steel&tube
STRONGER TOGETHER

2025 CLIMATE RELATED DISCLOSURES

STEEL & TUBE HOLDINGS LIMITED

Introduction

Steel & Tube is pleased to present its second climate-related disclosures, prepared in accordance with the External Reporting Board's (XRB) Aotearoa New Zealand Climate Standards (NZCS).

At Steel & Tube, our commitment to sustainability is embedded in everything we do. Climate change presents both challenges and opportunities, and we are actively responding by aligning our operations with New Zealand's 2050 net-zero emissions target. Our FY25 climate-related disclosures reflects a focused approach to identifying opportunities to reduce emissions across our value chain and a meaningful review of our material climate-related risks and opportunities.

We recognise the critical role of steel in the transition to a low-emissions and circular economy. Through strategic procurement, we are supporting the shift to low-emission steelmaking, including sourcing from suppliers investing in renewable energy and electric arc furnace technologies. The commissioning of New Zealand Steel's Electric Arc Furnace (EAF) marks a significant milestone in this journey, enabling access to locally produced, low-carbon steel. Our scope 3 emissions reporting is still in development, but we look forward to sharing our progress in this space in the future.

Circularity remains central to our sustainability strategy. Steel's durability and recyclability make it a cornerstone of sustainable construction, and our acquisition of Perry Metal Protection (a market leading galvanising business) has further strengthened our ability to deliver long lasting solutions that can extend the life of steel by up to seven times - supporting more sustainable outcomes across the built environment.

We continue to collaborate across the sector, contributing to initiatives like the Sustainable Steel Council's Roadmap to Net Carbon Zero, and embracing innovation and partnership as we work toward a more sustainable future for New Zealand. In FY25, we began an exploratory journey into transition planning, the output of which will inform our response to our material risks and opportunities over the short, medium, and long-term.

These climate-related disclosures have been approved by the board and are signed on behalf of Steel & Tube Holdings Limited by Susan Paterson, board Chair and Karen Jordan, chair of the Audit & Risk Committee.

Susan Paterson
Chair

Karen Jordan
Audit & Risk Committee Chair

30 October 2025

Statement of Compliance

Steel & Tube is a climate-reporting entity under the Financial Markets Conduct Act 2013. These climate-related disclosures comply with the NZCS standards 1, 2 and 3 issued by the XRB and cover the financial year 1 July 2024 to 30 June 2025. All figures and commentary relate to the full year ended 30 June 2025, unless otherwise indicated.

The information outlined in climate-related disclosures should not be considered a prediction of future financial or non-financial performance. These statements are subject to a range of known and unknown risks, uncertainties, and assumptions, many of which lie outside of our control. Due to uncertain technological changes, economic factors and environmental changes, our strategies are subject to change. Steel & Tube cautions reliance on forward-looking statements that are necessarily less reliable than other statements. Steel & Tube gives no representation, warranty, or assurance that actual outcomes or performance will be consistent with statements made in this report. We do not accept any liability whatsoever for any loss arising directly or indirectly from any use of the information contained in this report. Nothing in this report constitutes financial, legal, tax or strategic growth guidance or advice.

Steel & Tube has chosen to use the following Adoption Provisions available to second-year Climate Reporting Entities:

+ **Adoption provision 2: Anticipated financial impacts**
  Provides an exemption for an entity from disclosing the anticipated financial impacts of climate-related risks and opportunities it reasonably expects.
+ **Adoption provision 4: Scope 3 GHG emissions**
  Exempts an entity from disclosing in its first and second reporting period greenhouse gas ("GHG") emissions in metric tonnes of carbon dioxide equivalent classified as Scope 3.
+ **Adoption provision 5: Comparatives for Scope 3 GHG emissions**
  Comparatives for Scope 3 GHG emissions - Allows an entity to not disclose comparatives for the previous two reporting periods.
+ **Adoption Provision 8: Scope 3 GHG emissions assurance**
  Provides an exemption for entities from the requirement to include Scope 3 GHG emissions in the scope of their assurance engagement in relation to accounting periods ending on or after 31 December 2025.

Governance

Board Oversight

Steel & Tube's Board of Directors maintains overall responsibility for the company's strategy, which includes addressing climate-related risks and opportunities. The board is supported in this role by the Audit & Risk Committee. Steel & Tube's directors are responsible for their ongoing education and staying informed about climate-related issues. The board draws on internal climate-related expertise and engages external specialists when required to ensure effective oversight.

The Group Sustainability Manager chairs the climate risk steering group and provides regular sustainability updates and recommendations to the board, with reporting occurring at least six times per year. The steering group, comprising senior leaders, conducts an annual review of climate-related risks and opportunities. Recommendations from this review inform board decision-making and support the company's strategic direction toward sustainable practices.

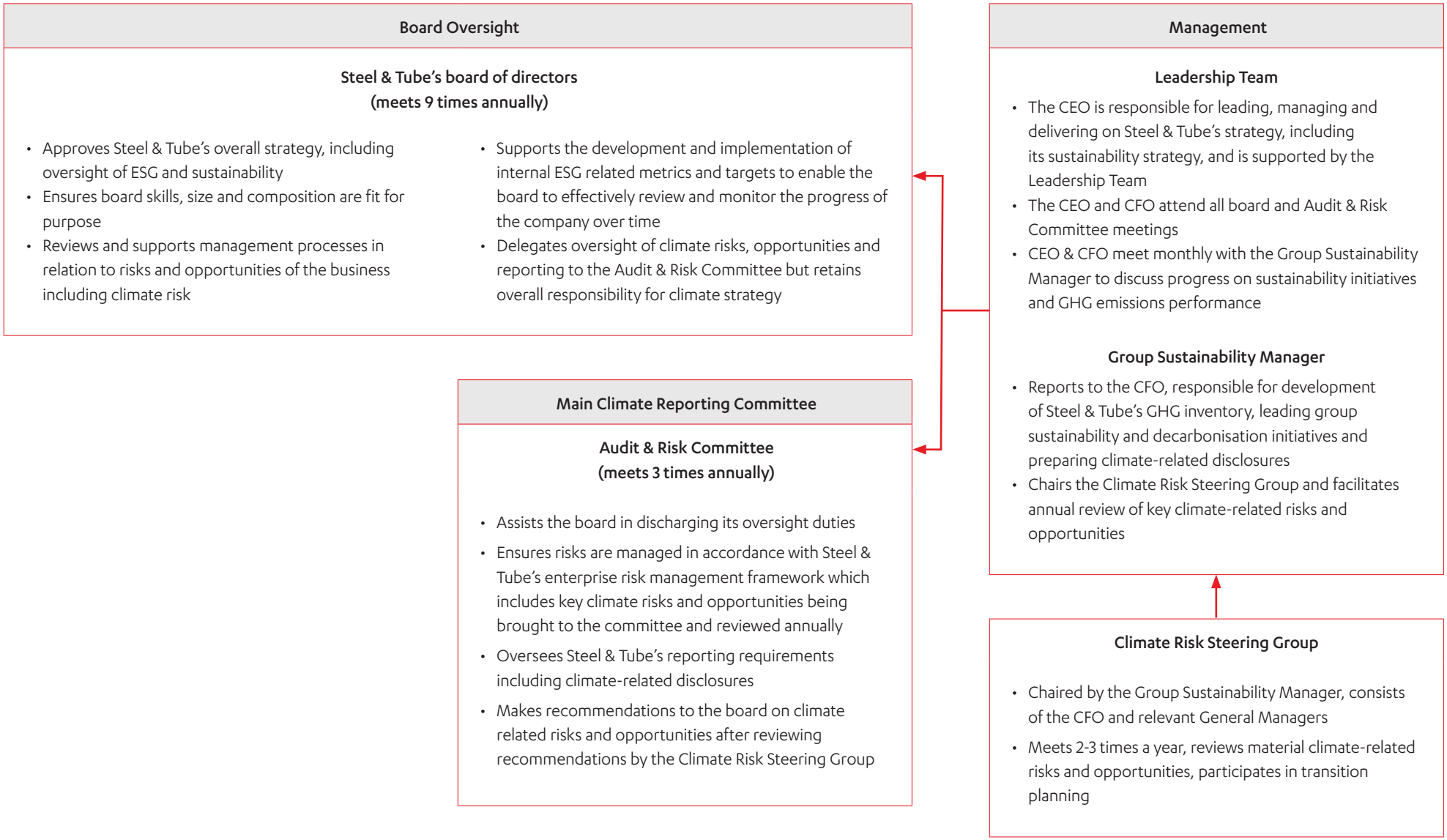
Since 2022, Steel & Tube has measured performance against internal Environmental, Social and Governance (ESG) metrics and targets, following its first materiality assessment. These metrics, approved by the board, include indicators such as greenhouse gas emissions. The board reviews performance quarterly. As of FY25, climate-related performance metrics are not incorporated into remuneration policies.

Management's Role

The board delegates climate-related responsibilities to various management-level positions and oversight groups. The Chief Executive Officer (CEO) leads the management and delivery of the company's strategy, and delegates management of sustainability and climate-related matters to the Chief Financial Officer (CFO) and Group Sustainability Manager. Steel & Tube's Group Sustainability Manager reports to the CFO and works across the group to ensure the implementation of decarbonisation projects and other strategic sustainability initiatives.

Steel & Tube undertook a comprehensive climate risk assessment across 2023 and 2024. In FY25, the climate risk steering group participated in an internal risk and opportunity review workshop, facilitated by the Group Sustainability Manager. This workshop involved a systematic review of the company's top 10 material transition risks and opportunities to evaluate risk ratings and business responses. The outcomes were reviewed by the CEO and the Audit & Risk Committee and subsequently approved by the board. The resulting risk and opportunity tables, presented in the following pages, also informed the FY25 transition planning workshop.

Governance structure for climate-related responsibilities



Strategy

Business model and strategy

Steel & Tube offers one of New Zealand's most comprehensive ranges of steel products, services and solutions, and we are continuing to grow, by adding high-value offerings for our customers.

With 35 sites located across New Zealand, Steel & Tube group activities involve processing and distributing a wide range of steel and metal products, including fastenings, fire reticulation, chain & rigging, stainless steel, aluminium, engineering steel, and processed plates and sheets. We also offer custom steel solutions for projects such as roofing, ComFlor decking, and reinforcing. This year, we have added market leading galvanizing services to our offer.

Our dual pathway strategy focuses on two areas:

- Core strength
- Growth of High Value Products and Services

Risk Management

Identifying, assessing, and managing climate-related risks

The purpose of our risk management process is to identify, analyse and prioritise uncertainty to improve the quality of decisions we make.

A description of our climate risk assessment process is contained on the following pages. Steel & Tube's first comprehensive climate risk assessment was conducted with the assistance of Deloitte in 2023. Our intention is to conduct an in-depth risk assessment approximately every three years, with reviews of material risks and opportunities occurring annually. All parts of our value chain were included in our risk assessment. Details of our risk methodologies and frameworks are included in the appendices.

Steel & Tube's risk management policy is available in the governance section of our website. It details Steel & Tube's approach to understanding and managing risk within the business. Our climate risk assessment was conducted in alignment with our risk management policy. A climate risk and opportunity register was developed and is reviewed annually.

Scenario Analysis

Approach to Scenario Analysis

As described in our year one climate-related disclosures, Steel & Tube engaged Deloitte over 2023 and 2024 to assist with conducting a climate risk assessment and a scenario analysis workshop to help build our climate scenario narratives.

The core purpose of the scenario analysis was to consider "how climate change could plausibly affect our business model and strategy, what should we do and when". This information was then used by the group to identify our driving forces, using the STEEP analysis (social, technological, economic, environmental, and political categories) as provided by the XRB Staff Guidance on Entity Scenario Development.

The output of our climate risk assessment and scenario narrative workshops provides insight into plausible futures risk profiles, in terms of Steel & Tube's exposure and vulnerability to the effects of climate change, and how these evolve over time and under different global warming scenarios.

Our scenario architecture references several scenarios to assess how Steel & Tube may be impacted by both physical and transition risks and opportunities, across its strategic time horizons.

For the purposes for assessing our physical risk due to climate hazards, we adopted the shared socioeconomic scenarios (SSP) provided by the Intergovernmental Panel on Climate Change Sixth Assessment Report (IPCC AR6). For assessing transition risks, we have used the scenarios provided by the Network for Greening the Financial system, which include the Orderly, Disorderly and Hot House World. An overview of our climate scenario architecture and narratives is detailed on pages 8-10.

Time horizons

The time horizons relating to our climate scenarios were determined on the basis of Steel & Tube's asset and product design life, its asset management regime, and its longer-term business strategy. The warming scenarios and time horizons adopted by Steel & Tube provide a means of stress testing the exposure and vulnerability of Steel & Tube's assets, operations, and people to the effects of climate change over time and under different scenarios. The timeframes identified below, over which we estimate that risks or opportunities could eventuate, are not currently linked to our strategic planning timelines or capital deployment plans. However, climate-related risks and opportunities identified in the following sections are considered in the decision-making process for significant capital expenditure and potential acquisitions.

Specific time horizons relating to anticipated impacts of climate-related risks and opportunities are outlined for identified transition risks and opportunities on page 11 and physical risks and opportunities on page 15.

Risk and Scenario Time Horizons	
Short-term	Present day to 2030
Medium-term	2030 to 2050
Long-term	2050 to 2100

Steel & Tube's Climate Scenarios
Orderly – Net Zero by 2050 (1.4°C)
Disorderly – Delayed Transition (1.6°C)
Hothouse – Current Policies (3°C+)

Orderly Scenario

Orderly scenario narrative

In response to increasing global pressure to combat climate change, the global community attempts to meet its obligations under the Paris Agreement by implementing stringent policies mandating the use of sustainable materials in construction. These policies prioritise materials with lower carbon footprints, pushing the construction industry to adopt greener alternatives. Steel & Tube must navigate these regulations while maintaining competitiveness.

Public awareness and concern about climate change has surged, influencing customer preferences. Consumers and businesses alike are demanding more sustainable products, with rapid investigation and research conducted for alternative materials and low emission methods for producing steel. Steel, traditionally seen as a high-carbon material, faces scrutiny not only from the construction market, but also from the new potential workforce who factor in environmental impact in their choice of employment. Although the higher carbon content of steel has a negative perception, there is also growing recognition of the durability and circularity of steel, presenting an opportunity for Steel & Tube to r eposition its products.

The economic landscape is shaped by fluctuating access to finance, driven by banks and insurance companies prioritising sustainable investments. Financial entities restrict access to funding unless high-emitting companies have a verifiable transition plan. Companies with strong environmental credentials find it easier to secure funding. Additionally, technological advancements in alternative materials like wood and synthetics are increasing, posing both a threat and an opportunity for Steel & Tube.

IPCC SSP/RCP scenario	SSP 1 - RCP 2.6
NFGS Scenarios	**Orderly – Net Zero by 2050** Global Warming limited to 1.5°C by the end of 2100
Policy Ambition	1.4°C
Policy Reaction	Immediate and smooth
Technology Change	Fast change
CDR (carbon dioxide removal)	Medium-high use
Regional Policy Variation	Medium variation
Short-term **(Present day – 2030)**	Early implementation of climate change regulation and policies. Clear market signals encourage steel makers to drive enhanced resilience through strategic products, competitive pricing, and strict screening. **Physical Risks: Low** **Transition Risks: High**
Medium-term **(2030 – 2050)**	Ambitious decarbonisation goals and policies are introduced immediately, and emissions decline rapidly and steadily to achieve net zero by 2050. **Physical Risks: Low** **Transition Risks: Medium**
Long-term **(2050-2100)**	Net zero achieved. Relatively low weather impacts. **Physical Risks: Low** **Transition Risks: Low**

Disorderly Scenario

Disorderly scenario narrative

The political landscape is chaotic, with inconsistent and rapidly changing policies. Governments are struggling to balance economic growth with climate commitments, leading to unpredictable regulations. Steel & Tube faces a volatile environment where sudden policy shifts can disrupt operations and strategic planning.

Public opinion is fragmented. While a significant portion of the population demands immediate and drastic action on climate change, others are resistant due to economic concerns. This division creates a challenging market where customer preferences are highly variable and difficult to predict. Steel is often criticised for its embodied carbon, but its strength, durability and recyclability still hold appeal for certain segments. Increased weather events demonstrate the durability and reliability of steel products, but a disruptive supply chain causes issues for procurement.

The economic environment is unstable, characterised by fluctuating access to finance and insurance. Banks and insurance companies are increasingly wary of high-carbon industries, leading to sporadic and unpredictable financing conditions and excessive delays due to fluctuating lending criteria. Technological advancements in alternative materials are progressing unevenly, creating both opportunities and threats for Steel & Tube.

IPCC SSP/RCP scenario	SSP 2 – RCP 4.5
NFGS Scenarios	**Disorderly – Delayed Transition** Global warming limited to 2°C by the end of 2100
Policy Ambition	1.6°C
Policy Reaction	Delayed
Technology Change	Slow/fast change
CDR (carbon dioxide removal)	Low-medium use
Regional Policy Variation	High variation
Short-term **(Present day – 2030)**	Delayed implementation of policies and mixed market signals make it difficult for steel makers to meet demands and needs. Increased exposure to reputation damage **Physical Risks: Low** **Transition Risks: Low**
Medium-term **(2030 – 2050)**	Significant decarbonisation is delayed until the mid-2030s. There is a high transition risk as New Zealand rushes to meet net zero by 2050 goals and moderate physical risk exposure due to delayed action. **Physical Risks: Medium** **Transition Risks: High**
Long-term **(2050-2100)**	Extended period of policies due to delayed/disorderly transition. Higher impacts felt **Physical Risks: Medium** **Transition Risks: Low**

Hothouse Scenario

Hothouse scenario narrative

In this scenario, global efforts to mitigate climate change have largely failed, leading to severe and frequent climate impacts. Governments are overwhelmed by the immediate need to address climate disasters, resulting in reactive and fragmented policies. Steel & Tube must navigate a landscape where regulations are inconsistent and often focused on short-term crisis management rather than long-term sustainability.

Society is experiencing significant stress due to the impacts of climate change. Public opinion is polarised; while some demand urgent action, others are more concerned with economic survival. Customer preferences are shifting rapidly, with a growing demand for materials that can withstand extreme weather conditions. Steel, known for its strength and durability, is increasingly valued, but its environmental impact remains a concern. The economic environment is highly unstable, characterised by frequent disruptions due to climate-related events.

Access to finance is erratic, with banks and insurance companies becoming increasingly risk-averse. Technological advancements in alternative materials are slow and uneven, as resources are diverted to immediate climate response efforts. Steel & Tube faces a challenging market where adaptability and resilience are key.

IPCC SSP/RCP scenario	SSP 2 – RCP 4.5
NFGS Scenarios	**Hothouse – Current Policies** Global warming reaches 3°C of warming by the end of 2100
Policy Ambition	3°C+
Policy Reaction	None – current policies
Technology Change	Slow change
CDR (carbon dioxide removal)	Low use
Regional Policy Variation	Low variation
Short-term **(Present day – 2030)**	Current policies – limited ambition. Limited to no investment in infrastructure resilience and extreme exposure to climate impacts results in credit and liquidity risk. **Physical Risks: Low** **Transition Risks: Low**
Medium-term **(2030 – 2050)**	No additional policies are introduced to curb emissions, and emissions continue to rise. Warming reaching >3°C. There are limited transition risks but extreme physical climate risks. **Physical Risks: High** **Transition Risks: Low**
Long-term **(2050-2100)**	Extended period of policies due to delayed/disorderly transition. Higher impacts felt. **Physical Risks: High** **Transition Risks: Low**

Risks, opportunities and impacts

Our 2025 review of Steel & Tube's climate-related risk and opportunities affirms that the most material short-term risks and opportunities relate to the transition to a low-emissions economy, the potential impact of physical risks and opportunities remains low in the short term. We note that in 2025 our material risks and opportunities remain largely unchanged, with only minor changes to risk ratings and descriptions of risks and opportunities which were reviewed by the Audit & Risk committee and approved by the board.

Current climate-related impacts

Management assessed that no material climate-related impacts occurred within FY25 in relation to any of the disclosed transition or physical risks in the tables on pages 12, 13 and 15. Steel & Tube will continue assess climate-related impacts as they arise and will disclose if material.

Transition planning

Over FY25, Steel & Tube has leveraged its understanding of material climate-related risks and opportunities to define what success looks like under various climate scenarios and to identify potential pathways to achieve our envisioned future.

The central question guiding the Climate Risk Steering Group throughout transition planning was: **"How might we deliver on our purpose in a way that is low emissions, climate resilient, and financially sustainable?"**

With this question in mind—and informed by our identified risks and opportunities—we used tools and guidance from the XRB to explore strategic options across our value chain. This process included identifying 'least regret' options, clarifying key uncertainties and triggers, and mapping potential actions over time. A summary of the outcomes from this transition planning process, including the strategic options under consideration, is presented in the 'Table of Transition Risks, Impacts, and Opportunities' on page 12.

Transition risks and opportunities identification

Transition risks and opportunities were identified and rated using the Taskforce for Climate-related Financial Disclosure's (TCFD) recommended methodology, applying the TCFD's four risk categories of Market, Reputation, Policy and Legal and Technology to identify the risks arising as global and local economies decouple from fossil fuels, and TCFD's five categories for identifying the opportunities that present for Steel & Tube, relating to a decarbonising economy, including resource efficiency and cost savings, the adoption and utilisation of low emission energy sources, the development of new products and operations, and building supply chain resilience.

Transition risk and opportunity rating methodology

The identified transition risks were rated using a modified urgency criteria derived from the National Climate Change Risk Assessment (NCCRA) and the UK Committee on Climate Change's rating methodologies. The urgency criteria were modified by introducing a temporal element to further define the level of urgency and to provide context for transition risk rating purposes.

In 2025, Steel & Tube's climate risk steering group participated in an internal workshop to systematically review all risks and opportunities at a high level and review the ratings of material risks and opportunities.
As a result of the review workshop, minor rating changes were recommended which were reviewed by the CEO and the Audit & Risk Committee and approved by the board.

Transition Risk Rating	Transition Opportunity Rating	Time Horizon
Action needed now – impact in 2-5 years	Opportunity presents itself now – impact in 2-5 years	Short term (Present Day – 2030)
Action needed – impact in 10-15 years	Action needed to prepare for maximising opportunity – impact in 5-10 years	Medium-term (2030 – 2050)
Research priority – impact in 10-15 years	Research to be done on potential opportunity – impact in 10-15 years	
Sustain current action – impact in 15-20 years	Sustain current action – impact in 15-20 years	
Watching brief – impact in 20-30 years	Watching brief – impact in 20-30 years	Long-term (2050 – 2100)

Table of transition risks, impacts and opportunities

New Zealand's transition to a low emissions future presents both opportunities and challenges for Steel & Tube. The following table is a summary of these transition risks and opportunities that we have identified as material to our business.

Description & Risk Rating	Most impacted Scenario/Time Horizon	Anticipated Impacts	Strategic options
Embodied carbon			
🔴 **Risk** that an increasing availability of green steel alternatives on like-for-like products could result in customer defection and loss of revenue and market share	Orderly / Short term	• Customers seeking to meet embodied carbon targets turn to suppliers with the lowest carbon steel available	• Educating customers and specifiers on climate, circularity, and embodied carbon • Increasing product durability and lifespan (e.g., through galvanizing)
🟢 **Opportunity** as decarbonising technology develops in steel production in New Zealand, as well as increased renewable grid energy reducing scope 2 emissions for the mill, resulting in local steel products becoming more competitive due to lower carbon GWP (Global Warming Potential) ratings	Orderly / Short term	• Global investment in low-emissions steel production, as mills invest in Electric Arc Furnaces and research and development for low embodied carbon steel production	• Sourcing higher-strength steel and encourage low-carbon design, advocate for Environmental Product Declarations (EPDs) from mills
Transitioning economy			
🟡 **Risk** that carbon prices increase, resulting in loss of market share or narrowed margins, if Steel & Tube is unable to decarbonise steel products	Orderly / Medium-term Disorderly / Long-term	• An increasing carbon price would require Steel & Tube to either pass the cost of embodied carbon on to the customer, or incur the cost of offsetting the embodied carbon, reducing gross profits	• Strengthening relationships with local suppliers to prioritise local procurement • Expanding sourcing from low-carbon mills and broadening our low-carbon product range
🟢 There is an **opportunity** presented by the decarbonisation of the energy sector, resulting in increased demand for steel products, generating greater demand and revenue	Orderly / Short term	• Decarbonisation of the energy sector creates demand for steel as an essential component in the construction of alternative energy projects i.e. wind turbines, steel ground mounted solar arrays	• Positioning Steel & Tube as the preferred partner for energy infrastructure projects with a sustainable supply chain
Market demand & technology			
🟡 **Risk** that competitors introduce new non steel, lower embodied emissions products that have similar characteristics to steel. This could result in a loss of revenue and market share	Orderly / Medium-term	• Reduced demand for steel due to low embodied carbon policies in construction projects	• Promoting the strength and circularity benefits of steel products • Building relationships with specifiers and contractors to drive demand for low-carbon steel products, enabling bulk purchasing • Diversifying our supply chain and product range to include more low-carbon steel options
🟢 **Opportunity** for increased demand in Steel & Tube products as steel can be used to construct climate resilient structures with greater structural integrity, which mitigates the impact of climate hazards	Disorderly / Long-term	• Increased revenue for high value strength products	

Decarbonisation reporting ● **Risk** of exposure to fines and litigation brought by market regulators and/or shareholders due to Steel & Tube's progress on decarbonisation being inadvertently overstated, or misinterpreted, and labelled as greenwashing ● There is an **opportunity** to reduce Scope 2 GHG emissions via onsite generation and/or other practical initiatives with measurable verifiable impacts	Orderly / Short-term Disorderly / Medium-term Orderly / Medium-term Disorderly / Long-term	• Potential fines and litigation for directors due to failure to comply with climate-related disclosures • Perceived greenwashing resulting in litigation • Reduced operational energy cost and associated scope 2 emissions, increased energy security	• Collaborating with our supply chain and steel sector to accelerate decarbonisation and strengthen the quality of data • Focus on material emission sources, develop a diverse and efficient freight network, including electric and low-emissions vehicles, and freight consolidation • Increasing automation and robotics in operations, and partnering for renewable energy solutions (e.g., solar)
Supply chain & circularity ● **Risk** that Steel & Tube faces increasing monitoring and compliance costs due to value chain emissions reporting mandates and the need to step up compliance checks on steel mills in order to validate emissions data integrity ● There is an **opportunity** to add new value adding services to customers that contribute to the circular economy of steel such as steel recycling, recovery, or protection	Orderly / Short-term Disorderly / Long-term	• Increased operational costs to remain compliant • Potential increase in revenue for new services and increase in market size	• Exploring downstream integration (selling, galvanising, and recycling steel) for greater supply chain control • Considering acquisition or development of recycling capabilities • Continuing education and advocacy with mills and suppliers on the need for reporting emissions and decarbonisation

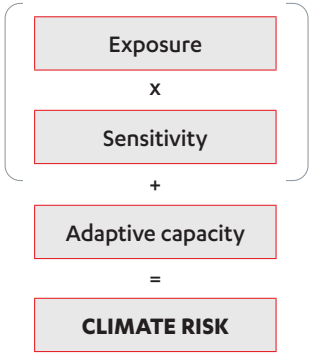
Physical risks and opportunities identification

The physical boundaries of our risk assessment were determined to be the operational boundary and tier 2 upstream (i.e. to the steel mill) and tier 1 downstream (i.e. direct to the customer) value chain.

Our risk and opportunity areas were determined as comprising **People, Assets** and **Operations**.

A range of climate hazards were identified. The material hazards were assessed to be coastal inundation, extreme weather events, increasing number of hot days, and fluvial and pluvial flooding.

Climate Risk Rating	Definition
Extreme exposure and vulnerability	Extremely likely to be adversely affected because the receptor is extremely exposed and sensitive to the presenting hazard, with a very low capacity to adapt
High exposure and vulnerability	Highly likely to be adversely affected because the receptor is highly exposed and sensitive to the presenting hazard, with a minor capacity to adapt
Moderate exposure and vulnerability	Highly likely to be adversely affected because the receptor is moderately sensitive to the presenting hazard, with a moderate capacity to adapt
Low exposure and vulnerability	Minor likelihood of being adversely affected because the receptor has minor exposure and sensitivity to the presenting hazard, with a high capacity to adapt
Very low exposure and vulnerability	Negligible likelihood of being adversely affected because the receptor has negligible exposure and sensitivity to the presenting hazard, with an extreme capacity to adapt



Physical risk rating methodology

Steel & Tube's subject matter experts were engaged to identify risks presenting as a result of each climate hazard, by risk area. They were also required to identify the risk receptor, or the asset, service, or person (staff/customer) impacted by the risk. Risks were categorised under high-level risk type categories; and to provide a risk statement, which described the consequence of the risk on the receptor (the risk transmission channel).

Each risk dimension is assigned a unique identifier number, to facilitate a materiality analysis and final risk ranking. The results of the climate risk assessment were run through Deloitte's quant model to determine the most material risks by climate hazard, Risk Type, Risk Area and Risk Receptor.

Climate risk is rated on the basis of exposure and vulnerability. Vulnerability is a function of sensitivity and adaptive capacity.

Physical opportunities

Opportunities were identified by climate hazard across the People, Assets and Operations areas. A ratings matrix was not applied to physical opportunities.

The chart below provides a simplified representation of the scope and boundary of Steel & Tube's climate risk assessment.

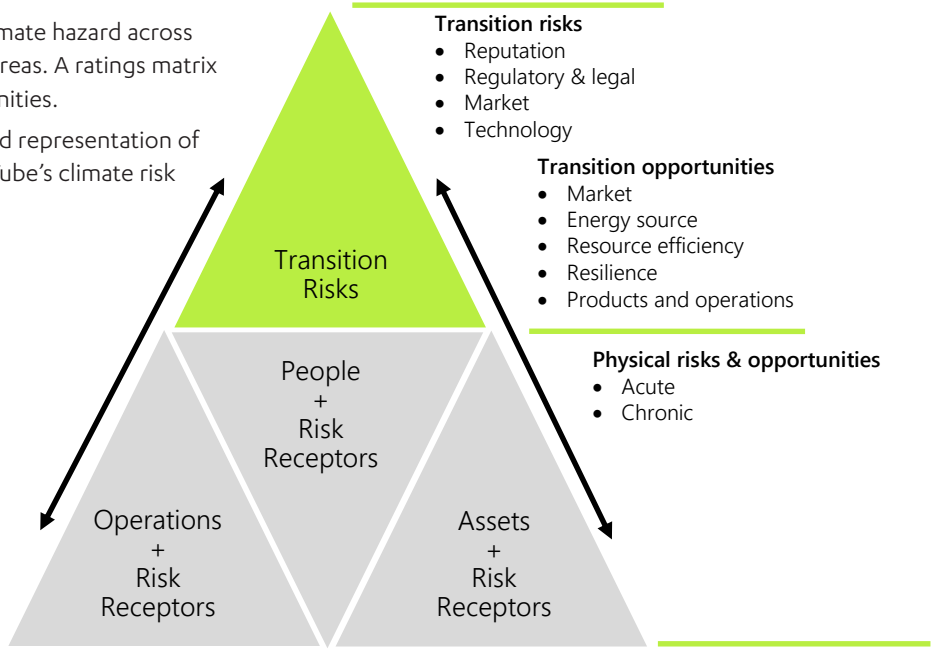


Table of physical risks, impacts and opportunity

The following table is a summary of Steel & Tube's material physical climate risk types, impacts and aggregated risks over the time horizons and scenarios defined on pages 8-10. The indicators in the climate risk rating columns represent the range of rated risks under those risk types and the time horizons for which those risks occur.[1]

Material Risk Type	Impact	Time Horizon	Orderly Climate Risk Rating	Disorderly Climate Risk Rating	Hot House Climate Risk Rating	Description of Anticipated Impacts	Mitigation Strategy and Opportunity Response
Impaired site access	Operational delays and revenue loss	Short-term	🟡			• Lack of access to site results in inability to receive, receipt or despatch product • Freight networks and possible road damage delays incoming goods and deliveries • Increased operational costs associated with freight disruption, holding incoming stock • Flooding could potentially impact potable water supply • Possible risk of injury to employees onsite in the event of a flash weather or climate hazard event • Reputation damage if climate event occurs and response is not perceived to be adequate or loss of revenue opportunities due to excessive delays in supplying product	In the short-term, management ensures that emergency response and business continuity planning covers responses to events that would impair access to sites and review these processes on regularly scheduled basis, diverting orders to nearby regions and collaborating with freight networks. Monitor available climate data in the medium to long term to look for opportunities to relocate sites that are in higher risk areas. Maintain diversity of freight supply chain to strengthen continuity in the event of climate events.
		Medium-term		🟡	🟡		
		Long-term		🔴	🔴		
Flooding of workspaces	Health risks and associated revenue loss	Short-term	🟢🟢				
		Medium-term		🟢🟡	🟢🟡		
		Long-term		🟢🟡	🟢🔴		
Impaired site access due to flooding	Operational cost escalation and margin loss	Short-term	🟢				
		Medium-term		🟢	🟡		
		Long-term		🟡	🟡		
Flooding, which causes personal asset damage and loss	Staff turnover, productivity loss, remediation and/or replacement costs of assets	Short-term	🟢			• Increase in time off for workforce affected by personal asset damage and loss, in turn causing increased wellness spend, alongside productivity losses and a negative impact on the organisation's reputation • Increased product write-offs due to salt spray and/or saltwater ingress for sites in coastal areas, increased operational cost in installing racking or protection for product • Increased asset replacement or repair due to extreme weather events, increase product write-offs • Delays to operations if critical assets damaged during weather event such as forklifts	Continue to maintain flexible working arrangements to cover staff who are impacted by weather events (e.g. remote working), availability of EAP (Employee Assistance Programme) services to all staff Monitor product located in coastal areas for early detection of damage due to sea spray, in medium to long term utilise opportunity to relocate sites away from coastal areas Maintain diversified asset suppliers and service providers to ensure assets can be repaired or replaced quickly
		Medium-term		🟢	🟢		
		Long-term		🟡	🟡		
Extreme weather causes asset/and or product damage	Remediation and/or replacement costs	Short-term	🟢				
		Medium-term		🟢	🟢		
		Long-term		🟢	🟢		

[1]A singular risk rating indicates that most, if not all, of the risks identified over that time horizon have the same climate risk rating. Multiple risk ratings indicates that the risks under that time horizon have a range of risk ratings.

Metrics and Targets

Metric Categories

Steel & Tube primarily uses Greenhouse Gas (GHG) emissions as a measure of our climate-related performance. In 2024 we engaged Deloitte to assist with developing a methodology to quantify our transition risks and opportunities. We have further work to undertake in this area to enable more descriptive disclosures. We currently estimate the percentage of assets or business activities exposed to transition risks at 48%.

GHG emissions and intensity

Steel & Tube's Scope 1 & 2 greenhouse gas inventory is measured in accordance with the Greenhouse Gas Protocol Corporate Standard. We have obtained assurance to a "limited" level by KPMG in accordance with the XRB's New Zealand Standard on Assurance Engagements 1: Assurance Engagements over Greenhouse Gas Disclosures. The assurance report is available on pages 22-25.

+ **Scope 1** emissions we directly control. For Steel & Tube, this includes vehicle fuel and stationary combustion
+ **Scope 2** purchased electricity from the grid

Explanatory comments

During FY25, we assessed the completeness and accuracy of our systems for calculating our Greenhouse Gas (GHG) emissions. As part of this review, we updated our processes for uploading data into our emissions reporting platform and included smaller volume fuel transactions to improve the completeness of our reporting. These enhancements led to changes in our disclosed FY23 and FY24 emission figures compared to what was previously reported in FY24. These changes are not considered material, as they did not exceed our significance threshold of 5% of total Scope 1 and Scope 2 emissions, as outlined in our GHG recalculation policy.

Steel & Tube acquired the trade and assets of Perry Metal Protection, Grating and Waikato Sandblasting on 1 May 2025. This acquisition is considered a structural change according to our GHG recalculation policy and we will disclose the details on the recalculation in our FY26 climate-related disclosures. We have excluded the two months of Perry's scope 1 & 2 emissions in FY25 (May to June 2025) - their emissions will be included in our FY26 disclosure (using the "all-year/year after adjustment" approach allowed by the GHG Protocol - see Appendices for details).

Table of Emissions

All figures are in tCO2e (tonnes of carbon dioxide equivalent). Our baseline year for GHG emissions is FY23. Steel & Tube measures scope 1 & 2 emissions intensity by tonnes sold (kgCO2e per tonne sold).

Emissions Category	FY23	FY24	FY25
Total Scope 1 & 2	1,925	1,879	2,458
Scope 1	**1,557**	**1,442**	**2,062**
Stationery Combustion	8	8	4
Vehicle Fleet	1,549	1,434	2,058
Scope 2	**368**	**437**	**396**
Electricity Consumption	368	437	396

Emissions intensity – kgCO2e per tonne sold	FY23	FY24	FY25
Scope 1 & 2	13.13	16.26	24.78

Analysis of trends

Steel & Tube's only source of scope 1 stationery combustion emissions relates to the natural gas consumed at our Ōtāhuhu site which is used to heat the hot water for showers. The reduction of from FY24 to FY25 is due to decreased levels of personnel onsite, subsequently requiring less hot water.

Our scope 1 vehicle fleet emissions have increased due to the expansion of our truck fleet in FY25. Overall, our diesel consumption has increased by 42% from FY24 to FY25.

In line with best practice and our GHG recalculation policy, we have retrospectively applied the 2024 MfE emission factor to our FY24 emissions. As a result, we have restated our FY24 Scope 2 emissions. The impact of this restatement exceeds our 5% materiality threshold and is therefore disclosed accordingly.

Metrics and Targets

Targets

Steel & Tube has not set climate-related targets in FY25. While we have consistently reported Scope 1 and Scope 2 emissions over recent years, we are currently focused on developing a comprehensive Scope 3 emissions inventory, including emissions associated with our recent acquisition.

Our business strategy prioritises growth through organic investment and mergers and acquisitions in directly adjacent sectors. As a result, the scope, boundaries, and activities of our operations continue to evolve, making it challenging to set meaningful and realistic climate-related targets at this stage.

We believe that establishing a full and accurate emissions profile will better inform our transition planning and help identify credible decarbonisation opportunities across our value chain. This will support the development of targets that are both ambitious and achievable.

Vulnerability to physical risks

The amount or percentage to which Steel & Tube's people, assets and operations are exposed to our identified physical risks and opportunities has not currently been quantified. As we continue developing our methodology and approach for understanding the anticipated financial impacts of our physical risks and opportunities, we will be able to disclose these estimates in the future. At present, it is difficult to quantify the percentage or amount of our assets or business activities that are vulnerable to physical risks because of the wide range of variables and factors involved with regional-specific climate modelling.

Internal carbon price and capital deployment

Steel & Tube does not apply an internal carbon emissions price. Steel & Tube is working towards determining how climate-related risks and opportunities serve as an input to our internal capital deployment and funding decision-making processes.

Appendices

Risk and opportunities: materiality, assumptions, and limitations

The climate risk and opportunities identification and assessment leveraged global data provided by Intergovernmental Panel on Climate Change's (IPPC) that has been downscaled by the New Zealand's National Institute of Weather and Atmospheric Research (NIWA) to provide regional data for the purpose of assessing New Zealand's exposure and vulnerability to climate change hazards.

The data sets provide multiple global warming scenarios and we adopted three of these scenarios to test the exposure and vulnerability of Steel & Tube's assets, operations and people, at multiple strategic time horizons. The global warming scenarios adopted by Steel & Tube include those provided by the IPCC in its AR5 report, referred to as Representative Concentration Pathways (RCPs); and the IPCC's Shared Socio-Economic Pathways scenarios (SSPs) described in its AR6 report. The scenarios adopted for the purpose of Steel & Tube's first pass climate risk assessment include SSP1-2.6, SSP2-4.5 and SSP5-8.5.

The delay between the publication of the IPPC's Sixth Assessment Report in 2021 (AR6) and the downscaling of IPPC climate data to provide more granular detail for New Zealand meant that Steel & Tube's OCCRA climate risk assessment was required to use NIWA data based on climate model simulations from the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report.

Risk assessment methodology

The risk assessment process described on pages 11-15 is consistent with the Ministry for the Environment's National Climate Risk Assessment Framework methodology, and with ISO 14091:2021 by assessing the identified risks in terms of their exposure, sensitivity, and adaptive capacity. This process enables us to develop climate scenarios depicting Steel & Tube's future state exposure to climate risk.

Climate scenarios illustrate what the future might look like under differing degrees of climate change. They are not predictions about what will happen, but rather hypotheses about what could happen in the short to long term. The global warming futures are evaluated against the scenarios provided by the IPCC. We applied the RCP scenarios (that are aligned to the SSP scenarios) from the IPCC AR5 for climate metrics that have not yet been developed within the IPCC AR6 models at the time of our initial risk assessment.

Quantification of transition risks

Steel & Tube engaged Deloitte in 2024 to support with quantifying S&T's financial exposure to its material climate risks, and to determine its response as part of its transition planning. This process involved the Climate Risk Steering Group, key internal SME's and went through the following modelling process:

1. Obtain NGFS scenario model drivers and variables
2. Develop the indicative steel price paths and steel demand profiles to undertake scenario analysis
3. Overlay Steel & Tube specific demand and cost drivers for each product segment
4. Apply Steel & Tube price elasticity analysis for each product segment to derive the expected demand for each product as steel prices rise
5. Analyse the outputs for each temperature scenario.
6. Quantify the transition risk.

Scenario analysis – limitations and assumptions

Scenario analysis is a process for identifying and assessing the potential implications of a range of plausible future states under conditions of uncertainty. Scenarios are hypothetical constructs and not designed to deliver precise outcomes or forecasts. Instead, scenarios provide a way for organisations to consider how the future might look if certain trends continue or certain conditions are met (TCFD Guidance, 2017). Steel & Tube's climate risk assessment analysis and scenario narratives provides insight into plausible future risk profiles in terms of Steel & Tube's exposure and vulnerability to the effects of climate change, and how these evolve over time and under different global warming scenarios.

For the purposes of scenario analysis for our initial climate risk assessment, we adopted the shared socioeconomic scenarios provided by the IPCC AR6 report to assess our evolving risk profile. There are three SSPs and RCPs which were utilised for our risk assessment, namely SSP1-2.6; SSP2-4.5 (relating to a 2-degree warming future meeting current climate targets and pledges) and SSP5-8.5 and RCP8.5 (relating to a 4-degree warming future with limited effort to mitigate GHG emissions). These scenarios are related to plausible futures where moderate mitigation leads to meeting the current targets and pledges under the Paris Agreement, and a global inaction future at the high end of the risk spectrum.

Appendices

		ICCP Scenarios
Sustainability	SSP 1 – 2.6	This future poses moderate challenges to mitigation and moderate challenges to adaptation. Population growth stabilises toward the end of the century; current social, economic, and technological trends continue; global and national institutions make slow progress toward achieving sustainable development goals. This scenario provides a 67% chance of limiting global warming to below 2ºC to around 1.6ºC.
Middle of the Road	SSP 2 – 4.5	This future poses high challenges to mitigation and high challenges to adaptation. Population growth continues with high growth in developing countries; there is an emphasis on national issues due to regional conflicts and nationalism; economic development is slow and fossil fuel dependent; there are weak global institutions and little international trade. Under this scenario we see a temperature rise of 2.5ºC – 2.7ºC
Fossil-fueled Development	SSP 5 – 8.5	This scenario depicts a worst-case scenario, where very little effort has been deployed to mitigate global warming. Current $C0_2$ emissions levels roughly double by 2050. Under this scenario, economic growth continues to be driven by fossil fuel combustion and energy-intensive lifestyles. By 2100, the average global temperature has increased by 4.4ºC. This future poses high challenges to mitigation and low challenges to adaptation. Under this scenario, global surface temperatures reach between 3.2ºC and 5.4ºC.

For the purpose of assessing Steel & Tube's transition risks, we have referenced the scenarios provided by the Network for Greening the Financial system, which include the Orderly, Disorderly and Hot House World as described below:

Orderly Net Zero by 2050

An ambitious scenario that limits global warming to 1.5°C through stringent climate policies and innovation, reaching net zero CO2 emissions around 2050. Some jurisdictions such as the US, EU and Japan reach net zero for all greenhouse gases by this point. This scenario assumes that ambitious climate policies are introduced immediately. Carbon Dioxide Removal (CDR) is used to accelerate the decarbonisation but kept to the minimum possible and broadly in line with sustainable levels of bioenergy production. Net CO2 emissions reach zero around 2050, giving at least a 50% chance of limiting global warming to below 1.5°C by the end of the century, with no or low overshoot (< 0.1°C) of 1.5°C in earlier years. Physical risks are relatively low.

Disorderly Delayed Transition

Assumes global annual emissions do not decrease until 2030. Strong policies are then needed to limit warming to below 2°C. Negative emissions are limited. This scenario assumes new climate policies are not introduced until 2030 and the level of action differs across countries and regions based on currently implemented policies, leading to a "fossil recovery" out of the economic crisis brought about by COVID 19. The availability of CDR technologies is assumed to be low pushing carbon prices higher than in Net Zero 2050. As a result, emissions exceed the carbon budget temporarily and decline more rapidly than in well below 2°C after 2030 to ensure a 67% chance of limiting global warming to below 2°C. This leads to both higher transition and physical risks than the Net Zero 2050 and below 2°C scenarios.

Hothouse Current Policies

Assumes that only currently implemented policies are preserved, leading to high physical risks. Emissions grow until 2080 leading to about 3°C of warming and severe physical risks. This includes irreversible changes like higher sea level rise. This scenario can help central banks and supervisors consider the long-term physical risks to the economy and financial system if we continue on our current path to a "hot house world".

GHG Methodologies, Assumptions and Estimation Uncertainties

Organisational boundary and scope

The organisational boundaries used for this report include all operating entities wholly owned by Steel & Tube Holdings Limited, including Perry Metal Protection, Perry Grating and Waikato Sandblasting. GHG emissions for these entities are calculated based on an operational control approach, using the methodology described in the GHG Protocol, and relate to the financial period FY25 (1 July 2024 to 30 June 2025).

Operational boundaries

Steel & Tube's GHG emissions as per the GHG Protocol:

- **Scope 1** includes all direct emissions occurring from Steel & Tube's operations, most notably from the combustion of vehicle fuel (diesel, petrol, LPG). This inventory excludes fugitive emissions from refrigerant as we have assessed this category to be immaterial.
- **Scope 2** covers emissions from the generation of purchased electricity consumed at Steel & Tube's operated sites.

As previously noted, Steel & Tube has opted to use NZ CS 2 Adoption provision 4, providing an exemption from disclosing our scope 3 emissions in FY25. Although we have historically reported some of our scope 3 emissions, previously this has been based on incomplete data. Scope 3 Categories emissions inventory development will continue in FY26. Exclusions are reviewed annually and may be included in future disclosures if they become material or applicable.

Base year recalculation approach

On 1 May 2025, Steel & Tube acquired the trade and assets of Perry Metal Protection, Perry Grating and Waikato Sandblasting, and as such this acquisition will trigger a base year recalculation. Our FY23 base year recalculation will be presented in our FY26 climate-related disclosure when the emissions for Perry's are reported.

Steel & Tube has opted to use the "All-year/year after adjustment" approach in regards to structural changes as allowed by the GHG Protocol Corporate Standard (see "Base year recalculation methodologies for structural changes - Appendix E to the GHG Protocol Corporate Accounting and Reporting Standard - Revised edition).

Emission factors

Our Greenhouse Gas (GHG) inventory is measured in accordance with The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (revised edition) and The Greenhouse Gas Protocol: GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard. Our emission factors are sourced from the Ministry for the Environment, as described in Table A below. Steel & Tube ensures the accuracy and relevance of our greenhouse gas (GHG) emissions reporting by annually updating our emission factors in alignment with the latest releases from the Ministry for the Environment (MfE).

As the MfE tends to release updated emission factor workbooks towards the end or start of Steel & Tube's financial year, we have applied updated 2024 emission factors retroactively to our FY24 emissions. This has resulted in the comparative years emissions changing from what was reported in 2024.

The following MfE factor books apply to the following financial years:

- FY23 emissions: 2023 Emission Factors Workbook
- FY24 emissions: 2025 Emission Factors Workbook
- FY25 emissions: 2025 Emission Factors Workbook

GHG Methodologies, Assumptions and Estimation Uncertainties

Emissions Type	Emission Source & Factor	Emissions Activity	Calculation Methodology	Data Source(s)	Assumptions, Limitations & Uncertainties
Scope 1	Natural Gas (MfE)	Natural gas used for water heating on site	Location-based method	Consumption data in kWh is provided by our power management company, using invoiced data from retailers	Low uncertainty on data quality from supplier, medium uncertainty from emission factors not being site-specific
Scope 1	LPG (MfE)	LPG used in forklifts and other onsite equipment	Fuel-based method	Automated usage report from main supplier, consumption data collected from invoices for other suppliers	Low uncertainty - reports are automatic from the supplier, manually entered quantity volumes are low
Scope 1	Fleet Vehicle Fuel (MfE)	Fuel used in vehicle fleet	Fuel-based method	Prior to May 2024, there were two sources of fuel reporting separate fleet managers, however our fuel reporting is now consolidated into one report from one source	Low uncertainty - reports are automatic from the supplier. Where an operator has purchased fuel on their Steel & Tube Procurement card, this is captured in a separate report.
Scope 2	Grid sourced electricity (location based) (MfE)	Electricity sourced from the grid to our sites	kWh-used method	Usage report from supplier dashboard	Low uncertainty - reports are sourced directly from the supplier and do not use averages or assumptions

Assurance Opinion

Independent Limited Assurance Report to Steel & Tube Holdings Limited

Conclusion

Our limited assurance conclusion has been formed on the basis of the matters outlined in this report.

Based on our limited assurance engagement, which is not a reasonable assurance engagement or an audit, nothing has come to our attention that would lead us to believe that, in all material respects, the scope 1 and 2 gross greenhouse gas emissions, additional required disclosures and associated methods, assumptions and estimation uncertainty disclosures within pages 15 (excluding Emissions intensity), 20 and 21 (**GHG disclosures**) are not fairly presented and prepared in accordance with the Aotearoa New Zealand Climate Standards (NZ CSs) issued by the External Reporting Board (**the criteria**) for the period 1 July 2024 to 30 June 2025.

Information subject to assurance

We have performed an engagement to provide limited assurance in relation to Steel & Tube Holdings Limited's (the **Client**) GHG disclosures for the period 1 July 2024 to 30 June 2025.

Below are the locations of the GHG disclosures subject to assurance:

NZ CS 1-3 requirement:	**2025 Climate Related Disclosures reference:**
NZ CS 1 22 (a)	Table of emissions excluding Emissions intensity (Page 16)
NZ CS 1 24 (a)	Metrics and targets (Page 16)
NZ CS 1 24 (b to d)	GHG methodologies, assumptions and estimation uncertainties (Pages 20 and 21)
NZ CS 3 52	GHG methodologies, assumptions and estimation uncertainties (Pages 20 and 21)
NZ CS 3 53	GHG methodologies, assumptions and estimation uncertainties (Pages 20 and 21)
NZ CS 3 54	GHG methodologies, assumptions and estimation uncertainties (Pages 20 and 21)

Our conclusion on the GHG disclosures does not extend to any other information included, or referred to, in the Climate Related Disclosures or other information that accompanies or contains the Climate Related Disclosures and our assurance report (**other information**). We have not performed any procedures with respect to the other information.

Criteria

The criteria used as the basis of reporting include the NZ CSs. As disclosed on page 15 of the Climate Related Disclosures, the greenhouse gas emissions have been measured in accordance with the World Resources Institute and World Business Council for Sustainable Development's Greenhouse Gas Protocol standards and guidance, specifically for each scope:

- *The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (revised edition)*
- Additionally, Scope 2 emissions have been measured in accordance with *The Greenhouse Gas Protocol: GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard*

As a result, this report may not be suitable for another purpose.

Assurance Opinion

Standards we followed

We conducted our limited assurance engagement in accordance with New Zealand Standard on Assurance Engagements 1 (**NZ SAE 1**) Assurance Engagements over Greenhouse Gas Emissions Disclosures and International Standard on Assurance Engagements (New Zealand) 3410 Assurance Engagements on Greenhouse Gas Statements (**ISAE (NZ) 3410**) issued by the New Zealand Auditing and Assurance Standards Board (**Standard**). We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Our responsibilities under the Standard are further described in the 'Our responsibility' section of our report.

Other Matter – Prior year comparatives not assured

The GHG disclosures for the years ended 30 June 2023 and 30 June 2024 were not subject to our limited assurance engagement and, accordingly, we do not express a conclusion, or provide any assurance on such information.

Our conclusion is not modified in respect of this matter.

How to interpret limited assurance and material misstatement

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

Misstatements, including omissions, within the GHG disclosures are considered material if, individually or in the aggregate, they could reasonably be expected to influence the relevant decisions of the intended users taken on the basis of the GHG disclosures.

Inherent limitations

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

Use of this assurance report

Our report is made solely for Steel & Tube Holdings Limited. Our assurance work has been undertaken so that we might state to Steel & Tube Holdings Limited those matters we are required to state to them in the assurance report and for no other purpose.

Our report should not be regarded as suitable to be used or relied on by anyone other than Steel & Tube Holdings Limited for any purpose or in any context. Any other person who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk.

To the fullest extent permitted by law, none of KPMG, any entities directly or indirectly controlled by KPMG, or any of their respective members or employees accept or assume any responsibility and deny all liability to anyone other than Steel & Tube Holdings Limited for our work, for this independent assurance report, and/or for the opinions or conclusions we have reached.

Our conclusion is not modified in respect of this matter.

Steel & Tube Holdings Limited's responsibility for the GHG disclosures

The Directors of Steel & Tube Holdings Limited are responsible for the preparation and fair presentation of the GHG disclosures in accordance with the criteria. This responsibility includes the design, implementation and maintenance of such internal control as The Directors determine is relevant to enable the preparation of the GHG disclosures that are free from material misstatement whether due to fraud or error.

The Directors of Steel & Tube Holdings Limited are also responsible for selecting or developing suitable criteria for preparing the GHG disclosures and appropriately referring to or describing the criteria used.

Assurance Opinion

Our responsibility

We have responsibility for:

- planning and performing the engagement to obtain limited assurance about whether the GHG disclosures are free from material misstatement, whether due to fraud or error;
- forming an independent conclusion based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to Steel & Tube Holdings Limited.

Summary of the work we performed as the basis for our conclusion

A limited assurance engagement performed in accordance with the Standard involves assessing the suitability in the circumstances of Steel & Tube Holdings Limited's use of the criteria as the basis for the preparation of the GHG disclosures, assessing the risks of material misstatement of the GHG disclosures whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the GHG disclosures.

We exercised professional judgment and maintained professional scepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the GHG disclosures that is sufficient and appropriate to provide a basis for our conclusion.

Our procedures selected depended on the understanding of the GHG disclosures that is sufficient and appropriate to provide a basis for our conclusion. The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

In undertaking limited assurance on the GHG disclosures the procedures we primarily performed were:

- Obtaining, through inquiries and inspection, an understanding of the Client's control environment, processes and information systems relevant to the preparation of the GHG disclosures. We did not evaluate the design of particular control activities or obtain evidence about their implementation.
- Assessing the appropriateness of the selected organisational boundary against the criteria, our understanding of the Client and where applicable external sources.
- Evaluating, through inquiries, the application of the selected boundary to the emissions inventory. This included evaluating the completeness of emissions sources selected for disclosure.
- Inspecting the activity data and agreeing a limited number of items to supporting records.
- Agreeing a limited number of emissions factors to external source material.
- Recalculating a limited number of emissions to confirm the mathematical accuracy of calculations.
- Considered the presentation and disclosure of the GHG disclosures against the requirements of the criteria.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our independence and quality management

This assurance engagement was undertaken in accordance with NZ SAE 1. NZ SAE 1 is founded on the fundamental principles of independence, integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We have complied with the independence and other ethical requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards*) (New Zealand) (**PES 1**) issued by the New Zealand Auditing and Assurance Standards Board, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Assurance Opinion

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* (**PES 3**), which requires the firm to design, implement and operate a system of quality control including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have also complied with Professional and Ethical Standard 4 *Engagement Quality Reviews* (**PES 4**) which deals with the appointment and eligibility of the engagement quality reviewer and the engagement quality reviewer's responsibilities relating to the performance and documentation of an engagement quality review.

Our firm has also provided other services to the Client that are related to our role as the Client's auditors, such as financial statement audit and half year review of the interim consolidated financial statements. Subject to certain restrictions, partners and employees of our firm may also deal with the Client on normal terms within the ordinary course of trading activities of the business of the Client. These matters have not impaired our independence as assurance providers of the Client for this engagement. The firm has no other relationship with, or interest in, the Client.

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

The engagement partner on the assurance engagement resulting in this independent assurance report is Laura Youdan.

KPMG

KPMG
Auckland
30 October 2025