



Acenda Group 2025  
NOHC Climate Disclosure



# About this report

## Corporate Information

Nippon Life Australia and New Zealand NOHC Pty Limited ACN 633 375 069 ("NOHC") is the non-operating holding company of various life insurance and other subsidiaries operating in Australia and New Zealand. NOHC is required to make mandatory climate-related disclosures under AASB S2, for the reporting period 1 January 2025 to 31 December 2025 for itself and all subsidiaries ('Acenda Group' or 'Group') as a consolidated reporting entity.

This Climate Report covers the Acenda Group's business operations in both Australia and New Zealand, including those of the New Zealand Branch of Resolution Life Australasia Limited ("Resolution Life") and Asteron Life Limited ("Asteron").

This report uses the same consolidated reporting entity and reporting period used for the consolidated financial statements of the NOHC (refer to "Basis of Consolidation" in the financial statements).

As this is the first year in which the Acenda Group has applied AASB S2, an election has been made not to disclose our scope 3 greenhouse gas (GHG) emissions (in accordance with AASB Appendix C4(b)) or comparative information (in accordance with AASB Appendix C3) in this report.

Asteron also reports separately under the Aotearoa New Zealand Climate Standard (NZCS). In relation to its New Zealand Branch, Resolution Life will comply with the proposed class exemption (expected to be in force on 31 March 2026) for overseas climate reporting entities. The Exemption Notice will require submission of the overseas entity's foreign climate statements to the NZ Registrar instead of branch-specific reporting.

These businesses operated as part of the Acenda Group and are therefore included within this consolidated Climate Report.

## Important information

The contents of this Climate Report reflect the Acenda Group's current views and expectations of future events and has been prepared based on information available to the Acenda Group as at 31 December 2025. The following sections of this Climate Report reflect current assumptions and critical judgments made by Management in relation to metrics, methodologies, modelling and other statements on matters subject to significant uncertainty:

- Time horizons – establishment of short, medium and long business planning and capital allocation timeframes;
- Climate resilience – selection of material climate scenarios and selection of assumptions in climate scenarios;

- Climate-related risks and opportunities – development of a materiality framework to assist in the identification of material climate-related physical and transition risks, climate-related opportunities and quantification of anticipated financial effects;
- Calculation methodology – Scope 1 and 2 emissions data - method for collecting, analysing and reporting GHG emissions data.

The Acenda Group's views on those matters may change as Climate related methodologies, events and data evolve.

Forward-looking statements concerning the Acenda Group's climate-related goals, targets, transition pathways, strategic ambitions and other future matters reflect our best estimates and views as at the date of this Climate Report and in many cases rely on third-party data over which we have limited influence. Forward-looking statements are inherently uncertain and are not guarantees of future outcomes. They can involve known and unknown risks, assumptions, and other factors – many of which are outside the Acenda Group's control – that could cause actual results to differ materially from those expressed or implied.

Quantification of anticipated financial effects reflect our best estimates and views as at the date of this Climate Report. Certain climate-related financial impacts have not been quantified where it is impractical to do so. This decision reflects the current stage of development of internal systems, available qualified research data and inputs on the effects of climate change, resource capability and control frameworks where further work is required to produce reliable and decision-useful quantitative information, and it is understood this approach is consistent with that adopted by peers across the insurance industry. As a preliminary step, the Group has therefore provided some qualitative disclosures while it progresses initiatives to strengthen data, modelling and governance capabilities to support expanded quantitative disclosure in future reporting periods. Additional resources have been established to support these initiatives.

The above limitations affect the reliability, comparability and usefulness of the information for decision-making.

# About this report

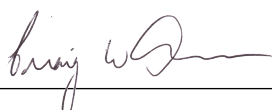
## Directors Declaration

In the opinion of the directors of Nippon Life Australia and New Zealand NOHC Pty Limited (**NOHC**), I state that the NOHC has taken reasonable steps to ensure that the substantive provisions of this Climate Report for the NOHC and its subsidiaries (collectively the **Acenda Group**) for the year ended 31 December 2025, are in accordance with:

- a) *the Corporations Act 2001;*
- b) *the Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures;*
- c) *any further requirements determined under section 296C(2) of the Corporations Act 2001; and*
- d) *the requirements of section 296D of the Corporations Act in relation to the climate statement disclosures required to be contained within it.*

Made in accordance with a resolution of the directors of Nippon Life Australia and New Zealand NOHC Pty Limited pursuant to section 296A(6) of the *Corporations Act 2001*, as modified by section 1707C(2) of the *Corporations Act 2001*.

On behalf of the board



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**Craig Dunn**

Chairman

Sydney, 26 March 2026

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# Governance

## Our approach to governance of climate-related risks and opportunities

The NOHC Board is the ultimate governance body responsible for the sound and prudent management of the Acenda Group, including oversight of climate-related risks and opportunities. This is reflected through its responsibility for setting and approving the strategic direction and purpose of the Acenda Group, and approving and overseeing its Risk Management Framework, Risk Appetite Statement and Internal Capital Adequacy Assessment Process ('ICAAP'), which underly the Group's approach to risk including climate related risks. These responsibilities are reflected in the NOHC Board Charter.

The NOHC Board Risk Committee is a standing committee of the NOHC Board and is attended by its member directors. The Group Chief Risk Officer (GCRO) is the executive responsible to oversee, manage and monitor climate risks and opportunities, and to report them to the NOHC Board Risk Committee. The NOHC Board Risk Committee also updates the NOHC Board on key risks including those related to climate change through CEO reports and through ad-hoc reports and analyses, as reflected in the NOHC Board Risk Committee Charter.

As a result of acquisitions during the reporting period, the Acenda Group has continued to evolve and align the governance, management structure and processes for managing climate-related risks and opportunities. The NOHC Board is regularly updated on the progress of the integration of Acenda Life and Resolution Life and will continue to review and evolve governance and processes in FY26. Table 1 provides details on how the Acenda Group governs its identification and responses to climate-related risk and opportunities

## Board competencies and climate expertise

The NOHC Board is comprised of highly experienced directors with deep expertise across insurance, finance, actuarial and funds management, enabling effective oversight of climate-related risks and opportunities.

The NOHC Board skills matrix is used to assess the range of skills and competencies of Board members. The skills matrix includes sustainability considerations and will be further enhanced to specifically address responding to climate risk and opportunity in 2026. To support management in assessing and responding to climate related risks and the Board's oversight of these matters, third party providers were contracted including across climate risk identification,

reporting, calculation of metrics and regulatory climate developments.

As integration with Nippon Life Group's Sustainability Strategy continues into 2026, the Acenda Group expects to leverage their climate experience and knowledge.

## Sustainability metrics and monitoring

The Acenda Group continues to evolve its approach to sustainability with investment in data, knowledge and processes to support the business' understanding of impacts from climate change. In 2025, the Group focused on understanding how best to integrate climate risks and opportunities and scenario analysis mandated under reporting requirements and improving scope 3 greenhouse (GHG) emissions data used in measuring Category 15: Investment emissions.

The Acenda Group Remuneration Framework, which considers business performance and risk management in consideration of remuneration setting, does not explicitly link management or director pay to climate-related outcomes.

## Transition of pre-acquisition governance and management responsibilities

The NOHC has adopted the climate related governance model described in Table 1 for use across the Acenda Group. The Resolution Life and Asteron businesses were aligned to this Governance model as at the reporting date. Acenda Life is expected to adopt this Governance model by late 2026 or 2027.

The Acenda Group climate related governance model described in Table 1 is intended for use across the Group. Even so, the Acenda Group model recognises that each company is governed by its own Board. Also, that legal or regulatory requirements applying to any company may cause its Board to adopt aspects of a climate related response or governance approach that deviates from the Acenda Group model or responses and governance approaches of other Acenda Group companies.

Asteron was acquired on 1 February 2025 enabling its climate-related and other governance arrangements to be integrated into the Acenda Group's arrangements during the reporting period.

### **Acenda Life governance and management responsibilities**

Due to the short period between Acenda Life's acquisition on 31 October 2025 and the reporting date, Acenda Life's governance arrangements had not been fully integrated as at the reporting date. These pre-acquisition arrangements remained largely autonomous from the rest of the Acenda Group as at the reporting date and are intended to be integrated during 2026 and into 2027.

Prior to the acquisition, Acenda Life was governed by the Acenda Life Board which held ultimate responsibility for climate-related matters. The Board oversaw climate related risks and opportunities along with oversight and endorsement of climate related commitments, goals and targets set by management. It also approved climate related targets based on proposals presented by the Chief People Officer, Chief Finance Officer and Chief Risk Officer, who reported progress in quarterly sustainability updates to the Board. These targets were specific to Acenda Life and did not apply to any other Acenda Group member company after acquisition by NOHC. A review will be conducted in 2026 to determine the ongoing appropriateness of these existing goals and targets for Acenda Life as part of the Acenda Group.

Climate and other sustainability-related matters were a standing agenda item at each Acenda Life Board meeting, and the Board had undertaken climate training in 2024 under its Board Training Plan to ensure ongoing capability development. The Acenda Life Board was supported by its Board Risk Committee, who oversaw implementation, operation and compliance with the Acenda Life risk management framework, and also by its Board Audit Committee.

At the management level, the Acenda Life Executive Committee played a central role in developing and recommending climate-related goals and targets to the Board and shaping Acenda Life's strategic direction. It also made, or recommended to the Board, key decisions on strategic climate-related and other sustainability matters and received quarterly updates on developments and implementation of decisions. The Executive Committee also provided leadership on climate-related and other sustainability priorities and ensured that climate considerations were embedded into broader business planning, risk management, and performance oversight.

**Table 1: Climate-related governance and management responsibilities**

Governance	Board	<p><b>NOHC Board</b></p> <p>The NOHC Board is the governance body responsible for overseeing identification and responses to climate-related risks and opportunities for the Acenda Group:</p> <ul style="list-style-type: none"> <li>This includes approving policies in relation to sustainability, receiving quarterly sustainability scorecard reporting (which includes identified climate related risks and opportunities, GHG emissions and any carbon reduction initiatives), and ensuring senior management is monitoring and managing financial and non-financial risks, and meeting regulatory requirements.</li> <li>Delegates oversight of specific climate-related risks and opportunities and monitoring of climate-related metrics and targets to the NOHC Board Risk Committee</li> </ul> <p><b>Frequency:</b> The NOHC Board typically meets four times per year and ad hoc as required. Climate-related topics were discussed twice in 2025, and this frequency is expected to increase to quarterly during the 2026 calendar year.</p>	
	Board Committee	<p><b>NOHC Board Risk Committee (BRC)</b></p> <p>The NOHC Board Risk Committee is responsible for overseeing the development and implementation of risk management systems to identify, manage and mitigate material risks. It provides recommendations to the NOHC Board on matters such as the risk appetite statement and effectiveness of the risk management framework, which addresses sustainability including climate as a strategic risk. The Acenda Group does not consider trade-offs associated with climate related risks and opportunities. The Committee also updates the NOHC Board on key risks including those related to climate change through the CEO reports and through ad-hoc reports and analyses.</p> <p><b>Frequency:</b> Meets four times per year and ad hoc as required</p>	
Management	Executive Management	<p><b>Acenda Group Leadership team</b></p> <p>Day to day management of climate-related responsibilities, (including oversight and management of climate risks and opportunities) is overseen by the Acenda Group leadership team including the Group Chief Financial Officer and Group Chief Risk Officer. The Group leadership team is informed by the Management Committees.</p>	
	Management committee	<p><b>Risk and Compliance Committee</b></p> <p>Oversight of risk management across the business, ensuring it remains resilient, sustainable and compliant. The Committee reviews sustainability scorecards and assesses sustainability risks that are raised in line with the Risk Taxonomy. See Table 6: Risk management processes and programs relevant to climate-related risks for further detail.</p> <p><b>Frequency:</b> Meets quarterly and ad hoc as required</p>	<p><b>Asset, Liability and Investment Committee</b></p> <p>The Committee supports the Group CEO and Group Chief Investment Officer (GCIO) with Investment and asset liability management-related decisions under existing delegations on behalf of the NOHC Board. The Committee reviews the ESG Investment Policy (including climate regulations and international best practice agreements such as the Paris Agreement) biennially or as required.</p> <p><b>Frequency:</b> Meets quarterly and ad hoc as required</p>
	Management working groups	<p><b>Sustainability Working Group</b></p> <ul style="list-style-type: none"> <li>Tracks and reports on broader sustainability outcomes aligned with the Acenda Group policies and strategy</li> <li>Compiles quarterly sustainability scorecards to track our progress on sustainability themes, including climate matters</li> <li>Monitors progress and trends in climate reporting and ways to improve sustainability outcomes</li> </ul> <p><b>Frequency:</b> Meets quarterly</p> <p><b>Key Stakeholders:</b> Finance, Strategy, HR, Procurement, Risk, Legal and Corporate Relations.</p>	<p><b>Responsible Investment Forum</b></p> <ul style="list-style-type: none"> <li>Monitors environmental, social and governance factors of investment portfolios</li> <li>Monitors and progresses climate actions such as reporting, policy updates, asset manager engagement and developing strategy plans</li> </ul> <p><b>Frequency:</b> Meets twice a year</p> <p><b>Stakeholders involved:</b> CIO, Investment Management team, Portfolio Managers and Investment Management Governance team. Risk attends as observers.</p>

## Climate-related risks and opportunities

In 2025 a climate-related scenario analysis process was conducted across the Acenda Group. This was used as a key input to help identify key climate-related risks and opportunities that are relevant and significant to the business (Table 2 and Table 3). This includes both transition risks (arising from shifts in climate-related policy, technology and market decarbonisation) and physical risks (associated with acute and chronic changes in the climate). This process also identified climate-related opportunities that may be unlocked (Table 4).

Climate risks and opportunities and their current and anticipated qualitative impacts have been identified over three business planning time horizons:

- Short-term: 0-3 years (in line with three-year business execution cycles)
- Medium-term: 3-10 years (considers the five-year strategic planning time horizons)
- Long-term: 10+ years out to 2050 (aligned with Nippon Life's 2050 net zero target)

In 2025, for certain climate risks and opportunities, Acenda Group also undertook a qualitative assessment of climate related risks and opportunities on the anticipated effects on our business. The rationale for this is explained for each relevant climate related risk and opportunity in Tables 2-4. We assessed the effects of these risks and opportunities in the short to medium term (0-10 years) as immaterial, based on this qualitative analysis. Our analysis was estimated based on Group-level workshops used to assess the relevance of Group wide analysis. Across the long term, constrained data availability and global trends in life insurance and investment data in response to a changing climate causes significant measurement uncertainty.

The NOHC only completed its acquisition of Acenda Life on 31 October 2025 and transition of its climate-related and other governance arrangements by the reporting date, to align with the rest of the Acenda Group was therefore only in the early stages. Resource constraints during the reporting period did not enable quantitative analysis to be undertaken across the expanded Acenda Group for the anticipated financial effects for certain climate risks and opportunities. Time is required to develop an understanding of the larger business to strengthen the value of quantitative information and to ensure it is meaningful to users.

The Group has adopted a sequenced approach to implementing AASB S2, prioritising the establishment of

data governance, modelling discipline and internal capability before expanding quantitative disclosure. This approach reflects the Group's objective of ensuring that climate-related financial information is reliable, comparable and decision-useful, consistent with the objectives of AASB S2.

Certain climate-related financial impacts have not been quantified where it is impractical to do so. This decision reflects the current stage of development of internal systems, resource capability and control frameworks where further work is required to produce reliable and decision-useful quantitative information. The Group has therefore provided qualitative disclosures while it progresses initiatives to strengthen data, modelling and governance capabilities to support expanded quantitative disclosure in future reporting periods. Analysis during this integration phase will also consider any appropriate alignments with NOHC's parent Nippon Life Insurance Company.

Actuarial assumptions are regularly reviewed considering the NOHC's current risk assessment and appetite. For further information on the current mortality and morbidity assumptions considered in determining impact to the business model in Table 2 below, refer to page 21 of the NOHC Financial Report as at 31 December 2025.

**Table 2: Financial effects of the identified climate-related physical risks and opportunities on the business model and mitigations and resilience to those risks**

<p><b>Risk/Opportunity and status</b></p>	<p><b>Increased rates of mortality and morbidity within the insured population</b></p> <ul style="list-style-type: none"> <li>• <b>Risk type:</b> Physical</li> <li>• <b>Acenda Risk type:</b> Insurance risk</li> <li>• <b>Value chain impacted:</b> Insurance and reinsurance portfolios</li> <li>• <b>Time horizon:</b> Long-term</li> <li>• <b>Status:</b> Slowly increasing</li> </ul>	<p><b>Increase in customer mental health claims</b></p> <ul style="list-style-type: none"> <li>• <b>Risk type:</b> Physical</li> <li>• <b>Acenda Group Risk type:</b> Strategic risk</li> <li>• <b>Value chain impacted:</b> Insurance portfolio</li> <li>• <b>Time horizon:</b> Medium to long-term</li> <li>• <b>Status:</b> Slowly increasing</li> </ul>
<p><b>Impact of the risk/opportunity (before mitigation or adaptation efforts)</b></p>	<p>Extreme weather events and natural disasters may result in increases in mortality, morbidity which would lead to gradual deterioration in claims experience, requiring an ongoing re-pricing response which risks negatively affecting affordability and policy renewal rates.</p>	<p>Increased natural disaster frequency and subsequent economic uncertainty and population dislocation may result in higher stress and increased mental health claims.</p> <p>This will increase payouts, pricing and reserve requirements.</p>
<p><b>Mitigation/adaptation efforts</b></p>	<p>The diversification of the geographic location and business operations across the Acenda Group lowers the business' exposure to geographically concentrated climate-related risks. Evidence suggests insured populations are more resilient based on their overall financial resources compared to the general population. This will likely reduce inherent risk but require the business to work closely with Government and the insurance sector to manage these risks across all communities and help maintain the social licence to operate.</p> <p>The Acenda Group will continue to enhance data collection and analysis of climate events to improve understanding of the financial impacts on insurance claims. This could provide early indicators of emerging climate-related trends that could impact pricing.</p>	<p>To mitigate rising mental health claims, the Acenda Group promotes its Vivo, Teladoc and ConnectedCare programs, which offer wellness services at no extra cost to policyholders, including mental health support and nutrition services. By encouraging participation in these initiatives, Acenda aims to enhance wellbeing and reduce mental health claims.</p>
<p><b>Current financial effects<sup>1</sup></b></p>	<p>No material impact in 2025. No significant risk of material adjustment in 2026.</p>	
<p><b>Anticipated financial effect over short-, medium- and long-term.</b></p>	<p>The rising frequency and severity of extreme weather events may lead to more heat-related and respiratory issues, as well as a range of other health impacts. Similarly, the increase in natural disasters and uncertain economic conditions may lead to increased mental health claims.</p> <p>In the short to medium term, the financial effect is expected to be immaterial based on historical trends and the assumption that climate change remains below 2°C during this period.</p> <p>In the long term, in the absence of effective mitigation, the increased risk of morbidity and mortality and mental health claims is anticipated to have a moderate financial effect on the Acenda Group, in particular if temperatures increase by 2°C to 3°C. The uncertainty in estimating these financial effects is extremely high due to lack of information and the number and size of assumptions needed to assess its impacts on the Acenda Group. The Acenda Group also has mitigating strategies in place that would reduce this impact. The financial effect would be expected to increase claims expenses as a result of increased claims payouts, with further effects on investment revenue as a result of changes in the investment portfolio to meet the increased unpredictable claim patterns.</p> <p>Evidence shows that heat-related mortality and morbidity predominantly affects older individuals – a demographic which tends to have low utilisation of death benefit, TPD, and income protection products.</p>	

<sup>1</sup>Note this conclusion is based on the initial assessment of possible impact. The pathway for increased mortality and morbidity and increased mental health claims are aligned, hence the financial effects are considered together.

**Table 2 continued: Financial effects of the identified climate-related physical risks and opportunities on the business model and mitigations and resilience to those risks**

<p><b>Risk/Opportunity and status</b></p>	<p><b>Affordability and accessibility of insurance</b></p> <ul style="list-style-type: none"> <li>• <b>Risk type:</b> Physical</li> <li>• <b>Acenda Group risk type:</b> Strategic risk</li> <li>• <b>Value chain impacted:</b> insurance product strategy</li> <li>• <b>Time horizon:</b> Short, medium and long-term</li> <li>• <b>Status:</b> Slowly increasing</li> </ul>
<p><b>Impact of the risk/opportunity (before mitigation or adaptation efforts)</b></p>	<p>A widening gap between what can be insured and affordability, could result in a fall in demand for insurance products. Consequentially, insurance may become more expensive, complex and less comprehensive. Customers may lose trust in insurance and opt to self-insure, reducing premium revenue.</p>
<p><b>Mitigation/adaptation efforts</b></p>	<p>To mitigate the risk of declining demand for insurance due to affordability issues, Acenda Group will continue to enhance its data collection and analysis of climate events. By gathering insights from customers affected by climate events, the business aims to better understand the priorities for customers and affordability of its products. This work aims to strengthen annual actuarial and claim reviews, enabling the identification of climate-related trends.</p> <p>Assessment of the reinsurance strategy and adaption of product offerings to customer need acts as an additional risk mitigant as we can regularly assess and address these challenges as they occur.</p>
<p><b>Current financial effects<sup>2</sup></b></p>	<p>No material impact in 2025. No significant risk of material adjustment for 2026</p>
<p><b>Anticipated financial effect over short-, medium- and long-term.</b></p>	<p>Acute and chronic climate-related events increase living costs such as general insurance and access to essential services, reduces disposable income and increases unemployment. This would result in reduced sales and renewals and decreased investment income due to an expected low-interest rate environment, further changing the business' profitability margin and retained policies.</p> <p>In the short to medium term, the financial effects are expected to be low based on climate change staying below 2°C during this period, with research expecting this outcome leading to a moderate decline in global growth.</p> <p>In the long term, the financial effects are difficult to quantify with any certainty but are anticipated to be moderate to high before considering mitigation efforts from Acenda. This assessment assumes a 2°C to 3°C temperature increase in the longer-term, with some research estimating this could lead to considerable decrease in global GDP.</p> <p>The uncertainty in estimating these financial effects is extremely high due to lack of information and the number and size of assumptions needed to assess its impacts on the Acenda Group in the longer-term. The business also has mitigating strategies in place that would reduce this impact.</p>

<sup>2</sup>Note this conclusion is based on the initial assessment of possible impact.

**Table 2 continued: Financial effects of the identified climate-related physical risks and opportunities on the business model and mitigations and resilience to those risks**

<p><b>Risk/Opportunity and status</b></p>	<p><b>Impact on investments from high physical and transition costs</b></p> <ul style="list-style-type: none"> <li>• <b>Risk type:</b> Physical and Transition Risk</li> <li>• <b>Acenda Group Risk type:</b> Market risk</li> <li>• <b>Value chain impacted:</b> investment portfolio</li> <li>• <b>Time horizon:</b> Short, medium and long-term</li> <li>• <b>Status:</b> Increasing</li> </ul>
<p><b>Impact of the risk/opportunity (before mitigation or adaptation efforts)</b></p>	<p>The transition to net-zero may drive inflation through emissions pricing and other economic pressures, increasing business costs. Additionally, carbon-intensive assets risk becoming stranded, leading to write-downs and reduced investment returns. Increases in extreme weather events and chronic changes to the climate, disrupt global supply changes, cause significant asset-value losses and create large migration and political challenges. This impacts the global economy and decreases the return from investments.</p>
<p><b>Mitigation/adaptation efforts</b></p>	<p>The Acenda Group integrates climate change considerations into its investment process and decision-making. This includes due diligence in selecting external investment managers (conducted by the Investment Management team) and ongoing investment monitoring via the Responsible Investment Forum. Reducing exposure to this risk is also achieved through the business' investment strategies, Acenda Group's Sustainability Policy and climate objectives. Portfolio decarbonisation initiatives could help reduce exposure to carbon-intensive assets, supporting long-term resilience and sustainable returns.</p> <p>This includes portfolio level carbon intensity and investment portfolio climate scenario analysis (carried out by the Investment Management Team) to assess how exposed the group's investment portfolios are to climate risk.</p>
<p><b>Current financial effects<sup>3</sup></b></p>	<p>No material impact in 2025. No significant risk of material adjustment for 2026</p>
<p><b>Anticipated financial effect over short-, medium- and long-term.</b></p>	<p>Rapid market decarbonisation, driven by the strengthening of climate policies or increased frequency and severity of climate hazards including floods and wildfires, may result in stranded assets. This could cause investments in such assets to deliver lower-than-expected returns and increase write-downs due to the loss of value in carbon-intensive holdings. Furthermore, net zero transition policies may result in increased regulatory pressure on high-emission sectors within the Acenda Group's investment portfolio.</p> <p>Climate-related impacts such as increased temperatures, drought and sea level rise may erode asset value and increase capex needs in locations exposed to climate change. These regulatory and physical risks may increase investment volatility and portfolio value at risk in high emission sectors.</p> <p>Across the short, medium and long term, the market impact from transition costs and increased frequency and severity of climate hazards is expected to have an immaterial financial effect on the Acenda Group. This assessment is based on investment analysis conducted through an independent provider of market-related climate analysis for the Resolution Life business, which identifies the anticipated financial effects from physical and transition risks over Resolution Life investment revenue for 2030.</p> <p>For transition risks, based on a high transition scenario (immediate action including sufficient carbon pricing to limit global warming to within 2°C above pre-industrial levels by 2050), EBITDA at risk was estimated at 11%. This figure reflects the worst-case outcome among the scenarios assessed and is therefore viewed as a conservative estimate of potential transition-related effects across the Group in 2030 (medium term).</p> <p>The financial effect of physical risks, based on a high (SSP3 – 7.0) scenario in 2030 (medium term), were calculated to be an exposure score (point-in time measure of exposure to climate hazards) of 29.41<sup>4</sup> and financial impact (potential climate-related losses such as those from capital expenditure, operational expenditure or business interruptions) to the economic value of the asset base of 2% .</p> <p>The Acenda Group expects that this analysis would be predictive of the magnitude of the financial effects across the Group, based on the diversity of the Resolution Life investment portfolio and given that Resolution Life's investments in scope of this analysis represents 87% of Resolution Life Australasia's investment revenue. Acenda Life's investment portfolio is planned to be included in this analysis in 2026.</p>

<sup>3</sup>Note this conclusion is based on the initial assessment of possible impact.

<sup>4</sup> This is a Physical Risk Score relative to the global universe of assets/companies ranging from very low exposure of 1 to very high exposure of 100. It represents exposure to any specific physical risk hazard at a given location (asset) or weighted average of multiple locations (company) under a given scenario and time period. The score indicates a relative exposure and intensity score, not a loss estimate. It reflects exposure to 8 climate hazards across geolocated assets relative to global conditions under a given scenario and time horizon.

**Table 3: Financial effects of the identified climate-related transition risks and opportunities on the business model and mitigations and resilience to those risks**

<p><b>Risk/Opportunity and status</b></p>	<p><b>Perceived lack of green credentials on Acenda Group growth rate</b></p> <ul style="list-style-type: none"> <li>• <b>Risk type:</b> Transition</li> <li>• <b>Acenda Group Risk type:</b> Strategic Risk</li> <li>• <b>Value chain impacted:</b> Customer (insurance and fund management) retention / growth</li> <li>• <b>Time horizon:</b> Short-, medium- and long-term</li> <li>• <b>Status:</b> Stable</li> </ul>
<p><b>Impact of the risk/opportunity (before mitigation or adaptation efforts)</b></p>	<p>A slow transition to a low-carbon business, greenwashing or perceived lagging in green credentials could result in a loss of stakeholder trust and affect Acenda Group’s reputation, reducing future growth opportunities as well as reduced current customer renewals.</p>
<p><b>Mitigation/adaptation efforts</b></p>	<p>The Acenda Group actively monitors external developments, utilising ongoing media monitoring to stay informed about emerging climate-related issues and stakeholder sentiment that could lead to potential reputational risks. Additionally, its Communication Governance Process ensures that all external communications undergo a formal review for accuracy, consistency, and alignment with sustainability commitments.</p> <p>Acenda Group has future plans to expand its measurement of GHG emissions across its value chain (scope 3 emissions) and invest in and continue to develop better data.</p>
<p><b>Current financial effects<sup>5,6</sup></b></p>	<p>No material impact in 2025. No significant risk of material adjustment in 2026.</p>
<p><b>Anticipated financial effect over short-, medium- and long-term.</b></p>	<p>Across the short, medium and long term, greenwashing or a slow transition to a low-carbon business by the Acenda Group, relative to its peers, is expected to have impacts. This may occur through the loss of existing customers or future business, driven by a preference for more environmentally sustainable insurance providers. Such developments could lead to reduced customer retention and hinder new growth.</p> <p>This assessment is based on increasing climate-related requirements from institutional clients and their materiality to Acenda’s overall business.</p>

<sup>5</sup> Financial effects of the identified climate-related transition risks relating to our investment portfolio are explained within Table 2 under ‘Impact on investments from high physical and transition costs.

<sup>6</sup> Note this conclusion is based on the initial assessment of possible impact.

**Table 4: Financial effects of the identified climate-related opportunities on the business model and plans to realise these opportunities**

<p><b>Risk/Opportunity and status</b></p>	<p><b>Investment opportunities in climate-related growth areas and portfolio decarbonisation</b></p> <ul style="list-style-type: none"> <li>• <b>Opportunity type:</b> Market</li> <li>• <b>Value chain impacted:</b> Investment portfolio</li> <li>• <b>Time horizon:</b> Short, medium and long-term</li> <li>• <b>Status:</b> Stable</li> </ul>
<p><b>Impact of the risk/opportunity (before mitigation or adaptation efforts)</b></p>	<p>Increased awareness of GHG emissions and environmental issues has the potential to heightened demand for “green” products and services. Active investment in low carbon sectors could provide financial and reputational benefits, improving portfolio returns, more premiums sold and improved recruitment and retention of staff.</p>
<p><b>Plans to realise these opportunities</b></p>	<p>For internal management purposes, scope 1, 2 and 3 GHG emissions from Resolution Life’s investment portfolio were measured in 2025. The Acenda Group intends to expand this measurement to the Group’s entire investment portfolio in 2026.</p> <p>Additionally, climate change considerations are integrated at a Group level into the investment decision making process. This is achieved through due diligence in selecting external investment managers (conducted by the Investment Management team) and ensuring ongoing investment monitoring via the Responsible Investment Forum.</p> <p>This includes portfolio level carbon intensity and investment portfolio scenario analysis, which is conducted by the Investment Management Team.</p> <p>As we progress, future work will focus on strengthening oversight and governance, expanding access to higher quality data, and improving the granularity of our sector level analysis. Investor sentiment and market leadership is expected to play a big part in shifting preferences and realising these opportunities.</p>
<p><b>Current financial effects<sup>7</sup></b></p>	<p>No material impact in 2025. No significant risk of material adjustment in 2026.</p>
<p><b>Anticipated financial effect over short-, medium- and long-term.</b></p>	<p>The financial impacts of investing in climate related growth opportunities and decarbonising our portfolio remain uncertain across all time horizons. Heat map analysis in investment data conducted to date indicates that short term financial effects are uncertain, and any near term benefits from decarbonisation are likely to be offset by transition volatility, including upfront costs and compliance investments.</p> <p>Over the medium to long term, reduced exposure to transition risks may support improved risk adjusted returns, while rising demand for green products could enhance both investment and premium revenue.</p>

<sup>7</sup>Note this conclusion is based on the initial assessment of possible impact.

**Business model and value chain**

The Acenda Group was formed in October 2025, following Nippon Life’s acquisition of Resolution Life Group globally. The acquisition brought together Acenda Life, Resolution Life Australasia and Asteron Life. The Acenda Group is one of the leading life insurance businesses in Australia and New Zealand, and serves over two million customers across life insurance, wealth protection and retirement income solutions.

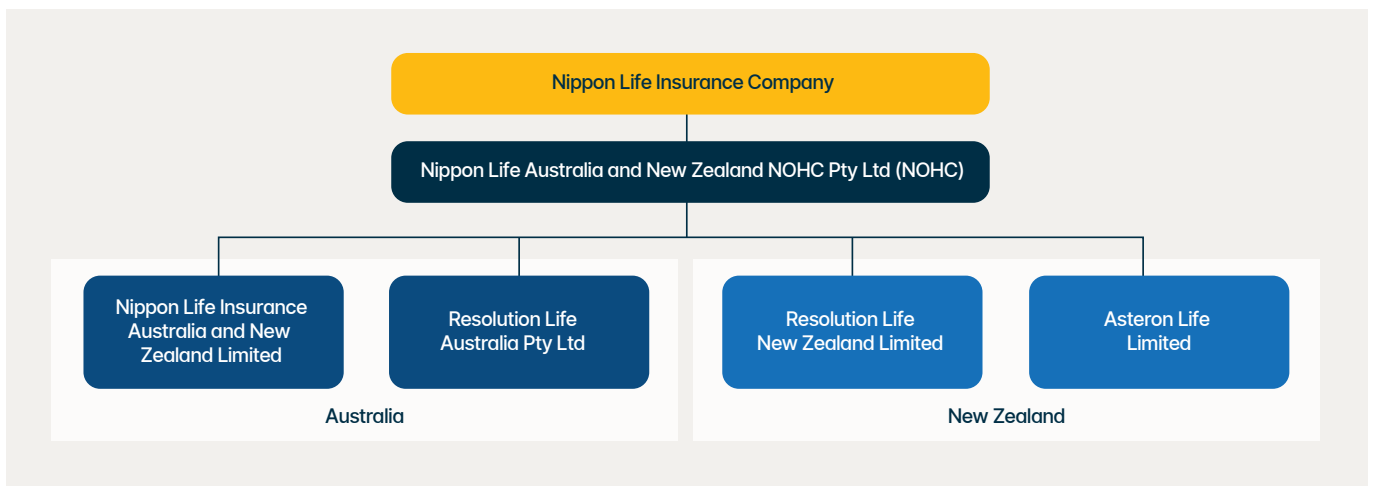
Integration of the businesses is ongoing and the Acenda Group continues to serve policyholders in Australia under the Acenda Life and Resolution Life brands, and policyholders in New Zealand under the Asteron and Resolution Life brands.

Our operations are predominantly in Australia and New Zealand, with some operational and technology partners based outside these jurisdictions. As part of the Nippon Life Insurance Group, the Acenda Group expects it has the potential to leverage more opportunities to build climate related capabilities and expertise. Nippon Life has an

advanced sustainability agenda, which is intended to be incorporated into the Acenda Group’s climate-related process and strategy.

The Acenda Group offers life insurance and wealth protection products, savings and investment products, asset management and retirement solutions. Individual products are distributed primarily through independent financial advisers. Contracts insuring groups are established through employee benefit consultants to employers and service providers to Australian superannuation funds. Portfolios of existing life and annuity portfolios are also acquired from established insurers. Our diverse investment portfolio means identified climate-related risks and opportunities are distributed across the business model.

**Figure 1: The Acenda Group’s life insurance corporate structure**



### Current and anticipated change to the business model

Climate related risks and opportunities are expected to increasingly shape the Group's strategic, operational and investment decisions across the life insurance value chain over the entirety of Australia and New Zealand. The following outlines areas where climate-related risks and opportunities impact the Group's business model and value chain:

- 1. Investment strategy and portfolio:** Acenda Group member companies hold a significant portfolio of investment assets to meet long-term policyholder liabilities. These assets can be exposed to climate-related risk. To manage this exposure, the Acenda Group integrates ESG considerations into investment decision-making and invests in line with the Group's Responsible Investment Policy.
- 2. Insurance product development, underwriting and pricing:** As climate awareness grows, there is a growing interest in products and services that reflect climate values. This presents opportunities to innovate and tailor products to evolving customer expectations. Evolving climate hazards present an opportunity to enhance and innovate life insurance products to better meet customer needs and improve resilience in a changing climate.

The Acenda Group's Sustainability Framework reflects our commitment to responsible business practices and our recognition of the growing importance of sustainability across the life insurance sector. The Group Sustainability Strategy outlines three sustainability themes: People, Environment and Communities, within the environmental strategy focused on the energy transition and climate footprint. Within the Group Sustainability Framework, climate-related risks and opportunities are embedded in the Governance pillar, which includes commitments to climate risk management and sustainability reporting. These themes – underpinned by sound governance and meeting compliance and risk management obligations – act as guardrails in decision making. By adopting this Framework, the business aims to contribute to a more sustainable future and create long-term value for stakeholders.

### Climate scenario analysis

In late 2025, the Acenda Group conducted its first qualitative climate scenario analysis at the Group level, which covered Acenda Life, Resolution Life and Asteron. Climate scenario analysis was used to help identify climate related risks and opportunities across short-, medium- and long-term time horizons and project potential future climate-related impacts and their implications on the business and assess resilience. The analysis considers a range of scenarios to assess the potential physical and transitional risks and opportunities. This was a standalone exercise, which will be embedded into strategic three-year planning cycles in due course. The scenario analysis has been approved by the NOHC Board.

An external expert was engaged to assist with an analysis that leveraged publicly available reference scenarios and Intergovernmental Panel on Climate Change (IPCC) climate-related data. The results of risk and resilience assessments have been, and will continue to be, considered by executive management when determining whether to revise or refine aspects of the Group's strategy or business planning over the short, medium or long-term.

Scenario analysis consists of applying two warming scenarios across the Group's operations: a 1.5°C increase and 3°C increase in global temperatures, as required by the reporting standards. These scenarios were selected as they include assumptions for both physical and transition related changes that can be expected to impact the Acenda Group business models and value chains. Specifically, the 1.5°C scenario primarily reflects transition risks, with some associated physical risks, while the 3°C scenario emphasizing physical risks and fewer transition risks. The Acenda Group considers the impact of climate change over three-time horizons: short-term (0-3 years, in line with business execution cycles), medium term (3-10 years) and long term (10+ years, which is relevant to the Nippon Life Group's net zero 2050 target).

**Table 5: Description of scenarios used in climate related scenario analysis**

The scenarios described in Table 5 below were used to determine the financial effects identified in Tables 2-4.

Scenario	Reference Scenario	Climate scenario narratives
<p><b>1.5°C Scenario</b> <b>Consistent with keeping warming to 1.5°C</b></p>	<p>IEA Net Zero Emissions by 2050 Scenario (NZE)</p>	<p>Limiting warming to 1.5°C by 2100 requires a rapid global shift to a carbon-neutral economy through strict policies, carbon pricing, and renewable energy adoption which increases four times from 2026 to 2035. The scenario assumes this coordinated global effort is underway by 2030, resulting in further warming between 1.5 to 2°C above pre-industrial levels for several decades, followed by a gradual reduction to current (1.5°C) levels by 2100 as global decarbonisation efforts yield results. Near-term physical risks increase in frequency, from existing hazards such as heatwaves, bushfires and floods. Economic changes due to decarbonisation impacts are rapid and significant due to strict regulations and societal pressure. Insurers face changes in claims volatility and frequency related to health impacts from climate events. Investments held by insurers have changes in their returns and risk profiles due to rapid decarbonisation toward green infrastructure, requiring robust risk assessment. Businesses focus on digital transformation and reducing the carbon footprint across the value chain to meet stakeholder and regulatory expectations and proactive climate adaptation is undertaken to maintain resilience.</p>
<p><b>3°C Scenario</b> <b>Significantly &gt;2°C Scenario</b></p>	<p>IEA Stated Policies Scenario (STEPS) and IPCC SSP 3-7.0</p>	<p>Failure to achieve coordinated global decarbonisation leads to ~3°C warming by 2100 driving severe physical risks and catastrophic climate impacts. Australia and New Zealand face more frequent extreme weather events including cyclones, storms, heatwaves, bushfires, floods and the long-term changes occur from sea level rise, droughts and temperature rise. This causes worsening health outcomes and migration from low-lying, disaster-prone areas. Economic strain intensifies through increasing living costs from insurance, increased infrastructure needs, asset revaluations, and rising unemployment. Governments stick to existing policies with poor adoption of low emission technologies, and global emissions continue to rise. From the 2030s, renewable energy generation meets additional global energy demand, with electricity use rising four times greater than overall energy demand to 2035. Underwriting and risk models face challenges due to increased claims, while sudden reactionary political change and policy shifts in response to society's reaction to increased climate-related impacts, increases the investment risk of carbon-intensive assets. Investments require physical climate risk assessment and businesses face supply chain disruptions and experience increased costs from adaptation measures essential for resilience.</p>

### Climate resilience

The Acenda Group conducted climate related scenario analysis in 2025 to stress test the business strategy and assess its resilience to climate change. Specifically, we used a 1.5°C scenario based on the IEA<sup>8</sup> net zero emissions and 3°C scenarios based on IEA STEPS 1 and IPCC 3-7.0<sup>9</sup> reference scenarios (described in Table 5). These scenarios cover a diverse range of climate scenarios to stress test against high transition risk and high physical risk scenarios respectively. There are significant areas of uncertainty in this assessment, including the effects of climate-related risks on the life insurance sector in the long-term and the ability of the sector to respond to these changes.

### Underwriting

Our capacity to adapt and remain resilient to climate change is influenced by the ability to maintain financial flexibility to allocate capital effectively towards emerging risks and opportunities. Acenda Group life insurers have the capacity to adjust premiums and bonuses as needed, within the bounds of its contractual, legal and regulatory obligations, which are typically 1-2 years in length. Claims experience, sales, retention and trends are analysed and reported through management and board committees, providing data and insight that allow our life insurance businesses to identify customer behaviours, patterns, claim reasons and allows us to adjust pricing and products as necessary within the identified time horizons.

### Investment portfolio

There is substantial uncertainty surrounding how transition and physical risks could affect the investment portfolio over the medium and long term. However, each life insurer uses a diverse range of mostly liquid investment assets to meet its claims and other liquidity needs, which can be changed based on identified climate-related and other market changes and trends.

### Assessment of resiliency

Our 1.5°C (high transition risk) scenario assessment of the Acenda Group's businesses found that the strategy and processes are in place to monitor the impact of climate-related transition risks on investment returns and customer product demand, and that the ability to change product offerings, pricing and investment portfolios to address the

short-term risk is likely to provide a sufficient response. Flexible financial resources are also accessible to provide financial resilience against transition risks such as perceived lack of green credentials or ability to redesign products with green credentials.

Our 3°C (high physical risk) scenario assessment similarly found that the capacity to adapt the insurance product offerings, pricing and further transition investment portfolios away from exposed sectors would mitigate the impact of climate-related physical risks across the short-, medium- and long-terms. The financial effects from physical risk are expected to be immaterial in the short term. Into the medium and long terms, the capacity to respond to physical risks despite the uncertainty of the financial effects suggests that the overall business of the Acenda Group is likely to be sufficiently resilient against climate-related physical risks.

The Group's climate-related risk and opportunity assessment found that there were no material financial effects from climate-related risks or opportunities in the short term once mitigating actions are considered (see Tables 2, 3 and 4). The Acenda Group currently has no material investment or disposal plans to further manage climate-related risks or opportunities that would impact its financial position. Current plans to divest from investments that fall outside of the Group ESG investment Policy are financially immaterial.

The Acenda Group met challenges when assessing quantitative financial effects for 2025 due to uncertainty in anticipated financial effects resulting from lack of data, as well as Group-level resource capacity and acquisition timing. Nonetheless, as at the reporting date, the Acenda Group does not expect to see any material change to its overall financial position, performance, or cash flow over the short term due to climate-related risks or opportunities.

### Transition plan development

The Acenda Group is developing a comprehensive Group-level transition plan as we integrate our recently acquired businesses and develop Group-level strategies. Efforts are focused on evaluating existing risk identification, controls, operational processes, reporting and oversight processes, and on identifying potential enhancements in order to identify the necessary inputs for an effective and robust transition plan. Over the past year climate change planning tools have been developed, improvements made to greenhouse gas inventory and ways to integrate climate change

<sup>8</sup> IEA (2025) *Stated Policies Scenario (STEPS)*, available at: <https://www.iea.org/reports/global-energy-and-climate-model/stated-policies-scenario-steps>.  
IEA (2019) *Understanding the World Energy Outlook Scenarios*, available at: <https://www.iea.org/commentaries/understanding-the-world-energy-outlook-scenarios>.

<sup>9</sup> *Intergovernmental Panel on Climate Change (IPCC), Sixth Assessment Report (AR6), SSP3-7.0 scenario*

## Strategy *continued*

considerations into the Group's stress-testing framework continued being explored.

Further engagement with internal and external stakeholders is being prioritised to align transition priorities, build awareness and expertise across teams, continue assessment of sector-specific pathways to achieve a lower carbon future, and to improved data collection and methodologies, particularly around GHG emissions.

As at 31 December 2025, the Acenda Group had no Group-level climate-related targets.

### **Resourcing**

As an insurance and investment business, risk management is highly integrated into the organisation's processes and decision making. The Acenda Group currently considers climate-related funding requirements in its annual business planning processes.

For 2025, Acenda Group did not have material costs associated with climate mitigation and adaptation efforts, or implementation of climate strategy. Similarly, there is currently no specific and separate resourcing exclusively for managing climate related risks, opportunities or mitigants for the Acenda Group.

# Risk Management

## Overall approach to managing risks

Climate related risks and opportunities are ultimately managed at the Group level. The Acenda Group risk management framework subjects climate change risk to the same identification, measurement, management, monitoring and reporting requirements as other risk types, enabling it to be integrated into the overall risk management approach. The Group's risk management programme (RMP) is comprised of a Risk Management Strategy and Framework (RMF) and the Risk Appetite Statement. The RMP, together with other specific policies and procedures, ensures consideration is given to the impact of climate risks on the Group's investment portfolio assets.

The RMF provides a holistic and consistent way in which to identify, measure, manage, monitor and report on all types of risks within the organisation, including climate risks. This framework allows for materiality and proportionality of risks to be considered in a manner consistent with the nature, scale and complexity inherent to the Group's business. The RMF sets out the minimum requirements in respect of the key risk management processes.

Strong risk management is at the heart of the strategy, and the Acenda Group's risk strategy and risk preferences are aligned with its business strategy. The risk strategy sets out qualitative statements about our risk philosophy, desired risk outcomes, risk preferences, and also provides visibility on how risk management is incorporated consistently across all levels of the Group. The risk strategy includes climate risk and is reviewed and approved annually by the Board as part of the strategy review and strategic planning process.

No parts of the value chain are excluded from the RMP.

## Identifying, assessing and managing climate-related risks

Climate-related risks were identified through the scenario analysis process described in the Strategy section above. Once identified, climate related risks are assessed and managed consistent with Acenda Group's broader risks, as summarised in Table 6. Climate-related opportunities were not part of these processes in 2025.

The risk categories shown in Figure 2 set out how the Acenda Group measures and manages its material risk exposures. Relevant metrics are reported in a consistent format and on a regular basis. This provides a sound basis for monitoring the Acenda Group's risk profile against its risk appetite. Trends, as well as the absolute risk level, are important indicators. In recognising the need to consider climate change within the

business, Sustainability (which includes climate) has been included as a Level 2 risk and sits within the strategic risk category in the risk universe. Its potential long-term impact on business sustainability, risks and potential opportunities, regulatory compliance, and financial stability have made Sustainability important enough to be a standalone category within the risk taxonomy for dedicated management and accountability.

Stress and scenario testing (including climate risk stress testing) is performed at least annually, and climate risks follow the same processes as non-climate risks.

Figure 2: Risk categorisation at the Acenda Group



## Risk Management *continued*

**Table 6: Risk management processes and programs relevant to climate-related risks**

Process/ Programme	Function	Description
<b>Risk Management Programme (RMP)</b>	Helps identify climate-related risk and sets the business' assessment approach	The RMP defines how the Group identifies and manages risks and how risks within the organisation are recorded, reported and escalated. The RMP is aligned to the Enterprise Risk Management Framework (ERMF). It sets out a summary of the risk management strategy, governance frameworks, policies, processes, and key accountabilities that govern risk. The RMP is supported by specific Standards and Policies which help identify and assess risks in a structured way and summarise how these risks are managed or controlled. Risk owners use the risk management tool, GRC, to provide risk assessments and reporting across the business. The RMP is reviewed regularly (at least every two years, or as triggered by relevant changes). The RMP considers climate-related risks as a strategic, insurance and operational risk.
<b>Risk universe</b>	Identification of all reasonably foreseeable and relevant risks	The Risk universe is a catalogue identifying all reasonably foreseeable and relevant risks facing the business, including climate risk. The potential impact and materiality of these risks are regularly assessed throughout the year in accordance with a probability and impact matrix that considers both financial and non-financial risk impacts. The measurement process includes an evaluation or comparison of the risk exposure to the stated risk appetite tolerances, as well as mitigating factors that may bring a risk within tolerance.
<b>GRC</b>	Provides tool for the management of risks	GRC is the Group's risk management tool. This requires risk owners to complete high level summary climate-related risk assessments using similar processes and tools to those they would use when assessing other risks, supplemented by the insight gained through the climate change scenario process. The risk summaries are integrated into the Chief Risk Officer report to management and to the Board Risk Committee. GRC requires reporting against the three types of climate-related risks set out in the RMP (see Tables 2 and 3 for risk descriptions).
<b>Risk Appetite Statement (RAS)</b>	Sets risk appetite for certain risks	The RAS describes the risk appetite the Acenda Group is willing to accept to pursue its strategic objectives and business plans. Following endorsement from the Board Risk Committee, the Board approves the RAS and reviews it annually. This considers climate-related risks as both a strategic risk and an operational risk.
<b>Three Lines of Defence Model</b>	Provides a controls framework for checking risk identification and assessment is appropriate	The Three Lines of Defence model has been established to ensure appropriate risk ownership, risk oversight and independent assurance is in place to successfully implement the RMP. The Three Lines of Defence include: <ol style="list-style-type: none"> <li>1. All people are responsible for identifying, assessing and managing the risk and control environment and work to comply with Acenda Group's frameworks, policies and risk appetite.</li> <li>2. The second line risk team reports to the GCRO, and is accountable for oversight, advice, and reporting on risk and compliance matters. The GCRO has a direct reporting line to the Group CEO and direct access to the Board Risk Committee.</li> <li>3. Internal and External Audit provide assurance in accordance with the Internal Audit Plan to the Board Risk Committee on the quality and effectiveness of the Acenda Group RMP.</li> </ol>
<b>ESG Policy</b>	Policy supporting implementation of sustainability practices	The ESG Policy sets out the Acenda Group's beliefs and commitments to environmental and social responsibility and good corporate governance, to customers, investors, employees, regulators, and the communities in which the Acenda Group operates. The Policy supports Acenda Group's compliance with mandatory climate-related disclosure requirements. The Policy covered the period ending September 2025. Given the merger activity and the integration of organisational policies and processes, the renewal of this policy is flagged for Q3 in FY26.

## Risk Management *continued*

### **Risk measurement/assessment**

The Acenda Group has processes to evaluate and measure all identified risks, both qualitatively and, where appropriate, quantitatively, regularly throughout the year. The measurement process includes an evaluation or comparison of the risk exposure to the stated risk appetite tolerances and considers mitigants currently in place.

When considering climate risk within the investment portfolios, the first line of defence, the Investment Management team, requires external investment managers to consider all factors that may impact an issuing company's ability to pay the relevant coupons, dividends and the principal across the lifetime of each asset. This approach requires investment managers to consider climate-related risk in a holistic way on a bottom-up basis. The first line of defence is then able to engage on these areas as part of quarterly review meetings with the asset managers on a portfolio level and are formalised through the annual ESG questionnaire, designed and reviewed by the Investment Management Team.

Portfolio level carbon intensity and investment portfolio climate scenario analysis is also carried out by the Investment Management Team to assess how exposed the Acenda Group's investment portfolios are to climate risk. This generates areas of focus to consider more broadly as part of the Acenda Group's Sustainability Strategy.

### **Risk monitoring**

Risk exposures are monitored on an ongoing basis with oversight from the Risk and Compliance committee. Where appropriate, control points and limits are established for heightened monitoring. The risk management system includes early warnings or triggers to allow timely consideration of, and adequate response to, material risks. Key risk indicators are used to monitor risk on a day-to-day basis, allowing for the proactive management of risks.

Risk monitoring and reporting is carried out by the responsible managers in the first line of defence, with appropriate oversight and assurance from the second and third lines of defence.

### **Climate-related opportunities management process**

The Acenda Group risk management framework integrates climate-related risks into its processes. In alignment with this approach, the identification of climate-related opportunities was initiated between October and December 2025. This exercise involved engagement with external experts and third-party providers to conduct scenario analysis and assess the Acenda Group, including its various investment portfolios. This work aimed to determine climate opportunities relevant to the Acenda Group and inform strategic decision-making going forward. The resulting climate-related risks and opportunities identified are disclosed in Tables 2-4.

# Metrics and Targets

## Emissions reporting

Since 2023, scope 1 and 2 GHG emissions data has been reported for the Group's New Zealand-based business, Resolution Life and Asteron Life, in annual mandatory Climate Statements under the Aotearoa New Zealand Climate Standards (NZ CS).

In addition, quarterly sustainability scorecards have been maintained for each Acenda Group insurance business, which include performance data on energy consumption, GHG emissions, renewable energy certificates, waste and travel. These are presented to the Sustainability Working Group, Sustainability and Risk and Compliance Management Committee on a quarterly basis and ultimately reviewed by the NOHC Board. Data collected in the scorecards allow us to determine the business' areas of focus.

Any dollar amounts referred to in the disclosure are in Australian dollars, which is the presentation currency of the related financial statements.

## GHG emissions data

Scope 1 & 2 GHG emissions are measured in accordance with The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) (the GHG Protocol).

The Acenda Group's GHG emissions inventory is measured using the operational control approach. We prefer this approach over the financial control or equity share consolidation approaches because it gives a fuller view of the business' emissions. It represents the activities and operations of the Group along with the GHG emissions over which the business has control, including various material emissions sources which the financial control and equity share consolidation approaches exclude. The measurement approach, inputs and assumptions used, and the reason for their selection are provided at Appendix 1.

GHG emissions factors were obtained from the following sources:

- Australian National GHG Factors 2025
- New Zealand Government Ministry for the Environment Emission Factors 2025
- National Greenhouse Accounts Factors 2025 (NGAF 2025) published 2025 by the Department of Climate Change, Energy, the Environment and Water (DCCEEW)
- The Renewable Power Percentage (Clean Energy Regulator)

A summary of the GHG emissions calculations methods, emissions factors, assumptions and estimation uncertainty is contained in Appendix 1.

## Scope 1 and 2 GHG emissions

Scope 1 emissions are predominately from natural gas used to heat offices, and fuel consumed by fleet vehicles. Acenda Group did not have any Scope 1 emissions in 2025.

Scope 2 emissions are from electricity consumed in the Group's offices and are disclosed using both the location-based and market-based methods. Market-based Scope 2 emissions are less than location-based emissions as they include renewable energy certificates purchased from third party providers.

As part of the Group's decarbonisation strategy under the terms of agreement, the Group purchased renewable energy certificates, which accounts for approximately 95% of the total electricity consumption. These certificates are purchased from Green Power in Australia and Meridian Energy in New Zealand and offset our market-based Scope 2 GHG emissions.

**Table 7: Scope 1 and 2 GHG emissions for the year 1 January 2025 - 31 December 2025**

Emissions source	FY25 GHG emissions (tCO <sub>2</sub> -e)*
Scope 1	-
Scope 2 (location-based)	157.0
Scope 2 (market-based)	7.3
<b>Total Scope 1 and 2 (location-based) emissions</b>	<b>157.0</b>
<b>Total Scope 1 and 2 (market-based) emissions</b>	<b>7.3</b>

\* Inclusion of Acenda Life and Asteron emissions data is from the date they joined the NOHC group, being 31 October 2025 and 1 February 2025 respectively.

In 2025, we calculated certain Scope 3 emissions which represent the largest portion of GHG emissions across the business' value chain, specifically from financed emissions associated with the Acenda Group's investments. Scope 3 GHG emissions (in accordance with AASB Appendix C4(b)) and comparative information (in accordance with AASB Appendix C3) are not disclosed in this report, while the Acenda Group focuses on improving and aligning the quality of the Scope 3 data across the Group entities.

## Metrics and Targets *continued*

### Climate-related risk and opportunities exposure

In January 2026, we undertook physical and transition risk exposure analysis. Of NOHC's total \$35 billion AUM, this analysis covered \$24.3 billion of Resolution Life Australasia's total \$28.5 billion AUM. The information below relates to Resolution Life Australasia only, however we plan to address our full investment exposure in future.

Coverage from the external climate data provider does not extend to private credit, cash, derivatives, corporate securitised assets, or sovereign and local government securities. As a result, the assessment captured \$18.4 billion of Resolution Life Australasia's listed assets with full vendor coverage, supplemented by \$5.9 billion evaluated using appropriate proxies for unlisted assets and selected private credit exposures. Overall, the analysis captures approximately 85% (\$24.3bn) of Resolution Life Australasia's total investment portfolio.

There are limitations on our current ability to estimate our exposure to climate-related risks and opportunities:

- As at 31 December 2025, climate information on the investment portfolio exposure of Acenda Life (representing 17% or \$6.0bn of the consolidated Acenda Group's assets) to transition and physical risks was unavailable and therefore has not been included in this Group analysis.
- Our exposure analysis is currently limited to risks impacting the Acenda Group's various investment portfolios. Supportable information was not available to estimate the exposure of the underlying investments that back the Group's insurance products to the physical risks outlined in Table 2 or to our exposure to climate-related opportunities outlined in Table 4. This is due to a current lack of available data on the impact of these risks and opportunities to the life insurance sector and our business.

None of our assets were aligned to climate related opportunities in 2025.

### Transitional Risk Exposure

Carbon pricing is a key driver underpinning transition risks to the Acenda Group's various investment portfolios. To help navigate this, an independent provider of climate-related market analysis has developed a dataset projecting possible future carbon prices. This dataset allows for stress testing of an investee's ability to manage potential costs over time. Central to this assessment is the quantification

of an Unpriced Carbon Cost (UCC), which is the difference between what a company pays for emitting carbon today and what it may pay in the future.

The UCC varies depending on the industry, the geographic regions where emissions occur, the selected scenario, and the reference year. Under the most exposed, high transition risk scenario the independent provider anticipates that by 2050, carbon pricing will reach levels necessary to limit global warming to within 2°C above pre-industrial levels.

The following assessment relates solely to the Resolution Life investment portfolio. Assessments for Acenda Life, Asteron Life and other Acenda Group member companies are not yet available.

### Resolution Life Physical Risk Exposure

A medium term assessment for the Resolution Life investment portfolio under a high transition scenario resulted in 11% EBITDA at risk.

To assess the physical impacts of climate change, we conducted an assessment for the medium term time horizon (2030) using two scenarios from the Intergovernmental Panel on Climate Change (IPCC): SSP1 – 2.6 and SSP3 – 7.0. These scenarios were analysed against a 1.5°C scenario and a 3.0°C or greater scenario.

The physical risk assessment framework considers eight major climate hazards:

- Wildfires
- Extreme cold
- Extreme heat
- Water stress
- Coastal flood
- River line flood
- Tropical cyclone
- Drought

Under the highest warming scenario, at 2030, the Resolution Life exposure and financial impacts were assessed as:

- 29.4<sup>10</sup> exposure score – a point-in-time measure of exposure to climate hazards
- 2% financial impact – the projected financial consequences of changing climate hazard exposure

<sup>10</sup> This is a Physical Risk Score relative to the global universe of assets/companies ranging from very low exposure of 1 to very high exposure of 100, representing exposure to any specific physical risk hazard at a given location (asset) or weighted average of multiple locations (company) under a given scenario and time period. The score indicates a relative exposure and intensity score, not a loss estimate. It reflects exposure to 8 climate hazards across geolocated assets relative to global conditions under a given scenario and time horizon.

## Metrics and Targets *continued*

relative to baseline, expressed as potential climate-related losses, such as those from capital expenditure, operational expenditure, or business interruptions

Both metrics are calculated as investment-weight averages of constituent scores/impacts at the portfolio or benchmark level.

### **Capital investment deployment**

During 2025, the Acenda Group did not incur any material capital costs deployed towards actions primarily targeting the management of climate-related risks and opportunities.

### **Internal emissions pricing**

The Acenda Group does not currently utilise an internal price for emissions.

### **Climate-linked remuneration**

The remuneration framework for executives and management is not linked to managing climate-related risks and opportunities.

### **Targets and Performance Indicators**

The Acenda Group is in the early stages of its sustainability journey and also continuing its ongoing integration of Acenda Life and Resolution Life. At this point, focus has been on measuring scope 1 and 2 GHG emissions, integrating data and systems, and improving data quality. While efforts to reduce its GHG emissions continue, specific emissions reduction targets are yet to be set for the Group. Establishing an integrated sustainability strategy and targets will be a priority for 2026 as the business is further integrated.

2025 targets previously in place for Acenda Life will form part of the review of the Group sustainability strategy in 2026. Resolution Life and Asteron Life do not have climate related targets in place.

Other targets or key performance indicators are not currently used by the Acenda Group to measure and manage climate-related risks and opportunities.

# Appendix 1

## GHG emissions footprint: Calculation methods, emissions factors, assumptions, estimation uncertainty and exclusions

A summary of the GHG emissions calculation methodology, assumptions and estimation uncertainties for the Acenda group is contained in Table 8 by emissions source.

**Table 8: Emissions inventory details by source**

Scope 1			
Emissions source	Calculation methodology and data source	Emissions factor	Key assumptions and uncertainties
No emissions reported in the period			
Scope 2			
Emissions source	Calculation methodology and data source	Emissions factor	Key assumptions and uncertainties
Purchased electricity - Australia	GHG emissions were calculated using electricity activity data (kWh) converted to MWh (kWh/1000) and multiplied by the appropriate Scope 2 emission factors under dual reporting: location and market-based methods.	Australian National GHG Factors for Electricity – Location and Market based factors.	Electricity data is assumed to be true and correct. Dual reporting applied using published location-based and market-based factors. Activity data is based on invoices from electricity providers, which are assumed to be highly accurate.
Purchased electricity – New Zealand	GHG emissions were calculated using electricity activity data (kWh) converted to MWh (kWh/1000) and multiplied by the appropriate Scope 2 emission factors under dual reporting: location and market-based methods	Location based: MfE- Emission Factors Workbook 2025, Purchased Energy tab (NZ grid average). Market-based: BraveTrace – Residual Supply Mix (RSF)	Activity data is based on invoices from electricity providers, which are assumed to be highly accurate.



## Independent Auditor’s Review Report to the Members of Nippon Life Australia and New Zealand NOHC Pty Limited

### Review Conclusion

We have conducted a review of the following specified Sustainability Disclosures in the Sustainability Report of Nippon Life Australia and New Zealand NOHC Pty Limited (the “Company”) and its subsidiaries (the “Group”) for the year ended 31 December 2025 as required by Australian Standard on Sustainability Assurance ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* (“ASSA 5010”) issued by the Auditing and Assurance Standards Board (“AUASB”):

Sustainability Disclosures	Reporting requirement of Australian Sustainability Reporting Standard AASB S2 <i>Climate-related Disclosures</i> (“AASB S2”) (including related general disclosures required by Appendix D)	Location in the Sustainability Report
Governance	Paragraph 6	Pages 6 to 8
Strategy (risk and opportunities)	Subparagraphs 9(a), 10(a) and 10(b)	Pages 9 to 19
Scope 1 and 2 emissions	Subparagraphs 29(a)(i)(1) to (2) and 29(a)(ii) to (v)	Pages 23 to 25

The requirements of AASB S2 identified in the table above form the criteria relevant to the specified Sustainability Disclosures and apply under Division 1 of Part 2M.3 of the *Corporations Act 2001* (the “Act”).

We have not become aware of any matter in the course of our review that makes us believe that the Sustainability Disclosures specified in the table above do not comply with Division 1 of Part 2M.3 of the *Corporations Act 2001*.

### Basis for Conclusion

Our review has been conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements* (“ASSA 5000”) issued by the AUASB. Our review includes obtaining limited assurance about whether the specified Sustainability Disclosures are free from material misstatement.

In applying the relevant criteria, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2.

Our conclusion is based on the procedures we have performed and the evidence we have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an audit been performed. See the ‘*Summary of the Work Performed*’ section of our report below.

Our responsibilities under ASSA 5000 are further described in the ‘*Auditor’s Responsibilities*’ section of this report.

We are independent of the Group in accordance with the applicable ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting

Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to June 2024 (the “Code”), together with the ethical requirements in the Act, that are relevant to our review of the specified Sustainability Disclosures. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code.

We confirm that the independence declaration required by the Act, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor’s report.

Our firm applies Australian Standard on Quality Management ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

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

### **Other information**

The directors of the Group are responsible for the other information. The other information comprises the information included in the Group’s annual report for the year ended 31 December 2025 but does not include the specified Sustainability Disclosures and our auditor’s report thereon.

Our conclusion on the specified Sustainability Disclosures does not cover the other information and we do not express any form of assurance conclusion thereon. The other information includes the financial report upon which we have performed an audit and issued a separate auditor’s report.

In connection with our review of the specified Sustainability Disclosures, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the specified Sustainability Disclosures, or our knowledge obtained when conducting the review, 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.

### **Responsibilities for the Specified Sustainability Disclosures**

The Directors of the Group are responsible for:

- a) The preparation of the specified Sustainability Disclosures in accordance with the Act; and
- b) Designing, implementing and maintaining such internal control necessary to enable the preparation of the specified Sustainability Disclosures, in accordance with the Act that are free from material misstatement, whether due to fraud or error.

### **Inherent Limitations in Preparing the Specified Sustainability Disclosures**

*Greenhouse gas emissions quantification is subject to significant measurement uncertainty, which arises because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases. The comparability of sustainability information between entities and over time may be affected by inconsistencies in the methods to estimate or measure those emissions, due to different, but acceptable, methods applied.*

## **Auditor's Responsibilities**

Our objectives are to plan and perform the review to obtain limited assurance about whether the specified Sustainability Disclosures are free from material misstatement, whether due to fraud or error, and to issue a review report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the specified Sustainability Disclosures.

As part of a review in accordance with ASSA 5000, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatements, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control.
- Design and perform procedures responsive to assessed risks of material misstatement at the disclosure level. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

## **Summary of the Work Performed**

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the specified Sustainability Disclosures. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error. In conducting our review, we:

- *Performed inquiries and walkthroughs to obtain an understanding of the reporting process for preparing the specified Sustainability Disclosures, including the identification of individuals involved and an understanding of key systems used.*
- *With respect to Governance disclosures:*
  - *Inquired with management and personnel responsible for the oversight of climate-related risk and opportunities to obtain an understanding of the Group's processes, controls and procedures to monitor, manage and oversee its climate-related risks and opportunities; and*
  - *Performed walkthroughs and inspected the Group's internal information (e.g. Board meeting minutes, terms of reference, committee charters and internal policies).*
- *With respect to Strategy (risk and opportunities) disclosures:*
  - *Obtained an understanding of the Group's process for identifying and assessing its climate-related risks and opportunities across its reporting boundary, including management's materiality assessment process, by performing inquiries to understand the sources of the information used by management (e.g. value chain mapping, strategy documents, stakeholder engagement, peer benchmarking) and inspecting the Group's internal documentation of this process; and*
  - *Assessed whether the climate-related risks and opportunities disclosed are appropriate and complete, based on management's process and judgements, and whether they have been accurately described and classified.*
- *With respect to Scope 1 and 2 emissions disclosures:*
  - *Obtained an understanding of the measurement approach, inputs and assumptions used to measure the Group's greenhouse gas emissions through inquiries, walkthroughs and inspection of process flow documentation, calculations and underlying support;*

- *Performed analytical procedures (e.g. trend analysis or ratio analysis or independent expectations);*
- *Agreed a sample of the underlying emissions data to supporting documentation and checked the mathematical accuracy of management's calculations;*
- *Assessed the relevance and reliability of emissions factors used by management; and*
- *Evaluated whether management has appropriately applied the requirements of AASB S2 and the GHG Protocol in developing estimates used to report emissions, and whether the methods for developing such estimates are appropriate and have been applied consistently.*
- *Reconciled the specified Sustainability disclosures in the sustainability report to underlying supporting calculations and/or testing.*
- *Evaluated the overall presentation of the specified Sustainability Disclosures in the sustainability report and considered whether the specified Sustainability Disclosures as a whole are disclosed in accordance with the relevant requirements of AASB S2.*

*Our procedures did not include assessing the adequacy of design or operating effectiveness of controls, assessing the adequacy of the Group's governance framework and processes or separately developing our own estimate to compare with the Group's estimates.*

*Deloitte Touche Tohmatsu*

DELOITTE TOUCHE TOHMATSU



Stuart Alexander  
Partner  
Chartered Accountants

Sydney, 27 March 2026