



Australian Government

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2025–26 Climate Disclosure Report

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Acknowledgment of Country

Export Finance Australia acknowledges the Traditional Custodians of Country throughout Australia and their continuing connection to lands, waters and communities. We pay our respects to them, their cultures, and Elders past and present.

Commonwealth Climate Disclosures

Under the Commonwealth Climate Disclosure (CCD) requirements, we must publicly disclose our climate-related risks and opportunities, along with our actions to manage them.

As a Tranche 1 entity, our inaugural climate disclosure was included as an appendix in our 2024–25 Annual Report. In line with the progressive implementation schedule, our 2025–26 Climate Statement builds on the foundations established last year and has been prepared in accordance with the CCD Year 2 reporting provisions.

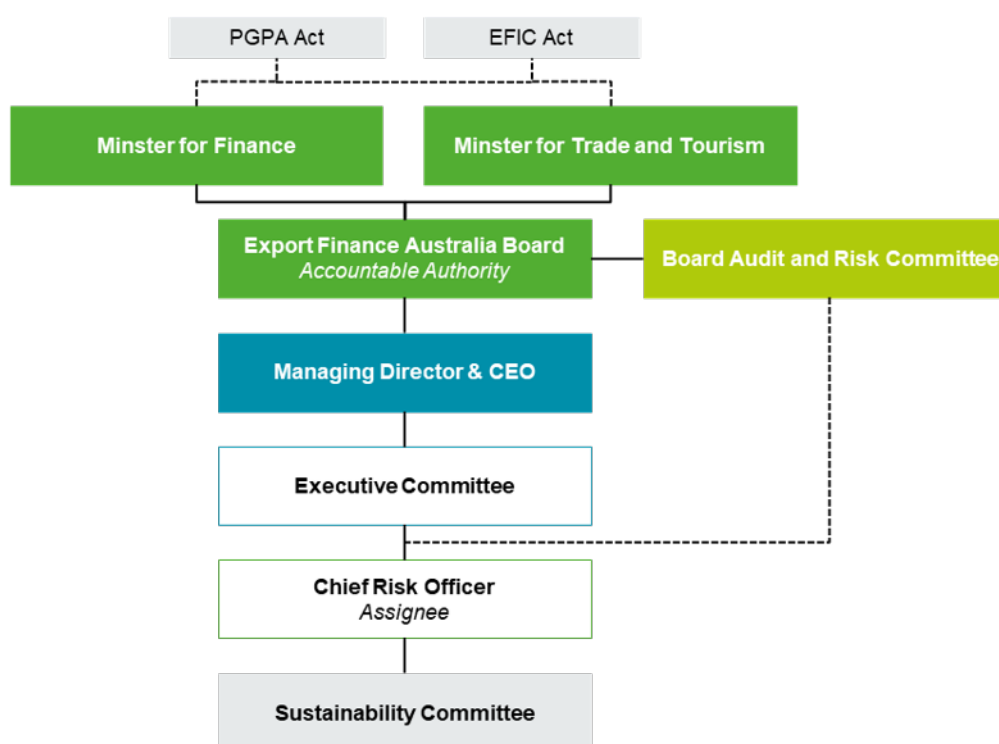
Climate governance

Climate governance roles and responsibilities

In 2025–26, we undertook a range of initiatives to further develop our approach to climate governance. This included developing a Climate Governance Framework, which formalises our climate-related roles and responsibilities.

Our updated climate governance structure is depicted in Figure 1.

FIGURE 1: Our climate governance structure



Consistent with last year, our Board is the accountable authority responsible for overseeing the management of our climate-related risks and opportunities. It meets approximately every 2 months and receives at least annual updates on climate-related risks and opportunities. This includes updates in line with our procedure for the environmental and social review of transactions, which requires Board or Board delegate approval for certain transactions deemed to have a high potential climate

risk or impact, as well as ongoing Board monitoring and reporting. The Board Audit and Risk Committee (BARC) supports this oversight by reviewing and advising the Board on the appropriateness of our enterprise risk management framework for effectively identifying and managing risks, including material climate-related risks.

Our Chief Risk Officer continues to be the assignee with accountability for the operational management of climate-related risks and opportunities. The Chief Risk Officer is also responsible for reporting on risk matters, including climate-related risks, to the Executive Committee, Managing Director & CEO, the BARC and the Board, when escalation is required. The Chief Risk Officer's controls and procedures to support their climate-related responsibilities are consistent with those documented in our Enterprise Risk and Control Matrix, Risk Appetite Statement, and '3 lines of defence' model. Additionally, the Chief Risk Officer has delegated responsibility for identifying, assessing and monitoring climate-related risks and opportunities to our newly formed Sustainability Committee, established in December 2025. Our Sustainability Committee is the central point for reporting on climate-related risks and opportunities, receiving information from our business units and providing updates to the Chief Risk Officer. The Sustainability Committee meets at least quarterly and monitors the status of our identified organisational and policy-based climate-related risks and opportunities.

Our climate-related responsibilities are formalised in our Climate Governance Framework and our Sustainability Committee Charter. These complement the Board, BARC and Executive Committee charters, which describe the responsibilities for overseeing our management of enterprise risks (including climate-related risks). Additionally, the key individuals – including the Chief Risk Officer and the Chief Credit Officer, who is also the Sustainability Committee Chair – have key performance indicators linked to their climate-related responsibilities.

Climate-related skills and competencies

We require a range of climate-related skills and competencies to support the effective management of our climate-related risks and opportunities. Acknowledging this, in 2026, we began a program of work to ensure that the appropriate climate-related skills and competencies are available or are being developed. The Sustainability Committee oversees this program, ensuring it is delivered in line with our Climate Governance Framework.

The program of work started with a climate-related skills and competencies assessment, endorsed by our Chief Risk Officer, which evaluated the climate capabilities of each business unit against 11 key climate skills and knowledge areas, such as greenhouse gas (GHG) emissions accounting and climate risk management. This has allowed us to identify key areas for further development, which we will use to inform a climate change learning and development plan and delivery of appropriate climate-related training for relevant employees in future years. To reflect our commitment to this, we have set a target for delivering climate-related training, as outlined in 'Metrics and targets' on pages 14-18.

Oversight of climate in strategy and decision making

Management of climate-related risks and opportunities is a key part of our strategy and is formalised in our Corporate Plan 2025-2026 under Goal 4: Ensure sustainability.

As a Commonwealth statutory corporation, we are bound by the *Export Finance and Insurance Corporations Act 1991* (EFIC Act), the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and ministerial directions to enter into specific transactions, establish and support other

Commonwealth entities, and comply with Government decisions. This reasonably limits our ability to make certain decisions to mitigate climate-related risks or pursue climate-related opportunities. Nevertheless, we consider climate-related risks when making decisions regarding major transactions as part of our environmental and social review process, as defined in our Policy for Environmental and Social Review of Transactions (E&S Policy) and the supporting Procedure for Environmental and Social Review of Transactions (E&S Procedure). This process requires that certain projects be screened for climate-related risks and escalated to the Board and the Managing Director & CEO for approval when potential adverse risks or impacts are detected.

Climate-related target setting and monitoring

Our Board endorsed 5 climate-related targets tabled by the Sustainability Committee at the April 2026 Board meeting, as outlined on page 16. Key inputs informed the development of these targets, including the CCD requirements, materials related to the Australian Public Service (APS) Net Zero 2030 Target, engagement with the Department of Finance, peer reviews and independent advice, as well as an assessment of suitability considering required actions, costs, synergies and operational constraints. We have developed a climate targets approach document that formalises our approach to setting and monitoring climate targets in line with the CCD requirements.

Our Board oversees progress towards our climate-related targets through the Sustainability Committee and the annual reporting process. Our Sustainability Committee is responsible for monitoring performance against our targets in accordance with a cadence and performance metrics documented in our climate targets approach document. In doing so, the committee provides the Board with accurate, timely and relevant information on progress towards our targets. Additionally, the committee reviews our climate-related targets annually and as necessary and may propose amendments to the Board.

Risk management

Climate risk and opportunity assessment

We completed our first climate risk and opportunity assessment in 2025 (the 2025 assessment), following the Australian Government Climate Risk and Opportunity Management Program (CROMP) methodology to identify, assess and prioritise climate-related risks and opportunities related to our operational model (organisational risks and opportunities). This assessment focused on the current and anticipated effects of climate change on our internal operations, defined by our office locations in the central business districts of Sydney, Brisbane, Perth, Adelaide, Melbourne and Canberra.

In 2026, in line with the Year 2 CCD requirements, we have further developed our understanding of our exposure to climate change by assessing our policy-related risks and opportunities. To achieve this, we again applied the CROMP methodology to assess climate-related risks and opportunities that may affect our ability to deliver on our policy mandates (the 2026 assessment). This assessment focused on our investment activities as the most significant aspect of our public policy obligations. In assessing the anticipated effects of climate change, we have assumed that the current composition of our portfolio is the best available representation of our future investment activities.

Identifying climate-related risks and opportunities

To identify emerging risks and opportunities in our 2025 and 2026 assessments, we considered how climate change has impacted us in the past and how existing and emerging trends may change this impact in future. This analysis was informed by desktop research, including review of peer disclosures, internal corporate risk and governance documents, and portfolio data (including debt value, financed emissions, and sectoral and geographic exposures). It was also supported by extensive engagement with internal stakeholders, including representatives from our Environmental and Technical Review team, which is responsible for assessing our transactions for climate-related risks. This process helped us compile an initial list of risks and opportunities.

Assessing climate-related risks and opportunities

We systematically evaluated this initial list to better understand how material each climate-related risk and opportunity is to our organisation. Through a series of internal roundtables, we rated the importance of the identified climate-related risks and opportunities, with an emphasis on how significantly each would impact our organisation and public policy delivery if it occurred. The output of this process was a shortlist of key climate-related risks and opportunities.

We then conducted a climate scenario analysis to understand how drivers of climate-related risks and opportunities may change over time, across regions and under various plausible global warming scenarios, and how our exposures vary as a result. The data sources and parameters we used for the scenario analysis – including time horizons, climate-related scenarios, and drivers of climate-related risks and opportunities – were consistent between the 2025 and 2026 assessments and are summarised in Figure 2. The key assumptions made in the analysis – including changes in climate-related policies, macroeconomic trends, energy mix and technology development – are contained within the relevant climate-related scenarios provided by the Intergovernmental Panel on Climate Change (IPCC) and Network for Greening the Financial System (NGFS).

We selected 2030 as the short-term time horizon and 2050 as the long-term time horizon, as these

align with relevant timeframes for EFA. The 2030 horizon also aligns with the Australian Government's 2030 climate targets, our business planning cycle and the near-term outlook of most investments in our portfolio, making it most likely indicative of anticipated impacts on current exposures. While some assets, including renewable energy infrastructure investments, extend longer towards 2050, we anticipate there will be sufficient time to adapt shorter-term lending to emerging climate risks as our portfolio evolves.

FIGURE 2: Scenario analysis data sources and parameters^{1, 2}

TIME HORIZONS			
Now Recent past / present day ¹		2030 Short Term	2050 Long Term
PHYSICAL		TRANSITION	
SCENARIOS			
Low Emissions SSP1-2.6 1.3 – 2.4°C	High Emissions SSP3-7.0² 2.8 – 4.6°C	Low Emissions Net Zero 2050 1.5°C	Moderate Emissions Current Policies ≥ 2.5°C
Scenarios from the Intergovernmental Panel on Climate Change (IPCC). Data from NASA NEX-GDDP-CMIP6.		Scenarios and data from the Network for Greening the Financial System (NGFS).	
RISK / OPPORTUNITY DRIVERS			
 Bushfire / Wildfire	 Extreme Heat	 Extreme Rainfall	 Energy Price
 Tropical Cyclones	 Storm Surge	 Sea Level Rise	 Carbon Price
			 Production Change

We evaluated climate-related risks and opportunities by combining scenario analysis findings on our climate-related risks and opportunity exposure with roundtable outputs indicating our vulnerability to climate-related risks and opportunities, and the existing controls and mitigants we use to moderate this.

We rated climate-related risks and opportunities consistent with the guidance set out in our Enterprise Risk and Compliance Management Framework, resulting in the list of material climate-related risks and opportunities disclosed in the 'Strategy' section.

¹ The IPCC standard recent past period (1995 to 2014 average) was used for all physical risk metrics, with the exception of storm surges and tropical cyclones, which use historical baselines of 2020 and 1980 to 2022 averages, respectively. 2025 values were used for transition risk.

² SSP3-7.0 was used as the high-emissions scenario for all physical risk drivers except for tropical cyclones. Due to a lack of available data, tropical cyclones were assessed using the RCP8.5, which aligns with a higher-emissions scenario of 3.3–5.7°C warming, for a 2050 future time horizon.

In accordance with the CCD Year 2 requirements, to assess our climate-related risks and opportunities, we have used all reasonable and supportable information that was available without undue cost or effort.

Risk management and monitoring process

We manage our material climate risks through our enterprise risk management process as documented in our Enterprise Risk and Compliance Management Framework, Risk Appetite Statement, and Enterprise Risk and Control Matrix. Climate change is included as a standalone enterprise risk, with climate considerations featuring across relevant credit and operational enterprise risks. We manage these climate-related risks in a manner consistent with the '3 lines of defence' model described in our Enterprise Risk and Compliance Management Framework.

We monitor our climate-related risks and opportunities using the reporting and escalation pathways described in the 'Governance' section of this climate disclosure. This ensures we have a structured approach to identifying, assessing, prioritising, managing and monitoring climate-related risks and opportunities.

Strategy

Material climate-related risks and opportunities

Table 1 presents our material climate-related risks and opportunities as identified in the 2025 and 2026 assessments.

TABLE 1: Our material climate-related risks and opportunities

Risk 1: Physical climate risk to our operations			
Type	Physical	Time horizon	Long (2050)
Summary	Adverse impacts on our business operations and people as a result of costs and disruptions associated with acute climate events and long-term climate change.		
Current and anticipated effects	Anticipated effects on our operational model include: - increased operating costs, for example rising insurance premiums in response to more frequent and severe climate hazards, as well as increased cost of energy for cooling to combat chronic temperature rise - productivity losses and adverse workforce health and wellbeing impacts caused by the direct and indirect impacts of physical climate hazards, for example rising heat stress and psychosocial impacts of climate anxiety.		
Strategy and decision making	Actions we have undertaken this reporting year to manage our exposure to this risk include: - maintaining existing controls, including our Enterprise Risk Management Framework, which includes a Work Health and Safety Risk that encompasses climate events; our Business Continuity Plan and Policy; our employee support program; and remote work policies - establishing our Sustainability Committee, which includes delegates from our Property Management, Procurement, Human Resources, and Risk and Compliance teams.		

Risk 2: Physical climate risk to financed businesses and infrastructure			
Type	Physical	Time Horizon	Short (2030) to long (2050)
Summary	Increased instances of counterparty failure to complete contractual obligations on time, due to increasingly frequent, severe and compounding physical climate hazards and associated costs.		

Current and anticipated effects	Current and anticipated effects on our public policy delivery include: - extended financed project timelines as a result of construction delays caused by acute climate hazards, for example disruptions caused by extreme weather, reduction in safe working hours due to heat stress, and upstream supply chain disruptions - increased risk of counterparty default due to costs associated with infrastructure damaged or written off by acute climate hazards such as bushfires, floods and cyclones - declining sovereign credit quality due to increased financial instability of key markets facing compounding acute and chronic physical climate hazards.		
Strategy and decision making	Actions we have undertaken this reporting year to manage our exposure to this risk include: - continuing to screen eligible transactions and monitor projects for climate-related risks in line with our E&S Policy and Procedure - conducting portfolio stress testing of the Commercial Account against a climate scenario - establishing our Sustainability Committee, which includes delegates from our Institutional, Business Finance, Treasury, and Environmental and Technical Review teams.		
Risk 3: Stakeholder expectations of alignment with the climate transition			
Type	Transition	Time Horizon	Short (2030) to long (2050)
Summary	Increased stakeholder and public scrutiny regarding the alignment of our operational and investment activities with the climate transition, including emissions reduction and exposure to emissions-intensive sectors.		
Current and anticipated effects	Current and anticipated effects include impacts on both our operational model and public policy delivery , including: - exposure to climate-related criticism and potential damage to reputation, stakeholder confidence or public trust due to actual or perceived failure to: - manage operational emissions and progress towards emissions reduction targets - manage investment exposure to climate-related risks and emissions-intensive activities, including where decision-making autonomy is constrained by unique governance arrangements - increased resourcing requirements to respond to heightened stakeholder expectations regarding the disclosure, management and justification of: - operational climate impacts (including emissions) - investments exposed to climate-related risks.		

Strategy and decision making	Actions undertaken during the reporting year to manage our exposure to this risk include: • setting climate-related targets, including our net zero by 2030 target, which aligns with the Australian Government’s climate ambition as codified in its APS Net Zero 2030 Target and broader Nationally Determined Contribution under the 2015 Paris Agreement • continuing to screen eligible transactions and monitor projects for climate-related risks, and to support projects that reduce emissions and apply appropriate mitigation measures, in line with our E&S Policy and Procedure • continuing to voluntarily disclose our financed emissions • establishing our Sustainability Committee, which provides oversight of climate-related risks and opportunities across our operations and investment activities		
Opportunity 1: Transition-aligned investment opportunities			
Type	Transition	Time Horizon	Short (2030) to long (2050)
Summary	Growth in climate-related technology and transition-enabling industries increases the availability of investment opportunities aligned with our strategy and mandate.		
Current and anticipated effects	Anticipated effects on our public policy delivery include: • an expanded pipeline of investment opportunities aligned with our mandates, including under the Critical Minerals Facility and Future Made in Australia National Interest Framework • potential stronger long-term returns associated with growth in transition-aligned industries (such as renewable energy infrastructure and low-carbon liquid fuels).		
Strategy and decision making	We anticipate that this opportunity may be realised through our business-as-usual processes and by implementing our Corporate Strategy and mandates.		
Opportunity 2: Transition-aligned partnerships			
Type	Transition	Time Horizon	Short (2030) to long (2050)
Summary	Changing Government policy and market dynamics to align with the climate transition increases partnership opportunities aligned with our strategy and mandate.		

Current and anticipated effects	Anticipated effects on our public policy delivery include: • increased opportunities for strategic partnerships, co-investment and international collaboration due to greater alignment of climate policy with key markets • greater demand for transition-aligned Australian exports, products and services (such as critical minerals, green steel and solar photovoltaic installation) in key markets.
Strategy and decision making	We anticipate that this opportunity may be realised through our business-as-usual processes and by implementing our Corporate Strategy and mandates.

Concentration of effects

Although we anticipate the effects of climate change will be relevant across our operations and investments, the nature and magnitude of these effects vary. Using climate scenario analysis, we have identified key ‘hotspots’ where climate-related risks and opportunities are likely to be concentrated.

Concentration of climate impacts on our operational model

Our operational footprint focuses on our head office in the Sydney central business district, resulting in concentrated exposure to climate-related physical drivers. Storm surges and extreme rainfall events present the highest level of exposure, with extreme heat and bushfires also noteworthy owing to their impact on infrastructure and employee health and wellbeing.

The current and anticipated impacts on our operational model are limited. Changes to our governance model and the establishment of the Sustainability Committee are helping our business areas develop an understanding of the capability and capacity changes needed to manage our climate-related risk exposure.

Concentration of climate impacts on our public policy delivery

Figure 3 identifies where we are projected to become more exposed to key climate hazards, particularly under a higher-warming scenario.

We anticipate that specific sectors in these regions will feel physical climate risks more strongly. For example, mining and manufacturing investments across north-western Australia may be more vulnerable to increases in extreme heat. Similarly, infrastructure along the Pacific coast may be particularly vulnerable to rising sea levels, storm surges, and extreme rainfall and flooding, compounding physical risks and increasing the need for climate-resilient infrastructure.

FIGURE 3: Concentration of physical climate hazards across regions



Metrics and targets

Climate-related metrics

In accordance with the requirements under the Net Zero in Government Operations Strategy, we continue to measure and report on our operational emissions. This includes Scope 1, Scope 2 and selected categories of Scope 3 emissions, calculated in a manner consistent with the methodologies in the Climate Action in Government Operations Emissions Reporting Framework. Tables 2 and 3 set out our organisational emissions for the 2025–26 reporting year, using both location-based and market-based emissions.

TABLE 2: 2025–26 Greenhouse Gas Emissions Inventory

Emissions source	Scope 1 (t CO ₂ -e)	Scope 2 (t CO ₂ -e)	Scope 3 (t CO ₂ -e)	Total
Electricity (Location-Based Approach)	n/a	502.78	23.57	526.35
Natural Gas	19.89	n/a	5.06	24.95
Solid Waste	0.00	n/a	17.44	17.44
Refrigerants	0.00	n/a	n/a	0.00
Fleet and Other Vehicles	0.00	n/a	0.00	0.00
Domestic Commercial Flights	n/a	n/a	68.43	68.43
Domestic Hire Car	n/a	n/a	0.03	0.03
Domestic Travel Accommodation	n/a	n/a	14.57	14.57
Other Energy	0.00	n/a	0.00	0.00
Total	19.89	502.78	129.10	651.77

Note: Scope 1, Scope 2, Scope 3 and Total emissions are presented as tonnes carbon dioxide equivalent (t CO₂-e). In this table, Scope 3 does not include Category 15 – financed emissions.

TABLE 3: 2025–26 Electricity Greenhouse Gas Emissions

Emissions source	Scope 2 (t CO ₂ -e)	Scope 3 (t CO ₂ -e)	Total	Electricity (kWh)
Location-based electricity emissions	502.78	23.57	526.35	785587.63
Market-based electricity emissions	0	0	0	0
Total renewable electricity	n/a	n/a	n/a	921828.11
Renewable Power Percentage	n/a	n/a	n/a	135828.11
Jurisdictional Renewable Power	n/a	n/a	n/a	0
GreenPower	n/a	n/a	n/a	0
Large-scale generation certificates	n/a	n/a	n/a	786000

Notes:

1. The table above presents emissions related to electricity usage using both the location-based and the market-based accounting methods.
2. Scope 2, Scope 3 and Total emissions are presented as tonnes carbon dioxide equivalent (t CO₂-e). Electricity data is reported in kilowatt hours (kWh). In this table, Scope 3 does not include Category 15 – financed emissions.
3. Total renewable electricity excludes behind-the-meter solar other than generation used to create large-scale generation certificates (LGCs).
4. The renewable power percentage (RPP) accounts for the portion of electricity used, from the grid, that falls within the Renewable Energy Target (RET).
5. Jurisdictional Renewable Power refers to the Jurisdictional Renewable Power Percentage (JRPP). Currently, the Australian Capital Territory is the only jurisdiction with a JRPP.

General caveats to the Greenhouse Gas Emissions Inventory calculations

A portion of the Scope 1 and 2 emissions associated with the common areas within our head office building, Export Finance House – for example, areas shared with other commercial tenants – could not be separated from our data and has been included in our calculations.

Financed emissions reporting

We also continue to voluntarily report on the financed emissions from our investment portfolio using the Partnership for Carbon Accounting Financials (PCAF) methodology for Scope 1 and 2 financed emissions. Table 4 presents our financed emissions for 2025–26. Refer to 'Appendix C: Financed emissions disclosure' on pages 27-31 for further detail.

TABLE 4: 2025–26 Financed Emissions (Scope 3, Category 15)

Asset Class	Scope 1 + 2 (t CO ₂ -e)	Data quality score (AVG)	Emissions intensity (t CO ₂ -e/\$m)
Commercial Account			
Business Loan	41,031.54	4.94	40.55
Project Finance	161,961.44	4.88	84.95
SUB-TOTAL	202,992.98	4.90	69.56
National Interest Account			
Business Loan	37,537.72	5	13.86
Equity	15,634.41	5	56.92
Project Finance	41,176.71	4.88	27.56
SUB-TOTAL	94,348.85	4.96	34.74
TOTAL	297,341.83	4.90	41.96

Climate-related targets

We are committed to taking meaningful climate action within the public sector and have voluntarily established a series of climate-related targets to monitor our progress towards this ambition. We will report against these targets annually.

Our headline target is a voluntary commitment to achieving net zero by 2030. This is an absolute net mitigation target covering our Scope 1 and 2 emissions, aligned with the Australian Government's climate ambition and the APS Net Zero 2030 Target.

Our efforts to achieve this target are supported by our climate target plan, which is contained in our climate targets approach document and summarised in Table 5. This plan describes how we expect to reduce our emissions. The majority (over 95%) of our Scope 1 and 2 emissions derive from electricity use, and the remainder is from emissions related to natural gas. Accordingly, key sources of abatement within our climate target plan include procuring renewable energy, deploying targeted energy efficiency initiatives and procuring offsets for our residual Scope 1 emissions.

TABLE 5: Our climate target plan

Emissions reduction source	Description
Procurement of renewable energy	Reducing Scope 2 emissions through the procurement of renewable energy In the short term, we will continue to procure renewable energy, for example by purchasing GreenPower or Large-scale Generation Certificates (LGCs). We anticipate that in the future this may be supplanted by whole-of-Australian-Government arrangements for electricity procurement, which will facilitate coordinated procurement of renewable energy for participating Commonwealth entities.
Procurement of offsets	Offsetting Scope 1 emissions

We acknowledge that full abatement of our Scope 1 and 2 emissions will be challenging. As such, we will need to purchase carbon offsets to achieve our target of net zero operations by 2030. This procurement may include purchasing Australian Carbon Credit Units (ACCUs) or purchasing credits from other Government-endorsed offset schemes.

Energy efficiency initiatives	Improving energy efficiency in EFA's office building where relevant, to lower Scope 2 emissions associated with electricity use and promote cost savings
	Historically, this has included installing more efficient LED lighting, smart building management systems and power-saving software settings. We will consider energy efficiency initiatives at the appropriate stage of the asset replacement lifecycle.

In addition to our headline net zero by 2030 target, we have also committed to achieving the climate-related targets described in Table 6. Further detail on these targets, including how we define, measure, monitor and review them, is described in Appendix A.

TABLE 6: Our climate-related targets and performance

Target	Period	2025-26 performance
Net zero by 2030	By 2030	Achieved net zero for this reporting year, based on the market-based method. This was supported by our voluntary purchase and surrender of 786 LGCs under the Australian Government Renewable Energy Target (RET) scheme, as well as the retirement of 20 ACCUs generated through the New Leaf Carbon Project to offset our Scope 1 emissions.
Continue to calculate and disclose our financed emissions	Ongoing	Disclosed – see Table 4.
Complete a climate risk and opportunity assessment in alignment with the CROMP	By 2026	Completed a CROMP-aligned assessment of our organisational climate risks and opportunities in 2024–25, and our policy-related climate risks and opportunities in 2025–26.

Continue to consider climate-related risks as a component of due diligence for individual transactions where appropriate

Ongoing

Screened all eligible transactions that we supported in 2025–26 for climate risks, in line with our policy for environmental and social review of transactions.

Deliver appropriate climate-related training for our staff

By 2028

Completed a climate skills and capabilities assessment to inform training requirements. Began identifying and delivering suitable training.

Appendix A: Climate Targets

Target 1	Achieve net zero by 2030
Objective	Achieve net zero greenhouse gas (GHG) emissions in our operations by 2030.
Period	By 30 June 2030
Base period	30 June 2025
Milestones/ interim targets	N/A
Target type	Absolute; net GHG emissions target
Scope	This target applies to our Australian operations, specifically our Scope 1 and 2 emissions. Refer to the Australian Public Service Net Zero Emissions Reporting Framework on the Department of Finance website for more information on the emissions calculation methodology and approach, including the GHG emissions covered.
Alignment with the latest international agreement	This target aligns with the Australian Government's climate ambition as codified in its APS Net Zero 2030 Target and broader Nationally Determined Contribution under the 2015 Paris Agreement. The target was not derived using a sectoral decarbonisation approach.
Metrics used to set and monitor progress	Scope 1 and 2 GHG emissions generated in tonnes of CO ₂ -e, calculated in accordance with the APS Net Zero Emissions Reporting Framework.
Monitoring	The Sustainability Committee will monitor progress towards reaching this target, at least annually.
Target 2	Complete a climate risk and opportunity assessment in alignment with the Climate Risk and Opportunity Management Program (CROMP)
Objective	Enable compliance with the Commonwealth Climate Disclosure (CCD) requirements.
Period	2026
Base period	N/A

Milestones/ interim targets	N/A
Target type	N/A – relevant to emissions targets only
Scope	This target applies to our Australian operations, specifically our organisational and policy-related risks and opportunities.
Alignment with the latest international agreement	This target aligns with the Australian Government's commitment to acting on climate change in Government operations, as codified in the CCD Policy, specifically requirements related to conducting a CROMP.
Metrics used to set and monitor progress	Climate risk and opportunity assessment completed in alignment with the CROMP.
Monitoring	The Sustainability Committee will receive progressive updates on the progress of this action.
Target 3 Continue to consider climate-related risks as a component of due diligence for individual transactions, where appropriate	
Objective	Manage our exposure to climate-related risks.
Period	Ongoing
Base period	N/A
Milestones/ interim targets	N/A
Target type	N/A – relevant to emissions targets only
Scope	This target applies to our transactions; specifically, refer to our Policy for environmental and social review of transactions .
Alignment with the latest international agreement	This target aligns with the Australian Government's commitment to acting on climate change in Government operations, as codified in the CCD Policy, specifically requirements related to managing climate-related risks.
Metrics used to set and monitor progress	All appropriate transactions we supported during the reporting year have been screened for climate risks, in line with the Policy for Environmental and Social Review of Transactions (E&S Policy).
Monitoring	We periodically undertake an independent review of the application of

the E&S Policy.

Target 4	
Deliver appropriate climate-related training for staff (subject to a skills and competency assessment)	
Objective	Support our response to climate-related risks and opportunities.
Period	By 2028
Base period	N/A
Milestones/ interim targets	N/A
Target type	N/A – relevant to emissions targets only
Scope	This target applies to our Australian operations, specifically our staff with climate-related responsibilities, as identified in the skills and competency assessment.
Alignment with the latest international agreement	This target aligns with the Australian Government’s commitment to acting on climate change in Government operations, as codified in the CCD Policy, specifically requirements related to ensuring skills and competencies are available to respond to climate-related risks and opportunities.
Metrics used to set and monitor progress	Number and proportion of relevant staff attending training sessions during the reporting year.
Monitoring	The Sustainability Committee will receive updates on the progress of this action.
Target 5	
Continue to calculate and disclose our financed emissions, informed by internationally accepted standards	
Objective	Enable compliance with the CCD requirements and transparency on climate impacts.
Period	Ongoing
Base period	N/A
Milestones/ interim targets	N/A

Target type	N/A – relevant to emissions targets only
Scope	This target applies to our transactions, specifically our Scope 3 Category 15 emissions (financed emissions).
Alignment with the latest international agreement	This target aligns with the Australian Government’s commitment to acting on climate change in Government operations, as codified in the CCD Policy, specifically requirements for investment entities to report financed emissions.
Metrics used to set and monitor progress	Disclosure of our financed emissions as part of our annual CCD report (refer Appendix C: Financed emissions disclosure).
Monitoring	The Sustainability Committee will receive updates on the progress of this action.

Reviewing and revising our climate-related targets

The Sustainability Committee is responsible for reviewing our climate-related targets, as outlined above. It conducts these reviews at least annually, and as and when necessary – for example, where there is a material change to our operations that merits review of the target and baseline.

Our climate-related targets and the methodologies used to set them have not been validated by a third party. These targets were set and disclosed during the 2025–26 reporting period and have not been revised.

Appendix B: CCD Year 2 requirement index

Core requirement	Overview	Location
G1(a)	Identify accountable authority	See page 3 of the 'Governance' section of this climate disclosure statement
G1(a)i	Responsibilities of accountable authority	See page 4 of the 'Governance' section
G1(a)ii	Skills and competencies	See page 4 of the 'Governance' section
G1(b)iii	Informing accountable authority	See page 4 of the 'Governance' section
G1(a)iv	Strategy and risk management	See page 8 of the 'Governance' section
G1(a)v	Setting and monitoring targets	See page 5 of the 'Governance' section
G1(a)vi	Risk oversight	See page 4 of the 'Governance' section
G1(b)	Controls and procedures	See page 4 of the 'Governance' section
G2(a)	Regard to Climate Risk and Opportunity Management Program (CROMP) approach	See page 6 of the 'Risk management' section
G2(b)	Alignment with other policies	Optional requirement not disclosed
S1	Material information on climate risks and opportunities	Refer to S2, S3, S4, S5, S6 and S14
S2(a)	Progressive implementation schedule	See page 3
S2(b)	Physical and transition risks	See Table 1, in the 'Strategy' section
S2(c)	Time horizon specification	See Table 1, in the 'Strategy' section
S2(d)	Time horizon definition	See Figure 2 in the 'Risk management' section
S3(a)	CROMP or alternative methodology	See page 6 of the 'Risk management' section
S4(a)	Current and anticipated effects (operational model)	See Table 1, in the 'Strategy' section
S4(b)	Concentration of effects (operational model)	See page 12 of the 'Strategy' section
S5(a)	Current and anticipated effects (public policy)	See Table 1, in the 'Strategy' section

Core requirement	Overview	Location
S5(b)	Concentration of effects (public policy)	See page 12 of the 'Strategy' section
S5(c)	Exemptions for impracticality	As stated in the 'Risk management' section, EFA has used all reasonable and supportable information that is available to report on the effects of climate-related risks and opportunities on operations and public policy delivery
S6(a)	Response to climate-related risks and opportunities (strategy and decision-making effects)	See Table 1, in the 'Strategy' section and page 16 of the 'Metrics and targets' section
S6(c)	Transition plan and/or emissions reduction plan	See Table 5 in the 'Metrics and targets' section
S14(a)	Climate-related scenario analysis	See paragraph 3.1.e in the 'Risk management' section
R1(a)i	Risk assessment inputs and parameters	See the 'Risk management' section
R1(a)ii	Nature, likelihood and magnitude of effects	See the 'Risk management' section
R1(a)iii	Prioritising climate-related risks	See the 'Risk management' section
R1(a)iv	Managing climate-related risks	See the 'Risk management' section
R1(a)v	Monitoring climate-related risks	See the 'Risk management' section
R1(a)vi	Changes to risk management processes	See the 'Risk management' section
R1(b)	Risk management processes	See the 'Risk management' section
R1(c)	Integration of processes	See the 'Risk management' section
R2a	CROMP	See the 'Risk management' section
M1	Information on greenhouse gases (GHGs)	Achieved through M2, M3 and M5-9
M2	Cross-industry metrics	Optional requirement not disclosed
M3	Climate-related metrics	See page 14 of the 'Metrics and targets' section
M5a	Metrics used to set climate-related targets	See Appendix A

Core requirement	Overview	Location
M5b	Objectives of climate-related targets	See Appendix A
M5c	Business area that the climate-related targets apply to	See Appendix A
M5d	Period over which the climate-related target applies	See Appendix A
M5e	Base period from which the progress on climate-related targets is measured	See Appendix A
M5f	Milestones or interim climate-related targets	See Appendix A
M5g	Whether quantitative targets are absolute or intensity targets	See Appendix A
M5h	International agreement has informed climate-related targets	See Appendix A
M6	Approach to reviewing and monitoring targets	See the 'Governance' section, and Appendix A
M7	Progress against targets	See Table 6 in the 'Metrics and targets' section
M8a	GHG emissions covered in GHG emissions targets	See Appendix A
M8b	Specification of Scope 1, 2 or 3 emissions for GHG emissions targets	See the 'Metrics and targets' section, and Appendix A
M8c	Specification of gross or net target	See the 'Metrics and targets' section, and Appendix A
M8d	Sectoral decarbonisation approach used for the GHG emissions target	See Appendix A
M9	Voluntary and obligatory targets	Not applicable

Appendix C: Financed emissions disclosure

This report discloses our financed emissions, including those associated with our customers' activities, to ensure we remain aligned with good international industry practices. The report also supports our future disclosure obligations under the Commonwealth Climate Disclosure (CCD) policy.

We expect reporting of financed emissions to become a core part of our climate disclosure, in line with the proposed CCD requirements. This will provide greater transparency, accountability and credibility in the way climate risks are managed across our organisation.

Scope of our financed emissions report

Our financed emissions disclosure has been guided by the second 2022 edition of The Global GHG Accounting and Reporting Standard for the Financial Industry, Part A: Financed Emissions, developed by the Partnership for Carbon Accounting Financials (PCAF) (the PCAF standard). This is a voluntary standard that supports organisations to calculate Scope 3 Category 15 (investment activity) emissions.

We have used the PCAF standard to establish harmonised, transparent and consistent methodologies for measuring and reporting financed emissions of asset classes relevant to our financial products.

We have assessed and reported the following scope of emissions from the activities of customers we supported.

- Scope 1 emissions: Direct emissions resulting from customers' activities, typically as a result of fuel use, industrial processes, fugitive emissions and waste management operations. These emissions occur at facilities and operations controlled by our customers.
- Scope 2 emissions: Indirect emissions from customers' activities, resulting from their use of purchased energy, mainly electricity. These emissions are produced elsewhere, at power stations operated and controlled by others.

For this reporting year, we focused only on Scope 1 and 2 emissions, consistent with the emissions data our customers provided. Over time, the scope of our disclosure will evolve in line with our future CCD obligations.

CCD does not currently provide specific requirements for the disclosure of insurance- and derivative-related financed emissions. In determining the scope of this disclosure, we considered the Australian Sustainability Reporting Standard, Climate-related Disclosures (**AASB S2**), from which the CCD requirements are derived. AASB S2 paragraph BC58 indicates that financed emissions associated with derivatives are not required to be disclosed and that insurance-related financed emissions are limited to insurers' investment assets rather than underwriting activities. On this basis, insurance- and derivative-related exposures were not included in our financed emissions calculations.

Asset classes reported

The PCAF standard provides detailed methods for measuring and disclosing GHG emissions for 7 defined financial institution asset classes.

We assessed the range of financial solutions offered to our customers against the PCAF standard's asset class definitions to identify the most suitable asset classes for each of our financial products. This assessment identified 2 asset classes that were most relevant to the financial solutions we offer: project finance, and business loans and unlisted equity.

Emissions from on-balance-sheet and off-balance-sheet transactions

The PCAF standard only requires reporting on financed emissions from on-balance-sheet assets; however, we have taken a conservative approach and opted to also include our off-balance-sheet assets. Our off-balance-sheet assets are considered material in terms of our financial exposure and the carbon emissions our financed activities enabled.

15 per cent of our total financed emissions comprised off-balance-sheet transactions.

Reporting period

We calculate our financed emissions at a fixed point in time, consistent with our financial accounting period. Accordingly, our financed emissions disclosure focuses on the 2025–26 financial year. Generally, we calculated financed emissions for our lending and other financial product exposures as at 30 June 2026.

In cases where our customers' annual reporting periods did not align with our fiscal year (for example, when customers report on a calendar-year basis), we used their best available data to estimate financed emissions.

Independent advice

EY Australia was engaged as advisor to provide guidance on our financed emissions disclosure process. The scope of this engagement included providing recommendations to consider the quality, efficiency and transparency of our systems and processes.

How we measure our financed emissions

Approach to calculating our financed emissions

To account for the climate impact in the real economy (that is, the emissions-generating activities that our loans and other financial products have enabled), we sought to apply the 'follow the money' principle for GHG accounting of our financial assets.

We used this principle to inform our selection of the sector and regional emissions factors used in our calculations. This means we have opted to use the attributes of the underlying activity we have supported in each case (that is, each sector and region), where it is practical to do so.

Consistent with the PCAF standard, we estimated our share of customers' financed emissions based on the proportional share of the outstanding exposure of our loans and financial products.

TABLE 7 sets out the financed emissions calculation methods we adopted.

TABLE 7: Data quality scores and financed emissions calculation methods used.

Data quality score	Availability of customer emissions data	Customer Financial Data	Financed emissions calculation for business loans and project finance
1	Yes, verified emissions data available	Balance sheet data	$\frac{\text{Outstanding amount}}{\text{Total debt} + \text{equity}} \quad * \text{ Verified emissions}$

2	Yes, verified emissions data available	Balance sheet data	$\frac{\text{Outstanding amount}}{\text{Total debt + equity}} * \text{Unverified emissions}$
3	No, estimated using industry- and region- specific environmentally extended input output data	Balance sheet data + Revenue	$\frac{\text{Outstanding amount}}{\text{Total debt + equity}} * \text{Revenue} * \frac{\text{Sector GHG emissions}}{\text{Sector Revenue}}$
4	No, estimated using industry- and region- specific environmentally extended input output data	Not applicable	$\text{Outstanding amount} * \text{Sector asset turnover ratio} * \frac{\text{Sector GHG emissions}}{\text{Sector Revenue}}$

Data quality

For each asset class, PCAF defines 5 levels of data quality, ranked from DQ1 (the highest) to DQ5 (the lowest), based on the calculation approach used.

We can achieve the highest data quality (DQ1 and DQ2) when customers disclose their emissions to us. Lower data quality occurs where we estimate our customers' emissions using relevant region and industry-specific emissions factors.

For transactions where our customers do not report their emissions, we aimed to use the calculation approach consistent with DQ5. The aim was to adopt an approach that provides more complete reporting of our financed emissions, but is also proportionate to the climate impacts of individual disclosures. Where this approach was not possible, we used data for the calculation approach consistent with DQ4.

For customers who are not required to report their emissions, we estimated their emissions based on region- and sector-specific average emissions factors derived from environmentally extended input-output (EEIO) models from acknowledged data sources, consistent with the PCAF standard. The EEIO models allowed us to estimate emissions from activities we supported in a given region. The PCAF standard supports this approach, though it is considered less accurate because it is based on average regional sector-based assumptions.

The dollar-weighted average data quality score for our financed emissions is 4.3.

Based on transaction contributions to our total portfolio exposure, the percentage of emissions compared to the data quality score was as follows:

- 14 per cent of our total financed emissions had the highest data quality (DQ1), where our customers gave us their balance sheet data to determine their total equity and debt, and reported their verified total emissions
- 19 per cent of our total financed emissions had the second-highest data quality (DQ2), where our customers gave us their balance sheet data to determine their total equity and debt, and reported their unverified total emissions

- 67 per cent of our total financed emissions had lower data quality (DQ4 or DQ5), where our customers did not measure and report their emissions.

Financed emissions profile

We measure and report our financed emissions separately for our Commercial Account and National Interest Account.

TABLE 8: Financed emissions of our asset classes

Asset Class ¹	Scope 1 (t CO ₂ -e) ²	Scope 2 (t CO ₂ -e)	Scope 1 + 2 (t CO ₂ -e)	Data quality score (AVG) ³	Emissions intensity (t CO ₂ -e/\$m)	\$m Exposure ⁴	% of total Exposure
Commercial Account							
Business Loan	30,393.72	10,637.82	41,031.54	4.94	40.55	\$1,011.81	14.28%
Project Finance	151,972.50	9,988.94	161,961.44	4.88	84.95	\$1,906.53	26.90%
SUB-TOTAL	182,366.22	20,626.76	202,992.98	4.90	69.56	\$2,918.34	41.18%
National Interest Account							
Business Loan	20,014.49	17,523.23	37,537.72	5	13.86	\$2,708.64	38.22%
Equity	10,681.01	4,953.40	15,634.41	5	56.92	\$274.67	3.88%
Project Finance	27,576.15	13,600.56	41,176.71	4.88	27.56	\$1,185.29	16.72%
SUB-TOTAL	58,271.65	36,077.20	94,348.85	4.96	34.74	\$4,168.59	58.82%
TOTAL	240,637.87	56,703.96	297,341.83	4.90	41.96	\$7,086.94	100.00%

¹ Insurance products are excluded from disclosure for this reporting period, but we will consider these in future disclosures when doing so aligns with our CCD obligations.

² One of our customers disclosed an aggregate Scope 1 and 2 figure only. In the absence of a split, we have assigned the full amount to the Scope 1 column.

³ The data quality scores represent the average data quality score for each transaction within the nominated asset class.

⁴ In some cases, the Exposure values we used to calculate the emissions are aligned to the financial reporting periods of our customers. This reporting differs from our portfolio exposure reported in our Annual Report, which reflects exposure values as of 30 June 2026.

We also consolidated and reported emissions by industry sector to help us understand how various industries that we support contribute to our financed emissions.

TABLE 9: Financed emissions of export industry sectors we supported

Industry Sector ¹	Scope 1 (t CO ₂ -e) ²	Scope 2 (t CO ₂ -e)	Scope 1 + 2 (t CO ₂ -e)	Data quality score (AVG) ³	Emissions intensity (t CO ₂ -e/\$m)	\$m Exposure ⁴	% of total Exposure
Commercial Account							
Manufacturing	86,498.92	11,738.65	98,237.58	4.65	169.58	\$579.3	8.17%
Utilities	51,675.12	223.82	51,898.94	3.75	50.40	\$1,029.8	14.53%
Mining, Quarrying, and Oil and Gas Extraction	29,003.94	2,836.20	31,840.14	4.77	65.69	\$484.7	6.84%
Wholesale Trade	6,405.55	3,037.76	9,443.31	5.00	39.91	\$236.6	3.34%
Transportation and Warehousing	4,760.10	490.90	5,251.00	5.00	36.68	\$143.2	2.02%
Construction	3,503.70	1,440.83	4,944.53	5.00	23.75	\$208.2	2.94%

Professional, Scientific, and Technical Services	124.16	538.96	663.12	5.00	17.46	\$38.0	0.54%
Information Media and Telecommunications	124.08	236.05	360.13	5.00	12.35	\$29.2	0.41%
Agriculture, Forestry, Fishing and Hunting	225.55	47.24	272.79	5.00	42.60	\$6.4	0.09%
Sovereign	30.45	18.14	48.59	5.00	0.30	\$162.0	2.29%
Retail Trade	14.46	17.49	31.94	5.00	31.79	\$1.0	0.01%
Accommodation and Food Services	0.11	0.36	0.48	5.00	22.07	\$0.02	0.00%
Educational Services	0.08	0.37	0.45	5.00	12.73	\$0.04	0.00%
SUB-TOTAL	182,366.22	20,626.76	202,992.98	4.90	69.56	\$2,918.34	41.18%

National Interest Account

Mining, Quarrying, and Oil and Gas Extraction	22,682.84	11,368.25	34,051.09	5.00	37.94	\$897.5	12.66%
Information Media and Telecommunications	17,704.67	15,730.69	33,435.36	5.00	13.50	\$2,476.4	34.94%
Manufacturing	7,202.41	4,597.80	11,800.21	5.00	155.47	\$75.9	1.07%
Construction	2,880.53	1,635.90	4,516.44	5.00	27.94	\$161.7	2.28%
Transportation and Warehousing	2,904.17	663.73	3,567.90	5.00	21.82	\$163.5	2.31%
Utilities	2,941.93	-	2,941.93	4.67	61.38	\$47.9	0.68%
Retail Trade	1,264.87	1,604.72	2,869.59	5.00	57.19	\$50.2	0.71%
Professional, Scientific, and Technical Services	667.47	461.16	1,128.63	5.00	6.20	\$182.0	2.57%
Sovereign	22.76	14.93	37.69	5.00	0.33	\$113.6	1.60%
SUB-TOTAL	58,271.65	36,077.20	94,348.85	4.96	34.74	\$4,168.59	58.82%
TOTAL	240,637.87	56,703.96	297,341.83	4.90	41.96	\$7,086.94	100.00%

¹Exposure by industry sector for the purpose of financed emissions reporting is based on the emissions-generating activities enabled by our finance (pursuant to the 'follow the money' principle). This reporting differs from exposure by industry sector in our Annual Report, which is based on the industry risk from a credit standpoint.

² One of our customers disclosed an aggregate Scope 1 and 2 figure only. In the absence of a split, we have assigned the full amount to the Scope 1 column.

³The data quality scores represent the average data quality score for each transaction within the nominated sector.

⁴ In some cases, the Exposure values we used to calculate the emissions are aligned to the financial reporting periods of our customers. This reporting differs from our portfolio exposure reported in our Annual Report, which reflects the exposure values as at 30 June 2026.



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