

## HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

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

#### Westpac

**Westpac33QW:** Further to your recent evidence to the committee regarding the bank's assessment of climate risks, can you please outline the scope, content and result of any analysis that the bank has conducted on the current and future physical risks of climate change to the bank's loan book, including regarding:

- (a) Mortgage lending;
- (b) Lending in the agricultural sector; or
- (c) Lending to infrastructure projects?

**Answer:** Westpac has been disclosing our approach and exposure to climate-change for a number of years.

This includes through our annual report, annual sustainability report and our disclosure to CDP (formally Climate Disclosure Project). In 2016 Westpac was recognised in the CDP Climate A list, reflecting the Group's achievement of the highest possible CDP score for its response to climate change. This puts Westpac among the top 9 percent of companies globally to receive this recognition.

Based on our research, including the scenario analysis conducted in 2016, we currently believe that our exposure to climate-related risks is appropriate, but we will continue to review and refine our policies as the regulation, technology and science develop.

We would encourage other companies to assess the impacts of a two degree economy on their own businesses.