2025 Climate Report

Approved for distribution by ANZ Group Holding Limited's Board.

We continue to be driven by our purpose: to shape a world where people and communities thrive.

ANZ network presence

- **Australia** – Retail, Commercial, Institutional
- **New Zealand** – Retail, Commercial, Institutional
- **International** – Institutional, Retail & Commercial in Pacific

Contents

Acknowledgement of Country and Traditional Owners

ANZ acknowledges the Traditional Custodians of Country throughout Australia and recognises their continuing connection to lands, skies and waterways. We pay our respects to Aboriginal and Torres Strait Islander cultures, and to Elders past and present.

Whakatauākī, ANZ New Zealand's Proverb

Tākiri-ā-Rangi
The expansive universe above

Tākiri-ā-Nuku
The beauty of the proceeding lands below

Tākiri te Awatea
A new dawn beckons

Kia Puāwai ki te Ao
A blossoming to the world

Te Kare ā-Roto e
With ripples of compassion and hope for all.

We are continually seeking to improve our reporting suite and welcome feedback on our ESG and climate reporting. Please address any questions, comments, or suggestions to esg@anz.com

Important Notice

Version	Date issued	Brief outline of change
1.0	10 Nov 2025	Version for publication
1.1	21 Nov 2025	Change: Chart on Page 14: 2026 LEEP customers by sector – industrial manufacturing customer cohort added to the pie chart

Disclaimer and important notices

The material in this report contains general background information about the Group's activities current as at 7 November 2025. It is information given in summary form and does not purport to be complete. It has a sustainability focus and does not reflect the totality of the Group's business activities. For a more complete overview of the Group's business, see the 2025 Annual Report available at **anz.com/annualreport.**

It is not intended to be and should not be relied upon as advice to investors or potential investors, and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with or without professional advice, when deciding if an investment is appropriate.

Forward-looking statements

This report may contain forward-looking statements or opinions including statements regarding our intent, belief or current expectations with respect to the Group's business operations, market conditions, results of operations and financial condition, sustainability objectives or targets and risk management practices. Those matters are subject to risks and uncertainties that could cause the actual results and financial position of the Group to differ materially from the information presented herein. When used in the report, the words 'forecast', 'estimate', 'goal', 'target', 'indicator', 'plan', 'pathway', 'ambition', 'modelling', 'project', 'intend', 'anticipate', 'believe', 'expect', 'may', 'probability', 'risk', 'will', 'seek', 'would', 'could', 'should' and similar expressions, as they relate to the Group and its management, are intended to identify forward-looking statements or opinions.

Those statements are usually predictive in character; or may be affected by inaccurate assumptions or unknown risks and uncertainties or may differ materially from results ultimately achieved. As such, these statements should not be relied upon when making investment decisions. There can be no assurance that actual outcomes will not differ materially from any forward-looking statements or opinions contained herein. Also see the notice about climate related information on this page which may affect climate-related forward-looking statements or opinions and the information in Appendix 5 which may affect forward-looking statements or opinions relating to the Group's financed and facilitated emissions.

The forward-looking statements or opinions only speak as at 7 November 2025 and no representation is made as to their correctness on or after this date. No member of the Group undertakes to publicly release the result of any revisions to these statements to reflect events or circumstances after this date to reflect the occurrence of unanticipated events.

Climate-related information

This report may contain climate-related statements, including in relation to climate-related risks and opportunities, climate-related goals and ambitions, climate scenarios, emissions reduction pathways and climate projections. While the statements were prepared in good faith, climate-related statements are subject to significant uncertainty, challenges and risks that may affect their usefulness, accuracy and completeness, including:

1. *Availability and reliability of data* – emissions and climate-related data may be incomplete, inconsistent, unreliable or unavailable (including information from the Group's customers), and it may be necessary to rely on assumptions, estimates or proxies where that is the case.
2. *Uncertain methodologies and modelling* – methodologies, frameworks and standards used for calculations of climate-related metrics, modelling and climate data are not universally applied, are rapidly evolving and subject to change. This may impact the data modelling, approaches, and targets used in preparation of this report.
3. *Scenario analysis limitations* – analysis of climate scenarios is limited by its reliance on assumptions, estimates and projections that are not exact.
4. *Complexity of calculations and estimates* – estimating financed or facilitated emissions (including allocating emissions to banking activities) and emissions reduction is complex and relies on assumptions and judgments, often made in respect of long periods of time.
5. *Changes to climate-related governing frameworks* – changes to climate-related policy, laws, regulations and market practices, standards and developments, including those resulting from legal proceedings and regulatory investigations.
6. *Lack of consistency in definitions and climate-science terminology subject to changes* – definitions and standards for climate-related data and assessment frameworks used across industries and jurisdictions may vary, and terminology and concepts relating to climate science and decarbonisation pathways may evolve and change over time. These inconsistencies and changes can also make comparisons between different organisations' climate targets and achievements difficult or inappropriate.
7. *Reliance on third parties for data or involvement* – the Group may need to rely on assistance, data or other information from external data and methodology providers or other third parties, which may also be subject to change and uncertainty. Additionally, action and continuing participation of third parties, such as stakeholders, may be required (including financial institutions and governmental and non-governmental organisations).

Due to these uncertainties, challenges and risks, statements, assumptions, judgments, calculations, estimates or proxies made or used by the Group may turn out to be incorrect, inaccurate or incomplete. Readers should conduct their own independent analysis and not rely on the information for investment decision-making.

The information in this notice should be read with the qualifications, limitations and guidance included throughout this report and in:

Appendix 4 ANZ Climate Scenario Analysis Methodology

Appendix 5 ANZ Financed and Facilitated Emissions Methodology

Appendix 7 Scope 1, Scope 2 and Scope 3 Operational Greenhouse Gas Emissions Reporting Methodology

ANZ Social and Environmental Sustainability Target Methodology available at **anz.com/esgreport**

2025 ESG Data and Frameworks Pack available at **anz.com/esgreport**

Our 2025 reporting suite

Where to find	Annual Report	Full Year Results announce-ments	Corporate Governance Statement	Climate Report	ESG Report	ESG Data and Frameworks Pack	Modern Slavery and Human Trafficking Statement	Voluntary Tax Transparency Report
Financial	●	●						●
Governance	●		●	●	●		●	●
Strategy	●			●	●			
Risk	●			●	●	●	●	
ESG disclosures and performance	●		●		●	●	●	
Climate disclosures and performance	●			●	●	●		

About this report

Our 2025 Climate Report outlines ANZ Group Holdings Limited (ANZGHL) ABN 16 659 510 791 and its subsidiaries' (referred to as "ANZ" or "the Group" or "our" or "we") approach and progress towards our Climate and Environment (C&E) Strategy vision to finance a sustainable transition.

This year, the report is prepared in accordance with the Task Force on Climate-related Financial Disclosures (TCFD). See Appendix 2 for our TCFD index.

Under the *Corporations Act 2001 (Cth), the Australian Sustainability Reporting Standard AASB S2 – Climate-related Disclosures* (the Australian equivalent of International Financial Reporting Standards (IFRS) S2) will apply to ANZGHL for the financial year commencing 1 October 2025.

This report is also informed by the Taskforce on Nature-related Financial Disclosures (TNFD) framework for nature disclosures, Glasgow Financial Alliance for Net Zero (GFANZ), and Transition Plan Taskforce (TPT) guidance and framework in our disclosures on transition planning. The report also details our actions in setting pathways and targets to reduce our financed and facilitated emissions in key sectors, informed by the UN Guidance for Climate Target Setting for Banks and the Partnership for Carbon Accounting Financial (PCAF) guidance. See page 32.

KPMG has performed assurance over the disclosures in this report. A copy of KPMG's independent assurance statement can be found on pages 87-89.

Reporting boundaries and periods

The processes, approaches and policies described in this report may vary in application across ANZ's operations to reflect specific legal requirements of the jurisdictions in which ANZ operates.

Data and information within this report relates to the consolidated Group for the financial year ending 30 September 2025, referred to as "2025" or "this year", throughout the report, except for:

Year	Data	As at	Page
2025	Australian home loan portfolio assessed as vulnerable to physical risks	30 June	Page 28
2024 and 2025	Financed emissions and sector-level progress Facilitated emissions from capital market activities[1]	30 June	Pages 32-47

For further information on specific methodologies and definitions (including boundaries), see Appendix 4 and 5.

Reading this report

Words underlined like 'this' are explained in the Glossary of terms on pages 82-86. Monetary amounts in this document are reported in Australian dollars (AUD), unless otherwise stated. Throughout this report, the sum of parts within charts and commentary may not equal totals due to rounding.

Suncorp Bank

On 31 July 2024, the Group acquired 100% of the shares in SBGH Limited, the immediate holding company of Norfina Limited ABN 66 010 831 722 (previously called Suncorp-Metway Limited) ("Suncorp Bank").

Following the acquisition, Suncorp Bank commenced a phased transition to adopt the policies and processes of ANZ. During this transition period Suncorp Bank will be subject to a combination of ANZ and Suncorp Bank policies. As part of the ongoing transition, Suncorp Bank will seek to align to ANZ policies and practices, where appropriate. Where Suncorp Bank is included or excluded in policies, standards or metrics throughout the report, this is denoted. Noting Suncorp Bank is excluded from prior year metrics, in this report.

Suncorp Bank's operations continue to be supervised by key regulatory bodies and seeks to meet all due diligence obligations mandated by law.

The following ANZ policies and standard, which embed our approach to climate, currently apply to Suncorp Bank or applied to Suncorp Bank during the reporting period:

- Non-Financial Risk Policy
- Performance and Remuneration Policy – Group[2]
- Climate Risk Standard (approved 30 September 2025)

During the reporting year, Suncorp Bank retained the following policies:

- Responsible Banking Policy
- Credit Risk Management Policy
- Operational Resilience Policy

1. Deals for facilitated emissions from capital market activities for 2024 was for a 9-month period of 1 October 2023 to 30 June 2024 as we transitioned to 30 June end reporting of Exposure at default. **2.** The Suncorp Bank Performance and Remuneration Policy forms part of, and should be read in conjunction with, the ANZ Group Performance and Remuneration Policy.

CEO's message

Nuno Matos
Chief Executive Officer

Our vision at ANZ is to finance a sustainable transition. In particular, we aim to be a leading bank in supporting an effective and orderly transition for our large business customers.

Our focus is on encouraging and supporting our Large Emitters Engagement Program (LEEP) cohort of customers to continually improve their transition plans. This year our customers have demonstrated improvement, with more of our customers assessed in the 'Mature' phase of our transition plan assessment framework.

The LEEP program sits alongside our suite of financed emissions reduction targets that track our progress in aligning our lending to net zero financed emissions. eight of our revised sectoral pathways are on-track, two are close to on-track and none are off-track this year.

ANZ and our customers are making good progress, but there are continuing challenges.

Climate change and the transition to net zero is an enormous and complex challenge. We acknowledge there are factors, outside of our control, which impact the pace of the transition.

These include technological advancements, diversification of the energy mix, market demand for climate solutions, evolving consumer preferences and public policy developments. Currently, a combination of these factors has led to the pace of the economy-wide transition being slower than envisaged. These realities impact our approach to transitioning our lending portfolio to net zero financed emissions by 2050 in line with the goals of the Paris Agreement.

We acknowledge the Australian Government's release in 2025 of its Net Zero Plan, accompanying sector pathways and consultation on transition planning. We will also be monitoring the outcomes of the 2026-27 review of the Australian Safeguard Mechanism and the implications for our customers. These will help guide our customers with operations in Australia on how their efforts may contribute to supporting Australia to meet these sector and economy-wide plans.

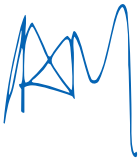
Within this context, we expect the pathways to net zero will look different for different sectors. Where our customers have, or are in the process of further developing robust and credible transition plans, we will continue to support their efforts. This aligns to our objective to be a trusted partner for our customers as part of our Climate & Environment Strategy.

This year, we have achieved more than $84 billion towards our target to fund and facilitate at least $100 billion by end 2030 in social and environmental activities through customer transactions and direct investments. We also achieved a record year in labelled sustainable finance, participating in 159 deals.

We have continued to integrate and embed climate risk into our Risk Management Framework. This includes taking steps to enhance our climate risk scenario analysis capability, and disclosing outcomes on the identification and assessment of potential physical risks within the Australian home loan portfolio.

Understanding the complexities and challenges our customers face – as the global landscape continues to evolve – enables us to better engage with them and support them to transition.

With this foundation in place, we continue our preparation for Australia's mandatory climate reporting. This is a transition year and our climate disclosures will be integrated into our Annual Report from 2026.



Nuno Matos
Chief Executive Officer

About our business

We have a combination of two scale markets in Australia and New Zealand, two market-leading positions, in Institutional and New Zealand, and a well-diversified business model which includes Asia.

To deliver our banking products and financial services, ANZ is supported by a broad ecosystem of stakeholders integrated across our value chain. These include capital providers, suppliers, employees and customers.

Upstream value chain

Capital providers

Includes customer deposits, wholesale funding, institutional investors in ANZ's debt programs, equity investors, retail and institutional shareholders.

Our suppliers

Suppliers and service providers, including technology vendors, infrastructure partners, and professional services firms.

Our business model

1 Australia Retail

Banking products and services provided to Australian consumers including home loans, deposits, credit cards and personal loans.

2 Australia Commercial

Banking products and services provided to small-to-medium enterprises, large commercial customers and high-net-worth individuals and family groups in Australia.

3 Institutional

Services to institutional and corporate clients, including governments, via Transaction Banking, Corporate Finance and Markets business units.

4 Suncorp Bank

Banking and related services to retail, commercial, small and medium enterprises and agribusiness customers in Australia.

5 New Zealand

Banking products and services provided to New Zealand customers through Personal, Business and Agribusiness units.

6 Pacific

Banking products and services provided to retail and commercial customers, and to governments located in the Pacific region.

7 Group centre

Supporting functions including technology, property, risk management, financial management, treasury, human resources, corporate affairs and shareholder functions. It also includes minority investments in Asia and interests in the ANZ Non-Bank Group.[1]

Downstream value chain

Our customers

Individuals and businesses using ANZ's banking products and services.

Our employees

Includes permanent, fixed term, contractors and casual employees across all ANZ locations.

Our investments

Capital deployed through debt and equity investments, including holdings in associate entities.

Our other stakeholders

Includes partners, regulators, community, industry associations, governmental and non-governmental organisations.

For details on how our business model and value chain informed aspects of the identification and assessment of our material climate risks, refer to pages 25-27.

1. ANZ NBH Pty Ltd and each of its subsidiaries, including the Group's beneficial interests in the 1835i trusts and non-controlling interests in the ANZ Worldline Payment Solutions joint venture, and ANZ Group Services Pty Ltd.

Governance

Our governance framework seeks to provide a structure for effective and responsible decision making at ANZ, including the approach to our climate ambition, action and accountability.

ANZ Board and committees

ANZ Group Holdings Limited's Board (Board) is responsible for oversight of the Group. The Board, with the support of its committees, is also responsible for overseeing ANZ's governance framework. The framework seeks to provide for effective and responsible decision making, assisting ANZ to deliver on its strategy and purpose.

The Board and each Board committee has its own charter setting out its roles and responsibilities available at **anz.com/corporategovernance**

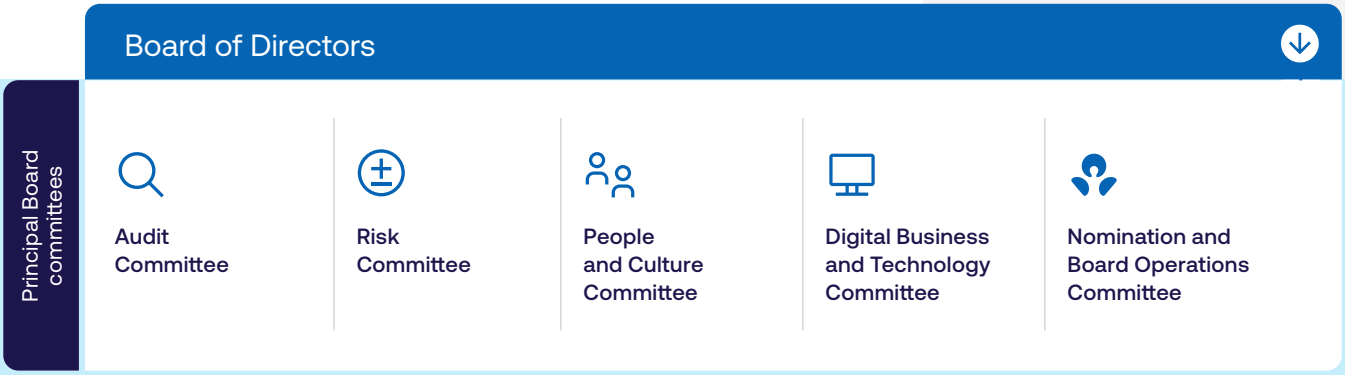
More information on ANZ's governance framework is provided in the 2025 Corporate Governance Statement available at **anz.com/corporategovernance**

Board skills and experience

The Board has the collective skills, capabilities and experience needed to allow the Board to perform its role and discharge its responsibilities. The 2025 Corporate Governance Statement (refer to **anz.com/corporategovernance**) details the categories that the Board considers relevant to assessing the collective skills and experience of the Board and is what the Board is looking for in its own composition. One of the categories is sustainability, including climate.

Our ESG governance framework is evolving with our ESG approach and the expectations of our stakeholders. This year, the following changes have occurred relating to committees with oversight of our ESG approach and climate risks and opportunities:

- The Board Ethics, Environment, Social and Governance (EESG) Committee was discontinued and its responsibilities reallocated, as appropriate, to the Board and its sub-committees.
- The management Ethics and Responsible Business Committee (ERBC) was discontinued and where appropriate, matters previously considered by the ERBC are referred to the Executive Committee (ExCo).[1]
- A new and more focused management Climate and Environment Committee (CEC) was established in March 2025 reporting to ExCo.



1. Executive Committee (ExCo) comprises ANZ's most senior executives. The members of ExCo are available at **anz.com/exco.**

The Board and management committee structure below outlines relevant committees that have oversight of climate risks and opportunities across the Group. It reflects changes to our ESG governance structure this year with the Board committee changes effective from 5 September 2025.

ANZ Group Holdings Limited Board

Board committees

Audit Committee

Oversees financial reporting principles and policies, controls and procedures.

Risk Committee

Oversees the implementation and operation of the Group's Risk Management Framework, including climate risk. Responsible for endorsing the Risk Appetite Statement.

People and Culture Committee

Oversees the effective operation of the Performance and Remuneration Framework and other Talent and Culture matters.

Nomination and Board Operations Committee

Oversees matters to do with the proper functioning of the Board, including in relation to ongoing composition and overall Board operations.

Key management commitees

Credit and Market Risk Committee

Primary Group management forum responsible for the oversight and control of credit, market and other material financial risks across the Group. This includes relevant climate-related financial risks.

Chaired by the Chief Risk Officer.

Executive Committee

Comprises ANZ's most senior executives. A delegations of authority framework outlines those matters delegated to the Chief Executive Officer (CEO) and other members of senior management.

Chaired by the CEO.

Climate and Environment Committee

A decision-making committee that is responsible for the execution of our Climate and Environment Strategy (C&E Strategy). This includes past, current and emerging climate and environment risks and opportunities and climate and environment targets.

Chaired by the Group Executive, Institutional.

(Established March 2025)

Other management committees and forums

Climate and Environment Forum

Responsible for overseeing delivery of our C&E Strategy, and provides recommendations and escalations to the CEC, Board and other management committees.

(Established February 2025)

Climate Disclosure Program Steering Committee

Responsible for overseeing delivery of the Group-wide Climate Disclosure Program to meet Australian mandatory climate-related disclosure requirements.

(Established October 2024)

Key management roles

Chief Risk Officer

Responsible for the management of the Group's risk function, including policies, systems and processes for identifying, assessing and managing risk (including climate risks).

Group Executive, Institutional

Responsible for overseeing execution of our C&E Strategy.

Group General Manager, Climate

Leads the Group's policy response to climate change, including supporting the implementation of the Large Emitters Engagement Program (LEEP) and setting sectoral pathway targets.

Group Head, Corporate Affairs

Responsible for voluntary climate and ESG disclosures and ESG governance.

Chief Financial Officer

Executive Sponsor for Group-wide Climate Disclosure Program and accountable for ensuring the program delivers on its objective of meeting Australian mandatory climate-related disclosure requirements applicable to ANZ from 1 October 2025.

Climate-related focus areas of Board[1] and management committees

During 2025, we engaged on a range of ESG topics with our Board, senior executives, regulators, government and non-government organisations. Directors also received briefings to build knowledge in areas such as climate and nature.

Board EESG Committee and Management ERBC and CEC

Climate-related topics were discussed at four Board EESG Committee meetings (two meetings of the full Board)[2] and each management CEC and ERBC[3] meeting. Some topics included:

- C&E Strategy;
- Climate-related targets including sectoral pathways;
- Preparation for mandatory climate-related disclosures in Australia; and
- Customer engagement on climate and nature, including LEEP.

Board Risk Committee (BRC) and Group Management Risk Committee (Credit and Market Risk Committee (CMRC))

Climate risk content was considered at every meeting of the BRC and the CMRC, with papers on Climate Risk (as a Material Risk) as required.

Governance over ESG and sectoral pathway targets

The setting of climate targets, including sectoral pathways, is reviewed by CEC and ExCo, and approved by the Board. Targets are also monitored by ExCo and the Board.

In 2025, we introduced an internal reporting mechanism for our sectoral pathways to provide more regular updates to internal stakeholders to help monitor our progress. Refer to page 32 for our sectoral pathways and Appendix 5 for the Financed and Facilitated Emissions Methodology.

Executive remuneration

ANZ's Remuneration Report within our Annual Report, available at **anz.com/annualreport**, details how performance and remuneration outcomes are determined for our most senior leaders.

The CEO's Short Term Variable Remuneration (STVR) is assessed against the ANZ Group Scorecard, adjusted by the 'How' Modifier, which takes into consideration the CEO's leadership of ANZ's values and behaviours and ANZ's risk and compliance standards.

Performance objectives are set for Disclosed Executives through Divisional Scorecards, aligned with the ANZ Group Scorecard. For Disclosed Executives, STVR is assessed on 'What' assessment (ANZ Group Scorecard and Divisional Scorecard) x 'How' Modifier. The weighting to Divisional Scorecards varies from 50% to 75% for Disclosed Executives.

ANZ's Group Scorecard includes relevant objectives and key performance indicators (KPIs). For example, the 2025 Group Scorecard includes delivery against Environmental, Social and Governance (ESG) objectives and KPIs, such as:

Strengthen our reputation; enhancing our employee value proposition and our social license to operate:

- Deliver environmental ESG targets as planned[4]

Divisional Scorecards also include objectives and KPIs as relevant to the particular business. Group/Divisional Scorecards are not designed to capture all of our ESG targets – however our senior leaders are accountable for ensuring we focus on and seek to adhere to our commitments and policies.

Sectoral Pathway Transaction Escalation Process (STEP)

For our material energy transactions, we apply an enhanced due diligence process, requiring review of the proposed transaction by internal senior subject matter experts. Our experts evaluate the customer's transition plan using the LEEP assessment framework (see page 12 for further details) and having regard to ANZ's Climate Change Commitment.[5]

In some instances, material energy transactions are escalated for consideration by our Group Executive Institutional, Group Chief Risk Officer and Group General Manager, Climate. Reasons for escalation vary and may include consideration of larger transactions, more significant impacts to emissions reduction pathways, reputational risk, or where ANZ has assessed a customer's transition plan as not yet in the 'Mature' phase (refer to page 13 for detail). Our approach extends beyond each lending decision to decisions relating to non-lending transactions, for certain energy customers where we consider certain capital markets activities as part of our transaction escalation processes.

In 2025, we expanded our escalation process to include material lending transactions[6] that impact our industry and transport sectoral pathways. Reflecting its expanded coverage, the process was renamed the Sectoral Pathway Transaction Escalation Process. In 2026, we intend to include certain capital markets activities for customers in scope of our industry and transport sectoral pathways.

In 2025, a total of 6 transactions were escalated to the senior executives, as mentioned above, with 1 declined and 5 approved.

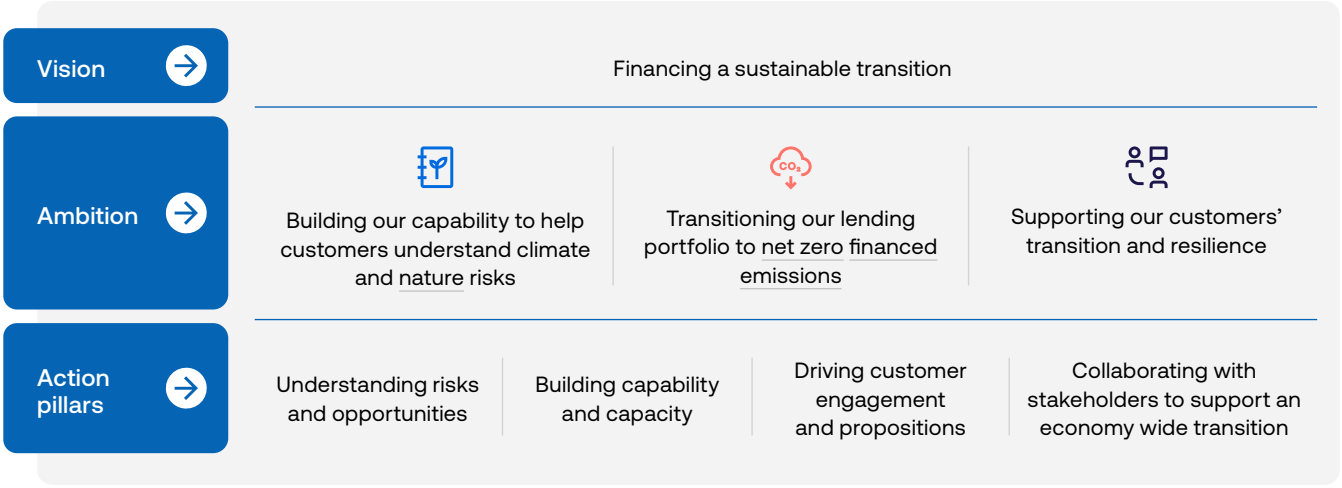
1. The number of Board and Board Committee meetings held during the year is set out in the ANZ 2025 Annual Report available at **anz.com/annualreport. 2.** The Board EESG Committee had its last meeting in May 2025. **3.** ERBC was discontinued in July 2025. **4.** These are a subset of ANZ's ESG targets. Relevant targets that contribute to ANZ's Group Scorecard are set out in the 2025 ESG Report, available at **anz.com/esgreport**. **5.** The Climate Change Commitment excludes Suncorp Bank and ANZ Bank New Zealand. **6.** Transactions that are likely to have significant impact on the size or carbon intensity of our sector portfolio, or which ANZ considers to represent heightened reputational risk.

Strategy

Our vision at ANZ is to finance a sustainable transition. Our Climate and Environment Strategy (C&E Strategy) sets out our objective to be a trusted partner for our customers, supporting them to adapt and become more resilient to a changing environment and economy. In particular, we aim to be a leading bank in supporting an effective and orderly transition for our large business customers.

Our C&E Strategy

We have established three core ambitions, supported by four action pillars that bring together the themes of the steps we are taking to deliver on our ambitions. These ambitions and action pillars are supported by having specific focus areas and prioritised action plans for our Institutional, Australia Commercial, Australia Retail and New Zealand divisions that we commenced implementing aspects of this year.



Our approach to transition planning

In 2025, we took further steps to progress our transition planning.[1] Our C&E Strategy forms the basis for our approach, including how we plan to support an effective and orderly transition for our large business customers. We also draw on guidance from the Glasgow Financial Alliance for Net Zero (GFANZ) and the Transition Plan Taskforce (TPT) transition planning frameworks to inform areas of focus in our C&E Strategy. Refer to Appendix 1 for relevant Indexes.

Our C&E Strategy ambition is supported by our Climate Change Commitment of transitioning our lending portfolio to net zero financed emissions, reflecting where we can have the most significant impact. We estimate our lending to Institutional customers contributes approximately two-thirds of our total financed emissions. The remaining financed emissions arise from our lending to our commercial and retail customers. Our Climate Change Commitment will be available prior to our Annual General Meeting at **anz.com/climate-change**.[2]

The actions under our C&E Strategy demonstrate our progress towards credible transition planning. We acknowledge that ongoing work is required to satisfy a robust and well-developed transition plan.

In this report, we set out the actions we have progressed and how we have been supporting our customers' transition.

Our targets

Our climate and environment targets support the delivery of our C&E Strategy. We continue to make progress, including funding and facilitating $84.72 billion towards our $100 billion target in social and environmental activities[3] by 2030. Separately, eight of our revised sectoral pathways are 'on-track', two are 'close to on track', and none are 'off track'. We also recognise our role in reducing the emissions from our operations and have continued to reduce our combined Scope 1 and Scope 2 emissions across our operations.[4]

Refer to pages 10-11 for further details on our 2025 climate and environment targets and performance, including our sectoral pathways.[5]

Reflecting the upcoming mandatory climate-related disclosures in Australia[6] and a changing internal and external operating environment - we are reviewing our climate and environment targets to ensure they continue to be relevant and aligned with our strategy.

1. Our disclosures do not purport to be comprehensive or to satisfy all aspects of GFANZ or TPT's framework. **2.** The Climate Change Commitment excludes Suncorp Bank and ANZ Bank New Zealand. **3.** For further detail on ANZ's approach for assessing the eligibility of transactions for inclusion towards the target, refer to the ANZ Social and Environmental Sustainability Target Methodology available at **anz.com/esgreport**. **4.** Refer to the Metrics and Targets section for further details and Appendix 7 for ANZ Scope 1, Scope 2 and Scope 3 Operational GHG emissions reporting methodology. **5.** Refer to the Metrics and Targets section for further details and Appendix 5 for Financed and Facilitated Emissions Methodology. **6.** Applying to ANZ Group for the financial year commencing 1 October 2025.

How we are driving our ambitions

The below initiatives and activities illustrate how our actions connect to our three ambitions, supporting the progress of our C&E Strategy in 2025.

	Ambitions			For further information
Our Large Emitters Engagement Program	✓	✓	✓	Page 12
Supporting our customers' transition through financing	✓	✓	✓	Page 16
Understanding nature risks and opportunities	✓			Page 18
Building our capability to help our customers understand climate and nature risks	✓		✓	Page 20
Collaborating with stakeholders to support the transition	✓	✓	✓	Page 21
Managing climate risk	✓	✓	✓	Page 22
Progress on our targets and metrics		✓	✓	Page 10 and 30

Our future focus

We continue to evolve our approach to enable us to deliver our C&E Strategy ambitions.

Building our capability to help customers understand climate and nature risks

Improve our understanding of how climate and nature risks and opportunities affect customers and our lending portfolio by continuing to focus on training, data and tools used to support our customer engagement.

Transitioning our lending portfolio to net zero financed emissions

Continue to engage with our LEEP and certain sectoral pathways customers to support our commitment to transition our lending portfolio to net zero.

Continue to integrate climate risk and opportunities into policies, financing and risk decision making where relevant.

Supporting our customers' transition and resilience

Enhance customer propositions and engagement to support our customers' transition and improve their resilience.

Our targets and performance

Ambitions

Sectoral pathways[1]

	Value chain coverage	2030 interim target	Baseline year	Performance against Pathway	Page #
Power generation	Generation	54% reduction in emissions intensity	2020	On-track	34
Oil and gas	Upstream Midstream & downstream (integrated companies only)	32% reduction in absolute emissions	2020	On-track	36
Thermal coal	Mining	100% reduction in absolute emissions	2020	On-track	38
Auto manufacturing	Light duty passenger vehicle manufacturers	18-33% reduction in emissions intensity	2022	On-track	40
Aviation	Commercial passenger transport	16-26% reduction in emissions intensity	2019	Close to on-track	41
Shipping	Shipping operators	23-30% reduction in emissions intensity	2022	Close to on-track	42
Aluminium	Alumina refining and smelting	17-30% reduction in emissions intensity	2021	On-track	43
Cement	Production	13-25% reduction in emissions intensity	2021	On-track	44
Steel	Production	11-22% reduction in emissions intensity	2021	On-track	45
Australian large-scale commercial real estate	Owners	60% reduction in emissions intensity (office buildings and shopping centres)	2019	On-track	46

- On-track – On or below pathway or range (<=0%)
- Close to on-track – >0% to <=+10% above the pathway or range
- Off track – >+10% above the pathway or range

1. Further information on the scope of coverage can be found in Appendix 5 Financed and Facilited Emissions Methodology.

$100b Social and Environmental Sustainability Target

$100 billion

Target	Baseline	Target year	Performance	Page #
Fund and facilitate at least $100 billion in social and environmental activities through customer transactions and direct investments.	1 April 2023 (commence-ment)	2030	$84.72 billion	31

Large Emitters Engagement Program

Large Emitters Engagement Program (LEEP)

Target	Baseline	Target year	Performance	Page #
Enhance our management of climate risks and opportunities by intensifying our engagement with our largest emitting business customers. We will expect and encourage them to strengthen their low carbon transition plans, by focusing our engagement and raised expectations on our 100 largest emitting business customers with the aim that by end 2025, compared to their starting point more customers are assessed as being in a 'Mature' phase of their low carbon transition plans.	2024	2025	Achieved, 45 customers were assessed as being in a 'Mature' phase of their low carbon transition plans, up from 42 in 2024.[1]	12

Other targets

Operational emissions and non-emissions

Target	Baseline	Target year	Performance	Page #
• Reducing combined Scope 1 and Scope 2 emissions by 85%	2015	2025	(96%)	52
• Reducing combined Scope 1 and Scope 2 emissions by 90%	2015	2030	(96%)	
• Being powered by the equivalent of 100% renewable electricity	N/A	2025	97%	
• Reducing waste to landfill by 40%	2017	2025	(79%)	
• Reducing water consumption by 40%	2017	2025	(61%)	
• Reducing paper consumption (office and ANZ originated customer paper use) by 70%	2015	2025	(77%)	

Revised operational emissions

Reducing combined Scope 1 and Scope 2 emissions by 85%[2]	2024	2030	Performance to be reported in 2026	53

Agribusiness data coverage cohort

Data coverage target to seek the disclosure of Scope 1 and Scope 2 emissions at a standard equivalent to the 'Australian National Greenhouse Account Factors' by 100% of the Agribusiness data coverage cohort.	N/A	2027	61%	49

Other metrics

Australian residential home loans

Metric	Page #
Tracking the emissions intensity of our Australian residential home loan portfolio.	48

Operational emissions

Scope 1, Scope 2 (location- and market-based) and Scope 3 upstream value chain emissions.	52

1. Between 2024 and 2025, four of our 100 largest emitting customers upgraded to 'Mature', and one customer who was assessed as 'Mature' in 2024 was removed from LEEP due to acquisition. In 2025, we expanded LEEP to additional customers subject to the Safeguard Mechanism, certain customers in our sectoral pathways and other large emitters. Within this expanded LEEP cohort, there are 77 customers assessed in the 'Mature' phase as at end 2025. For further detail, refer to page 12. **2.** Having achieved our 2030 target of a 90% reduction (against a 2015 baseline) earlier than expected, we have revised our combined Scope 1 and Scope 2 emissions reduction target with a more ambitious baseline year of 2024 and to also include Suncorp Bank commencing 1 October 2025.

Our Large Emitters Engagement Program

Ambitions

Supporting our customers to transition

Customer transition plans – particularly those in emissions-intensive sectors – help us understand and support how our customers are adapting to and responding to a changing climate.

Under our C&E Strategy, our vision is to finance a sustainable transition. A key initiative supporting this is our signature Large Emitters Engagement Program (LEEP). Through discussion and engagement focused on their transition plans, LEEP enables us to gain a deeper understanding of our customers' strategies. This also helps identify potential financing opportunities to support their decarbonisation efforts and informs the management of our climate-related transition risks associated with lending to higher-emitting customers.

How we select LEEP customers

To be included in LEEP, each customer must satisfy certain threshold requirements.[1] We also have regard to the following factors that help us determine which customers are included in LEEP:

- The customer's ability to influence the transition plan (e.g., ANZ's customer may not be the entity that manages the transition plan);
- The materiality of the customer's operational emissions or emissions intensity, having regard to the relevant industry;
- The nature of the customer's activities; and
- The strength of ANZ's relationship with the customer.

In applying these factors, ANZ exercises judgement in considering the significance of them in relation to the relevant customer. As a guide, ANZ's intention is to maintain 140-160 customers within LEEP, based on the principle that we want to engage with customers where we can have the greatest impact.

From time to time, we may change the composition of the LEEP cohort. The Central Review Team (CRT) approves the LEEP cohort and any changes to its composition, such as where a customer's activities change, where the customer's emissions are no longer material or where there are other factors that ANZ considers are relevant. For more information about the CRT, please refer to '*Governing transition plan assessment and customer engagement*' on page 15.

Assessing our LEEP customers' transition plans

We expect our customers' transition plans to set out four elements – Governance, Targets, Risk Management and Disclosure. Key criteria for each element are outlined in the table on page 13.

The customer transition plan assessment framework, leverages guidance from credible third-parties such as the Transition Pathway Initiative, Climate Action 100+ and the Science Based Target Initiative. Expectations for credible climate transition plans are evolving. In light of this, we will continue to review our assessment framework regularly to reflect relevant developments. We may update our assessment framework and, if we make material changes, we will explain how they impact upon our assessment outcomes in the relevant year.

We assess the trajectory of our LEEP customers' transition plans relative to our criteria and then categorise those plans as being 'Mature', 'Progressing' or 'Emerging', as described on page 13. We expect customers in the 'Emerging' phase to demonstrate sufficient improvement in their transition plans to at least the 'Progressing' phase, generally within two years of our engagement.

How our LEEP customers are placed in 2025

LEEP customers grouped by transition phase (150 customers)

Our 2025 assessment[2] resulted in an upgrade of ten customers: six moved from 'Emerging' to 'Progressing', one from 'Emerging' to 'Mature', and three from 'Progressing' to 'Mature'. Upgrades were largely driven by customers establishing or strengthening their quantitative and timebound climate targets.

During the year, a number of customers were no longer in LEEP mostly due to material changes in banking relationships such as customer exits. For this reason, we added five new customers to the LEEP cohort during the year.

For the 16 customers that have remained in the 'Emerging' phase this year, we have tailored account plans to guide our engagement. The high-level outcomes for most of these customers are either to cap or reduce support (as measured by credit limits). In many cases, we have also sought to pivot our financing towards those customers' transition or lower carbon initiatives, noting that some 'Emerging' customers are active in transition investments, but do not meet our other assessment criteria for 'Progressing' or 'Mature' (such as disclosures).

> Our customers are also impacted by regulatory expectations, investor scrutiny and broader societal demands which are driving the need for greater accountability and climate-related disclosures. While these drivers are global, we acknowledge the Australian Government's release in 2025 of its Net Zero Plan, accompanying sector pathways and consultation on transition planning, which will help guide our customers with operations in Australia on how their transition efforts might contribute to achieving these sector and economy-wide plans.

1. We apply general threshold requirements applicable to all LEEP customers, as well as threshold requirements specific to particular cohorts of LEEP customers. For further detail, refer to the LEEP customer selection definition in the Glossary. **2.** In some cases, our 2025 assessment of LEEP customers took into account customers' actions and/or information relevant to our assessment criteria up to 22 October 2025 (i.e., after ANZ's end of financial year).

	Emerging	Progressing	Mature
Summary phase description	Customers that generally do not meet our expectations for the 'Progressing' phase. Some may have internal plans, including governance structures and steps being taken to reduce emissions that are not yet disclosed. Others may have disclosed plans but without accompanying emissions disclosures or targets to reduce their emissions.	Customers that are demonstrating sufficient improvement of their plans. These customers may have targets that fall short of being Paris-aligned intermediate targets, e.g., due to challenges in the sector or environment they operate in.	Customers that have disclosed a well-developed or advanced transition plan. This includes customers we consider to be 'sector leaders'.
Governance	• Acknowledges the need to develop a transition plan or at least recognises that climate change is a significant issue.	• At least adequate governance to manage climate risk.	• Strong governance in place to manage climate risk. • Acknowledges climate is a material risk and opportunity.
Targets	• No public targets to reduce emissions (although may have other plans in place to reduce their Scope 1, Scope 2 or Scope 3 emissions).	• May have a reasonably ambitious Scope 1 and Scope 2 target but not yet Paris-aligned. • Have a Paris-aligned Scope 1 and Scope 2 target but does not have clear plans to achieve the target.	• Have a Paris-aligned Scope 1 and Scope 2 target and clear plans to achieve the target. • Committed to net zero by 2050 covering at least Scope 1 and Scope 2 emissions. • May have targets to reduce their material Scope 3 emissions. • Incorporates climate performance into executive remuneration.
Risk management	• Acknowledgement of link between climate risk and financial risk.	• Steps being taken to embed climate risks and opportunities in company's strategy (in addition to acknowledging link between climate and financial risks).	• Have embedded climate risks and opportunities in company's strategy. • Publicly disclosed scenario analysis.
Disclosures[1]	• High level or no Task Force on Climate-related Financial Disclosures (TCFD) – aligned reporting, or equivalent (e.g., ISSB)[2] • No or limited disclosure of emissions. • No independent assessment or assurance of transition plan, targets or emissions.	• Have high level TCFD-aligned (or equivalent) reporting. May be moving towards comprehensive TCFD-aligned reporting, or equivalent (e.g., ISSB). • At least Scope 1 and Scope 2 emissions disclosed.	• Comprehensive TCFD-aligned reporting, or equivalent (e.g., ISSB). • Scope 1, Scope 2 and material Scope 3 emissions disclosed. • Clear plans to reduce emissions towards their targets and disclose their progress. • Ideally independent assessment or assurance of transition plan, including targets and emissions.

1. We acknowledge that the Task Force on Climate-related Financial Disclosures (TCFD) was disbanded in October 2023, with its recommendations fully integrated into the ISSB Standards. However, our current assessment framework continues to evaluate customers' disclosures against the TCFD recommendations. **2.** International Sustainability Standards Board (ISSB).

Energy customers

This year marked a milestone in our ongoing engagement with our energy customers and assessment of their progress. We had set clear expectations for existing energy customers to achieve by the end of 2025 and stated that we may decline or reduce support to customers that did not meet, or had not sufficiently improved, towards those expectations. We are pleased that our engagement has mostly been positive.

Through this engagement, we have supported energy customers to strengthen their transition plans and report transparently on their climate risks and opportunities. We have assessed the majority of the energy customer cohort as having met, or made sufficient improvements towards, our expectations. Our assessment of energy customers' progress provided valuable insights into how these customers are approaching the transition to a lower-emissions economy and highlighted areas where ANZ can offer targeted support to accelerate their progress.

As part of our analysis, we assessed transition plans for customers representing approximately 90% of credit limits of our energy customers. This represents the vast majority of the customer relationships within the energy customer cohort. Transition plans for energy customers representing approximately 10% of credit limits were not reviewed on the basis that exposures were not material (e.g., energy customers with very low credit limits) or the energy customer has materially 'transitioned' to low emissions activities (e.g., renewable electricity generation).

Some of our energy customers have not made sufficient progress towards our expectations and we have reassessed our support for them based on this and other factors, by capping or reducing limits – in some cases this has occurred before 2025. In other instances, we have exited the customer, partly on the basis of their lack of progress in developing their plan since we first set our energy customer expectations in 2021.

1. Includes Scope 1 and Scope 2 (location-based) of ANZ's large business customers that are ultimate group parents (where possible) with a material credit limit (either through group or subsidiary level). We excluded customers within Project Finance, Financial Institutions, Public Sector, and other customer segments such as services and education, which typically have lower emissions.

Ongoing LEEP customer engagement and monitoring

At this point, we have considered how we can best support the different cohorts of LEEP customers, recognising that many will soon be subject to mandatory climate reporting in Australia or other countries. We believe the most effective next step is to adopt a single, integrated approach for engaging with relevant higher-emitting customers, regardless of their sector, while ensuring consistent governance for how we assess and monitor customer transition plans. We estimate that through LEEP we have undertaken enhanced customer engagement with customers responsible for around 60% of our Institutional credit customer portfolio financed emissions.[1] See LEEP customers and LEEP customer selection terms in the glossary for further detail on how we select LEEP customers.

From 2026 onwards, we intend to engage with our LEEP customers and assess their transition plans at least annually. The level of engagement will vary depending on the assessment outcomes. For example, we may increase engagement with customers we assess as 'Emerging' and may reduce engagement with customers that we consider to be progressing well.

At the same time, our monitoring of our LEEP customers' transition plans will be ongoing. If we observe that a customer's transition plan approach is not progressing or that they are not achieving their objectives, we will engage with the customer and may reduce our support.

In this respect, we recognise that there may be industry specific or market challenges beyond the customer's control, which we seek to understand and take into account.

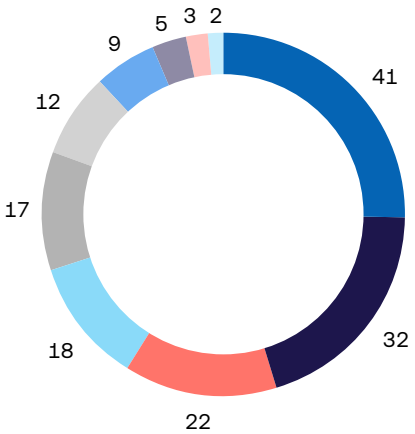
Our 2026 LEEP customer cohort by sector representation is reflected in the chart below. As explained below, the composition of LEEP may change from time to time.

How our transition plan assessment affects our decision making about LEEP customers

The diagram on page 15 illustrates, at a high level, how our transition plan assessment for LEEP customers is relevant for decisions regarding our LEEP customers more broadly. Our approach extends beyond each lending decision to include non-lending transactions for certain energy customers where we consider certain capital markets activities as part of our transaction escalation processes. In 2026, we intend to include certain capital markets activities for LEEP customers in-scope of our industry and transport sectoral pathways.

While we continue to refine our decision-making process, consideration based on our transition plan assessment represents a meaningful step forward in our ability to assess, monitor and engage with our LEEP customers. This enables us to better understand the challenges and opportunities they face and to support their transition.

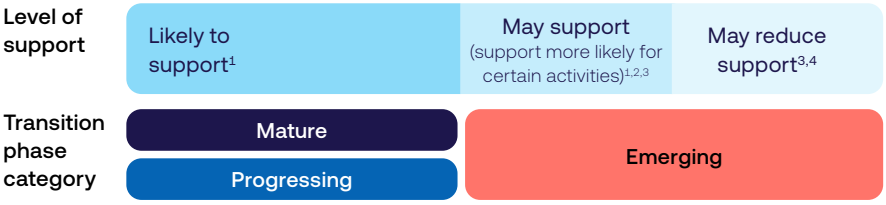
2026 LEEP customers by sector



* Chart updated to include industrial manufacturing customers on 21 November 2025.

**This includes 5 of 6 material metallurgical coal customers, representing ~72% of our exposure at default (EAD) to this sector.

High level representation of how transition plan assessments relate to broader decision making



1. ANZ's support is subject to applicable policies including the S&E Risk Policy and credit policies, as well as climate targets including ANZ's sectoral pathways (see pages 32 for further information). Refer to page 7 for information on ANZ's transaction escalation process. **2.** Certain activities typically refers to those that assist customers to reduce their carbon emissions or improve environmental outcomes. **3.** Decisions are subject to consideration of industry or market specific challenges that may impact our customers. **4.** For example, decline to participate in new credit or certain capital markets opportunities, reduce limits available to the customer or selldown existing exposures.

For our large business customers, including LEEP customers, decision-making is subject to due diligence as required by our Social and Environmental (S&E) Risk Policy and, where applicable, assessment via our transaction escalation processes which considers:

- The customer's transition plan maturity;
- ANZ's customer account plan (if any); and
- Relevant reputational risks.

Refer to our Sectoral Pathway Transaction Escalation Process on page 7 for further detail.

Governing transition plan assessment and customer engagement

The CRT is the main decision-making body for customer transition plan assessment ratings. The CRT also governs decisions regarding inclusions or exclusions from LEEP and, for LEEP customers in the 'Emerging' phase that have account plans, monitors the implementation of those plans.

The CRT is co-chaired by representatives from our Climate Risk and ESG Analytics and Advisory team, and includes representatives from the Institutional division, including Sustainable Finance and relevant Business Sectors.

The diagram below illustrates, at a high level, how we are incorporating our transition plan expectations into decision-making processes for our LEEP customers.

Oversee LEEP customers' transition plan ratings and engagement.

Make decisions if the CRT escalates individual customer ratings.

Senior Executives
Group Executive, Institutional, Group Chief Risk Officer, Group General Manager, Climate

Complete the Climate Change Risk Assessment (CCRA), utilising the latest climate-related disclosures for the customer and insights from customer engagement.

Engage customers with support from Sector Transition Specialists.

Conduct an independent preliminary review of Relationship Managers' responses.

Relationship Managers

ESG Analytics and Advisory Team

CRT
ESG Analytics and Advisory Team, Climate Risk, Business Sectors and Sustainable Finance

Discuss the preliminary review outcome with Relationship Managers before recommending customer transition plan ratings to the CRT for review.

Review proposed customer assessment ratings.

Approve ratings except those escalated to the Senior Executives Group due to consensus not being reached within the CRT.

Monitor the account plan implementation from customers in 'Emerging' phase.

Track actions taken from the customer engagement and evaluate progress against our customer transition plan assessment framework.

Supporting our customers' transition through financing

Ambitions

ANZ is financing a sustainable transition by strategically mobilising and deploying capital to support our customers to transition.

$99b (74 deals) from **International**

$59b (68 deals) from **Australia**

$7b (17 deals) from **New Zealand**

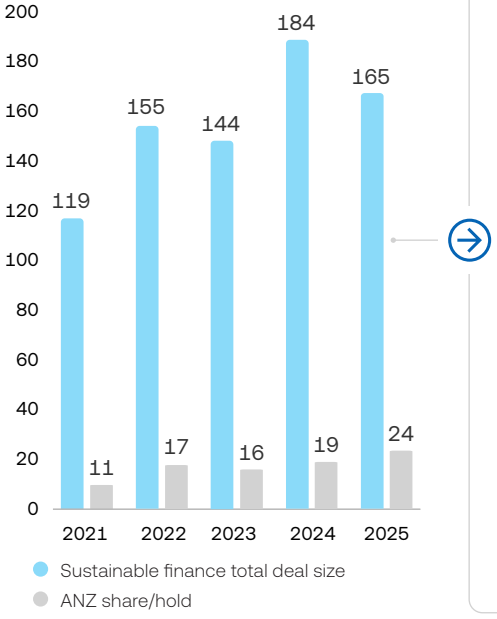
See page 31 for information on our $100 billion social and environmental target.

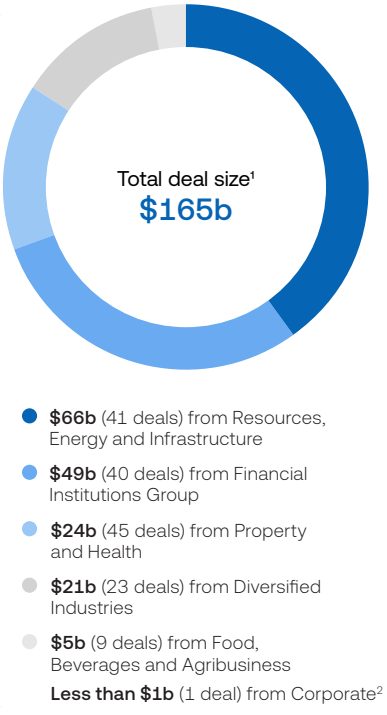
Supporting our Institutional customers to transition

ANZ's Sustainable Finance team in our Institutional division helps our customers identify climate- and nature-related risks and opportunities and link our customers' financing needs to their sustainability strategies, through the use of labelled loans, bonds and trade products. We continue to observe sustainability strategies being integrated by customers into lines of business which is driving ongoing demand for these labelled products.

During 2025, we participated in 159 labelled sustainable finance deals with a total deal size[1] of $165 billion, compared to 145 deals with a total deal size[1] of $184 billion in 2024. The amount attributed to ANZ was $23.60 billion, of which $17.34 billion was executed through on-balance sheet loans and other credit lines and $6.26 billion executed via our distribution capability. In addition, ANZ acted as Sustainability Coordinator on 30% of the labelled deals we participated in (48 deals), demonstrating our leadership in facilitating sustainable finance.

Sustainable finance total deal size[1] over time ($b)





This year we supported Intellihub with approximately $3 billion in Green Loans to continue its roll out of smart meter, solar, battery, EV charging and swimming pool efficiency technology. Certified by the Climate Bond Initiative, this was the fourth syndicated Green Loan for Intellihub since 2021. ANZ acted as Green Loan Coordinator and Agent for all four loans.

Nature-related financing

We expect the nature finance market to develop over the short to medium term, as global sustainable finance taxonomies, nature impact and dependency frameworks, guidance and standardised metrics evolve. This is demonstrated through the release of the Australian Sustainable Finance Taxonomy this year which encourages nature-positive investments.

This year, Endeavour Energy secured $2.07 billion in financing through a Sustainability-Linked Loan (SLL), aligned with the Asia Pacific Loan Market Association's SLL Principles. Key performance indicators include Scope 1 and Scope 2 emissions reduction, operational waste diversion from landfill, and net habitat gain, with a new Scope 3 emissions target also introduced. ANZ acted as Joint Sustainability Coordinator, Lender, and Mandated Lead Arranger and Bookrunner.

1. The total amount of funds raised by a borrower/ issuer on a transaction or deal e.g., if a customer borrows $1 billion via a syndicated loan from 5 banks providing $200 million each, then the deal size is $1 billion. **2.** To preserve confidentiality, the exact size of the single Corporate transaction executed this year is not disclosed.

Supporting customers' decarbonisation

We also support our customers' transition through unlabelled financing products and services. These include relationship lending, structured lending (such as project finance or asset finance) and other banking solutions to finance or facilitate initiatives that contribute to customers' decarbonisation.

In 2025, we provided project financing to fund solar farms and onshore and offshore wind farms. We also provided loans to fund sustainable buildings which meet industry recognised standards or certifications and guarantee facilities supporting the sale of energy storage systems.

For example, we provided $252 million in project financing and guarantee facilities to Cubico Sustainable Investments for the development, construction and operation of the 252 megawatt Wambo Stage I and 254 megawatt Wambo Stage II wind farms in Queensland, Australia.

SDG Bond Program

ANZBGL's[1] capital and funding strategy includes issuances of bonds under ANZBGL's Sustainable Development Goal (SDG) Bond Framework[2], which help support our vision to finance a sustainable transition. This also assists ANZBGL in maintaining access to a diverse investor base across global capital markets.

Since the first ANZ SDG Bond issued in February 2018, ANZBGL has issued a total of six ANZ SDG Bonds amounting to approximately $8.5 billion, supported by a $14.5 billion eligible asset pool.[3] Our most recent SDG Bond was issued in January 2025, raising EUR 1 billion of Tier 2 capital.

Environmental Markets

ANZ plays a role in supporting customers' participation in carbon and environmental markets. ANZ's Environmental Markets team engages with Institutional customers on the risks and opportunities presented by carbon and environmental markets. This includes customers subject to compliance obligations under the Safeguard Mechanism[4] and those seeking to participate in carbon and environmental markets on a voluntary basis.

The team provides insights to help build ANZ's capability and to support our customers in understanding climate and nature risks. The team also develops related specialist financing and market-related solutions for customers on both the demand and supply side.

Supporting Australian commercial customers' decarbonisation

ANZ has been working with the Clean Energy Finance Corporation (CEFC) since 2017, supporting Australian businesses to invest in more energy efficient assets.

Under the current program, extended in November 2024, ANZ and CEFC each contribute a 0.40% discount to the interest rate, providing a total discount of 0.80%, (increased from the 0.50% discount that applied prior to the extension) to eligible customers for loans up to $5 million.

Eligible customers are small-to-medium sized businesses investing in a broad range of renewable energy and energy efficient technologies, industrial and agricultural equipment, recycling technologies and electric vehicles.[5] During 2025, 257 contracts were funded for a total of $46.64 million under the program.

Business and Retail Products (New Zealand)

ANZ Bank New Zealand offers lending products that may support households and businesses to transition to a lower-emissions economy.

In addition, ANZ Bank New Zealand continues to offer lending to support customers impacted by weather related events.

Product		Description of Product
Business and Agri customers	ANZ Agri Uplift Finance[6]	For customers focused on improving farming practices and increasing business resilience. Supported by external assurance programs or best practice. Launched in October 2024.
	Good Energy Agri Loan[7]	Supports eligible farm gate agriculture customers to make energy-efficient upgrades to their on-farm houses. Launched in March 2025.
	Business Green Loan[8]	Allows business and farm gate agricultural customers to finance (or refinance) eligible assets or specific projects that demonstrate clear environmental benefits.
Households	Good Energy Home Loan[9]	For existing eligible home loan customers to upgrade their homes, including for example: solar panels, heating and insulation, electric and hybrid vehicles and chargers.
	Healthy Home Loan Package[10]	For eligible customers who are buying, building, renovating or already own a home with a 6 Homestar rating or higher.

New Zealand retail lending target

Since October 2020 we have supported 23,397 households into healthier homes and NZ$938.86 million lending through:

- Our Good Energy Home Loan Top Up
- Our Healthy Home Loan package
- Interest-free Insulation Loans[11]

Exceeding our target to help New Zealand homeowners improve the sustainability of their homes and/or reduce their transport emissions through discounted lending of at least NZ$825 million in aggregate to at least 19,700 households by end 2025.

1. Australia and New Zealand Banking Group Limited. **2.** Issuances are subject to market conditions. **3.** Some ANZ SDG Bonds are no longer outstanding. **4. Safeguard Mechanism – DCCEEW. 5. Vehicle and Equipment Finance. 6. ANZ Agri Uplift Finance. 7. ANZ Good Energy Agri Loan. 8. ANZ Business Green Loan. 9. ANZ Good Energy Home Loan. 10. ANZ Healthy Home Loan Package. 11.** Product discontinued in July 2022.

Understanding nature risks and opportunities

Ambitions

Our Climate and Environment Strategy (C&E Strategy) reflects our acknowledgment of the importance of, and links between, climate and nature. Our approach is guided by our ambition to build our capability to help customers understand both climate and nature risks.

Customer engagement

Since 2021, we have engaged with some of our largest emitting business customers on nature-related issues.

This year, we ran a two-tiered approach, building on a desktop analysis conducted in 2024. This approach helps us better understand nature-related impacts, support broad customer engagement opportunities and informs our nature risk management approach.

High level analysis 2025 – LEEP customers

We sought information through our Climate Change Risk Assessment (CCRA) about whether LEEP customers are establishing or strengthening their nature-related Board governance, metrics and targets, and disclosures using recognised indicators or metrics on nature.

Focused nature engagement cohort

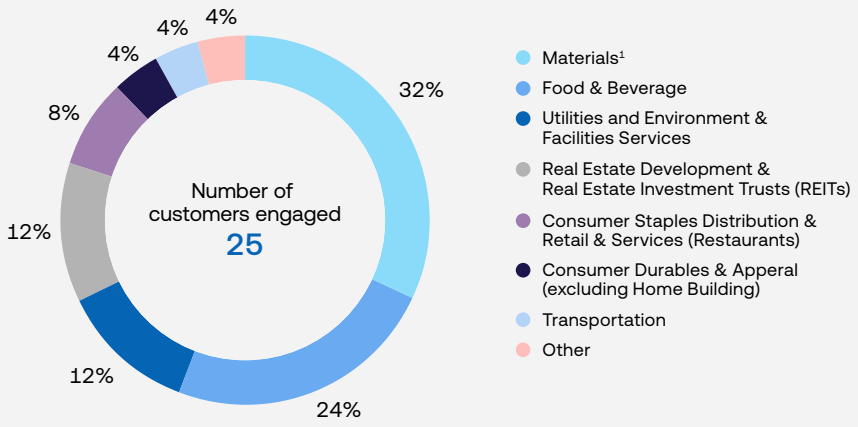
We also undertook a focused engagement over a small cohort of customers across sectors (see chart below). Our bankers initiated discussions with each customer in the cohort to understand their approach to managing nature risks and opportunities. Our engagement approach is informed by third party frameworks such as Nature Action 100, SPRING, Forest 500 and the Taskforce on Nature-related Financial Disclosures (TNFD).

Key themes arising from this engagement include:

- Nature is a growing strategic priority. However, most organisations remain focused primarily on climate, driven by mandatory climate reporting requirements.
- Maturity in nature strategies varies across sectors. For example, Australian resource sector customers continue to be more mature in terms of identifying/disclosing nature-related risks and opportunities, partly due to heightened scrutiny on the activities of customers operating in this sector.
- Some companies have piloted LEAP[2] or are using aspects of the TNFD, while others have communicated plans for inaugural disclosures drawing on the TNFD.
- In terms of the TNFD reporting framework, some companies are in the early stages of adoption of TNFD recommendations.
- Some companies are embedding processes to consider nature-related impacts and dependencies across their business, while others are taking a project-specific approach.

An overarching theme was the challenge of data collection and subsequent comparison of location-specific data, arising from a lack of standardised metrics. This leads to difficulties in quantifying nature-related impacts and dependencies of relevant projects.

Focused nature engagement cohort by sector (%)



Portfolio analysis

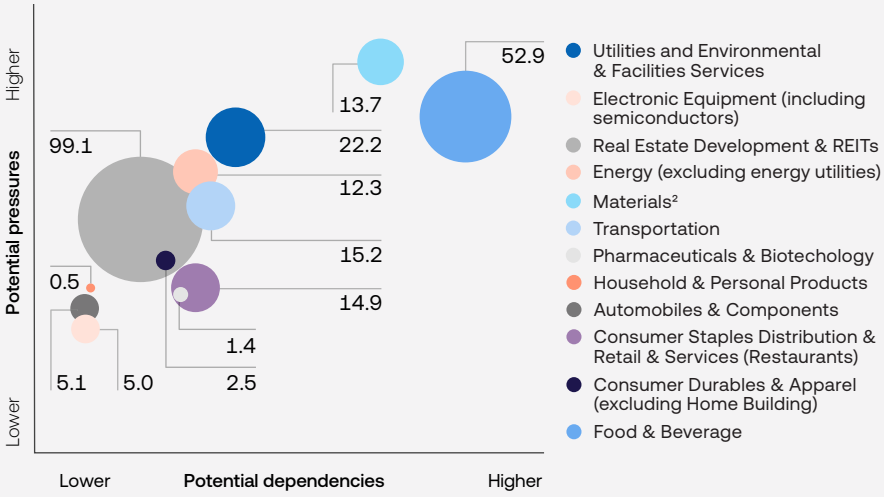
Nature risks and opportunities are inherently sector and location specific. As a result, identifying and applying a single portfolio-wide metric or target is challenging.

The Exploring Natural Capital Opportunities Risks and Exposure (ENCORE)[3] tool identifies potential sector-level nature pressures and dependencies. Having regard to the TNFD's additional guidance for financial institutions[4], we have reported against one of the core disclosure metrics for financial institutions – 'Exposure to sectors'. This metric represents exposure to a defined set of sectors considered to have material nature-related pressures and dependencies. The outcomes are reflected on page 19.

The assessment highlighted the materials, and food and beverage sectors as those with higher potential pressures and dependencies on nature. Within the sectors assessed, water use and terrestrial (land-based) ecosystem use are categorised as having the most material potential nature-related pressures. This analysis helped inform our approach to customer engagement.

1. Including chemicals, construction materials, containers & packaging, metals & mining and paper & forest products. **2.** Locate, Evaluate, Assess and Prepare. **3.** The ENCORE tool previously referred to 'impacts' and 'dependencies', however the tool now refers to 'pressures' and 'dependencies'. **4.** TNFD – **Sector Guidance** (June 2024).

ENCORE[1] potential pressures and dependencies by sector



The size of the bubble represents exposure at default ($b EAD) as at June 2025.

Our approach to managing nature risk

Nature loss is classified as an emerging risk to ANZ under our Risk Management Strategy.

We are seeking to improve our understanding of the impacts and dependencies – positive and negative – nature and biodiversity can have on our customers, including how customers are managing and mitigating material risks and impacts.

We consider that nature and biodiversity risk can arise from lending to customers that have material impacts or dependencies on nature. These risks can also arise from legal and regulatory changes, which may impact ANZ directly or indirectly through our customers. Failure to manage these risks may lead to financial and non-financial risks to ANZ.

We seek to understand nature-related risks from lending to our large business customers, including through the application of our Social and Environmental Risk Policy (S&E Risk Policy)[3] and related tools and processes (refer to page 23 for further information).

ANZ will take steps through the use of the Social and Environmental Screening Tool, to understand whether large business customer activities significantly affect culturally or environmentally sensitive areas or issues, and will not knowingly support those activities. Examples of such activities include those which threaten, significantly impact or breach, as the case may be:

- UNESCO World Heritage sites;
- wetlands on the Ramsar list;
- designated national parks and conservation areas;
- species listed in the Convention on International Trade in Endangered Species of Wild Fauna and Flora;
- species listed in the International Union for Conservation of Nature (ICUN) Red List of Threatened Species;
- places or objects of Indigenous[4] cultural heritage without appropriate consent; or
- relevant international and domestic treaties and agreements.

Our approach to deforestation

Our S&E Risk Policy requires decision makers to assess material large business customer impacts. In financing activities of land and forest customers[5], decision makers are expected to have awareness of the impacts of the land and forest customers' proposed activities, including in relation to deforestation.

ANZ seeks to support large business customers' land management activities that avoid or reduce negative impacts on land and forests, restore and regenerate ecosystems, including reforestation and improving grazing, water and soil management.

We expect land and forest customers engaging in forest management, palm oil or soy activities to have public commitments to high standards via certification or independent verification. Information about ANZ's policy on land and forest management is available at **anz.com/social-and-environmental-risk-management**.

As part of our focused nature engagement cohort, in sectors with potential heightened deforestation risk, we have included a tailored focus on deforestation. Where relevant, we discussed European Union Deforestation Regulation preparedness and the impact of deforestation targets within the customers' value chains.

We continue to monitor responses to deforestation from industry bodies and other stakeholders.

We will also consider ways to improve our disclosure of potential exposure to deforestation, informed by engagement with the Accountability Framework Initiative (AFI) or its delivery partners that we are planning to undertake in 2026. This engagement is intended to supplement discussions with our customers, industry bodies and other stakeholders about their use of the AFI and what benefits it may have achieved.

1. Pressure and dependency ratings were sourced from ENCORE. A score was applied in order to convert ENCORE's qualitative assessment to a quantitative analysis and scores were aggregated. **2.** Including chemicals, construction materials, containers & packaging, metals & mining and paper & forest products. **3.** Suncorp Bank is excluded from the Policy. Suncorp Bank maintains its own Responsible Banking Policy which outlines its approach to the management of ESG risks and opportunities across Suncorp Bank. The Responsible Banking Policy applies to Suncorp Bank and all products and services provided by Suncorp Bank to its customers. **4.** We recognise that there may be preference for descriptions other than Indigenous such as First Nations peoples or Tangata Whenua. We respect preferences as guided by the United Nations' Permanent Forum on Indigenous Issues. **5.** Large business customers that we consider manage or have the potential to significantly impact areas of land.

We continue to draw on the TNFD framework to help inform our disclosures in this report. Refer to Appendix 3 for our TNFD Index, outlining our response to the recommendations.

Building our capability to help our customers understand climate and nature risks

Ambitions

We continue to build the capability of our relevant employees, through programs and training that develop understanding, knowledge and skills in climate and nature to help them to engage with and support our customers - a core ambition of our Climate and Environment Strategy (C&E Strategy).

Building internal capability

We offer learning and development on ESG, including climate and nature risks and opportunities, through our ESG@ANZ Mindset 2030 Learning Program. The optional online program includes our foundational and specialisation learning programs, supplemented by webinars and speaker events.

Since the 10-module foundational learning program was launched in 2023, over 6,400 employees have completed the program. This included over 70% of employees in our Institutional division, which the learning program was initially established to support, exceeding our training and capability target of 65%. The most recent feedback showed that 98%[1] of respondents believed the program improved their knowledge of ESG and how it relates to ANZ, with 79% using their knowledge from the program in their role.

An ESG Competency Framework is also being developed to identify the skills, knowledge and behaviours needed for specific roles across ANZ.

Helping our bankers to support our customers

Education is important for the understanding and effective management of climate and nature risks and opportunities for our large business customers. This year, we continued to:

- **Educate relevant employees about our Social and Environmental Risk Policy (S&E Risk Policy) and Standard,** including specific requirements for sensitive sectors and **Climate Risk Standard**.[2] Training related to the S&E Risk Policy is mandatory for employees authorised to make credit decisions relating to large business customers. Refer to page 22 for further details on our S&E Risk Policy.
- **Deliver training to uplift the skills and knowledge of relevant employees to apply the Climate Change Risk Assessment (CCRA),** including relationship managers who are engaging with our LEEP customers. The training includes how climate risks and opportunities may manifest for our large business customers, with reference to our internal customer transition plan assessment framework.

Examples of additional training provided in 2025:

- **A Climate Risk Masterclass** was delivered to employees within the Group Risk function to provide a deeper understanding of ANZ's approach to managing climate risk, including how this is supported through our C&E Strategy.
- As part of our collaboration with **Farming for the Future (FftF)**[3], face-to-face training was delivered to ANZ Agribusiness employees including bankers, credit decision makers and support functions. The sessions covered the findings of research undertaken by FftF and included upskilling employees on environmental projects on farms, such as carbon, biodiversity and renewable energy projects.

Refer to page 23 for further details on the CCRA and page 12 on our LEEP.

1. Feedback was sought from a representative sample group who completed the program a minimum of six months prior. **2.** Excluded Suncorp Bank during the reporting period. The Climate Risk Standard will include Suncorp Bank in 2026. **3.** Farming for the Future is a not-for-profit research and change program that seeks to progress the Australian agricultural industry's understanding of on-farm natural capital and its management.

Collaborating with stakeholders to support the transition

Ambitions

We continued to engage with stakeholders and leverage partnerships to uplift our climate and nature capability and contribute to industry guidance and thought leadership. We periodically review our membership of industry associations, bodies and partners we work with for alignment with strategy, ANZ's position on policy and advocacy, along with other relevant considerations.

Industry associations and bodies

We are members of a number of industry associations and bodies. Through these memberships we contribute to discussions on industry-wide economic, social and environmental issues affecting our customers, shareholders and the broader community. This includes matters impacting the sustainable finance market.

We also participate in industry working groups, including to contribute towards improving market standards and market development.

Many of our memberships are connected to our Institutional business, reflecting where we believe we can have the most significant impact as we estimate our lending to Institutional customers contribute approximately two-thirds of our total financed emissions.

Examples of our memberships include:

- New Zealand Banking Association
- Asia Pacific Loan Market Association (APLMA)
- International Capital Markets Association (ICMA)
- Australian Sustainable Finance Institute (ASFI)
- Climate Bonds Initiative
- Green Buildings Council of Australia.

Examples of working groups we participated in include:

- APLMA Green and Sustainable Lending Committee
- ICMA Climate Transition Finance Working Group
- ASFI's implementation pilot of the Sustainable Finance Taxonomy

Partners and thought leadership

We partner with groups and organisations to support the delivery of our Climate and Environment Strategy (C&E Strategy) and play a role in sharing research and insights that aim to support our customers.

Pollination

This year, we continued to work with Pollination to support various aspects of the implementation of the C&E Strategy.

In addition, we contributed to Pollination's second edition *Nature Finance Focus* report which details some of the models that are helping to unlock and scale nature investment, including nature-related debt finance.

The Aotearoa Circle

ANZ Bank New Zealand is a leading partner of The Aotearoa Circle[1], a voluntary initiative to protect and restore Aotearoa New Zealand's natural resources. During 2025, ANZ Bank New Zealand contributed to Circle initiatives including strategic planning.

Putting energy efficiency to work

The *Forgotten Fuel* series of reports is the result of a collaboration between ANZ and the Energy Efficiency Council.[2]

In May 2025 the final report in the series, *Putting energy efficiency to work at home* was released. It details the practical steps Australians can take to improve the energy efficiency of their homes, and the climate and financial benefits of making our households more sustainable.

Government and regulators

We listen to, and seek to engage with, government, public officials and regulators including through participation in government consultations and parliamentary inquiries, either directly or through our industry associations.

ANZ Bank New Zealand has participated in various consultations with the External Reporting Board on climate-related disclosures.

Non-government organisations

We engage with non-government organisations (NGOs) on topics that relate to climate and nature. This enables us to understand perspectives from external stakeholders and build our knowledge.

This year, we continued to engage and meet with environmental NGOs in Australia, and internationally, covering our climate policies, climate risks and opportunities and nature. We also engaged with regulators, government and NGOs to build the knowledge of our senior executives across ESG topics.

1. For further information: **The Aotearoa Circle**. **2.** The Energy Efficiency Council is a not-for-profit membership association and is the peak body for Australia's energy management sector.

Risk management

Ambitions

ANZ recognises Climate Risk as a Material Risk within the Group Risk Management Framework (RMF). Climate risk is also considered to be a driver of other Material Risks within our RMF.

ANZ continues to integrate and embed climate risk within our RMF, which is overseen by a dedicated Climate Risk team. This is a multi-year journey, acknowledging the complexities and challenges that arise from an evolving regulatory landscape; limitations on the availability of, and access to, reliable and consistent data; and the need to uplift systems, tools, and capability across the Group.

This year we focused on:

Further enhancing and embedding climate risk management requirements across the Group through our Climate Risk Standard and Non-Financial Risk Framework.

Expanding the escalation process to include material lending transactions that impact our industry and transport sectoral pathways (refer to page 7).

Enhancing our Climate Change Risk Assessment (CCRA) through exploring the use of generative artificial intelligence (refer to page 23).

Enhancing our climate scenario analysis capability, including through:

- the recruitment of specialist resources;
- identifying and assessing our material climate risks; and
- undertaking a physical risk assessment of our Australian home loan portfolio (refer to pages 28-29).

Delivery of a Group-wide capability to undertake geospatial climate risk assessment through ANZ's Climate Risks and Opportunities Platform (CROP), initially focusing on our Australian home loan portfolio (refer to pages 28-29).

Our Risk Management Framework

The RMF comprises three key pillars, the Group Risk Management Strategy (RMS), the Group Risk Appetite Statement (RAS) and the Group Strategic Planning process, supported by Risk Principles, which helps guide risk management and foster an appropriate risk culture across the Group. Collectively the RMF helps ANZ identify, measure, evaluate, monitor, report and control or mitigate our material risks including climate risk.

The RMS includes a description of climate risk, how it is governed and our approach to managing and overseeing it. The RMS also sets out our Three Lines-of-Defence model, with defined roles and responsibilities to support the management of material risks, including climate risk. Further details on our RMF, including our Three Lines-of-Defence Model, is available in the Risk Management section of our 2025 Annual Report available at **anz.com/annual report**.

The RAS includes climate risk and conveys the maximum level of risk that the Group is willing to accept. The RAS includes a high-level qualitative statement as well as quantitative metrics and tolerances that align with our policies for lending to large business customers within certain sensitive sectors. We will seek to continue to enhance our risk appetite metrics as we evolve our work on climate risk or as the external risk environment evolves.

Our Policy Framework

Social and Environmental Risk Policy

ANZ Bank Group assesses and manages potential social and environmental impacts of our lending decisions to large business customers through the application of our Social and Environmental Risk Policy (S&E Risk Policy), Social and Environmental Risk Standard (including specific requirements for sensitive sectors), and Climate Risk Standard (Standards).[1,2] The Policy and Standards apply to ANZ Bank Group, excluding Suncorp Bank.[3]

Our S&E Risk Policy outlines ANZ Bank Group's approach to the management and mitigation of social and environmental risks arising from large business customer activities, including the impacts of climate and nature risks. It is applied to other customers where ANZ perceives that a customer or their activities may have a material impact and is otherwise used to guide decision-making.

The Social and Environmental Risk Standard provides bankers with more detail on internal requirements and the expectations we have of our large business customers, having regard to ANZ's more specific policy positions, as applicable. It includes core requirements such as consideration of human rights and the protection of culturally or environmentally sensitive areas. ANZ will not tolerate land acquisition and involuntary resettlement that we consider improper. The core requirements apply to decisions relating to large business customers, in addition to the requirements specific to sensitive sectors (listed below).

- **Energy Industry**
- **Extractives Industry**
- **Land and Forest Management**
- **Water Management**
- **Military Equipment**

More than one set of sensitive sector requirements may apply to the same customer/activity under consideration.

Our Climate Risk Standard is principles-based and seeks to provide a consistent approach to identifying, assessing and managing climate risk. This includes key elements taken into consideration when making decisions that may result in actual or potential climate risks and impacts to our customers or ANZ. The Standard includes requirements relating to:

- Acting in accordance with our S&E Risk Policy, C&E Strategy and Climate Change Commitment;
- Identifying, assessing and managing climate risks in our lending portfolios and capital markets activity; and
- Monitoring and reporting of potential climate risks and impacts to relevant forums and committees.

Refer to pages 5-7 for more information on our governance structure for the oversight of climate risks and opportunities.

1. Summaries available here: **anz.com.au/social-and-environmental-risk-management**. **2.** The Climate Risk Standard excluded Suncorp Bank during the reporting period. It will include Suncorp Bank in 2026. **3.** Suncorp Bank has retained their own Responsible Banking Policy which outlines its approach to the management of ESG risks and opportunities across Suncorp Bank. The Responsible Banking Policy applies to Suncorp Bank and all products and services provided by Suncorp Bank to its customers.

Tools and processes

The table below outlines examples of key tools and processes that are used within the credit process across different customer cohorts to help identify, assess and manage climate risks.

Information on ANZ Bank New Zealand tools will be available in the ANZ Bank New Zealand mandatory climate statement no later than 31 January 2026 on **ANZ Bank New Zealand's website**.

Tools		Customer Cohort
Agri Viability Tool	A screening tool used to assist bankers with their understanding of agricultural transactions including certain ESG-related risks when assessing certain agricultural loan application types.	Small to Medium Agricultural customers within Australia Commercial division.
Climate Change Risk Assessment (CCRA)	An online tool used to help guide customer engagement and assess and manage climate risks. The CCRA includes an assessment of our customers' exposure to potential physical risks and transition risks and the maturity of the customers' transition plan, as aligned to our customer transition plan assessment framework. The assessment is ordinarily performed when conducting due diligence on new to bank customers, when reviewing existing customers (annually), or prior to a material transaction. In 2025, we explored the development of a generative artificial intelligence (AI) assistant to support relationship managers in completing the CCRA assessment. We are seeking to commence using a generative AI assistant in 2026, starting with LEEP customers with public disclosures.	Select higher emitting customers of Institutional, including Project Finance[1] and LEEP customers.
Climate Variability Analysis	A form of due diligence to help identify the risk of seasonal variability and the potential impact on customer performance. We use Australian Bureau of Meteorology data to determine the short-term (under 12 months) weather outlook, including examining variability in annual rainfall against farm productivity results in recent years to understand if rainfall variability may affect the suitability and volatility of farming in selected regions. The analysis helps inform ANZ's strategic decision making and risk appetite. This analysis is ordinarily prepared for new customers, existing customers buying additional property and any customer in a region identified by ANZ as affected by serious rainfall deficiency.	Agricultural customers within Australia Commercial.
Social and Environmental Screening Tool	A tool used to facilitate qualitative risk assessments of social and environmental risks, including impacts of climate change, that may result in potential financial and/or non-financial risks to ANZ Bank Group from our Institutional customers' activities. It also assists bankers in the application of the S&E Risk Policy and the S&E Risk Standard. This assessment is ordinarily performed when conducting due diligence on new to bank customers, when reviewing existing customers (at least annually), prior to a material transaction, or when ANZ Bank Group becomes aware of: a) a material change to the customer's activities, or b) a material impact occurring.	Customers within Institutional (our large business customers).

1. Project Finance refers to a business unit within our Institutional division.

Processes		Customer Cohort
Review and assessment of our LEEP customer transition plans	LEEP is ANZ's signature customer engagement program, which enables us to gain a deeper understanding of our customers' transition strategies. Review and assessment of LEEP customer transition plans are completed at least annually. For further information on the LEEP assessment framework, refer to page 12.	LEEP customers.
Sectoral Pathway Transaction Escalation Process (STEP)	A process for material transactions for customers in ANZ's energy, industry and transport sectoral pathways. Material transactions are referred to internal senior subject matter experts for review of the proposed transactions. For further information on STEP, refer to page 7.	Customers in ANZ's energy, industry and transport sectoral pathways.
Equator Principles	A risk management framework that determines, assesses, and manages social and environmental risks when financing large infrastructure and industrial projects. More information on the Equator Principles is available at **anz.com/about-us/esg/policies-practices/equator-principles**.	Project financing or export finance provided to ANZ's Institutional customers.

Climate Scenario Analysis

We recognise the importance of climate scenario analysis in helping us understand our material climate risks and opportunities[1], including the resilience of our business model and strategy. Scenario analysis also supports insights into sector and portfolio vulnerabilities and informs risk assessments, strategic planning and decision-making across different time-horizons.

In 2025, we used climate scenario analysis to identify and assess the material climate risks to our business model and conducted a quantitative physical risk assessment of our Australian home loan portfolio refer to pages 28-29.[2] We continue to invest in resources, data and systems to mature our approach to scenario analysis.

Identification and assessment of our material climate risks

We used a combination of quantitative and qualitative factors to identify and assess the potential impacts of climate risk drivers on ANZ's business model to identify our material climate risks, including their interaction with the ANZ's material risk[3] categories. This assessment was informed by external expert advice, climate scenario analysis, ANZ's existing RMF and input from more than 50 internal stakeholders across a range of functions. Judgement and assumptions were applied to support the identification and assessment of our material climate risks. These were documented through each stage of the process, where relevant, for input and validation by relevant stakeholders.

To assist with maintaining an up-to-date understanding of our climate risks, we seek to update this assessment periodically. The outcomes inform our ongoing efforts to integrate and embed climate risk into ANZ's RMF and decision-making processes. Details of the process are outlined on page 25.

The assessment showed the Group is exposed to climate risk either directly through its operations, or indirectly through lending to customers. Our material climate risks arise from lending to business and retail customers, contributing to credit risk. Climate risk was also identified as a driver of non-financial risk. See ***Potential impacts of climate risk drivers to the Group's material risk categories*** on pages 26-27 for further details.

The impact of these climate risks may be widespread, including through second-order impacts. For example, the economic impact of a drought may extend beyond primary producers to other customers and sectors, including suppliers to the agricultural sector and businesses operating within affected communities. The sectors identified as being most affected by climate risk include agriculture, commercial and residential property and emissions intensive sectors.

1. Our opportunities analysis is ongoing at the time of this report, and we expect to disclose the outcomes of this next year. **2.** Intergovernmental Panel on Climate Change (IPCC) Representative Concentration Pathway (RCP) scenarios were selected for the physical risk assessment of our Australian home loan portfolio for their detailed physical climate projections appropriate to evaluating property-level risks. Refer to Appendix 4 for more details of the inputs and assumptions used in our physical risk assessments.
3. Further details on our risk types is available in the Risk Management section of our 2025 Annual Report available at **anz.com/annualreport**.

Climate risk identification and assessment process

Step 1. Business Model and Value Chain Mapping

- Mapped ANZ's business model and value chain (refer to page 4).
- Identified key financial drivers for each division within the business model.
- Assessed financial materiality for each division to determine the scope of the assessment.

Step 2. Climate Risk Assessment

- Selected the appropriate climate scenarios and time horizons.
- Identified key physical and transition risk drivers relevant to each division and mapped these to corresponding financial drivers.
- Developed a methodology to assess:
  i) the severity of climate risks across the selected climate scenarios and time horizons, ranging from low to very high levels of change; and
  ii) the potential financial materiality of these risks, classified as low, medium or high. Risks identified with minimal variation or no direct climate impact were excluded from the assessment.

Step 3. Financial Impact and Materiality Assessment

- Assessed inherent financial risks to ANZ using the methodology developed in Step 2. A risk was assessed as material if it was rated as having "high" or "very high" severity and "high" potential financial materiality.
- Assessed inherent non-financial risks to ANZ using ANZ's Non-Financial Risk Framework (NFR) to evaluate the likelihood and impact of each risk. These were combined using ANZ's NFR risk matrix to determine an overall consequence rating. Risks rated with "very high" consequence were considered material.

Scenario selection and time horizon

Our assessment focused on ANZ's inherent risk, explored through two climate scenarios and multiple time horizons. The scenarios, selected from the Network for Greening the Financial System (NGFS), represent divergent climate pathways to help identify where our material climate risks may arise.

Two NGFS scenarios were chosen as they provide comprehensive coverage of both transition and physical climate risks across economic sectors.

NGFS Net Zero 2050 (a 1.5°C future):

Represents an orderly and coordinated global response to achieving net zero emissions by 2050 and limiting warming to 1.5°C in line with the Paris Agreement. It is characterised by consistent and stringent climate policy action and rapid adoption of low emission technologies, leading to a sharp rise in global carbon prices and a transition from fossil fuels to renewables and electrification. While near-term transition costs are higher, physical climate risks are moderate due to avoided climate impacts. This scenario was selected to assess ANZ's business model exposure to high transition risk.

NGFS Current Policies Hot House World (a >3°C future):

Represents the continuation of today's climate policies without additional ambition, resulting in substantial warming above 3°C. Transition costs are lower but physical damages increase due to more frequent and severe extreme weather events. This scenario was selected to assess ANZ's business model exposure to high physical risks.

Time horizons

In defining our time horizons, we considered existing internal decision-making processes, including those relating to credit risk assessment, strategic and capital planning processes and target setting.

Time Horizon	Years
Short-term	0-1 (2026)
Medium-term	1-5 (2030)
Long-term	5+ (2050)

Potential impacts of climate risk drivers to the Group's material risk categories

Transition risk

Climate risk driver	Examples of potential impacts	ANZ Material Risk Category	ANZ Severity Rating: NGFS Net Zero 2050	ANZ Severity Rating: NGFS Current Policies	Division[1]	Managing the risk
Economic transition						
Impacts to customers from the shift to a lower emissions economy, including in response to the regulatory and policy environment in which the customer operates, disruption from new technology and changes in demand to lower carbon products and services.	This may affect the ability of customers to repay debt, which may result in an increased probability of default, or result in 'stranded assets', particularly for customers operating in emissions intensive sectors.	Credit Risk	S, M, L	S, M, L	①②③④⑤⑥	We manage climate-related credit risks to our customers through the application of certain policies, tools and processes within the credit process. For further details, refer to page 23. Delivery of actions under our C&E Strategy are also expected to help support our customers' transition.
Climate litigation						
Increasing risk of climate-related litigation or enforcement action, which may lead to potential fines and reputational impacts.	Greenwashing, including misrepresentation of climate risks, business credentials or strategies, may expose ANZ to, for example, legal proceedings, financial penalties and reputational damage. These impacts could, in turn, lead to a decline in ANZ's future earnings.	Non-Financial Risk: Conduct Risk	S, M, L	S, M, L	⑦	We seek to manage this through transparent disclosure of our climate-related financial risks, and through risk management policies and processes. Further, we seek to manage the potential conduct risk in this context by monitoring our own legal risks and claims brought against other organisations to better understand emerging trends.
Stakeholder perception						
Risk of negative external stakeholder perception of ANZ's management of climate risk, including through our external commitments and ANZ's C&E Strategy, impacting reputation.	If external stakeholders perceive that ANZ is not effectively managing climate risk, this may result in, for example, climate-related litigation or reputational impacts.	Non-Financial Risk: Conduct Risk	S, M, L	S, M, L	⑦	ANZ has a collaborative and proactive approach to building and maintaining relationships with stakeholders, including customers and shareholders. We also seek to manage this through transparent disclosure of our climate-related financial risks, and through risk management policies and processes.
Regulatory change						
Risk of failure to act in accordance with laws, regulations and regulatory expectations, including statutory reporting requirements in the jurisdictions in which we operate, in response to introduction of regulatory climate requirements.	Non-compliance with relevant climate and environmental risk regulations and legislation could lead to penalties, increased regulatory oversight, capital overlays and reputational impacts.	Non-Financial Risk: Regulatory Risk and Statutory Reporting and Tax Risk	S, M, L	S, M, L	⑦	Climate risk is integrated into ANZ's NFR framework. Our Climate Risk team is working with teams in other jurisdictions, in which we operate, that are affected by emerging and maturing climate-related regulations, to oversee and support them in developing their approach to compliance. ANZ has a Group-wide Climate Disclosure Program in place to help us meet our Australian mandatory climate disclosure requirements.

1. Severity ratings reflect the assessment at the overall ANZ Group level and do not imply uniform impact across all divisions. For example, a 'High' rating does not indicate high severity for any specific division.

S - Short **M** - Medium **L** - Long Low or Moderate High Very high

① Australia Retail ② Australia Commercial ③ Institutional ④ New Zealand ⑤ Pacific ⑥ Suncorp Bank ⑦ Group Centre

Physical risk

Climate risk driver	Examples of potential impacts	ANZ Material Risk Category	ANZ Severity Rating: NGFS Net Zero 2050	ANZ Severity Rating: NGFS Current Policies	Division[1]	Managing the risk
Insurability						
Impacts to the affordability, availability and adequacy of insurance coverage for customers with assets exposed to climate-related physical risks, including as a result of direct impacts of extreme weather events.	This may impact a customer's ability to repay debt, increase probability of default, lead to 'stranded assets' or impact the amount the Group could recover due to the value or liquidity of collateral security being impaired.	Credit Risk	S M L	S M L	1 2 3 4 5 6	This year, we undertook a physical risk assessment of the Australian home loan portfolio, including insurability risk. For further details, refer to page 28.
Asset damage						
Impacts to the value of assets held as security, as a result of direct impacts of extreme weather events.	This may result in damage to a customer's physical assets, increasing the probability of default or reducing the Group's recovery prospects due to the value or liquidity of collateral of security being impaired.	Credit Risk	S M L	S M L	1 2 3 4 5 6	ANZ recognises the role it can play in supporting affected customers and acknowledges that this support can assist ANZ in its management of associated credit risk. For example, ANZ supports customers via our Disaster Relief Package and our relevant risk policies and frameworks. For further details, refer to page 22.
Business disruption						
Operational disruption, including impacts to customer productivity and revenue as a result of the occurrence of extreme weather events.	Operational disruption may impact a customer's ability to operate, increasing the probability of default or reducing the Group's recovery due to impaired collateral value or liquidity. Extreme weather events may also result in damage to the Group's physical assets or impact our ability to serve our customers and maintain operations.	Credit Risk, Non-Financial Risk: Operational Resilience Risk and Physical Security Risk	S M L	S M L	1 2 3 4 5 6 7	We manage this through the application of certain policies, tools and processes within the credit process. For further details, refer to page 23. Physical risks to our operations are identified, assessed, and managed through ongoing application of our NFR Framework. For example, the Group's Business Continuity and Disaster Recovery Plans are in place to support alternative banking arrangements for potential communities affected.

1. Severity ratings reflect the assessment at the overall ANZ Group level and do not imply uniform impact across all divisions. For example, a 'High' rating does not indicate high severity for any specific division.

S - Short **M** - Medium **L** - Long Low or Moderate High Very high

(1) Australia Retail (2) Australia Commercial (3) Institutional (4) New Zealand (5) Pacific (6) Suncorp Bank (7) Group Centre

Limitations and uncertainties in our use of climate scenarios

Climate scenarios include assumptions, estimates and projections that are not exact. While scenarios describe a potential future, these are not a prediction or signal to future conditions or events, and events may turn out very differently to the scenarios considered.

The publicly available source scenarios and data used to identify and assess material climate risks and impacts could become out of date and different methods and assumptions in the source scenarios may create inconsistency across results. Climate risk drivers identified are also uncertain.

See Appendix 4 for further information about our approach to climate scenario analysis, as well as the Disclaimer and Important Notices on page 1 for information about forward-looking statements, and the uncertainties, challenges and risks associated with climate-related information.

How ANZ is exposed to physical risk

An increase in the frequency and magnitude of extreme weather events, including bushfires, cyclones, floods and severe storms and longer-term changes in climate patterns leading to rising sea levels, may impact our customers' income, asset values and the cost, availability and adequacy of home insurance. This may result in a financial impact on ANZ (including Suncorp Bank), which potentially increases if our customers are affected by an extreme weather event and are uninsured or underinsured.

In 2025, our analysis focused on our Australian home loan portfolio (including Suncorp Bank) given its size, exposure to physical risks and availability of data to conduct the assessment.

ANZ Bank New Zealand assesses physical risk to its mortgage-secured lending. For further information on ANZ Bank New Zealand's physical risk assessment, refer to ANZ Bank New Zealand's Climate Statement for the year ended 30 September 2025, which will be available on **ANZ Bank New Zealand's website** no later than 31 January 2026.

Identifying and assessing potential physical risk – Australian home loan portfolio

Home insurance plays an important role in providing financial protection for customers against a range of risks including direct loss or damage to their property following an extreme weather event. Property insurance is a condition of ANZ's home loans (including Suncorp Bank)[1], given it also helps to preserve the value of the property held as security and reduces the risk of the customer defaulting in the event of property loss or damage including following an extreme weather event.

In 2025, we focused on developing Group-wide capabilities to undertake geospatial physical risk assessments through the development of a Climate Risk & Opportunity Platform (CROP).

We used this capability to visualise physical risks to the Australian home loan portfolio for ANZ (including Suncorp Bank). We also explored the vulnerability of ANZ's Australian home loan assets to physical risks, using external data to assess home insurance affordability and exposure to typically uninsurable perils. We will continue to seek to better understand physical risk and the potential impacts to the Group, which may mean our approach to understanding this risk will evolve over time.

Understanding the results

The assessment identified that around 2.7% of ANZ's portfolio (including Suncorp Bank) is considered vulnerable to physical climate perils. This increases to 3.4% by 2050 under the RCP2.6 (low emissions) scenario and 4.5% under the RCP8.5 (high emissions) scenario.[2]

As shown in the table below, the Group's exposure is primarily associated with insurable perils (2.4%), while exposure to uninsurable perils remains relatively limited (0.3%).

Criteria

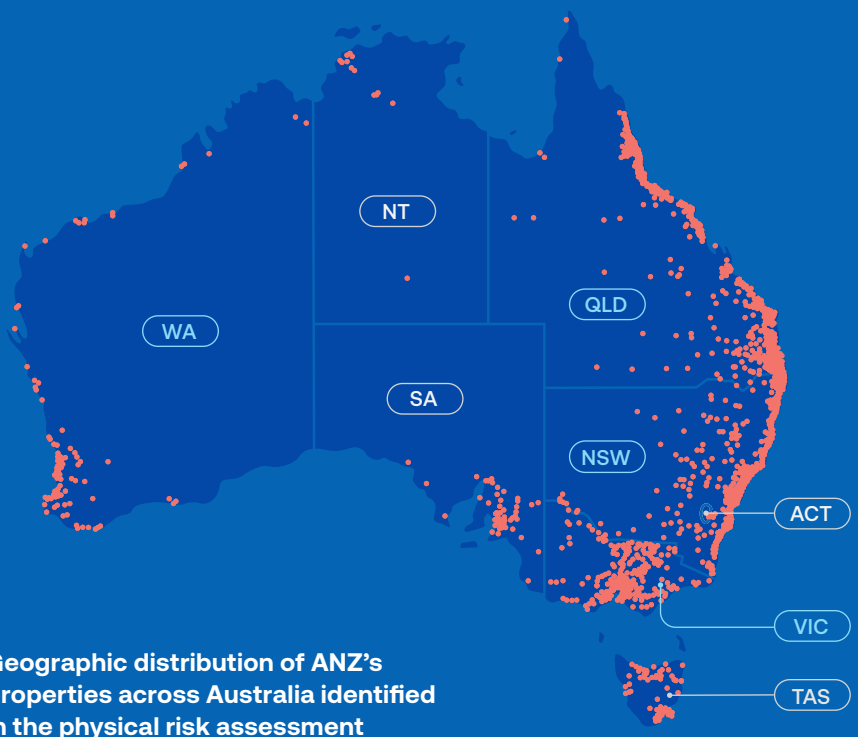
The following criteria was used to assess assets vulnerable to physical risks:

- Insurable perils (bushfires, cyclones, floods and storms) were assessed using a Home Insurance Affordability metric. The metric aligns to the Actuaries Institute of Australia Home Insurance Affordability Index[3] definition of 'affordability stressed', where estimated annual insurance premiums[4] exceed four weeks of estimated household income.[5]
- Uninsurable perils[6] (coastal erosion and coastal inundation) were assessed using the following criteria:
  - **Coastal erosion:** Properties located within 70 metres of the coastline, with high shoreline erodibility and low elevation (less than 10 metres above sea level).
  - **Coastal inundation:** Properties identified as being at high risk due to sea level rise scenarios, oceanography factors, shoreline erodibility, property elevation and distance from coastline (within 500 metres).

Proportion of Exposure At Default (EAD) within ANZ's Australian home loan portfolio that is assessed to be vulnerable to each climate peril

	EAD ($b) as at 30 June 2025[7]	% of total
Australian home loan portfolio[8] (including Suncorp Bank) assessed for physical risk	404.7	
Home loans assessed as vulnerable to physical risks	**11.1**	**2.7**
Physical risk driver – Flood	5.5	1.4
Physical risk driver – Cyclone	2.1	0.5
Physical risk driver – Storm	2.0	0.5
Physical risk driver – Bushfire	0.1	0.0
Physical risk driver – Uninsurable perils	1.4	0.3

1. Refer to **ANZ's Consumer Lending Terms and Conditions**. For Suncorp Bank, the requirement to maintain property insurance is included in the credit contract issued to customers. **2.** Refer to Appendix 4 for details on our climate scenario selection, including key inputs, assumptions, and limitations. **3.** Refer to **2024 Home Insurance Affordability and Home Loans at Risk** report published by Actuaries Institute in August 2024. **4.** Sourced from Finity proprietary method to model estimated annual insurance premiums. **5.** Sourced from Australian Bureau of Statistics (ABS) for Statistical Area Level 1 (SA1) regions – 2021. **6.** Sourced from Finity proprietary method. Uninsurable perils are typically not covered by building insurance in Australia, therefore properties exposed to these perils are considered vulnerable to physical climate risk. **7.** Reported as at 30 June 2025, to allow additional time for processing and review of our EAD and Australian home loan data due to the complex nature of the calculation. **8.** The assessment was conducted on approximately 92% of Australian home loan property portfolio, based on available data.



Geographic distribution of ANZ's properties across Australia identified in the physical risk assessment

States and territories	Total number of ANZ's properties (including Suncorp Bank) vulnerable to climate perils ('000)
Queensland	15.3
New South Wales	4.9
Victoria	1.9
Western Australia	1.8
Others	1
Total	**24.9**

ANZ properties (including Suncorp Bank) vulnerable to climate perils

A high proportion of properties identified in this assessment (around 60%) are located in Queensland, followed by New South Wales (around 20%) with the rest spread across other states and territories in Australia.

Our approach to supporting customers impacted by natural disasters

Through our Disaster Relief Package[1], ANZ supports customers by providing a range of relief and measures which may include:

- Short-term payment relief on home loans, credit cards, personal loans and some business loans (we may still charge interest during that period).
- Waiving fees for restructuring business loans.
- Waiving fees for early access to term deposits.
- Customers with ANZ Home and Contents Insurance may be eligible for emergency funds and temporary accommodation.

Our relief measures seek to enable an efficient, coordinated and proportionate response to disasters. These encompass a range of measures including charitable donations, hardship assistance, financial advice, and employee volunteering to support community rebuilding efforts.

Assumptions and limitations

Forward-looking assessments present challenges due to the uncertainty of climate models and inherent limitations in data quality, coverage, and reliability. This challenge is common to many organisations seeking to understand the potential impacts of climate risk on their activities. This is expected to persist until greater maturity is achieved within ANZ and across external datasets that support climate risk assessments.

The physical risk assessment was conducted on approximately 92% of Australian home loan accounts, based on available data. This coverage reflects the portion of our mortgage book with a valid Geocoded National Address File (GNAF).

The Home Insurance Affordability metric is considered a proxy for physical climate risk, assessing exposure where estimated annual premiums exceed four weeks of household income. It is based on estimates derived from external data sources, including the Australian Bureau of Statistics and does not reflect actual income of ANZ home loan customers or actual insurance premiums paid. We recognise some customers may be exposed to physical climate perils but are not captured in this assessment due to the affordability threshold applied.

We assess the physical risk to the Group by assuming that the entire lending exposure is vulnerable if at least one associated property is assessed as vulnerable to climate perils. To avoid duplication, where a property is exposed to multiple climate perils, we apply a hierarchy of risk: uninsurable perils, followed by insurable perils with the highest Annual Average Loss (AAL) contribution to the estimated insurance premium.

The physical risk assessment only considers inherent risk exposure and does not account for potential residual risk exposure to properties where climate adaptation and/or mitigation measures have been implemented.

1. Our Disaster Relief Package does not extend to Suncorp Bank. Suncorp Bank currently supports customers impacted by natural disasters through its own policies and processes. Following the acquisition on 31 July 2024, Suncorp Bank commenced a phased transition to adopt the policies and processes of ANZ. During the transition period Suncorp Bank will be subject to a combination of ANZ and Suncorp Bank policies, outlined on page 2.

Metrics and targets

TCFD-related metrics and industry exposures

We continue to disclose our Exposure at Default (EAD)[1] against four of the key sectors identified by the TCFD to highlight potential concentrations of carbon-related assets most exposed to climate-related risks.

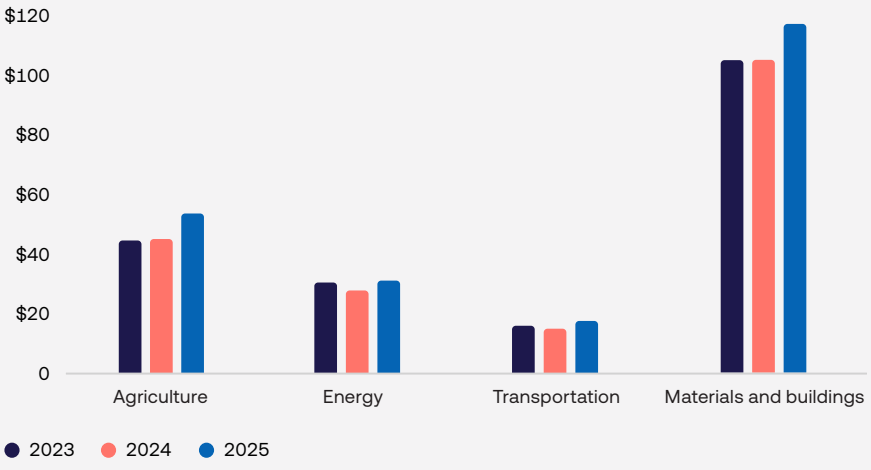
Our overall exposure to these four emissions intensive sectors remains approximately 16% of the Group's EAD. This is consistent with 2024 and is down from approximately 17% in 2023.

We are disclosing 2024 and 2025 EAD data as at 30 June, with 2023 EAD data reflecting the position as at 30 September. The 2025 data includes Suncorp Bank EAD for each sector.

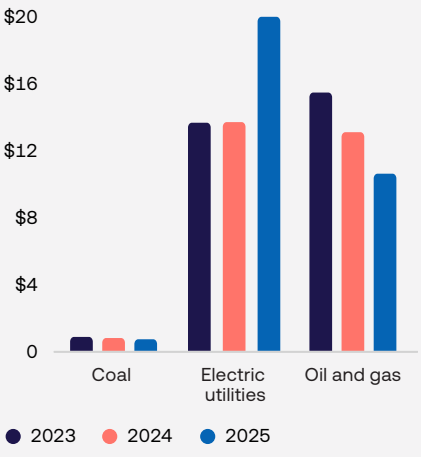
These sectors are:

- Energy
- Transportation
- Materials and Buildings
- Agriculture, Food and Forest Products

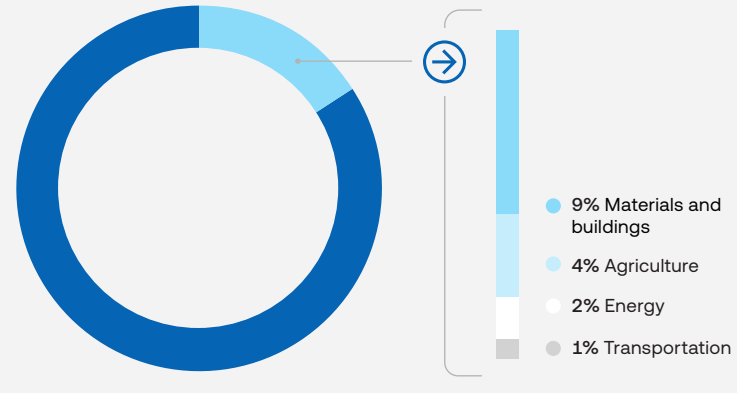
EAD trends for climate exposed sectors ($b)



Subsector trends in EAD ($b)



EAD breakdown for carbon exposed sectors 2025 ($b/%)



16% Carbon-exposed sector EAD

84% Other sector EAD

Refer to Appendix 6 for a breakdown of climate exposed sub-industries.

1. EAD excludes amounts for the 'Securitisation' Basel class. Data provided is on a post Credit Risk Mitigation (CRM) basis, net of credit risk mitigation such as guarantees, credit derivatives, netting and financial collateral.

Funding, facilitating and direct investments in social and environmental activities through our $100 billion target

This year, we continued to make good progress towards our target to fund and facilitate at least $100 billion by end 2030 in social and environmental activities through customer transactions and direct investments by ANZ.

As at 30 September 2025, we have contributed $84.72 billion in total towards the target since it commenced on 1 April 2023. The total comprises funding and facilitating $81.05 billion across 412 customer transactions and directly investing $3.67 billion through 61 labelled green, social and sustainability bond purchases held on ANZ's balance sheet.[1] This includes activities that aim to help lower emissions, protect or restore nature, increase access to affordable housing and promote financial wellbeing.

This year, we exceeded our 2025 goal to contribute at least $18.5 billion towards our target, with $45.75 billion added across 186 customer transactions and 61 bond purchases.[2] This comprised:

- $21.86 billion attributed to ANZ's on-balance sheet loans and other credit lines;
- $20.22 billion facilitated by ANZ; and
- $3.67 billion via direct investments (labelled bond purchases) held on ANZ's balance sheet.

In order to count towards the $100 billion target, customer transactions and direct investments are assessed against the criteria for eligible banking activities and eligible social and/or environmental activities specified in the methodology for the target. They may include:

- labelled sustainable finance;
- unlabelled banking activities; and
- ANZ's direct investments.

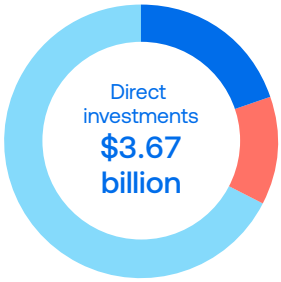
Some labelled sustainable finance and unlabelled transactions detailed on pages 16-17 may not meet the above criteria and, if that is the case, are not eligible for inclusion in the target.

For further detail on ANZ's approach for assessing the eligibility of customer transactions and direct investments for inclusion towards the target, refer to the ANZ Social and Environmental Sustainability Target Methodology available at **anz.com/esgreport**

Progress towards our $100 billion social and environmental sustainability target – 1 April 2023 to 30 September 2025

- **40.32% Sustainability-Linked[4]**
  $16.97b Sustainability-Linked
- **1.35% Social and Environmental**
  $0.57b Other social and environmental[5]
- **48.37% Environmental[6]**
  $1.93b Clean Transport
  $8.83b Energy
  $7.95b Green building[7]
  $1.55b Other environment
- **8.51% Social[8]**
  $2.04b Affordable housing
  $1.54b Other social
- **1.45% Sustainability-Linked and Environmental**
  $0.61b Sustainability-Linked and Environmental

- **14.93% Social and Environmental**
  $5.82b Other social and environment[5]
- **51.22% Environmental[6]**
  $1.49b Clean Transport
  $10.72b Energy
  $4.35b Other environment
  $3.40b Green building[7]
- **5.94% Social[8]**
  $0.20b Affordable housing
  $2.12b Other social
- **27.90% Sustainability-Linked[4]**
  $10.87b Sustainability-Linked



- **$0.73b Green**
- **$0.47b Social**
- **$2.47b Sustainability**

1. This is the first year we have included direct investment contributions towards our target. To limit complexity, we have not included those made prior to 8 November 2024 (publication of the latest version of the target methodology) and those on or after 8 November 2024 where the overlapping facilitation amount in relation to the relevant bond issuance was included towards the target under the version of the target methodology that applied before 8 November 2024. **2.** 2025 includes transactions validated as eligible for inclusion in the target from 21/09/2024 to 19/09/2025. **3.** Funded $42.09 billion includes deals in "Waste" and "Water" which have deal values less than $0.10 billion. **4.** Note that for the purposes of this reporting, Sustainability-Linked transactions (i.e., where the economic characteristics (e.g., pricing outcomes) of the financial instrument are linked to predetermined sustainability performance objectives) are reported as a separate category. **5.** Includes activities which cover both environmental and social categories. **6.** Includes renewable energy, energy efficiency, clean transportation, green buildings, and other environmental activities. Other environmental activities include activities which cover multiple environmental categories and/or activities such as waste, sustainable water and waste water management, and climate change adaptation. **7.** Includes construction or operation of buildings or portfolios of buildings that deliver positive environmental outcomes, which meet, or renovation or retrofitting of buildings, so that they can meet regional, national or internationally recognised standards or certifications (e.g., under the Australian NABERS rating system). **8.** Includes affordable housing and other social activities. Other social activities include activities which cover multiple social categories and/or activities such as socioeconomic advancement and empowerment.

Our approach to sectoral pathways

This section explains our progress towards transitioning our lending portfolio to net zero financed emissions by 2050 in line with the goals of the Paris Agreement.

2025 review

In 2025, we reviewed our sectoral pathway targets, including aviation which was suspended in 2024. The review resulted in some material changes being made to pathways, including targets and our historical performance.

The review was undertaken for the following reasons:

- To include facilitated emissions associated with syndicated loans and bonds informed by the UN Guidance for Climate Target Setting for Banks and the Partnership for Carbon Accounting Financial (PCAF) guidance.
- To assess whether customers of Suncorp Bank met our in-scope criteria for inclusion in our pathways and metrics.
- To use more recent reference scenarios where we considered appropriate, including the consideration of a target range.
- To reflect the UN Guidance for Climate Target Setting for Banks recommendation that targets are reviewed at a minimum every 5 years.
- To consider the opportunity to use an emissions intensity metric for the shipping pathway.

Among other changes, the review resulted in changes to our baseline year performance and 2030 interim targets for some pathways.

Decision useful metrics

For eight of our higher emitting sectors (which includes three sub-sectors in transport), we have identified relevant metrics and set specific targets. These targets help guide our businesses to make financing decisions about customers operating in these sectors. These pathways are an important input in our decision making.

In some instances, our choice of an emissions intensity target recognises that certain sectors are likely to be essential for the economy, and that global activity in other sectors is expected to increase. For some sectors, we have disclosed additional or complementary metrics.

The move in 2025 to a target range for our non-energy sectoral pathways (excluding Australian large-scale commercial real estate) reflects that emissions in these sectors are hard-to-abate or the sector is subject to other transition challenges.

Other metrics and targets

ANZ has not committed to an emissions reduction target for home loans or Agribusiness. We are currently reporting other metrics or targets relevant to those sectors' decarbonisation trajectory. These are:

- measuring the emissions intensity of ANZ's Australian residential home loan portfolio, and
- reporting progress against our data coverage target for a cohort of Agribusiness customers where the availability and quality of emissions data remains a challenge and impacts our ability to estimate emissions.

Actions to achieve our targets

Achieving our targets will partly depend on our success in engaging with our customers to improve their transition plans, including seeking Paris-aligned targets. Our success will also depend on whether our customers are on-track to meet their existing targets.

We acknowledge that in some cases, the emissions intensity of our portfolio may increase for a period of time, in part reflecting the non-linear nature of transition plans of our customers. In these circumstances, we consider this is appropriate as part of supporting emissions reduction over the longer term, provided those customers have, or are in the process of developing, robust and credible transition plans.

Key elements of our approach to sectoral pathways

Appendix 5 outlines our Financed and Facilitated Emissions Methodology, which sets out our approach to:

- establishing sectoral pathways or metrics, including criteria for determining in-scope customers;
- measuring the emissions profile of relevant portfolios and certain activities in capital markets; and
- setting 2030 sectoral pathway financed and facilitated emissions reduction targets, and the scenarios that we have benchmarked these targets against.

For the purposes of our sectoral pathways on pages 34-47:

- Reference to 'in-scope' customers means those customers within the cohort for the relevant pathway. In some instances, references are to a subset of in-scope customers (e.g., where the statement relates to customers in-scope in relation to financed emissions only, excluding customers in-scope regarding facilitated emissions).
- Reference to 'Exposure at Default' (EAD) relates to financing activities only (i.e., excludes facilitated emissions from capital market activities).

Boundaries

When calculating our financed and facilitated emissions the following data collection and calculation dates are used:

- **EAD:** 2019 to 2023 measured as at 30 September of the relevant year. 2024 and 2025 measured as at 30 June of the relevant year.
- **Capital markets activity**: 2019 to 2023 deals occurring between 1 October and 30 September of the relevant year. 2024 deals occurring between 1 October and 30 June as we transitioned to a 30 June year end reporting period in line with the EAD change. 2025 deals occurring between 1 July and 30 June.
- **Customer emissions data:** We typically preference the use of the latest available customer emissions data. We typically apply the following data hierarchy when sourcing customer emissions data:
  i. public customer disclosures;
  ii. regulatory disclosures;
  iii. credible third-party vendors; and as a last resort
  iv. sector averages.
- We have applied a 30 September 2025 cut off for reporting by our customers of their emissions data for 2025 reporting purposes.
- **Australian residential home loans outstanding loan amount:** 2023 and 2024 are measured as at 31 May for the relevant year. 2025 is measured as at 30 June.

Use of EAD

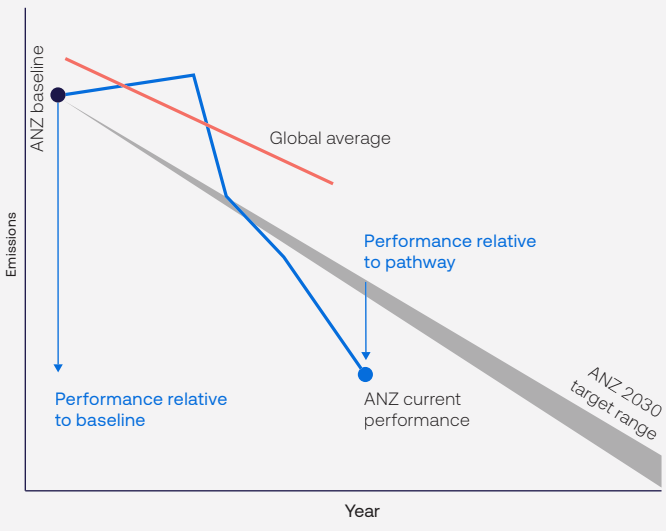
When assessing which customers are in-scope for our sectoral pathways, we use an EAD threshold (see pages 62-70 for sector specific thresholds). It is estimated that cumulative customer EAD below this threshold represents an immaterial part of our overall financing activities in the respective sector, meaning we consider that the threshold does not materially affect the financed emissions included in scope. We assess customers against the EAD threshold each year to determine if they are in-scope for the relevant year.

ANZSIC Codes

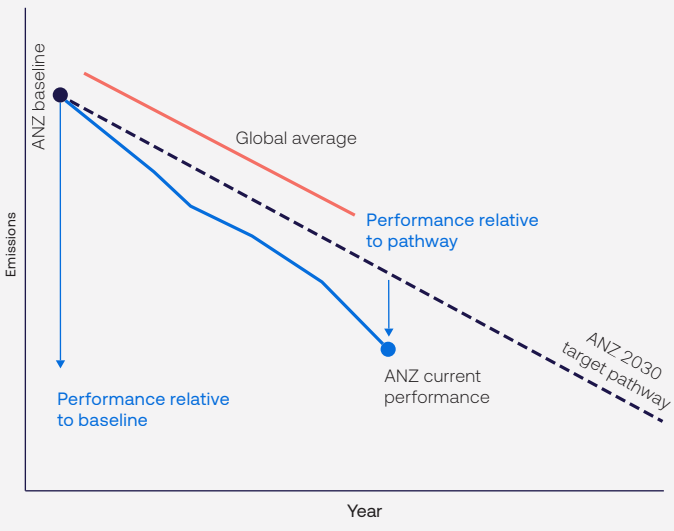
ANZ aims to ensure in-scope customers are representative of our exposure to each sector. Refer to our Financed and Facilitated Emissions Methodology in Appendix 5 for more details.

Interpreting our sectoral pathways

2030 target reduction (target range)



2030 target reduction (1.5°)



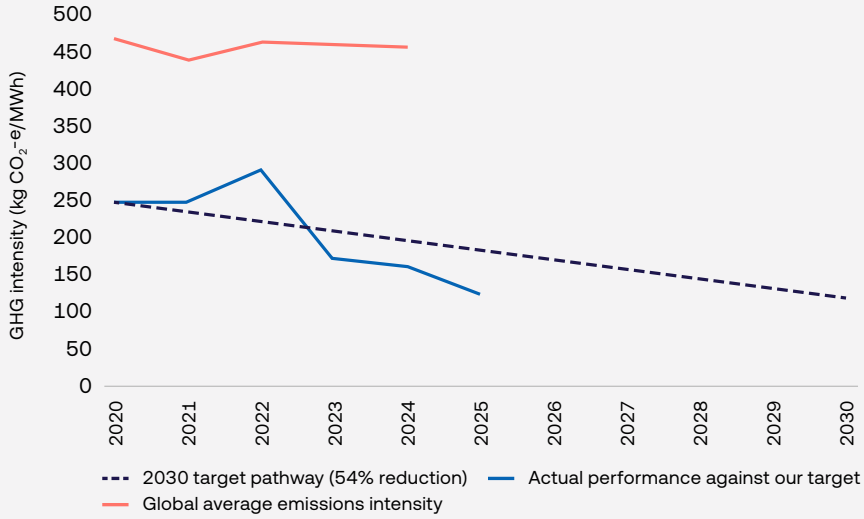
Energy

Power Generation

Targeting a 54% reduction in emissions intensity by 2030[1]

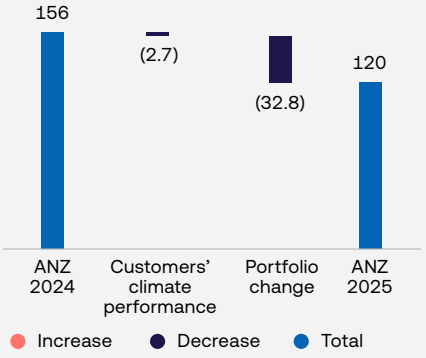
Target Baseline	Emissions	Scenario	EAD as at 30 June 2025	% Group EAD	Status	Performance vs pathway	Performance vs baseline
2020	Scope 1	IEA WEO NZE (2024)[2]	$14.1b	1.03%	On-track	(33%)	(51%)

Graph 1.1: Performance



Graph 1.2: Emissions intensity movements

GHG intensity ($kgCO_2$-e/MWh)



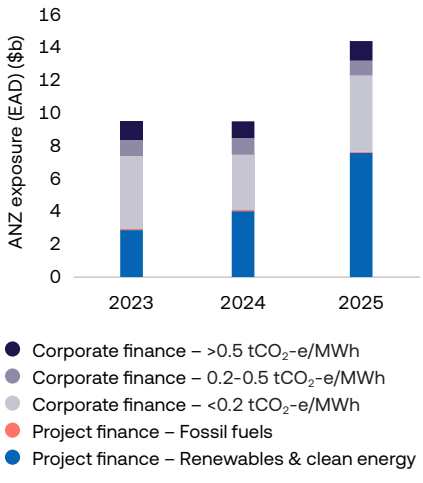
The emissions intensity of our in-scope power generation customers has decreased by 51% from our 2020 baseline to 120 $kgCO_2$/-e MWh. This is below the 2023 global average of 458 $kgCO_2$/-e MWh.[3]

We are on-track to meet our 2030 target of reducing the emissions intensity of our pathway portfolio by 54%.[1]

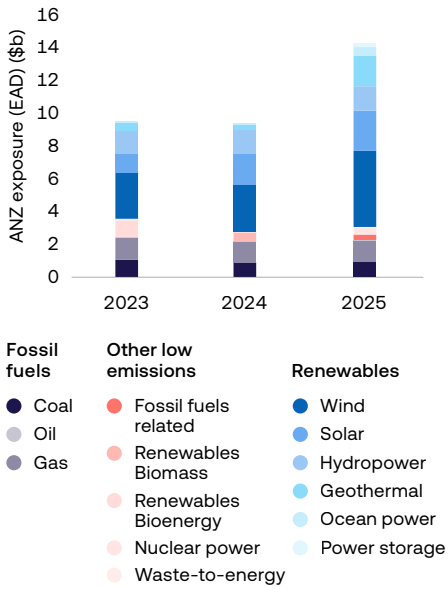
As at 30 June 2025, 84% of our in-scope EAD to the power generation pathway portfolio financed generation from renewables and other lower-emissions energy sources (Graph 1.4). This is a 16-percentage point increase since 2020 with $11.9 billion of our in-scope EAD financing renewable and other lower-emissions energy production, which includes nuclear and waste-to-energy projects.

The net $6.7 billion growth in our in-scope power generation EAD since 2020 has primarily financed customers that generate electricity from renewable and other lower-emission energy sources, while our in-scope EAD to customers generating electricity from fossil fuels reduced by more than $167m over the same period.

Graph 1.3: Breakdown of ANZ's power generation pathway EAD



Graph 1.4: ANZ pathway EAD to electricity generation fuel and technologies



1. In 2025, we completed a review of our Power Generation sectoral pathway emissions intensity target to, among other things, include facilitated emissions and to update the reference scenario to use the latest science. This resulted in a change to the overall headline power generation target from 50% to 54% by 2030. Refer to our Financed and Facilitated Emissions Methodology in Appendix 5 for further details. **2.** IEA – **World Energy Outlook 2024**. Net Zero Emissions by 2050 (NZE) scenario. **3** IEA – **World Energy Outlook 2024.**

How is ANZ supporting the transition?

Customer engagement via our LEEP	As at 30 June 2025, 18 customers contributing 21% of EAD and 84% of the debt-weighted financed and facilitated emissions intensity of our power generation pathway were captured within our LEEP. Refer to page 12 for more details on the program including how we select LEEP customers.
Prioritisation of customers with lower emissions assets, stronger emissions reduction targets and/or diversification strategies	ANZ's project finance activities, where most of our power generation exposures are to renewables and energy storage projects, increased by $5.0 billion since September 2020. ANZ's exposure to pathway customers producing power at an average emissions intensity of less than 200 $kgCO_2$-e/MWh increased $1.5 billion since September 2020 (Graph 1.3). • % EAD of power generation customers in-scope for financed emissions that have set interim emissions reduction targets[1]: 78% • % EAD of power generation customers in-scope for financed emissions that have publicly committed to net zero 2050[1]: 77%
Specific policies in place to steer our lending decisions	We will: • Not directly finance any new coal-fired power plants, expansions of existing coal-fired power plants or extensions to operating life. Existing direct financing to coal-fired power generation will run off by 30 September 2030.[2,3] • Continue to support existing diversified customers but will not provide lending to new customers that derive more than 10% revenue, installed capacity or power generation from thermal coal.[3] • Engage with existing large business customers who have more than 35%[4] thermal coal exposure by revenue, installed capacity or power generation to support diversification plans. Refer to page 12 for further detail on LEEP.
Potential options for our customers to reduce their emissions	• Increase in renewable energy capacity. • Investment in enabling infrastructure and technology, such as transmission/distribution networks and energy storage. • Energy efficiency improvements.

Refer to page 1 for our disclaimer and important notices, pages 50-51 for the power generation sectoral pathway performance summary, page 32 for Our Approach to Sectoral Pathways, and Appendix 5 for our Financed and Facilitated Emissions Methodology.

1. For lending relating to project finance, we have considered the entity that has operational control over the project. In prior years we excluded project finance. **2.** Relates to mines with production or reserves greater than 35% thermal coal. **3.** Applies to lending products only, i.e., excludes transaction banking, credit cards, and performance guarantees, meaning that only lending products that will help customers 'fund' their activities would be excluded. **4.** In 2024, we reduced this threshold from 50% to 35%. We will progressively reduce the 35% threshold so that by 30 September 2030 we will seek a diversification strategy from mining, transport and power generating Institutional customers with more than 25% thermal coal exposures.

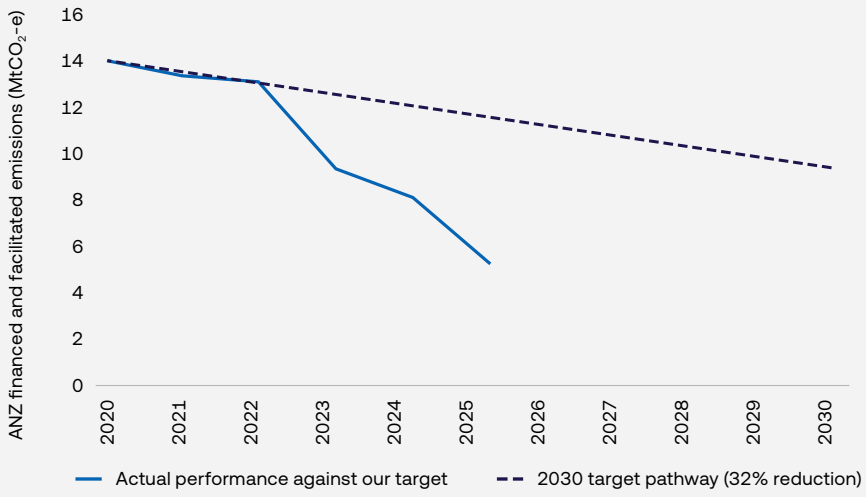
Energy

Oil and Gas

Targeting a 32% reduction in absolute financed and facilitated emissions by 2030[1]

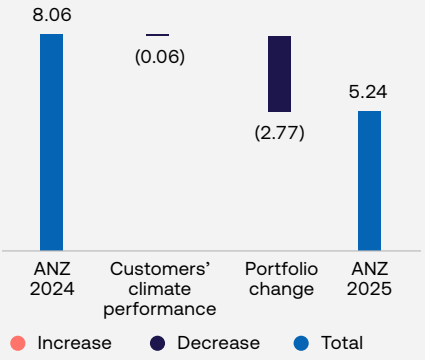
Target Baseline	Emissions	Scenario	EAD as at 30 June 2025	$% Group EAD	Status	Performance vs pathway	Performance vs baseline
2020	Scope 1, 2 and 3 (category 11 only)	IEA WEO NZE (2024)[2]	$4.3b	0.32%	On-track	(55%)	(62%)

Graph 2.1: Performance



Graph 2.2: Absolute emissions movements

GHG emissions ($MtCO_2$-e)



The absolute emissions of our in-scope oil and gas customers has decreased by 62% from our 2020 baseline to 5.24 $MtCO_2$-e.

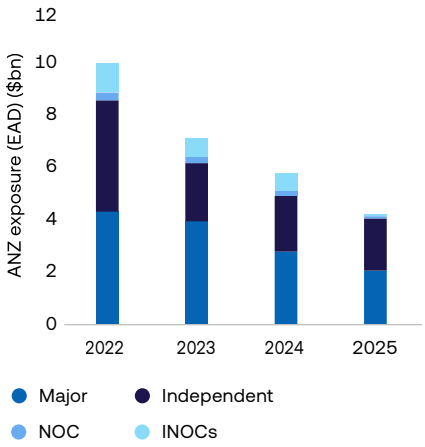
We remain below our pathway reduction target and are on-track to meet our 2030 target of reducing the absolute emissions of our pathway portfolio by 32%.[1]

Our EAD to oil and gas customers in-scope for financed emissions declined by $1.6 billion from the prior year and $5.9 billion since September 2020.[5] This reduction is partially due to actions we have taken to reduce our exposure to customers who have less mature transition plans.

Around $2.3 billion of this decline since 2020 was associated with independent oil and gas companies whose activities are focused on the upstream segment of the oil and gas value chain (Graph 2.3).

In 2023, we set an additional target to reduce our Group EAD to oil and gas extraction customers[3] by 40% by 30 September 2025 from a 2020 baseline.[4] We have successfully met this target, having reduced our EAD by 56%[5] as at 30 September 2025.[6]

Graph 2.3: Breakdown of ANZ's oil and gas pathway EAD



1. In 2025, we completed a review of our oil and gas sectoral pathway absolute emissions target to, among other things, include facilitated emissions and to update the reference scenario to use the latest science. This resulted in a change to the pathway overall headline oil and gas target from 26% to 32% by 2030. Refer to our Financed and Facilitated Emissions Methodology in Appendix 5 for further details. **2.** IEA - **World Energy Outlook 2024**. Net Zero Emissions by 2050 (NZE) scenario. **3.** Oil and gas extraction includes exposure to exploration and extraction only as the focus is on resources (mining) exposure in line with industry groupings. **4.** On an FX adjusted basis. **5.** Some of the reduction in EAD since September 2020 is a result of the APRA Basel IV rule changes which came into effect 1 January 2023. The new rules altered the way EAD is calculated. When applied to ANZ's oil and gas EAD, the revised calculation resulted in a lower EAD amount compared with the original EAD calculation which was based on the old method. **6.** A portion of our overall 56% reduction against this target is attributed to the changes to our EAD calculation methodology brought on by the APRA Basel IV rule changes.

How is ANZ supporting the transition?

Customer engagement via our LEEP

As at 30 June 2025, 13 customers contributing 88% of EAD and 89% of the absolute financed and facilitated emissions of our oil and gas pathway were captured within our LEEP. Refer to page 12 for more details on the program including how we select LEEP customers.

Prioritisation of customers with lower emissions assets, stronger emissions reduction targets and/or diversification strategies

- % EAD of oil and gas customers in-scope for financed emissions that have set interim emissions reduction targets[1]:
  - Scope 1 and Scope 2: 93%
  - Scope 3: 45%
- % EAD of oil and gas customers in-scope for financed emissions that have publicly committed to net zero 2050[1]:
  - Scope 1 and Scope 2: 88%
  - Scope 3: 45%

Specific policies in place to steer our lending decisions

Gas helps firm renewables[2], assists the exit of thermal coal and is a critical feedstock for the industrial, manufacturing and agricultural sectors.

We continue to assess the role of gas within the context of the broader energy market, public policy developments, and stakeholder and shareholder expectations. We will:

- Not directly finance new or expansion upstream gas projects (including new liquefied natural gas (LNG) liquefaction plants, floating production storage and dedicated offloading infrastructure); and
- Not on board any new to bank upstream gas customers.

Should national energy security issues arise and our assistance is sought, we will consider exceptions on a case-by-case basis.

Potential options for our customers to reduce their emissions

Scope 1 and Scope 2 emissions

- Minimise methane leaks through leak detection and repair programs and upgrading leaky equipment.[3]
- Avoidance of non-emergency flaring and venting.
- Electrification of upstream operations.
- Carbon capture, utilisation and storage (CCUS).

Scope 3 emissions

- Reducing the amount of oil and gas sold.
- Reweighting overall production to natural gas.
- Supporting the use of CCUS by their customers.

Refer to page 1 for our disclaimer and important notices, pages 50-51 for the oil and gas sectoral pathway performance summary, page 32 for Our Approach to Sectoral Pathways, and Appendix 5 for our Financed and Facilitated Emissions Methodology.

1. For lending relating to project finance, we have considered the entity that has operational control over the project. In prior years we excluded project finance. **2.** ANZ defines renewables as wind, solar photovoltaics (PV), concentrating solar power (CSP), hydropower, geothermal and marine (tide and wave) energy that is used for electricity and heat generation. **3.** IEA – **World Energy Outlook 2023**.

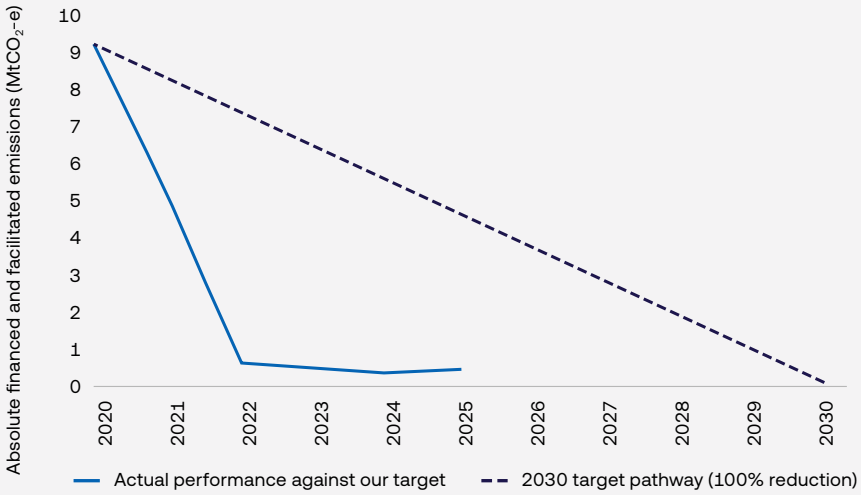
Energy

Thermal Coal

Targeting a 100% reduction in absolute financed and facilitated emissions by 2030

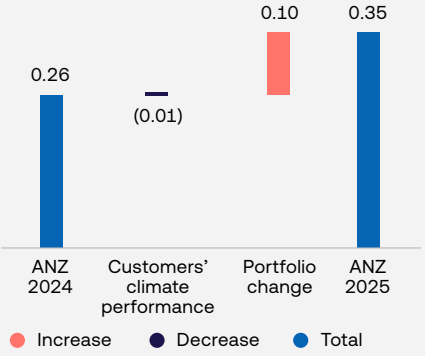
Target Baseline	Emissions	Scenario	EAD as at 30 June 2025	% Group EAD	Status	Performance vs pathway	Performance vs baseline
2020	Scope 1, 2 and 3 (category 11 only)	IEA WEO NZE (2024)[1]	$0.10b	0.01%	On-track	(92%)	(96%)

Graph 3.1: Performance



Graph 3.2: Absolute emissions movements

GHG emissions ($MtCO_2$-e)



The absolute emissions of our in-scope thermal coal customers has decreased by 96% from our 2020 baseline to 0.35 $MtCO_2$-e. We remain on-track to exit our exposures (subject to limited exceptions[2]) to thermal coal mining ahead of our 2030 target.

A small number of customers (less than 10) make up our exposures within this pathway. The remaining direct exposures are largely attributable to existing customers with mining rehabilitation bonds to enable them to fulfil their responsibilities relating to rehabilitation and exiting of mine sites.[3] Given the small remaining exposure to in-scope thermal coal mining customers, the financed emissions of our thermal coal pathway will be sensitive to minor customer movements as we continue to wind down support to thermal coal miners.

We continue to have other indirect exposures to thermal coal, through metallurgical coal miners and diversified mining customers that produce thermal coal. Some of these customers are amongst the world's largest producers of transition metals and minerals. These exposures are not within scope of the pathway. Further, facilitated emissions from capital markets activities for customers outside of our thermal coal pathway are not included. We will continue to provide finance to and to facilitate, through capital markets activities, metallurgical coal miners and diversified miners, subject to our policies.

In 2023, applying the same EAD criteria and threshold as our pathway at that time, we quantified the breakdown of our financed emissions to each customer type, shown in Table 3.3 on page 39.

1. IEA – **World Energy Outlook 2024**. Net Zero Emissions by 2050 (NZE) scenario. **2.** We will continue to provide rehabilitation bonds for those existing customers with thermal coal exposure to ensure their rehabilitation responsibilities at existing mine sites can be fulfilled. Transaction banking/markets 3-day settlement limits are excluded from this cap. **3.** The purpose of a rehabilitation bond is related to environmental remediation and not financing of the coal mining activity itself. As at 30 June 2025, rehabilitation bonds were $70.6m, which equates to 41.6% of our exposure to thermal coal mining under ANZSIC code 1102 (from an ANZ perspective, customers allocated to this code are those which predominantly produce coal for power generation).

Table 3.3: 2023 Total thermal coal financed emissions by customer type ($MtCO_2$-e)

Customer type	2023	Thermal coal target
Mining companies whose predominant activity is thermal coal production (ANZSIC code 1102)	0.38	Included
Metallurgical coal miners that produce thermal coal by-product*	1.44	Not included
Diversified miners that produce thermal coal*	1.44	Not included

* Contributing 5% revenue or more

How is ANZ supporting the transition?

Customer engagement via our LEEP

As at 30 June 2025, customers contributing 39% of EAD and 21% of the absolute financed and facilitated emissions of our thermal coal pathway were captured within our LEEP. Refer to page 12 for more details on the program including how we select LEEP customers.

Specific policies in place to steer our lending decisions

We will:

- Not provide lending[1] to new to bank extractives customers[2] that derive more than 10% revenue from thermal coal mining.
- Not directly finance any new thermal coal mine, or expansions or extensions to the operating life of existing mines.[3] In each case, this refers to mines with production or reserves greater than 35% thermal coal. Existing lending will run off by 2030.[4]
- Engage with existing large business customers that have more than 35%[5] thermal coal exposure by revenue to support diversification plans.

Potential options for our customers to reduce their emissions

While our emissions reduction target is to reduce our financed and facilitated emissions to in-scope pathway customers by 100% by 2030 from a 2020 baseline, there are still actions that mining companies that produce thermal coal can take to reduce their Scope 1 and Scope 2 emissions, including:

- Reducing fugitive coal mine methane emissions.
- Use of biofuels and electric powered alternatives to replace diesel use in mining equipment.
- Renewable energy investments.

Refer to page 1 for our disclaimer and important notices, pages 50-51 for the thermal coal sectoral pathway performance summary, page 32 for Our Approach to Sectoral Pathways, and Appendix 5 for our Financed and Facilitated Emissions Methodology.

1. Applies to lending products only, i.e., excludes transaction banking, credit cards, performance guarantees, meaning that only lending products that will help customers 'fund' their activities in a material way would be excluded. **2.** A large business customer of ANZ involved in exploration, mining and/or primary mineral processing; oil or gas exploration and production, development, extraction, processing, storage and transport; associated facilities including major infrastructure; mining contracting and haulage; or smelters and metals refineries but excludes customers that only operate downstream secondary metals processing (other than in the case of smelters). **3.** Any project or investment that would increase the production capacity, geographic footprint, or operational lifespan of an existing thermal coal mine, or establish a new thermal coal mining operation. **4.** We will continue to provide rehabilitation bonds for those existing customers with thermal coal exposure to ensure their rehabilitation responsibilities at existing mine sites can be fulfilled. Transaction banking/markets 3-day settlement limits are excluded from this cap. **5.** In 2024, we reduced this threshold from 50% to 35%. We will progressively reduce the 35% threshold so that by 30 September 2030, we will seek a diversification strategy from mining, transport and power generating customers with more than 25% thermal coal exposures.

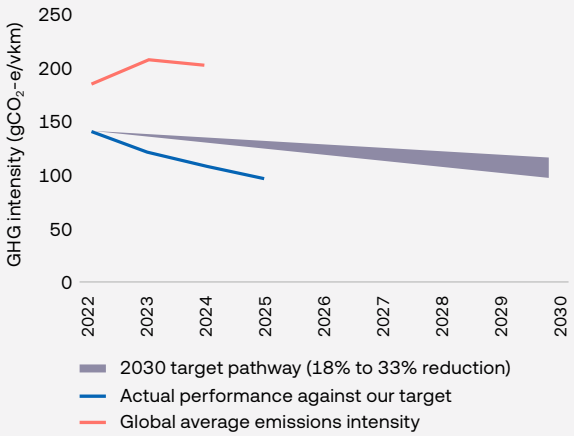
Transport

Auto manufacturing

Targeting a 18-33% reduction in emissions intensity by 2030[1]

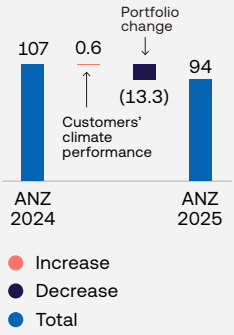
Target Baseline	Emissions	Scenario	EAD as at 30 June 2025	% Group EAD	Status	Performance vs pathway	Performance vs baseline
2022	Scope 3 (category 11 only)	IEA WEO NZE and APS (2024)[2]	$2.41b	0.18%	On-track	(28%)	(33%)

Graph 4.1: Performance



Graph 4.2: Emissions intensity movements

GHG intensity (gCO_2-e/vkm)

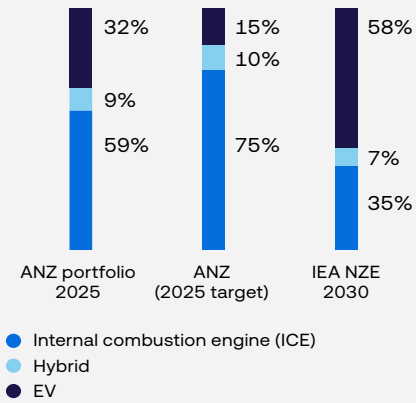


The emissions intensity of our in-scope light duty passenger auto manufacturing customers has decreased by 33% from our 2022 baseline to 94 gCO_2-e/vehicle kilometre (vkm). This is below the 2024 global average of 202 gCO_2-e/vkm.[3]

We are on-track to meet our 2030 target of reducing the emissions intensity of our pathway portfolio by 18-33%.[1]

In 2023, we set a powertrain financed emissions reduction target for our auto manufacturing pathway cohort of 10% hybrid and 15% electric vehicle (EV) production by end of 2025. This target was designed to show support for and to monitor the strong progress our in-scope customers were showing in their sales of hybrid and electric vehicles. We have achieved a combined hybrid/EV portfolio mix of 41%. We exceeded the EV portion of the target, as well as the combined target outcome, notwithstanding that our financing of hybrid production is 1-percentage point below the 10% target. We do not intend to set a further powertrain target, however we will continue to monitor and disclose our powertrain financing mix.

Graph 4.3: Auto manufacturing pathway powertrain financing mix



Refer to page 1 for our disclaimer and important notices, pages 50-51 for the auto manufacturing sectoral pathway performance summary, page 32 for Our Approach to Sectoral Pathways, and Appendix 5 for our Financed and Facilitated Emissions Methodology.

How is ANZ supporting the transition?

Customer engagement via our LEEP

As at 30 June 2025, customers contributing 92% of EAD and 90% of the debt-weighted financed and facilitated emissions intensity of our auto manufacturing pathway were captured within our LEEP. Refer to page 12 for more details on the program including how we select LEEP customers.

Prioritisation of customers with lower emissions assets, stronger emissions reduction targets and/or diversification strategies

- % EAD of auto manufacturing customers in-scope for financed emissions that have set interim emissions reduction targets: 100%
- % EAD of auto manufacturing customers in-scope for financed emissions that have publicly committed to net zero by 2050: 100%

Potential options for our customers to reduce their emissions

- Electrification of light duty vehicles through transition to battery electric vehicles (BEVs) and fuel cell electric vehicles (FCEVs).[4]
- Electricity supply decarbonisation.[4]
- Improving fuel efficiency.[5]
- Exploring alternative fuels (biofuels, synthetic fuels).[5]

1. In 2025, we completed a review of our auto manufacturing sectoral pathway emissions intensity target to, among other things, include facilitated emissions, update the reference scenario to use the latest science, and to change from a 1.5°C aligned target to a 1.5°C – 1.7°C aligned target range. The adoption of a target range recognises recent challenges with EV adoption and market development, including trade disruptions and changes in government policies. This resulted in a change to the pathway overall headline auto manufacturing target from 28% to a range of 18% to 33% by 2030. Refer to our Financed and Facilitated Emissions Methodology in Appendix 5 for further details. **2.** IEA – **World Energy Outlook 2024**. Net Zero Emissions by 2050 (NZE) scenario and Announced Pledges Scenario (APS). **3.** IEA – **World Energy Outlook 2024**. **4.** IEA – **World Energy Outlook 2023**. **5.** IEA – **Tracking Clean Energy Progress 2023**.

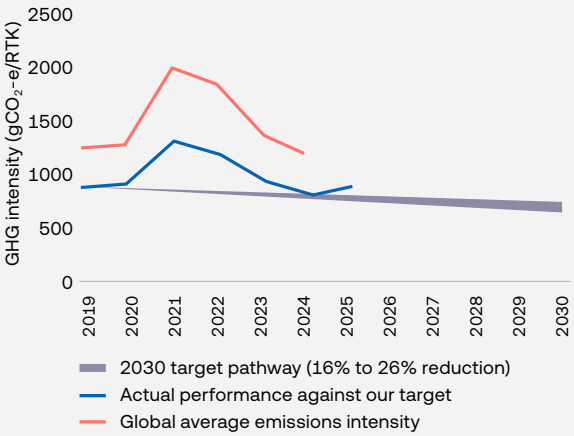
Transport

Aviation

Targeting a 16-26% reduction in emissions intensity by 2030[1]

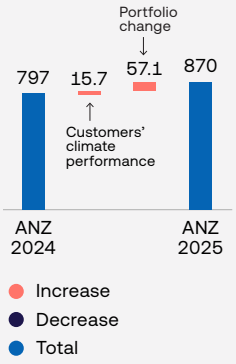
Target Baseline	Emissions	Scenario	EAD as at 30 June 2025	% Group EAD	Status	Performance vs pathway	Performance vs baseline
2019[2]	Scope 1	See text below	$3.15b	0.23%	Close to On-track	9%	0%

Graph 5.1: Performance



Graph 5.2: Emissions intensity movements

GHG intensity (gCO_2-e/RTK)



We have set a new aviation target after the suspension of our previous target in 2024. Our customers in the aviation sector face significant challenges in further reducing their emissions intensity due to delays in fleet renewal and limited Sustainable Aviation Fuel (SAF) supply.

When setting our target range, we applied the IEA reference pathways[3] for aviation. As at 30 September, it is unclear whether the IEA reference pathways for aviation include freight emissions. We have assumed that the IEA pathways do not include freight emissions.

However, if the IEA reference pathways for aviation do include freight emissions, our aviation pathway may not align with the IEA reference pathways' 1.5°C – 1.7°C trajectory.

The emissions intensity of our in-scope aviation customers has decreased by 0.1% from our 2019 baseline to 870 gCO_2-e/ revenue tonne kilometre (RTK). This is below the 2024 global average of 1,150 gCO_2-e/RTK.[4]

Due in part to an increase in some customers' emissions intensity and changes in portfolio composition, we are close to on-track to meet our 2030 target of reducing the emissions intensity of our pathway portfolio by 16-26%.[1]

Our pathway includes in-scope customers' emissions from passenger and freight activity, noting that passenger operations make up most of the activity of our in-scope aviation customers.

Refer to page 1 for our disclaimer and important notices, pages 50-51 for the aviation sectoral pathway performance summary, page 32 for Our Approach to Sectoral Pathways, and Appendix 5 for our Financed and Facilitated Emissions Methodology.

How is ANZ supporting the transition?

Customer engagement via our LEEP

As at 30 June 2025, customers contributing 100% of EAD and 100% of the debt-weighted financed and facilitated emissions intensity of our aviation pathway were captured within our LEEP. Refer to page 12 for more details on the program including how we select LEEP customers.

Prioritisation of customers with lower emissions assets, stronger emissions reduction targets and/or diversification strategies

- % EAD of aviation customers in-scope for financed emissions that have set interim emissions reduction targets: 33%
- % EAD of aviation customers in-scope for financed emissions that have publicly committed to net zero by 2050: 78%

Potential options for our customers to reduce their emissions

- Development and uptake of SAF[4], including through engagement with industry and government.
- Fleet renewal to use new generation aircraft which are more fuel efficient.[4]
- Development of alternative propulsion technology including electric and hydrogen powered aircraft.[5]

1. In 2025, we set an aviation sectoral pathway emissions intensity target range, recognising the hard-to-abate nature of the sector, which includes financed and facilitated emissions. Refer to our Financed and Facilitated Emissions Methodology in Appendix 5 for further details. **2.** A 2019 baseline was chosen to reflect a year that was not distorted by COVID-19. Aviation activity did not return to pre-pandemic levels until February 2024. **3.** IEA – **World Energy Outlook 2024**. Net Zero Emissions by 2050 (NZE) scenario and Announced Pledges Scenario (APS). **4.** IEA – **World Energy Outlook 2024**. **5.** IATA – **Aircraft Technology Net Zero Roadmap** (2023).

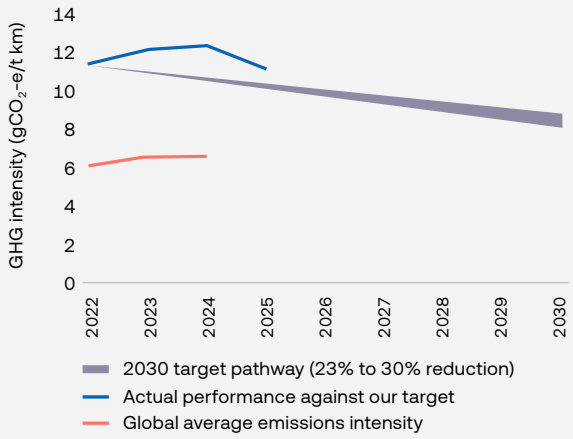
Transport

Shipping

Targeting a 23-30% reduction in emissions intensity by 2030[1]

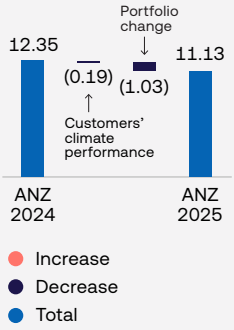
Target Baseline	Emissions	Scenario	EAD as at 30 June 2025	% Group EAD	Status	Performance vs pathway	Performance vs baseline
2022	Scope 1	IEA WEO NZE and APS (2024)[2]	$0.50b	0.04%	Close to On-track	6%	(3%)

Graph 6.1: Performance



Graph 6.2: Emissions intensity movements

GHG intensity (gCO_2-e/tkm)



The emissions intensity of our in-scope shipping customers has decreased by 3% from our 2022 baseline to 11.13 gCO_2-e/t km. This is above the 2024 global average of 6.62 gCO_2-e/t km.[3]

We are close to on-track to meet our 2030 target of reducing the emissions intensity of our pathway portfolio by 23-30%.[1] This is due to the hard-to-abate nature of the sector and our highly concentrated portfolio which includes customers operating vessel types that are more emissions intensive than the global average (e.g., car carriers, small general cargo vessels).

A small number of customers (less than 10) make up our exposure in this pathway.

In 2025, we updated our methodology to replace our shipping absolute emissions target with an emissions intensity target range. This change to an emissions intensity metric recognises that global shipping activity is expected to increase[4] and has been prompted by an improvement in customer data availability which has enabled us to adopt an intensity metric.

Refer to page 1 for our disclaimer and important notices, pages 50-51 for the shipping sectoral pathway performance summary, page 32 for Our Approach to Sectoral Pathways, and Appendix 5 for our Financed and Facilitated Emissions Methodology.

How is ANZ supporting the transition?

Customer engagement via our LEEP

As at 30 June 2025, customers contributing 67% of EAD and 89% of the debt-weighted financed and facilitated emissions intensity of our shipping pathway were captured within our LEEP. Refer to page 12 for more details on the program including how we select LEEP customers.

Prioritisation of customers with lower emissions assets, stronger emissions reduction targets and/or diversification strategies

- % EAD of shipping customers in-scope for financed emissions that have set interim emissions reduction targets: 77%
- % EAD of shipping customers in-scope for financed emissions that have publicly committed to net zero by 2050: 100%

Potential options for our customers to reduce their emissions

- Efficiency improvements including slow steaming, voyage optimisation and retrofitting vessels (e.g., with wind-assistance technology).[5]
- Development and uptake of lower emissions fuels such as biofuels, hydrogen and ammonia.[5]

1. In 2025, we completed a review of our shipping sectoral pathway target. In addition to moving from an absolute emissions target to an emission intensity range, the review was undertaken to, among other things, include facilitated emissions and to update the reference scenario to use the latest science. This resulted in a change to the pathway overall headline Shipping target from 10% to a range of 23% to 30% by 2030. Refer to our Financed and Facilitated Emissions Methodology in Appendix 5 for further details. **2.** IEA – **World Energy Outlook 2024**. Net Zero Emissions by 2050 (NZE) scenario and Announced Pledges Scenario (APS). **3.** IEA – **World Energy Outlook 2024**. **4.** IEA – **World Energy Outlook 2024**. Under the APS scenario shipping activity is expected to increase. Under the NZE scenario shipping activity is expected to decrease by ~3% between 2023 and 2030. **5.** IEA – **International shipping**.

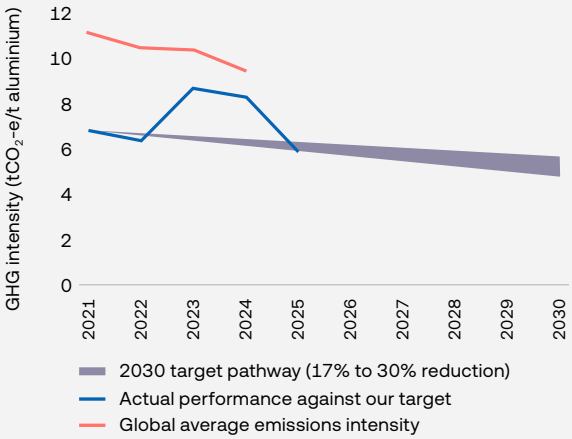
Industry

Aluminium

Targeting a 17-30% reduction in emissions intensity by 2030[1]

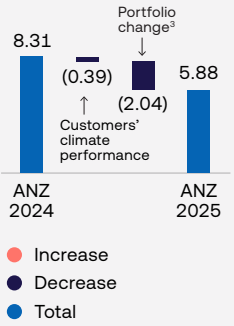
Target Baseline	Emissions	Scenario	EAD as at 30 June 2025	% Group EAD	Status	Performance vs pathway	Performance vs baseline
2021	Scope 1 and 2	IAI 1.5°C and IAI B2DS[2]	$0.46b	0.03%	On-track	(7%)	(14%)

Graph 7.1: Performance



Graph 7.2: Emissions intensity movements

GHG intensity (tCO_2-e/t aluminium)



The emissions intensity of our in-scope aluminium customers has decreased by 14% from our 2021 baseline to 5.88 tCO_2-e/t aluminium. This is below the 2024 global average of 9.47 tCO_2-e/t aluminium (primary and secondary production).[4,5]

We are on-track to meet our 2030 target of reducing the emissions intensity of our pathway portfolio by 17-30%.[1]

A small number of customers (fewer than 10) make up our exposure in this pathway.

Previously, we relied on company level data where asset level data was unavailable. We now use asset level third party data. This change results in a worsening of our data quality score however it better reflects the emissions intensity of our finance.

Refer to page 1 for our disclaimer and important notices, pages 50-51 for the aluminium sectoral pathway performance summary, page 32 for Our Approach to Sectoral Pathways, and Appendix 5 for our Financed and Facilitated Emissions Methodology.

How is ANZ supporting the transition?

Customer engagement via our LEEP

As at 30 June 2025, customers contributing 100% of EAD and 100% of the debt-weighted financed and facilitated emissions intensity of our aluminium pathway were captured within our LEEP. Refer to page 12 for more details on the program including how we select LEEP customers.

Prioritisation of customers with lower emissions assets, stronger emissions reduction targets and/or diversification strategies

- % EAD of aluminium customers in-scope for financed emissions that have set interim emissions reduction targets: 100%
- % EAD of aluminium customers in-scope for financed emissions that have publicly committed to net zero by 2050: 91%

Potential options for our customers to reduce their emissions

- Decarbonisation of electricity supply used in aluminium production.
- Limiting the use of aluminium in final products via 'lightweighting' and efficiency in design.
- Investment in the commercialisation of currently expensive technologies such as carbon-free anodes.
- Increased secondary production[5] of aluminium via electric arc furnace[6], noting this is limited by scrap availability.

1. In 2025, we completed a review of our aluminium sectoral pathway emissions intensity target to, among other things, include facilitated emissions and to change from a 1.5°C aligned target to a 1.5°C – 1.75°C aligned target range to recognise the hard-to-abate nature of the sector. This resulted in a change to the pathway overall headline aluminium target from 30% to a range of 17% to 30% by 2030. Refer to our Financed and Facilitated Emissions Methodology in Appendix 5 for further details. **2.** International Aluminium Institute – **1.5 Degrees Scenario and B2D Scenario** (2021). **3.** Reduction driven by structural changes (e.g., mergers, acquisitions and divestments of customers within the relevant pathway). **4.** International Aluminium Institute – **Global Aluminium Industry Greenhouse Gas Emissions Intensity Reduction Continues, with Total Emissions Below 2020 Peak**. **5.** Aluminium that is produced from recycled aluminium originating from various forms of aluminium scrap. **6.** A furnace used for scrap-based aluminium production, where the metal is heated by means of an electric arc.

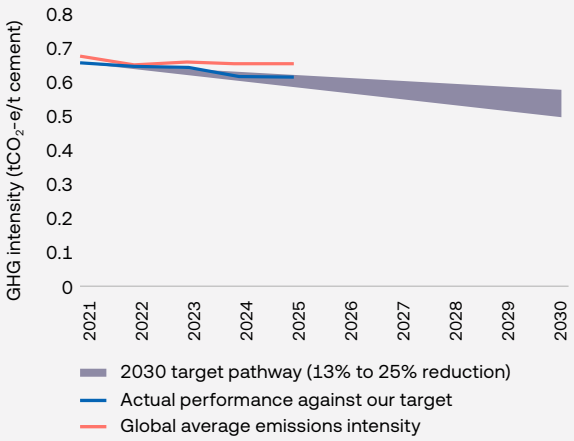
Industry

Cement

Targeting a 13-25% reduction in emissions intensity by 2030[1]

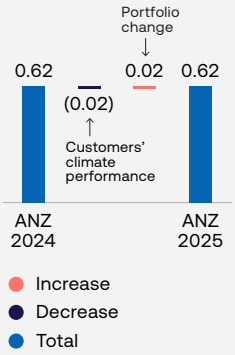
Target Baseline	Emissions	Scenario	EAD as at 30 June 2025	% Group EAD	Status	Performance vs pathway	Performance vs baseline
2021	Scope 1 and 2	IEA WEO NZE and APS (2024)[2]	$0.18b	0.01%	On-track	(1%)	(7%)

Graph 8.1: Performance



Graph 8.2: Emissions intensity movements

GHG intensity (tCO_2-e/t cement)



The emissions intensity of our in-scope cement customers has decreased by 7% from our 2021 baseline to 0.62 tCO_2-e/t cement.[3] This is below the 2024 global average of 0.66 tCO_2-e/t cement.[4]

We are on-track to meet our 2030 target of reducing the emissions intensity of our pathway portfolio by between 13-25%.[1]

A small number of customers (fewer than 10) make up our exposure in this pathway.

The limited availability of cost-effective technologies to reduce hard-to-abate emissions of cement production provides greater uncertainty in the pathway towards our target, relative to other sectors. However, customer engagements to date have been positive, indicating that the sector is investing in research and development of decarbonisation initiatives.

Refer to page 1 for our disclaimer and important notices, pages 50-51 for the cement sectoral pathway performance summary, page 32 for Our Approach to Sectoral Pathways, and Appendix 5 for our Financed and Facilitated Emissions Methodology.

How is ANZ supporting the transition?

Customer engagement via our LEEP

As at 30 June 2025, customers contributing 100% of EAD and 100% of the debt-weighted financed and facilitated emissions intensity of our cement pathway were captured within our LEEP. Refer to page 12 for more details on the program including how we select LEEP customers.

Prioritisation of customers with lower emissions assets, stronger emissions reduction targets and/or diversification strategies

- % EAD of cement customers in-scope for financed emissions that have set interim emissions reduction targets: 100%
- % EAD of cement customers in-scope for financed emissions that have publicly committed to net zero by 2050: 45%

Potential options for our customers to reduce their emissions

- Substituting clinker[5] for supplementary cementitious materials (e.g., fly ash[6] granulated slag, limestone, and calcined clay).
- Alternate fuels for kilns (e.g., biomass instead of fossil fuels).
- Decarbonisation of electricity supply.
- Plant and end-user efficiencies.
- CCUS technologies.[7]

1. In 2025, we completed a review of our cement sectoral pathway emissions intensity target to, among other things, include facilitated emissions, update the reference scenario to use the latest science, and to change from a 1.5°C aligned target to a 1.5°C – 1.7°C aligned target range to recognise the hard-to-abate nature of the sector. This resulted in a change to the pathway overall headline cement target from 20% to a range of 13% to 25% by 2030. Refer to our Financed and Facilitated Emissions Methodology in Appendix 5 for further details. **2.** IEA – **World Energy Outlook 2024**. Net Zero Emissions by 2050 (NZE) scenario and Announced Pledges Scenario (APS). **3.** In line with **SBTI - Cement Science Based Target Setting Guidance (2022)** and our understanding of industry practices, when we refer to our intensity target in tCO_2-e/t cement, we have set an intensity target per tonne of 'cementitious product' rather than per tonne of 'cement'. **4.** IEA – **World Energy Outlook 2024**. **5.** Intermediary product in cement production, production of which is emissions intensive. **6.** Fly ash is a waste product from coal-fired power generation that can be used as a supplementary cementitious material. **7.** IEA – **Net Zero Road Map** (2023).

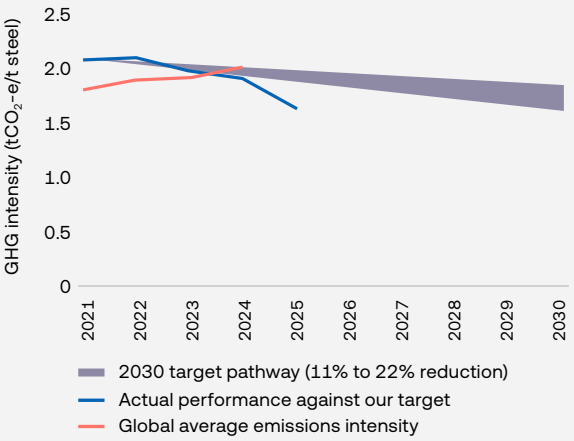
Industry

Steel

Targeting a 11-22% reduction in emissions intensity by 2030[1]

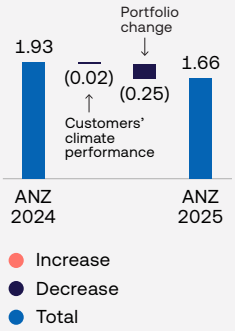
Target Baseline	Emissions	Scenario	EAD as at 30 June 2025	% Group EAD	Status	Performance vs pathway	Performance vs baseline
2021	Scope 1 and 2	IEA WEO NZE and APS (2024)[2]	$0.67b	0.05%	On-track	(17%)	(21%)

Graph 9.1: Performance



Graph 9.2: Emissions intensity movements

GHG intensity (tCO_2-e/t steel)



The emissions intensity of our in-scope steel customers has decreased by 21% from our 2021 baseline to 1.66 tCO_2-e/t steel. This is below the 2024 global average of 2.04 tCO_2-e/t steel.[3]

We are on-track to meet our 2030 target of reducing the emissions intensity of our pathway portfolio by 11-22%.[1]

A small number of customers (fewer than 10) make up our exposure in this pathway.

Given the significant technological advances required to enable commercialisation of lower emissions steel making, the decarbonisation of the steel sector will likely be slow moving. However, we are seeing adoption of efficiency measures and investment into research and development in the steel sector, including by some of our customers.

Metallurgical Coal

As at 30 June 2025, our EAD to metallurgical (coking) coal mining (ANZSIC code 1101) was $0.51 billion.[4] We acknowledge that there are no readily available and commercially viable substitutes for the use of metallurgical coal in steel production at-scale. We continue to support our metallurgical coal mining customers. There are several metallurgical coal customers included in our LEEP, and we are engaging with those LEEP customers to encourage them to strengthen their low carbon transition plans.

Refer to page 1 for our disclaimer and important notices, pages 50-51 for the steel sectoral pathway performance summary, page 32 for Our Approach to Sectoral Pathways, and Appendix 5 for our Financed and Facilitated Emissions Methodology.

How is ANZ supporting the transition?

Customer engagement via our LEEP

As at 30 June 2025, customers contributing 85% of EAD and 92% of the debt-weighted financed and facilitated emissions intensity of our steel pathway were captured within our LEEP. Refer to page 12 for more details on the program including how we select LEEP customers.

Prioritisation of customers with lower emissions assets, stronger emissions reduction targets and/or diversification strategies

- % EAD of steel customers in-scope for financed emissions that have set interim emissions reduction targets: 87%
- % EAD of steel customers in-scope for financed emissions that have publicly committed to net zero by 2050: 100%

Potential options for our customers to reduce their emissions

- Decarbonisation of electricity supply, combined with Electric Smelting Furnace and Electric Arc Furnace technologies.
- Direct-reduced iron and utilisation of low-grade ores.
- Plant and end-user efficiencies.
- CCUS technologies.

1. In 2025, we completed a review of our Steel sectoral pathway emissions intensity target to, amongst other things, include facilitated emissions, update the reference scenario to use the latest science, and to change from a 1.5°C aligned target to a 1.5°C – 1.7°C aligned target range to recognize the hard-to-abate nature of the sector. This resulted in a change to the pathway overall headline steel target from 28% to a range of 11% to 22% by 2030. Refer to our Financed and Facilitated Emissions Methodology in Appendix 5 for further details. **2.** IEA – **World Energy Outlook 2024**. Net Zero Emissions by 2050 (NZE) scenario and Announced Pledges Scenario (APS). **3.** IEA – **World Energy Outlook 2024**. **4.** The EAD calculation for this metric differs to the sectoral pathway as it includes all ANZ EAD attributed to ANZSIC code 1101, rather than in-scope steel sectoral pathway customers.

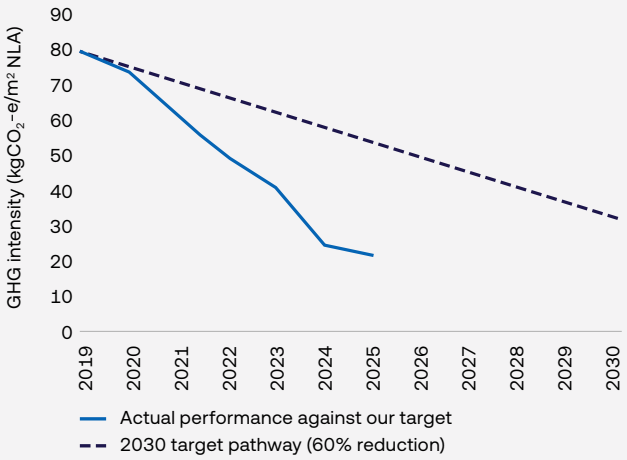
Buildings

Australian large-scale commercial real estate

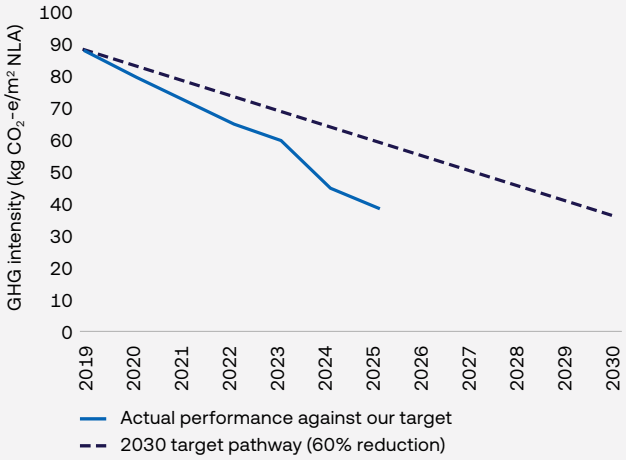
Targeting a 60% reduction in emissions intensity by 2030 – office buildings and shopping centres[1]

Target Baseline	Emissions	Scenario	Status	EAD as at 30 June 2025	Performance vs pathway	Performance vs baseline
2019	Scope 1 and 2 from building operational energy use Scope 3 category 3 – fuel and energy related emissions	IEA B2D[2]	On-track	Current metric is not tied to our lending	Offices (60%) Shopping Centres (36%)	Offices (73%) Shopping Centres (57%)

Graph 10.1: Performance (Offices)



Graph 10.2: Performance (Shopping centres)



The emissions intensity of our in-scope Australian large-scale commercial real estate (CRE) customers' office buildings has decreased by 73% from our 2019 baseline to 21.52 $kgCO_2$-e/m^2 NLA. This is below the 2025 Australian average of 40.51 $kgCO_2$-e/m^2 NLA.[3]

Similarly, the emissions intensity of our in-scope CRE customers' shopping centres has decreased by 57% from our 2019 baseline to 38.43 $kgCO_2$-e/m^2 NLA. This is below the 2025 Australian average of 39.92 $kgCO_2$-e/m^2 NLA.[3]

We are on-track to meet our 2030 target of reducing the emissions intensity of our pathway portfolio by 60%.

Our current CRE target does not directly reflect ANZ's financial exposures as they relate to customers' emissions. Rather, we calculate emissions intensity using the combined net lettable area (NLA) of all office buildings and shopping centres that are owned or operated by our in-scope customers. Our target also excludes some emissions arising from energy use in building tenancies, or emissions embodied in building materials.

Limitations on the availability of data in the sector has impacted the review of our CRE sectoral pathway approach, including exploring the potential use of alternative reference scenarios. We may consider adjusting our approach as the availability of data increases.

1. Target is specific to Australian large business customers. **2.** The International Energy Agency Beyond 2°C scenario presented in the IEA – **Energy Technology Perspectives** (2017) report puts service buildings on a pathway to achieve net zero emissions by 2050, with most of these savings to be achieved before 2030. The 2050 convergence to net zero emissions for service buildings closely reflects the IEA – **Net Zero Emissions by 2050** (2021). **3.** Australian base building averages, **NABERS Annual Report**.

How is ANZ supporting the transition?

Customer engagement via our LEEP	As at 30 June 2025, 5 of our CRE pathway customers were captured within our LEEP. Refer to page 12 for details on the program including how we select LEEP customers.
Specific policies in place to steer our lending decisions	ANZ will only finance the construction of new large-scale office buildings[1] if they achieve an 'as designed'[2] NABERS energy rating of at least 5 stars[3] (or equivalent international rating).
Potential options for our customers to reduce their emissions	• Electrification and transition to lower emissions electricity sources. • Implementing energy efficiency measures.

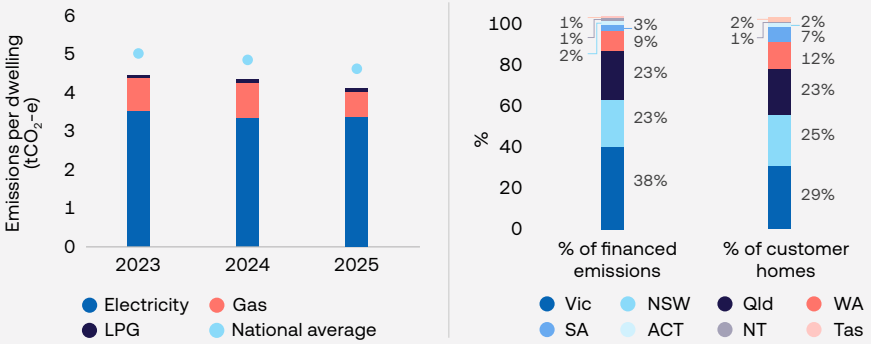
Refer to page 1 for our disclaimer and important notices, pages 50-51 for the Australian residential home loan portfolio performance summary, page 32 for Our Approach to Sectoral Pathways, and Appendix 5 for our Financed and Facilitated Emissions Methodology.

1. Large scale is an office building with a NLA > 10,000 sqm located within a major CBD. **2.** 'As designed' refers to a rating that is calculated during the design phase of a building, before it is actually constructed. **3.** As of July 2025, the "as designed" NABERS rating requirement for the construction of new large-scale office buildings increased to 5.5 stars (or equivalent international rating). This change impacts new lending post-July 2025.

Other metrics

Australian residential home loans

Graph 11.1: Australian residential home loan portfolio emissions intensity[1]



Outstanding loans[2] at 30 June 2025

$371.58b

2025 emissions intensity (tCO_2-e per dwelling)

4.10

Emissions included
Scope 1 and 2
Natural gas and liquified petroleum gas (LPG) & electricity use sourced from grid

The emissions intensity of our Australian residential home loan portfolio in 2025 was 4.10 tCO_2-e per dwelling, 4% below 2024. This is slightly lower than the Australian average emissions intensity of 4.64 tCO_2-e per dwelling. Suncorp Bank is included within scope. Our emissions intensity calculation utilises an outstanding loans balance that is not indicative of ANZ's entire Australian Residential Home Loan book. Refer to our Financed and Facilitated Emissions Methodology in Appendix 5 for further details on applicable eligibility criteria.

ANZ has not committed to an emissions target for its Australian residential home loan portfolio.

We project that the emissions intensity of ANZ's Australian residential home loan portfolio would need to reduce by at least 53% by 2030[3] (from 2023) to align with the goal to limit global warming to 1.5°C above pre-industrial levels. This reduction to our portfolio emissions is unlikely to be linear considering our customers' Scope 2 emissions profile from home energy use is significant.

In Australia, this is mostly influenced by the electricity grid's reliance on coal-fired generation. However, as power stations are gradually replaced by lower emitting sources of generation, we expect that there will be reductions in the emissions intensity of electricity supplied to our customers' homes. See the power generation section on page 34 for details on ANZ's role in financing renewable electricity generation.

In 2025, we supported customers through our participation in the Australian Government's trial of the Nationwide House Energy Rating Scheme (NatHERS) for existing homes. The trial provides select ANZ customers the opportunity to identify energy efficiencies and cost-savings for their property through a free physical evaluation and home energy rating trial certificate.[4]

We have also progressed customer education programs through the *Forgotten Fuel* series, created in partnership with the Energy Efficiency Council. It presents practical steps Australians can take to improve the energy efficiency of their homes and the financial benefits of making households more sustainable.[5]

Refer to page 1 for our disclaimer and important notices, pages 50-51 for the Australian residential home loans portfolio performance summary, page 32 for Our Approach to Sectoral Pathways, and Appendix 5 for our Financed and Facilitated Emissions Methodology.

Potential opportunities for emissions reduction in the sector

ANZ

- Supporting the higher penetration of renewable and other lower emissions sources of electricity in Australia through our lending and facilitation activities in the debt capital markets.
- Continuing to provide financing to build new homes and explore potential opportunities to support the retrofitting of existing homes to improve energy efficiency.

Governments and regulatory bodies

- Facilitating the increased penetration of renewables into Australia's electricity grids and improving the energy efficiency of homes through policy developments.

Customers

- Improving the energy efficiency of their homes.
- Electrification of home equipment (e.g., hot water systems, space heating and gas appliances).
- Increasing the use of rooftop solar supported by batteries.

1. The national average for Australia has been calculated using dwelling data from ABS – **Total Value of Dwellings** (June 2025), energy data from DCCEEW – **Australian Energy Update 2025** and emissions factors from DCCEEW – **Australian National Greenhouse Accounts Factors** (2025). **2.** This is not indicative of ANZ's entire Australian Residential Home Loan book. Refer to our Financed and Facilitated Emissions Methodology in Appendix 5 for further details on applicable eligibility criteria. **3.** IEA – **Net Zero Emissions by 2050 World Scenario** (2023). **4.** ANZ - **ANZ joins government trial to help homeowners save on energy bills** (23 May 2025). **5.** ANZ and Energy Efficiency Council - **Putting Energy Efficiency to Work at Home** (May 2025).

Agribusiness data coverage cohort

Targeting 100% of the Agribusiness data coverage cohort to disclose Scope 1 and Scope 2 emissions at a standard equivalent to the 'Australian National Greenhouse Account Factors'[1] by the end of financial year 2027.

EAD as at 30 June 2025	% Group EAD	% of Agribusiness data coverage cohort disclosing their Scope 1 and Scope 2 emissions[2]
$5.62b	0.41%	61%

ANZ has not committed to an emissions reduction target for our Institutional Agribusiness sector or sub-sectors, concluding that it remains premature to set a target while the availability and quality of emissions data remains challenging. Data availability and quality impacts our ability to accurately estimate financed and facilitated emissions.

For this reason, we remain focused on seeking enhanced disclosures from the large Agribusiness customers in our data coverage cohort. ANZ's data coverage target aims to encourage and support the provision of high quality and comparable emissions data by the customers in our cohort.

The agribusiness data coverage cohort comprises large Institutional Agribusiness customers who either have significant operations in Australia or are headquartered in Australia[3] and own assets or operate in one or more of the following parts of the agribusiness value chain:

- Farm input providers (e.g., fertiliser manufacturers)
- Producers (e.g., of beef, lamb, grain, poultry, and aquaculture products)
- Processors (e.g., bulk-handlers, meat processors)
- Retailers (e.g., supermarkets)
- Quick-service restaurants (e.g., large fast-food chains)

Currently, 61% of our agribusiness data coverage cohort customers are disclosing Scope 1 and Scope 2 emissions to an Australian National Greenhouse Account Factors (NGA) standard or equivalent, a decrease of 2% compared with last year. These customers disclosed their emissions publicly or to the Australian Clean Energy Regulator through the National Greenhouse and Energy Reporting Scheme.[4] The decrease was due to some customers not seeking assurance of their Scope 1 and Scope 2 emissions data in the current reporting year (but having done so in the previous reporting year).

Overall, the number of cohort customers publicly reporting emissions increased from 81% to 87% in 2025, however some of these disclosures were not subject to assurance and therefore did not meet our data coverage target criteria. We will continue to engage with the agribusiness data coverage cohort customers who do not report Scope 1 and Scope 2 emissions, or do not report in accordance with the data coverage target criteria, to understand and encourage their progress towards disclosure and assurance.

1. DCCEEW – **Australian National Greenhouse Accounts Factors**. **2.** To the Australian National Greenhouse Account Factors (NGA) standard or equivalent e.g., audited emissions disclosure. **3.** Cohort is made up of a selection of large Institutional Agribusiness customers as at October 2023. ANZ does not intend to add new customers to the cohort to replace customers that are no longer in the cohort (e.g., because they no longer have the required nexus with Australia or are no longer an ANZ customer), but may do so if it considers it appropriate in the circumstances. As a result, Suncorp Bank is not considered within scope of this metric cohort. **4.** National Greenhouse and Energy Reporting (Measurement) Determination 2008 (Cth). The National Greenhouse and Energy Reporting (NGER) Scheme is a national framework for reporting company information about greenhouse gas emissions, energy production, and energy consumption.

Sectoral pathway performance summary

Exposure at Default (EAD)

Sector[1,2]	Baseline year	EAD $b (% of Group EAD)			
		Baseline	2023	2024	2025
Power generation	2020	7.46	9.35 (0.81%)	9.36 (0.80%)	14.14 (1.03%)
Oil and gas	2020	10.20	7.35 (0.63%)	5.93 (0.51%)	4.34 (0.32%)
Thermal coal	2020	0.43	0.09 (0.01%)	0.08 (0.01%)	0.10 (0.01%)
Auto manufacturing	2022	2.13	2.03 (0.18%)	1.73 (0.15%)	2.41 (0.18%)
Aviation	2019	3.29	2.79 (0.24%)	2.51 (0.22%)	3.15 (0.23%)
Shipping	2022	0.84	0.72 (0.06%)	0.64 (0.05%)	0.50 (0.04%)
Aluminium	2021	0.67	0.69 (0.06%)	0.72 (0.06%)	0.46 (0.03%)
Cement	2021	0.39	0.28 (0.02%)	0.21 (0.02%)	0.18 (0.01%)
Steel	2021	1.02	1.15 (0.10%)	1.01 (0.09%)	0.67 (0.05%)
Australian residential home loans[3]	-	-	280.17	299.15	371.58

Absolute financed emissions ($MtCO_2$-e)

Sector[1,2]	Baseline year	Scope	Baseline	2023	2024	2025
Power generation	2020	1	Not Reported	5.30	4.48	4.53
Oil and gas	2020	1 and 2	1.43	1.01	0.87	0.67
		3	11.22	7.86	6.84	4.50
Thermal coal	2020	1 and 2	0.24	0.01	0.01	0.01
		3	8.60	0.37	0.25	0.34
Auto manufacturing	2022	3	1.87	1.62	1.32	1.78
Aviation	2019	1	2.54	1.01	1.28	1.86
Shipping	2022	1	0.24	0.25	0.23	0.20
Aluminium	2021	1 and 2	0.53	0.39	0.52	0.31
Cement	2021	1 and 2	2.24	1.52	0.91	0.63
Steel	2021	1 and 2	1.26	1.62	1.23	0.87
Australian residential home loans	-	1 and 2	-	1.69	1.65	1.87

1. Relates to customers identified as within-scope of our sectoral pathway portfolio cohorts as defined within our Financed and Facilitated Emissions Methodology. For further detail on the emissions scope, inclusion and exclusion criteria, and any limitations, refer to the methodology located at Appendix 5. **2.** The datapoints disclosed within these tables use varying collection and calculation dates. Refer to page 33 and Appendix 5 for further details on the boundaries applied for our Financed and Facilitated Emissions. **3.** The exposure figures reflects the total loans outstanding for homes within ANZ's Australian home loan book that are within scope for the financed emissions metric.

Absolute facilitated emissions ($MtCO_2$-e)

Sector[1,2]	Baseline year	Scope	Baseline	2023	2024	2025
Power generation	2020	1	Not Reported	0.14	0.17	0.65
Oil and gas	2020	1 and 2	0.15	0.06	0.05	0.01
		3	1.13	0.40	0.30	0.07
Thermal coal	2020	1 and 2	0.00	0.00	0.00	0.00
		3	0.15	0.00	0.00	0.00
Auto manufacturing	2022	3	0.05	0.05	0.04	0.03
Aviation	2019	1	0.13	0.02	0.04	0.03
Shipping	2022	1	0.01	0.01	0.00	0.00
Aluminium	2021	1 and 2	0.04	0.02	0.04	0.06
Cement	2021	1 and 2	0.00	0.00	0.00	0.07
Steel	2021	1 and 2	0.04	0.00	0.00	0.00

Emissions intensity

Sector[1,2]	Baseline year	Units	Baseline	2023	2024	2025
Power generation	2020	$kgCO_2$-e/MWh	245	171	156	120
Oil and gas	2020	$kgCO_2$-e/GJ produced	71	69	68	70
Thermal coal	2020	$kgCO_2$-e/t produced	2.50	2.44	2.53	2.52
Auto manufacturing	2022	gCO_2-e/vkm	140	121	107	94
Aviation	2019	gCO_2-e/RTK	871	906	797	870
Shipping	2022	gCO_2-e/t km	11.49	12.25	12.35	11.13
Aluminium	2021	tCO_2-e/t aluminium	6.81	8.69	8.31	5.88
Cement	2021	tCO_2-e/t cement	0.66	0.65	0.62	0.62
Steel	2021	tCO_2-e/t steel	2.10	2.00	1.93	1.66
Australian large-scale commercial real estate – offices	2019	$kgCO_2$-e/m^2 NLA	80.21	40.86	24.49	21.52
Australian large-scale commercial real estate – shopping centres	2019	$kgCO_2$-e/m^2 NLA	89.75	60.30	44.98	38.43
Australian residential home loans	-	tCO_2-e/dwelling	-	4.44	4.29	4.10

1. Relates to customers identified as within-scope of our sectoral pathway portfolio cohorts as defined within our Financed and Facilitated Emissions Methodology. For further details on the emissions scope, inclusion and exclusion criteria, and any limitations, refer to the methodology located at Appendix 5. **2.** The datapoints disclosed within these tables use varying collection and calculation dates. Refer to page 33 and Appendix 5 for further details on the boundaries applied for our Financed and Facilitated Emissions.

Operational emissions

Operational emissions are greenhouse gas (GHG) emissions associated with operating our business. Scope 3 financed emissions and facilitated emissions (see page 32) and emissions associated with ANZ's investments are not included as part of operational emissions.

In previous years, we reported our operational emissions for the period 1 July to 30 June. In 2025, we updated our operational emissions reporting period to align with ANZ's financial year end of 30 September in preparation for ANZ's first mandatory climate reporting period, commencing 1 October 2025. In this transition year, we have disclosed operational emissions for both reporting periods ending 30 June 2025 and 30 September 2025. Data in respect of prior years remains reported for the period 1 July to 30 June. Both the operational targets, detailed on page 53, and the year-on-year comparisons made below will also remain by reference to the periods ending 30 June.

For further information on our measurement approach, refer to ANZ's Scope 1, Scope 2 and Scope 3 Operational GHG emissions reporting methodology at Appendix 7.

Emissions by Scope

	2025[1]		2024
Emissions (tCO_2-e) Location-based	1 Oct to 30 Sep	1 Jul to 30 Jun	1 Jul to 30 Jun
Scope 1 emissions	6,314	6,269	5,958
Scope 2 emissions	74,556	74,955	76,020
Scope 3 measured operational emissions	77,173	80,146	68,845
Total emissions (location-based)	**158,043**	**161,370**	**150,823**
Emissions (tCO_2-e) Market-based			
Scope 1 emissions	6,314	6,269	5,958
Scope 2 emissions	2,138	2,272	36,076
Scope 3 measured operational emissions	70,410	73,358	66,992
Total emissions (market-based)	78,862	81,899	109,026
Emissions (tCO_2-e) by region (Scope 1 and Scope 2 location-based)			
Australia	61,838	61,633	60,638
New Zealand	3,684	3,567	3,351
Asia Pacific, Europe and America	15,348	16,023	17,990
Total Scope 1 and Scope 2 (location-based)	80,870	81,224	81,978
Emissions (tCO_2-e) by region (Scope 1 and Scope 2 market-based)			
Australia	4,675	4,592	32,458
New Zealand	1,524	1,561	1,918
Asia Pacific, Europe and America	2,253	2,388	7,658
Total Scope 1 and Scope 2 (market-based)	8,452	8,541	42,034
Emissions (tCO_2-e) Scope 3			
Category 1: Purchased goods and services	9,215	9,288	6,489
Category 2: Capital goods	799	908	3,118
Category 3: Fuel and energy related activities	12,008	12,257	9,907
Category 4: Upstream transportation and distribution	4,409	4,406	4,156
Category 5: Waste generated in operations	686	660	834
Category 6: Business travel	22,179	24,904	20,459
Category 7: Employee commuting	27,716	27,562	22,008
Category 8: Upstream leased assets	161	161	1,873

1. Includes Suncorp Bank.

The decrease to combined Scope 1 and Scope 2 (location-based) emissions in 2025 was primarily due to the reduction in gas consumption in our Melbourne headquarters and reduced electricity and diesel consumption across our international offices.

The decrease to combined Scope 1 and Scope 2 (market-based) emissions in 2025 was primarily due to ANZ procuring 97% of our electricity needs from renewable sources, up from 57% in 2024. In 2025, ANZ signed a second Power Purchase Agreement (PPA) with Mortlake South Wind Farm, complementing the Murra Warra Wind Farm PPA established in 2019. In addition, ANZ has deployed 16 rooftop solar systems through a retail solar PPA program since its commencement in 2023.

Internationally, ANZ sources renewable energy through a portfolio of measures tailored to each region. In New Zealand, 100% renewable electricity was achieved through the purchase and surrender of New Zealand Energy Certificate's (NZECs) from our electricity supplier. For other international operations, where energy demand is comparatively lower, we source renewable electricity through retail products or unbundled renewable energy certificates – tradable instruments that represent renewable electricity but are sold separately from the physical electricity itself. The portfolio of measures allows us to source renewable electricity based on market availability and our electricity needs.

Value chain emissions

In 2025, ANZ's reported Scope 3 (location-based) operational emissions were 80,146 tCO_2-e, 16% higher than 2024. In 2025, we continued to work with our suppliers to better understand our impact and identify opportunities to reduce emissions.

Climate-related operational targets

Since setting our current range of operational targets in 2022, we have made strong progress across the business to support us in meeting our ambitions.

Several of our targets, detailed below, expired as at 30 June this year. As a result, this year we have chosen not to restate the baseline years and performances towards our targets from 30 June to a 30 September reporting period, to align with our banking financial year-end. Similarly, existing targets have not been restated for the Suncorp Bank acquisition.[1] Future targets including our revised target below aligned with our financial reporting year of 1 October to 30 September and Suncorp Bank will be included in scope as relevant to the target.

Refer to our Scope 1, Scope 2 and Scope 3 Operational GHG emissions reporting methodology in Appendix 7 for further details.

Being powered by the equivalent of 100% renewable electricity by 2025[2]

Objective	Renewable energy procurement
Scope	ANZ global footprint under operational control
Target Type	% of renewable energy purchased
Alignment	Not applicable

Performance

As of 30 June 2025, 97% of ANZ's electricity needs were from renewable sources, just falling short of our target of 100% renewable electricity by 2025. This was principally due to the absence of recognised schemes or renewable electricity infrastructure in Papua New Guinea and Pacific countries.

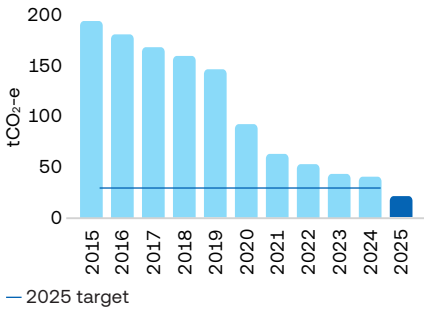
Reducing combined Scope 1 and Scope 2 emissions by 85% by 2025 and 90% by 2030 against 2015 baseline

Objective	Scope 1 and Scope 2 emissions reduction (market-based)
Scope	ANZ's global footprint under operational control
Target Type	Absolute quantitative target
Alignment	Informed by the Paris agreement (1.5°C degree alignment)

Performance

ANZ exceeded its 2025 target to reduce combined Scope 1 and Scope 2 (market-based) emissions by achieving a 96% reduction, driven principally from an increase in renewable electricity. A reduction of diesel cars from the New Zealand fleet and the reduction of natural gas use at the Sydney and Melbourne commercial offices also contributed to the reduction.

Scope 1 and Scope 2 operational emissions: Performance against target



Revised target: Reducing combined Scope 1 and Scope 2 emissions by 85% by 2030 against a 2024 baseline

Having achieved our 2030 target of a 90% reduction (against a 2015 baseline) earlier than expected, we have revised our combined Scope 1 and Scope 2 emissions reduction target with a more ambitious baseline year of 2024. Our target has been revised to an 85% reduction in combined Scope 1 and Scope 2 emissions against a 2024 baseline and to also include Suncorp Bank commencing 1 October 2025.

Non-emissions targets

Reducing water consumption[3] by 40% by 2025 (against 2017 baseline)

ANZ exceeded its 2025 water reduction target, achieving a 61% decrease in consumption against its 2017 baseline year. This was largely achieved by rightsizing the property portfolio; achieving a 3.5-star NABERS water rating at the Melbourne headquarters; and ongoing monitoring to maintain usage even as employee attendance increased.

Reducing waste to landfill[4] by 40% by 2025 (against 2017 baseline)

ANZ exceeded its 2025 waste reduction target, achieving a 79% decrease in waste to landfill against its 2017 baseline year. This result was driven by the continuation of zero waste principles in new retail branch fit outs across New Zealand, recycling of e-waste and office furniture, and employee engagement through internal campaigns and audits.

Reducing paper consumption (both office and ANZ originated customer paper use) by 70% by 2025 (against 2015 baseline)

ANZ exceeded its 2025 paper reduction target, achieving a 77% decrease in consumption against its 2015 baseline year. This result was driven by the expansion of eSign usage which saved over 500,000 printed documents, the digitisation of brochures and customer statements across the branch network and the streamlining of internal workflows to reduce reliance on printed materials.

1. Although the Suncorp Bank acquisition represented a notable structural change, it did not meet the 5% materiality threshold for our baseline to be restated. There is also an absence of available of Suncorp Bank data for the 2015 baseline year. **2.** Self-generated renewable electricity, direct procurement from offsite grid connected generators e.g. Power Purchase Agreement (PPA), retail products, unbundled renewable energy certificates and default delivered renewable electricity from the grid. **3.** Total potable water consumed from ANZ's global properties. **4.** Total waste to landfill generated from ANZ's global properties.

Appendix 1: GFANZ and TPT index

The index below provides section references of this report to the relevant GFANZ and TPT transition planning guidance framework.[1,2] Our disclosures do not purport to be comprehensive or to satisfy all aspects of GFANZ or TPT's framework.

TPT Elements	Page reference	GFANZ Component	Page reference
Foundations		**Foundations**	
1.1 Strategic ambition	8-11	Objectives and priorities	8-11, ESG Targets – see our 2025 ESG Report located at **anz.com/esgreport**
1.2 Business model and value chain	Not met - see details of our business model and value chain on page 4		
1.3 Key assumptions and external factors	Not met - see details of our C&E strategy and approach to transition planning on pages 8-11		
Implementation Strategy		**Implementation Strategy**	
2.1 Business operations	12-15, 26-27, 52-53	Products and services	12-21, 31
2.2 Products and services	16-17, 21, 31	Activities and decision-making	22-24
2.3 Policies and conditions	19, 22-24, 32-51	Policies and conditions	19, 22, 32-51
2.4 Financial planning	Not met		
Engagement Strategy		**Engagement Strategy**	
3.1 Engagement with value chain	12-18, 31, 52	Clients and portfolio companies	12-18, 31, 52
3.2 Engagement with industry	21	Industry	21
3.3 Engagement with government, public sector, communities and civil society	21	Government and public sector	21, ESG Targets – see our 2025 ESG Report located at **anz.com/esgreport**
Metrics and Targets		**Metrics and Targets**	
4.1 Governance, engagement, business, and operational metrics and targets	12-15, 30-53	Metrics and targets	10-11, 30-53, ESG Targets and Performances – see our 2025 ESG Report located at **anz.com/esgreport**
4.2 Financial metrics and targets	31		
4.3 GHG metrics and targets	32-53		
4.4 Carbon credits	77		
Governance		**Governance**	
5.1 Board oversight and reporting	5-7	Roles, responsibilities and remuneration	5-7
5.2 Management roles, responsibilities and accountabilities	5-7		
5.3 Culture	5, 20	Skills and culture	5, 20
5.4 Incentives and remuneration	Partially met - see page 7		
5.5 Skills, competencies and training	5, 20		

1. Glasgow Financial Alliance for Net Zero (GFANZ) *Financial Institution Net zero Transition Plans – Fundamentals, Recommendations, and Guidance (2022).*
2. Transition Plan *Task Force Disclosure Framework (2023).*

Appendix 2: Task Force on Climate-related Financial Disclosures (TCFD) Index

TCFD category	TCFD disclosure recommendation	ANZ response – page
Governance Disclose the organisation's governance around climate-related risks and opportunities.	a. Describe the board's oversight of climate-related risks and opportunities.	5-7
	b. Describe management's role in assessing and managing climate-related risks and opportunities.	6-7
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	24-27
	b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	26-29
	c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	28-29
Risk Management Disclose how the organisation identifies, assesses, and manages climate-related risks.	a. Describe the organisation's processes for identifying and assessing climate-related risks.	22-27
	b. Describe the organisation's processes for managing climate-related risks.	22-27
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	22-27
Metrics and Targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	12-15, 28-29, 30-52, 76
	b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	32-52
	c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	10-11, 31-53

Appendix 3: Task Force on Nature-related Financial Disclosures (TNFD) Index

TNFD category	TNFD disclosure recommendation	ANZ response – page
Governance Disclose the organisation's governance of nature-related dependencies, impacts, risks and opportunities.	a. Describe the board's oversight of nature-related dependencies, impacts, risks and opportunities.	7
	b. Describe management's role in assessing and managing nature-related dependencies, impacts, risks and opportunities.	7, 18-19, 22
	c. Describe the organisation's human rights policies and engagement activities, and oversight by the board and management, with respect to Indigenous Peoples, Local Communities, affected and other stakeholders, in the organisation's assessment of, and response to, nature-related dependencies, impacts, risks and opportunities.	Partially met – see our Climate Change Commitment, available here prior to our AGM
Strategy Disclose the effects of nature-related dependencies, impacts, risks and opportunities on the organisation's business model, strategy and financial planning where such information is material.	a. Describe the nature-related dependencies, impacts, risks and opportunities the organisation has identified over the short, medium and long term.	Partially met – see pages 18-19
	b. Describe the effect nature-related dependencies, impacts, risks and opportunities have had on the organisation's business model, value chain, strategy and financial planning, as well as any transition plans or analysis in place.	18-19
	c. Describe the resilience of the organisation's strategy to nature-related risks and opportunities, taking into consideration different scenarios.	Partially met – see initial steps we are taking utilising the ENCORE tool on pages 18-19
	d. Disclose the locations of assets and/or activities in the organisation's direct operations and, where possible, upstream and downstream value chain(s) that meet the criteria for priority locations.	Not met
Risk Management Describe the processes used by the organisation to identify, assess, prioritise and monitor nature-related dependencies, impacts, risks and opportunities.	a. (i) Describe the organisation's processes for identifying, assessing and prioritising nature-related dependencies, impacts, risks and opportunities in its direct operations.	Not met
	a. (ii) Describe the organisation's processes for identifying, assessing and prioritising nature-related dependencies, impacts, risks and opportunities in its upstream and downstream value chain(s)	22-24
	b. Describe the organisation's processes for managing nature-related dependencies, impacts, risks and opportunities.	18-19, 22
	c. Describe how processes for identifying, assessing, prioritising and monitoring nature-related risks are integrated into and inform the organisation's overall risk management processes.	18-19, 22
Metrics and Targets Disclose the metrics and targets used to assess and manage material nature-related dependencies, impacts, risks and opportunities.	a. Disclose the metrics used by the organisation to assess and manage material nature-related risks and opportunities in line with its strategy and risk management process.	Not met
	b. Disclose the metrics used by the organisation to assess and manage dependencies and impacts on nature.	Not met
	c. Describe the targets and goals used by the organisation to manage nature-related dependencies, impacts, risks and opportunities and its performance against these.	Not met

Appendix 4: Climate Scenario Analysis Methodology

Disclaimer and important notices

The information in this methodology should be read together with Disclaimer and Important Notices on page 1 which contains information about forward-looking statements, and the uncertainties, challenges and risks associated with climate-related information.

The purpose of this section is to outline our approach to climate scenario analysis.

Further to scenario descriptions set out on pages 24-29 of this report, this section provides additional detail on the scenario-based assumptions that supported our assessment.

Time horizons

The table below details the considerations that we took into determining the time horizons.

Summary of our scenario time horizons

Short-term 0-1 year (2026)	Medium-term 1-5 years (2030)	Long-term 5+ years (2050)
• Aligns with our annual business cycle	• Aligns with our stress testing horizons, group-level strategy cycle and our Internal Capital Adequacy Assessment Process (ICAAP) • Aligns with our Climate-related intermediate targets	• Aligns with the transition of our lending portfolio to net zero financed emissions by 2050 • Maximum 30-year tenor of home loans

Inputs and assumptions

Network for Greening the Financial System (NGFS) Scenarios

ANZ selected two scenarios from the NGFS that represent divergent climate pathways to identify material climate risk. NGFS scenarios were chosen as they provide comprehensive coverage of both transition and physical climate risks across economic sectors.

NGFS scenario architectures[1]

	Net Zero 2050 – Orderly Transition	Current Policies – Hot House World
Source	Both scenarios are sourced from the NGFS Climate Scenarios (November 2024 Phase V release).	
Diversity of range of climate-related scenario used	The two scenarios selected represent divergent climate pathways to support the assessment of ANZ's business model in response to low physical risk and moderate transition risks (Net Zero 2050) and high physical risks (Current Policies). These are plausible scenarios that help us to understand where our most material climate risks may arise.	
Climate-related transition risk or climate-related physical risks	Low physical and moderate transition risk with ~1.5°C warming by 2100.	High and escalating physical risk with >3°C warming by 2100. Minimal transition risk.
Alignment with the latest international agreement on climate change	Aligned to the goals of the Paris Agreement, which include: • limiting the global temperature increase to well below 2°C above pre-industrial levels, with efforts to limit it to 1.5°C; and • achieving global net zero greenhouse gas emissions by the second half of the century.	N/A
Scope of operations used in the analysis	The assessment considered the potential impact of climate risks to ANZ's business model, including the interaction with our Material Risk categories.	
Value chain considered in the analysis	**Upstream:** capital providers and suppliers. **Downstream:** investments, customers, employees, and other stakeholders.	

1. Sourced from **NGFS Climate Scenarios Technical Documentation** and **NGFS long-term scenarios for central banks and supervisors**.

	Net Zero 2050 – Orderly Transition	Current Policies – Hot House World
Climate-related policies in the jurisdictions in which ANZ operates	• Policy action such as carbon pricing, subsidies for renewable energy are introduced early and become gradually more stringent.	• Only currently implemented climate policies are preserved with no strengthening of policy ambition. • No additional climate measures introduced.
Macroeconomic trends	• Immediate transition costs with rising carbon pricing create short-term economic headwinds. • Australian and New Zealand Gross Domestic Product (GDP) impacts peak by 2030 and then stabilise over time. • Modest interest rate increases support orderly adjustment.	• Lower transition costs but accelerating physical climate damages cause severe, worsening economic deterioration. • GDP decline intensifies over time without policy intervention. • Mounting productivity losses and reduced economic resilience.
National- or regional- level variables	Macroeconomic variables were derived from the NGFS NiGEM[1] dataset which includes Australia-specific variables. We selected the Global Change Analysis Model (GCAM) as our primary integrated assessment model due to its higher granularity in modelling Australia and New Zealand as a single distinct entity.	
Energy usage and mix	• Rapid decarbonisation of energy systems with accelerated deployment of renewables. • Significant carbon pricing incentivising clean energy transition.	• Continued reliance on fossil fuels. • Energy mix evolution continues through market-driven optimization and existing policy frameworks.
Developments in technology	• Rapid technological advancement and innovation drive the transition. • Fast deployment of renewable energy technologies.	• Slow technological change with existing climate policies maintained. • Technology development constrained by current policy frameworks. • Continued reliance on existing energy mix.
Reporting period	Scenario analysis was carried out in the 2025 reporting period	

Intergovernmental Panel on Climate Change (IPCC) Scenarios

ANZ utilised IPCC Representative Concentration Pathway (RCP) scenarios for assessing climate risks to our Australian home loan residential mortgage portfolio (refer to pages 28-29). IPCC RCP scenarios were selected for their detailed physical climate projections essential for evaluating property-level risks such as flooding and extreme weather events.

IPCC scenario architectures[2]

	RCP 2.6 – Strong Mitigation	RCP 8.5 – High Emissions
Global temperature increase by 2100	0.9°C – 2.3°C above pre-industrial levels	3.2°C – 5.4°C above pre-industrial levels
Sea level rise by 2100	0.3 – 0.6 metres	0.5 – 0.8 metres
Extreme weather events	Moderate increase in frequency and intensity	Significant increase in frequency and intensity
Precipitation patterns	Regional variability with some areas experiencing increased drought and flooding	Substantial changes with more frequent droughts and intense precipitation events
Coastal flooding risk	Elevated risk in low-lying areas	Severe and widespread coastal flooding
Bushfire/wildfire risk	Moderately increased fire weather conditions	Substantially increased fire weather and extended fire seasons
Reporting period	Scenario analysis was carried out in the 2025 reporting period	

1. A global econometric model used by NGFS for economic forecasting, scenario analysis and stress testing. **2.** Sourced from **IPCC AR5 Reports**.

Limitations

Limitation	Description
Scenario Data and Modelling	Climate scenario analysis relies on external data sets and models that have several limitations. These may include: • Limited Detail by Region and Sector: Scenarios often lack the granular detail needed to assess risks specific to certain industries and/or locations. • Simplified Physical Risk Modelling: The models distinguish between acute risks, which are short-term, high-impact events (e.g., cyclones, bushfires), and chronic risks, which are longer-term, gradual changes (e.g., rising temperatures, sea level rise). However, they may not fully reflect the severity or frequency of acute risks, particularly when multiple events occur close together or interact in complex ways. • Idealised Transition Pathways: Transition scenarios often assume smooth policy implementation and cooperation, which may not reflect real-world political and/or economic challenges. • Linear Assumptions on Technology and Behaviour: Models typically assume gradual changes in technology and consumer behaviour, limiting the ability to explore disruptive shifts and/or innovations. • Lag in Scenario Updates: Scenarios are updated periodically and may not reflect the latest science or policy changes, especially in fast-moving environments. • Framework-Specific Limitations: – NGFS Scenarios focus on macroeconomic and transition risks but may underrepresent physical climate impacts and tail risks. – IPCC Scenarios model physical climate outcomes based on emissions pathways but exclude socio-economic and policy assumptions.
Aggregating and Cascading Risks	Climate risks often occur together or in sequence, but current models assess risks in isolation. This makes it difficult to understand the full impact when multiple risks interact or cascade through systems such as how a flood might disrupt supply chains and then affect financial markets.
Identifying Capital Risk	Capital risk, that is, where ANZ might not hold enough capital to meet regulatory requirements, is challenging to assess using current climate risk assessment methodology. This is because capital adequacy depends on the combined impact of many financial and non-financial risks, which are not fully captured in scenario analysis.
Identifying Tail Risk	Current models focus on certain scenarios which are useful for exploring plausible futures but may miss rare, high-impact events (“tail risks” or “black swans”) that fall outside the scope of these scenarios.

Appendix 5: Financed and Facilitated Emissions Methodology

Disclaimer and important notices

The information in this methodology should be read together with our Disclaimer and Important Notices on page 1 which contains information about forward-looking statements, and the uncertainties, challenges and risks associated with climate-related information.

The purpose of this appendix is to outline the methodologies that ANZGHL has used to establish targets for the reduction of financed and facilitated emissions and to measure the emissions profile of the relevant portfolios and capital markets activities.

In some instances, ANZ has not set an emissions reduction target for a sector but has established a metric. Where that is the case, this methodology explains how the metric has been designed.

Our approach to sectoral pathway targets

ANZ has set sectoral pathway targets with the ambition to transition our lending portfolio to net zero financed emissions by 2050 in line with the goals of the Paris Agreement.

2025 review

In 2025, we reviewed our sectoral pathway targets, including aviation which was suspended in 2024. The review has resulted in some material changes being made to pathways, including targets and our historical performance.

The review was undertaken for the following reasons:

- To include facilitated emissions associated with syndicated loans and bonds informed by UN Guidance for Climate Target Setting for Banks and the Partnership for Carbon Accounting Financial (PCAF) guidance
- To assess whether customers of Suncorp Bank met our in-scope criteria for inclusion in our pathways and metrics
- To update to use more recent reference scenarios where we considered appropriate, including the consideration of a target range
- To reflect the UN Guidance for Climate Target Setting for Banks recommendation that targets are reviewed at a minimum every 5 years
- To consider the opportunity to use an intensity metric for the shipping pathway

Amongst other changes, the review resulted in changes to our baseline year performance and 2030 targets for some pathways.

See Sectoral pathway targets detailed method on pages 62-73 which outlines key changes from 2024 for each sector.

As part of the development of our financed and facilitated emissions sectoral pathways, we engaged a third-party to undertake a limited-scope technical review of some of our sectoral pathway targets. The review assessed the consistency of power generation and oil and gas target pathways with the IEA World Energy Outlook 2024 Net Zero Emissions by 2050 reference scenario, and the aviation target pathway with the IEA World Energy Outlook 2024 Net Zero Emissions by 2050 and Announced Pledges scenarios.

Restatement approach

ANZ's general approach is to restate climate-related data where we identify that a restatement is appropriate. For example, to correct for errors in prior reporting periods (such as calculation mistakes, misinterpretations and errors in applying the methodology) that we assess as having a material impact on the reported data or to adjust climate-related data for any of the following events when it results in a material impact:

- Changes in calculation methodology;
- Structural changes (e.g., mergers, acquisitions and divestments of customers within the relevant pathway); and
- Changes in data availability (e.g., replacing estimates with actuals).

Materiality is assessed based on both qualitative and quantitative factors, including the impact of the change on users of the data and our ability to track and accurately report on performance against our targets. Where undertaken, a 5% materiality threshold is used as a guide for the quantitative assessment, but where the threshold is not met, ANZ may still make a restatement based on qualitative factors. In some circumstances, a restatement may have a consequential impact on related information. If that is the case, we may make other adjustments to the related information to reflect the restated position.

The materiality threshold for financed and facilitated emissions metrics reflects the complexity and significant uncertainty in calculating Scope 3 emissions. When a restatement results in a change to a sectoral pathway baseline, we will consider the impact on the appropriateness of our target.

As a result of the 2025 review described above, we have made changes to the oil and gas, power generation, thermal coal, auto manufacturing, shipping, aluminium, cement and steel sectoral pathways this year. In some instances, changes from the 2025 review may result in a consequential change that meets the restatement criteria, e.g., to reflect updated customer emissions data, correct for errors (such as calculation mistakes, misinterpretations and errors in applying the methodology), and to improve data granularity. Where that is the case, we have not separately identified the restatement.

ANZSIC codes

ANZ aims to ensure in-scope customers are representative of our exposure to each sector. However, the approach is somewhat manual in nature and constrained by certain limitations. The first step in assessing whether a customer is in-scope for our sectoral pathway targets is reviewing its assigned Australia and New Zealand Standard Industrial Classification (ANZSIC) code.

ANZ applies the 1993 ANZSIC codes, which ANZ may adapt where it considers appropriate, to allocate customers to industry sectors. The ANZSIC codes are allocated in ANZ's system by customer-facing employees or customer on-boarding back-office functions. The allocation is intended to reflect the primary business activity of the customer in terms of revenue. Where a customer operates in more than one industry, ANZ uses the ANZSIC code of the industry that generates most of the revenue. Where the customer is a parent company of subsidiaries operating in more than one industry, ANZ uses the ANZSIC code of the industry that generates most of their revenue. If the customer is a subsidiary, ANZ uses the ANZSIC code of the industry that generates most of the revenue of the subsidiary. Due to the manual nature of code application there is a possibility of error in assigning ANZSIC codes at the time of customer onboarding or other discrepancies due to changes in customer activities over time. Each customer allocated to the ANZSIC code relevant to the scope of the sectoral pathways is considered for the purpose of determining whether the customer is in-scope of that sectoral pathway. Through this process, a customer may not be included in the pathway, if they otherwise do not meet the pathway criteria. See pages 62-73 for sector specific inclusion and exclusion criteria.

Boundaries

When calculating our financed and facilitated emissions the following data collection and calculation dates are used:

Exposure at default	2019 to 2023 as at 30 September of the relevant year. 2024 and 2025 as at 30 June of the relevant year.
Capital markets activity	2019 to 2023 deals occurring between 1 October and 30 September of the relevant year. 2024 deals occurring between 1 October and 30 June as we transitioned to June end to the reporting period in line with the EAD change. 2025 deals occurring between 1 July and 30 June
Customer emissions data	We typically preference the use of the latest available customer emissions data. We typically apply the following data hierarchy when sourcing customer emissions data: public customer disclosures, regulatory disclosures, credible third-party vendors and as a last resort, sector averages. We have applied a 30 September 2025 cut off for reporting by our customers of their emissions data for 2025 reporting purposes.
Australian residential home loans outstanding loan amount	2023 and 2024 as at 31 May of the relevant year. 2025 as at 30 June.

Exposure at Default

We have taken a more conservative approach in calculating our financed emissions by using Exposure At Default (EAD) rather than the outstanding amount of loans and investments. EAD represents the exposure to the sector based on APRA's calculation formula which includes total committed loans (drawn plus a proportion of off-balance sheet exposures as specified by APRA). This is a departure from the PCAF approach, which recommends including the outstanding amount of loans and investments i.e. excluding undrawn amounts. While our approach means that we are attributing a higher proportion of our customers' emissions to ANZ, we consider this provides a more accurate representation of our support to our customers and the transition risks that we are potentially exposed to. Our choice to also include a proportion of undrawn loan amounts, rather than just the outstanding amount, also helps reduce the risk of volatility in customer drawdowns that may impact the achievement of our targets.

When assessing which customers are in-scope for our sectoral pathways we use an EAD threshold (see pages 62-70 for sector specific thresholds). We assess customers against the EAD threshold each year to determine if they are in-scope for the relevant year. It is estimated that cumulative customer EAD below this threshold represents an immaterial part of our overall financing activities in the respective sector meaning we consider that the threshold does not materially affect the financed emissions included in-scope.

Use of offsets

Our sectoral pathways targets and reported financed and facilitated emissions are prepared on a gross basis and therefore do not currently consider the use of any offsets our customers use or may use to reduce their emissions. We recognise that many customers are proposing to use offsets to achieve their own emissions reduction targets. Given the 'hard-to-abate' nature of some emissions sources within some of these sectors, there may be residual and unavoidable emissions in 2050, if technology to eliminate those emissions does not exist, is in early stages of development or is not financially viable. We will look to further develop our position on customers' use of offsets in the coming years, however we apply a general principle that emissions should first be avoided by our customers, with offsetting used only to compensate for residual and unavoidable emissions.

Sectoral pathway targets detailed method

Power generation – targeting a 54% reduction in emissions intensity by 2030, from a 2020 baseline

Key changes from 2024	• Update of reference scenario to use the 2024 IEA World Energy Outlook • Inclusion of facilitated emissions		
Target baseline	245 gCO_2-e/ MWh	**Target in 2030**	114 gCO_2-e/MWh
Target metric	Portfolio weighted emissions intensity was chosen as the demand for electricity is expected to remain steady or increase under a 1.5°C aligned scenario.		
Reference pathway	The Net Zero Emissions by 2050 (NZE) Scenario presented in the IEA's World Energy Outlook (2024) was chosen as a credible and well-recognised decarbonisation scenario.		
Target setting method	Sectoral decarbonisation approach aligned with a 1.5°C transition pathway.		

In-scope customers (subject to meeting the criteria for In-scope lending or capital markets activity)

Institutional, Commercial and Suncorp Bank customers allocated to or meeting the criteria for ANZ industry code 3611 – electricity generation. For ANZ's purposes, ANZ industry code 3611 is an adaptation of 1993 ANZSIC code 3610 (electricity supply) to capture customers engaged in the generation of electricity as their predominant activity. ANZ's industry code 3611 does not include customers whose predominant activity by revenue is the transmission or distribution of electricity.

Customer in-scope emissions

- Scope 1 emissions from electricity generation activities.
- We prioritise use of CO_2-e data inclusive of all relevant GHGs, where not available we use CO_2 emissions.
- We prioritise the use of customer data based on the operational control approach, where not available we use the equity accounting approach.

In-scope lending and capital markets activity

Financed	Where our lending to the customer could be used for the development and/or operation of power generation asset(s) and the EAD is greater than $1m.
Facilitated	Where ANZ is a lead bookrunner for a syndicated loan to the customer or bond issued by the customer. No financial threshold is applied. Note that financed emissions of the customer are not included in the pathway unless the 'financed' requirement above is met.

Sector specific method

- A 2020 baseline was chosen to align the baselines across our energy sector pathways. 2020 predominantly relies on company emissions and production data from the 2019 calendar year (which wasn't impacted by COVID-19).
- Unless reported differently by our customers, assets that were based on nuclear, bioenergy, hydro or renewables technologies were all assumed to have an emissions intensity of zero.
- Unless reported differently by our customers, for greenfield projects that ANZ directly finances and that are still in the construction phase, ANZ applies the estimated emissions intensity of the asset from its expected operational date.
- We exclude emissions relating to electricity that our power generation customers may purchase from third-party generators either as part of a power purchase agreement or on the spot market unless they have operational control of the same asset(s).

Data sources	Customer disclosures, Australian Clean Energy Regulator, Asset Impact, International Energy Agency

Supporting metrics reported

- Absolute financed emissions and absolute facilitated emissions in-scope of the pathway (see page 75).
- ANZ EAD to electricity generation fuel types and technologies: for each power generation customer in-scope for financed emissions, ANZ has apportioned our total EAD to that customer across different generation types based on the same proportion of generation last reported by the customer. ANZ then aggregates these generation weighted exposures across the power generation customers in-scope for financed emissions to determine our pathway generation weighted exposure.
- Breakdown of ANZ's power generation pathway: ANZ has reported a breakdown of our EAD to power generation customers in-scope for financed emissions across five categories. For the corporate finance categories ANZ has assessed each customer based on their reported emissions intensity, which is calculated by dividing their total emissions from generation ($kgCO_2$-e) by their total electricity generation (MWh).

Oil and gas – targeting a 32% reduction in absolute financed and facilitated emissions by 2030, from a 2020 baseline

Key changes from 2024	• Update of reference scenario to use the 2024 IEA World Energy Outlook • Inclusion of facilitated emissions		
Target baseline	13.9 $MtCO_2$-e	**Target in 2030**	9.4 $MtCO_2$-e
Target metric	The choice of an absolute emissions reduction target recognises that 1.5°C aligned scenarios – such as those published by the IEA – show the need for an absolute reduction in the production and use of fossil fuels.		
Reference pathway	The Net Zero Emissions by 2050 (NZE) Scenario presented in the IEA's World Energy Outlook (2024) was chosen as a credible and well-recognised decarbonisation scenario.		
Target setting method	Absolute contraction approach aligned with a 1.5°C transition pathway.		

In-scope customers (subject to meeting the criteria for In-scope lending or capital markets activity)

Institutional customers allocated to ANZSIC code 1200 - oil and gas extraction.

We exclude customers that do not otherwise have an equity share in upstream producing assets or LNG production including dedicated refinery operators, fuel wholesale and distribution companies (including pipelines), fuel retailers and petrochemical producers.

Customer in-scope emissions

- Scope 1 and Scope 2 (market-based) emissions associated with oil and gas production and Scope 3 Category 11 use of sold products emissions.
- We prioritise the use of CO_2-e data inclusive of all relevant GHGs, where not available we use CO_2 emissions.
- We prioritise the use of customer data based on the equity accounting approach, where not available we use the operational control approach.

In-scope lending and capital markets activity

Financed	Where our cumulative EAD to entities within a corporate group exceeds $10M and includes EAD to ANZSIC code 1200 – oil and gas extraction. For the purpose of calculating cumulative EAD, in addition to ANZSIC code 1200, we consider ANZSIC codes 1511 – petroleum exploration; 1512 – petroleum exploration service; 2510 – petroleum refining; and 4521 – petroleum product wholesaling.
Facilitated	Where ANZ is a lead bookrunner for a syndicated loan to the customer or bond issued by the customer. No financial threshold is applied. Note that financed emissions of the customer are not included in the pathway unless the 'financed' requirement above is met.

Sector specific method

- A 2020 baseline was chosen to align the baselines across our energy sector pathways. 2020 predominantly relies on company emissions and production data from the 2019 calendar year (which wasn't impacted by COVID-19).
- Although many of our customers now report Scope 3 emissions from the use of their sold energy products, boundaries are applied inconsistently by customers. Therefore, ANZ calculates the downstream Scope 3 emissions associated with the use of sold products for all customers on a consistent basis, using their publicly reported net production data (production available for sale where available) and which reflects their working interest or equity share in the producing asset. We acknowledge that this may present an over-estimation of our customers' emissions where a proportion of their production is used for non-energy purposes.
- For calculated financed emissions in 2020, 2021 and 2022 we have applied an adjustment factor to account for the estimated average reduction in financed emissions associated with the APRA Capital reforms that took effect on 1 January 2023. The introduction of the APRA Basel IV rules altered the way EAD is calculated. For our oil and gas portfolio, the aggregate impact of this change was a material reduction in EAD, which means a lower proportion of our customers' Scope 1, Scope 2 and Scope 3 emissions is attributed to us. Therefore, we apply the adjustment factor to improve comparability of emissions pre and post APRA reform.

Data sources	Customer disclosures, Wood Mackenzie, Rystad Energy, International Energy Agency, American Petroleum Institute, 2006 IPCC Guidelines for National Greenhouse Gas Inventories

Supporting metrics reported

- Absolute financed emissions and absolute facilitated emissions in-scope of the pathway (see page 75)
- Breakdown of ANZ's Oil and Gas Pathway: ANZ has reported a breakdown of our EAD to oil and gas customers in-scope for financed emissions across the following four categories:
  1. Majors – large companies listed on stock markets in the United States and Europe
  2. Independents – smaller fully integrated companies or independent upstream operators. Also includes some diversified international conglomerates with upstream activities
  3. National Oil Companies (NOCs) – companies that have been given legal mandates to exploit national oil and gas resources, with most of their assets located in their home country's upstream operations
  4. International National Oil Companies (INOCs) – similar to NOCs in their ownership and governance, but have substantial upstream investments outside their home country.

Some of the reduction in EAD since September 2020 is a result of the APRA Basel IV rule changes which came into effect 1 January 2023. The new rules altered the way EAD is calculated. When applied to ANZ's oil and gas EAD, the revised calculation resulted in a lower EAD amount compared with the original EAD calculation which was based on the old method.

Thermal coal – targeting a 100% reduction in absolute financed and facilitated emissions by 2030, from a 2020 baseline

Key changes from 2024	• Inclusion of facilitated emissions		
Target baseline	9.00 $MtCO_2$-e	**Target in 2030**	0 $MtCO_2$-e
Target metric	The choice of an absolute emissions reduction target recognises that 1.5°C aligned scenarios – such as those published by the IEA – show the need for an absolute reduction in the production and use of fossil fuels.		
Reference pathway	The Net Zero Emissions by 2050 (NZE) Scenario presented in the IEA's World Energy Outlook (2024) was chosen as a credible and well-recognised decarbonisation scenario.		
Target setting method	Absolute contraction approach aligned with a 1.5°C transition pathway.		

In-scope customers (subject to meeting the criteria for In-scope lending or capital markets activity)

Institutional customers allocated to ANZSIC code 1102 - Brown coal mining. ANZ considers the end-use of coal when allocating an ANZSIC code. If a customer's predominant activity is producing coal used for power generation, they are assigned to ANZSIC code 1102. This includes customers that predominantly produce black coal, when it is apparent to ANZ that the end use of the black coal is for power generation. ANZ excludes metallurgical coal miners and diversified miners that produce thermal coal from ANZSIC 1102 and therefore they are not included in our pathway.

Customer in-scope emissions

- Scope 1 and Scope 2 (market-based) emissions from thermal coal mining and Scope 3 category 11 – use of sold products (thermal coal only).
- We prioritise the use of CO_2-e data inclusive of all relevant GHGs, where not available, we use CO_2 emissions.
- We prioritise the use of customer data based on the equity accounting approach, where not available, we use the operational control approach.

In-scope lending and capital markets activity

Financed	Where our EAD (excluding rehabilitation bonds and transaction banking/markets 3-day settlement limits) to the customer is greater than $1m.
Facilitated	Where ANZ is a lead bookrunner for a syndicated loan to the customer or bond issued by the customer. No financial threshold is applied. Note that financed emissions of the customer are not included in the pathway unless the 'financed' requirement above is met.

Sector specific method

- A 2020 baseline was chosen to align the baselines across our energy sector pathways. 2020 predominantly relies on company emissions and production data from the 2019 calendar year (which wasn't impacted by COVID-19).
- The UN Guidance for Climate Target Setting for Banks states that any client with more than 5% of their revenues coming directly from thermal coal mining and coal-powered electricity generation activities should be included in the scope of targets (including dominant metallurgical coal mines that produce a thermal coal product). ANZ's thermal coal target includes customers that ANZ allocates to ANZSIC code 1102, (i.e., those customers for whom thermal coal mining is their predominant activity.) The target does not include diversified miners or metallurgical coal miners that produce thermal coal (i.e., customers that ANZ does not classify as ANZSIC code 1102). Analysis of this 5% revenue threshold found that diversified miners and metallurgical coal miners that produce thermal coal may fall in or out of the target boundary in any given year because of fluctuations in commodity prices. This creates challenges in both reporting and setting a target. For this reason, we have elected not to follow the Guidance in applying the 5% revenue threshold.
- Although many of our customers now report Scope 3 emissions from the use of their sold energy products, we found that boundaries are applied inconsistently by customers. Therefore, ANZ calculates the Scope 3 emissions associated with the use of sold products for all customers on a consistent basis, using their publicly reported net production data (production available for sale where available). We acknowledge that this may present an over-estimation of our customers' emissions where a proportion of their production is used for non-energy purposes.

Data sources	Customer disclosures, Wood Mackenzie, AME, 2006 IPCC Guidelines for National Greenhouse Gas Inventories, Australian Clean Energy Regulator, International Energy Agency

Supporting metrics reported

- Absolute financed emissions and absolute facilitated emissions in scope of the pathway (see page 75)
- Thermal coal financed emissions by customer: a breakdown of estimated financed emissions of three different customer types based on 2023 data. Includes emissions from customers included in our thermal coal target i.e. ANZSIC code 1102 (the predominant activity is producing coal for power generation), and certain customers not included in our thermal coal target i.e. metallurgical coal miners and diversified miners, in each case, where more than 5% of revenue comes directly from thermal coal mining.

Auto manufacturing – targeting a 18-33% reduction in emissions intensity by 2030, from a 2022 baseline

Key changes from 2024	• Update of reference scenario to use the 2024 IEA World Energy Outlook • Inclusion of facilitated emissions • Change from 1.5°C aligned target to 1.5°C – 1.7°C aligned target range recognising recent challenges with EV adoption and market development, including trade disruptions and changes in government policies.
Target baseline	140 gCO_2-e/ vehicle kilometre (vkm) **Target in 2030** 94-115 gCO_2-e/vkm
Target metric	Portfolio weighted emissions intensity was chosen as the demand for the output of the sector is expected to remain steady or increase under a 1.5°C aligned scenario.
Reference pathway	The Net Zero Emissions by 2050 (NZE) Scenario and Announced Pledges Scenario (APS) presented in the IEA's World Energy Outlook (2024) were selected as credible and well-recognised decarbonisation scenarios.
Target setting method	Sectoral decarbonisation approach aligned with 1.5°C to 1.7°C transition pathways.

In-scope customers (subject to meeting the criteria for In-scope lending or capital markets activity)

Institutional customers allocated to ANZSIC code 2811 – Motor vehicle manufacturing. ANZ's pathway cohort only includes customers that undertake light duty vehicle manufacturing (passenger cars).

Customer in-scope emissions

- Scope 3 category 11 emissions from the use of sold products, the estimated lifetime emissions associated with newly manufactured passenger vehicles on a tank-to-wheel basis (excluding electricity related emissions from EV charging).
- We prioritise the use of CO_2-e data inclusive of all relevant GHGs, where not available, we use CO_2 emissions.
- We prioritise the use of customer data based on the operational control accounting approach, where not available, we use the equity accounting approach.

In-scope lending and capital markets activity

Financed	Where our EAD to the customer is greater than $10m. ANZ excludes exposures not related to light vehicle manufacturing, e.g., manufacturing of trucks or customer leasing activities.
Facilitated	Where ANZ is a lead bookrunner for a syndicated loan to the customer or bond issued by the customer. No financial threshold is applied. Note that financed emissions of the customer are not included in the pathway unless the 'financed' requirement above is met.

Sector specific method

- A 2022 baseline was chosen as it was the most recent year prior to the first reported year (2023).
- When calculating customers' Scope 3 category 11 emissions from the use of sold products (tank-to-wheel, which excludes electricity related emissions from EV charging) intensity associated with the lifetime use of new vehicle sales, we assume that a passenger vehicle will travel 200,000 kms during its lifetime.
- For auto manufacturing entities' assets that ANZ directly finances and that are still in the construction phase (i.e. have not commenced vehicle production), ANZ applies an estimated emissions intensity based on the vehicles to be produced at the asset.

Data sources	Customer disclosures, Transition Pathways Initiative

Supporting metrics reported

- Absolute financed emissions and absolute facilitated emissions in-scope of the pathway (see page 75)
- Powertrain mix indicator: tracks the powertrain mix of our auto manufacturing customers' in-scope for financed emissions new vehicle sales broken down by technology type, namely internal combustion engines, hybrid (including plug in hybrid) and battery electric vehicles (or hydrogen fuel cell) (represented in % of vehicles produced).

Aviation – targeting a 16-26% reduction in emissions intensity by 2030, from a 2019 baseline

Key changes from 2024	• New target range in 2025 which includes facilitated emissions.		
Target baseline	871 gCO_2-e/ revenue tonne kilometre (RTK)	**Target in 2030**	642-732 gCO_2-e/RTK
Target metric	Portfolio weighted emissions intensity was chosen as the demand for the output of the sector is expected to remain steady or increase under a 1.5°C aligned scenario.		
Reference pathway	The Net Zero Emissions by 2050 (NZE) Scenario and Announced Pledges Scenario (APS) presented in the IEA's World Energy Outlook (2024) were selected as credible and well-recognised decarbonisation scenarios. When setting our target range we applied the IEA WEO 2024 reference pathways for aviation. It is unclear whether the IEA WEO 2024 reference pathways for aviation include freight emissions. We have assumed that the IEA WEO 2024 reference pathways for aviation do not include freight emissions but as at 30 September, the position is unclear. However, if the IEA WEO 2024 reference pathways for aviation do include freight emissions, our aviation pathway may not align with the IEA WEO 2024 reference pathways' 1.5°C – 1.7°C trajectory.		
Target setting method	Sectoral decarbonisation approach		

In-scope customers (subject to meeting the criteria for In-scope lending or capital markets activity)

Institutional customers allocated to ANZSIC codes 6401 - scheduled international air transport, 6402 – scheduled domestic air transport, or 6403 – non-scheduled air and space transport, that undertake commercial passenger air transport.

We exclude customers who only undertake freight air transport, aircraft owners and lessors who don't operate aircraft, other aircraft operation (e.g., helicopters, search and rescue, military, scenic flights).

Customer in-scope emissions

- Scope 1 emissions from aircraft operation.
- We prioritise the use of CO_2-e data inclusive of all relevant GHGs, where not available we use CO_2 emissions.
- We prioritise the use of company reported emissions on an operational control basis, where not available we use the equity accounting approach.

In-scope lending and capital markets activity

Financed	Where our EAD to the customer is greater than $10m.
Facilitated	Where ANZ is a lead bookrunner for a syndicated loan to the customer or bond issued by the customer. No financial threshold is applied. Note that financed emissions of the customer are not included in the pathway unless the 'financed' requirement above is met.

Sector specific method

- A 2019 baseline was chosen to reflect a year that was not distorted by COVID-19. Aviation activity did not return to pre-pandemic levels until February 2024.[1]
- We include emissions and activity data from passenger and freight operations undertaken by our in-scope customers. Passenger operations make up most of the activity of our in-scope customers. However, some customers also undertake freight operations. Data limitations mean we are currently unable to allocate emissions between our customers' passenger and freight activities, noting that a significant portion of freight is carried as belly cargo on passenger flights.
- A conversion factor of 100kg per passenger is used to convert from revenue passenger kilometres to revenue tonne kilometres.

Data sources	Customer disclosures, Cirium

Supporting metrics reported

- Absolute financed emissions and absolute facilitated emissions in scope of the pathway (see page 75).

1. IATA - **Global Outlook for Air Transport** (2024)

Shipping – targeting a 23-30% reduction in emissions intensity by 2030, from a 2022 baseline

Key changes from 2024	• Move from absolute to emissions intensity reduction target • Inclusion of facilitated emissions • Update of reference scenario to use the 2024 IEA World Energy Outlook • Change from 1.5°C aligned target to 1.5°C – 1.7°C aligned target range to reflect the hard-to-abate nature of the sector.		
Target baseline	11.49 gCO_2-e/ tonne kilometre (t km)	**Target in 2030**	8.08-8.79 gCO_2-e/t km
Target metric	Portfolio weighted emissions intensity was chosen as the demand for the output of the sector is expected to remain steady or increase under a 1.5°C aligned scenario.		
Reference pathway	The Net Zero Emissions by 2050 (NZE) Scenario and Announced Pledges Scenario (APS) presented in the IEA's World Energy Outlook (2024) were selected as credible and well-recognised decarbonisation scenarios.		
Target setting method	Sectoral decarbonisation approach aligned with 1.5°C to 1.7°C transition pathways.		

In-scope customers (subject to meeting the criteria for In-scope lending or capital markets activity)

ANZ Division	Institutional customers allocated to ANZSIC codes 6301 - international sea transport, 6302 – coastal water transport, or 6303 – inland water transport. We exclude customers that predominately operate passenger vessels, vessel owners and lessors that don't operate vessels, companies in respect of which the predominant activity isn't shipping (e.g., manufacturing customers with a small number of vessels for moving their own products).

Customer in-scope emissions

- Scope 1 emissions from operation of vessels.
- We prioritise the use of CO_2-e data inclusive of all relevant GHGs, where not available we use CO_2 emissions.
- We prioritise the use of company reported emissions on an operational control basis, where not available we use the equity accounting approach.

In-scope lending and capital markets activity

Financed	Where our EAD to the customer is greater than $10m.
Facilitated	Where ANZ is a lead bookrunner for a syndicated loan to the customer or bond issued by the customer. No financial threshold is applied. Note that financed emissions of the customer are not included in the pathway unless the 'financed' requirement above is met.

Sector specific method

- Our original shipping absolute emissions reduction target had a 2022 baseline, as it was the most recent year prior to the first reported year. We have maintained this baseline year for our new intensity target.
- For some customers to which our exposure is low and their emissions intensity data is not available we have used emission intensity estimates based on the UK Department for Energy Security and Net Zero - Greenhouse gas reporting: conversion factors.

Data sources	Customer disclosures, Transition Pathways Initiative, UK Department for Energy Security and Net Zero - Greenhouse gas reporting: conversion factors

Supporting metrics reported

- Absolute financed emissions and absolute facilitated emissions in-scope of the pathway (see page 75).

Aluminium – targeting a 17-30% reduction in emissions intensity by 2030, from a 2021 baseline

Key changes from 2024	• Inclusion of facilitated emissions • Change from 1.5°C aligned target to 1.5°C – 1.75°C aligned target range to reflect the hard-to-abate nature of the sector.		
Target baseline	6.81 tCO_2-e/ t aluminium produced	**Target in 2030**	4.77-5.65 tCO_2-e/ t aluminium produced
Target metric	Portfolio weighted emissions intensity was chosen as the demand for the output of the sector is expected to remain steady or increase under a 1.5°C aligned scenario.		
Reference pathway	International Aluminium Institute (IAI) 1.5°C and International Aluminium Institute (IAI) B2Ds-Aligned (1.75°C) scenarios were selected as credible and sector specific decarbonisation scenarios.		
Target setting method	Sectoral decarbonisation approach aligned with 1.5°C to 1.75°C transition pathways.		

In-scope customers (subject to meeting the criteria for In-scope lending or capital markets activity)

Institutional customers allocated to ANZSIC codes 2721 – alumina production, or 2722 – aluminium smelting. ANZ also includes other customers for which alumina production or aluminium smelting is a material part of their business (assessed using the customer's reported revenue). In some cases this includes customers not identified in ANZSIC codes 2721 and 2722 due to the diversified nature of their business.

Customer in-scope emissions

- Scope 1 and Scope 2 (market-based) emissions from alumina production and aluminium smelting.
- We prioritise the use of CO_2-e data inclusive of all relevant GHGs, where not available we use CO_2 emissions.
- We prioritise the use of customer data based on the equity accounting approach, where not available we use the operational control approach.

In-scope lending and capital markets activity

Financed	Where our EAD to the customer is greater than $1m. In calculating the EAD, ANZ excludes exposure related to the trade and mining of raw inputs, e.g., bauxite. For diversified customers included in the pathway which do not undertake alumina production or aluminium smelting as a predominant activity, we adjust our general corporate financing EAD to the customer based on the percentage revenue they derive from these activities for use in our calculations.
Facilitated	Where ANZ is a lead bookrunner for a syndicated loan to the customer or bond issued by the customer. No financial threshold is applied. Note that financed emissions of the customer are not included in the pathway unless the 'financed' requirement above is met.

Sector specific method

- A 2021 baseline was chosen due to data availability.
- Where customers purchase semi-finished products such as alumina, emissions associated with the production of this alumina are not included within our emissions intensity target as these are considered our customers' Scope 3 emissions.
- In line with aluminium industry practice, the total emissions intensity represents the combination of refining and smelting operations indexed to metric tons of primary aluminium production. This is applied at a ratio of approximately 2.0 metric tons of alumina to 1.0 metric tons of smelted aluminium.

Data sources	Customer disclosures, Wood Mackenzie, Transition Pathways Initiative, International Aluminium Institute

Supporting metrics reported

- Absolute financed emissions and absolute facilitated emissions in-scope of the pathway (see page 75)

Cement – targeting a 13-25% reduction in emissions intensity by 2030, from a 2021 baseline

Key changes from 2024	• Update of reference scenario to use the 2024 World Energy Outlook • Inclusion of facilitated emissions • Change from 1.5°C aligned target to 1.5°C – 1.7°C aligned target range to reflect the hard-to-abate nature of the sector.		
Target baseline	0.66 tCO_2-e/ t cement produced[1]	**Target in 2030**	0.50-0.58 tCO_2-e/ t cement produced
Target metric	Portfolio weighted emissions intensity was chosen as the demand for the output of the sector is expected to remain steady or increase under a 1.5°C aligned scenario.		
Reference pathway	The Net Zero Emissions by 2050 (NZE) Scenario and Announced Pledges Scenario (APS) presented in the IEA's World Energy Outlook (2024) were selected as credible and well-recognised decarbonisation scenarios.		
Target setting method	Sectoral decarbonisation approach aligned with 1.5°C to 1.7°C transition pathways.		

In-scope customers (subject to meeting the criteria for In-scope lending or capital markets activity)

Institutional customers allocated to ANZSIC code 2631 – cement and lime manufacturing. ANZ also includes other customers for which cement and lime production from raw materials is a material part of their business (assessed using the customer's reported revenue). In some cases, this includes customers not allocated to ANZSIC code 2631 due to the diversified or vertically integrated nature of their business. We exclude customers that do not produce cement from raw materials as their predominant activity, eg, customers that import or purchase clinker.

Customer in-scope emissions

- Scope 1 and Scope 2 (market-based) emissions from cement manufacturing.
- We prioritise use of CO_2-e data inclusive of all relevant GHGs, where not available we use CO_2 emissions.
- We prioritise the use of customer data based on the equity accounting approach, where not available we use the operational control approach.

In-scope lending and capital markets activity

Financed	Where our EAD to the customer is greater than $1m. In calculating the EAD, ANZ excludes exposures related to trade or mining of raw inputs, (e.g., limestone). For diversified customers included in the pathway that do not undertake cement or lime production as a predominant activity, we adjust our general corporate financing EAD to the customer based on the percentage revenue they derive from these activities for use in our calculations.
Facilitated	Where ANZ is a lead bookrunner for a syndicated loan to the customer or bond issued by the customer. No financial threshold is applied. Note that financed emissions of the customer are not included in the pathway unless the 'financed' requirement above is met.

Sector specific method

- A 2021 baseline was chosen due to data availability.
- Our cement emissions include emissions from combustion of waste derived fuels, considered 'gross' emissions by the industry.

Data sources	Customer disclosures, Asset Impact, International Energy Agency

Supporting metrics reported

- Absolute financed emissions and absolute facilitated emissions in scope of the pathway (see page 75)

1. When we refer to our intensity target in tCO_2-e/t cement it relates to per tonne of 'cementitious product' rather than per tonne of 'cement'. This approach is in line with SBTi – **Cement Guidance** (2022).

Steel – targeting a 11-22% reduction in emissions intensity by 2030, from a 2021 baseline

Key changes from 2024	• Update of reference scenario to use the 2024 World Energy Outlook • Inclusion of facilitated emissions • Change from 1.5°C aligned target to 1.5°C – 1.7°C aligned target range to reflect the hard-to-abate nature of the sector.		
Target baseline	2.10 tCO_2-e/ t steel	**Target in 2030**	1.64-1.87 tCO_2-e/ steel
Target metric	Portfolio weighted emissions intensity was chosen as the demand for the output of the sector is expected to remain steady or increase under a 1.5°C aligned scenario.		
Reference pathway	The Net Zero Emissions by 2050 (NZE) Scenario and Announced Pledges Scenario (APS) presented in the IEA's World Energy Outlook (2024) were selected as credible and well-recognised decarbonisation scenarios.		
Target setting method	Sectoral decarbonisation approach aligned with 1.5°C to 1.7°C transition pathways.		

In-scope customers (subject to meeting the criteria for In-scope lending or capital markets activity)

Institutional customers allocated to ANZSIC code 2711 – Basic iron and steel manufacturing. ANZ also includes other customers for which primary or secondary iron and steel manufacturing is a material part of their business (assessed using the customer's reported revenue). In some cases this includes customers not identified in ANZSIC code 2711 due to the diversified nature of their business. We exclude customers that produce stainless steel as their predominant activity.

Customer in-scope emissions

- Scope 1 and Scope 2 (market-based) emissions from steel production.
- We prioritise the use of CO_2-e data inclusive of all relevant GHGs, where not available we use CO_2 emissions.
- We prioritise the use of customer data based on the equity accounting approach, where not available we use the operational control approach.

In-scope lending and capital markets activity

Financed	Where our EAD to the customer is greater than $1m. In calculating the EAD, ANZ excludes exposures associated with the trade of raw inputs such as metallurgical coal and iron ore. For diversified customers that do not predominantly undertake iron or steel manufacturing, we adjust our general corporate financing EAD to the customer based on the percentage revenue they derive from these activities for use in our calculations.
Facilitated	Where ANZ is a lead bookrunner for a syndicated loan to the customer or bond issued by the customer. No financial threshold is applied. Note that financed emissions of the customer are not included in the pathway unless the 'financed' requirement above is met.

Sector specific method

- A 2021 baseline was chosen due to data availability.
- Given the availability of crude steel production data within customers' public disclosures, our emissions intensity metric is based on emissions per tonne of crude steel produced. This differs from the released SBTi – Steel Science-Based Target-Setting Guidance (2023), which specifies 'hot-rolled steel' as the denominator.

Data sources	Customer disclosures, Wood Mackenzie, Asset Impact, International Energy Agency

Supporting metrics reported

- Absolute financed emissions and absolute facilitated emissions in scope of the pathway (see page 75)

1. Secondary production: production of product via recycling of scrap steel.

Commercial real estate – targeting a 60% reduction in emissions intensity by 2030, from a 2019 baseline

Key changes from 2024	No changes have been made to our commercial real estate pathway. We will continue to consider adjusting our approach as the availability of data increases to improve transparency of the outcomes of this pathway.		
Target baseline	**Offices:** 80.21 $kgCO_2$-e/m^2 NLA net lettable area (NLA) **Shopping centres:** 89.75 $kgCO_2$-e/m^2 NLA	**Target in 2030**	**Offices:** 32.09 $kgCO_2$-e/m^2 NLA **Shopping centres:** 35.90 $kgCO_2$-e/m^2 NLA
Target metric	Emissions intensity calculated using the net lettable area (NLA) of in-scope Australian office buildings and shopping centres. Our current metrics exclude attribution of ANZ's lending.		
Reference pathway	The International Energy Agency (IEA) Beyond 2°C scenario (B2DS) presented in the IEA – Energy Technology Perspectives report (2017). This scenario was chosen based on guidance from the SBTi at the time the target was first reported in 2020.		
Target setting method	Sectoral decarbonisation approach not used.		

In-scope customers (subject to meeting the criteria for In-scope lending or capital markets activity)

Australian based office buildings and shopping centres fully or partially owned by large Real Estate Investment Trusts (REIT) or property fund Institutional customers, for whom NABERS data is available.

Customer in-scope emissions

- Scope 1 and Scope 2 (market-based) emissions from building operational energy use and Scope 3 category 3 fuel and energy related emissions.
- We prioritise the use of CO_2-e data inclusive of all relevant GHGs, where not available we use CO_2 emissions.
- We use customer data based on the operational control approach.
- When available, 'whole building' emissions data is used. However, our reported metric principally reflects emissions arising from base building energy consumption. It is difficult to account for whole of building energy load in our commercial building metric as tenants are likely to have operational control of their leased space and are responsible for the payment of their own electricity, which is usually metered separately from the rest of the building.

In-scope lending and capital markets activity

Financed	Current metric is not tied to our lending. We intend to review our pathway to align more closely with its guidance such as applying a financial attribution approach.
Facilitated	Not included.

Sector specific method

- Where NLA data is not available in the Commercial Building Disclosure Program[1], we calculate it based on NABERS Energy Rating information, by dividing total energy use of the building by the published energy use per m^2 of NLA.

Data sources	National Australian Building Energy Rating Scheme (NABERS) energy rating certificates, Australian Government Commercial Building Disclosure Program

Supporting metrics reported

- The current pathway excludes lending attribution, precluding calculation of ANZ's total absolute financed and facilitated emissions for this sector.

1. **The Commercial Building Disclosure (CBD) Program** is an Australian government initiative which aims to improve the energy efficiency of Australia's large office buildings.

Other metrics

Agribusiness data coverage cohort

Key changes from 2024	• None
Data coverage target	Seek the disclosure of Scope 1 and Scope 2 emissions at a standard equivalent to the 'Australian National Greenhouse Account Factors' by 100% of the Agribusiness data coverage cohort by the end of financial year 2027.
Target metric	Data coverage %

In-scope customers

Large Institutional agribusiness customers as at October 2023, that had and continue to have significant operations or headquarters in Australia.

Customer in-scope emissions

- Scope 1 and Scope 2 emissions (market- or location-based reflecting challenges in data availability).

Sector specific method

- For our data coverage cohort customer to meet our target criteria they must publicly disclose Scope 1 and Scope 2 emissions to an Australian National Greenhouse Account Factors (NGA) standard or equivalent (e.g., audited emissions disclosure.)
- ANZ does not intend to add new customers to the cohort to replace customers that are no longer in the cohort (for example, because they no longer have the required nexus with Australia or are no longer an ANZ customer) but may do so if it considers it appropriate in the circumstances. This means that the cohort does not include Suncorp Bank customers and there may be a decrease in the number of customers over time.
- Due to acquisition one customer has been removed from the cohort in 2025.
- We do not report absolute emissions or sector-specific emissions intensity due to ongoing challenges with the quality and availability of data. We are working to encourage the measurement and reporting of Scope 1 and Scope 2 emissions through our data coverage target.

Data sources	Customer disclosures, Australian National Greenhouse and Energy Reporting

Other metrics

Australian residential home loans emissions intensity

Key changes from 2024

- We have included Suncorp Bank residential home loans in ANZ's reported 2025 performance. We have not re-calculated prior periods to include Suncorp Bank.
- Australian residential home loans outstanding loan amount was taken at 30 June 2025. For previous reporting years we used outstanding loan amount at 31 May.

In-scope customers (subject to meeting the criteria for in-scope lending)

Australia Retail and Suncorp Bank residential home loan customers' properties, including individual homes and multi-family housing with a small number of units.

We exclude vacant land securities or construction and renovation loans, properties used solely as security to guarantee other residential or business loans, home equity loans and home equity lines of credit where use of proceeds is unknown.

Customer in-scope emissions

- Scope 1 and Scope 2 (location-based) emissions associated with home energy use (gas, LPG and electricity).

In-scope lending

- Attribution approach is calculated for each individual home loan property and based on a loan-to-value approach outlined in the PCAF standard[1]. This is where the outstanding amount of loans at the end of June (May in previous reporting years) is divided by the property value at loan origination (or latest financing event).
- The calculation of the attribution factor varies depending on whether the property is linked to single or multiple loan accounts. In any case where the outstanding loan amount is greater than the property value, we assign an attribution factor of 1.

Sector specific method

- We used a mix of voluntary and regulatory reports from energy distributors across Australia as well as the reports of state and national energy regulators to calculate the average energy consumption per dwelling based on postcode or local government area.
- For properties not supplied by a gas network, we assumed they use LPG to supplement their electricity needs.
- We use the National Greenhouse Account Factors[2] to convert energy consumption data to Scope 1 and Scope 2 emissions.

Data sources Gas and electricity distributors, state and national energy regulators.

1. PCAF – **Part A Facilitated Emissions Standard** (December 2022). **2.** DCCEEW – **Australian National Greenhouse Accounts Factors**.

Calculation approach

Capital markets activity

In-scope capital markets activity includes deals where ANZ was listed as the lead bookrunner on the primary issuance of syndicated loans or bonds. Green and other use of proceeds bonds are out of scope.[1] We source deal information for individual transactions from Bloomberg, including ANZ's league table credit amount, being the proportion of the issuance facilitated by ANZ.

For syndicated loans, ANZ will in most cases hold some of the debt that is issued. To ensure we avoid double counting these exposures as a source of both financed and facilitated emissions and to accurately represent the amount we facilitated, the limit held by ANZ is subtracted from ANZ's league table credit amount.

We apply a 33% weighting factor aligned with the guidance issued by PCAF[2] and use a three-year rolling average to reduce volatility, given the cyclical nature of capital markets.[3]

To calculate ANZ's facilitated emissions and sector emissions intensity we calculate the facilitated amount for deals with our pathway customers in-scope for facilitated emissions. Customers in-scope for facilitated emissions and their associated emissions follow the same boundaries outlined in the sector specific method.

$$\text{Facilitated amount for deal with in-scope customer} = \frac{\text{ANZ league table credit - ANZ limit held (for syndicated loans only)}}{3} \times 33\%$$

Portfolio weighted emissions intensity

ANZ uses a portfolio weighted emissions intensity metric (i.e., carbon emissions per unit of product or activity) to measure the extent to which our financing is supporting the transition of key carbon intensive sectors. An intensity metric was chosen for our power generation, auto manufacturing, aviation, shipping, aluminium, cement and steel targets as the demand for the outputs of these sectors is expected to remain steady or increase under 1.5°C aligned scenarios. Our role is to support continued production of these products by our customers as they move towards lowering their emissions intensity. By focusing on each customer's emissions intensity – irrespective of the size of their fleet or volume of production – it allows for comparability.

The debt-weighted emissions intensity for each in-scope customer is calculated using the following formula:

$$\text{Customer weighted emissions intensity} = \frac{\text{Customer in-scope emissions}}{\text{Customer in-scope production or activity}} \times \frac{\text{ANZ EAD + facilitated amount to customer}}{\text{Total EAD + total facilitated amount of in-scope customers in pathway}}$$

To calculate the portfolio weighted emissions intensity for the sector, we sum the weighted emissions intensity of all in-scope customers.

1. No PCAF method currently exists to calculate the facilitated emissions from green bonds and other use of proceed bonds in **Part B Facilitated Emissions Standard** (December 2023). **2.** PCAF – **Part B Facilitated Emissions Standard** (December 2023), which acknowledges that a unit of facilitated emissions is not equal to a unit of financed emissions.
3. Informed by the UN Guidance on Target Setting for Capital Markets Activities.

Absolute financed emissions[1]

ANZ determines what portion of our pathway customers' in-scope emissions are attributable to our financing activities, by multiplying each of our pathway customers' in-scope emissions by an attribution factor using the formula below.

$$\text{Customer absolute financed emissions} = \text{In-scope emissions from customer} \times \frac{\text{ANZ EAD to customer}}{\text{Customer total equity + debt (private company) or EVIC (public company)}}$$

To calculate the absolute financed emissions for each sector, we sum the customer absolute financed emissions of all customers in-scope for that sector.

Absolute facilitated emissions

ANZ determines what portion of our pathway customers' in-scope emissions are attributable to our facilitation activities, by multiplying each of our pathway customers' in-scope emissions by an attribution factor using the formula below:

$$\text{Customer absolute facilitated emissions} = \text{In-scope emissions from customer} \times \frac{\text{ANZ facilitated amount to customer}^2}{\text{Customer total equity + debt (private company) or EVIC (public company)}}$$

To calculate the absolute facilitated emissions for each sector, we sum the facilitated emissions of all customers in-scope for that sector.

Data quality

Average data quality scores for absolute financed and facilitated emissions by sector are calculated in accordance with guidance in the PCAF Reporting Standard Part A and B.

			Absolute financed emissions data score				Absolute facilitated emissions data score			
Sector	Baseline Year	Scope	Baseline	2023	2024	2025	Baseline	2023	2024	2025
Power generation	2020	1	Not Reported	1.79	1.57	1.54	Not Reported	1.87	1.36	1.31
Oil and gas	2020	1 and 2	1.19	1.18	1.18	1.13	1.30	1.14	1.08	1.47
		3	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Thermal coal	2020	1 and 2	2.25	1.81	1.80	1.61	3.00	-	-	-
		3	3.00	3.00	3.00	3.00	3.00	-	-	-
Auto manufacturing	2022	3	1.48	1.56	1.56	1.61	1.99	1.99	2.00	2.00
Aviation	2019	1	1.87	1.57	1.74	1.66	2.00	1.00	1.00	1.00
Shipping	2022	1	1.27	1.29	1.28	1.31	2.00	2.00	-	-
Aluminium	2021	1 and 2	2.06	2.33	2.19	2.32	1.74	1.94	1.94	1.48
Cement	2021	1 and 2	1.87	2.00	1.79	1.73	-	2.00	2.00	2.00
Steel	2021	1 and 2	1.30	1.09	1.09	1.13	1.49	-	-	-
Australian residential home loans	-	1 and 2	-	5.00	5.00	5.00	-	-	-	-

1. For sectors other than Australian residential home loans which uses the loan to value attribution approach. **2.** The facilitated amount is the value after limits have been subtracted (where applicable), the three-year average has been calculated and the 33% weighting factor has been applied.

Appendix 6: TCFD-related metrics and industry exposures

	Exposure at Default ($b)[1]		
Climate exposed sub-industry	2023	2024	2025
Agriculture	**44.1**	**45.0**	**53.6**
Agriculture	31.5	32.7	39.5
Beverages	4.0	2.6	2.7
Paper and forest products	1.0	1.1	1.0
Packaged foods and meats	7.6	8.7	10.4
Energy	**29.9**	**27.4**	**31.0**
Coal[2]	0.9	0.7	0.7
Electric utilities[3]	13.5	13.6	19.8
Oil and gas[4]	15.5	13.1	10.5
Transportation	**15.9**	**15.0**	**17.9**
Air freight	3.1	2.7	3.4
Automobiles	4.4	4.5	5.6
Maritime transportation	1.4	1.2	1.0
Passenger air	0.3	0.3	0.7
Rail transportation	1.8	1.4	1.6
Trucking services	4.9	4.9	5.6
Materials and buildings	**103.9**	**104.3**	**116.6**
Capital goods	21.2	21.0	21.4
Chemicals	3.5	3.3	3.8
Construction materials	1.3	1.2	1.2
Metals and mining	8.0	7.4	7.3
Real estate management and development	69.9	71.4	82.9
Total	**193.8**	**191.7**	**219.1**

1. EAD excludes amounts for the 'Securitisation' Basel class. Data provided is on a post Credit Risk Mitigation (CRM) basis, net of credit risk mitigation such as guarantees, credit derivatives, netting and financial collateral. **2.** Coal mining includes exposures to metallurgical (coking) coal $0.52 billion. Rehabilitation bonds will continue to be provided to existing customers with thermal coal exposure to ensure their responsibilities with existing mine sites are fulfilled. The purpose of a rehabilitation bond is related to environmental remediation and not financing of the coal mining activity itself. As at 30 June 2025, rehabilitation bonds were $70.6m, which equates to 41.6% of our exposure to thermal coal mining under ANZSIC code 1102. **3.** Electric utilities includes exposures to electricity generators that own or operate a mix of thermal and renewable generation assets as well as transmission and distribution infrastructure. **4.** Exposure to oil and gas includes all of the oil and gas value chain being exploration, extraction, transport, refining and retail. This is different to the oil and gas extraction EAD in ANZ's Full Year Results Investor Discussion Pack which includes exposure to "upstream" exploration and extraction only as the focus is on resources (mining) exposure in line with industry groupings.

Appendix 7: ANZ Scope 1, Scope 2 and Scope 3 Operational GHG emissions reporting methodology

Standards

ANZ's Australian Scope 1 and Scope 2 (location-based) greenhouse gas (GHG) emissions are reported in accordance with the National Greenhouse and Energy Reporting (Measurement) Determination 2008. The remaining operational international greenhouse gas emissions are calculated in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004).

Boundaries

For 2025, Operational GHG emissions are reported for the periods:

- 1 July to 30 June; and
- 1 October to 30 September.

From 2026, emissions will be reported from 1 October to 30 September.

Emissions are expressed in terms of metric tonnes of carbon dioxide equivalent (tCO_2-e).

We use the 'operational control' approach when reporting our Scope 1 and Scope 2 emissions, as it reflects the activities where we have the direct ability to implement, manage and influence emissions reduction initiatives. This approach also aligns with Australia's *National Greenhouse and Energy Reporting Act 2007 (Cth).*

Our Scope 1 and Scope 2 emissions arise from activities undertaken at corporate offices, branches and business centres, data centres, and ATMs for the reporting period.

We also include emissions arising from certain activities that are ancillary to the principal activity performed at another facility and which come under the 'overall control' of ANZ. These emissions arise from 'tool-of-trade' vehicles driven by our employees which are ancillary to the activities of a fixed location, e.g., a retail branch or business centre.

We report Scope 2 emissions using both a location- and market-based method Scope 2 (market-based) emissions allows us to reflect the impact of our procurement decisions on renewable energy.

Our Scope 3 operational emissions include emissions upstream of our operations that are a consequence of business activities, but arise from sources in our value chain outside our direct operational control. Scope 3 emissions attributed to our financing, facilitation and investment activities are not included.

Gases

ANZ's annual operational GHG emissions inventory includes all seven GHGs listed under the Kyoto Protocol:

- Carbon dioxide (CO_2)
- Methane (CH_4)
- Nitrous oxide (N_2O)
- Hydrofluorcarbons (HFCs)
- Perfluorcarbons (PFCs)
- Sulphur Hexafluoride (SF_6)
- Nitrogen Trifluoride (NF_3)

Exclusions

There are several sources of operational scope 3 emissions that have been excluded from our inventory on the basis that they are immaterial, or that their quantification is not currently technically feasible or cost effective. Excluded emission sources include, but are not limited to, the following: the use of sold products (such as internet and mobile banking), business travel (public transport used for business-related purposes), food and catering, cleaning services, and professional services.

Restatements

From time to time, ANZ may restate climate-related data to correct for errors in prior reporting periods, such as errors in calculation, interpretations, or methodology that are considered to have a material impact on the reported data.

To ensure consistency, comparability, and accuracy over time, ANZ may also restate due to activities that result in a material change in our data, including changes in calculation methodology, mergers, acquisitions, and divestments, or changes in data availability like replacing estimates with actuals. We use the most current emission factors available for the reporting year, which in many jurisdictions are based on forecasts derived from prior year actuals. We do not revise previously reported data when these factors are updated.

Materiality is assessed based on both qualitative and quantitative factors, including the impact of the change on users of the report and ANZ's ability to track and accurately report on performance against targets. For the quantitative assessment, a 5% materiality threshold of our total in-scope operational emissions is used as a guide, but this is not strictly applied due to the consideration of qualitative factors. When a restatement results in a change to a baseline, ANZ will review the impact this has on the appropriateness of its target.

Use of offsets

Our aim is to reduce emissions where ANZ considers practical, however, our residual measured Scope 1, Scope 2 and Scope 3 operational emissions are offset through purchasing, allocating and retiring eligible offsets. We procure and retire carbon offsets equivalent to all measured global Scope 1, Scope 2 and operational Scope 3 emissions.

We may forward purchase carbon offsets, based on forecast future GHG emissions. Carbon offsets are retired upon purchase. There is an annual retrospective reconciliation process of the Group's Scope 1, Scope 2 and Scope 3 (market-based method) GHG emissions to carbon offsets retired and allocated to the reporting year. Our criteria for eligible offsets include:

- Offset Projects are to be located in markets in which ANZ operates.
- Projects considered by ANZ to be unsuitable (e.g., from an ethics, feasibility, reputation, community support, additionality and/or permanency perspective) are excluded. Examples of such projects include, but are not limited to:
  - Nuclear and Large-Scale Hydro Electricity projects;
  - Landfill gas, coal seam gas, coal mine gas or biogas, flaring and/or generation.

Scope 1, Scope 2 and operational Scope 3 emissions sources and criteria

Emission Category	Emission Source	Description	Data Source	Units
Scope 1: Fugitive Emissions	Hydrofluoro-carbon refrigerants	Leakage of hydrofluorocarbon refrigerants from commercial chillers.	Asset register contractor reports	kg (refrigerant)
Scope 1: Mobile Combustion	Fuels (business transportation)	The GHG emissions that arise from the combustion of liquid fuels in ANZ's business vehicle fleet.	Supplier reports	L (fuel)
Scope 1: Stationary Combustion	Liquid (stationary building energy)	ANZ periodically operates back-up diesel generators at key commercial sites to ensure uninterrupted service provision in the event of planned or unforeseen disruptions to power supplies and also in the testing of emergency fire-fighting equipment.	Usage reports	L (fuel)
Scope 1: Stationary Combustion	Natural Gas	Natural gas is used by ANZ in boilers for certain commercial buildings and a trigeneration system located in our Melbourne head office. It is also used in a small number of locations for cooking in kitchens.	Invoices	MJ (natural gas)
Scope 1: Wastewater Treatment	Wastewater Treatment	ANZ recycles wastewater for use in toilet flushing and irrigation at our Australian Headquarters, 833 Collins Street, Melbourne only.	Calculator	kg CO_2-e
Scope 2: Purchased Energy	Purchased Electricity	Electricity is used to operate facilities and services including lighting, IT, heating, ventilation and air conditioning (HVAC) equipment and appliances (such as ATMs, kitchen appliances) across corporate offices, retail branches and business centres, data centres and ATM's.	Invoices	kWh
Scope 3 Category 1: Purchased goods and services	Cloud services	ANZ's use of cloud services has associated GHG emissions that primarily come from the energy consumption of the data centres that power these services.	Supplier reports	kg CO_2-e
	Data Centres (not in Scope 1 or 2)	ANZ's use of co-located data centres, where the provider reports ANZ's energy consumption as their scope 2 emissions.	Supplier reports	kg CO_2-e
	Paper use	ANZ's use of paper for business purposes (office based and customer communications).	Supplier reports	tonnes
	Water	GHG emissions resulting from energy consumed to pump water from mains to premises.	Invoices Meter reads Estimations	kL
	Digital Marketing	GHG emissions arising from digital ads ANZ run.	Supplier reports	kg CO_2-e
Scope 3 Category 2: Capital Goods	Embodied Carbon– Fit-outs	Only includes the estimated embodied carbon of fit out materials used in new Breathe retail branches in Australia (excluding GHG emissions of the construction phase).	Estimated	kg CO_2-e
	Embodied Carbon – purchased IT Equipment	Embodied carbon of newly purchased IT equipment for Australian commercial and retail offices.	Supplier reports	kg CO_2-e

Emission Factor Source	Methodology, Data quality and uncertainty
Australia: National Greenhouse and Energy Reporting (Measurement) Determination 2008 IPCC Fifth Assessment report **New Zealand:** New Zealand Ministry for the Environment	**Australia:** NGER Method 1. Low data quality and High uncertainty. **New Zealand:** Top ups from supplier reports. Low data quality and High uncertainty.
Australia: National Greenhouse and Energy Reporting (Measurement) Determination 2008 **New Zealand:** New Zealand Ministry for the Environment **India:** Third National Communication to the United Nations Framework Convention on Climate Change **International:** National Greenhouse and Energy Reporting (Measurement) Determination 2008	**Australia:** Methodology aligned to NGER (Measurement) Determination Method 1. High data quality and low uncertainty.
Australia: National Greenhouse and Energy Reporting (Measurement) Determination 2008 **New Zealand:** New Zealand Ministry for the Environment	**Australia:** Methodology aligned to NGER (Measurement) Determination Method 1. High data quality and low uncertainty.
Australia: National Greenhouse and Energy Reporting (Measurement) Determination 2008 **New Zealand:** New Zealand Ministry for the Environment	High data quality and low uncertainty.
National Greenhouse and Energy Reporting (Measurement) Determination 2008	The annual average daily population of 833 Collins Street was used in the NGER wastewater domestic and commercial calculator 2015 to estimate emissions. Low data quality and high uncertainty.
Australia: National Greenhouse and Energy Reporting (Measurement) Determination 2008 **New Zealand:** New Zealand Ministry for the Environment **UK:** Department for Energy Security and Net Zero (DESNZ) Greenhouse Gas Reporting: Conversion Factors **USA:** eGrid **International:** International Energy Agency	Location-based method and market-based method. A small portion of electricity is estimated including unmetered ATMs. High data quality and low uncertainty.
Global: Supplier specific GHG emissions	Where available, market-based Scope 2 emissions were used. High data quality and low uncertainty.
Supplier specific GHG emissions	Where available market-based emissions were used. High data quality and low uncertainty.
VIC EPA Greenhouse gas (GHG) inventory and management plan **NZ Customer Paper:** Supplier specific emissions	High data quality and low uncertainty.
Australia: AusLCI **New Zealand:** New Zealand Ministry for the Environment **International:** DESNZ Greenhouse Gas Reporting: Conversion Factors	Invoice data is accessible for the majority of commercial and data centre locations, along with select retail sites in Australia and New Zealand. Where data is not available, including international sites, estimates were made using Net Lettable Area and benchmark models. Mix of data quality and uncertainty.
Supplier specific emissions	Currently for Australian marketing activities only. High data quality and low uncertainty.
Australia: Supplier specific reports	Emissions have been extrapolated using an assessment of one Breathe branch. The stages of emissions calculated in this assessment are from the Raw Material Supply, Transport and Manufacturing (A1-A3) for one Breathe Design Branch. Construction Phase (A4-A5) has not been calculated due to unreliable data sources. Low data quality and high uncertainty.
Australia: Supplier specific reports	Emissions were calculated by multiplying IT suppliers' embodied carbon reports by the number of items purchased. The energy use phase is excluded, as it is covered under Scope 2 purchased energy. No IT upgrades occurred in Australian commercial offices during 2025. Leased employee laptops are not included. Low data quality and high uncertainty.

Emission Category	Emission Source	Description	Data Source	Units
Scope 3 Category 3: Fuel and Energy Related Activities	Energy Extraction, Transmission and Distribution Losses	Upstream GHG emissions associated with fuel and energy use upstream of ANZ's operations. These arise from the extraction, processing and transporting of liquid fossil fuels and natural gas and the losses of electricity that occur through transmission and distribution from site of generation to the final consumption point.	Invoices Usage reports Supplier reports	kWh (electricity) L (fuel) MJ (natural gas)
Scope 3 Category 4: Upstream Transportation and Distribution	Freight and Postage	GHG emissions arising from the postage and courier services used by ANZ.	Supplier reports	kg CO_2-e
Scope 3 Category 5: Waste generated in operations	Waste to landfill	A proportion of the waste generated by ANZ workplaces is discarded to landfill.	Supplier reports	tonnes
Scope 3 Category 6: Business travel	Air Travel	Employee travel by air as part of executing their job responsibilities.	Supplier reports	km
	Business travel in private vehicles and novated lease vehicles	At times, ANZ employees are required to travel in private vehicles or novated leased vehicles for a business-related purpose.	Internal expense claim system	$ (converted to kms)
	Hotel accommodation	Employees may stay in hotel accommodation when travelling as part of executing their job responsibilities.	Supplier reports	nights
	Rental cars	Emissions arising from the combustion of fuels when ANZ employees book hire vehicles for business purposes.	Supplier reports	kg CO_2-e
	Taxi travel	Taxi travel is sometimes used by employees for travel between ANZ corporate and client offices or when undertaking travel for business purposes.	Internal expense claim system	$
Scope 3 Category 7: Employee commuting	Employee Commuting	**Australia:** Travel to and from major commercial office locations in Australia by ANZ employees, visitors, and contractors (excludes travel to and from retail branches).	Calculator	ABS St
		New Zealand: Travel to and from all ANZ offices and branches by ANZ employees.	Survey	kg CO_2-e
		India and PNG: External transport vendors were used to pick up and drop off employees from offices in Bengaluru and Port Moresby	Supplier reports	km
	Working from home	Home energy use from heating/cooling, lighting, equipment electricity and fuel use as a result of Australian and New Zealand staffworking from home.	**Australia:** Calculator **NZ:** Survey	**Australia:** kgCO_2-e **NZ:** days
Scope 3 Category 8: Upstream Leased Assets	Base building emissions (tenancy)	Several of ANZ's commercial sites are in buildings where ANZ is a tenant but does not have operational control over the base building infrastructure and services such as lifts, lighting, and centralised HVAC equipment. ANZ has a 'shared' responsibility with other tenants for the emissions that arise from the base-building infrastructure.	Property Portfolio Report NABER ratings	M^2 tCo_2-e

Emission Factor Source	Methodology, Data quality and uncertainty
Australia: Australian National Greenhouse Accounts Factors **New Zealand:** New Zealand Ministry for the Environment **UK:** DESNZ Greenhouse Gas Reporting: Conversion Factors **USA:** eGrid **International:** International Energy Agency **Fuels:** Australian National Greenhouse Accounts Factors	Location-based method and market-based method for purchased electricity. High data quality and low uncertainty.
Supplier specific emissions	High data quality and low uncertainty.
Australia: Australian National Greenhouse Accounts Factors **New Zealand:** New Zealand Ministry for the Environment **International:** Australian National Greenhouse Accounts Factors	Invoice data is available for most retail, commercial sites and data centres in Australia and New Zealand. Where data is not available, including international sites, estimates were made using Net Lettable Area and benchmark models. Mix of data quality and uncertainty.
Global: DESNZ Greenhouse Gas Reporting: Conversion Factors **New Zealand domestic flights:** New Zealand Ministry for the Environment	Air travel emissions were calculated using distance-based methods and included radiative forcing factors. High data quality and low uncertainty. Sustainable Aviation Fuel (SAF) purchases are accounted for in our market-based emissions.
Australia: DESNZ Greenhouse Gas Reporting: Conversion Factors **New Zealand:** New Zealand Ministry for the Environment	Kilometres were calculated using the government's reimbursement rate for business use of private vehicles. Low data quality and high uncertainty.
Global: DESNZ Greenhouse Gas Reporting: Conversion Factor	Hotel stay emissions are calculated by multiplying room nights by the country's emission factor. If unavailable, a previous factor or an average from similar countries is used. High data quality and low uncertainty.
Global: Supplier specific emissions	Suppliers who provide emission reporting account for around 90% of all employees-booked trips globally. High data quality and low uncertainty.
Australia: DESNZ Greenhouse Gas Reporting: Conversion Factors **New Zealand:** New Zealand Ministry for the Environment	**Australia:** Km's are estimated using an average km per $ conversion rate from Taxi Statics Australia. **New Zealand:** Cost based emission factor used. Low data quality and high uncertainty.
DESNZ Greenhouse Gas Reporting: Conversion Factors	The calculation was based on average employee attendance derived from turnstile data, typical commuting distances for ANZ employees at major commercial offices, commuting methods obtained from ABS statistics, and DESNZ emission factors. Employee attendance data pertains solely to commercial office locations in Australia; therefore, retail employees are not included. Low data quality and high uncertainty.
New Zealand Ministry for the Environment	Emissions were calculated using an employees commuting survey run by Abley CarbonWise. The survey captured one point in time and had a response rate of 28% which has been extrapolated to the full employee count. Low data quality and high uncertainty.
DESNZ Greenhouse Gas Reporting: Conversion Factors	For India, kms are extracted from the vendor booking system. For PNG, kms are estimated based on pick up and drop off locations. Low data quality and high uncertainty.
Australia: Australian National Greenhouse Accounts Factors **New Zealand:** New Zealand Ministry for the Environment	**Australia:** Emissions are measured using Climate Active's WFH calculator. The number of remote workers is determined by subtracting the average office attendees (based on swipe data) from the total assigned to each site. **New Zealand:** New Zealand Ministry for the Environment. Working from home days were calculated using an employee commuting survey run by Abley CarbonWise. Survey results were extrapolated for all New Zealand employees. Low data quality and high uncertainty.
NABERs ratings	Emissions were calculated from ANZ's landlord NABERS ratings for base building, allocated by ANZ's net lettable area. Where recent NABERS reports are unavailable, benchmarking models provide estimates. Low data quality and high uncertainty.

Glossary of Terms

Term	Definition
“ANZ” or “the Group” or “our” or "we"	ANZ Group Holdings Limited and its subsidiaries, unless otherwise indicated.
ANZ Bank Group	ANZ BH Pty Ltd and each of its subsidiaries, including ANZBGL and ANZ Bank New Zealand.
ANZ Bank New Zealand	ANZ Bank New Zealand Limited.
ANZ Group	ANZBGL Group or the ANZGHL Group as a whole (including all businesses), as the context requires.
Absolute emissions	Total amount of greenhouse gases emitted to the atmosphere over a specific period.
Absolute facilitated emissions	The portion of our emissions attributable to ANZ’s capital markets activity (where ANZ is a lead bookrunner for a syndicated loan or bond), calculated in accordance with Appendix 5: Financed and Facilitated Emissions Methodology.
Absolute financed emissions	The portion of emissions attributable to ANZ’s financing activities, calculated in accordance with Appendix 5: Financed and Facilitated Emissions Methodology.
Annual Average Loss (AAL)	AAL estimates the annual average insurance losses from damage to property caused by insured perils.
Biodiversity	The TNFD refers to ‘biodiversity’ as “the variability among living organisms from all sources, including, inter alia, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part; this includes diversity within species, between species and of ecosystems”.
Carbon offsets	Carbon offset units are generated by projects that reduce, remove or capture emissions from the atmosphere.
Climate Change Risk Assessment / CCRA	An online tool that is used to help guide customer engagement and assess and manage climate-related risks of large business customers, including LEEP customers. The CCRA includes an assessment of our customers’ exposure to potential physical risks and transition risks and the maturity of the customer in developing a transition plan.
Climate Disclosure Program	An internal program of work established to enable ANZ to meet the mandatory climate-related disclosure requirements legislated by the Australian Government in 2024.
Climate risk	The financial and non-financial risks arising from climate change, including physical, transition and liability risks.
Customer transition plan assessment framework	The internal assessment framework that ANZ developed to assess the maturity of a customer’s transition plan.
Direct financing / directly finance	Having a direct nexus to the asset, such as limited recourse project financing or a ‘use-of-proceeds’ or ‘project-related’ corporate loan. It does not include general corporate purpose lending.
Emissions intensity	Volume of emissions per unit of some activity or output.
Emissions intensive sectors	Sectors that generate high levels of greenhouse gas emissions, typically including fossil fuel extraction, power generation, steel, cement, chemicals, aviation, and shipping.
ENCORE (Exploring Natural Capital Opportunities, Risks and Exposures)	The ENCORE tool consolidates international and national data from public databases. The ENCORE tool was developed by the Natural Capital Finance Alliance (the NCFA) and the World Conservation Monitoring Centre (the UNEP-WCMC).

Term	Definition
Energy customer	These are customers of our Institutional business (excluding Corporate Bank) with predominant activities in one of the following: • Thermal coal mining • Oil and gas extraction • Petroleum services (comprising exploration service, refining, product wholesaling and distribution) • Electricity generation When identifying energy customers, ANZ considers the ANZSIC code applied to the customer.
Exposure at Default (EAD)	Represents the Group's exposure based on APRA's calculation formula which includes total committed loans (drawn plus a proportion of off-balance sheet exposures as specified by APRA).
Facilitated emissions	Emissions associated with certain capital markets activities of a financial institution. They are estimated based on an attributed proportion of the financial institution's customers' emissions. See Appendix 5: Financed and Facilitated Emissions Methodology for information about ANZ's facilitated emissions.
Financed emissions	Emissions associated with financing through loans or other financial products that result in a credit exposure. They are estimated based on an attributed proportion of the financial institution's customers' emissions. These financed emissions are part of a financial institution's Scope 3, category 15 emissions. See Appendix 5: Financed and Facilitated Emissions Methodology for information about ANZ's financed emissions.
Financial materiality	Information is material if omitting, misstating or obscuring that information could reasonably be expected to influence decisions that primary users of general purpose financial reports make on the basis of those reports, which include financial statements and sustainability-related financial disclosures and which provide information about a specific reporting entity.
Greenhouse gas (GHG)	The greenhouse gases listed in the Kyoto Protocol being carbon dioxide (CO2), methane (CH4), nitrous oxide (N20), hydrofluorocarbons (HFCs), nitrogen trifluoride (NF3), perfluorocarbons (PFCs), and sulphur hexafluoride (SF6).
Greenwashing	The practice of misrepresenting the extent to which an entity, product or strategy is environmentally friendly, sustainable or ethical.
Hard-to-abate	Sectors where the reduction of carbon emissions or the transition to net zero by 2050 is difficult due to the lack of available technology to abate or prohibitive costs of abatement.
Insurable perils	ANZ's physical risk assessment considers four climate perils: bushfires, cyclones, floods and storms – collectively referred to as insurable perils. Insurance coverage for these events can vary depending on the insurer and the type of policy, such as building insurance compared with home and contents insurance, or standard coverage compared with optional add-ons. These four climate perils are generally included in standard building insurance policies.
Intergovernmental Panel on Climate Change (IPCC)	The United Nations body for assessing the science related to climate change.
Labelled sustainable finance	Existing banking products with a specific sustainability related label, e.g., Green, Social, Sustainability or Sustainability-Linked.
Large business customers	The customers of ANZ Institutional division where ANZ has a credit exposure.
Large Emitters Engagement Program (LEEP)	Our signature customer engagement program, which provides the framework for engaging with LEEP customers on their transition plans.

Glossary of Terms (continued)

Term	Definition
LEEP customer selection	Customers must satisfy both general requirements and cohort-specific requirements to be selected as LEEP customers. These requirements are explained below. ANZ maintains the discretion to include other customers within LEEP or remove customers, having regard to the factors identified on page 12. This may occur as a result of ANZ's periodic review of the requirements as they apply to ANZ's large business customers from time to time. **General requirements** Each customer must have: • A minimum of A$3 million in advised credit limits, and • An ongoing relationship with ANZ. If a customer's advised credit limits relate to direct financing such as project or asset-specific financing, they are not considered for inclusion in LEEP. **Cohort-specific requirements** There are additional selection criteria for some cohorts of LEEP customers. These are: a) **100 largest emitting business customers:** Customers identified by ANZ as the 100 customers with the highest reported or estimated emissions encompassing Scope 1 and Scope 2 emissions for all customers and the most relevant Scope 3 emissions for coal, oil and gas, and mining infrastructure customers. The list of customers is based on emissions calculated or estimated in August 2023. b) **Safeguard Mechanism customers:** Customers that are 'responsible emitters' in respect of a designated large facility (as defined in the National Greenhouse and Energy Reporting Act 2007 (Cth)) that remains subject to a declining baseline for the purposes of the Australian Safeguard Mechanism. The list of customers is based on designated large facilities that were mapped to customers in August 2023. c) **Customers included in our sectoral pathways:** The Financed and Facilitated Emissions Methodology explains how customers are selected for inclusion in each of our sectoral pathways. d) **Other energy customers:** Other energy customers that meet the requirements for LEEP customer selection (but excluding customers who own largely renewables assets and/or other lower emissions power generation assets). e) **Other large emitters:** Customers that ANZ has identified as large emitters such as large agribusiness customers or chemical manufacturers.
LEEP customers	LEEP comprises large business customers that meet the requirements for LEEP customer selection, as applicable, and includes customers from the following cohorts: a) 100 largest emitting business customers b) Certain Safeguard Mechanism customers c) Certain customers included in our sectoral pathways d) Other energy customers e) Other large emitters As a guide, ANZ's intention is to maintain 140-160 customers within LEEP.
Liability risk	In the context of this report, potential litigation or regulatory action that may arise as a consequence of a failure to adequately consider or respond to the impacts of climate change (including physical and transition risks). This includes the risk of greenwashing.
Location-based	Emissions accounting method that incorporates gross emissions from purchased electricity calculated using the emissions intensity of the national grid.
Market-based	Emissions accounting method that incorporates net Scope 2 emissions from purchased electricity after renewable energy certificates have been taken into account.
Nature	The TNFD refers to 'nature' as the "natural world, with an emphasis on the diversity of living organisms (including people) and their interactions among themselves and with their environment".

Term	Definition
Net zero	The state where greenhouse gas emissions are balanced by an equivalent amount of carbon removal from the atmosphere, resulting in no net increase in global emissions.
Network for Greening the Financial System (NGFS)	A group of Central Banks and Supervisors willing, on a voluntary basis, to share best practices and contribute to the development of environment and climate risk management in the financial sector and to mobilise mainstream finance to support the transition towards a sustainable economy. This includes the development of NGFS climate scenarios that provide the starting point for analysing the impact of climate risks on the economy and financial system.
New to bank	Customer where ANZ has had no meaningful lending relationship within the last 12 months. Entities or assets acquired from existing ANZ customers are not classified as new to bank customers.
Operational emissions	Greenhouse gas emissions associated with operating the business excluding, for example, financed emissions. Our operational emissions comprise our Scope 1 and Scope 2 emissions, and certain categories of Scope 3 emissions, and excludes financed emissions, facilitated emissions and emissions associated with ANZ's investments.
Paris Agreement	A legally binding international treaty on climate change adopted at the UN Climate Change Conference (COP21) in Paris in 2015. Its overarching goal is to hold "the increase in the global average temperature to well below 2°C above pre-industrial levels" and pursue efforts "to limit the temperature increase to 1.5°C above pre-industrial levels".
Paris agreement goals / goals of the Paris agreement	The main goals of the Paris Agreement, which include: (i) limiting the global temperature increase to well below 2°C above pre-industrial levels, with efforts to limit it to 1.5°C; (ii) achieving global net zero greenhouse gas emissions by the second half of the century.
Paris-aligned	Paris alignment (or Paris-aligned) means aligning the Paris Agreement mitigation goal to strengthen the global response to the threat of climate change: a) By holding the increase in the global average temperature to well below 2°C above pre-industrial levels; and b) Pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels.
Physical risk	Risks arising from both longer-term changes in climate (chronic risk) as well as changes to the frequency and magnitude of extreme weather events (acute risk). Examples of chronic physical risk drivers include rising sea levels, rising average temperatures and ocean acidification. Examples of acute physical risk drivers include heatwaves, floods, bushfires, storms and cyclones.
Portfolio weighted emissions intensity	A measure of the carbon intensity of ANZ's lending, other financial services and capital markets activities, calculated by weighting our in-scope customers emissions intensity by ANZ's total in-scope financing and facilitation to the in-scope customer. To calculate the portfolio weighted emissions intensity for the sector, we sum the weighted emissions intensity of all in-scope customers. See Appendix 5: Financed and Facilitated Emissions Methodology for further detail.
Predominant activity	The primary activity from which a company derives revenue.
Scope 1	Direct greenhouse gas emissions from sources owned or controlled by a company.
Scope 2	Indirect greenhouse gas emissions from consumption of purchased electricity, heat or steam.
Scope 3	Other indirect greenhouse gas emissions not covered in Scope 1 or Scope 2 that occur in a company's value chain as described in table 5.1 of the Greenhouse Gas Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard.
Sectoral pathways	Industry-specific trajectories of emissions reductions.
Sensitive sectors	An industry or business category that ANZ considers may present heightened environmental, social, or governance risks, or significant potential negative impacts. These are: Energy Industry, Extractives Industry, Land and Forest Management, Water Management, and Military Equipment.
Sustainability-Linked	A type of labelled sustainable finance where the economic characteristics (e.g., pricing outcomes) of the financial instrument are linked to predetermined sustainability performance objectives.

Term	Definition
Sustainable Aviation Fuel (SAF)	A renewable or waste-based alternative to conventional jet fuel, designed for direct use without engine modifications. It adheres to recognised sustainability standards and delivers a reduction in life cycle greenhouse gas emissions.
Thermal coal mining customer / thermal coal miner	A large business customer allocated by ANZ to ANZSIC code 1102 (Brown coal mining). ANZ considers the end use of coal when allocating an ANZSIC code. If a customer's predominant activity is producing thermal coal used for power generation, they are assigned to ANZSIC code 1102. ANZ excludes metallurgical coal miners and diversified miners that produce thermal coal from ANZSIC code 1102.
Transition plan	A climate-related transition plan is an aspect of an entity's overall strategy that lays out the entity's targets, actions or resources for its transition towards a lower-carbon economy, including actions such as reducing its emissions.
Transition planning	The strategic process that an entity follows to set its transition-related goals and plan its actions for its transition towards a lower-carbon and/or climate-resilient economy.
Transition risk	Risks arising from the transition to a lower carbon economy, including changes in domestic and international policy and regulatory settings, technological innovation, social adaptation and market changes.
Uninsurable perils	ANZ physical risk assessment considers two coastal climate perils: coastal erosion and coastal inundation— collectively referred to as uninsurable perils. Insurance coverage for these events can vary depending on the insurer and the type of policy, such as building insurance compared with home and contents insurance, or standard coverage compared with optional add-ons. These two climate perils are generally not covered under standard building insurance policies.
Upstream gas customer	An energy customer within ANZSIC code 1200 (predominant activity is oil and gas extraction). Note: This definition includes customers with oil-related extraction activities.

Independent Assurance Statement

Independent Reasonable and Limited Assurance Report to the Directors of ANZ Group Holdings Limited

Our Opinion and Conclusions

i) Limited Assurance Conclusion – ANZ 2025 Climate Report

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the ANZ 2025 Climate Report, has not been prepared by ANZ Group Holdings Limited, in all material respects, in accordance with the Criteria for the year ended 30 September 2025.

ii) Reasonable Assurance Opinion – 2025 operational GHG emissions Scope 1 and 2 (location-based)

In our opinion, the global operational GHG Emissions (Scope 1 and 2) (location-based) has been prepared by ANZ Group Holdings Limited in all material respects, in accordance with the Criteria for the year ended 30 September 2025.

iii) Limited Assurance Conclusion – 2025 operational GHG emissions Scope 3 (location-based) and Scope 1,2 and 3 (market-based)

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the global operational Scope 3 GHG Emissions (location-based) and global operational Scope 1, 2 and 3 emissions (market-based), has not been prepared by ANZ Group Holdings Limited, in all material respects, in accordance with the Criteria for the year ended 30 September 2025.

Information Subject to Assurance and Criteria Used as the Basis of Reporting

ANZ Group Holdings Limited (ANZ) engaged KPMG to perform a limited assurance and reasonable assurance engagement for the year ended 30 September 2025. KPMG's scope of work comprised:

Information subject to assurance	Level of assurance	Location	Criteria used as the Basis of Reporting (the "Criteria")[1]
i) ANZ 2025 Climate Report	Limited	Pages 3-81	TCFD ANZ Climate Scenario Analysis Methodology ANZ Financed and Facilitated Emissions Methodology ANZ Social and Environmental Sustainability Target Methodology
ii) Global operational GHG Emissions (Scope 1 and 2) (location-based) being 80,870 tCO_2-e. ("GHG emissions (reasonable assurance scope)")	Reasonable	Page 52[2]	The GHG Protocol ANZ Scope 1, Scope 2 and Scope 3 Operational GHG emissions reporting methodology
iii) Global operational Scope 3 GHG Emissions (location-based) being 77,173 tCO_2-e and global operational Scope 1, 2 and 3 emissions (market-based) being 78,862 tCO_2-e. ("GHG emissions (limited assurance scope)")	Limited	Page 52[2]	The GHG Protocol ANZ Scope 1, Scope 2 and Scope 3 Operational GHG emissions reporting methodology

1. Refer to Appendix 1 for description of the Criteria. **2.** Year-end 30 June 2025 GHG emissions is excluded from assurance.

We assessed the information subject to assurance against the Criteria. The information subject to assurance needs to be read and understood together with the Criteria.

Basis for Opinion and Conclusions

We conducted our work in accordance with Australian Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information and ASAE 3410 Assurance Engagements on Greenhouse Gas Statements* (Standards). We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our opinion and conclusions.

In accordance with the Standards, we have:

- used our professional judgement to assess the risk of material misstatement and plan and perform the engagement to obtain:
  - limited assurance that we are not aware of any material misstatements in the ANZ 2025 Climate Report and GHG emissions (limited assurance scope), whether due to fraud or error; and
  - reasonable assurance that the GHG emissions (reasonable assurance scope) is free from material misstatement, whether due to fraud or error.
- considered relevant internal controls when designing our assurance procedures, however we do not express an opinion or conclusion on their operating effectiveness; and
- ensured that the engagement team possess the appropriate knowledge, skills and professional competencies.

Summary of Procedures Performed

Our assurance opinion and conclusions are based on the evidence obtained from performing the following limited assurance procedures:

- Enquiries with management responsible for developing the content (qualitative and quantitative) within the ANZ 2025 Climate Report to understand the approach for monitoring, collation and reporting;
- Interviews with management to understand ANZ's process for the implementation of ANZ's Climate Risk Standard;
- Comparing material text and data (on a sample basis) presented in the the ANZ 2025 Climate Report to underlying sources. This includes considering whether all material matters are included, whether any have been omitted and whether the reported text and data accurately reflect the underlying information;
- Assessment that the information is presented in accordance with the Criteria, and an evaluation of the suitability of the ANZ Financed and Facilitated Emissions Methodology, ANZ Social and Environmental Sustainability Target Methodology and ANZ Scope 1, Scope 2 and Scope 3 Operational GHG emissions reporting methodology includes understanding how the inclusion of Suncorp Bank impacts the overarching Financed and Facilitated Emissions Methodology;
- Sample testing over performance data relating to the Large Emitters Engagement Program and $100 billion Social and Environmental Sustainability Target;
- Sample testing over ANZ's sectoral metrics and targets for power generation, oil and gas, thermal coal, auto manufacturing, shipping, aluminium, cement, steel, large-scale commercial real estate, and aviation;
- Sample testing over performance data relating to the new sectoral facilitated emissions;
- Interviews with key personnel responsible for GHG emissions data collection and reporting to understand processes;
- Assessment of emission factor sources and re-performing emissions calculations using the applied emissions factors;
- Conducting walkthroughs and undertaking analytical procedures of key data sets;
- Agreeing all significant GHG emissions to relevant underlying sources;
- Reading the full ANZ 2025 Climate Report in its entirety to ensure it is consistent with KPMG's overall knowledge of, and experience with, the climate change performance of ANZ;
- Conduct walkthroughs with management to understand the material climate risk identification process and climate scenario analysis development;
- Assess the suitability and presentation of the scenario analysis disclosures against the scenario analysis methodology;
- Conduct walkthroughs to understand management's classification criteria for geographic vulnerabilities, insurability, home insurance affordability (HIA), and financial impacts, and review hazard model selection, calculations, and exposure metrics across ANZ and Suncorp Bank datasets; and
- Perform sample testing over high-risk properties to test the accuracy of the underlying Australian home loan portfolio data and assess the appropriateness of ANZ's financial quantification methodology.

In addition, we performed the following reasonable assurance procedures over the GHG emissions (reasonable assurance scope):

- Testing the operating effectiveness of key controls, including IT systems;
- Evaluating the basis for determining operational control and reporting boundaries and testing back to underlying evidence; and
- Substantive testing using larger sample sizes and reconciling samples of Scope 1 fuels (business transportation) and Scope 2 electricity transactions data back to source documentation.

Inherent Limitations

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. It is therefore possible that fraud, or errors may occur and not be detected. Non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating, and estimating such data. The precision of different measurement techniques may also vary. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities and over time.

As stated in the Disclaimer and Important Notices section of the ANZ 2025 Climate Report, greenhouse gas quantification is subject to inherent uncertainty. Reasons for this uncertainty include the nature of the information and the uncertainties inherent in: (i) the methods used for determining or estimating the appropriate amounts, (ii) information used to determine emission factors and (iii) the values needed to combine emissions of different gases.

We specifically note that ANZ has used estimates, assumptions or proxies in the calculation of the estimated financed emissions of its lending portfolio and the baselines and performance for its targets.

How the Standards Define Reasonable Assurance, Limited Assurance and Material Misstatement

Reasonable assurance is a high level of assurance, but is not a guarantee that it will always detect a material misstatement when it exists.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance conclusion.

Misstatements, including omissions, are considered material if, individually or in the aggregate, they could reasonably be expected to influence relevant decisions of the Directors of ANZ.

Use of this Assurance Report

This report has been prepared solely for the Directors of ANZ who have voluntarily commissioned this independent assurance over the information subject to assurance to enhance transparency and confidence in their oversight. This report may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report, to any person other than the Directors of ANZ, or for any other purpose than that for which it was prepared.

Management's Responsibility

Management are responsible for:

- Determining appropriate reporting topics and selecting or establishing suitable criteria for measuring, evaluating and preparing the information subject to assurance;
- Ensuring that those criteria are relevant and appropriate to ANZ and the intended users; and
- Establishing and maintaining systems, processes and internal controls that enable the preparation and presentation of the information subject to assurance that is free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to perform:

- A limited assurance engagement in relation to the ANZ 2025 Climate Report and GHG emissions (limited assurance scope) for the year ended 30 September 2025; and
- A reasonable assurance engagement in relation to the GHG emissions (reasonable assurance scope) for the year ended 30 September 2025

and to issue an assurance report that includes our opinion and conclusions based on the procedures we have performed and the evidence we have obtained.

Our Independence and Quality Management

We have complied with our independence and other relevant ethical requirements of the Code of Ethics for Professional Accountants (including Independence Standards) issued by the Accounting Professional and Ethical Standards Board, and complied with the applicable requirements of Australian Standard on Quality Management 1 to design, implement and operate a system of quality management.

Appendix 1

- **TCFD:** Task Force on Climate-related Financial Disclosures 2021
- **ANZ Climate Scenario Analysis Methodology** in Appendix 4 of the ANZ 2025 Climate Report
- **ANZ Financed and Facilitated Emissions Methodology** in Appendix 5 of the ANZ 2025 Climate Report
- 2024 ANZ Social and Environmental Sustainability Target Methodology available at anz.com/esgreport
- **The GHG Protocol:** The World Resources Institute / World Business Council for Sustainable Development (WRI / WBCSD), The GHG Protocol Corporate Accounting and Reporting Standard
- **ANZ Scope 1, Scope 2 and Scope 3 Operational GHG emissions reporting methodology** in Appendix 7 of the ANZ 2025 Climate Report

KPMG

KPMG

SE Newman

Sarah Newman
Partner

Melbourne
7 November 2025

KPMG

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Maria Trinci

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Partner

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7 November 2025

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