Greenhouse Gas (GHG) Emissions

Greenhouse Gas (GHG) emissions are calculated in accordance with the *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard and Corporate Value Chain (Scope 3) Accounting and Reporting Standard: Supplement to the GHG Protocol Corporate Accounting and Reporting Standard* (together referred to as the 'GHG Protocol').

11.4 Appendix D: Methodology used for Greenhouse Gas (GHG) Emissions ('Appendix D') sets out Fletcher Building's GHG emissions methodology, assumptions, emission factors, limitations and uncertainty. FY26 emissions in this report have been externally assured by EY and received reasonable assurance for Scope 1 and Scope 2, and limited assurance for Scope 3. Prior years were audited by Toitū Envirocare and received reasonable assurance for Scope 1 and Scope 2, and limited assurance for Scope 3.

GHG emissions are calculated in accordance with the GHG Protocol location-based and market-based methodologies. All Scope 1, 2 and 3 GHG emissions are accounted for on an equity share basis. This includes emissions from our businesses and our share of emissions from associates and joint ventures, based on Fletcher Building's ownership interest as at 30 June 2026.

Emissions values are rounded to the nearest kilotonne of CO_2e. Totals and percentages are calculated using underlying unrounded values and may not equal the sum of rounded components. Location-based method (LBM) and market-based method (MBM) totals are calculated separately.

Organisational boundary

Consistent with the reporting entity described above, and the detailed entities and ownership interests set out in Appendix D, the GHG inventory boundary reflects the Group's portfolio as at 30 June 2026. Businesses disposed of before 30 June 2026 were excluded from the FY26 emissions inventory and the restated FY18, FY23-FY25 inventories, while businesses held for sale but not yet disposed of by that date remain included.

- The FY26 inventory excluded the Construction division, which was divested in June 2026.
- The South Pacific businesses previously part of the Construction division were retained by the Group and remained included in the inventory.
- As at 30 June 2026, Fletcher Reinforcing and Wire (REO), CSP Pacific® and Vivid Living® were classified as held for sale, but their disposals had not been completed. The Group had entered into an agreement to sell REO and was progressing the planned divestments of CSP Pacific® and Vivid Living®. These businesses therefore remained included in the FY26 GHG emissions inventory.

Scope 1 and Scope 2 GHG emissions for our ongoing operations were 894 kt CO_2e using LBM and 921 kt CO_2e using MBM in FY26. The majority of these were associated with our cement operations, process heat, transport fuel, and electricity use in Australia.

Biogenic emissions, such as those from biomass combustion, the biogenic fraction of tyres and liquid biofuels and the indirect biogenic emissions from landfill gas combusted for electricity are relevant to Fletcher Building and were quantified during inventory preparation. In accordance with the GHG Protocol these emissions were reported separately because they were considered part of the natural carbon cycle and fell outside the scope of the disclosed anthropogenic GHG inventory. Biogenic emissions for Fletcher Building in FY26 were 241 kt CO_2e, broadly similar to FY18 emissions of 236 kt CO_2e but a reduction of 13% from FY24 when biogenic emissions were 278 kt CO_2e.

In FY26 we restated our FY18, FY23, FY24 and FY25 inventories to account for changes in organisational scope, methodologies, inclusions and corrections. This is detailed in Appendix D.

SCOPE		BASE YEAR AND COMPARATIVES (kt CO_2e)				
		FY18 BASE YEAR (Scope 1+2)[10]	**FY23 BASE YEAR** (Scope 3)[10]	**FY24**[10]	**FY25**[10]	**FY26** (Current year)[10]
Scope 1		852	733	712	680	695
Scope 2	LBM MBM	302 320	238 264	216 233	196 222	199 226
Scope 3			3,596	2,817	2,760	2,708
Total	**LBM** **MBM**		**4,568** **4,593**	**3,745** **3,762**	**3,636** **3,662**	**3,601** **3,629**
Scope 1 + 2 Emissions Intensity (t CO_2e/$ million)	LBM MBM	216 219	155 159	156 158	162 167	150 155
Scope 1 Biogenic emissions		236	239	278	251	239
Scope 2 Biogenic emissions		0	0	0	0	2

10. The FY18, FY23, FY24 and FY25 Scope 1, 2 and 3 emission totals have been restated due to divestments, addition of emission categories, and improvements to calculation methodologies. More information about these restatements is provided in Appendix D. These restatements have not been subject to assurance. FY26 Scope 1 and Scope 2 emissions have been subject to reasonable assurance, and FY26 Scope 3 emissions have been subject to limited assurance.

Summary of Scope 1 and Scope 2 GHG emissions sources

PERFORMANCE AND ANALYSIS OF TRENDS

Most of our emissions reductions from FY18 have occurred because of increased coal substitution with biomass and end-of-life tyres in cement production as well as increased renewable content from electricity grids.

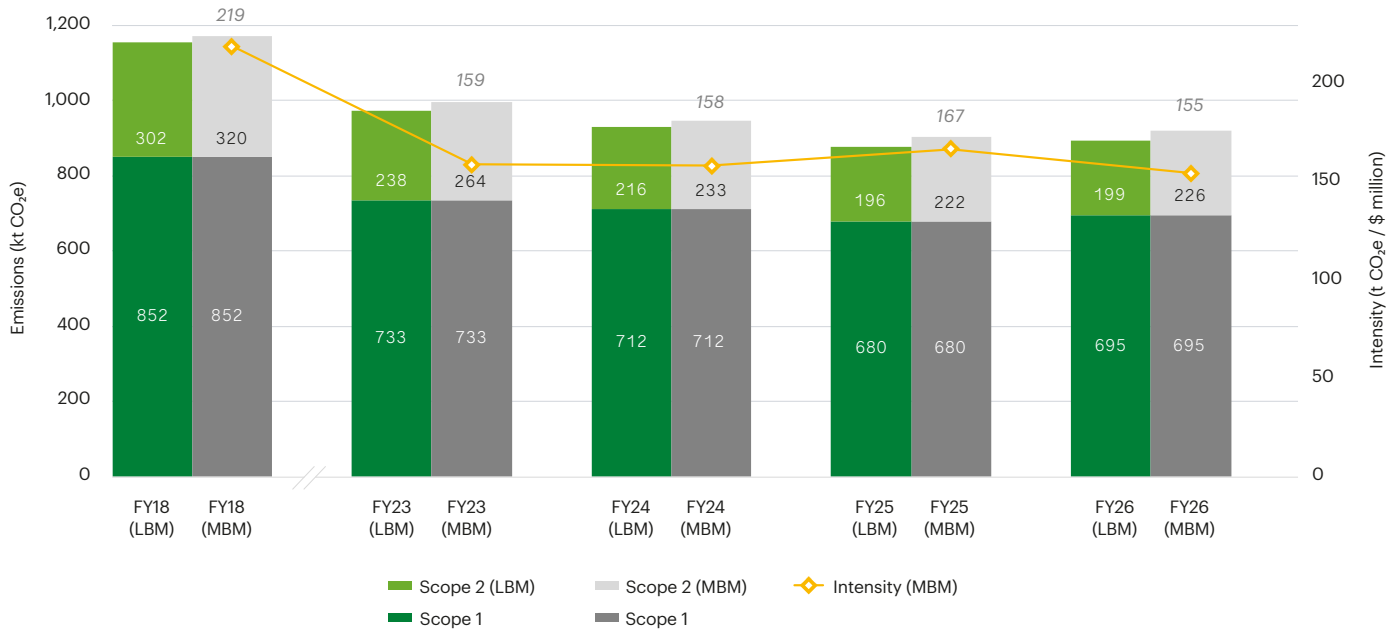
Scope 1 emissions decreased from FY18 to FY26 by 18%. Year-on-year emissions decreased from FY24 to FY25, primarily from reduced output across energy-intensive operations caused by soft market conditions. However, Scope 1 emissions increased 2% in FY26, reflecting a slow recovery in market activity. Although coal use declined in FY26, this was offset by higher use of other fossil-based thermal fuels, primarily refuse-derived fuel and waste tyres, and higher clinker emissions in cement-making operations, together with natural gas used for process heat in other manufacturing businesses.

Scope 2 emissions decreased from FY18 to FY26 by 34% using LBM and 29% using MBM. Year-on-year emissions decreased from FY24 to FY25 primarily due to lower electricity use associated with soft market conditions and reduced output. In FY26, Scope 2 emissions increased slightly by 1.6% LBM and 1.8% using MBM, reflecting a modest lift in electricity use as manufacturing activity began to recover, particularly in Australian operations.

Emissions intensity for Scope 1 and Scope 2 (LBM) decreased 31% from 216 t CO_2e/$ million external revenue in FY18 to 150 t CO_2e/$ million in FY26. Even though year-on-year absolute emissions increased in FY26, emissions intensity decreased by 7% because revenue grew faster than emissions over the same period.

Absolute Scope 1 and Scope 2 emissions are expected to increase in the short term as market conditions improve and production volumes recover. Over the medium term, implementation of the Transition Plan and Carbon Reduction Roadmaps is expected to reduce absolute emissions (see 5. Our Emissions Reduction Targets and Carbon Reduction Roadmaps and 6. Our Transition Plan). We will therefore continue to monitor both emissions intensity and absolute emissions to provide a complete view of our emissions profile.

Scope 1 & 2 emissions: LBM vs MBM



Breakdowns of Scope 1 and 2 GHG emissions by source and year

	OUR KEY EMISSIONS SOURCES		EMISSIONS ($kt\ CO_2e$)					REDUCTION (%)
			FY18[11]	FY23[11]	FY24[11]	FY25[11]	FY26[11]	FY18-26
SCOPE 1	**Cement Operations** Manufacture of cement – thermal fuels (coal, tyre-derived fuel (TDF), refuse-derived fuel (RDF), biomass) and clinker		663	560	546	527	543	18%
	Process Heat – Other Fossil Natural gas and LPG used for process heat in manufacturing		101	92	86	77	78	22%
	Transport Fuel Fuel used in vehicles		47	41	39	37	37	21%
	All other Scope 1 sources		41	41	41	39	37	10%
	Total Scope 1 emissions		**852**	**733**	**712**	**680**	**695**	**18%**
SCOPE 2	**Electricity AU** Electricity used in Australian operations	LBM MBM	276 294	214 246	200 216	180 202	181 208	34% 29%
	All other Scope 2 sources	LBM MBM	26 26	24 18	16 17	16 20	18 18	32% 31%
	Total Scope 2 emissions	**LBM** **MBM**	**302** **320**	**238** **264**	**216** **233**	**196** **222**	**199** **226**	**34%** **29%**

11. The FY18, FY23, FY24 and FY25 Scope 1, 2 and 3 emission totals have been restated due to divestments, addition of emission categories, and improvements to calculation methodologies. More information about these restatements are provided in Appendix D. These restatements have not been subject to assurance. FY26 Scope 1 and Scope 2 emissions have been subject to reasonable assurance, and FY26 Scope 3 emissions have been subject to limited assurance.

Scope 3 GHG emissions

Scope 3 GHG emissions were 2,708 kt CO_2e in FY26. The highest sources of Scope 3 GHG emissions for our business, collectively contributing circa 94% of Scope 3 GHG emissions in FY26, were:

- Category 1: Purchased steel and purchased cement;
- Category 1: Other materials and construction operations;
- Category 3: Fuel and energy-related activities;
- Category 4: Freight; and
- Categories 11 and 12: In-use and end-of-life emissions from sold products.

From our FY23 base year, Scope 3 emissions have decreased by 25% over time mainly due to reduced procurement of raw materials, including steel and cement, with additional reductions from in-use and end-of-life of sold products. This is largely driven by softer market conditions. From FY24 to FY26, Scope 3 emissions decreased by 3.9%, from 2,817 kt CO_2e to 2,708 kt CO_2e. The reduction was primarily driven by an 83 kt CO_2e decrease in emissions from the use and end-of-life treatment of sold products, comprising a 74 kt CO_2e decrease in product-use emissions and a 9 kt CO_2e decrease in end-of-life emissions. Purchased steel emissions decreased by 15 kt CO_2e, freight emissions by 9 kt CO_2e and all other Scope 3 sources by approximately 14 kt CO_2e, while purchased cement emissions remained broadly stable. These reductions were partially offset by a 12 kt CO_2e increase in emissions from materials and construction operations. See Appendix D for more details on sources of Scope 3 emissions.

Our Transition Plan currently focuses on addressing the most significant components of our Scope 3 GHG emissions.

Breakdowns of Scope 3 GHG Emissions by source and year

	SCOPE 3 GHG PROTOCOL CATEGORIES	EMISSIONS (kt CO_2e)				
		FY23[12]	FY24[12]	FY25[12]	FY26[12]	% OF FY26 TOTAL
SCOPE 3	1. Purchased goods and services	2,905	2,109	2,147	2,129	**78.6%**
	2. Capital goods	69.6	60.8	46.5	41.3	**1.5%**
	3. Fuel and energy related activities	100	96.7	86.4	85.5	**3.2%**
	4. Upstream transportation and distribution	157	150	149	141	**5.2%**
	5. Waste generated in operations	3.6	5.2	3.6	4.5	**0.2%**
	6. Business travel	5.2	5.3	3.4	2.5	**0.1%**
	7. Employee commuting	20.2	19.8	16.0	18.1	**0.7%**
	8. Upstream leased assets	2.4	1.0	1.0	0.7	**0.0%**
	9. Transportation and distribution of sold products	10.1	9.4	8.0	8.3	**0.3%**
	10. Processing of sold products	2.2	1.6	1.7	1.7	**0.1%**
	11. Use of sold products	146	198	153	124	**4.6%**
	12. End-of-life treatment of sold products	174	159	144	150	**5.5%**
	14. Franchises	0.4	0.4	0.4	0.4	**0.0%**
	15. Investments	1.2	0.7	0.8	0.5	**0.0%**
	Total Scope 3	**3,596**	**2,817**	**2,760**	**2,708**	**100.0%**

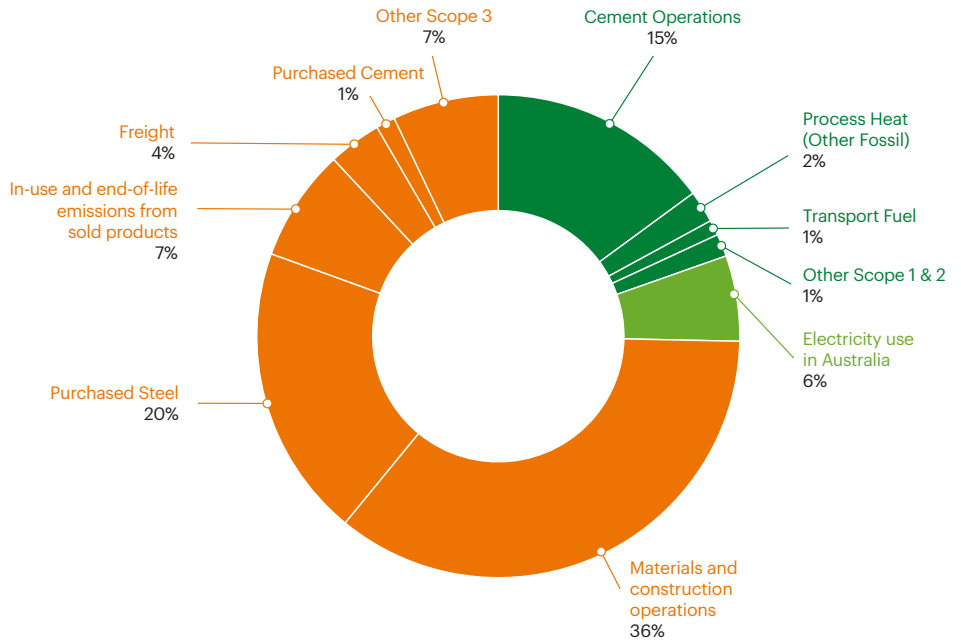
12. The FY23, FY24 and FY25 Scope 1, 2 and 3 emission totals have been restated due to divestments, addition of emission categories, and improvements to calculation methodologies. More information about these restatements are provided in Appendix D. These restatements have not been subject to assurance. FY26 Scope 1 and Scope 2 emissions have been subject to reasonable assurance, and FY26 Scope 3 emissions have been subject to limited assurance.

4.1 Scope 1,2 and 3 GHG emissions profile (Location-based method)

Breakdowns of Scope 1, 2 and 3 GHG emissions by key source and year

	OUR KEY EMISSIONS SOURCES	EMISSIONS (kt CO_2e)			
		FY18[13]	FY23[13]	FY25[13]	FY26[13]
SCOPE 1	**Cement Operations** Manufacture of cement – thermal fuels (coal, TDF, RDF, biomass) and clinker	663	560	527	543
	Process Heat (Other Fossil) Natural gas and LPG used for process heat in manufacturing	101	92	77	78
	Transport Fuel Fuel used in vehicles	47	41	37	37
SCOPE 2	**Electricity AU** Electricity used in Australian operations	276	214	180	181
SCOPE 3	**Purchased Steel** Embodied emissions from purchased steel		786	703	713
	Construction operations and materials Construction materials and activities, raw materials used in manufacturing		1,933	1,297	1,294
	Freight Contracted freight services (land, water, air)		145	136	129
	In-use and end-of-life emissions from sold products In-use and end-of-life emissions from sold products we manufacture		320	297	274
	Purchased Cement Embodied emissions in purchased cement		116	53	47

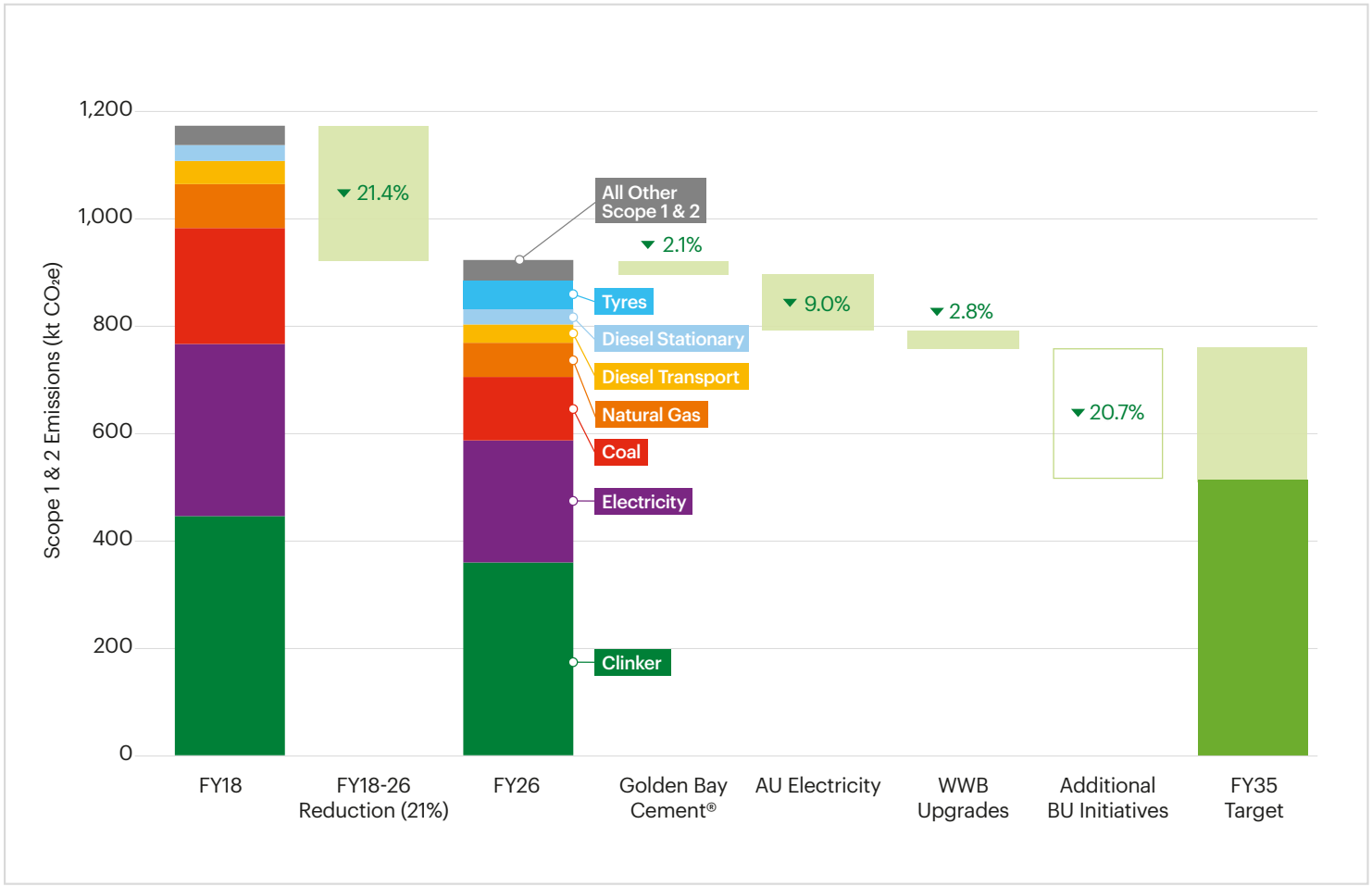
Scope 1, 2 and 3 GHG emissions sources in FY26



13. The FY23, FY24 and FY25 Scope 1, 2 and 3 emission totals have been restated due to divestments, addition of emission categories, and improvements to calculation methodologies. More information about these restatements are provided in Appendix D. These restatements have not been subject to assurance. FY26 Scope 1 and Scope 2 emissions have been subject to reasonable assurance, and FY26 Scope 3 emissions have been subject to limited assurance.

5. Our Emissions Reduction Targets and Carbon Reduction Roadmaps

Carbon Reduction Roadmap – Scope 1 and Scope 2 (MBM) Emissions



During FY26, Fletcher Building refreshed its GHG reduction targets to comply with updated SBTi requirements, which require companies to align near-term targets with a 1.5°C pathway. The updated near- and long-term targets were validated by the SBTi in July 2026 and replaced the Group's previous target of a 30% reduction in absolute Scope 1 and Scope 2 emissions by 2030 which was set using the LBM. The revised targets increase ambition by accelerating the pace of emissions reduction required and incorporating material Scope 3 emissions categories. The new targets were established using the MBM.

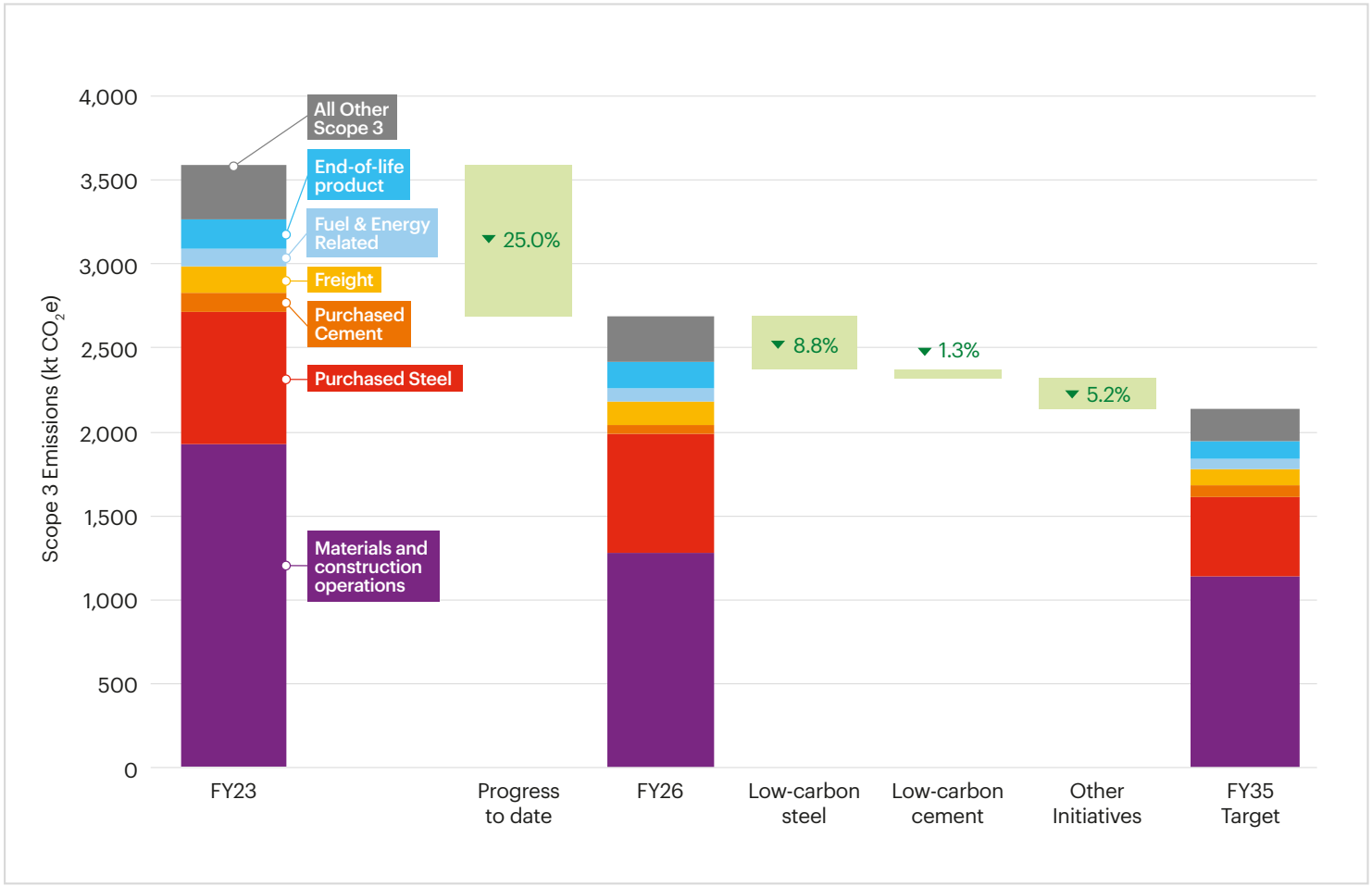
NEAR-TERM EMISSIONS REDUCTION TARGETS

- Reduce absolute Scope 1 and Scope 2 GHG emissions by 56% by FY35 from an FY18 base year. As at FY26, emissions have reduced by 21% from the base year.
- Reduce absolute Scope 3 GHG emissions by 40% by FY35 from an FY23 base year. As at FY26, emissions have reduced by 25% from the base year.

LONG-TERM EMISSIONS REDUCTION TARGETS (NET ZERO TARGETS)

- Reduce absolute Scope 1 and Scope 2 GHG emissions by 90% by FY50 from a FY18 base year.
- Reduce absolute Scope 3 GHG emissions by 90% by FY50 from a FY23 base year.

Carbon Reduction Roadmap – Scope 3 Emissions



The Group continues to develop the detailed transition pathway required to achieve these targets, including consideration of hard-to-abate emissions, technology availability, future regulatory requirements and commercial feasibility. Consistent with SBTi guidance, near-term targets do not include offsets. Neutralisation of residual emissions would be considered only after all reasonable emissions reduction opportunities have been pursued and the long-term emissions reduction targets have been met.

Fletcher Building's Carbon Reduction Roadmaps set out the principal pathways to achieve the Group's updated near-term Scope 1, 2 and 3 emissions reduction targets and support its long-term Net Zero targets. The work underlying the roadmaps was undertaken during FY26 and informed the updated targets, which were validated by SBTi in July 2026. These roadmaps used the MBM. There are significant uncertainties in the pathway to our Scope 3 target, particularly in relation to customer demand and the availability, affordability and uptake of lower-carbon raw materials for manufacturing, steel and cement. In addition, any increase in production or improvement in market conditions will continue to challenge our ability to achieve absolute emissions reductions.

6. Our Transition Plan

In FY26, Fletcher Building undertook a review of our operating model and portfolio, with an aim to focus on manufacturing and distribution of building products and materials. As a result, the Construction division was divested and the Group activated a move to a decentralised operating model, giving more ownership to the operating businesses. This change brought a shift in focus and ownership of material environmental and social matters to the business unit and divisional senior leadership team level.

All divisions and business units reviewed the Group-level CRRO to validate the CRRO materiality at business unit level and confirm the relevant transition plan activities underway in the business unit.

Fletcher Building's Transition Plan is informed by the Group's emissions profile and its assessment of material CRRO as well as the input from the business units and divisions. The plan outlines how the businesses intend to reduce greenhouse gas emissions, strengthen climate resilience, and position the businesses to remain competitive in a lower-carbon economy.

The plan is integrated into business strategy, capital allocation, divisional planning and operational decision-making where relevant. It prioritises the areas expected to have the greatest influence on the Group's emissions profile, resilience and long-term value creation, including cement and clinker production, energy procurement and availability, process heat, lower-carbon steel and cement, supply chain resilience, product innovation, and customer adaptation solutions. Climate-related initiatives may be prioritised, sequenced or deferred depending on available capital and the development of the relevant risk or opportunity.

Business units manage relevant climate-related physical risks through asset and business continuity planning, supported by the Group Risk & Assurance function's periodic risk reviews and oversight. Capital may be allocated where affected assets require adaptation, repurposing, relocation or replacement.

The Transition Plan is designed to evolve as technology, market conditions, policy settings, customer expectations and supply chain data mature.

PRIORITY AREAS	SUMMARY MATERIAL CRRO	KEY METRICS (MBM)	FY26 RESPONSE	MEDIUM- AND LONG-TERM PRIORITIES	LIMITATIONS / DEPENDENCIES
Golden Bay Cement® regulatory exposure and cement decarbonisation TR1 carbon pricing and regulation TO1 policy and regulation	Golden Bay Cement® is exposed to regulatory uncertainty, particularly NZ ETS settings and treatment of emissions-intensive, trade-exposed manufacturing. This may affect the economics of decarbonisation investment and the continued viability of local cement manufacturing.	Golden Bay Cement® is responsible for 557 kt CO_2e, representing 60% of combined Scope 1 and Scope 2 Group emissions. Golden Bay Cement® has reduced combined Scope 1 and Scope 2 emissions by 18% since FY18. Coal substitution has increased to 59%.	Completed government agreement for ongoing operations up to 2040; continued operational optimisation and coal substitution with waste products; continued exploring clinker, cement, binder, electricity and CCSU options; continued to increase energy supply from landfill.	Invest in clinker, cement, binder and electricity initiatives where commercially viable; support CCSU research and commercialisation options in New Zealand where feasible; maintain local manufacturing resilience while reducing emissions.	Dependent on regulatory certainty, NZ ETS settings, market acceptance of lower-carbon cement, technology maturity, commercial feasibility and continued viability of local manufacturing. Cement operating model and product mix may change in response to carbon pricing, industrial allocation and technology availability.

PRIORITY AREAS	SUMMARY MATERIAL CRRO	KEY METRICS (MBM)	FY26 RESPONSE	MEDIUM- AND LONG-TERM PRIORITIES	LIMITATIONS / DEPENDENCIES
Low-carbon products and solutions TR2 market preference shift TO2 industry leadership	Sustainable product supply, low-carbon steel and cement availability, and fossil-based inputs such as resin, PVC and PE may affect supply resilience, cost and market positioning. Customer demand remains cost-sensitive, so affordability and product innovation are critical.	Steel, cement and emissions from fuel and energy related activities are responsible for 845 kt CO_2e, representing 31% of Scope 3 emissions across the Group. This is a 16% reduction since FY23. In FY26, we have 76% of manufacturing revenue from sustainably certified products (exceeding our target of 75%).	Monitored supplier offerings and customer demand; maintained sustainable product certifications; continued category planning and supply resilience work; diversified supply; explored low-carbon steel and cement options; educated customers.	Develop affordable lower-carbon product options; explore alternatives for high-carbon inputs and fossil-derived materials; position the portfolio to respond to regulation, procurement requirements and market preference shifts without increasing carbon leakage risk.	Dependent on customer willingness to pay, supplier capability and behaviour, affordability, data quality, carbon border or procurement policy settings and the pace of supply chain transition.
Energy availability and supply TR3 renewable energy availability and cost TO3 innovation in energy and processes	Energy cost, renewable electricity availability, process heat alternatives and heavy-fleet technology may affect operating cost, resilience and delivery of the decarbonisation roadmaps. The issue is particularly relevant for Australian businesses, Light Building Products NZ, Concrete and process heat-intensive sites.	Energy is responsible for 560 kt CO_2e, representing 61% of Scope 1 and Scope 2 emissions across the Group. These have reduced by 23% since FY18.	Developed an energy strategy for Australian operations, reducing reliance on grid decarbonisation; evaluated PPAs, LGCs and REGOs where commercially justified; implemented behind-the-meter solar for 2 major manufacturing sites; assessed biomass, biofuel and process heat alternatives; monitored heavy-fleet technology and infrastructure.	Advance renewable electricity procurement where value is demonstrated; progress process heat feasibility; support lower-emission heat and fleet technology as infrastructure and supply become available; maintain energy resilience as part of business planning.	Dependent on renewable electricity availability, continued grid decarbonisation, pricing, long-term contract value, process heat technology, availability of cost-effective fuel alternatives and infrastructure readiness.
Adaptation and future-proofing customers PR4 downstream customer physical risk TO1 policy and regulation	Extreme rain, heat, drought, water stress and adaptation-related regulation may increase demand for infrastructure, commercial and residential building materials that support resilience. The FY26 assessment identifies this as a material opportunity rather than a material residual physical risk.	None assessed.	Identified existing products that support adaptation, including water, drainage, insulation, roofing and heat- or UV-resistant solutions; developed and marketed products and systems that support water, heat and extreme rainfall adaptation.	Partner with customers, councils and infrastructure providers on targeted resilience solutions; grow the Group's role in climate-resilient building systems and adaptation-related infrastructure markets.	Dependent on timing and scale of adaptation regulation, local authority investment, customer demand, infrastructure pipeline, product performance data and procurement structures.

7. Climate Resilience

Building resilience through scenario analysis

The Group uses climate scenario analysis, against all scenarios and time horizons, to assess CRRO and test resilience. For FY26 the scenario analysis approach was simplified for the purposes of resilience assessment, to understand how CRRO could affect operations, strategy, business model and financial planning over time and make the output more useful for business planning and governance oversight.

ASSESSMENT LAYER	CLIMATE SCENARIO AND TIME HORIZON	PURPOSE	OUTPUT
Divisions	<2°C, short & medium term	Validate materiality, ownership and operational actions.	Material CRRO confirmed by business units and divisions, with actions linked to business planning.
Executive	1.5°C, long term >3°C, long term	Test strategic implications, feasibility of response actions and key dependencies.	Executive input on energy, supply chain, product mix, capital allocation and resilience options.
SHES Committee	1.5°C, long term >3°C, long term	Challenge assumptions, test resilience of strategy and assess whether additional work is required.	Governance challenge on feasibility, cost, supply chain assumptions, market positioning and decision gates.

The results of our resilience testing provided a clear view of how our business performs under a range of climate futures, highlighting the pressures, thresholds, and opportunities that inform our strategic response. Key outcomes are summarised in the table below.

PRIORITY AREAS	AMBITION SCENARIO 1.5°C, LONG TERM	REALISTIC SCENARIO <2°C, MEDIUM TERM	WORST CASE SCENARIO > 3°C, LONG TERM
1. Golden Bay Cement® regulatory exposure and cement decarbonisation	High transition pressure. Regulatory certainty and economically viable decarbonisation become critical to support local cement manufacturing and emissions reduction.	Material for Heavy Building Materials division and Group. NZ ETS settings, carbon pricing and policy stability influence investment timing and economics.	Lower transition pressure against this specific matter. Local manufacturing resilience and physical adaptation remain relevant.
2. Low-carbon products and solutions	Stronger demand and regulation may improve market pull for low-carbon steel, cement and products, but supply and cost constraints may intensify.	Material across multiple divisions. Customer demand currently remains cost-sensitive, so affordability and product innovation are critical.	Lower transition pressure, but supply chain disruption and resilience-related customer needs may increase.
3. Energy availability and supply	Rapid decarbonisation increases demand for renewable electricity, alternative fuels and process heat solutions. Competition for feedstocks and PPAs may increase.	Material for Light Building Products NZ and Heavy Building Materials divisions. Energy cost, availability and technology feasibility influence roadmap delivery.	Lower transition pressure, but physical disruption to energy availability and supply become more important.
4. Adaptation and future-proofing customers	Policy and regulation may support higher-performance, lower-carbon and climate-resilient building solutions.	Material opportunity across divisions where products already support water, heat, drainage, insulation, roofing and resilience needs.	Demand for resilience-related products and infrastructure may increase as physical impacts become more severe.

AREAS OF UNCERTAINTY

The resilience assessment identified several uncertainties that could affect the pace, cost and effectiveness of the Group's transition and resilience response:

- Regulatory certainty, particularly NZ ETS settings and treatment of emissions-intensive, trade-exposed manufacturing.
- Availability and affordability of renewable energy, PPAs, certificates, process heat alternatives and lower-emission fuels.
- Technology maturity and commercial feasibility for hard-to-abate emissions, including cement process emissions, biomass, biofuel, high-temperature process heat and heavy-fleet alternatives.
- Customer demand and willingness to pay for lower-carbon products and resilience-related products and systems.
- Availability, affordability and data quality for low-carbon steel, cement and other purchased materials.
- The ability to isolate climate-related impacts from other drivers in supply chains and downstream markets.
- The frequency and severity of physical climate events, including the potential for low-probability, high-severity events not captured by average annualised modelling.

Capacity to adjust or adapt strategy and business model

The Group's capacity to remain resilient depends on maintaining strategic and financial flexibility, including the ability to sequence capital, adjust product and procurement strategies, shift supply arrangements, strengthen site-level resilience and respond to changing customer and regulatory demand.

IF TRANSITION ACCELERATES…	IF TRANSITION IS SLOWER OR FRAGMENTED…	IF PHYSICAL IMPACTS INTENSIFY…
• Prioritise economically viable emissions reduction projects and renewable electricity pathways. • Increase engagement with suppliers on low-carbon steel, cement and fossil-derived inputs. • Accelerate customer education and product innovation for lower-carbon and certified products. • Strengthen regulatory and industry engagement to support local low-carbon manufacturing and avoid carbon leakage.	• Maintain focus on no-regrets energy efficiency, cost reduction and resilience measures. • Avoid over-committing to uneconomic technology before supply, demand and regulation are clearer. • Continue to monitor customer demand and regulatory developments before scaling product commitments. • Maintain optionality in capital allocation and procurement arrangements.	• Increase focus on site-level resilience, emergency preparedness and business continuity. • Review exposed assets and critical dependencies for adaptation, relocation, upgrade or changed operating procedures. • Expand adaptation-related product and infrastructure solutions where customer and council demand emerges. • Test insurance, supply chain and logistics arrangements for severe event scenarios.

Conclusion on resilience

Resilience was assessed by considering whether the identified CRRO were capable of being managed within existing governance frameworks, capital allocation processes and strategic planning horizons.

Based on the FY26 assessment and scenario analysis undertaken, Fletcher Building considers its current strategy and business model to be resilient to the material CRRO identified, subject to continued active management of the key dependencies, uncertainties and decision points.

Maintaining this resilience requires ongoing attention to several key areas, including:

- Oversight by Executive and Board in relation to priority areas: Golden Bay Cement®, energy availability and supply, low-carbon products and solutions, and adaptation-related customer opportunities; and
- Monitoring the Transition Plan as technology, regulation, energy markets, customer demand and supply chain data mature.

8. Metrics and Targets Summary

Fletcher Building discloses climate-related metrics and targets in line with NZ CS 1. Detailed GHG emissions metrics and targets are set out in the 4. Greenhouse Gas (GHG) Emissions section and 5. Our Emissions Reduction Targets and Carbon Reduction Roadmaps section respectively. All physical risk, transition risk and climate-related opportunity exposure metrics are presented in the relevant CRRO tables in the 3. Climate-related Risks and Opportunities (CRRO) section. Where a separate quantitative CRRO-specific metric has not been identified, the relevant rationale and limitations are also explained within the applicable CRRO table.

This section summarises the remaining climate-related metrics and targets. No additional industry-based metrics or key performance indicators are disclosed.

METRIC CATEGORY	METRIC	FY2026	FY2025	FY2024	DESCRIPTION INCLUDING TREND ANALYSIS
Capital deployment	Amount of capital expenditure, financing or investment deployed toward CRRO	Less than $5 million	Less than $5 million	Less than $5 million	In FY26, the Group introduced a tiered climate-related capital and operating expenditure framework to support more consistent identification and assessment of climate-related expenditure. This metric includes expenditure where a CRRO is a primary driver of the investment. Other investments may also contribute to managing CRRO or reducing emissions but are not included where climate is not a primary driver and the climate-related portion cannot be reliably attributed. One of the key investments/initiatives in FY26 includes: • Golden Bay Cement®'s renewable electricity supply from Northwaste, comprising approximately $1.3 million of operating expenditure. This initiative is expected to avoid approximately 126,000 kg CO_2e of emissions in FY26 and primarily addresses TR3 – renewable energy availability and cost, while also reducing exposure to TR1 – carbon pricing and regulation. Climate-related capital deployment/initiatives spend remained not material across FY24 to FY26.
Internal emissions price	Internal emissions price - Projects < 5 years	Not applicable	NZ$80 or AU$60 per tonne CO_2e	NZ$80 or AU$60 per tonne CO_2e	In FY25, the Group disclosed that it had developed an internal emissions price framework to assess the potential financial impact of carbon reduction initiatives in project evaluation and capital planning, noting that no business case exceeding $500,000 had utilised the framework. Following further review in FY26, management confirmed that the framework has not been applied in practice and has not been embedded into Group investment processes. In May 2026, the ARC approved removal of the framework from Group practice. Accordingly, the Group did not apply an internal emissions price in FY26. In the absence of a formal internal carbon price, the Group will look to consider potential carbon cost impacts within investment evaluation processes, including through sensitivity analysis and other relevant inputs such as market-based signals and applicable regulatory and policy considerations. For example, Golden Bay Cement® has applied assumed NZU pricing in forward operating models to assess future carbon cost exposure, noting this is not derived from the Group's internal carbon pricing framework. The internal emissions price remained unchanged in FY24 and FY25 but was discontinued in FY26 following management review and ARC approval. Climate-related cost impacts continue to be considered through existing investment evaluation processes where relevant.
	Internal emissions price - Projects > 5 years	Not applicable	NZ$100 or AU$50 per tonne CO_2e	NZ$100 or AU$50 per tonne CO_2e	
Remuneration	Management remuneration linked to CRRO	Nil	Nil	Nil	No climate-related STI or LTI performance measures applied in FY26. While a 5% STI measure relating to decarbonisation applied to the Chief Executive – Concrete in FY24 and FY25, no payment was made against this measure in either year.

9. Our Governance of Climate-related Risks and Opportunities

Board oversight of CRRO
Management role in assessing and managing CRRO

9.1 Governance and management hierarchy

The diagram below outlines Fletcher Building's Governance and Management Hierarchy for CRRO, with key responsibilities set out in the accompanying narrative.

FB BOARD (FY26: 9 MEETINGS)

- Provides overall strategic guidance and effective oversight of management.
- Has ultimate oversight of CRRO, including key financial and non-financial risks and FB's commitments relating to sustainable development, the environment and the community, and considers material CRRO when developing and overseeing implementation of the Group's overall strategy, where applicable.
- Delegates specific climate-related responsibilities to PREM, ARC and SHES Committees, and receives recommendations and reports from those Committees.
- Approves the ESG Framework, Risk Management Framework (RMF), Climate Strategy, science-based targets and annual CRD, on the recommendation of the relevant Committees.
- Maintains climate and sustainability capability through Directors' diverse experience represented in the Board Skills Matrix, which includes 'Climate change' as a distinct capability area, supplemented by internal and external advice on climate-related matters where required to support decision-making.

PREM COMMITTEE (FY26: 3 MEETINGS)

- Meets at least three times annually and reports to the Board after each meeting.
- Considers financial and non-financial outcomes and risks, including climate-related STI objectives for Executives where relevant.
- Supports the Board in overseeing and recommending FB's remuneration strategy, policy and outcomes for the Group Chief Executive Officer and Executive Leadership Team.

SHES COMMITTEE (FY26: 5 MEETINGS)

- Meets at least four times annually and reports to the Board after each meeting.
- Oversees FB's ESG Framework and Sustainability Policy, including environment, sustainability and climate-related strategies, governance and performance, and emissions performance, key assumptions, strategic sustainability measures, regulatory updates, and rotational updates from Divisional Chief Executives on divisional sustainability performance and insights.
- Reviews and recommends FB's Climate Strategy, climate-related commitments, actions and emissions reduction targets to the Board, and oversees implementation and progress against related work programmes.
- Monitors SHES-related compliance requirements, climate science and key climate change developments.
- Reviews and monitors the Group's portfolio resilience and ability to adapt to transition and medium- to long-term physical CRRO.
- Reviews relevant aspects of the CRD and climate-related assurance scope jointly with ARC, where required, before recommendation to the Board for approval.



DIVISIONS AND BUSINESS UNITS

- Participate in annual CRRO processes, supported by relevant CRWG members, and provide input on division and business unit CRRO, initiatives, metrics and targets.
- Support validation of material CRRO and provide information and evidence required for CRD preparation, substantiation and assurance.

ARC COMMITTEE (FY26: 5 MEETINGS)

- Meets at least four times annually and reports to the Board after each meeting.
- Supports the Board in overseeing FB's RMF, including internal controls, financial, disclosure, operational and emerging risks, business resilience, business continuity planning and incident management, excluding medium- and long-term ESG matters and CRRO, which are governed through the ESG Framework and overseen by SHES.
- Reviews climate-related matters that intersect with ARC's remit, including current acute physical climate-related risks, supply chain risks, financial impacts, climate-related frameworks, methodologies and metrics, and NZ ETS matters where relevant.
- Oversees climate-related assurance, including assurance plans, practitioner recommendations, assurance scope, terms and fees, and reviews and recommends the annual CRD to the Board jointly with SHES for approval.

EXECUTIVE LEADERSHIP

- Responsible for identifying, assessing, validating and managing CRRO, informed through monthly Executive meetings where relevant and in line with the CRD schedule, and escalating material matters to ARC, SHES or the Board as appropriate.
- Uses climate change trends, material CRRO assessment outputs, divisional workshops and relevant business unit planning inputs to inform broader strategy considerations where material.
- Implements the ESG Framework by considering relevant climate plans, mitigation initiatives, transition plan alignment and the Group decarbonisation roadmaps into divisional plans, capital reviews, annual budget planning and operational reviews, where material.
- Monitors divisional performance across material ESG matters, including climate, and applies the RMF as the supporting framework for enterprise risks that intersect with CRRO, including business resilience, supply chain, regulatory and legal, financial, operational and emerging risks.

CFO & CSSO

- Lead climate reporting to ARC and SHES respectively, supported by the CRWG and inputs from divisions and business units.
- Are co-accountable for preparing the annual CRD for ARC and SHES review.

CRWG

- Cross-functional management working group chaired by the Chief Safety & Sustainability Officer (CSSO), with representatives from Insurance & Treasury, Risk & Assurance, Company Secretary and Legal Counsel (Governance), Sustainability, Corporate Affairs and Finance & Performance.
- Coordinates the annual CRD process, including disclosure development, substantiation, assurance activities, governance approvals, engagement with the assurance provider and responses to external feedback where relevant.
- Brings together functional expertise and top-down Board and Committee perspectives with bottom-up division and business unit inputs on material CRRO as part of the annual CRRO process, subject to Executive validation.
- Engages with ARC, SHES and the Board through the CRD schedule and governance review points, including CRWG-coordinated Committee papers and Executive updates where relevant. Engagement increases during key reporting periods and ahead of assurance, Committee review and Board approval milestones, with material matters escalated as required.

9.2 Governance activities in FY26

The key roles, responsibilities and Committee reporting cadence set out in the 9.1 Governance and Management Hierarchy above describe Fletcher Building's routine climate governance arrangements. This subsection does not repeat those routine processes; it summarises specific governance activities undertaken in FY26 that supported the preparation, review and oversight of the annual CRD.

GROUP-WIDE INCLUDING AUSTRALIAN BUSINESSES

FY26 was the first year that Fletcher Building (Australia) Pty Ltd, FB's wholly owned subsidiary, was required to prepare CRD under AASB S2. In response, the Group reviewed the approach to the Group and FBA to support consistent application of CRRO, metrics, judgements and methodologies where relevant, while recognising differences between NZ CS and AASB S2 requirements. This included confirmation that the Board and Committees oversee Australian business units as part of broader Group oversight, and management monitors and reviews Australian business units and entities through existing governance processes, including the appointment of directors to those subsidiaries.

In FY26, the CRWG implemented a section-by-section CRD preparation timetable, setting out the relevant disclosures, supporting analysis and Committee review points. This timetable staged key reviews across the reporting cycle to support the timely ARC and SHES review of the approach, key judgements and methodologies applied across both jurisdictions through relevant Committee papers.

AUDIT AND RISK COMMITTEE (ARC)

In FY26, the ARC considered a number of climate-related matters, with relevant decisions and recommendations reported to the Board through usual ARC reporting process:

- removal of the Internal Cost of Carbon Framework;
- approval of an internal tiered climate-related capital and operating expenditure deployment framework;
- the refreshed RMF, noting that ESG matters and CRRO are governed through the ESG Framework and overseen by SHES, rather than through the RMF; and
- appointment of the new climate-related assurance provider and, jointly with SHES, the assurance scope of work and fees.

No update in relation to the NZ ETS was provided to ARC in FY26, as this matter was reviewed directly by the Board, particularly in relation to impacts on Golden Bay Cement®'s operating model.

SAFETY, HEALTH, ENVIRONMENT AND SUSTAINABILITY COMMITTEE (SHES)

In FY26, SHES endorsed the following climate-related matters for Board approval, which were subsequently approved by the Board:

- the refreshed ESG Strategy & Governance Framework (ESG Framework), aligned to the Group's refreshed operating model, to support Director oversight of material ESG matters, including climate-related matters requiring disclosure. The refreshed ESG Framework included revised CRRO processes, which are described in the 10. Risk Management section;
- The 'World View' climate scenario to support the refined FY26 climate-related scenario analysis; and
- revised science-based emissions reduction targets for continuing operations, in support of the Group's climate ambition and commitment to Net Zero by 2050.

During the year, SHES also undertook an externally facilitated long-term scenario analysis workshop, attended by Directors, to assess 'Ambition' and 'Worst-case' scenarios for selected material CRRO.

Light Building Products, Heavy Building Materials and Residential and Development divisions presented to SHES on their respective sustainability performance and insights in FY26.

PEOPLE AND REMUNERATION COMMITTEE (PREM)

In FY26, PREM endorsed a refreshed Short-Term Incentive (STI) scheme, which includes a 10% weighting for non-financial individual performance goals for Executives. The STI framework also included a placeholder for individual business improvement goals, which may be used where a risk or opportunity is material to the relevant business. These goals are individually determined and may include ESG-related objectives where relevant to the Group or applicable division. No Executive had a specific climate-related STI goal in FY26.

EXECUTIVE LEADERSHIP, DIVISIONS AND BUSINESS UNITS

The Executive endorsed, and recommended to the SHES Committee the endorsement of, the ESG Framework and revised CRRO methodology, participated in scenario analysis for one material CRRO, and validated the final material CRRO.

In FY26, divisions and business units participated in the refreshed ESG and CRRO processes, including workshops described in the 10.Risk Management section. Sustainability Leadership Training was also delivered to General Managers and their Leadership Teams in the Distribution and Light Building Products divisions.

BOARD

Outputs from ARC, SHES and PREM were reported to the Board after each Committee meeting.

During FY26, CRRO-related matters were reported to the Board through these Committee reports where relevant, and through direct Board updates on matters including Divisional updates on electricity and fuel strategies, and Golden Bay Cement®'s operating model. The Board also received material CRRO disclosure as part of the final CRD approval process. This includes SHES endorsement of material CRRO in September 2026, and ARC endorsement of the full CRD, including material CRRO and associated impacts, together with SHES members, before Board approval of the CRD in October 2026.

During FY26, the Board adopted an updated Board Skills Matrix, with climate change added as a distinct capability, reflecting the skills and experience relevant to the Board's oversight of climate-related matters.

10. Risk Management

Risk framework

Fletcher Building's ESG Framework governs material environmental, social and governance matters across the Group, including CRRO. For climate-related matters, the ESG Framework is supported by the Master CRRO Register, which captures CRRO identified through the CRRO assessment process. The ESG Framework sets out dedicated processes for identifying, assessing, validating and monitoring CRRO across scenarios and time horizons.

The RMF supports the management of enterprise risks across the Group. The RMF is aligned with the principles and terminology of ISO 31000:2018 Risk Management – Guidelines. It focuses on short- and near-term enterprise risks, including business resilience, supply chain, regulatory and legal, financial, operational and emerging risks.

The ESG Framework and RMF operate as complementary processes. The ESG Framework captures and assesses medium- to long-term strategic CRRO, while the RMF supports management of current and near-term enterprise risks that may intersect with climate-related matters. These intersections may include acute physical risks, supply chain disruption, business continuity planning and incident management.

The FY26 CRRO materiality assessment considered qualitative factors including strategic, operational, regulatory, reputational and value chain significance. Where financial impacts could be reasonably estimated, the Group's RMF risk criteria and consequence scale were used as a reference point to support the financial materiality assessment.

Governance oversight of the ESG Framework, RMF and related CRD processes is described in the 9. Governance section.

Value chain scope and limitations

The CRRO assessment considers value chain exposures where relevant across the Group's operations, suppliers, products, customers and markets. However, the scope and depth of assessment vary by risk. Physical risk modelling focuses on owned and operated sites, supply chain assessment focuses on selected critical Tier 1 suppliers, and downstream customer impacts are assessed primarily on a qualitative basis. Detailed quantitative assessment does not currently extend consistently across suppliers of suppliers or the full upstream and downstream value chain, reflecting data and methodological limitations. Specific scope and limitations for individual CRRO are described in 3. Climate-related Risks and Opportunities (CRRO).

CRRO assessment process

The CRRO assessment process builds on Fletcher Building's prior-year climate risk methodology, including physical risk modelling, supply chain assessment and divisional transition risk and opportunity review activities.

The process applies the time horizons and 'World View' described in the 2. Strategy section, including the specified duration of each time horizon.

As summarised in Figure 3, Fletcher Building's CRRO assessment process combines the review of the Master CRRO Register, the bottom-up divisional and business unit materiality workshops, the top-down Director scenario analysis and resilience assessment, Executive validation, and Legal, Finance and CRWG review before disclosure. This process supports the identification, assessment, validation and disclosure of material CRRO.

Annual business unit risk review workshops, led by Group Risk & Assurance, also inform the CRRO process where climate-related exposures intersect with enterprise risks. Outputs from these risk review workshops are used to validate management's assessment of relevant CRRO and proposed responses, particularly for current or near-term matters that may impact business resilience, business continuity, supply chain and operational exposures.

The tools and methods summarised in Table 1 are used to identify CRRO, and for identified climate-related risks, to assess their scope, size and impact. The tools and methods applied vary depending on whether the matter relates to physical risk, transition risk or climate-related opportunity, or a current and near-term enterprise risk intersection.

RISK CATEGORY	TOOLS AND METHODS	ASSESSMENT APPROACH AND RATIONALE
Physical risks	Marsh Advisory physical climate risk modelling of the assessed Group sites using RMS Climate on Demand, including downscaled CMIP6 projections adjusted to baseline hazard levels; FY26 high-level review of site and TIV coverage; and divisional materiality workshop input	Assessed primarily under the 'Worst-case'/'Hot House World' scenario, as physical risks such as storms, floods, heat stress and water stress are already becoming more frequent and severe. Prior-year physical risk modelling outputs were reviewed against FY26 sites and TIV information, including removal of sites no longer within Fletcher Building's operating footprint. No material movement in AAL outputs was identified that required the modelling to be refreshed for the FY26 process. The modelling outputs, including AAL information where available, were used in the divisional materiality workshops to support assessment of the relevance, scope, size and impact of physical risks to divisions and business units, supporting asset management planning and testing of material CRRO.
Transition risks and climate-related opportunities	NZGBC climate scenarios, structurally aligned to TCFD, and transition risk and climate-related opportunity work undertaken across FY23, FY24 and FY25. In FY26, Group-level Master CRRO Register review; and divisional and business unit materiality workshop input.	Assessed through a multi-scenario lens. Prior-year transition risks and climate-related opportunities were used as the starting point and refreshed through FY26 CRRO process. Divisions and business units assessed the relevant transition risks and climate-related opportunities, particularly under the 'Realistic'/'Disorderly' scenario for short- and medium-term operational impacts. Outcomes were aggregated and tested through top-down Director scenario analysis, resilience assessment and Executive validation, including consideration of longer-term strategic risks and opportunities under the 'Ambition'/'Orderly' and 'Worst-case'/'Hot House World' scenarios. This process supported the determination of material CRRO at Group level.
Current and near-term enterprise risk intersections	Business unit risk review workshops led by Group Risk & Assurance using the Group's standard risk assessment approach. Prior-year enterprise risk review outputs, including acute climate-related physical risk outputs from Marsh modelling; the RMF and Enterprise Risk Register; and current external risk context, including supply chain and geopolitical developments.	Assessed through the RMF where climate-related exposures intersect with current and near-term enterprise risks. For FY26, prior-year enterprise risk review outputs and current external risk context were used as inputs to validate relevant CRRO and proposed responses, particularly for business resilience, business continuity, supply chain and operational exposures. In the coming year, business unit risk review workshops are expected to be conducted using refreshed RMF and risk categories.

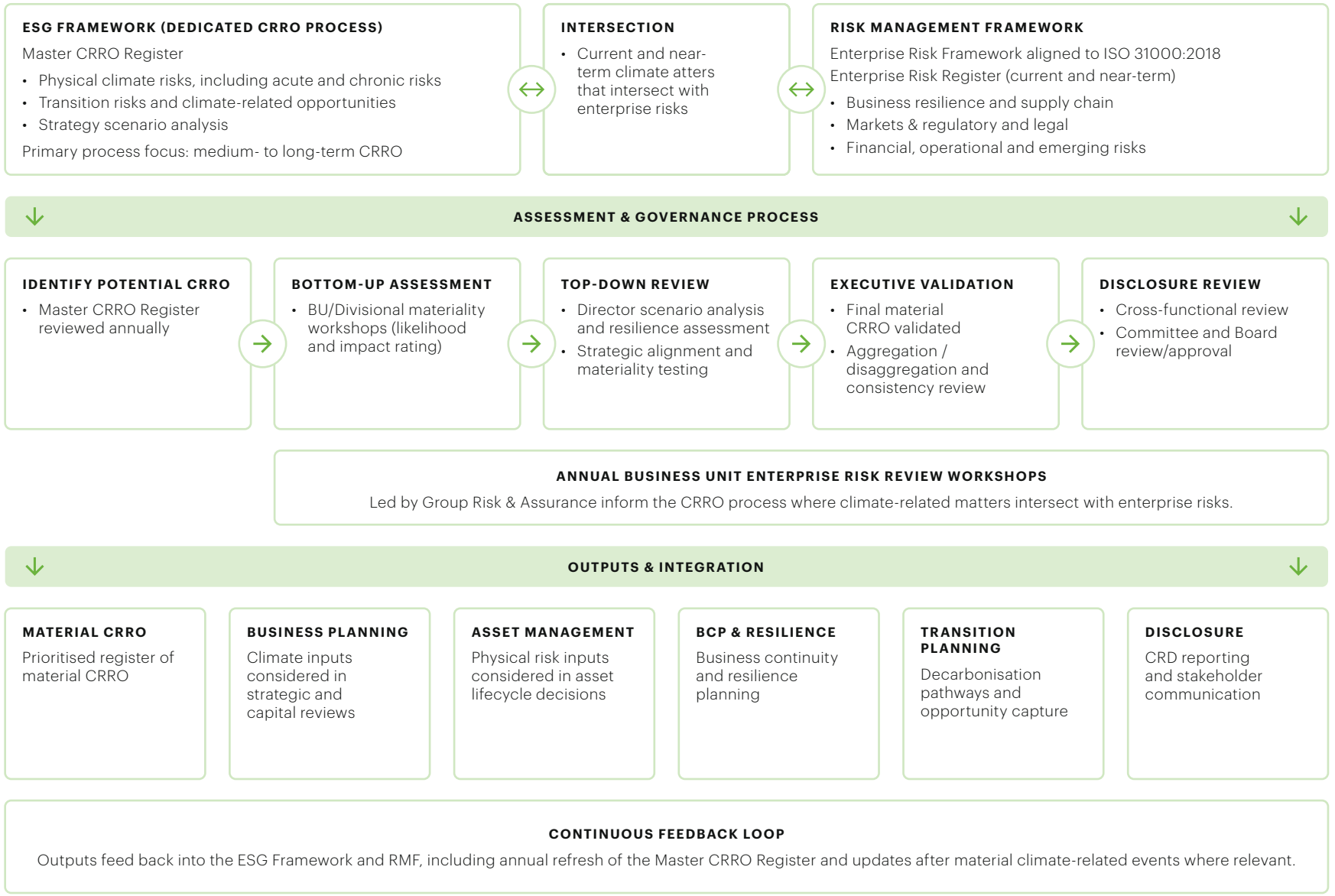
Table 1 - Tools and methods used in the CRRO assessment process

Once material CRRO are identified and validated, the relevant division or business unit considers appropriate responses. At a Group level, responses are prioritised based on the potential mitigation of material CRRO and may then be incorporated into business strategy, asset management, business continuity plans, strategic plans, investment reviews, operational planning, insurance and risk financing considerations, resilience activities or transition planning.

Figure 3 – How We Identify, Assess and Manage CRRO

Figure 3 summarises how Fletcher Building identifies, assesses, validates and manages CRRO. The ESG Framework, supported by the Master CRRO Register, is the primary framework for material CRRO. The RMF and Enterprise Risk Register support this process where current and near-term climate-related matters intersect with enterprise risks.

Climate reporting framework aligned to enterprise risk management and ESG governance.



CRRO materiality

In FY26, Fletcher Building assessed CRRO materiality primarily through qualitative assessment, supported by quantitative information where available and relevant.

The qualitative assessment considered strategic, regulatory, operational, reputational and value chain significance, including whether a CRRO could materially affect the Group's strategy, resilience or operations. This assessment involved management judgement based on reasonable and supportable information available without undue cost or effort, and was informed by divisional and business unit materiality workshops, scenario analysis and Executive validation.

Where financial impacts could be reasonably estimated, quantitative information was used to support the materiality assessment. This included relevant physical risk modelling and, where applicable, consideration of the Group's RMF risk criteria and consequence scale. Where the RMF consequence scale was applied, financial impact was considered by reference to the potential impact on overall Group earnings, expressed as an annual average loss or benefit, being the expected impact within a 12-month period over time. This approach is most applicable to current and near-term risk exposures where financial impacts can be reasonably estimated.

At Group level, CRRO are considered material for disclosure where the assessment indicates that the risk or opportunity could materially affect the Group's strategy, resilience, operations, financial performance, regulatory position, reputation or value chain.

Climate-related risks are prioritised relative to other risks according to their nature and time horizon. Current and near-term climate-related matters that intersect with enterprise risks are considered through RMF processes alongside other business risks. Medium- to long-term strategic CRRO are assessed and prioritised through the dedicated CRRO process and Master CRRO Register, informed by divisional and business unit input, scenario analysis and Executive validation.

ASSESSMENT OUTCOME	RISK *(Meaningful impacts to financial performance, operations, value chain or reputation.*	OPPORTUNITY *(Material benefits such as revenue growth, cost avoidance or improved market positioning.)*
Material	Significant impacts that could affect the viability, resilience, or strategic direction of the Group. May involve substantial financial impact, major disruption, regulatory exposure, or loss of social licence, and requires active Executive and Board oversight.	Strategically significant benefits that materially enhance long-term value, competitiveness or resilience. Central to the Transition Plan and delivery of the Group's climate ambitions, requiring strategic commitment and investment.
Not Material	Limited, localised impacts that are minor, short-term or manageable through existing controls and processes. Does not materially affect strategy, resilience, compliance or stakeholder confidence.	Incremental benefits that deliver minor efficiency, cost or sustainability gains. Not critical to strategy or competitiveness and limited impact if not realised.

Table 2 – Materiality guide table

Risk management refinements and activities in FY26

In FY26, Fletcher Building refreshed the frameworks and processes used to assess and manage CRRO. This refresh was undertaken to align the CRRO process with the Group's refreshed operating model, continuing business operations, strategy, 'World View' and updated RMF.

As signalled in FY25, more detailed assessment of CRRO across scenarios and time horizons was not yet fully integrated into business unit risk management practices. In FY26, this was addressed through the refreshed ESG Framework and dedicated CRRO process, rather than by incorporating all CRRO into the RMF. This recognises that CRRO may have different characteristics from other enterprise risks, including longer time horizons, higher uncertainty and impacts across the value chain.

Key FY26 refinements include:

- refreshing the ESG Framework, including clearer CRRO assessment and materiality processes;
- refreshing the RMF, including clearer recognition of how current and near-term enterprise risks may intersect with climate-related matters;
- applying the Group's 'World View' to support more targeted use of climate scenarios;
- strengthening bottom-up input from divisions and business units through CRRO materiality workshops;
- using Executive and Director scenario analysis and resilience assessment to inform the assessment of material CRRO;
- applying Executive validation to confirm material CRRO and assess organisational resilience; and
- focusing disclosure on CRRO assessed as material through the refreshed process, rather than carrying forward all CRRO disclosed in the prior year.

During FY26, the process included:

- 26 business unit risk review workshops led by Group Risk & Assurance, as part of the broader enterprise risk process, with relevant outputs informing the CRRO assessment;
- 5 divisional CRRO materiality workshops including separate New Zealand and Australian workshops for Light Building Products division, with Stramit® (Heavy Building Materials division) included in the Australian workshop;
- 1 Director scenario analysis / resilience workshop;
- 1 Executive scenario analysis / resilience workshop; and
- Executive validation of material CRRO.

11.1 Appendix A: Detailed climate scenarios

Scenario One

An 'Orderly' scenario where the world succeeds in limiting global temperature increase to 1.5°C above pre-industrial temperatures. Global emissions decline steadily to achieve Net Zero CO_2 emissions globally by 2050. Australia and New Zealand climate policies are ambitious and in line with the rest of the world's, with the building and construction sector adopting and prioritising decarbonisation policies. The energy grid shifts rapidly away from fossil fuel use, with the New Zealand grid reaching 100% renewable by 2050. Australia decarbonising to 82% by 2032. Alternative fuels are used as a backup, and renewables are utilised on site instead of fossil fuels.

The shadow price of carbon increases dramatically to align with a 1.5°C trajectory, steadily rising up to $250/t CO_2e by 2050 (an increase) of ~614% from a 2023 baseline of $35/t CO_2e). As a result, the cost and lead times for low-carbon materials and products increase through the 2020s and 2030s, but they become more cost and time effective than traditional materials by 2040. The construction sector grows significantly as carbon-supporting infrastructure is replaced with greener, low-carbon infrastructure.

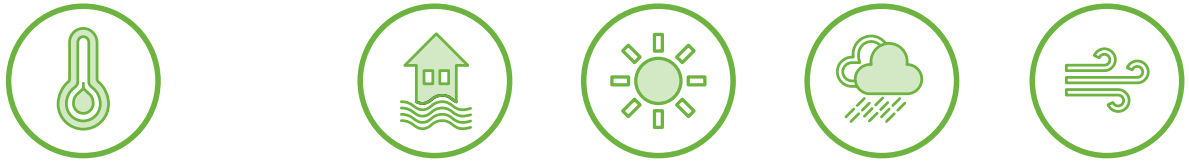
New Zealand Emissions Trading Scheme (NZ ETS) is amended to make Carbon Capture and Storage (CCS) a recognised removal activity. CCS systems are implemented in the medium term to accelerate the rate of decarbonisation and mitigate hard-to-abate fossil fuel use.

The primary driver of changes to land use and densification is GHG emissions reduction, with changes in transportation use and community connections being of primary importance out to 2050. Land use change due to increased forestry sequestration continues through to 2050 but the extent is limited and has marginal impacts on food production and biodiversity.

Regulatory changes for the property and construction sector include government procurement policies targeting recycled materials and circular economy principles. Stringent energy and carbon caps for new buildings are phased in rapidly. Existing buildings must disclose energy and carbon performance, take steps to remove all reliance on fossil fuels for operation, and scale up energy efficiency.

Pressures on centralised infrastructure increase with the demand for electrification, closing of fossil fuel power stations and direct climate impacts on storm and wastewater networks. Modular, circular designs will take precedence, with existing building reuse and adaptive reuse being in demand rather than new builds. Rapid densification puts pressure on horizontal infrastructure, necessitating significant upgrades.

Significant behavioural change results in an increased demand for energy-efficient buildings, increased pressures on public transport, the rise of circular business models and a higher consumer awareness regarding low-carbon buildings.



	Increase in average global air temperature (relative to pre-industrial levels)		**Average sea level rise NZ** (from a 1995-2014 baseline)	**Increase in number of hot days in NZ** (from a 1986-2005 baseline)	**Increase in rainfall intensity in NZ** (from a 1986-2005 baseline)	**Increase in extreme wind speeds in NZ** (from a 1986-2005 baseline)
2041-2060	**1.6°C**	2031-2050	**0.19m**	**40%**	**6%**	**Up to 5%**
2081-2100	**1.4°C**	2081-2100	**0.39m**	**40%**	**6%**	**Up to 5%**

Scenario Two

A 'Disorderly'/'Delayed Transition' where policy, technology and behaviour changes remain slow up until 2030. As global emissions continue to rise during the 2020s, concerns about meeting Paris Agreement Goals drives a sudden shift in global policy around 2030. Abrupt and stringent decarbonisation policies are enacted in the 2030s, succeeding in limiting global warming to below 2°C above pre-industrial levels by 2100.

The pace of change also generates significant financial incentives for innovation, especially for carbon sequestration, capture and storage which must play a large role in carbon emissions reduction by 2050. New Zealand and Australia follow suit with the rest of the world, leading to abrupt policy and market changes for the property and construction sector post-2030. There is no initial increase in carbon price up to 2030, at which point price rapidly increases to reach $250/t CO_2e by 2050.

During the 2020s there is a slow increase in demand for electricity, followed by a surge in demand in the 2030s as New Zealand and Australia rush to electrify our transport networks. The electricity sector is unprepared for the sudden shift in demand at 2030, which causes a delay in adequate expansion of the grid during the 2030s and leads to supply constraints. These constraints result in more frequent blackouts and fluctuations in electricity prices.

During the 2020s, increased regulation within the sector attempts to address the need to decarbonise, but regulation is uneven across local entities and conflicting regulations lead to uncertainty. At 2030 more stringent regulatory changes are introduced. During the 2020s there is less investment signaling for both new and retrofit low-carbon buildings, which causes further uncertainty and lack of momentum until 2030. At 2030, significant regulatory changes demand an immediate step change in building energy and carbon requirements.

Limited investment during the 2020s means the spike in demand for low-carbon materials, low-energy technology and onsite generation in 2030 causes significant disruption for the sector. Competition for availability of products, materials, professional advice and competent installers impacts significantly on both new building and retrofit projects resulting in escalation in development costs.

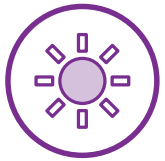
After 2030, the primary driver of changes to land use and densification switches to GHG emissions reduction, with changes in transportation use and community connections being of primary importance. Land use change due to increased forestry sequestration takes place out to 2050 and there are moderate impacts on food production and biodiversity as rapid decarbonisation efforts significantly expand the extent of managed forests.

Pressures on centralised infrastructure are compounded after 2030 due to increasing densification and the increasing impacts of physical climate risks. Spatial planning to prioritise decarbonisation and densification versus climate resilience and managed retreat is inconsistent across the country. This inconsistency leads to increasing uncertainty for the construction and property sector regarding which assets are most likely to become stranded.

Initially the construction and property sector is slow to decarbonise, but 'fast movers' get the opportunity to utilise materials, capital, and knowledge while late movers are disadvantaged when demands peak post-2030.











	Increase in average global air temperature (relative to pre-industrial levels)		**Average sea level rise NZ** (from a 1995-2014 baseline)	**Increase in number of hot days in NZ** (from a 1986-2005 baseline)	**Increase in rainfall intensity in NZ** (from a 1986-2005 baseline)	**Increase in extreme wind speeds in NZ** (from a 1986-2005 baseline)
2041-2060	**1.7°C**	2031-2050	**0.2m**	**40%**	**6%**	**Up to 5%**
2081-2100	**1.8°C**	2081-2100	**0.6m**	**40%**	**6%**	**Up to 5%**

Scenario Three

A 'Hot House World' where global emissions continue to grow. Global average temperature rises to greater than 3°C above pre-industrial levels by 2100.

Australia and New Zealand's climate change policy remains in keeping with the rest of the world. No further policies are introduced to curb emissions, with the building and construction sector following suit. Regulatory changes are slow and focus on adaptation and managing climate driven immigration/refugees. The price of carbon remains at the current ETS floor price through to 2050. Mandates are introduced to conserve energy for critical functions, as asset and infrastructure damages due to climate change are realised.

Australia and New Zealand's electricity grid are gradually decarbonised further in line with current policies. Emission grid factors remain at 0.06 kg CO_2e/kWh by 2050 which means buildings wishing to achieve Net Zero carbon emissions must invest in their own zero-carbon generation.

There are no incentives for meaningful behavioural change. A significant breakdown of social cohesion occurs, with heat stress and mental health impacts from climate change at record levels. Food insecurity and growing populations drive retreat from cities. Spikes in demand for housing occur due to climate-driven immigration from other parts of the world and increasing numbers of climate refugees.

Use of Carbon Capture and Storage is minimal. Current policies are entrenched seeing New Zealand's reliance on carbon sequestration through forestry increase significantly out to 2050 in an attempt to offset continued increases in emissions.

Existing low-carbon materials are readily available due to low demand but there is little innovation beyond technologies and materials currently available. Investment is prioritised towards adaptation and climate resilience. Some assets become stranded as building codes increasingly become more stringent regarding the need for buildings to withstand climate impacts (such as storm events, extreme rainfall, heatwaves and floods).

Centralised infrastructure will show failures and stresses, with some assets becoming stranded due to physical impacts of climate change. Consequently, local councils increase rates to invest in protection and restoration of certain assets.

	Increase in average global air temperature (relative to pre-industrial levels)		**Average sea level rise NZ** (from a 1995-2014 baseline)	**Increase in number of hot days in NZ** (from a 1986-2005 baseline)	**Increase in rainfall intensity in NZ** (from a 1986-2005 baseline)	**Increase in extreme wind speeds in NZ** (from a 1986-2005 baseline)
2041-2060	**2.1°C**	2031-2050	**0.24m**	**100%**	**8.6%**	**5-10%**
2081-2100	**3.6°C**	2081-2100	**1.08m**	**300%**	**26.1%**	**Up to 10%**

11.2 Appendix B: Data sources used for the three scenarios

The data sources set out below relate to the three NZGBC climate scenarios ('Orderly', 'Disorderly' and 'Hot House World') that were established and adopted by Fletcher Building in FY24. The scenario framing remains unchanged in FY25 and FY26 to provide continuity and comparability.

In FY24, Fletcher Building assessed three climate scenarios based on the New Zealand Green Building Council (NZGBC) 'Climate Scenarios for the Construction and Property Sector'. These were developed with participation from a wide range of industry and public sector stakeholders, and Fletcher Building contributed through representation on the NZGBC Leadership Group and Technical Working Group. The NZGBC scenarios were then reviewed and agreed with the Board and Audit and Risk Committee for adoption by Fletcher Building.

DATA TYPE / VARIABLE	SOURCE AND ADDITIONAL NOTE/REMARK	SCENARIO ONE (ORDERLY)	SCENARIO TWO (DISORDERLY)	SCENARIO THREE (HOT HOUSE WORLD)
Increase in average global mean air temperature	Intergovernmental Panel on Climate Change (IPCC), 2021: Summary for Policymakers. In: Climate Change 2021: The Physical Science Basis. Contribution of Working Group I to the Sixth Assessment Report of the IPCC. Cambridge University Press.	SSP1-1.9	SSP1-2.6	SSP3-7.0
Percentage increase in average number of hot days per year	Ministry for the Environment (MfE), 2018: Climate Change Projections for New Zealand: Atmosphere Projections Based on Simulations from the IPCC Fifth Assessment, 2nd Edition. There is significant variability between regions for baseline (1986-2005) number of hot days per year, however, percentage changes are similar across different locations.	RCP2.6 downscaling		RCP8.5 downscaling
Increase in rainfall intensity data	MfE, 2018: Climate Change Projections for New Zealand: Atmosphere Projections Based on Simulations from the IPCC Fifth Assessment, 2nd Edition. This data was calculated using projected increase in rainfall depth for a 12 hour, ARI 100yr ("1 in 100 year") rainfall event (as a proxy).	Based on the projected degree of warming for RCP2.6		Based on the projected degree of warming for RCP8.5
For Australia: • Rainfall data • Sea level rise data	Australian Bureau of Meteorology (BOM).			
Emissions trajectory data	Network for Greening the Financial System (NGFS), International Institute for Applied Systems Analysis (IIASA) Scenario Explorer (2021).	NGFS Net-Zero 2050	NGFS Disorderly	NGFS Hot-House World

DATA TYPE / VARIABLE	SOURCE AND ADDITIONAL NOTE/REMARK	SCENARIO ONE (ORDERLY)	SCENARIO TWO (DISORDERLY)	SCENARIO THREE (HOT HOUSE WORLD)
New Zealand population and age distribution projections	Tatauranga Aotearoa / Stats NZ, 2020: National population projections: 2020 (base) - 2073.	Median (50th percentile)	Median (50th percentile)	High migration (proxy)
Average sea-level rise (NZ) data	Te Tai Pari o Aotearoa / NZ Sea Rise 2022 Maps: For Public. Data for average NZ sea level rise was derived from a random data point with the vertical land movement correction removed (this derives the same number across all data points). Timeframes for sea level rise data have been provided out to 2130, given that significant variation in average sea level rise between scenarios will not be realised until beyond 2100.	SSP1-1.9	SSP1-2.6	SSP3-7.0
Projected changes in carbon, fossil fuel use and energy efficiency for buildings	Estimated using Ministry of Business, Innovation and Employment (MBIE): Building for Climate Change programme intentions as a benchmark.			
Carbon price and oil price projections	He Pou a Rangi / Climate Change Commission (CCC), 2021: Scenarios dataset for Draft Advice for Consultation (ENZ model).	Tailwinds	Tailwinds & Headwinds	Current Policy Reference Case
Electricity grid emissions	Assigned with a sensible estimate for each scenario at different timeframes based on CCC, 2021: Electricity Market Modelling datasets.			
Relative change in labour productivity due to heat stress in NZ	NGFS Climate Impact Explorer. The projections use average annual temperatures and are displayed with spatial aggregation method using a population-weighted average.	Net-Zero 2050	Delayed Transition	Current Policies
Global GDP data	NGFS, IIASA Scenario Explorer (2021). Assumes a different level of chronic physical risk damage estimate. Net-Zero 2050 (medium damages)	Net-Zero 2050 (medium damages)	Disorderly (medium damages)	Current Policies (high damages)
Net carbon emissions forestry data	CCC: modelling of forestry net carbon.	Tailwinds	Headwinds	Current Policy Reference Case
Climate Scenarios for the Construction and Property Sector	New Zealand Green Building Council (NZGBC): Climate Scenarios for the Construction and Property Sector.			

DATA TYPE / VARIABLE	SOURCE AND ADDITIONAL NOTE/REMARK	SCENARIO ONE (ORDERLY)	SCENARIO TWO (DISORDERLY)	SCENARIO THREE (HOT HOUSE WORLD)
Combined Hazard Information Platform (CHIP) catastrophe risk-profiling tool	Aon: Combined Hazard Information Platform (CHIP). Draws on seismological, meteorological, hydrological and other data from a range of curated sources. Data linked to locations to allow detailed site exposure assessment for a range of hazards.			
Assessing climate change risks and opportunities for investors: Property and Construction Sector	Smith, M.H. (2013). Assessing climate change risks and opportunities for investors: Property and Construction Sector. Investor Group on Climate Change (IGCC) & Australian National University.			
The Intergovernmental Panel on Climate Change Fifth Assessment Report (IPCC AR5)	IPCC, 2014: Climate Change 2014: Impacts, Adaptation, and Vulnerability. Contribution of Working Group II to the Fifth Assessment Report. Cambridge University Press.			
Climate Change Projections for New Zealand (general)	MfE, 2018: Climate Change Projections for New Zealand.			
Our Atmosphere and Climate 2023	MfE, 2023: Our Atmosphere and Climate 2023.			
Climate Change 2013: The Physical Science Basis (IPCC AR5 WGI)	IPCC, 2013: Climate Change 2013: The Physical Science Basis. Contribution of Working Group I to the Fifth Assessment Report. Cambridge University Press.			
State of the Climate 2022	Commonwealth Scientific and Industrial Research Organisation (CSIRO) & BOM, 2022: State of the Climate 2022.			

11.3 Appendix C: Glossary of terms

1. Manufacturing revenue from sustainably certified products

The manufacturing revenue from sustainably certified products included in this report is revenue from products that hold a credible, third party verified, sustainability certification.

The sustainability certifications that we include are Type I environmental labelling requirements under the ISO 14024 Standard (Eco Choice Aotearoa, Good Environmental Choice Australia, Global GreenTag GreenRate™) and Type III environmental declaration requirements under the ISO 14025 Standard.

These certifications qualify for the sustainable products credits in either the Green Star or IS Rating construction sustainability ratings within New Zealand and Australia.

We calculate the revenue for sustainably certified products as a percentage of the total revenue from products made or sold by our manufacturing businesses. We exclude revenue from non-manufacturing businesses (our Distribution businesses) from the total revenue used for this calculation.

Where revenue is noted as being for products that hold Type I certification, these products may also hold Type III certification.

Where revenue is noted as being for products that hold Type III certification, these products do not also hold Type I certification.

11.4 Appendix D: Methodology used for Greenhouse Gas (GHG) Emissions

FY26 Scope 1, Scope 2 and Scope 3 GHG emissions have been externally assured by EY in accordance with *NZ SAE 1: Assurance Engagements over Greenhouse Gas Emissions Disclosure - issued by External Reporting Board (XRB)*. Scope 1 and 2 GHG emissions have reasonable assurance, and Scope 3 GHG emissions have limited assurance.

Prior years were audited by Toitū Envirocare and received reasonable assurance for Scope 1 and Scope 2, and limited assurance for Scope 3. The FY23, FY24 and FY25 Scope 1, 2 and 3 emission totals have been restated due to divestments, addition of emission categories, and improvements to calculation methodologies. More information about these restatements are provided below. These restatements have not been subject to assurance.

Scope 3 GHG emissions were assessed for all upstream value chain categories and all downstream categories. Our reported Scope 3 GHG emissions for FY26 include data sourced directly from our largest steel and cement suppliers. Supplier-specific data was used for circa 47% of reported Scope 3 GHG emissions.

EMISSION FACTORS

All emissions were calculated using emission factors published by New Zealand Ministry for the Environment (MfE, May 2026), AustralianNational Greenhouse Accounts factors supplied from the Australian Department of Climate Change, Energy, the Environment and Water (DCCEEW, August 2025), IEA or calculated using third-party data as specified below.[14, 15.]

DESNZ, NZ and AU factors use 100-year time-horizon GWP (GWP100) values, as listed in table 8.A.1 of the Fifth Assessment Report (AR5) of the IPCC.

SCOPE 1

Emission factors for waste end-of-life-tyres and clinker were sourced from Tables 7 and 9, respectively, from the Climate Change (Stationary Energy and Industrial Processes) Regulations 2009.[16]

Emission factors for refuse-derived fuel were calculated from third-party elemental analysis and calorific value studies conducted on a representative sample of plastic waste.

SCOPE 2

Location-based and market-based emissions were calculated using applicable electricity emission factors from MfE, Bravetrace,[17] DCCEEW and the IEA. The Residual Mix Factor in New Zealand used was the 12-month rolling average figure at Q4 2025 from Bravetrace. This point was selected as a comparison to the same location-based time period used by MfE. Emission factors (including biogenic Scope 2 emissions) for electricity generated from landfill gas were sourced from DESNZ

SCOPE 3

Well-to-tank emissions were calculated for fuels including coal, LPG, diesel, petrol, biopetrol and light fuel oil using DCCEEW factors. Transmission and distribution losses from purchased electricity and natural gas were calculated using billed consumption data and applicable transmission loss factors from DCCEEW and MfE.

Upstream emissions from production of biomass used for bioenergy used DESNZ emission factors. An emission factor for tyres was derived from the DESNZ biomass production factor adjusted for biogenic portion of tyres, assuming 27.8% natural rubber content.

No local upstream fuel-cycle factors for electricity generation were available from New Zealand or Australian government sources. Factors were therefore obtained from the most recent International Energy Agency (IEA) 2025 dataset for New Zealand and Australia (current from 01/2023). These factors were also applied to renewable electricity when using the location-based method (LBM).

For the balance of Scope 3 emissions, we have used emission factors from goods and services published by the New Zealand[18] or Australian[19] Governments to convert the mass, volume or other units for goods and services into tonnes of CO_2 equivalents (t CO_2e). Where data on quantities of supply chain goods and services was not available, we have estimated emissions using spend-based factors, using the internationally recognised DESNZ (formerly DEFRA) factor set[20], corrected for exchange rates and inflation.

ASSUMPTIONS, LIMITATIONS AND UNCERTAINTIES

GHG quantification is subject to inherent uncertainty due to limitations in activity data and incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Uncertainties were qualitatively assessed based on the quality of the activity data and relevance of emissions factors.

14. https://measuringemissionsguide.environment.govt.nz/files/measuring-emissions-catalogue-2026-v2.pdf
15. https://www.dcceew.gov.au/sites/default/files/documents/national-greenhouse-account-factors-2025.pdf
16. https://www.legislation.govt.nz/regulation/public/2009/0285/latest/DLM2390302.html
17. https://bravetrace.co.nz/how-it-works/residual-supply-mix/
18. Ministry for the Environment (MfE). 2026. Measuring Emissions Catalogue 2026, Version 2026.2. New Zealand Government, Wellington. Published 29 May 2026.
19. Department of Climate Change, Energy, the Environment and Water (DCCEEW). 2025. Australian National Greenhouse Accounts Factors 2025. Commonwealth of Australia, Canberra, August 2025.
20. Spend-based emissions multipliers by broad Standard Industrial Classification (SIC) code, UK, 2023 from: UK and England's carbon footprint to 2023 - GOV.UK (www.gov.uk)

Supplier-provided activity data (e.g., invoiced quantities from suppliers or directly metered data) is assessed as lower uncertainty because it reflects reported physical quantities or supplier-specific information. Some uncertainty remains because the data depends on the supplier's own measurement, reporting systems and completeness controls.

Where we have used spend data, the data is highly aggregated at a Group level and therefore the uncertainty increases due to reduced granularity of data on products and services being purchased. In addition, the aggregate at Group level can affect the accuracy of activity category allocations.

The GWP basis for the emission factors used in the inventory is described above. Uncertainty in emission factors relates primarily to how closely each factor represents the activity, geography and supply chain being assessed. Region-specific factors, such as MfE and DCCEEW factors, are considered lower uncertainty because they are designed for New Zealand and Australian activities.

Spend-based factors, including DESNZ factors adjusted for exchange rates and inflation, are used where supplier-specific or region-specific emissions factors are not available. These factors are considered appropriate because our supply chain is multi-national, and the DESNZ factor set reflects a broad range of globally sourced goods and services. However, uncertainty remains higher because they are based on UK economic activity, require conversion using average exchange rates and inflation, and rely on average emissions per dollar of spend. As a result, they may not fully reflect the actual emissions associated with specific purchases, as emissions can vary significantly depending on supplier mix, supply chain characteristics, production methods, product attributes, and market conditions relevant to our operations in New Zealand, Australia, and other sourcing locations.

EXCLUDED SOURCES AND BUSINESS UNITS

Fletcher Building owns a number of holding, trustee, name reservation and other companies that are inactive. These businesses that have no operational activities are included in the inventory but have no emissions.

We report all GHG sources that make up >5% of our total inventory. The following sources have been deemed immaterial and excluded:

- Scope 1: Hydrofluorocarbons (HFCs) used in cooling systems
- Scope 1: Emissions from on-site wastewater treatment systems
- Scope 3 Category 7: Business travel not procured through the preferred travel agency was excluded, including taxis, rideshares, personal vehicle mileage and accommodation or flights purchased on personal or company cards.
- Scope 3 Category 11: HFCs in heat pump systems installed in houses sold by Fletcher Residential.
- Scope 3 Category 12: Winstone Aggregates® end-of-life data was not available in published EPDs at the time of publication. Distributed steel products, due to near 100% recovery and recycling rates at the end of life were also excluded.
- Scope 3 Category 13: Downstream leased assets were assessed and excluded from the inventory due to low materiality.

RESTATEMENTS

In FY26 we restated our FY18, FY23, FY24 and FY25 inventories to account for the:

- Divestment of Construction division (reducing scope 1, 2 and 3 emissions)
- Inclusion of the following Scope 3 sources: Category 10: Processing of sold products (increasing Scope 3 emissions)
- Inclusion of the following Scope 3 emission sources in existing categories (increasing Scope 3 emissions):
  - Category 1: Land use change associated with product manufacture
  - Category 3: Upstream fuel-cycle (well-to tank) emissions from solid fuels (coal, biomass and tyres)
  - Category 9: Downstream transport emissions from customer-arranged collection from PlaceMakers® and Mico® stores
  - Category 12: End-of-life emissions from sold cement and concrete products
  - Category 12: End-of-life emissions from products distributed at PlaceMakers® and Mico® stores
- Correction of methodological errors in Category 1: Purchased Goods and Services (increasing Scope 3 emissions)
  - The breakdown of materials and labour in spend-based emissions were re-evaluated, leading to a reported increase in emissions from this category.
- Correction of methodological errors in Category 12: Use of Sold products (increasing Scope 3 emissions)
  - Lifetime emissions from sold houses were restated based on corrected emissions per square metre of floor area and to exclude out-of-boundary upstream emissions from external water supply and treatment.

Summary of changes from prior-year inventory and base year (rebaselined basis):[21]

SCOPE	REBASELINING SUMMARY (kt CO_2e)							
	FY18 PREVIOUSLY REPORTED	**FY18** RESTATED	**FY23** PREVIOUSLY REPORTED	**FY23** RESTATED	**FY24** PREVIOUSLY REPORTED	**FY24** RESTATED	**FY25** PREVIOUSLY REPORTED	**FY25** RESTATED
Scope 1	896	852	773	733	752	712	714	680
Scope 2 (LBM)	303	302	239	238	217	216	196	196
Scope 3			1,570	3,596	1,503	2,817	1,587	2,760
Total			**2,582**	**4,568**	**2,472**	**3,745**	**2,498**	**3,636**

CHANGES TO SCOPE 3 METHODOLOGY

The FY26 inventory includes expanded Scope 3 coverage. These additions impact comparability with previous reporting periods and the FY23, FY24 and FY25 years have been updated for consistency in all cases.

Category 1: Purchased goods and services

- Updated: Custom emission factors were derived for three significant spend-based categories that comprise both material and labour components. These categories were split into material, labour and other emission sources, mapped to relevant DESNZ spend-based factors and weighted by FY26 spend. The resulting emission factors were applied to the aggregate Group total.
- Updated: One significant spend-based category that was mapped in previous years to a labour-only DESNZ emission factor was updated to reflect purchased materials, leading to an increase in reported emissions.

Category 3: Fuel & energy-related activities

- Included: Well-to-tank fuel emissions from liquid fuels, coal, tyres and biomass.

Category 4: Upstream transportation and distribution

- Updated: All contracted freight has been included in this category. Previously some was assigned to Category 9.

Category 7: Employee commuting

- Updated: FY23 base year figures for employee commuting and remote working were recalculated based on more accurate FY24 employee survey data and applied based on FY23 headcount. Previously, national-average travel distances were applied.

Category 9: Downstream transportation and distribution

- Included: Emissions from customer-arranged transport were estimated for pick-up sales from PlaceMakers® and Mico® stores.
- Updated: Data from previous reporting periods that had previously been assigned to this category from contracted freight services was reassigned to Category 4.
- Updated: This category was also updated to include warehousing and support services for transportation which was previously included in Category 1.

21. Scope 3 emissions for FY18 have not been included or restated because in FY26, we established FY23 as the Scope 3 base year, reflecting the improved availability and quality of Scope 3 data from that year onward.

Category 10: Processing of sold products

- Included: Emissions from the processing of sold cement were estimated and included in the inventory.

Category 11: Use of sold products

- Updated: A methodological update to the in-use emissions from houses built and sold by Fletcher Residential resulted in an apparent increase compared with previously reported figures; however, this does not reflect a change in underlying real-world emissions.
- Updated: The emissions intensity used for sold houses was previously indexed using the full lot size of the model house rather than its floor area. This error understated Fletcher Residential emissions in this category by approximately three times.

Category 12: End-of-life treatment of sold products

- Included: In addition to previously estimated products, emissions from glasswool insulation, cement, concrete products and hardware sold at PlaceMakers® and Mico® were estimated and included.

GHG METHODOLOGY

The tables below within this Appendix provides an overview of how data were collected for each GHG emissions source, the source of the data and an explanation of any uncertainties, limitations or assumptions made.

Scope 1 emissions

SCOPE 1 - STATIONARY COMBUSTION			
GHG SOURCE	**DESCRIPTION AND UNIT**	**ACTIVITY DATA AND EMISSION FACTOR SOURCES**	**MATERIAL ASSUMPTIONS, LIMITATIONS AND UNCERTAINTY**
Acetylene	Description: Welding gas Unit: kg	Source of activity data: Supplier invoices - quantity delivered Emission factor source: EPA Ireland	Uncertainty level: Low
Bioenergy	Description: Wood chips, sander dust, reject board and dried organic sludge used as fuel in heat plant Unit: t	Source of activity data: Process weighing equipment; supplier invoices and bulk reports; production-volume calculations; and skip counts with sampled average weights Emission factor source: MfE (NZ), DCCEEW (AU)	Uncertainty level: Moderate Activity data: Assumes constant dust generation per product type. Emission factor: Assumes constant moisture content, except Golden Bay Cement® where GCV is adjusted for measured moisture content.
Coal	Description: Bituminous coal used in cement kiln Unit: t	Source of activity data: Measured data obtained from continuous process weighing equipment, reconciled to monthly stock surveys. Stock surveys are an average of multiple independent readings, excluding outliers. A supplier-specific GCV is applied to each shipment. Emission factor source: MfE (NZ)	Uncertainty level: Low

(Continued)

SCOPE 1 - STATIONARY COMBUSTION			
GHG SOURCE	**DESCRIPTION AND UNIT**	**ACTIVITY DATA AND EMISSION FACTOR SOURCES**	**MATERIAL ASSUMPTIONS, LIMITATIONS AND UNCERTAINTY**
Liquefied petroleum gas - stationary	Description: LPG used in stationary plant (e.g. generators, heat plant) and non-road registered mobile equipment (e.g. forkhoists and loaders) Unit: kg	Source of activity data: Invoices and bulk data reports from suppliers Emission factor source: MfE (NZ), DCCEEW (AU)	Uncertainty level: Low
Natural gas	Description: Natural gas used in stationary heat plant Unit: GJ	Source of activity data: Invoices and bulk data reports from suppliers Emission factor source: MfE (NZ), DCCEEW (AU)	Uncertainty level: Low
Refuse-derived fuel	Description: Waste plastic used as fuel for cement kiln at Golden Bay Cement® Unit: t	Source of activity data: Measured data obtained from continuous process weighing equipment. Emission factor is based on microanalysis of point samples. Emission factor source: MfE (NZ)	Uncertainty level: Moderate Emission factor: Assumes GCV and make-up of feedstock is uniform.
Stationary fuel	Description: Diesel, light fuel oil and petrol used in stationary plant, process heat equipment and non-road registered mobile equipment Unit: l	Source of activity data: Invoices and bulk data reports from suppliers Emission factor source: MfE (NZ), DCCEEW (AU)	Uncertainty level: Low Emission factor: Assumes constant calorific values for fuels; petrol factors do not differentiate between regular and premium grades.
Tyre-derived fuel	Description: Shredded waste tyres used as fuel for cement kiln at Golden Bay Cement® Unit: t	Source of activity data: Measured data obtained from continuous process weighing equipment, reconciled to monthly stock surveys. Emission factor source: Climate Change (Stationary Energy and Industrial Processes) Regulations 2009	Uncertainty level: Low Emission factor: Assumes a consistent fossil: biogenic ratio and that GCV is uniform for all feedstock.

The tables below within this Appendix provides an overview of how data were collected for each GHG emissions source, the source of the data and an explanation of any uncertainties, limitations or assumptions made.

SCOPE 1 - MOBILE COMBUSTION			
GHG SOURCE	**DESCRIPTION AND UNIT**	**ACTIVITY DATA AND EMISSION FACTOR SOURCES**	**MATERIAL ASSUMPTIONS, LIMITATIONS AND UNCERTAINTY**
E10 biopetrol (10% ethanol blend)	Description: 10% ethanol blend biopetrol used in Australia Unit: l	Source of activity data: Invoices and bulk data reports from suppliers Emission factor source: Calculated from DCCEEW factors for ethanol and regular petrol.	Uncertainty level: Low
Transport fuel	Description: Diesel and petrol used in road registered vehicles (e.g. cars and trucks) Unit: l	Source of activity data: Invoices and bulk data reports from suppliers Emission factor source: MfE (NZ), DCCEEW (AU)	Uncertainty level: Low Emission factor: Assumes constant calorific values for fuels; petrol factors do not differentiate between regular and premium grades.

SCOPE 1 - PROCESS EMISSIONS			
GHG SOURCE	**DESCRIPTION AND UNIT**	**ACTIVITY DATA AND EMISSION FACTOR SOURCES**	**MATERIAL ASSUMPTIONS, LIMITATIONS AND UNCERTAINTY**
Other carbonate minerals	Description: Dolomite, limestone and soda ash used in glassmaking that dissociate during processing to release carbon dioxide Unit: t	Source of activity data: ERP data reconciled with monthly count cycles and measured process weighing data. Emission factor source: DCCEEW (AU), Climate Change (Stationary Energy and Industrial Processes) Regulations 2009	Uncertainty level: Low Activity data: Uses ERP and weighing data; assumes constant material purity. Emission factor: Assumes a constant $MgCO_3/CaCO_3$ ratio in purchased dolomite.
Clinker (calcium oxide and magnesium oxide)	Description: Product of cement manufacture from limestone that dissociates in the process to release carbon dioxide (calcium oxide and magnesium oxide components) Unit: t	Source of activity data: Measured data obtained from continuous process weighing equipment, reconciled to monthly stock surveys. Stock surveys are an average of multiple independent readings, excluding outliers. Monthly averages of CaO and MgO from on-site testing. Emission factor source: Climate Change (Stationary Energy and Industrial Processes) Regulations 2009	Uncertainty level: Low

SCOPE 1 - FUGITIVE EMISSIONS			
GHG SOURCE	**DESCRIPTION AND UNIT**	**ACTIVITY DATA AND EMISSION FACTOR SOURCES**	**MATERIAL ASSUMPTIONS, LIMITATIONS AND UNCERTAINTY**
Carbon dioxide (formaldehyde production)	Description: Fugitive emissions given off as a byproduct of formaldehyde manufacturing Unit: t	Source of activity data: Calculated from periodic testing of stack emission rate and plant operating hours. Emission factor source: GHG Protocol	Uncertainty level: Low Activity data: Assumes that stack flow rates and CO_2 concentrations are uniform.
Carbon dioxide (other)	Description: Inert gas used for fire suppression in coal baghouses and for welding Unit: kg	Source of activity data: Supplier invoices and bulk data reports Emission factor source: GHG Protocol	Uncertainty level: Low

Scope 2 emissions

Scope 2 and Scope 3 market-based electricity emissions from operations in Australia were calculated in accordance with the methodology prescribed in the Australian National Greenhouse Accounts Factors (DCCEEW).

For Australian sites eligible for an Emissions-Intensive Trade-Exposed (EITE) exemption under the Renewable Energy Target (RET), site-specific emission factors were derived based on each facility's EITE exemption percentage. This percentage reduces the proportion of electricity subject to RET liability and therefore the Renewable Power Percentage (RPP) adjustment applied in the market-based electricity emissions calculation. The four relevant sites were Laminex® Toolara, Laminex® Monkland, Laminex® Dardanup and Fletcher Insulation® Dandenong.

SCOPE 2 - PURCHASED ELECTRICITY			
GHG SOURCE	**DESCRIPTION AND UNIT**	**ACTIVITY DATA AND EMISSION FACTOR SOURCES**	**MATERIAL ASSUMPTIONS, LIMITATIONS AND UNCERTAINTY**
Electricity consumption	Description: Purchased grid electricity and electricity from renewable sources, including on-site solar generation and a direct line to Golden Bay Cement® from external landfill gas recovery. Non-biogenic emissions are included in Scope 2 totals and biogenic emissions are reported separately. Unit: kWh	Source of activity data: Invoices and bulk data reports from suppliers Emission factor source: MfE (NZ), DCCEEW (AU), IEA	Uncertainty level: Low

Scope 3 emissions

Scope 3 emissions were calculated using the highest quality data available for each category. Where supplier-specific emissions data or EPDs were available, these were used to calculate emissions. Where primary data was not available, spend-based methodologies were applied using DESNZ emission factors due to their broader coverage and more product-specific emission factors.

Spend-based emissions estimates have a higher level of uncertainty because they are based on industry-average emission factors rather than supplier-specific data. The DESNZ factors are also derived from UK economic activity and may not fully reflect the characteristics of our suppliers, products, and markets in New Zealand, Australia, and other sourcing locations.

To avoid double-counting, adjustments were made to relevant spend-based categories to subtract the value of services received where emissions data was obtained directly from suppliers. Where spend data was provided in AUD, an average FY26 exchange rate of NZD to AUD of 1.16 was used.

Category 1: Purchased goods and services

Land use change was calculated from FY26 sales data and LUC values in EN 15804+A2 EPDs of products manufactured at the following business units; Golden Bay Cement®, Winstone Wallboards®, Laminex® New Zealand, Laminex® Australia, Fletcher Insulation®, Comfortech®. There was no specific EPD data available for products manufactured by PlaceMakers® Frame and Truss, so published LUC data from a third-party EPD for comparable products was used as a proxy.

CATEGORY 1 - PURCHASED GOODS AND SERVICES			
GHG SOURCE	**DESCRIPTION AND UNIT**	**ACTIVITY DATA AND EMISSION FACTOR SOURCES**	**MATERIAL ASSUMPTIONS, LIMITATIONS AND UNCERTAINTY**
Purchased goods and services	Description: Purchased goods and services estimated using spend-based activity data. Unit: NZD	Source of activity data: Estimated from spend data, categories aligned to applicable DESNZ factors. Emission factor source: DESNZ (UK)	Uncertainty level: Very High Activity data: Highly aggregated in the Group-level report, with adjustments for exchange rates and inflation. Emission factor: Sourced from an international jurisdiction (UK).
Construction activities and raw materials	Description: Construction operations and raw materials Unit: NZD	Source of activity data: Estimated from spend data, categories aligned to applicable DESNZ factors. Specific emission factors developed for significant categories of purchased goods and services that contain both labour and materials components. Emission factor source: DESNZ (UK)	Uncertainty level: Very High Activity data: Highly aggregated in the Group-level report, with adjustments for exchange rates and inflation. Labour and material components were estimated for significant categories covering more than 80% of spend, then applied to aggregated Group category spend. Emissions factor: From international jurisdiction (UK).

CATEGORY 1 - PURCHASED GOODS AND SERVICES			
GHG SOURCE	**DESCRIPTION AND UNIT**	**ACTIVITY DATA AND EMISSION FACTOR SOURCES**	**MATERIAL ASSUMPTIONS, LIMITATIONS AND UNCERTAINTY**
Imported Cement	Description: Purchased cement Unit: t	Source of activity data: Invoices from suppliers Emission factor source: Supplier EPD	Uncertainty level: Low
Purchased Steel	Description: Purchased steel Unit: t	Source of activity data: Supplier reports and internal procurement Emission factor source: Supplier EPD, World Steel	Uncertainty level: Low

Category 2: Capital goods

Even though capital goods are separately classified as Category 2 under the GHG Protocol Scope 3 Standard, they can be difficult to distinguish from other purchased goods and services. Therefore, there may be some inclusion of capital goods in Category 1 due to limitations of visibility using spend-based methodology and the aggregated nature of Group activity data used for estimation.

CATEGORY 2 - CAPITAL GOODS			
GHG SOURCE	**DESCRIPTION AND UNIT**	**ACTIVITY DATA AND EMISSION FACTOR SOURCES**	**MATERIAL ASSUMPTIONS, LIMITATIONS AND UNCERTAINTY**
Capital goods	Description: Capital goods estimated using spend-based activity data. Unit: NZD	Source of activity data: Estimated from spend data, categories aligned to applicable DESNZ factors. Emission factor source: DESNZ (UK)	Uncertainty level: Very High Activity data: Highly aggregated in the Group-level report, with adjustments for exchange rates and inflation. Emission factor: Sourced from an international jurisdiction (UK).

Category 3: Fuel- and Energy-Related Activities

Scope 3 Transmission and distribution losses for electricity were calculated using both LBM and MBM, where market-based T&D loss factors were available. Location-based methodology has been used in this report.

CATEGORY 3 - FUEL AND ENERGY RELATED ACTIVITIES			
GHG SOURCE	**DESCRIPTION AND UNIT**	**ACTIVITY DATA AND EMISSION FACTOR SOURCES**	**MATERIAL ASSUMPTIONS, LIMITATIONS AND UNCERTAINTY**
Upstream electricity	Description: Upstream fuel-cycle emissions associated with purchased grid and renewable electricity Unit: kWh	Source of activity data: Invoices and bulk data reports from suppliers. Emission factor source: IEA for the LBM; under the MBM, upstream generation emissions from renewable electricity are considered zero.	Uncertainty level: Low
Upstream fuel-cycle emissions	Description: Upstream fuel-cycle emissions associated with natural gas, LPG, light fuel oil, diesel, petrol, E10 biopetrol, coal, tyre-derived fuel, biomass and biosolids across relevant stationary and transport uses in New Zealand and Australia Unit: GJ, kg, l, t	Source of activity data: Invoices and bulk data reports from suppliers Emission factor source: DCCEEW (AU), DESNZ	Uncertainty level: Low
Transmission and distribution losses	Description: Line losses from the transmission and distribution of purchased grid electricity and natural gas Unit: kWh, GJ	Source of activity data: Invoices and bulk data reports from suppliers Emission factor source: MfE (NZ), DCCEEW (AU)	Uncertainty level: Low

Category 4: Upstream Transportation and Distribution

Freight emissions were calculated from procurement data or supplier reports using haulage or supplier-reported emissions where available. Where detailed activity data was unavailable, road and water transport were estimated from spend data using DESNZ factors.

CATEGORY 4 - UPSTREAM TRANSPORTATION AND DISTRIBUTION			
GHG SOURCE	**DESCRIPTION AND UNIT**	**ACTIVITY DATA AND EMISSION FACTOR SOURCES**	**MATERIAL ASSUMPTIONS, LIMITATIONS AND UNCERTAINTY**
Freight (supplier-specific)	Description: Third-party road, rail, surface and air freight Unit: tkm, t CO_2e, l	Source of activity data: Invoices and bulk data from suppliers, internal procurement data Emission factor source: MfE (NZ)	Uncertainty level: Low Activity data: Assumes that activity data and/or calculated emissions from suppliers is accurate Emission factor: Average container ship and bulk carrier used. NZ emission factors used where fuel volumes supplied directly by supplier.
Freight (spend-based)	Description: Third-party road, rail, surface and air freight Unit: NZD	Source of activity data: Estimated from spend data, categories aligned to applicable DESNZ factors. Emission factor source: DESNZ (UK)	Uncertainty level: Very High Activity data: Highly aggregated in the Group-level report, with adjustments for exchange rates and inflation. Emission factor: Sourced from an international jurisdiction (UK)
Warehousing and support services for transportation	Description: Warehousing services Unit: NZD	Source of activity data: Estimated from spend data, categories aligned to applicable DESNZ factors. Emission factor source: DESNZ (UK)	Uncertainty level: Very High Activity data: Highly aggregated in Group level report. Adjustments made for exchange rate & inflation. Emissions factor: From international jurisdiction (UK)

Category 5: Waste Generated in Operations

Reported uncertainty reflects variation in the quality of supplier waste data, including instances where waste to landfill tonnages were estimated rather than directly weighed. In New Zealand it is assumed that all waste is interred in landfills with gas capture.

General waste in New Zealand is categorised as Unknown Composition: General waste (MfE). General waste in Australia is categorised as construction and demolition waste (DCCEEW).

CATEGORY 5 - WASTE GENERATED IN OPERATIONS			
GHG SOURCE	**DESCRIPTION AND UNIT**	**DATA AND EMISSION FACTOR SOURCES**	**MATERIAL ASSUMPTIONS, LIMITATIONS AND UNCERTAINTY**
Waste generated in operations	Description: Waste generated in operations Unit: t	Source of activity data: Supplier-specific reports Emission factor source: MfE (NZ), DCCEEW (AU)	Uncertainty level: Moderate Activity data: Covers all preferred suppliers, some of whom estimate weight to landfill. Emission factor: Assumes gas capture at landfills in New Zealand.

Category 6: Business Travel

Flight calculations include radiative forcing. Rental car calculations rely on assumed travel distances. Accommodation data was based on room nights by country from travel agency reports.

Flight emissions were calculated by passenger-kilometre for domestic, short-haul and long-haul flights and differentiated by cabin class. Emission factors using radiative forcing were applied. Short-haul flights were defined as <3,700 km, long-haul flights were defined as >3,700 km. For flights within New Zealand, the domestic average emission factor was applied.

Accommodation emissions were calculated from room nights using relevant MfE factors.

CATEGORY 6 - BUSINESS TRAVEL			
GHG SOURCE	**DESCRIPTION AND UNIT**	**DATA AND EMISSION FACTOR SOURCES**	**MATERIAL ASSUMPTIONS, LIMITATIONS AND UNCERTAINTY**
Accommodation	Description: Business travel - accommodation Unit: Room night	Source of activity data: Bulk data reports from travel agency Emission factor source: MfE (NZ)	Uncertainty level: Low
Flights	Description: Business travel - flights (all classes) Unit: pkm	Source of activity data: Bulk data reports from travel agency Emission factor source: MfE (NZ)	Uncertainty level: Low Emission Factor: NZ factors applied to flights in all countries. Includes radiative forcing.
Rental cars	Description: Business travel - rental cars (all sizes) Unit: km (converted from d)	Source of activity data: Bulk data reports from travel agency Emission factor source: MfE (NZ)	Uncertainty level: Low Activity data: Assumed daily travel distance (51 miles in AU, 50 km in NZ). Emission Factor: NZ factors applied to cars in all countries.

Category 7: Employee Commuting

Employee commuting and remote working emissions are estimated based on online voluntary survey data taken during May-June 2026 to obtain information on typical commuting and remote working habits.

The sample results were extrapolated to a representative FY26 headcount of 9,061. MfE distance-based factors were used to calculate emissions based on transport mode, assuming default private vehicle types (petrol, petrol hybrid, diesel, battery electric). MfE working from home emission factors were used to estimate emissions associated with remote working in New Zealand and Australia.

CATEGORY 7 - EMPLOYEE COMMUTING			
GHG SOURCE	**DESCRIPTION AND UNIT**	**ACTIVITY DATA AND EMISSION FACTOR SOURCES**	**MATERIAL ASSUMPTIONS, LIMITATIONS AND UNCERTAINTY**
Employee commuting and remote working	Description: Employee travel to the workplace and employee remote working Unit: t CO_2e	Source of activity data: Employee survey Emission factor source: MfE (NZ)	Uncertainty level: Low Activity data: Survey responses were received from 15% of employees, which is statistically significant but low in terms of absolute coverage.

Category 8: Upstream Leased Assets

Calculated using spend-based methods by mapping expenditure associated with upstream leased assets to DESNZ emission factors.

CATEGORY 8 - UPSTREAM LEASED ASSETS			
GHG SOURCE	**DESCRIPTION AND UNIT**	**ACTIVITY DATA AND EMISSION FACTOR SOURCES**	**MATERIAL ASSUMPTIONS, LIMITATIONS AND UNCERTAINTY**
Upstream leased assets	Description: Upstream leased assets estimated using spend-based activity data. Unit: NZD	Source of activity data: Estimated from spend data, categories aligned to applicable DESNZ factors. Emission factor source: DESNZ (UK)	Uncertainty level: Very High Activity data: Highly aggregated in the Group-level report, with adjustments for exchange rates and inflation. Emission factor: Sourced from an international jurisdiction (UK).

Category 9: Downstream Transportation and Distribution

Distribution activities already included in upstream freight datasets or emissions from owned or controlled transport assets are excluded from this category. Any business-to-customer transactions with customer collections occurring outside the Distribution division were assumed to be non-material.

CATEGORY 9 - TRANSPORTATION AND DISTRIBUTION OF SOLD PRODUCTS			
GHG SOURCE	**DESCRIPTION AND UNIT**	**DATA AND EMISSION FACTOR SOURCES**	**MATERIAL ASSUMPTIONS, LIMITATIONS AND UNCERTAINTY**
Customer collection	Description: Emissions from customer-arranged transport after point of sale Unit: t CO_2e	Source of activity data: Transaction data from sales reports at Mico® and PlaceMakers® retail stores, modelled using geographic branch locations and catchment travel distances. Emission factor source: MfE	Uncertainty level: Very High

Category 10: Processing of Sold Products

We predominantly sell finished or near finished building materials that are installed directly into construction works and do not undergo energy intensive downstream processing (e.g. hardware, boards, pipes and fittings). Cement is an intermediate product that undergoes further processing by customers and has been included in this category.

CATEGORY 10 - PROCESSING OF SOLD PRODUCTS			
GHG SOURCE	**DESCRIPTION AND UNIT**	**DATA AND EMISSION FACTOR SOURCES**	**MATERIAL ASSUMPTIONS, LIMITATIONS AND UNCERTAINTY**
Processing of sold cement	Description: Emissions from customer processing of cement into concrete products Unit: t CO_2e	Source of activity data: Estimated from sales data & internal production figures. Emission factor source: MfE	Uncertainty level: Moderate Activity data: Assumes that externally sold cement is processed in a manner broadly comparable to Firth®.

Category 11: Use of Sold Products

The majority of our products are inert and do not give rise to emissions during their lifetime. The notable exception to this are the houses sold by Fletcher Residential.

In-use emissions from sold houses were estimated using FY26 sales and production data and the BRANZ LCAQuick tool. The B-stage energy emissions of a model Fletcher Residential house were used to derive an in-use emissions intensity over an assumed 90-year lifetime using the floor area of the modelled house. This intensity was then applied to the total volume of housing sold during the reporting period to estimate total in-use emissions.

Emissions from municipal water supply and treatment to sold houses were excluded from the estimation. Refrigerant losses from heat pump systems were also excluded.

CATEGORY 11 - USE OF SOLD PRODUCTS			
GHG SOURCE	**DESCRIPTION AND UNIT**	**DATA AND EMISSION FACTOR SOURCES**	**MATERIAL ASSUMPTIONS, LIMITATIONS AND UNCERTAINTY**
In-use emissions from sold houses	Description: In-use emissions from sold houses Unit: t CO_2e	Source of activity data: Sales data Emission factor source: BRANZ (NZ)	Uncertainty level: High Emission factor: Assumes all house typologies have similar in-use emissions to the modelled stand-alone dwelling.

Category 12: End-of-Life Treatment of Sold Products

Manufactured products

C-stage fossil GWP values from EPD data were used to calculate end-of-life emissions. This approach avoids accounting for biogenic emissions released at the end of a product's life because the corresponding upstream biogenic carbon uptake in the A-stage was not included in the inventory. On this basis, biogenic emissions from sold products are treated as carbon neutral, consistent with GHG Protocol guidance.

Distributed products

PlaceMakers® Retail and Mico® sell a wide range of externally sourced building products, many of which do not have product-specific EPDs to support direct end-of-life emissions calculations. An indexed estimation approach was applied, using end-of-life fossil emissions from Fletcher Building products with available EPD-based data to derive an emissions intensity in tonnes CO_2e per dollar of external sales. This intensity was applied to the adjusted PlaceMakers® Retail and Mico® external sales value to estimate end-of-life emissions for distributed third-party products.

Cement

Cement sold externally by Golden Bay Cement® is generally processed further by downstream customers into ready-mix concrete or other cementitious products before final use. End-of-life emissions were estimated by converting external cement sales tonnes into an equivalent volume of ready-mix concrete. Because cement represents only part of the mass of concrete, the result was allocated to the cement share of the concrete by mass.

CATEGORY 12 - END-OF-LIFE TREATMENT OF SOLD PRODUCTS			
GHG SOURCE	**DESCRIPTION AND UNIT**	**DATA AND EMISSION FACTOR SOURCES**	**MATERIAL ASSUMPTIONS, LIMITATIONS AND UNCERTAINTY**
End-of-life emissions from manufactured products	Description: End-of-life fossil emissions from wood panels, glasswool, cement, concrete products and plasterboard Unit: t CO_2e	Source of activity data: Sales/production data Emission factor source: Product-specific EPDs	Uncertainty level: Low Activity data: Assumes all products are disposed in landfill at end of life.
End-of-life emissions from sold houses	Description: End-of-life emissions from sold houses Unit: t CO_2e	Source of activity data: Sales/production data Emission factor source: BRANZ (NZ)	Uncertainty level: Low Activity data: Assumes all products are disposed in landfill at end of life. Assumes all house typologies have similar end-of-life emissions to the modelled stand-alone dwelling.

(Continued)

CATEGORY 12 - END-OF-LIFE TREATMENT OF SOLD PRODUCTS			
GHG SOURCE	**DESCRIPTION AND UNIT**	**DATA AND EMISSION FACTOR SOURCES**	**MATERIAL ASSUMPTIONS, LIMITATIONS AND UNCERTAINTY**
End-of-life emissions from sold cement (external)	Description: End-of-life fossil emissions from external sales of cement Unit: t CO_2e	Source of activity data: Sales/production data Emission factor source: EPD	Uncertainty level: Low Activity data: Assumes all products are disposed in landfill at end of life. Assumes all cement is used for manufacture of ready-mix concrete.
End-of-life emissions from distributed products not manufactured by Fletcher Building	Description: End-of-life fossil emissions from distributed hardware and plumbing products Unit: t CO_2e	Source of activity data: Sales/production data; modelled estimate using internal end-of-life emissions/sales intensity applied to in-sourced products.	Uncertainty level: High Activity data: Assumes all products are disposed in landfill at end of life. Assumes that end-of-life emissions/sales intensity for externally sourced products is comparable to plasterboard and wood panels.

Category 14: Franchises

PinkFit™ operates as a licensed installation network rather than a formal franchise model. However, it is considered consistent with the intent of Scope 3 Category 14 under the GHG Protocol.

CATEGORY 14 - FRANCHISES			
GHG SOURCE	**DESCRIPTION AND UNIT**	**ACTIVITY DATA AND EMISSION FACTOR SOURCES**	**MATERIAL ASSUMPTIONS, LIMITATIONS AND UNCERTAINTY**
Transport fuels	Description: Diesel and petrol used in road-registered vehicles by the licensed insulation installer network Unit: l	Source of activity data: Bulk data reports from suppliers Emission factor source: MfE (NZ)	Uncertainty level: Low Emission factor: Assumes constant calorific values for fuels; petrol factors do not differentiate between regular and premium grades.

Category 15: Investments

CATEGORY 15 - INVESTMENTS			
GHG SOURCE	**DESCRIPTION AND UNIT**	**DATA AND EMISSION FACTOR SOURCES**	**MATERIAL ASSUMPTIONS, LIMITATIONS AND UNCERTAINTY**
Investments	Description: Insurance & pension services Unit: NZD	Source of activity data: Estimated from spend data Emission factor source: DESNZ (UK)	Uncertainty level: Very High Activity data: Highly aggregated in Group level report. Adjustments made for exchange rate & inflation. Emissions factor: From international jurisdiction (UK)

Reporting boundary – entities and ownership interests

Consistent with the reporting entity described above, the tables below set out the entities included in Fletcher Building's FY26 GHG inventory reporting boundary as at 30 June 2026, together with the Group's direct or indirect ownership interest. The reporting boundary includes wholly owned and other consolidated subsidiaries, as well as relevant joint ventures and associates, consistent with the organisational boundary approach described above.

COMPANY	OWNERSHIP
Amatek Holdings Pty Limited	100%
Amatek Industries Pty Limited	100%
Amatek Investments Pty Limited	100%
Baron Insulation Pty Ltd	100%
Belvedere FRL No 1 General Partner Limited	51%
Belvedere FRL No 1 Limited Partnership	51%
Belvedere FRL No 2 General Partner Limited	51%
Belvedere FRL No 2 Limited Partnership	51%
Building Prefabrication Solutions Limited	100%
Burnham 2020 Limited	100%
Cleaver Building Supplies Limited	75%
Crane Enfield Metals Pty Limited	100%
Crane Group Pty Limited	100%
Crevet Pipelines Pty Ltd	100%
Crevet Pty Ltd	100%
CTCI Pty Limited	100%
Delcon Holdings (No. 11) Limited	100%
ee-Fit Pty Limited	100%
FBHS (Aust) Pty Limited	100%

COMPANY	OWNERSHIP
FBSOL Pty Limited	100%
Fletcher Building (Australia) Pty Ltd	100%
Fletcher Building Educational Fund Limited	100%
Fletcher Building Holdings Limited	100%
Fletcher Building Holdings New Zealand Limited	100%
Fletcher Building Industries Limited	100%
Fletcher Building Limited	100%
Fletcher Building Nominees Limited	100%
Fletcher Building Products Australia Pty Ltd	100%
Fletcher Building Products Limited	100%
Fletcher Building Share Schemes Limited	100%
Fletcher Building Welfare Fund Nominees Limited	100%
Fletcher Challenge Building UK Limited	100%
Fletcher Challenge Forest Industries Limited	100%
Fletcher Concrete and Infrastructure Limited	100%
Fletcher Construction (Solomon Islands) Limited	100%
Fletcher Construction Company (Fiji) Pte Limited	100%
Fletcher Development Limited	100%
Fletcher Distribution Limited	100%
Fletcher Industries Australia Pty Limited	100%

COMPANY	OWNERSHIP
Fletcher Insulation Pty Limited	100%
Fletcher Morobe Construction Limited	100%
Fletcher Pacific (Samoa) Ltd	100%
Fletcher Property Limited	100%
Fletcher Residential Limited	100%
Fletcher Steel Limited	100%
Fletcher Wood Products Limited	100%
Gatic Pty Limited	100%
Geraldton Independent Building Supplies Pty Limited	100%
Homai MFR General Partner Limited	51%
Homai MFR Limited Partnership	51%
HotForm Products Limited	51%
Iplex Pipelines Australia Pty Limited	100%
Iplex Pipelines NZ Limited	100%
Iplex Properties Pty. Limited	100%
Kaipatiki FRL General Partner Limited	51%
Kaipatiki FRL Limited Partnership	51%
Key Plastics Pty. Ltd.	100%
Kingston Bridge Engineering Pty Ltd	100%
Kinsey Kydd Building Supplies Limited	100%

COMPANY	OWNERSHIP
Kusab Building Supplies Limited	75%
Laminex Group Pty Limited	100%
Leary Building Supplies Limited	75%
Macready Building Supplies Limited	75%
Matt Orr Building Supplies Limited	75%
McGill Building Supplies Limited	75%
McInnes Building Supplies Limited	100%
Mico New Zealand Limited	100%
Milnes Holdings Pty Limited	100%
Moire Road General Partner Limited	51%
Moire Road Limited Partnership	51%
Morinda Australia Pty Limited	100%
Northern Iron and Brass Foundry Pty. Ltd.	100%
Ōkahukura GP Limited	51%
Ōkahukura Limited Partnership	51%
Oliveri Solutions Pty Limited	100%
Paul Robinson Building Supplies Limited	75%
PlaceMakers Co 1 Limited	100%
PlaceMakers Co 2 Limited	100%
PlaceMakers Co 3 Limited	100%
PlaceMakers Co 4 Limited	100%
PlaceMakers Co 5 Limited	100%
PlaceMakers Co 6 Limited	100%
PlaceMakers Gisborne Limited	75.28%
PlaceMakers Hawkes Bay Limited	94.06%
PlaceMakers Invercargill Limited	100%

COMPANY	OWNERSHIP
PlaceMakers Limited	100%
PlaceMakers Southland Limited	100%
PlaceMakers Supply, Fix & Install Limited	100%
PlaceMakers Waiheke Limited	75%
PlaceMakers Wanaka Limited	80%
Polymer Fusion Education Pty Ltd	100%
Raylight Aluminium Limited	80%
Reece Building Supplies Limited	75%
Renewable Wood Fuels Limited	100%
S Cubed Pty Limited	100%
Selwyn Quarries Limited	100%
Shed Boss NZ Limited	100%
Sonata Acoustic Panels Pty Limited	100%
Stanley Building Supplies Limited	100%
Stramit Corporation Pty Limited	100%
Tasman Australia Pty Limited	100%
Tasman Building Products Pty Limited	100%
Tasman Insulation New Zealand Limited	100%
Tauoma FRL GP Limited	51%
Tauoma FRL Limited Partnership	51%
TBP Group Pty Limited	100%
Te Tau Waka General Partner Limited	51%
Te Tau Waka Limited Partnership	51%
Terrace Insurances (PCC) Limited	100%
The Fletcher Construction Company (Fanshawe Street) Limited	100%
The Fletcher Construction Company Limited	100%

COMPANY	OWNERSHIP
The Fletcher Organisation (Vanuatu) Limited	100%
The Fletcher Trust and Investment Company Limited	100%
Vivid Living Limited	100%
Waipapa Pine Limited	100%
Water Filters Australia Pty Limited	100%
Wednesday Pte Limited	100%
Winstone Wallboards Limited	100%
Altera Apartments General Partner Limited	50%
Altera Apartments Limited Partnership	50%
Altus NZ Limited	50%
Bellus Apartments General Partner Limited	50%
Bellus Apartments Limited Partnership	50%
Greenraft Limited	33.33%
Hexion Australia Pty Ltd	50%
Ilico Apartments General Partner Limited	50%
Ilico Apartments Limited Partnership	50%
Interpipe Holdings Limited	50%
JFC Pumps Limited	50%
Oamaru Shingle Supplies Limited	33.33%
Rangitikei Aggregates Limited	50%
Rodney Aggregates Supplies Limited	50%
Roys Hill Aggregates Limited	50%
Verto Apartments General Partner Limited	50%
Verto Apartments Limited Partnership	50%
Wespine Industries Pty Ltd	50%

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12. Independent Assurance Report

Independent assurance report to Fletcher Building Limited

Limited assurance conclusion - Scope 3 GHG emissions

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 Fletcher Building Limited's consolidated gross scope 3 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 the Climate-related Disclosures for the year ended 30 June 2026 ("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).

Reasonable assurance opinion – Scope 1 and Scope 2 GHG emissions

In our opinion, Fletcher Building Limited's consolidated gross scope 1 and 2 GHG emissions, related additional required disclosures of gross GHG emissions and gross GHG emissions methods, assumptions and estimation uncertainty, within the scope of our reasonable assurance engagement (as outlined below) included within the Climate-related Disclosures for the year ended 30 June 2026, are fairly presented and prepared, in all material respects, in accordance with Aotearoa New Zealand Climate Standards ("NZ CS") issued by the External Reporting Board (XRB).

Scope

Ernst & Young Limited ("EY") has undertaken an assurance engagement, to issue a:

Limited assurance report on Fletcher Building Limited's (the "Company" or "Fletcher Building"):

- Consolidated gross Scope 3 GHG emissions on page 21;
- Related additional requirements for the disclosure of consolidated GHG emissions on pages 20, 47 and 48;
- Related GHG emissions methods, assumptions and estimation uncertainty on pages 47 to 50 and 54 to 65.

Reasonable assurance report on:

- Consolidated gross GHG emissions:
  - Scope 1 on page 21;
  - Scope 2 (location based and market based) on page 21;
- Related additional requirements for the disclosure of consolidated GHG emissions on pages 20, 47 and 48;
- Related GHG emissions methods, assumptions and estimation uncertainty on pages 47 to 53.

included in the Climate Statement for the year ended 30 June 2026 (the "Subject Matter" or "GHG disclosures"). The reported amounts and disclosures relate to the Company and its subsidiaries (the "Group") as explained in the Climate-related Disclosures.

Our assurance engagement does not extend to any other information included, or referred to, in the Climate Statement on pages 01 to 49 and 72 to 74. This assurance engagement does not extend to the excluded information and therefore no conclusion is expressed on it in this report.

Criteria applied by Fletcher Building

In preparing the GHG disclosures, Fletcher Building applied NZ CS (the "Criteria"). In applying the Criteria the methods and assumptions used are described on pages 20 and 47 to 65 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 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.

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Spend-based method used in estimation of certain Scope 3 emissions

WHY SIGNIFICANT	PROCEDURES TO ADDRESS KEY MATTER
As explained on pages 47 to 48 and 54 to 55 of the Climate-related Disclosures, the Group has measured the GHG emissions from "Scope 3 – Purchased goods and services" using the spend-based calculation method. These emission categories make up a significant proportion of the total reported GHG emissions for the period ended 30 June 2026. The spend-based calculation method estimates emissions for relevant purchases by multiplying the value of those purchases with relevant emission factors. This method relies on average emissions per dollar spend factors, which may differ significantly from the emissions actually created from a certain spend as a result of differences between the supply chain and characteristics of the product purchased and the assumed average. The use of the spend-based calculation method comes with inherent uncertainty and may result in significantly different estimated emissions than methods that are more supplier or product specific. 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 to, and restatement of, previously reported amounts.	In considering Fletcher Building's reported Scope 3 emissions measured using the spend-based method we: • Obtained an understanding of the spend-based calculation method, assumptions and estimation uncertainties through enquires of management; • Considered whether the application of the spend-based calculation methodology by Fletcher Building and a number of its suppliers aligned with the GHG Protocol; • Considered the reasonableness of the selected spend-based emission factors and their application in the calculation process; • Performed analytical procedures on the spend amounts used in the relevant calculations; and • Considered the disclosures made by Fletcher Building in relation to the calculation method, assumptions and uncertainties estimating these emission sources.

Fletcher Building'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 an 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 or reasonable 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.

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

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.

Ernst & Young provides financial statement audit and review, agreed upon procedures, remuneration benchmarking, delivery of sustainability related training, taxation compliance, financial statement preparation services and other assurance related services to the Group. 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

We have performed an engagement including both limited and reasonable assurance. 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 obtained in a reasonable assurance engagement. Our limited assurance procedures were designed to obtain a lower 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 limited assurance 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 limited assurance procedures included:

- Obtaining, through inquiries, an understanding of Fletcher Building's control environment, processes and information systems relevant to the preparation of the Scope 3 GHG Disclosures. We did not evaluate the design of particular control activities, or obtain evidence about their implementation;
- Evaluating whether Fletcher Building'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 Fletcher Building's estimates;
- Performing analytical procedures on particular emission categories by comparing the expected GHGs emitted to actual GHGs emitted and made inquiries of management to obtain explanations for any significant differences we identified; and
- Considering the presentation and disclosure of the Scope 3 GHG disclosures.

A reasonable assurance engagement involves performing procedures to obtain a higher level of evidence about the quantification of emissions and related information in the GHG disclosures. A reasonable assurance engagement also includes:

- Considering internal controls relevant to Fletcher Building's preparation of the Scope 1 and 2 GHG disclosures.

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- Assessing the suitability in the circumstances of Fletcher Building's use of the Criteria;
- Evaluating the appropriateness of quantification methods and reporting policies used, and the reasonableness of estimates made by Fletcher Building;
- Performing substantive analytical procedures and testing selected samples to supporting records;
- Evaluating the overall presentation of the Scope 1 and 2 GHG disclosures; and
- Undertaking a visit to Golden Bay Cement site to assess the completeness of the emissions sources, data collection methods, source data and relevant assumptions applicable to the sites. Testing procedure were performed at the site visit to underlying supporting records, as appropriate.

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 assurance procedures, our assurance engagement was not designed to provide assurance on internal controls.

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.

Other matters

The comparative GHG disclosures (that is GHG disclosures for the period ended 30 June 2024 and 30 June 2025 have been subject to reasonable and limited assurance by another assurance provider, with their unmodified assurance reports dated 9th September 2025 and 21st October 2025.

Use of our assurance report

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

Our assurance procedures included web-based information that was available via web links as of the date of this statement. We provide no assurance over changes to the content of this web-based information after the date of this assurance statement.

The engagement partner on the engagement resulting in this independent assurance conclusion is Graeme Bennett.



Ernst & Young Limited
Auckland
20 October 2026

13. Cautionary Statement

This report contains current and forward-looking statements and metrics about climate change, the impacts of it both generally and on the Group, and the Group's response to it. Forward-looking statements and metrics may include statements or opinions regarding intent, belief or current expectations, scenarios, anticipated impacts, risks and opportunities, targets, projections and transitional activities and include estimates of historical emissions and of historical climate change and forward-looking climate and nature-related metrics and estimated climate and nature-related projections and forecasts. The current and forward-looking statements are current only as at 30 June 2026 and are subject to a number of known and unknown risks, uncertainties and assumptions and are necessarily based on evolving assessments, judgements, assumptions and incomplete data and other factors outlined in this statement or this report.

Forward-looking statements and metrics presented in this report may be affected by a number of uncertainties and factors, including, without limitation:

- a lack of common definitions and standards for climate-related data;
- the availability and quality of historical emissions data;
- a lack of transparency and comparability of climate-related forward-looking methodologies;
- variation in climate-related approaches, methodologies and outcomes;
- limitations of climate scenario analysis and the models that analyse them;
- calculations of forward-looking metrics are complex and require many methodological choices and assumptions, including the assistance of one or more external data and methodology providers;
- uncertainty and changes to climate-related policy, laws and regulations;
- climate change disclosures are prone to inherent uncertainty and these statements reflect new legal requirements;
- climate change reporting is subject to ongoing changes as the circumstances and impact of a transition to a low-emissions economy and climate change develop in New Zealand and Australia, and across the world, over a long period of time;
- climate-data, modelling and methodology is rapidly evolving, which may directly or indirectly affect the metrics and data points used in the preparation of, and the targets contained in, these statements; and
- changes arising out of market practices and standards, including emerging and developing ESG standards.

Actual outcomes may differ materially from what is described, as future results may vary due to economic, technological, climate, natural, regulatory and market factors beyond the Group's control, and there is no assurance that outcomes contemplated in any current or forward-looking statements or metrics (including our ability to meet any targets) will be realized. Climate-related disclosures made in these statements are subject to risk factors associated with, amongst other things, decarbonisation technologies, government action, consumer attitudes and potentially carbon products and markets.

Readers are also reminded that Fletcher Building's business and plans are subject to risks that may cause actual results to differ materially from forward-looking statements.

While the Group aims to fairly present information for the year ended 30 June 2026 as at the publication date (20 October 2026), this report and its contents: should not be relied upon as guarantees of future performance; contain no representations, warranties or assurances in relation to the accuracy, completeness, reliability, adequacy or reasonableness of any forward-looking statements or metrics (including without limitation those prepared by entities or persons other than Fletcher Building) or matters (express or implied) contained in, or derived from, any omissions from any such statements or metrics; and do not constitute legal, financial, investment or tax advice or advice of any other kind. To the extent permitted by law, the Group does not accept any liability whatsoever for any loss arising directly or indirectly from any use of, or reliance upon, the information contained in this report. Except as required by applicable law, Fletcher Building is under no obligation, and does not undertake, to update any of the forward-looking statements or metrics contained within these statements to reflect changes to relevant risks, inputs, uncertainties, or other factors, and/or Fletcher Building's understanding of them. Fletcher Building reserves the right to change its views in the future.

The climate-related scenarios used in scenario analysis are not intended to be probabilistic or predictive. Scenario analysis is a process for exploring the effects of a range of plausible future events under conditions of uncertainty. Engaging in this process helps Fletcher Building identify its climate-related risks and opportunities and develop a better understanding of the resilience of its business

model and strategy. These statements, including the Appendices, set out the methods and assumptions underlying the climate-related scenarios used, and the scenario analysis employed. Readers are cautioned in their use of such information in these statements and reminded that it is important to understand the limitations applicable to the information presented.

No recommendation

The material in these statements is general background information about Fletcher Building and its activities as at the date of the statement, given in summary form. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. Investors should consider these factors and consult with their own legal, tax, business and/or financial advisors in connection with any investment decision.



Fletcher Building Limited 2026 Climate-related Disclosures (CRD)

Stock Exchange Announcement
FBU.NZX, FBU.ASX

20 October 2026

Climate-Related Disclosures 2026

Fletcher Building presents its Climate-Related Disclosures for the year ended 30 June 2026. The Statements are attached and are also available at fletcherbuilding.com.

ENDS

Authorised for release to the market by Haydn Wong, Company Secretary.

For further information please contact:

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