

## HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

### REVIEW OF THE FOUR MAJOR BANKS (SECOND REPORT)

#### Westpac

**Westpac29QW:** What does the bank consider to be the a) optimum and b) likely fossil fuel reduction pathways to meet the two degree limit?

**Answer:** Our scenario analysis focused on three plausible pathways to a net zero emission economy in 2050, based on different approaches to global cooperation and timing of action.

Each of the three scenarios included assumptions for technological, social, economic and environmental factors, drawing from a broad base of existing research, including regarding carbon pricing.

Each scenario we tested is both possible and results in a net zero emissions economy by 2050. Whilst some outcomes differ between each scenario, our overall observations were published in detail our 2016 Sustainability Performance Report ([https://2016annualreport.westpacgroup.com.au/assets/Westpac\\_Sustainability\\_Report\\_2016.pdf](https://2016annualreport.westpacgroup.com.au/assets/Westpac_Sustainability_Report_2016.pdf), pp 52-3)

The intention is not to pick one more likely or preferable scenario but to have multiple scenarios that represent a range of possible outcomes. As such we will look to update this research, and we will continue to strengthen our approach as science, technology and policy develops.