-GREENHOUSE GAS EMISSIONS INVENTORY AND MANAGEMENT REPORT

Toitū carbonreduce programme

Prepared in accordance with ISO 14064-1:2018 and the Technical Requirements of the Programme

NXP Limited

Prepared by (lead author): Dale Bamford, CFO and Anne-Marie Sutton, CEO of NXP Limited

Dated: 14 October 2026

Verification status: Toitū Envirocare certification team to complete

Measurement period: 01 January 2025 to 31 December 2025

Base year period: 01 January 2023 to 31 December 2023

Approved for release by:



Anne-Marie Sutton, CEO

COPYRIGHT

Enviro-Mark Solutions Limited (trading as Toitū Envirocare) holds all copyright and intellectual property rights in the format and structure of the template for this Greenhouse Gas Emissions Inventory and Management Report.

NXP Limited prepared this report output and retains ownership of the intellectual property rights in the data and information that is included in the report and grants Toitū Envirocare the right to use it for the purposes of the report and for programme-related purposes.

The report's template (i.e. the black text) must not be altered as doing so may invalidate NXP Limited's claim that its inventory is compliant with the ISO 14064-1:2018 standard.

If the template is copied by NXP Limited, the source must be acknowledged. It must not be copied, adapted or distributed to or by third parties for any commercial purpose without the prior written permission of Toitū Envirocare.

DISCLAIMER

The template has been provided by Enviro-Mark Solutions Limited (trading as Toitū Envirocare). While every effort has been made to ensure the template is consistent with the requirements of ISO 14064-1:2018, Toitū Envirocare does not accept any responsibility whether in contract, tort, equity or otherwise for any action taken, or reliance placed on it, or for any error or omission from this report. The template should not be altered (i.e. the black text); doing so may invalidate the organisation's claim that its inventory is compliant with the ISO 14064-1:2018 standard.

This work shall not be used for the purpose of obtaining emissions units, allowances, or carbon credits from two or more different sources in relation to the same emissions reductions, or for the purpose of offering for sale carbon credits which have been previously sold.

The consolidation approach chosen for the greenhouse gas inventory should not be used to make decisions related to the application of employment or taxation law.

This report shall not be used to make public greenhouse gas assertions without independent verification and issue of an audit opinion by Toitū Envirocare.

AVAILABILITY

For use internally and available for external use with permission from the CEO.

REPORT STRUCTURE

The Inventory Summary contains a high-level summary of this year's results and from year 2 onwards a brief comparison to historical inventories.

Chapter 1, the Emissions Inventory Report, includes the inventory details and forms the measure step of the organisation's application for Programme certification. The inventory is a complete and accurate quantification of the amount of GHG emissions and removals that can be directly attributed to the organisation's operations within the declared boundary and scope for the specified reporting period. The inventory has been prepared in accordance with the requirements of the Programme[1], which is based on the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) and ISO 14064-1:2018 Specification with Guidance at the Organization Level for

[1] Programme refers to the Toitū carbonreduce, Toitū net carbonzero and the Toitū climate positive programmes.

Quantification and Reporting of Greenhouse Gas Emissions and Removals[2]. Where relevant, the inventory is aligned with industry or sector best practice for emissions measurement and reporting.

Chapter 2, the reduction plan and progress report, forms the manage step part of the organisation's application for Programme certification.

See Appendix 1 and the related Spreadsheet for detailed emissions inventory results, including a breakdown of emissions by source and sink, emissions by greenhouse gas type, and non-biogenic and bio-genic emissions. Appendix 1 also contains detailed context on the inventory boundaries, inclusions and exclusions, calculation methodology, liabilities, and supplementary results.

This overall report provides emissions information that is of interest to most users but must be read in conjunction with the inventory workbook for covering all of the requirements of ISO 14064-1:2018.

[2] Throughout this document 'GHG Protocol' means the *GHG Protocol Corporate Accounting and Reporting Standard* and 'ISO 14064-1:2018' means the international standard *Specification with Guidance at the Organizational Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals*.

CONTENTS

COPYRIGHT 2
Disclaimer 2
Availability 2
Report Structure 2
Contents 4
Tables 5
Figures 5
Executive summary 6
Chapter 1: Emissions Inventory Report 8
1.1. Introduction 8
1.2. Emissions inventory results 8
1.2.1. Dual reporting of indirect emissions from purchased and generated energy 11
1.3. Organisational context 12
1.3.1. Organisation description 12
1.3.2. Statement of intent 13
1.3.3. Person responsible 13
1.3.4. Reporting period 14
1.3.5. Organisational boundary and consolidation approach 14
1.3.6. Excluded business units 15
Chapter 2: Emissions Management and Reduction Report 16
2.1. Emissions reduction results 16
2.2. Significant emissions sources 23
2.3. Emissions reduction targets 25
2.4. Emissions reduction projects 27
2.5. Staff engagement 29
2.6. Key performance indicators 29
2.7. Monitoring and reporting 30
Appendix 1: Detailed greenhouse gas inventory 31
A1.1 Reporting boundaries 34
A1.1.1 Emission source identification method and significance criteria 34
A1.1.2 Included sources and activity data management 34
A1.1.3 Excluded emissions sources and sinks 42
A1.2 Quantified inventory of emissions and removals 42
A1.2.1 Calculation methodology 42
A1.2.2 Supplementary results 43
A1.2.2.1 Double counting and double offsetting 43
Appendix 2: Significance criteria used 44
Appendix 3: Certification mark use 45
Appendix 4: References 46
Appendix 5: Reporting index 47

© ENVIRO-MARK SOLUTIONS LIMITED 2020

TABLES

Table 1: Inventory summary 6
Table 2: Emissions inventory summary for this measurement period 8
Table 3. Dual reporting of indirect emissions from imported energy 12
Table 4. Brief description of business units, sites and locations included in this emissions inventory .. 15
Table 5: Comparison of historical GHG inventories 16
Table 6. Performance against plan 21
Table 7. Emission reduction targets 26
Table 8. Projects to reduce emissions 27
Table 9. Projects to improve data quality 29
Table 10. Direct GHG emissions and removals, quantified separately for each applicable gas 31
Table 11. Non-biogenic, biogenic anthropogenic and biogenic non-anthropogenic CO_2 emissions and removals by category 33
Table 12. GHG emissions activity data collection methods and inherent uncertainties and assumptions 36
Table 13. GHG emissions sources excluded from the inventory 42
Table 14. Significance criteria used for identifying inclusion of indirect emissions 44

FIGURES

Figure 1: Emissions (tCO_2e) by Category for this measurement period 7
Figure 2: Emissions (tCO_2e) by category 10
Figure 3: Emissions (tCO_2e) by business unit 11
Figure 4: Top 10 emissions (tCO_2e) by source 11
Figure 5: Organisational structure 15
Figure 6: Comparison of gross emissions (tCO_2e) by category between the reporting periods 18
Figure 7: Comparison of gross emissions (tCO_2e) by subcategory between the reporting periods 19
Figure 8: Comparison of gross emissions (tCO_2e) by business unit between the reporting periods 19
Figure 9: Performance against target since base year 20

© ENVIRO-MARK SOLUTIONS LIMITED 2020

EXECUTIVE SUMMARY

This is the annual greenhouse gas (GHG) emissions inventory and management report for NXP Limited covering the measurement period 01 January 2025 to 31 December 2025.[3]

Total net emissions for the NXP Group for 2025 were 913 tCO_2e, a reduction on the prior year of 7%, or 66 tCO_2e. Progress since our base year of 2023 is now a reduction of 22% or 259 tCO_2e. NXP's largest emission category is Category 3: Indirect emissions from transportation, generated by freight activity and employee commuting.

Table 1: Inventory summary

Category (ISO 14064-1:2018)	**Scopes (ISO 14064-1:2006)**	**2023**	**2024**	**2025**
Category 1: Direct emissions (tCO_2e)	Scope 1	186.96	206.36	225.24
Category 2: Indirect emissions from imported energy (location-based method*) (tCO_2e)	Scope 2	42.91	60.58	44.87
Category 3: Indirect emissions from transportation (tCO_2e)	Scope 3	760.05	597.46	522.26
Category 4: Indirect emissions from products used by organisation (tCO_2e)		180.24	114.32	120.44
Category 5: Indirect emissions associated with the use of products from the organisation (tCO_2e)		0.00	0.00	0.00
Category 6: Indirect emissions from other sources (tCO_2e)		0.00	0.00	0.00
Total direct emissions (tCO_2e)		**186.96**	**206.36**	**225.24**
Total indirect emissions* (tCO_2e)		**983.21**	**772.36**	**687.57**
Total gross emissions* (tCO_2e)		**1,170.17**	**978.72**	**912.81**
Category 1 direct removals (tCO_2e)		0.00	0.00	0.00
Total net emissions (tCO_2e)		**1,170.17**	**978.72**	**912.81**

*Emissions are reported using a location-based methodology. See section 1.2.1 for details.1.2.1

[3] Throughout this document "emissions" means "GHG emissions". Unless otherwise stated, emissions are reported as tonnes of carbon dioxide equivalent (tCO_2e).

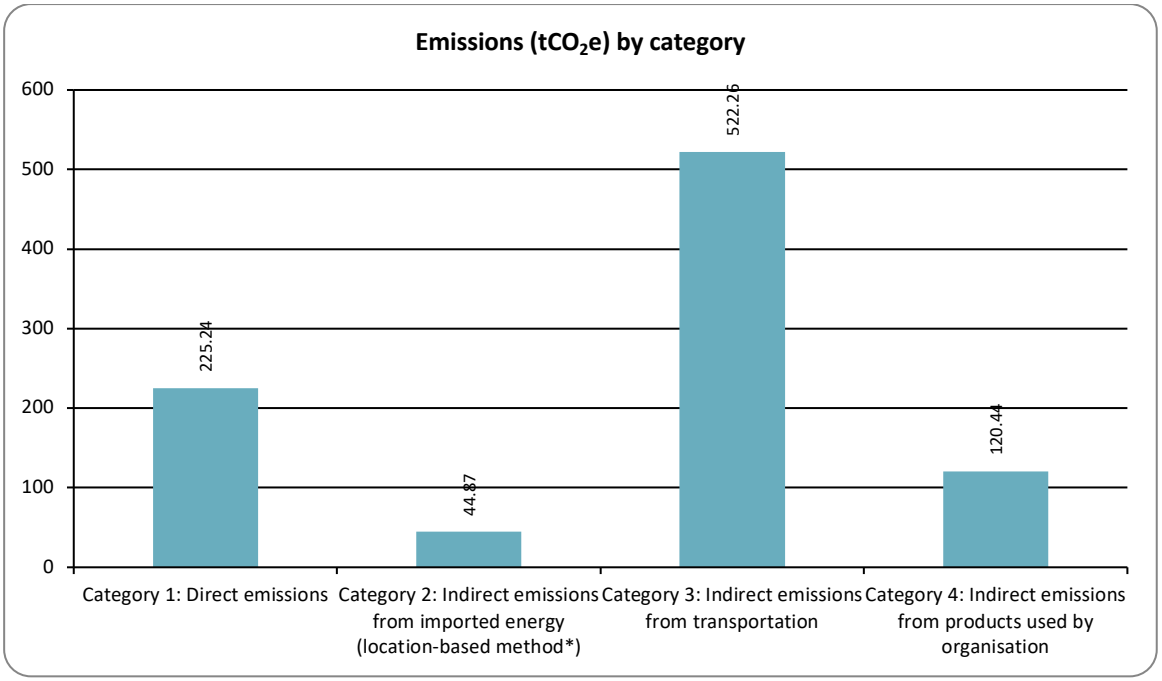


Figure 1: Emissions (tCO_2e) by Category for this measurement period

CHAPTER 1: EMISSIONS INVENTORY REPORT

1.1. INTRODUCTION

This report is the annual greenhouse gas (GHG) emissions inventory and management report for NXP Limited.

The purpose of this report is to measure and manage our GHG emissions and forms an integral part of our effort to improve our company sustainability. NXP's commitment to sustainability and improving corporate responsibility is outlined in our Environment, Social and Governance (ESG) policy, last updated in May 2026.

The inventory report and any GHG assertions are expected to be verified by a programme-approved, third party auditor. The level of assurance is reported in a separate Assurance Statement provided to the CEO of the certification entity.

The inventory report and any GHG assertions are expected to be verified by a Programme-approved, third-party verifier. The level of assurance is reported in a separate Audit Opinion provided to the directors of the certification entity.

1.2. -EMISSIONS INVENTORY RESULTS

Table 2: Emissions inventory summary for this measurement period

Measurement period: 01 January 2025 to 31 December 2025.

Category	Toitū carbon mandatory boundary (tCO_2e)	Additional emissions (tCO_2e)	Total emissions (tCO_2e)
Category 1: Direct emissions	225.24 Diesel, Petrol premium, Petrol regular	0.00	225.24
Category 2: Indirect emissions from imported energy (location-based method*)	44.87 Electricity	0.00	44.87
Category 3: Indirect emissions from transportation	322.98 Air travel domestic (average), Air travel long haul (econ+), Air travel short haul (average), Freight Shipping container (average), Freight transport agencies and other supporting transport services (spend-based), Taxi (regular), Freight (pre-verified tCO_2-e), Air passenger transport (spend-based), Ferry travel (car passengers)	199.29	522.26

© ENVIRO-MARK SOLUTIONS LIMITED 2020

Category	Toitū carbon mandatory boundary (tCO_2e)	Additional emissions (tCO_2e)	Total emissions (tCO_2e)
		Working from home, Accommodation - New Zealand, Bus travel (average), Car Large (diesel 2000-2999cc) - 2015-2020, Car Large (petrol 2000-2999cc) - 2010-2015, Car Large (petrol 2000-2999cc) - 2015-2020, Car Large (petrol 2000-2999cc) - post-2020, Car Large (petrol hybrid 2000-2999cc) - post-2020, Car Large hybrid - 2010-2015, Car Medium (BEV) - electricity consumption - post-2020, Car Medium (diesel 1600-2000cc) - 2010-2015, Car Medium (diesel 1600-2000cc) - post-2020, Car Medium (petrol 1600-2000cc) - 2010-2015, Car Medium (petrol 1600-2000cc) - 2015-2020, Car Medium (petrol 1600-2000cc) - post-2020, Car Medium (petrol 1600-2000cc) - pre-2010, Car Medium (petrol hybrid 1600-2000cc) - post-2020, Car Medium hybrid - 2010-2015, Car Medium hybrid - 2015-2020, Car Micro (petrol under 1350cc) - 2010-2015, Car Micro (petrol under 1350cc) - post-2020, Car Small (petrol 1350-1600cc) - 2010-2015, Car Small (petrol 1350-1600cc) - 2015-2020, Car Small (petrol 1350-1600cc) - post-2020, Car Small (petrol 1350-1600cc) - pre-2010, Car Small (petrol hybrid 1350-1600cc) - post-2020, Car Small (petrol PHEV 1350-1600cc) - electricity consumption - post-2020, Car Small (petrol PHEV 1350-1600cc) - petrol consumption - post-2020, Car Small hybrid - 2010-2015, Car Small hybrid - 2015-2020, Car Small hybrid - pre-2010, Car XL (petrol over 3000cc) - 2010-2015, Car XL (petrol over 3000cc) - pre-2010, Motorcycle petrol <60cc - post-2020, Motorcycle petrol >60cc - 2015-2020, Motorcycle petrol >60cc - post-2020, Car Large (petrol 2000-2999cc) - pre-2010, Motorcycle electricity <60cc - post-2020, Accommodation (spend-based), Car Average (petrol)	
Category 4: Indirect emissions from products used by organisation	97.12 Electricity distributed T&D losses, Waste landfilled LFGR Office waste, Waste disposal, recycling, and environmental protection services (spend-based)	23.32 Recycling - Card, Recycling - Commingled, Recycling - LDPE, Water supply, Freight transport agencies and other supporting transport services (spend-based)	120.44
Category 5: Indirect emissions associated with the use of products from the organisation	0.00	0.00	0.00

Category	Toitū carbon mandatory boundary (tCO_2e)	Additional emissions (tCO_2e)	Total emissions (tCO_2e)
Category 6: Indirect emissions from other sources	0.00	0.00	0.00
Total direct emissions	**225.24**	**0.00**	**225.24**
Total indirect emissions*	**464.97**	**222.60**	**687.57**
Total gross emissions*	**690.21**	**222.60**	**912.81**
Category 1 direct removals	0.00	0.00	0.00
Total net emissions	**690.21**	**222.60**	**912.81**
Operating revenue (gross tCO_2e / $Millions)		6.64	8.78

*Emissions are reported using a location-based methodology. See section 1.2.1 for details.1.2.1

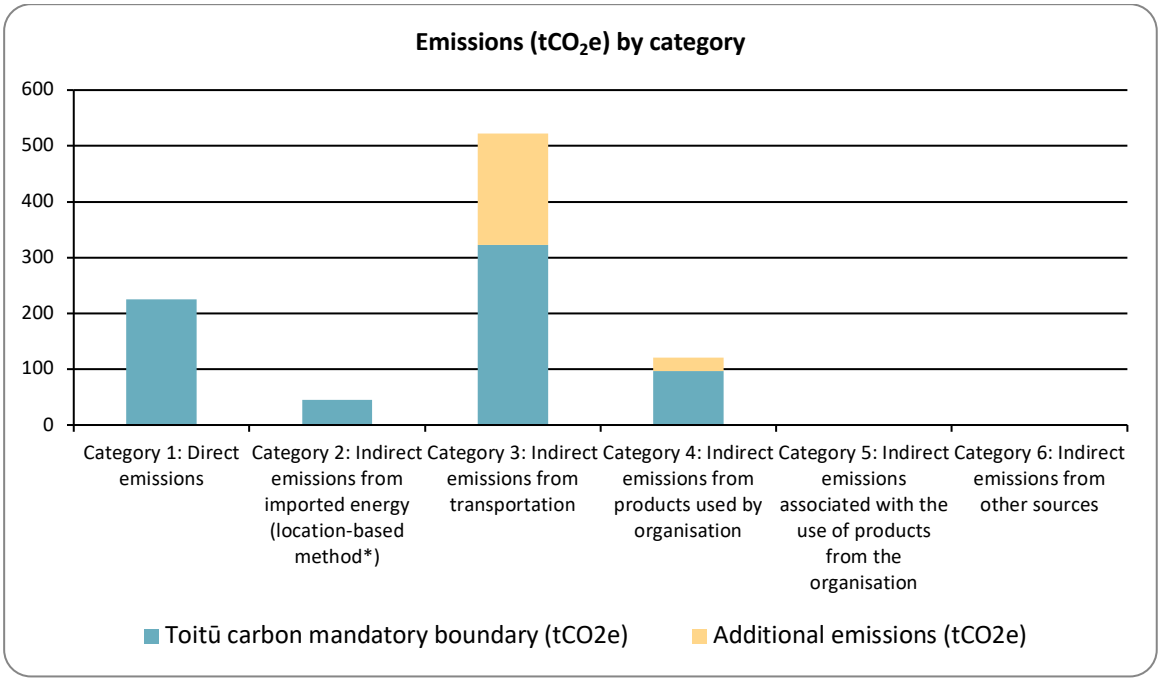


Figure 2: Emissions (tCO_2e) by category

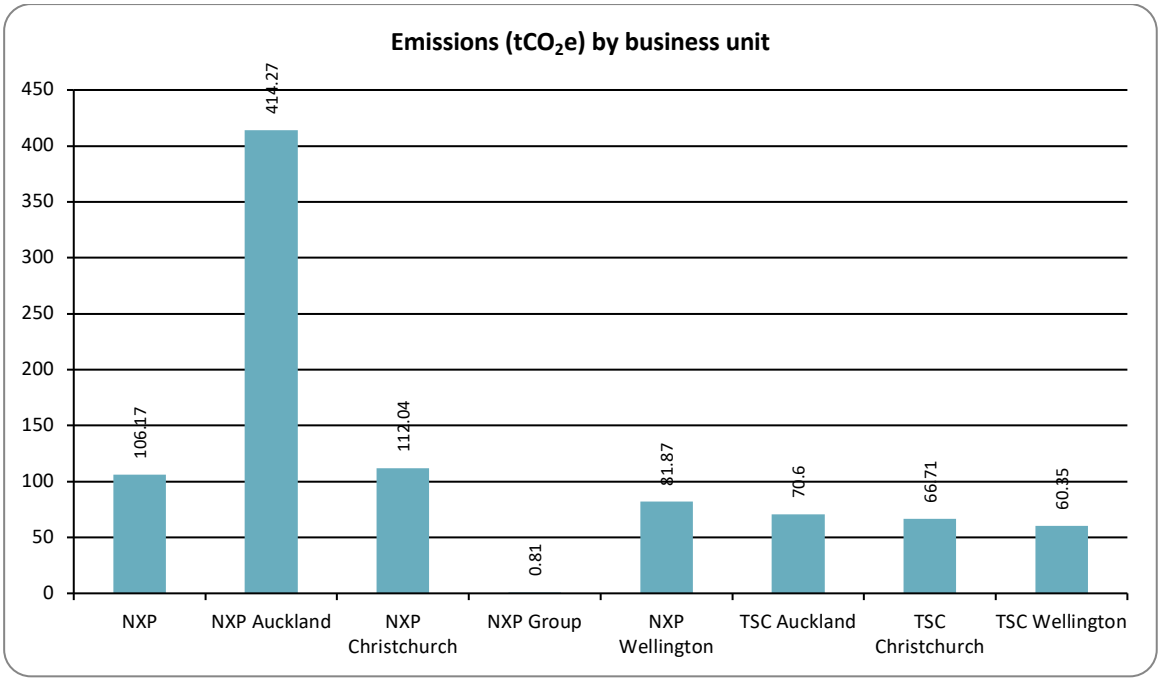


Figure 3: Emissions (tCO_2e) by business unit

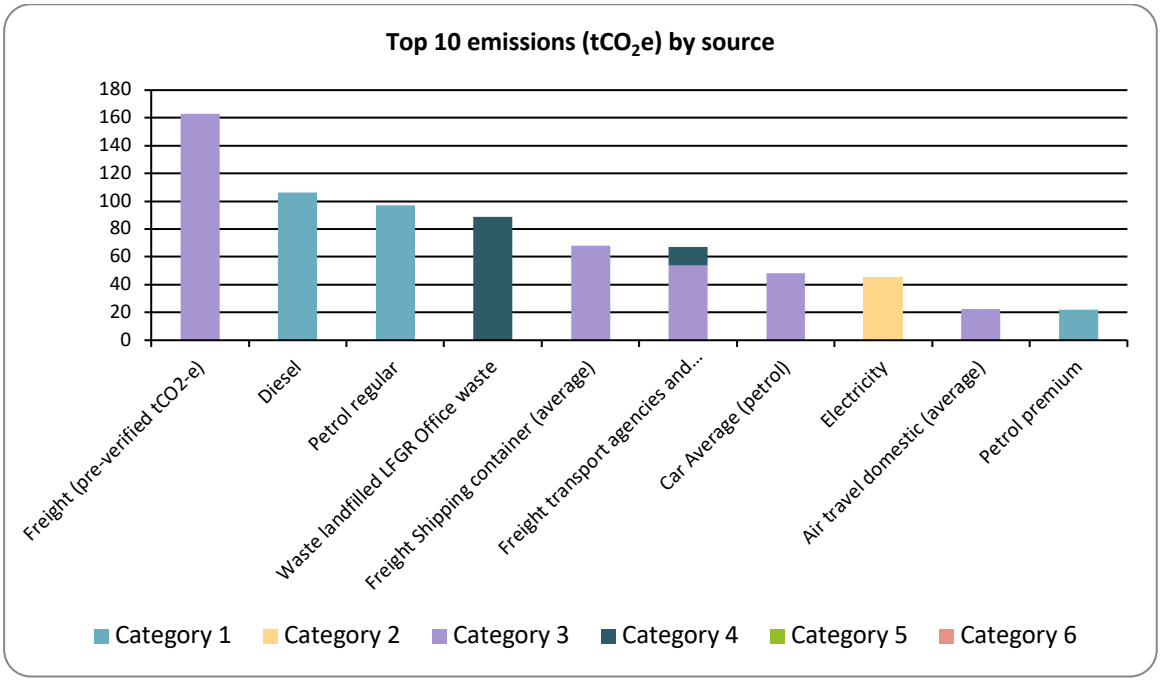


Figure 4: Top 10 emissions (tCO_2e) by source

1.2.1. Dual reporting of indirect emissions from purchased and generated energy

All purchased and generated energy emissions are dual reported using both the location-based method and market-based method. Dual reporting illustrates the role of supplier choice, onsite renewable energy generation and contractual instruments in managing indirect emissions from energy alongside any ongoing energy efficiency and reduction efforts.

NXP Group aligns to location-based reporting for tracking energy related emissions and reductions over time.

NXP is actively influencing energy-related emissions via the following projects:

- Electricity smart metering was installed into our Auckland site in March 2025 to allow us to more accurately identify areas for improvement and efficiency.

- Solar panels were installed at our leased Christchurch facility, in June 2025, providing access to a renewable energy source.

We note that our electricity emissions increased from 2023 to 2024. This was due to the emissions factor going up by 39% when in actual fact we reduced our kwH usage from 387,000 to 361,000, in part due to two sites occupied in Christchurch for the period of June to August (warehouse move). NXP Auckland is four times the size of any of our other sites in terms of electricity usage, and reduced it over the 2024 year by 7%.

Table 3. Dual reporting of indirect emissions from imported energy

Category	Location-based methodology (tCO_2e)	Market-based methodology (tCO_2e)
Category 1: Direct emissions	225.24	225.24
Category 2: Indirect emissions from imported energy	44.87	48.25
Category 3: Indirect emissions from transportation	522.26	522.26
Category 4: Indirect emissions from products used by organisation	120.44	120.44
Category 5: Indirect emissions associated with the use of products from the organisation	0.00	0.00
Category 6: Indirect emissions from other sources	0.00	0.00
Total direct emissions	**225.24**	**225.24**
Total indirect emissions	**687.57**	**690.95**
Total gross emissions	**912.81**	**916.19**
Category 1 direct removals	0.00	0.00
Total net emissions	**912.81**	**916.19**

1.3. ORGANISATIONAL CONTEXT

1.3.1. Organisation description

NXP Limited (NXP) is fully-owned by NXP Holdings Limited whose parent company is Corporate Consumables Limited. NXP is a just-in-time distributor of mission-critical business supplies to thousands of organisations across New Zealand. 11,000 products are held in stock and dispatched daily from distribution centres located in Auckland, Wellington and Christchurch.

The Service Company (TSC) is a fully owned division of NXP offering consumables, equipment and servicing to the commercial cleaning and hospitality sectors. TSC also has sites in Auckland, Wellington and Christchurch.

The NXP Group has a turnover of $104 million, 213 permanent employees, and is headquartered in Auckland.

Commitment to certification

NXP is committed to measuring GHG emissions as a way to manage and subsequently reduce them. It is our aim to establish ourselves as an environmentally responsible organisation and the reduction of our carbon emissions is a principal component of the NXP ESG policy.

GHG Reporting

By promoting an energy-conscious culture we aim to meet our value chain demands, demonstrate strong ethics, develop market differentiation and reputational advantage, attract innovative talent, and be able to demonstrate regulatory compliance as it is required in the future.

Climate Change Impacts

In New Zealand, climate change will directly impact our primary sector and, due to the importance of this sector's performance to our country's GDP, this will have indirect implications for almost all other sectors. NXP's business performance is reliant on the operational buoyance of it's customer base which, because of New Zealand's size, location and agricultural focus, will inevitably be affected by weather events and rising sea levels.

1.3.2. Statement of intent

This inventory forms part of the organisation's commitment to gain Toitū carbonreduce certification. The intended uses of this inventory are:

Intended use and users

The intended use and intended users of this inventory include, but are not limited to:

- our customers for evidence of achievement of contracted KPI's

- our suppliers for confidence in granting agency or exclusive partnerships

- our management and shareholders for understanding progress towards goals

- our employees and potential employees to assess alignment of intentions

- Toitū, for assessing compliance to the Carbonreduce programme.

Other schemes and requirements

This report will be referenced in, and aligned with, our EcoVadis reporting requirements and our commitment to the ten principles of the United Nations Global Compact.

1.3.3. Person responsible

Anne-Marie Sutton is responsible for overall emission inventory measurement and reduction performance, as well as reporting results to top management. Anne-Marie Sutton has the authority to represent top management and has financial authority to authorise budget for the Programme, including Management projects and any Mitigation objectives.

State any other people/entities involved

Dale Bamford, NXP CFO, is responsible for verification, collection, calculation, and input of emissions information from all data sources.

Our team at NXP, including personnel with skills in data analysis, sustainability advocacy, finance, operations and expertise in data collection, calculation and reporting, are involved in our effort to reduce GHG emissions.

Top management commitment

The NXP Executive Leadership Team (ELT) is committed to achievement of broader outcomes as evidenced by the goals set during development of the FY23-FY27 Strategic Plan completed in early 2023.

The ELT is committed to long term measurement of NXP's emissions inventory, and supporting a continuous reduction in emissions.

The CEO and the CFO are the authors of this report and they have set the reduction targets for NXP. They are also heavily involved in the actions required to achieve progress towards the targets.

Emissions measurement and management will be included as an agenda item on the quarterly Environment Leader meetings. This meeting includes the CEO, the Operations Manager, GM Merchandise, CFO, Head of HR and the GM of The Service Company. Emissions performance and related projects will be reviewed and follow up actions tabled as and when required to ensure the company is on track for meeting our emissions performance targets.

Management involvement

Annual reporting will be done to our Board and shareholders.

The CFO, Dale Bamford, has played an integral part in the collection of data and is supported Anne-Marie Sutton who is NXP's Sustainability Champion and the co-author of this report. Both have been supported by selected staff who are responsible for the collection of data in their respective areas.

1.3.4. Reporting period

Base year measurement period: 01 January 2023 to 31 December 2023

The base year was selected because it was not materially affected by activity related to the COVID-19 pandemic, and it was also the full year immediately preceding our initial audit.

Measurement period of this report: 01 January 2025 to 31 December 2025

Reporting will be done annually.

A calendar year was chosen because is aligned to our financial reporting year.

1.3.5. Organisational boundary and consolidation approach

A financial control consolidation approach was used to account for emissions.[4]

Organisational boundaries were set with reference to the methodology described in the GHG Protocol and ISO 14064-1:2018 standards.

Justification of consolidation approach

The control approach was selected and the organisation boundary is the entirety of the legal entity NXP Limited. Full financial and operational authority exists for NXP Limited and it's operating division The Service Company under the NXP CEO.

Organisational structure

Figure 5 shows what has been included in the context of the overall structure.

For 2025 the number of NXP sites is six. Three are NXP-branded (Auckland, Wellington and Christchurch), one is TSC-branded (Christchurch), one is jointly branded TSC and Biotech (Wellington), and the last is

[4]control: the organisation accounts for all GHG emissions and/or removals from facilities over which it has financial or operational control. equity share: the organisation accounts for its portion of GHG emissions and/or removals from respective facilities.

jointly branded NXP and TSC (in Auckland). NXP, TSC and Biotech all transact under a single legal entity called NXP Limited, however their unit results are internally reported separately.

NXP Holdings and Corporate Consumables, the ultimate owner of NXP, are holding companies only with no emission-generating activity.

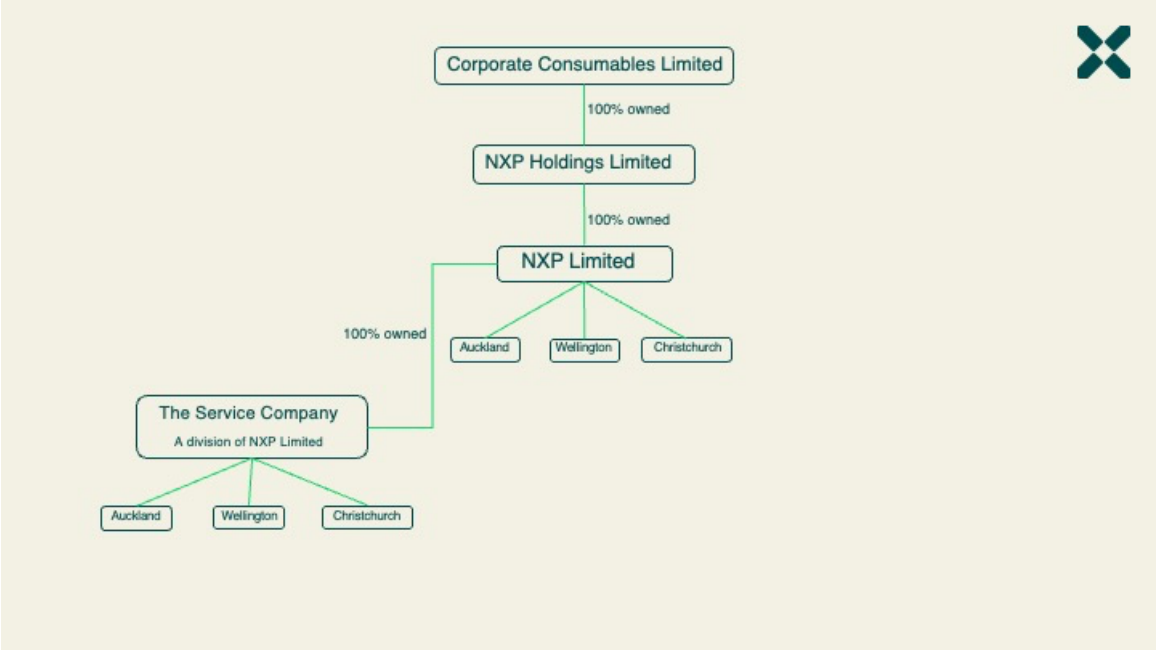


Figure 5: Organisational structure

Table 4. Brief description of business units, sites and locations included in this emissions inventory

Business Unit	Physical Location	Description
NXP Auckland	49 Waiouru Rd, East Tamaki, Auckland	NXP DC and Head Office
NXP Wellington	155 Hutt Park Rd, Gracefield, Lower Hutt, Wellington	NXP DC and Sales Office
NXP Christchurch	11 Gallagher Drive, Hornby South, Christchurch	NXP DC and Sales Office
NXP Auckland Bulk	39 Business Parade North, East Tāmaki, Auckland	NXP Bulk Store
TSC Auckland	39 Business Parade North, East Tāmaki, Auckland	TSC Warehouse and Trade Centre
TSC Wellington	2 Udy St, Petone, Lower Hutt, Wellington	TSC Warehouse and Trade Centre, Biotech Warehouse
TSC Christchurch	87 Wrights Rd, Addington, Christchurch	TSC Warehouse and Trade Centre

1.3.6. Excluded business units

Seven staff who permanently work from home have been excluded from the GHG emissions boundary.

CHAPTER 2: EMISSIONS MANAGEMENT AND REDUCTION REPORT

2.1. EMISSIONS REDUCTION RESULTS

We have made continued progress with the Toitū programme towards our reduction targets. We are now in our third year of measurement.

In 2023 our total net emissions were 1170 tCO_2e (restated from 941 tCO_2e for incorrect courier freight data).

In 2024 our emissions were 979 tCO_2e, being a reduction of 191 tCO_2e or 16% on 2023, our base year.

In 2025 our emissions are 913 tCO_2e which are a reduction from 2024 of 66 tCO_2e or 7%, giving us a total reduction on our base year of 22% or 258 tCO_2e.

Our target for 2028 is reduction of 34% across all measured emissions from our baseline year of 2023, including a 15% reduction in Category 1 emissions and a 20% reduction in Category 2 emissions.

Table 5: Comparison of historical GHG inventories

Category	2023	2024	2025
Category 1: Direct emissions (tCO_2e)	186.96	206.36	225.24
Category 2: Indirect emissions from imported energy (location-based method*) (tCO_2e)	42.91	60.58	44.87
Category 3: Indirect emissions from transportation (tCO_2e)	760.05	597.46	522.26
Category 4: Indirect emissions from products used by organisation (tCO_2e)	180.24	114.32	120.44
Category 5: Indirect emissions associated with the use of products from the organisation (tCO_2e)	0.00	0.00	0.00
Category 6: Indirect emissions from other sources (tCO_2e)	0.00	0.00	0.00
Total direct emissions (tCO_2e)	**186.96**	**206.36**	**225.24**
Total indirect emissions* (tCO_2e)	**983.21**	**772.36**	**687.57**
Total gross emissions* (tCO_2e)	**1,170.17**	**978.72**	**912.81**
Category 1 direct removals (tCO_2e)	0.00	0.00	0.00

© ENVIRO-MARK SOLUTIONS LIMITED 2020

Category	2023	2024	2025
Total net emissions (tCO_2e)	**1,170.17**	**978.72**	**912.81**
Emissions intensity			
Operating revenue (gross tCO_2e / $Millions)	11.53	9.04	8.78
Operating revenue (gross mandatory tCO_2e / $Millions)	8.17	6.78	6.64

*Emissions are reported using a location-based methodology. See section 1.2.1 for details.1.2.1

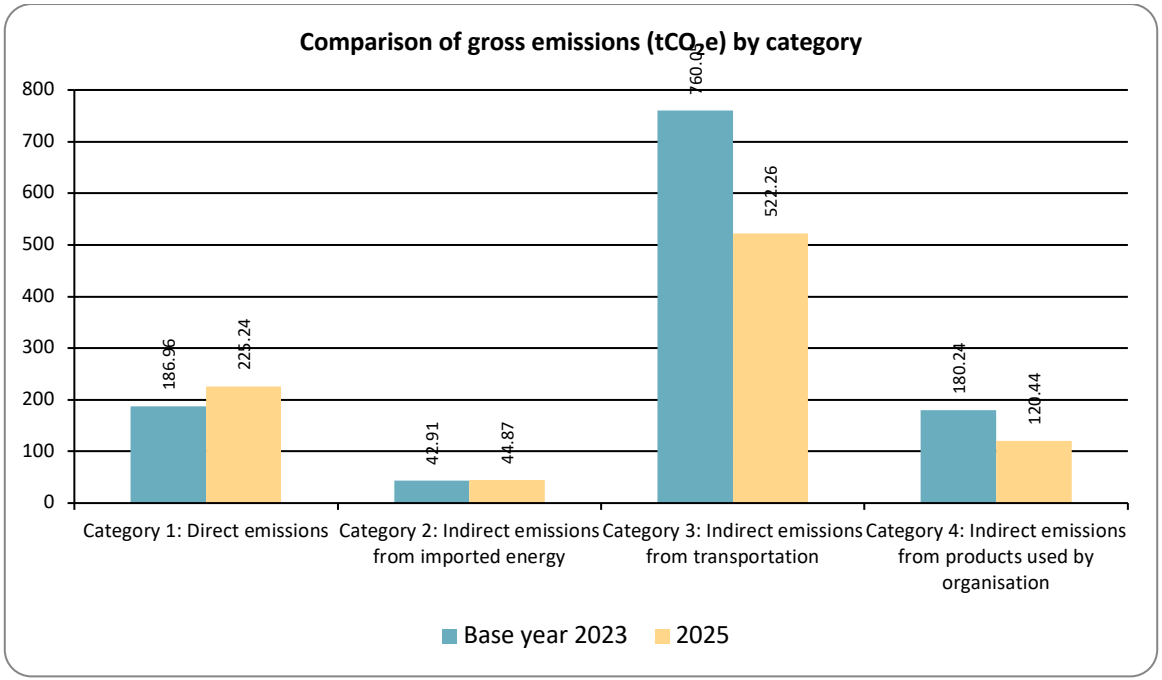
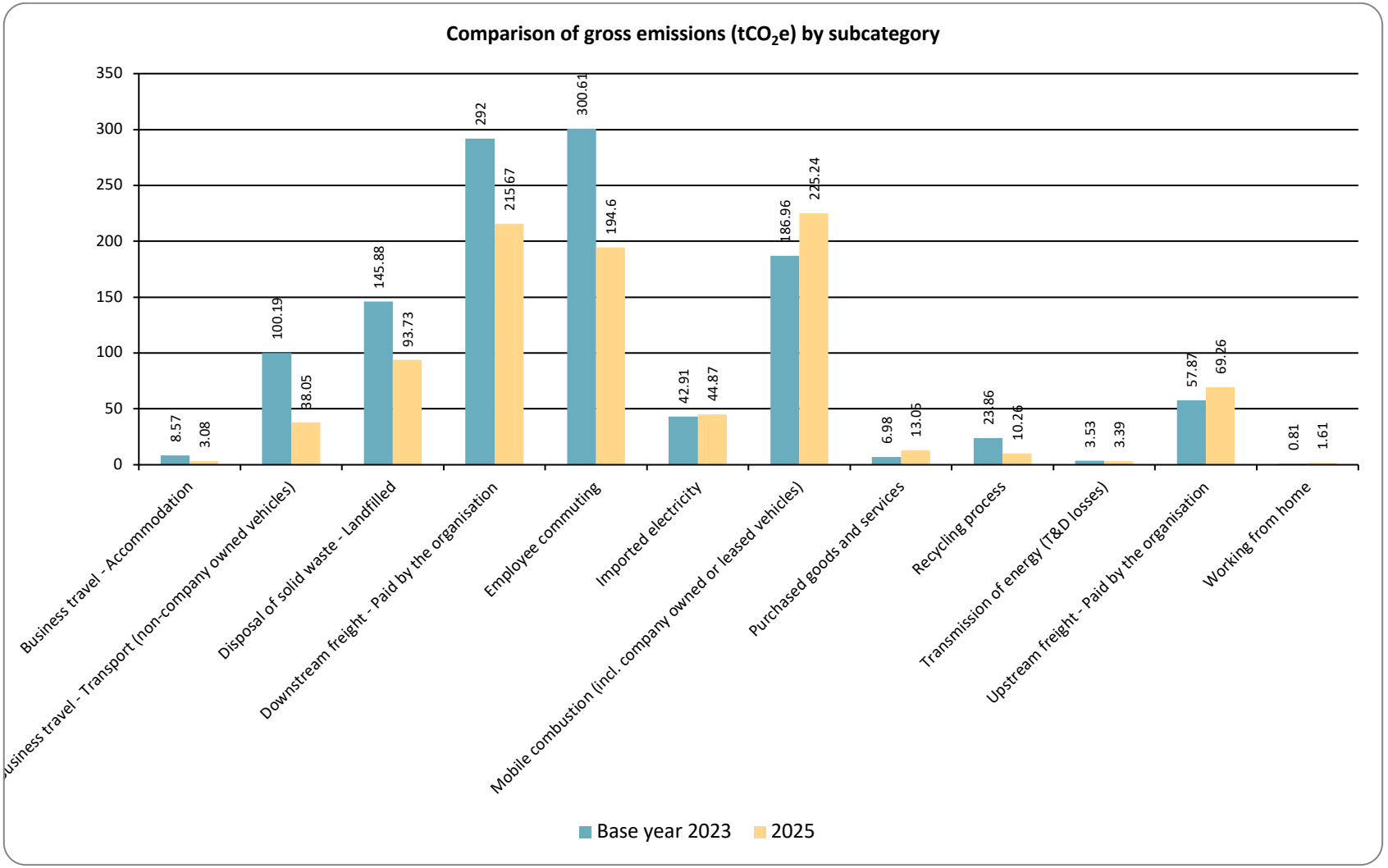


Figure 6: Comparison of gross emissions (tCO_2e) by category between the reporting periods



© ENVIRO-MARK SOLUTIONS LIMITED 2020

Figure 7: Comparison of gross emissions (tCO_2e) by subcategory between the reporting periods

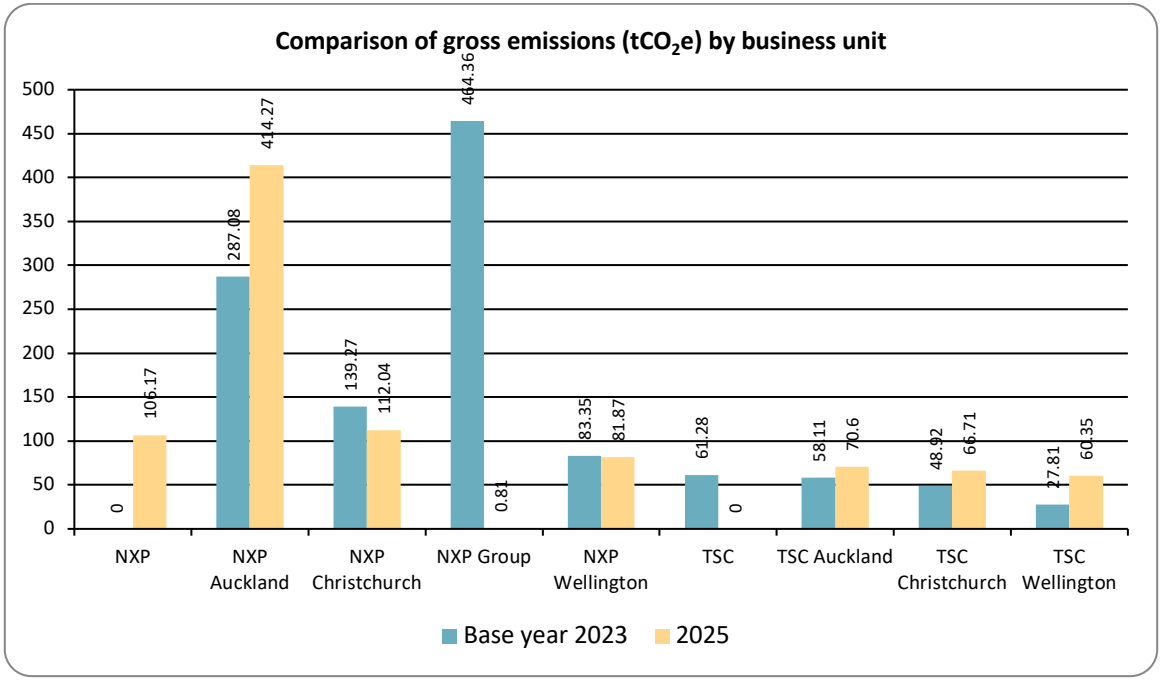


Figure 8: Comparison of gross emissions (tCO_2e) by business unit between the reporting periods

© ENVIRO-MARK SOLUTIONS LIMITED 2020

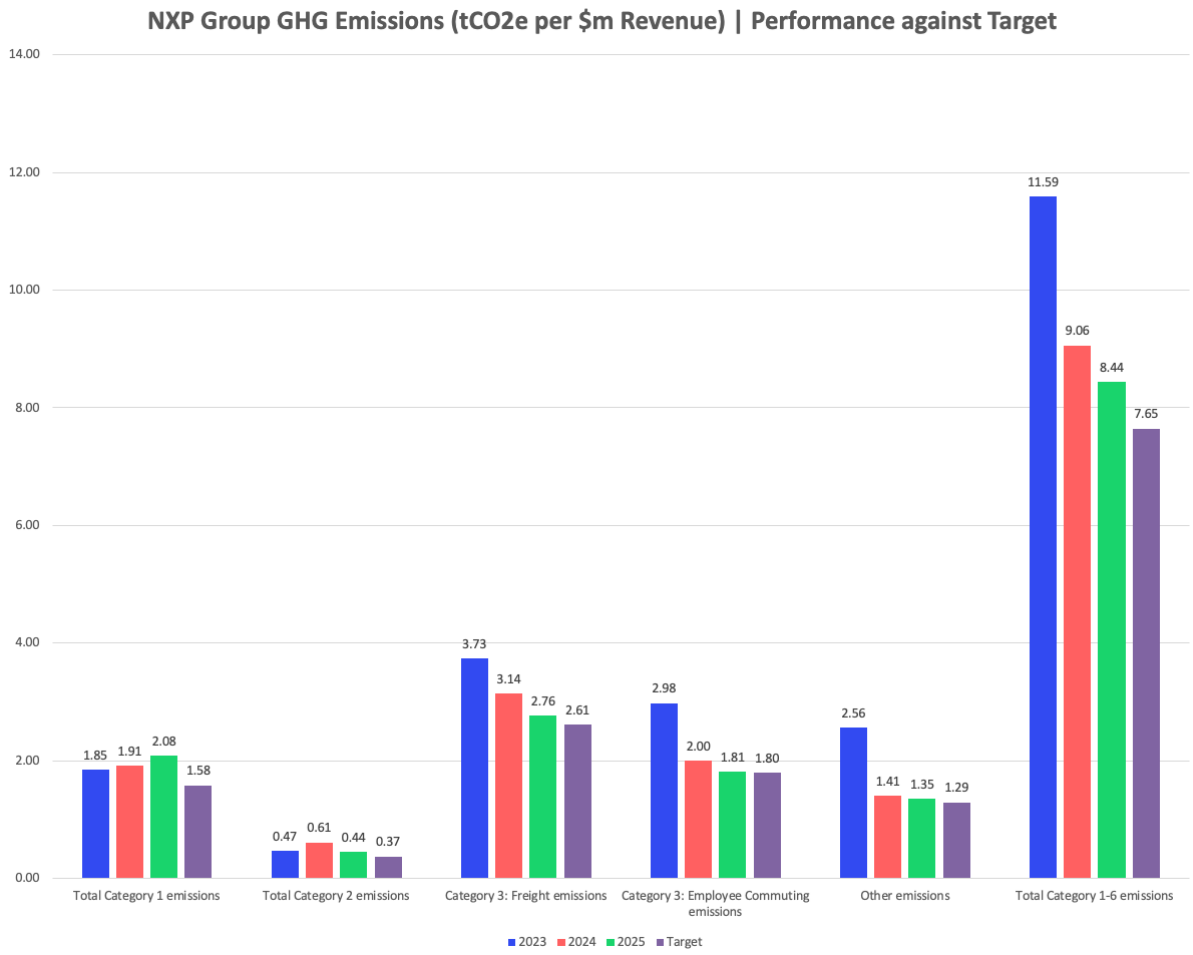


Figure 9: Performance against target since base year

© ENVIRO-MARK SOLUTIONS LIMITED 2020

Table 6. Performance against plan

Target name	Baseline period	Target date	Type of target (intensity or absolute)	Current performance (tCO_2e per $m Revenue)	Current performance (%)	Comments
Reduce total Category 1 emissions (Fuel, Diesel)	2023	2028	Intensity	Target: 1.58 Actual: 2.08	Target: -15% Actual: +13%	An increase in fuel emissions has been driven by more diesel usage with an increase in NXP delivery vehicles on the road, and an increase in deliveries by NXP which were previously sent via third party couriers (giving a corresponding reduction in freight emissions).
Reduce total Category 2 emissions (Electricity)	2023	2028	Intensity	Target: 0.37 Actual: 0.44	Target: -20% Actual: -4%	An increase in electricity emissions in 2024 was driven by an uplift in the emissions factor of 39% due to the increase in carbon-intensive fuels used by NZ electricity generators. In actual fact, usage dropped in that year from 387,000 kWh to 361,000 kWh ie a reduction of 6.7% (NXP Auckland is four times the size of any of our other sites in terms of electricity usage and we reduced it over the 2024 year by 7%). In 2025 the emissions factor has reduced by 22% as renewable sources increase. Along with our further reduction in usage of 30,550 kwH or 5%, this has taken us from a 31% increase in emissions to a 4% decrease.
Reduce Freight emissions	2023	2028	Intensity	Target: 2.61 Actual: 2.76	Target: -30% Actual: -26%	Efficiency improvements at NXP are driving a reduction in delivery activity ie reduced backorders and fewer split deliveries. Completion Rate (ie all items on an order are delivered on time and at once) has been a significant focus since early 2024. NZ Couriers reported in 2025 that in comparison to 2024 we had a 2% reduction in package volumes, a 15% reduction in total weight being moved, 36% reduction in consignments travelling by air, and 30% reduction in consignments travelling by ferry.
Reduce Employee Commuting emissions	2023	2028	Intensity	Target: 1.80 Actual: 1.81	Target: -40% Actual: -39%	The reduction in employee commuting is due to more accurate data collection rather than a change in employee behaviour. This will be the hardest of our targets to achieve as our ability to influence is limited and we rely on staff to upgrade or change their personal vehicles.
Reduce Other emissions	2023	2028	Intensity	Target: 1.29 Actual: 1.35	Target: -50% Actual: -47%	The largest category in Other is travel which includes flights and accommodation to visit customers (domestic) and suppliers (international).

© ENVIRO-MARK SOLUTIONS LIMITED 2020

Target name	Baseline period	Target date	Type of target (intensity or absolute)	Current performance (tCO_2e per $m Revenue)	Current performance (%)	Comments
Reduce total Category 1-6 emissions	2023	2028	Intensity	Target: 7.65 Actual: 8.44	Target: -34% Actual: -27%	We have made great progress in the first two years towards our 2028 targets.

2.2. SIGNIFICANT EMISSIONS SOURCES

Significant sources

1. FREIGHT - As a distribution company with a rapid delivery offer, it is no surprise that our various freight subcategories together are our largest source of carbon emissions. We deliver to hundreds of business customers daily from our various sites using a network of freight companies to meet our rapid delivery promise. For 2025 our total freight emissions were 298 tCO_2e (2024: 339 tCO_2e, 2023: 377 tCO_2e).

2. EMPLOYEE COMMUTING - Employee commuting is our second largest source of carbon emissions. We have more than 200 staff travelling to six sites across New Zealand. We have predominantly an at-work model rather work-from-home with our warehouse employees needing to be onsite to run our Distribution Centres. We have seven employees at home five days a week, and a further 13 (6% of our total staff) who work between two and four days a week from home. In 2025 our total employee commuting emissions were 195 tCO_2e (2024: 216 tCO_2e, 2023: 301 tCO_2e).

3. FUEL - Fuel usage ie petrol and diesel together are our third largest source of emissions. Key market differentiators for NXP are our full-service account management and customised delivery options. The majority of our customers are large corporates and government agencies who require a high touch sales model. This necessitates the travel and movement of our sales and customer facing teams, and delivery vehicles, to hundreds of B2B customers throughout New Zealand. In 2025 our total fuel emissions were 225 tCO_2e (2024: 206 tCO_2e, 2023: 187 tCO_2e)

4. WASTE - Solid waste to landfill was our fourth biggest source of emissions in 2025. Inbound product packaging is the single biggest source of our landfill waste. In 2025 our total waste emissions were 94 tCO_2e (2024: 85 tCO_2e, 2023: 146 tCO_2e).

Activities responsible for generating significant emissions

1. FREIGHT - Downstream freight is the primary driver at 72% of our total freight emissions and encompasses activity with NZ Couriers and Team Global Express. Import freight is 23% of the total, and the remaining 5% is TSC downstream freight spend across a number of partners.

Transportation is a Scope Three emission and the Toitū-defined sources included in this category are Freight pre-verified tCO_2e, Freight transport agencies and other, Freight Shipping container.

2. EMPLOYEE COMMUTING - In 2023 we relied on the averages technique to establish our baseline employee commuting data. In 2024 we completed an employee commuting survey which allowed us to gain a more granular dataset of mode and movement. We had a response rate of 91% to our survey (166 of 183 eligible staff), and we used the averages technique for the remainder. We did not survey our TSC staff in 2024 or 2025, but they will be included in 2026.

Information collected via the survey includes mode of transport by day, days worked from home, size of motor, fuel type and age of vehicle, and actual distance travelled. This measurement method has made our commuting statistics complicated with 35 different emission types across car or motorbike size, fuel type and age.

Employee commuting is a Scope Three (additional) emission and the Toitū-defined sources included in this category are Car Average (petrol), Car Medium (petrol 1600-2000cc) - 2015-2020, plus 31 other similar subcategories.

3. FUEL - Fuel usage comes from two sources. We have our own delivery trucks and vans (in addition to using third party couriers for deliveries), and we have company vehicles driven by sales staff and managers. We are increasing the amount of deliveries in our own vehicles which increases our Fuel usage, with a corresponding reduction in Freight.

Fuel is a Scope One (direct) emission and the Toitū-defined sources included in this category are Petrol regular, Petrol premium and Diesel.

© ENVIRO-MARK SOLUTIONS LIMITED 2020

4. WASTE - Waste is predominantly generated from product packaging which is cleanly separately to allow us to recycle cardboard and soft plastics. The remainder is sent to landfill.

Waste to Landfill is a Scope Three (mandatory) emission and the Toitū-defined sources included in this category are Waste landfilled LFGR Office waste, and Waste disposal, recycling, and environmental protection services.T

Influences over the activities

1. FREIGHT - Operational efficiency improvements have been the primary reason for reduction in freight emissions as our revenue has increased. For example, an improvement in Line Fill and Completion Rate (our primary operational efficiency measures) results in a higher number of orders filled at one time, rather than generating backorders which necessitate a second delivery. We have also made changes to the range we hold in each of our three DCs so that orders can be fulfilled from the our local plant, rather than travelling from an alternative plant which is further from the destination (ie more orders for the lower South Island are being dispatched from Christchurch, rather than Auckland).

In 2025 our partner NZ Couriers reported that we had a 2% reduction in package volumes, a 15% reduction in total weight being moved, 36% reduction in consignments travelling by air, and 30% reduction in consignments travelling by ferry.

We have significant growth plans for the business which will result in an ongoing rise in emission-generating activity and so we use an intensity measure for our goal.

2. EMPLOYEE COMMUTING - While our ability to influence emissions for this source are limited, we expect over time we will continue to organically do better as staff transition to more efficient and alternatively-driven vehicles. Our effort is centred on encouraging this transition.

We had some wins from the change to measurement via employee survey. We discovered that some of our staff are already carpooling, and we have now excluded sales staff where fuel for their company cars were already counted under other emissions categories. We note that public transport is taken by only one of the 183 employees we surveyed; a reality of our business locations (largely in industrial parks).

We remain hopeful that a third party carpooling business which made contact in 2024 comes to fruition at which time we will support and promote the use of their service. We will also investigate incentives for carpooling amongst our employee group.

3. FUEL - In 2025 our petrol emissions remained the same as the prior year, and we increased diesel emissions by 20% or 17 tCO_2e. In 2024 we reduced our petrol emissions by 7% or 8 tCO_2e, and we increased our diesel emissions by 45% or 28 tCO_2e.

The reasons for our petrol reductions across the two year period were: less sales representatives on the road, we introduced hybrid sales vehicles (from June 2023), and the move of our Christchurch plant (and an increased level of staff and product movement) was in 2023.

The reasons for our diesel increasing across this term are: more deliveries being done directly by NXP where we pay for the fuel (there will be a corresponding decrease in freight).

In December 2024 we added our first fully electric delivery van and our company vehicle replacement plans now actively promote newer, more efficient diesel engines and alternative technologies ie hybrid and electric.

We expect our business to grow however we are specifically targeting small and medium customers who use a customer service model that does not require NXP employee travel (eCommerce self-service).

4. WASTE - From late 2024 we started to rework inbound packaging into shredded cardboard (via investment in new machinery) for use as outbound product packaging. This had a two-fold effect of reducing our cardboard waste, and also reducing (recycled) plastic used as product packaging, received by our customer. We continue to work with our suppliers across the value chain to remove surplus inbound product packaging and unnecessary transportation/movement of goods.

The largest reductions of waste-to-landfill during 2024 were at our NXP Auckland and Christchurch sites. Auckland went from 87 to 56 tCO_2e due to less one-off destruction of PPE (post Covid) and better management of slow-moving and obsolete inventory. A reduction of 28 to 14 tCO_2e in Christchurch was due to the move of our warehouse in July 2023 which included a large site cleanup.

Throughout 2024 we invested in a successful reuse/recycling programme across the business including clean waste streams to allow for soft plastic waste and cardboard diversion from landfill. Previously our waste was often mixed and therefore contaminated.

In 2025 we have see an increase in waste-to-landfill as our revenue, and therefore incoming packaging volumes, go up.

Significant sources that cannot be influenced

At this stage there are no top emissions sources that we do not have some influence over.

2.3. EMISSIONS REDUCTION TARGETS

The organisation is committed to managing and reducing its emissions in accordance with the Programme requirements. Table 7 provides details of the emission reduction targets to be implemented. These are 'SMART' targets (specific, measurable, achievable, realistic, and time-constrained).

Insights from our initial 2023 carbon inventory audit highlighted key priority areas for our business as we continue our decarbonisation journey.

Essentially we have identified:

- activity which is within company control eg through investment or policy change we can drive improvement

- improvement which we must generate through our value chain eg B2B packaging waste reduction or reuse

- activity which will require the support and collaboration of our teams eg commuting

Common themes are a commitment to decarbonisation, optimising material and resources, ramping up our efforts across waste minimisation, and achieving efficiency gains across our logistics/operations to minimise the impact of distribution.

We have set a target year of 2028 for achievement of our first set of goals.

We are pleased with our progress in the first two years of measurement against our tCo2e targets.

In 2024 we were aiming for a 31% reduction in overall emissions across the four years from 2023 to 2028 with a reduction in Category 1 emissions of 15%, a reduction in Category 2 emissions of 20%, a reduction in Category 3 Freight emissions of 20%, a reduction in Category 3 Employee Commuting emissions of 40%, and a reduction in Other emissions of 50%.

In 2025 we reviewed this as our progress towards our target was better than expected for freight emissions. We are now aiming for a 34% overall reduction, and our freight goal has increased from 20% to 30% savings in emissions.

We are realistic that across most of our categories the easy wins have been banked, and that our efforts will need to be more targeted in the years ahead. Achieving our revised 2028 targets will require deeper engagement across our operations and supply chain, ongoing investment in low-emissions alternatives, and a willingness to challenge business-as-usual thinking.

© ENVIRO-MARK SOLUTIONS LIMITED 2020

Table 7. Emission reduction targets

Target name	Baseline period	Target date	Type of target (intensity or absolute)	Categories covered	Target (tCO_2e per $m Revenue)		Responsibility	Rationale
Reduce total Category 1 emissions	2023	2028	Intensity	All Category 1 emissions combined ie Diesel, Petrol Premium, Petrol Regular	-15%	Base year emissions: 1.85 Target year emissions: 1.58	Anne-Marie Sutton, CEO	Achievable through the application of reduction projects detailed in next section.
Reduce total Category 2 emissions	2023	2028	Intensity	All Category 2 emissions ie Electricity - Annual factor	-20%	Base year emissions: 0.47 Target year emissions: 0.37	Anne-Marie Sutton, CEO	Achievable through the application of reduction projects detailed in next section.
Reduce Category 3 Freight emissions	2023	2028	Intensity	Freight (pre-verified tCO_2e), Freight transport agencies and other, Freight Shipping container	-30%	Base year emissions: 3.73 Target year emissions: 2.61	Anne-Marie Sutton, CEO	Achievable through the application of reduction projects detailed in next section.
Reduce Category 3 Employee Commuting emissions	2023	2028	Intensity	Employee Commuting	-40%	Base year emissions: 2.98 Target year emissions: 1.80	Anne-Marie Sutton, CEO	Achievable through the application of reduction projects detailed in next section.

© ENVIRO-MARK SOLUTIONS LIMITED 2020

Target name	Baseline period	Target date	Type of target (intensity or absolute)	Categories covered	Target (tCO_2e per $m Revenue)		Responsibility	Rationale
Reduce total Category 1-6 emissions	2023	2028	Intensity	All Category 1-6 programme boundary emissions	-34%	Base year emissions: 11.59 Target year emissions: 8.04	Anne-Marie Sutton, CEO	The business has plans for growth of approximately 30% across this term. It will be a challenge to continue to reduce emissions while activity is increasing, hence a realistic target has been set and intensity measures used.

2.4. EMISSIONS REDUCTION PROJECTS

In order to achieve the reduction targets identified in Table 7, specific projects have been identified to achieve these targets, and are detailed in Table 8 below.

Table 8. Projects to reduce emissions

Objective	Project	Responsibility	Completion date	Potential co-benefits	Potential unintended consequences	Actions to minimise unintended consequence
Reduce freight emissions	Understand courier company emissions targets including transition to hybrid and electric vehicles	Anne-Marie Sutton, CEO	1/04/2027	None anticipated	None anticipated	
	Transition to freight suppliers who are certified rather than rely on spend calculations	Kelly Geddes, GM Operations	1/06/2027	Consolidate spend to reduce costs	None anticipated	
	Continue to improve Completion Rate to eliminate split deliveries	Kelly Geddes, GM Operations	Ongoing	Improved customer experience	None anticipated	

© ENVIRO-MARK SOLUTIONS LIMITED 2020

Objective	Project	Responsibility	Completion date	Potential co-benefits	Potential unintended consequences	Actions to minimise unintended consequence
Reduce employee commuting emissions	Incentivise staff to carpool	Victoria Priday, Head of HR	1/06/2027	Increase staff connection More productive commuting time Reduced costs to staff Increase in costs of incentives	None anticipated	Trial
	Educate staff on benefits of hybrid vehicles	Dale Bamford, CFO	1/06/2027	None anticipated	None anticipated	
Reduce fuel emissions	Replace fleet vehicles with hybrid or electric options	Dale Bamford, CFO	Ongoing	None anticipated	None anticipated	
	Replace delivery vehicles with more fuel efficient options	Kelly Geddes, GM Operations	Ongoing	Branded vehicles increasing company profile	None anticipated	
Reduce electricity usage	Review smart meter data at 49 Waiouru Rd (largest site) and use to eliminate waste activities	Kelly Geddes, GM Operations	1/06/2027	None anticipated	None anticipated	
	Electricity purchase agreement with landlord to use solar panels installed at 11 Gallagher Drive	Anne-Marie Sutton, CEO	1/12/2026	None anticipated	None anticipated	
Reduce waste to landfill	Roll out recycling campaign in Auckland lunchroom	Victoria Priday, Head of HR	1/12/2026	Reduce operating costs due to less landfill	None anticipated	

© ENVIRO-MARK SOLUTIONS LIMITED 2020

Table 9 highlights emission sources that have been identified for improving source the data quality in future inventories.

Table 9. Projects to improve data quality

Emissions source	Actions to improve data quality	Responsibility	Completion date
Employee Commuting	Further improve response to employee commuting survey	Victoria Priday, Head of HR	1/11/2026
Freight Transport - NXP	Use supplier that is verified so we can use tCO_2e (or kg x km) rather than $ spend	Kelly Geddes, GM Operations	1/06/2027
Air Travel	Travel Partner CTM are not verified - we have the data but can't use it	Dale Bamford, CFO	1/06/2027

2.5. STAFF ENGAGEMENT

Staff are made aware of our emissions reduction commitments through the CEO newsletter update (every eight weeks), via our internal staff communication channel (Viva Engage), and the NXP staff intranet. New staff are informed via the staff induction process and our HR Information System.

2.6. KEY PERFORMANCE INDICATORS

At this time we have not considered additional KPIs other than Operating Revenue.

2.7. MONITORING AND REPORTING

Our Environment Leader Group is responsible for actioning and reporting on progress toward our targets. This group includes the CEO, the Operations Manager, GM Merchandise, CFO, Head of HR and the GM of The Service Company. The CEO will drive and monitor improvements through regular meetings with those assigned to our various emission reduction projects.

The CFO will communicate how our metrics are determined, and the key factors that will drive success towards achieving improvement in each measurement area. We have transitioned the capture of our emissions data to our Finance Team who are collecting data on a monthly basis. We continue to refine our reporting tools and monitoring methodology to ensure the most accurate position is captured.

© ENVIRO-MARK SOLUTIONS LIMITED 2020

APPENDIX 1: DETAILED GREENHOUSE GAS INVENTORY

Additional inventory details are disclosed in the tables below, and further GHG emissions data is available on the accompanying spreadsheet to this report (Appendix1-Data Summary NXP Limited.xls).

Table 10. Direct GHG emissions and removals, quantified separately for each applicable gas

Category	CO_2	CH_4	N_2O	NF_3	SF_6	HFC	PFC	Desflurane	Sevoflurane	Isoflurane	Emissions total (tCO_2e)
Stationary combustion	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Mobile combustion (incl. company owned or leased vehicles)	218.59	1.68	4.97	0.00	0.00	0.00	0.00	0.00	0.00	0.00	225.24
Emissions - Industrial processes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Removals - Industrial processes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Leakage of refrigerants	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fugitive Emissions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Treatment of waste	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Treatment of wastewater	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Emissions - Land use, land-use change and forestry	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Removals - Land use, land-use change and forestry	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fertiliser use	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Addition of livestock waste to soils	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Addition of crop residue to soils	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Enteric fermentation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Addition of lime to soils	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

© ENVIRO-MARK SOLUTIONS LIMITED 2020

Category	CO_2	CH_4	N_2O	NF_3	SF_6	HFC	PFC	Desflurane	Sevoflurane	Isoflurane	Emissions total (tCO_2e)
Open burning of organic matter	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Electricity generated and consumed onsite	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Medical gases	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Exported electricity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Forestry, Land and Agriculture	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total net emissions	218.59	1.68	4.97	0.00	0.00	0.00	0.00	0.00	0.00	0.00	225.24

Table 11. Non-biogenic, biogenic anthropogenic and biogenic non-anthropogenic CO_2 emissions and removals by category

Category	Anthropogenic biogenic CO_2 emissions	Anthropogenic biogenic (CH_4 and N_2O) emissions (tCO_2e)	Non-anthropogenic biogenic (tCO_2e)
Category 1: Direct emissions	0.00	0.00	0.00
Category 2: Indirect emissions from imported energy	0.00	0.00	0.00
Category 3: Indirect emissions from transportation	0.00	0.00	0.00
Category 4: Indirect emissions from products used by organisation	0.00	88.60	0.00
Category 5: Indirect emissions associated with the use of products from the organisation	0.00	0.00	0.00
Category 6: Indirect emissions from other sources	0.00	0.00	0.00
Total gross emissions	**0.00**	**88.60**	**0.00**

A1.1 REPORTING BOUNDARIES

A1.1.1 Emission source identification method and significance criteria

The GHG emissions sources included in this inventory are those required for Programme certification and were identified with reference to the methodology described in the GHG Protocol and ISO 14064-1:2018 standards as well as the Programme Technical Requirements.

An end to end review of company operations and product flow from sourcing through to the customer (ie door to door delivery) across critical control points within our operational activity was completed to identify any sources or sinks. This included an independent party walk through and audit of the site and our order fulfilment process.

Additionally we:

- undertook a review of our General Ledger to capture expenditure line items of significance

- held discussions across the Executive Leadership Team to secure commitment

- assigned and consolidated carbon reporting responsibility within the Finance team

- tasked our CFO with checking assumptions and data collection methods we used in our base year

- communicated progress to our business and internal stakeholders via our six weekly CEO company newsletters

- engaged with suppliers around the need to see change and improved awareness of carbon footprint reporting

- shared our planning and journey to date with customers to align our ambition with their requirements

Significance of emissions sources within the organisational boundaries has been considered in the design of this inventory. The significance criteria used comprise:

- All direct emissions sources that contribute more than 1% of total Category 1 and 2 emissions
- All indirect emissions sources that are required by the Programme.

No changes to the significance criteria have been made since this inventory was initially developed in the base year.

A1.1.2 Included sources and activity data management

As adapted from ISO 14064-1, the emissions sources deemed significant for inclusion in this inventory were classified into the following categories:

- **Direct GHG emissions (Category 1):** GHG emissions from sources that are owned or controlled by the company.
- **Indirect GHG emissions (Category 2):** GHG emissions from the generation of purchased electricity, heat and steam consumed by the company.
- **Indirect GHG emissions (Categories 3-6):** GHG emissions that occur as a consequence of the activities of the company but occur from sources not owned or controlled by the company.

Table 12 provides detail on the categories of emissions included in the GHG emissions inventory, an overview of how activity data were collected for each emissions source, and an explanation of any uncertainties or assumptions made based on the source of activity data. Detail on estimated numerical uncertainties are reported in Appendix 1.

Master data files have been created by our NXP Finance team and supplemented by TSC management reporting. Data accuracy and certainty remains stronger within NXP than TSC. We continue to work on improved data capture, consolidation and reporting to address some of the inherent uncertainties and

quality issues that lie within the expenditure-based approach, some of which is reliant on our suppliers becoming verified or us electing to move to a supplier who is already verified.

Table 12. GHG emissions activity data collection methods and inherent uncertainties and assumptions

GHG emissions category	GHG emissions source or sink subcategory	Overview of activity data and evidence	Explanation of uncertainties or assumptions around your data and evidence	Use of default and average emissions factors	Pre-verified data
Category 1: Direct emissions and removals	Mobile combustion (incl. company owned or leased vehicles)	Diesel, Petrol premium, Petrol regular	Assumed all supplier fuel card reporting data reports are accurate and additional fuel spent has been captured within (our P card system) FlexiPurchase, or Credit Card review (TSC). There is a lower level of uncertainty in regards to the supplier fuel card report, it is sorted cleanly by fuel type, and represents the largest portion of volume.	Not applicable.	No
Overall assessment of uncertainty for Category 1 emissions and removals		5%	Low		
Category 2: Indirect emissions from imported energy	Imported electricity	Electricity	Assumed all supplier electricity reporting data is accurate. Using kWh more accurate than spend data.	Not applicable.	No
Overall assessment of uncertainty for Category 2 emissions and removals		3%	Low		

GHG emissions category	GHG emissions source or sink subcategory	Overview of activity data and evidence	Explanation of uncertainties or assumptions around your data and evidence	Use of default and average emissions factors	Pre-verified data
Category 3: Indirect emissions from transportation	Business travel - Transport (non-company owned vehicles)	Air passenger transport (spend-based), Air travel domestic (average), Air travel long haul (econ+), Air travel short haul (average), Ferry travel (car passengers), Taxi (regular)	For NXP business units; strong reliable data from CTM travel platform, less confidence in FlexiPurchase reporting as it is reliant on users coding correctly. With respect to TSC, some historical issues with expense coding made reconciliation difficult, we opted to use spend based emission factors for reporting.	We opted for spend based reporting for TSC due to lack of general ledger coding accuracy. This will improve in 2027 with the integration of TSC into NXP completed in the 2026 reporting period.	No
	Business travel - Accommodation	Accommodation - New Zealand, Accommodation (spend-based)	For NXP business units; strong reliable data from CTM travel platform, less confidence in FlexiPurchase reporting as it is reliant on users coding correctly. With respect to TSC, some historical issues with expense coding made reconciliation difficult, we opted to use spend based emission factors for reporting.	We opted for spend based reporting for TSC due to lack of general ledger coding accuracy. This will improve in 2027 with the integration of TSC into NXP completed in the 2026 reporting period.	
	Upstream freight - Paid by the organisation	Freight Shipping container (average), Freight transport agencies and other supporting transport services (spend-based)	Over 99% of our products are sourced and supplied free-into-store. We do not pay for upstream freight unless we enter into a specific agreement to purchase, based on FOB. In these instances we have weighed the individual item and calculated by the number of units purchased, multiplied by the distance travelled to arrive at our sea freight weight numbers as tonne/kilometres.	NXP has a small number of examples where we purchase freight. Where applicable we used the sea freight weight emissions factor calculation. TSC have more, however due to the complexity of reconciling this we opted to use the spend based method and will improve accuracy into the future. This will improve in 2027 with the integration of TSC into NXP completed in the 2026 reporting period.	

© ENVIRO-MARK SOLUTIONS LIMITED 2020

GHG emissions category	GHG emissions source or sink subcategory	Overview of activity data and evidence	Explanation of uncertainties or assumptions around your data and evidence	Use of default and average emissions factors	Pre-verified data
	Downstream freight - Paid by the organisation	Freight (pre-verified tCO_2-e), Freight transport agencies and other supporting transport services (spend-based)	Downstream freight is more reliable, we have strong datasets from suppliers NZ Couriers and Team Global Express for NXP. For TSC the data wasn't as clean so we have gone with spend based assessment. We have used additional freight vendors in 2025 and have captured spend based data to capture these emissions (immaterial compared to NZ Couriers and Toll).	NXP uses emissions factors from NZ Couriers and has spend based data for Team Global Express as pre-verified is not currently available. TSC didn't have the required detail, hence we went with spend based reporting for their portion.	NZ Couriers data was pre-verified.

	Employee commuting	Car Large (petrol 2000-2999cc) - 2010-2015, Car Large hybrid - 2010-2015, Car Medium (diesel 1600-2000cc) - 2010-2015, Car Medium (petrol 1600-2000cc) - 2010-2015, Car Medium hybrid - 2010-2015, Car Micro (petrol under 1350cc) - 2010-2015, Car Small (petrol 1350-1600cc) - 2010-2015, Car Small hybrid - 2010-2015, Car XL (petrol over 3000cc) - 2010-2015, Car Large (diesel 2000-2999cc) - 2015-2020, Car Large (petrol 2000-2999cc) - 2015-2020, Car Medium (petrol 1600-2000cc) - 2015-2020, Car Medium hybrid - 2015-2020, Car Small (petrol 1350-1600cc) - 2015-2020, Car Small hybrid - 2015-2020, Motorcycle petrol >60cc - 2015-2020, Car Average (petrol), Car Large (petrol 2000-2999cc) - post-2020, Car Large (petrol hybrid 2000-2999cc) - post-2020, Car Medium (BEV) - electricity consumption - post-2020, Car Medium (diesel 1600-2000cc) - post-2020, Car Medium (petrol 1600-2000cc) - post-2020, Car Medium (petrol hybrid 1600-2000cc) - post-2020, Car Micro (petrol under 1350cc) - post-2020, Car Small (petrol 1350-1600cc) - post-2020, Car Small (petrol hybrid 1350-1600cc) - post-2020, Car Small (petrol PHEV 1350-1600cc) - electricity consumption - post-2020, Car Small (petrol PHEV 1350-1600cc) - petrol consumption - post-2020, Motorcycle electricity <60cc - post-2020, Motorcycle petrol <60cc - post-2020, Motorcycle petrol >60cc - post-2020, Car Large (petrol 2000-2999cc) - pre-2010, Car Medium (petrol 1600-2000cc) - pre-2010, Car Small (petrol 1350-1600cc) - pre-2010, Car Small	We completed an Employee Commuting Survey for 90% of NXP employees. The data we gathered was granular and allowed us to use multiple emissions factors for an accurate assessment. For the remaining 10% and all TSC employees, we used a representative survey of location and frequency only, and extrapolated this out over 48 weeks to arrive at annual commute kms. We will look to gain closer to 100% of all employees in 2026.	Information collected via the survey included mode of transport by day, days worked from home, size of motor, fuel type and age of vehicle, and actual distance travelled. This allowed us to use seven different emissions factors. We used a very basic location times frequency model to establish commute kilometres for the remaining group and due to the lack of granularity of this data used the average emission factor. We are making good inroads into better quality data for our largest emission source. The integration of TSC into NXP will further improve our employee commuting response rate.	No

GHG emissions category	GHG emissions source or sink subcategory	Overview of activity data and evidence	Explanation of uncertainties or assumptions around your data and evidence	Use of default and average emissions factors	Pre-verified data
		hybrid - pre-2010, Car XL (petrol over 3000cc) - pre-2010, Bus travel (average)			
	Working from home	Working from home	Payroll data and employee contracts were used for this disclosure and verified by HR and the CEO, and cross referenced to the Employee Commuting Survey to give confidence that it reflects actuals.	Not applicable.	No
Overall assessment of uncertainty for Category 3 emissions and removals		11%	Medium		
Category 4: Indirect emissions from products used by organisation	Purchased goods and services	Freight transport agencies and other supporting transport services (spend-based), Water supply	Water supply data is accurate as it uses litres from vendor billing. Freight transport is less accurate as we have used spend based data but for a <2% of freight spend.	Working with vendors to encourage Toitū compatible reporting.	No
	Disposal of solid waste - Landfilled	Waste disposal, recycling, and environmental protection services (spend-based), Waste landfilled LFGR Office waste	Waste management reporting is very strong for NXP; we have clean material separation processes in place to sort recyclables from general waste and this is reported accordingly. Less reliable for TSC, hence we opted for the spend based reporting model for 2025 and will improve accuracy in 2026/27 with the integration into NXP.	All waste was reported using the LFGR emissions factor. Both management teams understand the importance of reporting an accurate consolidated NXP Group number and will work collaboratively with our suppliers to ensure consistent mode and method of waste reporting.	No
	Transmission of energy (T&D losses)	Electricity distributed T&D losses	High accuracy, we have used supplier consumption/billing data, and followed Toitū advice re distributed T&D losses.	Not applicable.	No

© ENVIRO-MARK SOLUTIONS LIMITED 2020

GHG emissions category	GHG emissions source or sink subcategory	Overview of activity data and evidence	Explanation of uncertainties or assumptions around your data and evidence	Use of default and average emissions factors	Pre-verified data
	Recycling process	Recycling - Card, Recycling - Commingled, Recycling - LDPE	High accuracy as we have material sortation and systems in place and our supplier reports monthly on this.	Just one TSC site remains to bring into our primary waste supplier so we can have consolidated reporting.	No
Overall assessment of uncertainty for Category 4 emissions and removals		20%	High		

© ENVIRO-MARK SOLUTIONS LIMITED 2020

A1.1.3 Excluded emissions sources and sinks

Emissions sources in Table 13 have been identified and excluded from this inventory.

Table 13. GHG emissions sources excluded from the inventory

Business unit	GHG emissions source or sink	GHG emissions category	Reason for exclusion	Comment
NXP & TSC Group	Computer Costs GL activity	Source	Not mandatory	Development of eCommerce platform
NXP & TSC Group & Sites	Cleaning GL activity	Source	Outsourcing	Contractor
NXP & TSC Group	Telecommunications GL activity	Source	De minimus	<1% of total emissions
NXP & TSC Group	EDI Expense GL activity	Source	De minimus	<1% of total emissions
NXP & TSC Group	Marketing GL activity	Source	De minimus	<1% of total emissions
NXP & TSC Group & Sites	Entertainment/Food & Drink/FBT GL activity	Source	De minimus	<1% of total emissions
NXP & TSC Group	Upstream freight	Source	Level of influence	All products are delivered free into store or have been dealt with separately
NXP & TSC Group	HVAC refrigerants	Source	Level of influence	Leased site, responsibility sits with landlord
NXP & TSC Group	Fridge refrigerants	Source	De minimus	<1% of total emissions
NXP & TSC Group	Customer-owned stock disposal	Source	Level of influence	Not within our boundary

A1.2 QUANTIFIED INVENTORY OF EMISSIONS AND REMOVALS

A1.2.1 Calculation methodology

A calculation methodology has been used for quantifying the emissions inventory based on the following calculation approach, unless otherwise stated below:

Emissions = activity data x emissions factor

The quantification approach(es) has not changed since the previous measurement period

All emissions were calculated using Toitū emanage with emissions factors and Global Warming Potentials provided by the Programme (see Appendix 1 - data summary.xls). Global Warming Potentials (GWP) from the IPCC fifth assessment report (AR5) are the preferred GWP conversion[5].

Where applicable, unit conversions applied when processing the activity data has been disclosed.

There are systems and procedures in place that will ensure applied quantification methodologies will continue in future GHG emissions inventories.

A1.2.2 Supplementary results

Holdings and transactions in GHG-related financial or contractual instruments such as permits, allowances, verified offsets or other purchased emissions reductions from eligible schemes recognised by the Programme are reported separately here.

A1.2.2.1 DOUBLE COUNTING AND DOUBLE OFFSETTING

There are various definitions of double counting or double offsetting. For this report, it refers to:

- Parts of the organisation have been prior offset.
- The same emissions sources have been reported (and offset) in both an organisational inventory and product footprint.
- Emissions have been included and potentially offset in the GHG emissions inventories of two different organisations, e.g. a company and one of its suppliers/contractors. This is particularly relevant to indirect (Categories 2 and 3) emissions sources.
- Programme approved 'pre-offset' products or services that contribute to the organisation inventory
- The organisation generates renewable electricity, uses or exports the electricity and claims the carbon benefits.
- Emissions reductions are counted as removals in an organisation's GHG emissions inventory and are counted or used as offsets/carbon credits by another organisation.

Double counting / double offsetting has not been included in this inventory.

Details

Upstream road freight ie freight from our suppliers to NXP is difficult to assess as the vast majority (99%) of products are delivered to NXP free into store. This means we don't capture inwards weights or origination location details for these deliveries which amount into the thousands in any given month. We would need to develop a robust approach which clarifies our boundary and (if required) capture this source of emissions within our value chain which is not currently accounted for by our suppliers.

[5] If emission factors have been derived from recognised publications approved by the programme, which still use earlier GWPs, the emission factors have not been altered from as published.

APPENDIX 2: SIGNIFICANCE CRITERIA USED

Table 14. Significance criteria used for identifying inclusion of indirect emissions

Emission source	Magnitude	Level of influence	Risk or opportunity	Sector specific guidance	Outsourced	Employee engagement	Intended Use and Users	Include in inventory?
a) All Category 1 and 2 emissions	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Yes	Include
b) Category 3 emissions associated with business travel and freight paid for by the organisation	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Yes	Include
c) Category 4 emissions associated with waste disposed of by the organisation, and transmissions and distribution of electricity and natural gas, where appropriate	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Yes	Include
d) any Sector specific mandatory emissions sources as outlined by the Programme	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Yes	Include

© ENVIRO-MARK SOLUTIONS LIMITED 2020

APPENDIX 3: CERTIFICATION MARK USE

NXP uses the certification mark in the following places:

- Website statements
- Annual sustainability report
- Email signatures
- NXPlanet-associated reporting
- Product portfolio sales collateral
- Marketing materials and promotional activity
- Social channels as appropriate e.g. LinkedIn, Instagram
- RFPs and tenders
- Company profiles which are used to promote the NXP offer and experience
- EcoVadis and other sustainable reporting bodies as appropriate.

APPENDIX 4: REFERENCES

International Organization for Standardization, 2018. ISO 14064-1:2018. Greenhouse gases – Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals. ISO: Geneva, Switzerland.

World Resources Institute and World Business Council for Sustainable Development, 2004 (revised). The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard. WBCSD: Geneva, Switzerland.

World Resources Institute and World Business Council for Sustainable Development, 2015 (revised). The Greenhouse Gas Protocol: Scope 2 Guidance. An amendment to the GHG Protocol Corporate Standard. WBCSD: Geneva, Switzerland.

© ENVIRO-MARK SOLUTIONS LIMITED 2020

APPENDIX 5: REPORTING INDEX

This report template aligns with ISO 14064-1:2018 and meet Toitū carbonreduce programme Organisation Technical Requirements. The following table cross references the requirements against the relevant section(s) of this report.

Section of this report	ISO 14064-1:2018 clause	Organisational Technical Requirement rule
Cover page	9.3.1 b, c, r 9.3.2 d,	TR8.2, TR8.3
Availability	9.2 g	
Chapter 1: Emissions Inventory Report		
1.1. Introduction	9.3.2 a	
1.2. Emissions inventory results	9.3.1 f, h, j 9.3.3	TR4.14, TR4.16, TR4.17
1.3. Organisational context	9.3.1 a	
1.3.1. Organisation description	9.3.1 a	
1.3.2. Statement of intent		TR4.2
1.3.3. Person responsible	9.3.1 b	
1.3.4. Reporting period	9.3.1 l	TR5.1, TR5.8
1.3.5. Organisational boundary and consolidation approach	9.3.1.d	TR4.3, TR4.5, TR4.7, TR4.11
1.3.6. Excluded business units		
Chapter 2: Emissions Management and Reduction Report		
2.1. Emissions reduction results	9.3.1 f, h, j, k 9.3.2 j, k	TR4.14, TR6.18
2.2. Significant emissions sources		
2.3. Emissions reduction targets		TR6.1, TR6.2, TR6.4, TR6.6, TR6.8,
2.4. Emissions reduction projects	9.3.2 b	TR6.8, TR6.11, TR6.12, TR6.13, TR6.14, TR6.15
2.5. Staff engagement		TR6.1, TR6.9
2.6. Key performance indicators		TR6.19
2.7. Monitoring and reporting	9.3.2 h	TR6.2
Appendix 1: Detailed greenhouse gas inventory	9.3.1 f, g	TR4.9, TR4.15
A1.1 Reporting boundaries		
A1.1.1 Emission source identification method and significance criteria	9.3.1 e	TR4.12, TR4.13
A1.1.2 Included emissions sources and activity data collection	9.3.1 p, q 9.3.2 i	TR5.4, TR5.6, TR5.17, TR5.18,
A1.1.3 Excluded emissions sources and sinks	9.3.1 i	TR5.21, TR5.22, TR5.23
A1.2 Quantified inventory of emissions and removals		
A1.2.1 Calculation methodology	9.3.1 m, n, o, t	
A1.2.2 Historical recalculations		
A1.2.3 GHG Storage and liabilities		
A1.2.3.1 GHG stocks held on site		TR4.18
A1.2.3.2 Land-use liabilities	9.3.3.	TR4.19

A1.2.4 Supplementary results		
A1.2.4.1 Carbon credits and offsets	9.3.3.3	
A1.2.4.2 Purchased or developed reduction or removal enhancement projects	9.3.2 c	
A1.2.4.3 Double counting and double offsetting		
Appendix 2: Significance criteria used	9.3.1.e	TR4.12
Appendix 3: Certification mark use		TR3.6
Appendix 4: References		
Appendix 5: Reporting index		