2025 Climate-related Disclosures

For the twelve months ended 31 March 2025

Turners.
Automotive Group

Contents

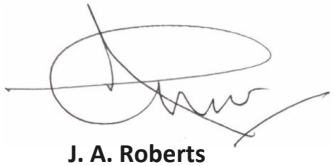
About this Climate Statement

1.1 Compliance Statement

Turners Automotive Group Limited (TAG) is a climate-reporting entity under the Financial Markets Conduct Act 2013 (FMCA). This document represents TAG's Climate-related Disclosures (CRD) report in relation to TAG and its subsidiaries for the reporting period 1st April 2024 to 31st March 2025 and constitutes TAG's group climate statements in respect of that period under the FMCA. This report complies with Aotearoa New Zealand Climate Standards 1, 2 and 3 issued by the External Reporting Board. All figures and commentary relate to the full year ended 31st March 2025, unless otherwise indicated.

The field of climate-related risk management is still evolving, often relying on developing and uncertain data and methodologies. Our statements reflect our understanding in respect of FY25 as of 22 July 2025. This report includes forward looking statements relating to climate-related scenarios, projections, forecasts, statements of TAG's future intentions, estimates and judgements that are inherently uncertain and subject to change. This report includes metrics and targets that are based on estimates and assumptions which are uncertain and subject to limitations, dependencies and potential barriers which mean they may not evolve as predicted. Challenges relating to data inputs may change over time and impact uncertainty of projections. Accordingly, TAG cautions reliance on forward-looking statements that are necessarily less reliable than other statements TAG may make in its annual reporting. TAG gives no representation, warranty or assurance that actual outcomes or performance will not materially differ from 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 the Group's financial, legal, tax or strategic growth or earning guidance or advice.

For and on behalf of Turners Automotive Group Limited. 22 July 2025.



J. A. Roberts
Director

Antony Vriens
Director

1.2 Adoption Provisions

In preparing this report, TAG has applied the following adoption provisions:

Adoption Provision	Description
Adoption provision 2: Anticipated financial impacts	This adoption provision provides exemptions from: (1) disclosing anticipated financial impacts of climate-related risks and opportunities reasonably expected by the entity, (2) providing an explanation of why we cannot disclose this information, and (3) describing time horizons over which anticipated financial impacts of climate-related risks and opportunities could reasonably be expected to occur.
Adoption provision 5: Comparatives for Scope 3 GHG emissions	This adoption provision provides an exemption from disclosing comparative information for Scope 3 GHG emissions in this entity's second reporting period, where Scope 3 emissions were not disclosed in its first reporting period.
Adoption provision 6: Comparatives for metrics	This adoption provision provides an exemption from disclosing comparative information for each metric disclosed for the immediately preceding two reporting periods, permitting the disclosure of one year of comparative information only for each metric.
Adoption provision 7: Analysis of trends	This adoption provision provides an exemption from disclosing an analysis of the main trends evident from a comparison of each metric from previous reporting periods to the current reporting period in an entity's second reporting period.
Adoption provision 8: Scope 3 GHG emissions assurance	This adoption provision provides an exemption from an assurance engagement for Scope 3 emissions where the accounting period ends prior to 31 December 2025.

Governance

2.1 Oversight by the Board of Directors

TAG's Board is responsible for challenging, shaping, and approving the company's vision, purpose, and strategic direction. As the ultimate governing body, the Board oversees group-wide risks and opportunities, including those related to climate. The Board ensures TAG maintains a comprehensive risk management framework with robust procedures to identify and manage both financial and non-financial risks, including those associated with climate change.

2.2 The Audit, Risk Management and Sustainability committee (ARMS)

The Board is supported by the ARMS committee, which is comprised of three non-executive Directors and provides comprehensive oversight of TAG's climate-related risks and opportunities, guiding the organisation's transition to a low-emission, climate-resilient future.

Meeting quarterly at minimum, the ARMS Committee enhances its climate governance through specialized workshops covering Climate Risk and Materiality, Transition Risk and Opportunities. Directors pursue climate upskilling through the Institute of Directors and Chapter Zero Group. Board skills, including climate expertise, are regularly updated and reviewed annually and disclosed in the Annual Report. During the 2025 financial year, all ARMS Committee members participated in two climate-related workshops as part of the development of our Transition Plan. Additionally, individual ARMS Committee Directors undertook supplementary climate training:

- One attended two Chapter Zero sessions.
- Another completed two Institute of Directors sessions and one Chapter Zero session.

2.3 Climate-related risks and opportunities

Climate considerations continue to be embedded in all strategic decisions, from property investment due diligence to regular Board deliberations. The Board conducts annual strategy reviews that encompass all risks and opportunities, with climate matters featuring as a standing agenda item including the review of the monthly TAG Climate Related Disclosures Working Group Progress Report. The ARMS Committee evaluates emerging risks and presents them for Board approval as needed.

During the reporting period, the Board convened 11 times and the ARMS committee 5 times. The Board supplements its expertise with external consultants, including thinkstep-anz, Baker Tilly Staples Rodway and Chapman Tripp for climate reporting compliance. All activities are thoroughly documented through training registers, meeting and workshop minutes, and external consultant reports.

2.4 Management's Role

TAG's CEO and CFO hold ultimate responsibility for climate-related responsibilities. A dedicated Climate Working Group, comprising of a Project Manager and team members with diverse expertise in areas such as accounting, risk management, operations and compliance, meets weekly to manage climate risks and opportunities. This is the primary mechanism by which management is informed about, makes decisions on and monitors climate-related risks and opportunities. At each monthly Board meeting, progress reports from the Climate Working Group are presented to the TAG Board (which includes the ARMS Committee), ensuring regular oversight at the highest level.

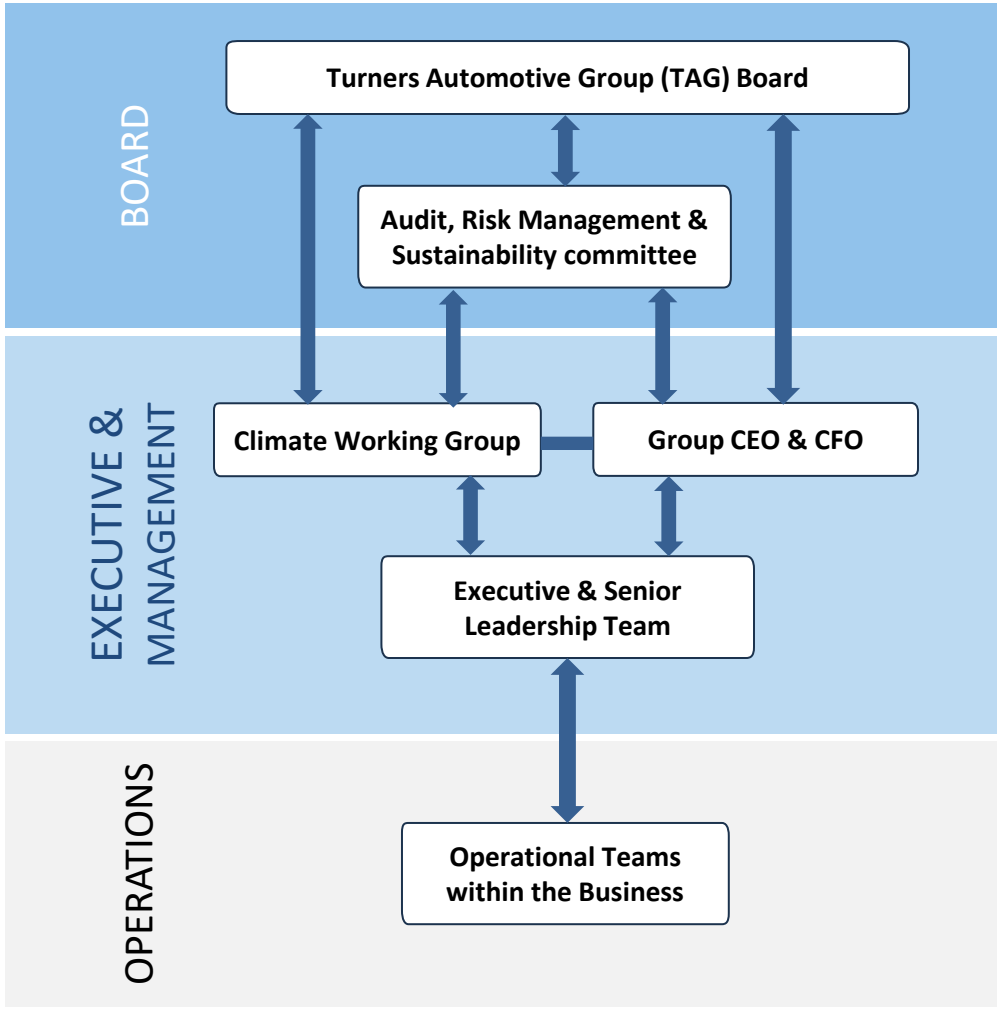
The Board allocates climate roles leveraging the ARMS Committee's risk management skills, who seek input from subsidiary Financial Controllers as needed. Weekly meetings of the Climate Working Group assess progress and plan actions, maintaining a coordinated and well-informed climate change management process with transparency, expertise integration, and continuous progress towards climate objectives.

2.5 Metric and targets

- Progress against climate-related metrics and targets is reviewed annually by both the Climate Working Group and the Board (including the ARMS Committee), including consideration of new targets.
- Management remuneration (compensation) is not directly linked to climate-related risks and opportunities. As TAG's understanding of climate-related risks and opportunities evolves, consideration will be given to explore the appropriate weighting that climate-related factors should have on overall management remuneration.
- TAG does not currently use an internal emissions price.

Governance

2.5 Governance structure chart



Turners Automotive Group (TAG) Board

Establishes the purpose and strategic direction of the company, oversees and approves risk management strategy and risk appetite and monitors progress against climate-related risks, metrics and targets. All key climate-related risks and opportunities are reviewed by the Board.

Audit, Risk Management & Sustainability committee

A sub-committee of the Board, ARMS supports the Board in overseeing risks and opportunities including climate-related risks and opportunities and on the assurance of the CRDs in relation to compliance with the NZ Climate Standards.

Climate Working Group

Includes: Group CEO, Group CFO, Compliance Manager, Group Financial Controller, Project Director - Climate Related Reporting & Sustainability. Responsible for overseeing the Climate Risk & Opportunity identification across the organisation, preparing Climate Related Disclosure, engaging with experts required and presenting to the Board.

Group CEO & CFO

Overall accountability for actions and commitments to embed climate change into risk management, business strategy and planning, budgeting processes and frameworks. Includes identifying, considering and monitoring climate-related risks and opportunities and reporting to the Board.

Executive Team

Members: Senior Leadership from each subsidiary company. Ensures the risks in each business area are identified, understood and managed and monitored and escalated appropriately.

Operational Teams within the Business

At an operational level, the identification and day-to-day management of climate-related risks are dispersed throughout the Turners Automotive Group, by the local/regional leadership and response teams.

Strategy

3.1 Business model and strategy

TAG is one of New Zealand's largest automotive retail groups, focusing on making it easy for customers to buy, sell, finance and insure their vehicle through TAG's trusted brands and businesses.

Core Business Model

TAG operates through several integrated business segments:

- Automotive Retail: Buying and selling used vehicles through physical sites and online channels
- Finance: Providing loans and insurance products to vehicle buyers
- Insurance: Motor vehicle mechanical breakdown insurance, loan protection and life insurance solutions
- Credit Management: Debt collection and credit management services
- Property holdings: Acquisition and development of sites for automotive retail use.

Key Strategic Elements

1. Integrated Ecosystem: TAG creates a self-reinforcing ecosystem where each business can support the other
2. Digital Transformation: significant investment in online platforms, digital customer experiences, and harnessing technology advancements, including:
    - Online vehicle sales
    - Digital auction capabilities
    - Finance and insurance application processes
3. Market Leadership: Maintaining dominant position in the NZ used car market through an extensive network and trusted brand reputation along with local sourcing
4. Data-Driven Decision Making: Leveraging customer and product data across business units to optimise pricing, inventory management, and targeted marketing
5. Geographic Expansion: Strategic growth across New Zealand with a network of physical retail locations.

TAG closely monitors for upcoming climate-related policy changes that could affect its operations and adapts its strategy accordingly. For example, policy changes affecting used car imports.

3.2 Current climate-related impacts

Climate-related impacts, including financial impacts, during this reporting period were limited to:

Physical impacts:

- A container shelter at a North Island branch was damaged during a severe storm in May 2024, resulting in approximately $35,000 in damage. This cost was largely covered by insurance.
- Roofing and guttering improvements at another branch to increase resilience in high rainfall events cost $38,308. This work was completed in February 2025.

Neither of these physical impacts were considered material to the business.

Transition Impacts:

- TAG continues to transition its company car fleet to Low Emission Vehicles, with FY25 investments of $1,816,265 for 91 hybrid vehicles (of which 42 were early replacements). Of the total 91 vehicles purchased in the year, 89 replaced Internal Combustion Engine (ICE) vehicles, while 2 were additions to the company fleet. At 31 March 2025, Low Emission Vehicles represented 74% of the Group's total company fleet.

Note: All values are excluding GST.

Business continuity and resilience remain top priorities for TAG. The company continues to enhance its understanding of the risks and opportunities presented by climate change, positioning itself to respond effectively as these evolve.

Strategy

3.3 Scenario Analysis

Overview and Framework
In line with New Zealand Climate Standard 1 (NZ CS 1) requirements, the Board and senior management from all entities were involved in a standalone climate scenario analysis facilitated by Deloitte in FY24, to deepen our understanding of the potential physical and transitional risks and opportunities arising from climate change. The resulting scenario narratives offer a framework to assess the short-, medium-, and long-term resilience of TAG's business and strategy across three temperature-driven future scenarios. These scenarios are designed to be plausible and challenging, though they do not represent inevitable outcomes.

Time Horizons and Rationale
TAG has established climate-related time horizons for its scenario analysis, risk assessment, strategic planning, and capital deployment plans as follows: short-term (2024-2030), medium-term (2031-2040), and long-term (2041-2050). These timeframes were selected to align with New Zealand's transport sector dynamics and the varying operational timeframes across TAG's divisions:

- **Automotive division**: Can quickly adapt to market changes due to rapid inventory turnover
- **Insurance and Finance divisions**: Operate on short cycles, with typical duration of finance contracts and insurance policies at inception being 3-4 years
- **Business premises**: Both owned and leased properties are typically occupied for terms of up to 20 years

Scenario Selection and Methodology
To support this analysis, in FY24 TAG engaged Deloitte to assist in understanding the potential physical and transitional impacts of climate change and to facilitate the scenario modelling process. In selecting the most appropriate scenarios, we considered a variety of globally recognised frameworks that span a range of temperature outcomes and transition pathways. The three scenarios chosen were developed by the Network for Greening the Financial Sector (NGFS) and the Intergovernmental Panel on Climate Change (IPCC), as they provide valuable insights into TAG's resilience under different future conditions. TAG has continued to use these same scenarios in FY25.

Note: The data and assumptions underlying these scenarios are subject to considerable uncertainty and may evolve as climate modelling advances.

Process and Governance
The purpose of scenario analysis is to identify a range of plausible climate futures and assess the potential climate-related risks and opportunities arising from them, informing our strategic planning process. TAG actively participates in the Aotearoa Circle Transport Sector Climate Scenarios Working Group, enabling a wider perspective and insight into industry best practices.

In FY24 Deloitte facilitated an end-to-end scenario analysis and risk assessment process conducted through a series of workshops designed to enable TAG to:

- Establish the scope and boundary of the climate risk and opportunities assessment
- Select the global warming scenarios (IPCC and NGFS) and determine the strategic time horizons against which to test exposure to climate hazards
- Facilitate the Steering Committee to engage, identify and rate the physical and transition climate risk and opportunities that are currently impacting, and which are anticipated to impact, TAG.

The Climate Working Group and ARMS Committee oversaw and were closely consulted throughout the process to qualify the identified climate risks and opportunities. They also assessed and validated the assessment results. Multiple iterative rating rounds were conducted, ensuring TAG had ample opportunity to test, evaluate, and challenge the risk and opportunities assessment outputs.

FY25 Developments
In FY25, the Climate Working Group and ARMS Committee participated in Transition Planning workshops, facilitated by thinkstep-anz, which involved revisiting the scenarios, reassessing TAG's climate-related risks and opportunities, and identifying what can be monitored for triggers and possible actions to respond to each scenario to develop a transition plan.

Integration with Enterprise Risk Management
While scenario analysis was conducted as a standalone process, these climate risks have been integrated into the company's established enterprise risk management framework. The analysis relied solely on the scenarios described above, with no additional modelling conducted beyond that reflected in the scenarios.

Details on these scenarios and the rationale for TAG's selection of these three scenarios are outlined on the following pages.

Strategy

Turners. Automotive Group

Details of the three chosen scenarios, being the Orderly, Disorderly and Hot house scenarios and the reasons for selection of these scenarios.

	Orderly	Disorderly	Hot house
Short-term **Present day – 2030**	Early implementation of policies Physical: **Low** Transition: **Medium**	Delayed policies Physical: **Low** Transition: **Low**	Current policies – limited ambition Physical: **Low** Transition: **Low**
Medium-term **2030-2040**	Ambitious decarbonisation goals and policies are introduced immediately, and emissions decline rapidly and steadily to halve global emissions by 2030 and achieve net zero by 2050. Physical: **Low** Transition: **High**	Significant decarbonisation is delayed until the mid-2030s. There is high transition risk due to a global run-on resources in the 2040s, with punitive policies and measures introduced to achieve net zero 2050 targets. Physical: **Medium** Transition: **High**	No additional policies are introduced to curb emissions, and emissions continue to rise. Warming reaching >3°C. Physical: **High** Transition: **Low**
Long-term **2040-2050**	Net-zero target achieved Relatively low exposure to physical climate-related risks. Exposure to transition risks is high, early economic contraction followed by strong growth and minimised social and economic costs. Physical: **Low** Transition: **Low**	Slight overshoot of net zero by 2050 target. High social and economic costs are incurred, due to resources scarcity driven by demand shocks and moderately higher exposure to physical risk. Physical: **Medium** Transition: **Low**	Overshoot of net zero by 2050 target. Severe resource scarcity due to supply shocks relating to climate events. Extreme exposure to physical risks but limited exposure to transition risks. Physical: **High** Transition: **Low**

- **NGFS – Net Zero by 2050**
- **IPCC SSP 1 - 1.9, 1.4 °C**
- **NIWA RCP 1.9**
- **Climate Change Commission – Tailwinds**

Policy ambition	Policy reaction	Technology change	Carbon Dioxide Removals	Regional policy variation
1.4°C	Immediate and smooth	Fast change	Medium-high use	Medium variation

This scenario is required as stipulated by XRB for "a 1.5 degree Celsius climate related scenario".

- **NGFS - Delayed Transition (1.8°C)**
- **IPCC SSP 1 – 2.6, 1.8°C**
- **NIWA RCP 2.6**
- **Climate Change Commission – Headwinds**

Policy ambition	Policy reaction	Technology change	Carbon Dioxide Removals	Regional policy variation
1.8°C	Delayed	Slow/fast change	Medium use	High variation

TAG considers this to be a more plausible scenario than NGFS – Net Zero, and hence more relevant to ensure a meaningful range for TAG's risk assessment, modelling, and strategy.

- **NGFS - Current Policies Hothouse World (3°C+)**
- **IPCC SSP 5 – 8.5, 4.4°C**
- **NIWA RCP 8.5**
- **Climate Change Commission – Current Policies**

Policy ambition	Policy Reaction	Technology Change	Carbon Dioxide Removals	Regional policy variation
3°C+	None – current policies	Slow change	Low use	Low variation

This upper scenario was selected as NIWA has metrics for NZ where TAG's operations are predominantly located.

Note: Both the NGFS and IPCC frameworks include energy pathways and technology assumptions, with carbon sequestration considerations also incorporated,. These factors are therefore included in the modelling underpinning our scenario analysis., although for the most part these factors are not specifically referenced in TAG's scenario narratives as they are not directly relevant to TAG's business context.

Strategy

SCENARIO NARRATIVES - ORDERLY

An orderly scenario assumes early, decisive investment into decarbonisation between the present day to 2030, supported by a bipartisan response to climate change both domestically and internationally. Robust carbon markets, stable, long-term policies and relative economic stability provides clear signals to investors, enabling New Zealand and the world to halve emissions by 2030, and achieve the net zero emissions by 2050 target. Under this scenario, exposure to physical risks over the medium and long-term is low; exposure to transition risk in the short and medium term is high.

Stringent government mandates and policy frameworks requiring financial institutions to disclose financed and insured emissions (and to demonstrate year-on-year reductions) drives the introduction of fiscal incentives, pre-2030, aimed at decarbonising fleets and reducing transport emissions in general. This in turn prompts lenders and insurers to incentivise direct emissions (scope 1 and 2) reductions through discounted debt, and other products, thereby incentivising a shift in the modes of transportation.

Long-term fiscal incentives which encourage the import of autonomous zero emissions cars, public transport fleet and the development of EV parts recycling infrastructure then drives further investment into innovative rideshare options and material capture processes.

Public transport may potentially be offered free-of-charge in this scenario, driving a transition away from the single car occupancy model, into rideshare, public transport and micro mobility options. This is exacerbated by the change in urban planning models where private and roadside car parking is phased out.

The cost of alternative transport modes is significantly lower than car ownership and lease models, causing market contraction due to reduced demand for lease and privately owned vehicles.

Private vehicles remain a necessity for rural and regional travel, with electrification of the light fleet a major priority for government. Aligning with major market timelines, a 2030 ICE vehicle import phase-out date is set. This strong market signal, booming global EV production, and strong flow of second-hand vehicles from Japan sees EV adoption accelerate in Aotearoa New Zealand.

SCENARIO ARCHITECTURE

Orderly

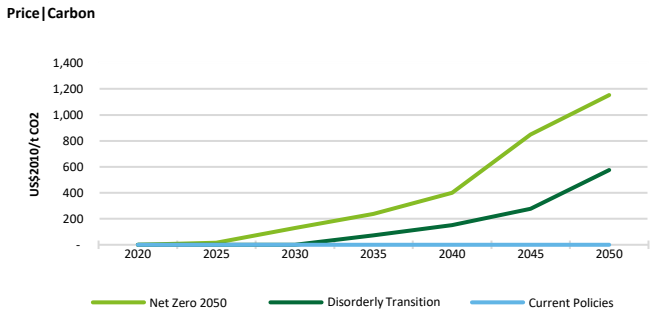
- Network for Greening the Financial System (NGFS) - Net zero by 2050
- Shared socioeconomic pathway (SSP) 1 - 1.9, 1.4°C
- Climate Change Commission - Tailwinds

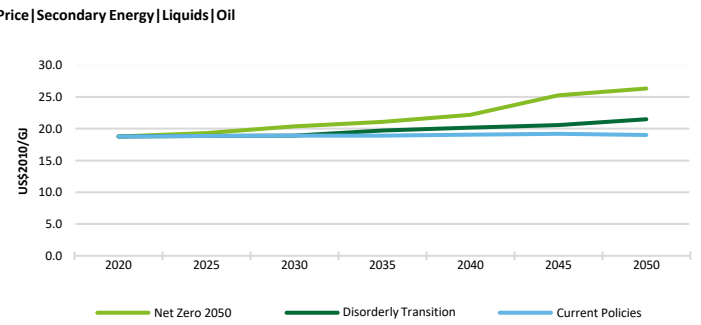
Policy ambition	Policy reaction	Technology change	CDR (CO_2 removal)	Regional policy variation
1.4°C	Immediate and smooth	Fast change	Medium-high use	Medium variation

Impact on TAG

The high pace of transition from internal combustion engines to zero carbon vehicles has two results for TAG: an increase in the ICE vehicles entering the End-of-Life business for recycling; and a transition from selling second-hand ICE vehicles to selling second-hand EVs as they cycle through the fleet.

In the long-term (2041-2050) TAG is the leading retailer of used EV's.





Strategy

SCENARIO NARRATIVES - DISORDERLY

A disorderly scenario assumes delayed investment into decarbonisation between the present day to 2035. National and international governments remain divided on the response to climate change. Political volatility and economic instability reduces investor confidence in the short-term, resulting in low investment into decarbonisation technologies. A sudden shift in domestic and international governments' response to climate change occurs after 2035, driving rapid investment into decarbonisation technologies. The demand spike places upward pressure on prices. There is a slight overshoot of the Paris target, however exposure to physical risk over the long-term is limited.

The combined impact of lingering COVID-19 effects, geopolitical conflicts, and post-Covid economic conditions leads to an uncertain policy environment and a hesitant financial space that restricts the flow of green finance and hinders the acceleration of mitigation actions. In the early 2030s, a series of extreme weather events shock the globe, and energy economics swings decisively in favour of renewable energy from both a consumer price and geostrategic perspective. Major economies take the world by surprise, announcing unprecedented financial and policy interventions and entering a 'race to net zero'.

The delayed, fragmented rollout of regulatory policy frameworks related to the import of internal combustion engines (ICEs) creates investor and buyer uncertainty, delaying the uptake of alternate transport modes. As the delayed transition kicks in, post-2035, fiscal measures (import taxes, carbon taxes, and road user charges) are introduced with the aim of penalising single car ownership, due to the global move to decarbonise fleets.

The fiscal measures lead to an increase in the cost of car ownership (both ICEs and EVs) making car ownership unaffordable for certain consumers. Consequently, there is a shift towards more affordable public transport, ride share and micro-mobility options. However, even this is fragmented due to the lack of early investment. Whilst some urban development's enable shared-car use and have little-to-no parking facilities, the lack of early integrated transport-land use planning, or development of truly integrated active mobility networks, means that many areas, especially in the sprawling suburbs and in rural areas, are under-served by reliable public transport or private on demand mobility providers.

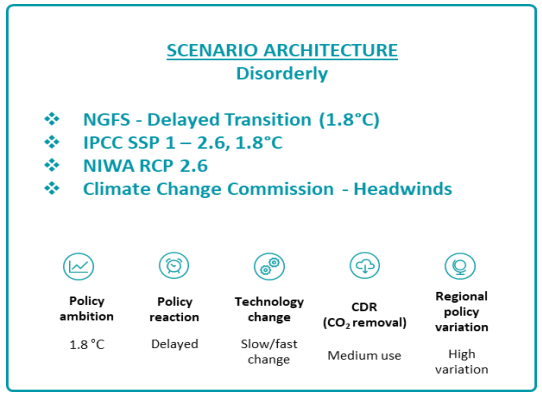
The delayed investment into low emissions transport and related infrastructure results in a higher workforce exposure to climate hazards.

Impact on TAG

There is a potential for an increase in health and safety incidents, and a reduction in the wellbeing of car yard employees is possible during extended dry and hot periods and other extreme weather events. TAG may be forced to temporarily close car yards due to extreme weather events. Communications outages due to severe storms also impacts on business continuity, resulting in revenue loss.

The moderate pace of transition from internal combustion engines to zero carbon vehicles has two results for TAG-: an increase in the ICE vehicles entering the End-of-Life business for recycling; and a transition from selling second-hand ICE vehicles to selling second-hand EVs as they cycle through the fleet.

Ultimately, private vehicle ownership remains strong with the used car market now predominately LEV's, but ICE vehicles sales still present, especially, in rural areas. End of life business still strong as the fleet ages.



Strategy

SCENARIO NARRATIVES - HOTHOUSE WORLD

Under a Hot House World scenario, economic growth remains tied to fossil fuels. There is limited investment into decarbonisation technologies with the result being an overshoot of the Paris Net carbon neutral by 2050 target. Under this scenario there is little to no transition risk in the short, medium and long-term. Exposure to physical climate-related risks, on the other hand, increases steadily from low to moderate in the short-term; moderate to high in the medium-term; and high and extreme over in the long-term (2100).

Governments remain divided over the climate change response, with inconsistent policy resulting in significant investor uncertainty. Banks and insurers continue to price risk into capital and premiums to reflect increasing price inflation due to supply-side shocks and climate-related resource scarcity. Price pressures are further compounded by increasing taxes and rates, as successive governments are saddled with increasing climate damage remediation costs. However, from 2050 onward banks and insurers begin de-risking portfolios by aggressively screening out high risk creditors and insured entities. Price inflation and high interest rates ultimately reduce consumer demand for cars in general.

The impact of weather events on road infrastructure has made road accidents more commonplace, resulting in high rates of non-renewal and high insurance premiums, undermining demand for insurance altogether. Breakdown insurance is unaffordable for the wider customer base due to high propensity for breakdowns and collisions due to poor road infrastructure and frequent weather events, forcing value chain partners out of business.

Government intervention in carbon markets in the 2020s caused the market to stall and fail, removing any price signals to encourage investment into alternative transport modes. A lack of leadership by governments on addressing transport emissions triggers climate protests due to the severe impact of climate hazards. A lack of polices targeting import of high emissions vehicles makes New Zealand a target for country's that decide to decarbonise, driving down costs relative to other transport modes and buoying the car market.

The lack of affordable, available transport alternatives prolongs single occupancy car use into the 2050s. However, fuel, insurance and maintenance costs drives a shift to car subscription models. Lease models gain traction in the late 2030s and early 2040s as individuals can no longer afford to maintain or insure cars, due to the high accident and damage rate relating to poor road maintenance.

The high cost of owning and leasing cars eventually drives increasing demand for ride sharing options. There is an abundance of shared riding platforms powered by Google/ Meta and other providers – with less of a focus on zero emissions options, as the cost of alternatives (EV's/ low-emissions vehicles) remains high.

Impact on TAG

The used car market for ICE vehicles remains strong for at least the short and medium term. Ultimately the low / slow pace of transition from internal combustion engines to zero carbon vehicles has two results for TAG: an increase in the ICE vehicles entering the End-of-Life business for recycling; and a transition from selling second-hand ICE vehicles to selling second-hand EVs and Hybrids as they cycle through the fleet.

SCENARIO ARCHITECTURE
Hot House World

- NGFS - Current Policies – Hot House World (3°C+)
- IPCC SSP 5 – 8.5, 4.4°C
- NIWA RCP 8.5
- Climate Change Commission – Current Policies

Policy ambition	Policy reaction	Technology change	CDR (CO_2 removal)	Regional policy variation
3 °C +	None – current policies	Slow change	Low use	Low variation

Strategy

3.4 Transition Plan, climate-related risks and opportunities

TAG has updated its organisational climate-related physical and transition risks and opportunities assessment following a review undertaken in FY25. This reassessment was conducted using the scenarios developed in FY24. We acknowledge that both the Network for Greening the Financial System (NGFS) and the National Institute of Water and Atmospheric Research (NIWA) have provided updates in 2024 regarding the impacts of climate change. After reviewing these new reports, we have assessed that they do not materially alter the previously developed scenarios in relation to TAG's operations, so these were unchanged.

The reassessment comprised a climate risk evaluation, conducted through structured workshops designed to identify, prioritise, and assess the potential material impact of climate risks and opportunities, as well as to formulate appropriate response strategies.

This transition plan was developed with the knowledge that:

- The automotive division can quickly adapt to market changes due to rapid inventory turnover
- Insurance and Finance divisions operate on short cycles, with the typical duration of finance contracts and insurance policies at inception being 3-4 years.
- TAG business premises (both owned and leased) are typically occupied for terms of up to 20 years.

While a wide range of risks and opportunities were considered, those identified as material were limited to three risks and two opportunities related to physical climate change, and six risks and two opportunities related to climate transition change.

Among the most significant risks identified were potential impacts on business continuity and operational disruptions. These included flood-related site access impairment and damage to premises.

Telecommunications and network outages were also identified as significant risks. Additionally, the assessment identified potential impacts of wind events on call centers due to communication network failures, power outages, and site access limitations caused by landslips or fallen trees affecting roads and power infrastructure. While these risks already exist, they are projected to increase in both frequency and severity over the long term.

Transition planning aspects of TAG's strategy can be found in this Section 3.6 and in the 'Actions' columns - pages 13-16.

Pages 13-16 outline TAG's material physical and transition climate-related risks and opportunities and anticipated impacts, along with high-level financial impact assessments and planned responses. These responses/actions are part of TAG's strategy. The timing and nature of the *triggers for action* being activated will influence how the actions are implemented, though many of these to some degree are already underway.

The chart below shows how the Risk Rating was determined.

			Financial Impact		
			<$100K	$100K - 1M	>$1M
			Low	**Medium**	**High**
Likelihood	Unlikely	**Low**	Low	Low	Medium
	Occasional	**Medium**	Low	Medium	**High**
	Probable	**High**	Medium	**High**	**High**

Strategy

Material Physical Risks and Anticipated Impacts	Entity	Time Horizon	Risk Rating	Monitor	Triggers for Action	Actions
Operations - Extreme weather and wind events are expected to disrupt power and communications infrastructure, impacting TAG's ability to operate and generate revenue. Floods and landslips could cause site access impairment and disrupt transport and logistics routes, which could negatively impact productivity, causing revenue loss. **Anticipated Impact:** Operational costs, revenue loss	ALL	Present day, with risk increasing over time, especially if Hothouse World scenario eventuates.	Low	Monitor volume of event related communication outages, instability of electricity network etc. Monitor available climate modelling.	Change in cost or frequency of impacts. Trigger updated modelling.	Rigorous due diligence when finding new locations. Event preparedness e.g. availability of generators, Starlink, network communications diversity.
People - Increasing occurrences of physical climate-related events may result in an increased number of health and safety incidents and deteriorating physical and mental wellbeing amongst staff, contractors and those employed by TAG. **Anticipated Impact:** Loss in productivity, Lost days, Welfare costs	ALL	Present day, with risk increasing over time, especially if Hothouse World scenario eventuates.	Low	Monitor climate-related events and longer term trends People and Culture processes via: Employee Assistance Program (EAP) and Peakon employee survey Reponses.	Indicators from Peakon Employee survey. Increase in incidences from EAP. Incidence of reports of temperature related stress or other impacts.	Develop responses to specific situations e.g. increased ventilation or cooling in affected work areas.
Assets - Extreme climate hazards could result in damage to Turners premises and vehicles, and result in increases to capital and operational expenditure - mainly due to the costs associated with asset replacement, remediation and upgrades. **Anticipated Impact:** Operational costs, Asset value loss, Revenue loss		Present day, with risk increasing over time, especially if Hothouse World scenario eventuates.	Low	Monitor climate-related events and longer term trends through financial processes.	Change in cost or frequency of impacts.	Distributed business reduces overall business impact. Consider site specific investments to improve climate-related resilience.

Entity Key: Turners Automotive Oxford Finance Autosure Insurance

Strategy

Material Physical Opportunities and Anticipated Impacts	Entity	Time Horizon	Risk Rating	Monitor	Triggers for Action	Actions
Operations - The impact of climate hazards on both public vehicles and the Turners fleet could present a number of operational opportunities, from greater inventory churn rate and the larger volume of damaged vehicles, thereby generating revenue for both the end-of-life and insurance and financing parts of the Groups operations. **Anticipated Impact:** Increase in revenue		Present day, with risk increasing over time, especially if Hothouse World scenario eventuates.	Medium	Monitor climate-related events and longer term trends.	Increasing number of annual events.	Build capacity to deal with volume - i.e. an influx of vehicles due to an event e.g. "pop up sites". Identify partners to assist with responses. Consider pricing options due to increased vehicle demand (replacing damaged vehicles).
Market - The possible increase in immigration from climate refugees would lead to an increase in product demand and staff availability. **Anticipated Impact:** increase in revenue, improved access to labour.	ALL	Potential opportunity impact in 5-10 years.	Low	Monitor immigration changes.		Ongoing market and labour activities to respond to immigration shifts.

Entity Key: Turners Automotive | Oxford Finance | Autosure Insurance

Strategy

Material Transition Risks and Anticipated Impacts	Entity	Time Horizon	Risk Rating	Monitor	Triggers for Action	Actions
Technology - New technologies like autonomous vehicles could shift away from traditional car ownership, contracting NZ's light vehicle fleet and reducing associated revenue. **Anticipated Impact:** Revenue loss		Potential risk impact in 15-20 years.	Low	Developments in US, NZ and other jurisdictions	Adoption in US or Japan - and flow on effects	Monitor activity in the sector. TAG will be a late adopter.
Market - Possible economic contraction from transitioning to a low-carbon economy and LEVs could strain household incomes, reducing vehicle demand, transactions, and revenue. **Anticipated Impact:** Revenue loss		Potential risk impact in 10-15 years.	Low	Market activity through standard business processes	Negative trends in market activity. Increased legislation and compliance costs, carbon tax, RUC increases.	Business and market planning to maintain competitive advantage and market share.
Policy and Legal - Access to finance - Banks' financed emissions disclosure requirements may reduce access to capital and/or increase capital costs. Stricter government regulations may also increase compliance costs. **Anticipated Impact:** Operational costs		Potential risk impact in 5-10 years.	Low	Responsible lending criteria, govt changes, bank behaviour.	Bank pricing and margins due to changing political and regulatory landscapes	Monitor Government / political trends from a regulatory perspective. Medium to long-term, seek alternative / more diversity of funding sources (beyond banks)
Market / Regulatory - As the Clean Car Standards regulations tighten, this may reduce imported vehicle volumes, and shift the used car market toward existing NZ fleet vehicles, further aging NZ's fleet and potentially reducing finance and insurance opportunities. **Anticipated Impact:** Revenue loss		Present day, with risk increasing over time.	Low	Market activity through standard business processes	Negative trends in market activity. Reduction in availability of import vehicles.	Continue to adjust vehicle import profile, review finance and insurance products.
Reputation - Association with high-emissions sector, i.e. the second-hand ICE car market, could expose TAG to an increased risk of reputational impacts and litigation. **Anticipated Impact:** Operational costs		Potential risk impact in 5-10 years.	Low	Monitor across carbon intensity industries.	Negative trends in media portrayal of transport industry.	Maintain activity and communication (as a listed company). Communications around the value of the sector, Scope 3 emissions or other "hot topics".
Insurance - Insurance premiums will continue to rise and ability to insure will decrease. **Anticipated Impact:** Operational costs	ALL	Potential risk impact in 5-10 years.	Low	Changing insurance premiums or availability of insurance. Requirements of insurance providers in relation to climate risk.	Significant increase in insurance premiums or Inability to renew insurance at certain sites. Specific changes to insurance policies in relation to climate risk.	Perform annual reviews of insurance coverage and policies. Assess insurance for areas of weak coverage. Explore direct relationship with re-insurer for a portion of risks if needed.

Entity Key:  Turners Automotive  Oxford Finance  Autosure Insurance

Strategy

Material Transition Opportunities and Anticipated Impacts	Entity	Time Horizon	Risk Rating	Monitor	Triggers for Action	Actions
Products and services - Turners' local sourcing capability, a competitive advantage amid emission regulations restricting supplier, presents an opportunity to gain market share as smaller companies exit. Further, a shift in consumer preference for second-hand used cars would drive increased demand for used vehicles, finance and mechanical breakdown insurance. **Anticipated Impact:** Increase in revenue		Potential opportunity impact in 5-10 years.	Medium	Economic cycles and trends.	Identification of competitive advantage in economic environment	Invest in local sourcing capability. Continue to invest in the brand for buying and selling.
Market / Regulatory - Turners' infrastructure, footprint and capital strength position it favourably to participate in the alternative fuel/technology market, increasing competitiveness. Additionally, as New Zealand transitions from ICE to LEVs, aging vehicles represent a significant opportunity for Turners' End-of Life business. **Anticipated Impact:** Increase in revenue		Potential opportunity impact in 5-10 years.	Low	Monitoring NZTA deregistration's and vehicle aging data.	Identification of competitive advantage in economic environment	Participation and contribution to industry groups. Continue to develop capability in End of Life business.
Energy Resource - Given the extensive roof areas at some of Turners' sites, the installation of solar panels becomes a viable option for generating renewable energy, as this becomes economic. **Anticipated Impact:** Cost reduction, Reduce carbon footprint		Potential opportunity impact in 5-10 years.	Low	Monitor through internal metrics.	Market pricing, installation and provisioning costs.	Installation of solar or other energy solutions at sites where economically viable and consider adaption in future planning.

3.5 Capital deployment

Climate-related risks and opportunities are integrated into TAG's budgeting, capital allocation and decision-making processes. For example, the due diligence process for vetting potential property acquisitions includes detailed third-party flood risk assessments.

This year, TAG made a relatively minor investment in improving resilience of one of our sites to high rainfall events, detailed in section "3.2 Current climate-related impacts". TAG continued transitioning its company car fleet to Low Emission Vehicles (LEVs). This investment is continuing in FY26 to transition to LEVs where feasible, noting that some specialist vehicles in operation have no viable LEV alternatives.

TAG has not allocated any additional specific capital expenditure or financing toward addressing climate-related risks or opportunities beyond the costs associated with climate-related financial impacts detailed in section 3.2. TAG's transition plan outlines specific areas that may require capital investment or financing costs depending on future developments and circumstances.

3.6 Emissions reduction plans

TAG's transition planning considers how it responds to climate change risks, and how it can lower its emissions over time, to support the goals of the Paris Climate Agreement. Transition planning aspects of TAG's strategy can be found in the 'Actions' columns of the tables outlining TAG's material physical and transition climate-related risks and opportunities – see 10-13.

Progress against TAG's current targets (which were set through to FY25) are detailed in the section "5.1 Our Targets".

During the course of the next financial year, TAG plans to reassess its goals and targets and consider what targets are appropriate going forward. This is likely to focus on TAG's operational emissions (Scope 1 and 2), where the company has the most direct control and can implement meaningful mitigation strategies. A key example is the ongoing transition of TAG's company vehicle fleet to low-emission alternatives.

Scope 1

TAG has progressed the transition of its vehicle fleet to low emission vehicles, with LEVs now comprising 74% of the total group fleet. This investment will continue throughout FY26, although certain specialist vehicles in operation have no viable LEV alternatives at present.

Scope 2

TAG currently has solar power installations at two branch locations. The company continues to evaluate solar and alternative power options as they become economically viable.

Scope 3

Over 96 percent of the group's Scope 3 GHG value chain emissions originate from the estimated remaining use of sold vehicles.

As TAG sources approximately 97% of its vehicles from the local New Zealand market, including consigned vehicles, the group's emissions profile is intrinsically linked to the national automotive fleet's transition to lower-emission vehicles.

TAG's Scope 3 emissions trajectory is shaped by a complex interplay of interconnected factors, including advances in vehicle powertrain technologies, fleet efficiency enhancements, low-emission vehicle adoption rates, total vehicle kilometers travelled, and evolving regulatory frameworks.

Recognising these multifaceted dynamics, TAG actively engages in policy advocacy and strategic partnerships to support the transition toward a more sustainable automotive ecosystem. We acknowledge that transitioning the transport sector demands coordinated, collaborative efforts from government, industry, and consumers.

Risk Management

4.1 Processes for managing climate-related risks

This section of this Climate Disclosure provides an understanding of our climate-related risks (see section "3.4 Transition Plan and climate-related risks and opportunities") are identified, assessed, and managed and how those processes are integrated into TAG's existing risk management processes.

Climate Related Risk Management Process	Process Description	Integration of climate-related risk management processes
Climate Risk Identification	Climate related risks and opportunities are identified through a series of workshops with members from the Climate Reporting Working Group (includes the Group CEO and CFO) and Executive Team from each company.	TAG integrates its climate-related risks and opportunities into the broader framework of its business audit and risk management processes.
Climate Change Risk Assessment	After these risks and opportunities have been collated by the Climate Reporting Working Group, they are rated and materiality assessed in a series of additional workshops by the Climate Reporting Working Group (includes the Group CEO and CFO) and the ARMS committee. This assessment includes identifying what can be monitored, possible triggers for action and appropriate responses, forming the Transition Plan.	The Transition Plan is reported to ARMS and the full Board for inclusion in the risk register.
Group Risk Management	The Climate Working Group, ARMS and Board review the risks and provides any feedback. Any new risks identified during the year are updated in the risk register and raised in the Bi-monthly ARMS meeting. Climate risks and opportunties are reviewed by the Board annually.	This process describes the climate risk and opportunity capture and reporting and general management which is includes in the overall TAG Risk Management framework.

4.2 Climate-related risk tools and methods

Climate-related risk tools and methods

TAG reassessed its climate-related risks and opportunities in FY25 following the process described in the strategy section. The assessment used the same short-, medium-, and long-term time horizons applied in the scenario analysis. All parts of the value chain were considered for each division in both the scenario analysis and risk assessment. The scenario analysis, which incorporated different climate projections, aided in exploring the potential impacts of climate change.

Insights from this assessment were documented in TAG's risk register, with a risk matrix then used to categorise and prioritise risks based on their materiality. The team considered factors such as likelihood of occurrence, sensitivity of exposure, and adaptability of at-risk elements. During this process, the team identified what can be monitored, to track the status of climate-related risks and opportunities, possible observable triggers for action, and appropriate actions to respond to the identified risks and opportunities. These findings form the core of TAG's climate-related transition plan, which is documented in TAG's enterprise risk register.

TAG intends to repeat this assessment annually to ensure the transition plan and management responses remain relevant, comprehensive, and contribute to building resilience in our response to climate change.

This methodology enables TAG to make informed decisions and develop effective strategies to mitigate climate-related risks. While this reassessment is planned annually, in the interim, any new risks and opportunities that arise are reviewed and added to the risk register by the ARMS committee and reported to the Board as appropriate.

TAG's climate risks are maintained within the same framework as other risks, with all risks being reviewed and prioritised by the ARMS committee. This ensures that climate change risks are evaluated using the same rigorous methodology as all other risks, enabling their appropriate prioritisation in accordance with the remaining unmitigated risks.

Metrics & Targets

5.1 Our Targets

The following short-term goals and targets were published in our FY23 annual report. For transparency and consistency, we've chosen to continue reporting our progress against them. We acknowledge that these targets do not meet the criteria for the Science Based Targets initiative standards, and we have not assessed their contribution to limiting global warming to 1.5 degrees Celsius. TAG isn't currently purchasing offsets nor investing in nature-based solutions. TAG plans to reassess its existing goals and targets in FY26.

Reduction in total aggregate emissions from vehicles imported by TAG.[1]
Our target was to reduce the estimated annual aggregate emissions of TAG's total 'first time import' (FTI) vehicles sold to below 7,000 tonnes of CO_2 by FY25.

In FY25, our FTI emissions were 3,499 tonnes of CO_2. Whilst this was a 16% increase over FY24 (3,017) due to changes in demand and availability, it represents an 82% reduction from the FY19 base year level.

The GHG tCO_2e emissions from FTI vehicles form part of TAG's Scope 3, Category 11 – Use of sold products.

Note: This is an absolute target.

Increase the proportion of Low Emitting Vehicles in the Turners Subscription fleet to 50%.[1]
Turners Subscription ceased operations in December 2024. However, during the nine months it was operating in FY25, the fleet achieved an average of **61%** Low-Emitting Vehicles (LEVs).

Reduce the average emissions from vehicles financed.[2]
By assisting customers in purchasing newer, lower-emitting cars, we support a reduction in vehicle-related emissions. Since FY19, this measure has shown a year-on-year reduction. Our target was a 25% reduction in estimated average annual CO_2 emissions per financed vehicle by FY25 (from FY19 levels). In FY25, the estimated average annual emissions per vehicle financed showed a **17% reduction** from FY19, with a 0.5% improvement from the previous year.

Note: This is an intensity target.

Reducing operational emissions across our business.
Our target was to reduce absolute operational Scope 1 and 2 emissions by 20% by FY25 (from the FY23 year). We aimed to achieve this by transitioning our company vehicle fleet to LEVs over time and identifying opportunities to increase renewable electricity generation at our premises. In FY25 TAG achieved a **5.3% reduction** from FY23, representing a 4% reduction from the previous year (1.5%) [3].

By March 2025, the proportion of LEVs in the company fleet reached 74% however the bulk of the transition occurred late in the financial year, therefore, we expect that the full emission reduction effects will be reflected in our FY26 metrics.

Note: This is an absolute target.

[1] Low emitting vehicles means Hybrid Electric Vehicle (HEV), Plug-in Hybrid Electric Vehicle (PHEV) and Battery Electric Vehicle (BEV).
[2] These targets are based solely on CO_2 tailpipe emissions, using carbon emissions data provided by the Energy Efficiency and Conservation Authority (EECA) and assumes an annual average distance travelled of 14,000km per vehicle. As this data set only covers CO_2 emissions, it does not include additional CO_2e emissions as defined by the Greenhouse Gas Protocol, in particular, the data does not incorporate emissions from other greenhouse gases such as methane (CH_4) or nitrous oxide (N_2O) and does not account for emissions from electricity consumption by plug-in hybrid electric vehicles (PHEVs) and battery electric vehicles (BEVs). TAG has used this data set for a number of years, as it facilitates a direct match to unique vehicle identification numbers (matching accuracy: First time Imports 99%, Vehicles financed 95%). TAG has elected to continue to report on this basis in the interests of accuracy, comparability and consistency.
[3] Scope 2 emissions were calculated using MfE 2024 emission factors (MfE 2025 were released to late to use), based on current estimates, the new factors would likely have a material impact on Scope 2 emissions.

Metrics & Targets

5.2 Metric Categories

As set out at section 3.4, TAG has conducted an assessment of the vulnerability of its operational activities and physical assets to climate-related risks. TAG's initial assessment is that, to varying degrees, all (i.e. 100%) of TAG's assets and activities are vulnerable to both the physical climate risks and transition climate risks identified on pages 13-16.

While TAG has not specifically assessed any of its assets or business activities as being aligned with climate-related opportunities, Turners Automotive Group's Damaged and End of Life division is positioned to rapidly scale its operations in response to climate events that result in increased demand for damaged vehicle storage and sales.

5.3 GHG emissions

TAG's FY25 emissions have been calculated in accordance with the Greenhouse Gas Protocol (GHG Protocol) and ISO 14064-1 using the operational control approach. The GHG Protocol defines three scopes of emissions: direct (scope 1), indirect (scope 2) and value chain (scope 3), with value chain emissions measured across 15 categories.

Scope 3 Emissions Assessment

In FY25 TAG has undertaken an analysis of our Scope 3 emissions profile and looked to improve the quality of the data and assumptions used in our calculations. FY25 is the first year TAG has disclosed its Scope 3 emissions. TAG's Scope 3 value chain emissions are limited to Tier 1 suppliers and customers - companies and individuals we work with directly, either buying from them or selling to them.

Our analysis revealed that Category 11 (Use of Sold Products) constitutes over 96% of TAG's Scope 3 value chain emissions. Based on these findings, we established a 0.25% materiality threshold, which identified four additional material categories. Collectively, these five categories represent more than 99.7% of our total Scope 3 emissions profile.

Scope 3 material categories, excluding those less than 0.25% total Scope 3 emissions:

- Category 1 - Purchased Goods and Services [4]
- Category 2 - Capital goods
- Category 11 - Use of sold products
- Category 12 - End-of-life treatment of sold products
- Category 15 – Investments

Other categories were either not applicable to TAG,[5] or considered immaterial (making up less than 0.25% of TAG's Scope 3 value chain).[6]

Greenhouse gas emissions inventory (tCO_2e)

Totals by Scope t CO2e	FY23	FY24	FY25
Total Scope 1	1,338	1,315	1,253
Total Scope 2 (measured on a location basis)	144	146	151
Total Scope 1 & 2	1,482	1,461	1,403
tCO2 (Scope 1 & 2) per $1m of Sales Revenue	3.80	3.50	3.39
Total Scope 3	-	-	1,778,879
Total Scope 1,2 and 3	-	-	1,780,282
tCO2 (Scope 1, 2 &3) per $1m of Sales Revenue	-	-	4,298

Scope 3 by category		t CO_2e
Category 01	Purchased goods & service	18,841
Category 02	Capital goods (incl. property development)	5,760
Category 11	Use of sold products	1,718,289
Category 12	End-of-life treatment of sold products	7,672
Category 15	Investments (finance & Insurance)	28,317

Note: - Scope 2 emissions are expected to increase when MfE 2025 emission factors are applied
- Scope 3 totals exclude emissions from immaterial categories.
- Scope 3 emissions have not been assured.
- Details on the source, methodology and uncertainties for these emissions calculations are described in Appendix 7.3

[4] Spend-based emissions for Category 5 – Waste generated in operations, and Category 8 - Upstream leased assets, were minimal and didn't warrant separating from our Category 1 - Purchased goods and services, so they are included within Category 1 emissions.
[5] Category 10 - Processing of sold products and Category 14 - Franchises.
[6] Category 3 - Fuel & energy related activities, Category 4 - Upstream transportation & distribution, Category 6 - Business travel, Category 7 - Employee commuting, Category 9 - Downstream transportation & distribution, and Category 13 - Downstream leased assets.

Assurance

Independent Assurance Report

To the Directors of Turners Automotive Group Limited

Limited Assurance Report on Turners Automotive Group Limited's Scope 1 and 2 Greenhouse Gas emissions related disclosures included in the Climate-Related Disclosures Report

Scope of our Limited Assurance Engagement

We have undertaken a limited assurance engagement over the following Greenhouse Gas ("GHG") emissions related disclosures ("Scope 1 and 2 GHG emissions related disclosures") included within the accompanying Climate-Related Disclosures Report (the "Climate-Related Disclosures Report") of Turners Automotive Group Limited and its subsidiaries (the "Group") for the year ended 31 March 2025 (the "Subject Matter"):

- GHG emissions: gross emission in metric tonnes of Carbon dioxide equivalent ('CO_2e') classified as:
  - Scope 1 GHG emissions on page 20; and
  - Scope 2 GHG emissions (calculated using the location-based method) on page 20;
- additional required disclosures of gross Scope 1 and 2 GHG emissions on pages 20 and 27 to 29; and
- gross Scope 1 and 2 GHG emissions methods, assumptions and estimation uncertainty on pages 28 to 29.

This engagement was conducted in accordance with New Zealand Standard on Assurance Engagements 1 *Assurance Engagements over Greenhouse Gas Emissions Disclosures* ("NZ SAE 1") 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 ("NZAuASB") of the External Reporting Board ("XRB"). NZ SAE 1 establishes ethical, independence and quality management requirements specific to GHG assurance engagements.

Other than the Scope 1 and 2 GHG emissions related disclosures described in the preceding paragraph, which forms the Subject Matter of our engagement, we did not perform assurance procedures on any other information included in the Climate-Related Disclosures Report on pages 3 to 19 and 30 to 35. Accordingly, we do not express an assurance conclusion on Scope 3 GHG emissions related disclosures or any other climate related disclosures in the Climate-Related Disclosures Report on pages 3 to 19 and 30 to 35..

Our limited assurance engagement and limited assurance report did not and does not cover any forward-looking statements made by the Group, any external references or hyperlinked documents.

Defined Terms

For clarity, throughout this limited assurance report:

- 'The Subject Matter' refers to the Group's Scope 1 and 2 GHG emissions related disclosures for the year ended 31 March 2025, as prepared and presented by Turners Automotive Group Limited's management and disclosed within the Group's Climate-Related Disclosures Report.
- 'The Climate-Related Disclosures Report' refers to the full document prepared by Turners Automotive Group Limited in accordance with NZ CS 1–3 *Aotearoa New Zealand Climate Standards* ("NZ CSs"), issued by the XRB, incorporating both quantitative and narrative climate disclosures.

Independent Assurance Report

To the Directors of Turners Automotive Group Limited *continued*

Criteria

In preparing Scope 1 and 2 GHG emissions related disclosures for the year ended 31 March 2025, the Group applied the *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)* ("Applicable Criteria"). Where appropriate, emissions factors from the New Zealand Ministry for the Environment's *Measuring Emissions: A Guide for Organisations (2024)* ("MfE") were applied.

Subject Matter (together Scope 1 and 2 GHG Emissions Related Disclosures)	Reference	Criteria
GHG emissions: gross emission in metric tonnes of Carbon dioxide equivalent ('CO_2e') classified as:		*Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) and emissions factors from Measuring Emissions: A Guide for Organisations* (MfE, 2024)
• Scope 1 GHG emissions; and	Page 20	
• Scope 2 GHG emissions (calculated using the location-based method).	Page 20	
Additional required disclosures of gross Scope 1 and 2 GHG emissions	Pages 20 and 27 to 29	
Gross Scope 1 and 2 GHG emissions methods, assumptions and estimation uncertainty	Pages 27 to 29	

Turners Automotive Group Limited and its Directors' responsibilities

Turners Automotive Group Limited and its Directors' are responsible for selecting the Applicable Criteria, and for presenting Scope 1 and 2 GHG emissions related disclosures for the year ended 31 March 2025 in accordance with that Applicable Criteria and the NZ CSs, in all material respects.

This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the GHG emissions related disclosures such that it is free from material misstatement, whether due to fraud or error.

Our Independence and Quality Management

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)*, issued by the NZAuASB of the XRB, and NZ SAE, which is 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*, issued by the NZAuASB of the XRB, and the quality management requirements of NZ SAE 1, which require 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.

As part of this engagement, we also complied with Professional and Ethical Standard 4 *Engagement Quality Reviews*, issued by the NZAuASB of the XRB, which requires an objective and independent evaluation of the significant judgements made by the assurance team and the conclusions reached in formulating the limited assurance report.

Independent Assurance Report

To the Directors of Turners Automotive Group Limited *continued*

Our Independence and Quality Management *continued*

We confirm that we were not involved in the preparation of the Group's Scope 1 and 2 GHG emissions related disclosures and hold no relationships with Turners Automotive Group Limited that would compromise our independence, in accordance with NZ SAE 1. Other than in our capacity as auditor and provider of other assurance services, during the year ended 31 March 2025, our network firm in Melbourne, Australia, Pitcher Partners also carried out a one-off tax compliance service relating to the Group's Australian subsidiary's employer tax compliance. The provision of other services has not impaired our independence. The firm has no other interest in the Group. The provision of these services has not impaired our independence as auditors and assurance providers of the Group.

Assurance Practitioner's Responsibility

Our responsibility is to express a limited assurance conclusion on the Subject Matter based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with 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 and the terms of reference for this engagement as agreed with the Group on 19 February 2025. That standard requires that we plan and perform this engagement to obtain limited assurance about whether the Subject Matter is free from material misstatement.

A limited assurance engagement undertaken in accordance with ISAE (NZ) 3410 involves assessing the suitability in the circumstances of the Group's use of Applicable Criteria as the basis for the preparation of the Subject Matter, assessing the risks of material misstatement of the Subject Matter whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Subject Matter. 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.

The procedures we performed were based on our professional judgement and included enquiries, 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. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our limited assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

GHG emissions quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases used in emissions estimation methodologies. GHG emissions quantification involves estimations, assumptions and judgement, including the completeness and accuracy of activity data, data availability, and the use of apportionment methods where direct measurement is not feasible. Accordingly, the Subject Matter reflects the Group's best estimate of its Scope 1 and Scope 2 GHG emissions, based on the available data and recognised methodologies, but does not represent a precise or exact measure of those emissions.

The engagement consists of making enquiries, primarily of persons responsible for preparing the GHG emissions related disclosures for the year ended 31 March 2025 and related information, and applying analytical and other relevant procedures.

Independent Assurance Report

To the Directors of Turners Automotive Group Limited *continued*

Assurance Practitioner's Responsibility *continued*

Our limited assurance engagement procedures included, but were not limited to:

- Making inquiries of relevant personnel to understand the Group's processes for identifying, collecting, calculating, and reporting Scope 1 and 2 GHG emissions;
- Assessing the appropriateness of the organisational and operational boundaries applied in defining the inventory;
- Evaluating the methods and emission factors used to quantify Scope 1 and 2 GHG emissions, and their consistency with the Greenhouse Gas Protocol and MfE guidance;
- Performing analytical procedures and reasonableness checks on selected Scope 1 and 2 GHG emissions activity data and associated emission estimates;
- Comparing reported emissions to prior periods and investigating significant variances;
- Engaging our own external experts with specialised knowledge in GHG emissions inventory quantification and climate-related disclosures to assist us in evaluating the methodologies, assumptions, and outputs of management's external experts;
- Assessing the overall presentation and disclosure of Scope 1 and 2 emissions in the Climate-Related Disclosures Report, in the context of the Applicable Criteria; and
- Reading the remainder of the Climate-Related Disclosures Report to identify material inconsistencies or misstatements with the Subject Matter, in accordance with ISAE (NZ) 3410 requirements for other information.

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 we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Group's Subject Matter has been prepared, in all material respects, in accordance with the Applicable Criteria applied as described in the above referenced pages within the accompanying Climate-Related Disclosures Report.

Inherent Limitations

Because of the inherent limitations of a limited assurance engagement, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements may not be detected, even though the engagement is properly planned and performed in accordance with ISAE (NZ) 3410. We do not provide assurance over the Group's internal controls, or whether the data underlying the Subject Matter was derived from reliable systems or has been subjected to any systems audit. Our procedures were not designed to detect all instances of fraud or error and were limited to the scope of the engagement as defined in this limited assurance report.

As described in the above referenced pages within the accompanying Climate-Related Disclosures Report, and described above, GHG emissions quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases used in emissions estimation methodologies.

Use of this Limited Assurance Report

Our limited assurance report is made solely to the Directors of Turners Automotive Group Limited. Our assurance work has been undertaken so that we might state to the Directors of Turners Automotive Group Limited those matters we are required to state to them in an assurance practitioner's report and for no other purpose. To the fullest extent permitted by law, we disclaim and do not accept or assume responsibility to anyone other than the Directors of Turners Automotive Group Limited as a body, for our assurance work, for our report or for the conclusions we have formed.

Independent Assurance Report

To the Directors of Turners Automotive Group Limited *continued*

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Group's Subject Matter for the year ended 31 March 2025 is not prepared, in all material respects, in accordance with the Applicable Criteria applied as described in the above referenced pages included within the accompanying Climate-Related Disclosures Report.

This limited assurance report is issued in accordance with NZ SAE 1 paragraph 56, and identifies ISAE (NZ) 3410 as the assurance standard applied.

Emphasis of Matter – Emission factors published after year end

We draw attention to the disclosures on page 28 which outline that the Ministry of the Environment released new emission factors on 11 June 2025, which have not been applied to the GHG emission information. The new emission factors would have a potential material impact on Scope 2 GHG emissions reported, in particular electricity consumption, but have not been updated due to the timing of their recent release as noted on page 28.

Our limited assurance conclusion is not modified in respect of this matter.

Emphasis of Matter – Exclusion of Scope 3 GHG emissions related and other climate-related disclosures from our limited assurance engagement

Without modifying our conclusion, we draw attention to pages 3 to 19 and 30 to 35 of the Climate-Related Disclosures Report, and note:

- Our engagement was limited to the Scope 1 and 2 GHG emissions related disclosures, disclosed in the above referenced pages;
- GHG emissions quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases used in emissions estimation methodologies. Accordingly, the Subject Matter reflects the Group's best estimate of its Scope 1 and Scope 2 GHG emissions, based on the available data and recognised methodologies, but does not represent a precise or exact measure of those emissions;
- Scope 3 GHG emissions related and other climate-related disclosures are disclosed within the Climate-Related Disclosures Report but have not been included within the scope of our limited assurance engagement;
- The exclusion of Scope 3 emissions from assurance is consistent with the transitional relief provided by NZ CS 2 *Adoption of Aotearoa New Zealand Climate Standard* – Adoption Provision 8, applicable for reporting periods ending before 31 December 2025; and
- We did not perform any assurance procedures over the remainder of the other disclosures contained in Turners Automotive Group Limited's broader Climate-Related Disclosures Report.

Accordingly, we do not express any assurance over:

- The quantification or disclosure of Scope 3 GHG emissions;
- Other climate metrics and targets, including intensity indicators or science-based targets; and
- Climate governance, strategy, risk management, or scenario analysis disclosures.

Our limited assurance conclusion is not modified in respect of this matter.

Assurance

Independent Assurance Report

To the Directors of Turners Automotive Group Limited *continued*

Other Information

The Directors are responsible for the other information. The other information comprises the Group's Scope 3 GHG emissions related and other climate-related disclosures for the year ended 31 March 2025 (but does not include the Scope 1 and 2 GHG emissions related disclosures, disclosed in the above referenced pages and our assurance conclusion thereon).

Our conclusion on the Scope 1 and 2 GHG emissions related disclosures, disclosed in the above referenced pages does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our assurance engagement of the Scope 1 and 2 GHG emissions related disclosures, disclosed in the above referenced pages, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Scope 1 and 2 GHG emissions related disclosures, disclosed in the above referenced pages or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters Relating to Electronic Presentation of the Published Report

This limited assurance report relates solely to the Scope 1 and 2 GHG emissions related disclosures included in the Climate-Related Disclosures Report for the year ended 31 March 2025 (together referred to as the "Published Report") of Turners Automotive Group Limited and its subsidiaries (the "Group"), which is available on the Group's website. The Directors of the Group are responsible for the maintenance and integrity of the Group's website. We have not been engaged to report on the integrity of this website. Accordingly, we accept no responsibility for any changes that may have occurred to the Published Report since it was first presented on the website. Our limited assurance report refers only to the information as described above. It does not extend to any other information that may be accessible via hyperlinks or websites embedded within or referenced by the Published Report. If readers of the Published Report are concerned about the inherent risks of electronic data communication, they should refer to the official printed version of the Published Report and our associated limited assurance report dated 22 July 2025, to confirm the information presented on the Group's website.

The engagement partner on the limited assurance engagement resulting in this independent limited assurance report is S N Patel.

BAKER TILLY STAPLES RODWAY AUCKLAND
Auckland, New Zealand
22 July 2025

Appendices

7.1 Organisational boundary and scope

The organisational boundaries used for this report include all operating entities either wholly owned or in part by Turners Automotive Group Limited (TAG). 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 (01/04/2024 - 31/03/2025).

Operational boundaries

In alignment with the GHG Protocol, TAG's GHG emissions inventory is split into three scopes:

- **Scope 1** includes all direct emissions occurring from TAG's operations, most notably from the combustion of vehicle fuel (diesel, petrol, LPG). This inventory also includes fugitive emissions from refrigerants.
- **Scope 2** covers emissions from the generation of purchased electricity consumed at TAG's operated sites.
- **Scope 3** refers to indirect emissions that are a consequence of TAG's activities but occur from sources not owned or controlled by the company (WBCSD/WRI, 2015).[7] The GHG Protocol divides Scope 3 emissions into 15 distinct categories; refer to section 5.2 GHG emissions for details on each category and which are included in TAG's emission inventory and why.

Categories not covered by TAG's emissions inventory will be reviewed annually and may be included in future disclosures if they become material or applicable.

7.2 Operating entities

TAG is comprised of multiple companies. Where possible, emissions have been calculated and recorded for each company without exclusions. However, the accounting for some companies is combined as they share offices and resources. This ensures comprehensive and accurate emissions reporting without double-counting.
TAG is dual-listed (NZX/ASX: TRA), its primary operating country is New Zealand, with EC Credit having a presence in Australia. The following operating companies were included in scope for this group climate statement:

Operating Companies within the Group	NZ Company Number
Turners Automotive Group Limited	247933
Turners Group NZ Limited	73426
Turners Fleet Limited	101812
Turners Property Holdings Limited	1221406
Autosure Insurance Limited	25150
Oxford Finance Limited	525530
EC Credit Control (NZ) Limited	639706
	AUS Company Number
EC Credit Control (Aust) Pty Ltd	160 747 133

Turners Property Holdings (TPH)

Turners Property Holdings is responsible for property development; however, construction is carried out by third-party contractors, without TPH having any direct control over emission sources. Therefore, the associated emissions from these activities have been categorised as Scope 3 under Category 2 capital goods.

Carly NZ Limited (Turners Subscription)

Ceased trading in December 2024, with operations being wound down during the year. The emissions from this period have been deemed immaterial, aided by the fleet being mainly low emission vehicles.

Autosure Insurance Limited

Was previously named DPL Insurance Limited, the name changed 25th February 2025.

[7] Greenhouse Gas Protocol (GHG Protocol) was jointly convened in 1998 by World Business Council for Sustainable Development (WBCSD) and World Resources Institute (WRI).

Appendices

7.3 Inclusions, methodology and uncertainties

Global Warming Potential (GWP) rates

TAG's emissions inventory is primarily based on MfE emission factors 2024, as at 29 April 2025, these emissions are based on the GWP100 metric values from the Intergovernmental Panel on Climate Change's (IPCC) Fifth Assessment Report (AR5).

The Ministry for the Environment released updated emission factors for calculating GHG emissions on 11 June 2025. Due to timing constraints and the impracticality of updating and reviewing data prior to this report's release, the new factors have not been applied to the GHG emissions information in this report. These factors are not entity specific, and their release timing is beyond TAG's control. Based on current estimates, the new factors would likely have a material impact on Scope 2 emissions (electricity consumption).

TAG's GHG emissions inventory covers all material emission sources and has generally adopted the most specific calculation methods that its data currently allows.

In general, GHG emissions accounting relies on assumptions and estimates that can lead to estimation uncertainty. The effect of this uncertainty is that emissions might be over or understated, so the corresponding categories' emissions data should be interpreted accordingly. The following provides an overview of the material emission sources covered by TAG's GHG emissions inventory, including calculation methods, assumptions made, and an assessment of the uncertainty.

Furthermore, TAG has adopted calculation methodologies that involve some limitations where specific data is not currently available. Specific data is not available for most purchased products or services. Instead, TAG has adopted the spend-based method to estimate emissions in these categories, which multiplies the economic value of product or service groups purchased by the emissions per dollar of use. This approach has limitations, both with regards to the activity data used, which is allocated into broader purchasing categories rather than individual products, and in relation to the emission factors used. These similarly refer to product or service groups and are calculated using underlying assumptions that might not be applicable to the actual purchases by TAG.

Baker Tilly Staples Rodway Auckland, has provided limited assurance for TAG's FY25 Scope 1 and 2 emissions, see this assurance report on pages 21-26.

7.3.1 Scope 1 emissions

Level of certainty: **High**

Scope 1 – Staff / Pool Car Fuel

For Scope 1 fuel consumption, company vehicle usage and distance travelled are not available, but the amount of petrol and grade of petrol are known from Fuel Card statements which are used to calculate emissions.

LPG used in Turners Auto Retail Forklifts was purchased by kg from ELGAS. For conversion to litres, the conversion factor published on ELGAS's website was used (1kg = 1.969 litres).

Scope 1 Emission factors were sourced from the Ministry for the Environment "Measuring Emission Guidance Emission Factors Workbook 2024", as below.

Transport Fuels	Unit	Kg CO_2e
Regular Petrol	litre	2.373
Premium Petrol	litre	2.407
Diesel	litre	2.678
LPG	litre	1.618

Scope 1 – Bulk Purchase Fuel

At most of its branches, Turners Auto Retail purchases bulk fuel, which is stored in on-site tanks. The majority of vehicles arrive with minimal fuel levels. Once in inventory, these vehicles undergo fuel top-ups with petrol or diesel to facilitate various activities, including:

- On-site vehicle movements
- Transportation to repair facilities
- Customer test drives
- Providing sufficient fuel for customers to reach a service station after purchase

TAG cannot accurately differentiate the specific usage of the purchased fuel. However, as fuel is added to vehicles under the company's operational control, the associated emissions from this purchased fuel have been categorized as Scope 1 emissions.
Scope 1 fuel calculations are based on purchase statements from fuel suppliers during the financial year.

Appendices

7.3.1 Scope 1 emissions – continued

Scope 1 – Fugitive emissions

The only source of Scope 1 fugitive emissions for TAG are refrigerants used in office equipment and building systems. TAG does not operate any cold storage facilities. Refrigerants are present only in:

- Office refrigerators
- Water coolers
- Air conditioning / HVAC systems

Following assessment, refrigerant emissions have been determined to be immaterial to TAG's overall emissions profile.

Refrigerant emissions assessment methodology

Emissions calculations include only HVAC systems at sites where TAG maintains operational control of the units. At leased sites where HVAC units are owned and maintained by third parties, these fall outside TAG's operational control and are excluded from Scope 1 calculations. Maintenance records for TAG-controlled HVAC units indicate no refrigerant top-ups were required during FY25.

TAG evaluated emissions from refrigerant-containing devices including water coolers and refrigerators across all sites using Method C [7] estimation techniques, which apply standard assumptions for both refrigerant volumes and typical leakage rates.

Materiality Assessment: Based on this evaluation, estimated potential CO_2e emissions from all refrigerant sources represent less than 1% of total Scope 1 emissions and are therefore classified as immaterial for reporting purposes.

7.3.2 Scope 2 emissions

Level of certainty: **High**

Scope 2 emissions are calculated using the location-based method, from electricity consumption taken from the electricity provider's invoices for each site. Electricity consumption for our two Data Centres is metered and reported by the third-party provider.

CO_2e emission factors for NZ purchased electricity was calculated using guidelines and emission factors set out in the Ministry for the Environment - Measuring emissions: A Guide for organisations (2024 detailed guide, not yet updated for 2025) using the emission factors as below:

Purchased energy emission factors - annual average		
Emission source	**Unit**	**kg CO_2e**
2023	kWh	0.0728917

EC Credit Control Australia (ECCC AU) offices are in Sydney NSW. Their Scope 2 purchased electricity was calculated using the emission factor (NSW) 0.66kg/kWh from Australian National Greenhouse Account Factors (2024), Table 1 (as below):

State, Territory or grid description	Scope 2 Emisisons Factors (kg CO_2-2/kWh)
New South Wales and Australian Capital Territory	0.66

[8] Ministry for the Environment - Measuring emissions: A Guide for organisations (2024 detailed guide)

Appendices

7.3.3 Scope 3 Emissions

Estimation of uncertainty
In general, there is greater uncertainty in determining GHG emissions than in financial accounting. This is especially true for Scope 3 emissions, where a company's oversight and control are reduced. For example, the calculations that estimate Category 11 vehicle lifetime emissions use actual data where available (e.g., fuel type, vehicle age) and apply a consistent methodology. However, the analysis still relies on several assumptions, such as the estimated lifetime and use of the vehicles (where MoT statistical data were used).

More specifically
When estimating emissions, two inputs are utilised in the calculations:
1. Activity data, which represents the company's activity that generates GHG emissions (example: distance travelled to represent freight); and
2. Emissions factors, which convert activity data into an emissions estimate (example: distance travelled (activity data) is converted into an emissions estimate using a freight emissions factor).

Activity data
A qualitative certainty score has been assigned to activity data, in line with ISO 14064-1:2018 and the GHG Protocol. The score is based on data type, as described in the table below.
While TAG's Scope 3 data quality and therefore certainty of activity data has been scored as medium-high (mainly calculated data), there are still many assumptions and estimations included (e.g., lifetime and use of vehicles).

Activity data type and corresponding qualitative certainty scores:[9]

Data Type	Certainty	Score
Measured	High	4
Calculated	Medium-High	3
Literature	Medium-Low	2
Estimate	Low	1

[9] Quality scores as supplied by thinkstep-anz as part of their Scope 3 emissions calculations.

Emissions factors
All emissions factors have uncertainty associated with them. However, determining the precise level of uncertainty is complex. This is partly because uncertainty values are not always quantified or published for every emissions factor. When they are, the values can range widely, making generalisations impractical. For example, MfE emissions factor uncertainties range from ± 0.5% to ± 90%, with variation within emissions factor categories. For a range of emissions factors, the MfE states uncertainty as unknown. In addition, for some activities there might not be a matching country-specific emissions factor available.

Emissions factors in TAG's inventory are mainly based on secondary data. When secondary data is used, consideration was given to how closely the data matches TAG's activities and whether it aligns with the:
→ technology used in the activity the data represents,
→ location where the company is located,
→ location where the activity took place, and
→ timeframe when an activity occurred.

Note for emissions factors:
- Primary data, which is obtained directly from a company's activities (example: supplier-specific emissions factors); and
- Secondary data, which is not obtained from a company's activities (example: industry averages, literature values, or proxy data, such as MfE emissions factors).

TAG's scope 3 certainty rating
Given the complexities of assessing uncertainty, we suggest a qualitative approach, rather than quantitative. Together, the quality of the activity data and the emission factor influence the overall uncertainty.

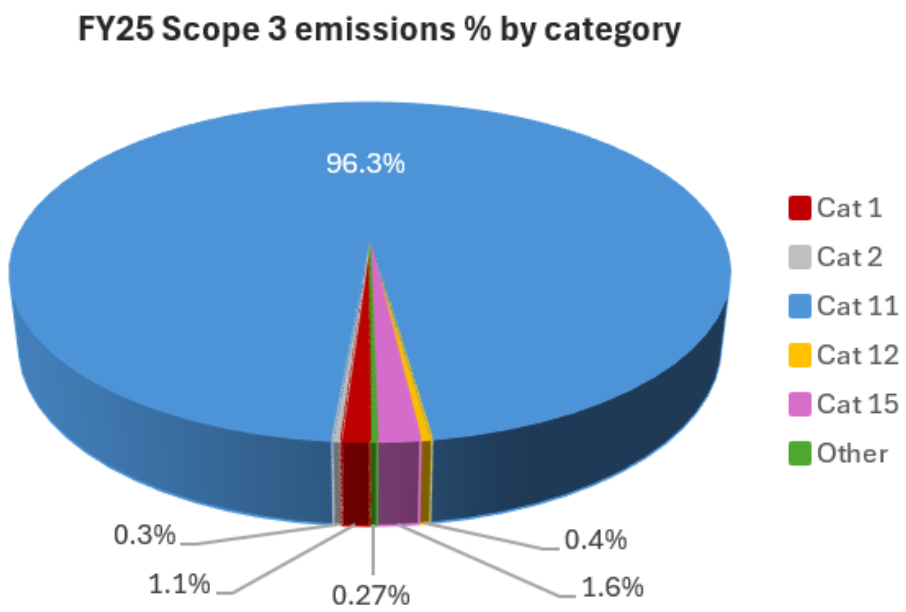
Therefore, the overall certainty rating for TAG's Scope 3 emissions is scored as Medium-Low.

Appendices

7.3.3 Scope 3 Emissions - continued

Scope 3 Overview

TAG undertook an evaluation of all it's scope 3 emissions. Our analysis revealed that Category 11 (Use of Sold Products) constitutes over 96% of Turner's Scope 3 emissions (refer chart below). Based on these findings, we established a 0.25% materiality threshold, which identified four additional material categories. Collectively, these five categories represent more than 99.7% of our total Scope 3 emissions profile. The following describes the calculation methods assumptions for these categories that met the 0.25% of total Scope 3 emissions threshold.



Category 1 - Purchased goods and services

Methodology and assumptions

Emissions have been calculated using a 'spend-based method' which estimates emissions based on the economic value of purchased goods.

Emissions were calculated by multiplying the expenditure with an appropriate per dollar spend emission factor sourced from the Eora database - 2022 data (Lenzen, et al., 2013) (Lenzen, et al., 2012). All emission factors have been inflated to the end of the previous financial year (i.e. March 2024) and converted to the local currency (NZD or AUD) as appropriate.

The spend-based method provides a widely-used estimate but has limitations including assumed linear correlation between emissions and expenditure and lacks the specificity of process-based approaches. Results represent best estimates given available data rather than precise values.

Category 1 data includes Category 5 (Waste generated in operations) and Category 8 (Upstream leased assets) as these are small and difficult to separate from other purchased goods and services.

Exclusions

Spend associated with the purchase of used vehicles has been excluded on the basis that the embodied emissions of vehicles are covered by the original/first buyers of the vehicles. Initial purchase from new, places the embodied carbon from manufacture and transport with the original purchaser.

Category 2 - Capital goods

Methodology and assumptions

Category 2 emissions were calculated using TAG's capital goods expenditure following the spend-based method described in Category 1.
During FY25, TAG developed two sites through its property division (Turners Property Holdings). The associated development emissions were calculated by The Footprint Company using recognised standards for embodied emissions and included in the FY25 inventory (The Footprint Company, 2025).

Exclusions

No exclusions.

Appendices

7.3.3 Scope 3 Emissions - continued

Category 11 - Use of sold products

Methodology and assumptions

Under the GHG Protocol, Category 11 encompasses direct-use phase emissions from sold products that consume energy during their operational life. Specifically, this includes emissions from 'fuels and feedstocks' and 'products that directly consume energy (fuels or electricity) during use' (WBCSD, WRI & Carbon Trust, 2013).

TAG's Category 11 emissions comprise the estimated lifetime fuel consumption emissions from all vehicles sold during the reporting period. This assessment includes both owned vehicle sales and consignment Sales ('sale on behalf' of third parties) [10]. TAG maintains comprehensive data for each vehicle sold, including consignment sales which was used in these emissions calculations.

The lifetime emissions were estimated for each vehicle using this formula:

Estimated remaining vehicle life (years) x *Annual km's travelled* x *Emission factor*

Remaining vehicle life [11] and annual km's travelled, are derived from a Ministry of Transport averages, segmented by vehicle type and year of manufacture (MoT, 2023) [12].

Emission factors are sourced from MfE (MfE, 2024). Vehicle type, age and engine size specific factors are used.[13]

Exclusions

Emissions from the use of non-road vehicles (miscellaneous boats and machinery) have been excluded due to the relatively low quantities and the lack of data on their energy use. These vehicles represent 0.8% of vehicles sold by TAG. Emissions associated with the use of trailers have not been calculated due to the relatively low quantities and the lack of data on their impact on increased energy use. These items represent 1.2% of vehicles/equipment sold by TAG. Given their occasional use, and their marginal effect on energy use, their impact on emissions will be significantly lower than this percentage figure.

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

Methodology and assumptions

Emissions arising from the portion of damaged vehicles ('write-offs') disposed to landfill at the end of their life, for all vehicles sold by TAG. This category includes the total expected end-of-life emissions from all vehicles sold in the reporting year.

The unrepairable vehicles are passed on to car dismantlers or scrap metal dealers, which dismantle the vehicles into recyclable and non-recyclable components. The end-of-life processing for sold vehicles is assumed to be the same as present day methods, with a mix of recyclable and non-recyclable components.

The recycled components generally include metals (steel, aluminum, copper) and oil, rubber (tyres), plastics and glass. Literature data suggests that approximately 20% by weight of the components are assumed to be sent to landfill. TAG holds data (vehicle gross mass) for most of the vehicles it sells, so vehicle-specific mass data is available and used. TAGs' 'owned' and 'sell on behalf' (consignment) vehicles are included in the calculation. Vehicle-type specific default values were used where the weight was unknown, based on what TAG deemed reasonable.

Some of the components sent to landfill at end-of-life will be inert (e.g. unrecyclable plastic, including plastic-based fabrics). However, given the lack of data on the materials sent to landfill a conservative approach has been taken to the selection of emission factor. MfEs' 'non-municipal waste: Industrial waste' emission factor (with gas recovery) has been used (MfE, 2024). For recycled waste the 'recycled content method' as defined by the GHG Protocol is used. The 'recycled content method' allocates waste treatment emissions from recycling to the company that used the recycled material. This means that TAG does not account for emissions from recycling.

Exclusions

TAG sells a very small volume of General Goods (non-automotive), these have been excluded due to lack of data – with unknown weight and unable to be categorised.

[10] The GHG Protocol does not provide explicit requirements or guidance relating to products which are sold by the reporting company but not owned by the reporting company. Only one similar example has been found online, from a UK-based online auction company. Its corporate carbon footprint included the in-use emissions of the products it sold, even though it didn't own the products sold on its auction platform (i.e. like TAGs' 'sale on behalf' (consignment) scenario).

[11] Where the expected lifetime of a vehicle has been determined as surviving less than the average years of life (that would result in negative emissions), the vehicle's life has been set to 1 year for the purpose of the emissions calculation.

[12] Available for download from the Dashboard tab on https://www.mot-dev.link/fleet/annual-motor-vehicle-fleet-statistics/ (Annual Motor Vehicle Fleet Statistics (2022).

[13] Consideration was given to the use of ECCA vehicle specific factors, but the vehicle-specific factors are based on test cycle efficiency data. MfE factors based on actual travel and fuel use, so are considered more accurate (MfE, 2024).

Appendices

7.3.3 Scope 3 Emissions - continued

Category 15 – Investments

Methodology and assumptions

The Turners Automotive Group includes Autosure Insurance and Oxford Finance, which provide insurance and finance products and services. These activities are relevant to Category 15. The Partnership for Carbon Accounting Financials (PCAF) guidance was used to calculate the relevant emissions: Part A for financed emissions (PCAF Financed Emission, 2022) and Part C for insurance emissions (PCAF Insurance-Associated Emissions, 2022).

Financed emissions

Oxford Finance provides loans across multiple categories, each mapped to relevant PCAF asset classes:

- Asset Purchase (non-vehicle) – Business loans & unlisted equity
- Business Expansion – Business loans & unlisted equity
- Business Refinance – Business loans & unlisted equity
- New Business Purchase – Business loans & unlisted equity
- Plant and Equipment – Project finance
- Property – Commercial real estate
- Working Capital - Business loans & unlisted equity
- Vehicle financing – Motor vehicle loans

Vehicle loans: represent approximately 85% of the total loans by value. Emissions calculations follow the PCAF motor vehicle financed emissions methodology:

Outstanding balance (year-end) ÷ *Total origination value* × *Vehicle annual emissions*

Non-vehicle loans: comprising of property-related personal loans and general commercial loans, representing approximately 15% of total loans by value.

Commercial Loans: Due to unavailability of data required for standard PCAF business loan estimation methods (PCAF Part A, page 73), emissions are calculated using vehicle loan emissions apportioned by loan values. This represents a conservative approach given the emissions-intensive nature of motor vehicles compared to typical commercial activities.

Property-Related Personal Loans: While not specifically mortgages, the calculation follows PCAF mortgage-type loan guidance, which provides the most appropriate methodology for these products:

Outstanding balance (year-end) ÷ *Total origination value* × *Annual energy consumption* × *Emissions factor*

Note: Calculations utilise average property values https://tradingeconomics.com/new-zealand/average-house-prices and *average household electricity consumption* data https://www.powercompare.co.nz/n/average-power-bill-in-new-zealand-2024

Exclusions:

Non-property-related personal loans and life/health insurance products are excluded in accordance with PCAF guidelines, as no standardized methodologies exist for quantifying their associated emissions.

Insurance emissions

Autosure Insurance Limited sells mechanical breakdown insurance (MBI) policies. The emissions calculations are based on the Partnership for Carbon Accounting Finance (PCAF) insurance guidance (Part C) (PCAF Insurance-Associated Emissions, 2022).

The formula to calculate emissions from MBI policies (as per PCAF Part C guidance):

premium value ÷ *total cost of ownership* x *annual vehicle emissions*

With the annual vehicle emissions calculation being the same as used in category 11 (and for category 15 financed emissions).

The total cost of ownership is based on the tier 1 kilometre rate ($1.04) as provided by IRD (https://www.ird.govt.nz/income-tax/income-tax-for-businesses-and-organisations/types-of-business-expenses/claiming-vehicle-expenses/kilometre-rates-2023-2024).

Investments

TAG has investments in three companies: My Auto Shop, Quashed, and Carly Australia. TAG evaluated our share of emissions from our investment in these 3 companies. Scope 3 emissions Category 15 Investment emissions, were calculated by estimating the Scope 1 and Scope 2 emissions of these investee companies, proportional to our equity share. Only My Auto Shop was significant enough to include.

Exclusions

20% of MBI policies in FY25 related to vehicles sold by TAG, emissions associated with vehicles sold by TAG are covered in Category 11 and so excluded from Category 15.

Autosure holds 7 ‘Reverse Annuity Mortgages’. This portfolio is in run-down and these have been excluded due to low materiality.

Appendices

7.4 References

Vehicle information

NZTA/ECCA - vehicle data via API's by VIN. New Zealand Transport Agency (Waka Kotahi) and Energy Efficiency & Conservation Authority (Te Tari Tiaki Pūngao), NZ Government.

Note: TAG did not use ECCA's published CO_2 tailpipe emissions due to scope limitations (CO_2 only, excluding electric vehicles and other greenhouse gases like CH_4 and N_2O required by GHG Protocol) and lack of real-world driving conditions (road conditions, vehicle loading, air conditioning, etc.).

Emissions factors

AU Govt. (2024). *Australian National Greenhouse Accounts Factors*. Australian Government Department of Climate Change, Energy, the Environment and Water.

MfE. (2024). *Measuring emissions: A guide for organisations 2024 detailed guide.* New Zealand Ministry for the Environment.

MfE. (2024). *Measuring emissions: A Guide for Organizations*. New Zealand Ministry for the Environment.

Note: The Ministry for the Environment's updated emissions factors were released in June 2025, after TAG's FY25 emissions calculations were completed, and have not been taken into account.

MfE emission factors for Battery Electric Vehicles (BEVs) requires engine size in cc's, which doesn't apply to BEVs. The Ministry of Transport, provided the following translation table:

BEV GVM (weight)	Engine Size translation
<1200 kg	<1350 cc
1200 - <1650 kg	1350–<1600 cc
1650 - <1900 kg	1600–<2000 cc
1900 - <2150 kg	2000–3000 cc
≥2150 kg	≥3000 cc

NZ vehicle fleet statistics

MoT. (2023). *Annual Motor Vehicle Fleet Statistics: Data Spreadsheet*. Ministry of Transport (Te Manutū Waka), NZ government.

Cost of ownership

IRD. (2024). *Kilometre rates 2023-2024 – Tier 1*. Inland Revenue (Te Tari Taake), NZ Government.

Scope 3 emissions

Lenzen, M., Kanemoto, K., Moran, D., & Geschke, A. (2012). Mapping the structure of the world economy. Environmental Science & Technology 46(15), pp. 8374-8381.

Lenzen, M., Kanemoto, K., Moran, D., & Geschke, A. (2013). Building Eora: A Global Multiregional Input-Output Database at High Country and Sector Resolution. *Economic Systems Research 25:1, 20-49.*

PCAF Financed Emission. (2022*). Partnership for Carbon Accounting Financials – Financed Emissions: The Global GHG Accounting & Reporting Standard Part A.*

DESNZ. (2024). *UK Government Greenhouse Gas Conversion Factors for Company Reporting*. UK Department for Energy Security and Net Zero.

PCAF Insurance-Associated Emissions. (2022). *Partnership for Carbon Accounting Financials - Insurance-Associated Emissions: The Global GHG Accounting & Reporting Standard Part C.*

WBCSD, WRI & Carbon Trust. (2013). *Technical Guidance for Calculating Scope 3 Emissions.*

thinkstep-anz. (2025). *Turners-2025-ZP104755_Scope 3_calculations_FY25_v1.0*. .

thinkstep-anz. (2025). *Turners-ZP104755-Scope 3 carbon footprint report-FY25-v1.0.*

The Footprint Company. (2025). Turners Property Group Tauriko and Hornby: Upfront Carbon LCA Report.

End of life vehicle recycling:

A number of sources were referenced to set an 80% value; the following example is typical: https://www.kiwiautowreckers.co.nz/how-auto-parts-recycling-helps-the-environment-the-role-of-kiwi-auto-wreckers-wellington/

Appendices

7.4 References - continued

Standards

ISO. (2018). ISO 14064-1:2018 – *Greenhouse gases Part 1: Specification with guidance at the organisation level for quantification and reporting of greenhouse gas emissions and removals.*

WBCSD/WRI. (2015). *Greenhouse Gas Protocol - A Corporate Accounting and Reporting Standard.*

WBCSD/WRI. (2011). *Greenhouse Gas Protocol - Corporate Value Chain (Scope 3) Standard.*

Scenarios

NIWA, Projected regional climate change hazards Projected regional climate change hazards .

Task Force for Climate-related Disclosures (2017). Recommendations of the Task Force on Climate-related Financial Disclosures –Final Report: pages 5 –7. FINAL-2017-TCFD-Report-11052018.pdf (bbhub.io).

The Shared Socioeconomic Pathways and their energy, land use, and greenhouse gas emissions implications: An overview -The Shared Socioeconomic Pathways and their energy, land use, and greenhouse gas emissions implications: An overview –ScienceDirect.

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 Intergovernmental Panel on Climate Change [Masson-Delmotte, V., P. Zhai, A. Pirani, S. L. Connors, C. Péan, S. Berger, N. Caud, Y. Chen, L. Goldfarb, M. I.Gomis, M. Huang, K. Leitzell, E. Lonnoy, J.B.R. Matthews, T. K. Maycock, T. Waterfield, O. Yelekçi, R. Yu and B. Zhou (eds.)]. Cambridge University Press.

Bodeker, G., Cullen, N., Katurji, M., McDonald, A., Morgenstern, O., Noone, D., Renwick, J., Revell, L. and Tait, A. (2022). Aotearoa New Zealand climate change projections guidance: Interpreting the latest IPCC WG1 report findings. Prepared for the Ministry for the Environment, Report number CR 501, 51p.

NGFS, Climate Scenarios Database Technical Documentation V3.1, September 2022.

Climate change projections and impacts for Taranaki, Taranaki Regional Council, April 2022.

7.5 Glossary / Abbreviations

DESNZ	Department of Energy Security and Net Zero, UK Government
CO_2e	CO_2 equivalent, or carbon dioxide equivalent is calculated using the mass of a given GHG multiplied by its global warming potential.
FY24	TAG's financial year 2024 (1st April 2023 to 31st March 2024)
FY25	TAG's financial year 2025 (1st April 2024 to 31st March 2025)
GHG	Greenhouse gas For the purposes of this report, GHGs are the group of gases listed in the Kyoto Protocol. These GHGs are currently: carbon dioxide (CO_2), methane (CH_4 , nitrous oxide (N_2O , hydrofluorocarbons (HFCs) , perfluorocarbons (PFCs) , sulphur hexafluoride (SF_6), and nitrogen trifluoride (NF_3) .
GHG Protocol	The Greenhouse Gas Protocol, a partnership between World Resources Institute (WRI and the World Business Council for Sustainable Development (WBCSD).
MfE	Ministry for the Environment, NZ Government
MoT	Ministry of Transport, NZ Government
MBI	Autosure Mechanical Breakdown Insurance, covers the reasonable cost to repair the actual failure of mechanical or electrical parts as a result of a sudden and unforeseen breakdown that occurs during normal use in New Zealand
PCAF	Partnership for Carbon Accounting Financials
WBCSD	World Business Council for Sustainable Development
WRI	World Resources Institute
WTT	Well-to-tank emissions, i.e., those emissions associated with the production and distribution of fuels/electricity
T&D losses	Transmission and distribution losses i.e. emissions associated with the losses in transmission between sources of supply and points of distribution.


Helping Kiwis buy vehicles for over 50 years
Turners Cars
200+ cars on site
Ask us about Finance & Insurance
Turners.
Automotive Group