



Independent Reasonable and Limited Assurance Report to the Directors of ANZ

Conclusions

a) Global GHG Emissions (Scope 1 and 2) – reasonable assurance

In our opinion, in all material respects, ANZ's reported Global GHG Emissions (Scope 1 and 2) has been prepared in accordance with the WRI/WBCSD *The GHG Protocol Corporate Accounting and Reporting Standard* and the [ANZ Greenhouse Gas Reporting and Carbon Offset Guidelines](#) for the year end 30 June 2018.

b) Global GHG Emissions (Scope 3) – limited assurance

Based on the evidence we obtained from the procedures performed, we are not aware of any material misstatements in ANZ's reported Global GHG Emissions (Scope 3), which has been prepared in accordance with the WRI/WBCSD *The GHG Protocol Corporate Accounting and Reporting Standard* and the [ANZ Greenhouse Gas Reporting and Carbon Offset Guidelines](#) for the year end 30 June 2018.

c) Global GHG Emissions and Carbon Offset Data – limited assurance

Based on the evidence we obtained from the procedures performed, we are not aware of any material misstatements in ANZ's reported Global GHG Emissions (Scope 1, 2 and 3) and Carbon Offset Data, which has been prepared in accordance with the [ANZ Greenhouse Gas Reporting and Carbon Offset Guidelines](#) for the year end 30 June 2018.

Assured Global GHG Emissions and Carbon Offset Data

The Assured Global Greenhouse Gas ('GHG') Emissions and Carbon Offset Data, which has been prepared by Australia and New Zealand Banking Group Limited ('ANZ'), comprises the following:

Assured Global GHG Emissions and Carbon Offset Data	Data for year end 30 June 2018	Level of assurance
a) Global GHG Emissions (Scope 1 and 2)	171,012 tCO ₂ -e	Reasonable assurance
b) Global GHG Emissions (Scope 3)	95,893 tCO ₂ -e	Limited assurance
c) Global GHG Emissions and Carbon Offset Data:		Limited assurance
• Global GHG Emissions (Scope 1, 2 and 3)	266,905 tCO ₂ -e	
• Quantity of carbon offsets purchased, retired and allocated	270,281 tCO ₂ -e	

The Assured Global GHG Emissions and Carbon Offset Data will be disclosed in the 2018 ANZ Sustainability Review, available in December on ANZ's website anz.com/cs.

Criteria Used as the Basis of Reporting

The criteria is the World Resources Institute/World Business Council for Sustainable Development (WRI/WBCSD) *The GHG Protocol Corporate Accounting and Reporting Standard* and Management's Basis of Reporting, being the [ANZ Greenhouse Gas Reporting and Carbon Offset Guidelines](#).

Basis for our Conclusion

We conducted our work in accordance with International Standard on Assurance Engagements ISAE 3000 and ISAE 3410 ('the Standards'). We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.



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 reasonable and limited assurance that the Assured GHG Emissions and Offset Data 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 a conclusion on their effectiveness; and
- ensured that the engagement team possesses the appropriate knowledge, skills and professional competencies.

Summary of Reasonable and Limited Assurance Procedures Performed

a) Global GHG Emissions (Scope 1 and 2) – reasonable assurance:

- interviews with senior management and relevant staff
- evaluation of the design and implementation of the key systems, processes and controls for collecting, managing and reporting the GHG emissions data
- assessment of operational control and reporting boundaries
- detailed analytical procedures
- agreeing all significant GHG emissions to relevant underlying sources. This included testing a sample of Scope 1 natural gas and Scope 2 electricity transactions back to underlying invoices
- assessing emission factor sources and re-performing emission factor calculations

b) Global GHG Emissions (Scope 3) and; c) Global GHG Emissions and Carbon Offset Data – limited assurance:

- interviews with senior management and relevant staff
- understanding the key systems, processes and controls for collecting, managing and reporting of Global GHG Emissions and Offset Data
- walkthroughs of key data sets
- detailed analytical procedures
- agreeing Global GHG Emissions to relevant underlying sources on a sample basis
- assessing emission factor sources and re-performing emission factor calculations
- agreeing Carbon Offset project data (tCO₂e) to external offset brokerage system and offset registry

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.
- 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 for the Directors of ANZ for the purpose of providing an assurance conclusion on the Assured GHG Emissions and Offset Data and 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 that the criteria is appropriate to meet their needs;
- preparing and presenting the Assured GHG Emissions and Offset Data in accordance with the criteria; and
- establishing internal controls that enable the preparation and presentation of the Assured GHG Emissions and Offset Data that is free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to perform a reasonable and limited assurance engagement in relation to the Assured GHG Emissions and Offset Data for the year end 30 June 2018, and to issue an assurance report that includes our conclusion.

Our Independence and Quality Control

We have complied with our independence and other relevant ethical requirements of the *Code of Ethics for Professional Accountants* issued by the Australian Professional and Ethical Standards Board, and complied with the applicable requirements of Australian Standard on Quality Control 1 to maintain a comprehensive system of quality control.

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Melbourne

26 October 2018