

Climate Change Position Statement

EMECO HOLDINGS LIMITED (ACN 112 188 815)

We recognise that climate change is one of the most significant challenges facing the world today and that the Australian mining industry has a role to play in driving the transition to a lower carbon economy.

Emeco has operations in key mining regions across Australia, with customers including mining companies and contractors in gold, iron ore, metallurgical coal, thermal coal, lithium and copper operations. As a responsible business in the mining sector, we place value on identifying, assessing and reporting on our actions to address the risks and opportunities associated with climate change.

We aim to:

- Integrate the evaluation of climate-related risks and opportunities into our business strategies and planning processes.

- Repair and rebuild machines for optimum reliability.

A circular economy plays an important role in reducing GHG emissions associated with the mining industry. We promote reduce, reuse and recycle practices throughout our business areas and activities, as reflected in our business model of supplying hire, maintenance and rebuild of midlife equipment.

- Assess our operational GHG emissions and potential decarbonisation levers.

Our operational emissions (Scope 1 + Scope 2) are very low, well below the level for mandatory reporting under the National Greenhouse & Energy Reporting (NGER) Scheme. The Emeco Board has approved a short-term target to replace 10% of our light vehicle fleet in FY27 with more efficient, lower emission vehicles and a medium-term target to reduce our operational emissions by at least 85% from FY25 levels by FY2035.

- Measure our Scope 3 emissions across our value chain and seek opportunities to reduce these emissions.

Our Scope 3 emissions are much more substantial than our operational emissions. The most material emissions are concentrated in Category 13 Downstream leased assets, as a result of our customers using diesel in our rental equipment.

Based on the public commitments from suppliers, customers and Governments, the Emeco Board has endorsed the goal to achieve net zero emissions across the value chain by 2050. This is in line with commitments from many of the largest mining companies operating in Australia.

In our value chain, the main decarbonisation levers are outside of our direct control. We acknowledge the value of collaborating with our customers and suppliers to better understand value chain emissions, climate-related risks and opportunities and decarbonisation pathways. We also recognise that there will be challenges across this transition plan as many of the technologies required are in the early stages of development and are yet to become commercially available and economically viable.

- Inform ourselves as to existing and emerging policies and practices of our peers and industry partners which encourage decarbonisation.
- Partner with original equipment manufacturers (OEMs), suppliers and customers to understand the pace of development for new technologies, which may include battery electric vehicles (BEVs), hydrogen powered vehicles or the potential for renewable diesel in Australian mining fleets.

As an example, we have partnered with XCMG Mining Equipment Australia Pty Ltd (XCMG) under a five-year Service Support Agreement to deliver specialist maintenance, commissioning and aftermarket support services for key XCMG mining equipment operations in Australia.

Through this engagement with XCMG, Emeco is developing the specialist capability, systems and support required for the deployment and long-term maintenance of battery-electric mining equipment in Australia. This collaboration is supporting the development of our technical expertise, service delivery model and operational readiness for next-generation mining fleets.

- Seek improvements in energy efficiency and waste reduction across our business to ameliorate the emissions intensity of our operations.

We will endeavour to achieve these outcomes by leveraging our innovative culture and are committed to assessing our options to increase the use of renewable energy and energy technologies with lower emissions.

- Assess, and prepare to adapt to, potential physical climate-related impacts, by undertaking risk assessments across our value chain, and working with our customers to understand potential physical risks at their operating sites which may impact our employees and the resilience of our business.
- Meet the requirements under the legislation underpinning mandatory climate-related financial disclosures in Australia – the Treasury Laws Amendment (Financial Market Infrastructure and Other Measures) Act 2024 (Cth) and the new Australian Accounting Standards Board's (AASB's) S2 Climate-related Disclosures to provide our stakeholders with greater transparency regarding our climate-related risks and opportunities.
- Conduct our business activities in a socially responsible manner in accordance with Emeco's values.

This position statement will be reviewed periodically to ensure it remains relevant to the needs of Emeco and its stakeholders and is guided by the dynamic global response to climate change risks and opportunities.