

Accompanying notes to environmental performance report

Organisational reporting boundaries: ANZ reports its environmental performance based on the facilities that it occupies. ANZ's Environmental Sustainability team is in the process of conducting a detailed analysis of ANZ's Australian reporting boundaries, in line with the Australian Government National Greenhouse and Energy Reporting System (NGERS). If there are any changes to ANZ's reporting boundaries, it will restate all environmental performance results that are affected.

Reporting scope: ANZ measures and reports its environmental performance from its operations in Australia, New Zealand and India. With the exception of water and average daily waste (details below), ANZ's environmental reporting represents between 86% and 90% of its global operations. ANZ's scope of reporting, calculated in September 2009, was calculated based on headcount within the reporting sample, as a percentage of ANZ's global headcount.

Fulltime Equivalent Staff Numbers: ANZ has restated the New Zealand FTEs for 2008 from 9,519 to 9,520 FTE to reflect a minor increase in staff numbers which was captured after the 2008 report was produced.

FTE numbers in India were unavailable from November 2008 to May 2009 while staff members were moving into a new office. FTE numbers for the period have been estimated using figures from October 2008.

Occupied Building Space: ANZ has restated the New Zealand Occupied Building Space for 2008 from 238,665 to 238,715 m² to reflect changes in occupied building space which were not captured by Property Services Group until after the 2008 report was produced.

Electricity and gas consumption: Electricity and gas consumption contains a small amount of estimation (less than 1%) to account for bills that were not available at time of reporting. Figures are restated to remove estimation when bills become available.

ANZ has restated Australian 2008 electricity consumption include an extra 18 MWh. This change (0.01%) is to include electricity generated from the solar panels at ANZ's data centre.

ANZ has restated New Zealand electricity and natural gas consumption to remove estimations which were used until the actual invoices became available.

For each year within ANZ's reporting sample, except for 2008, 65% of ANZ's electricity consumption in New Zealand is derived from renewable generation sources, predominantly hydro. This is reflected in the conversion factor used in calculating greenhouse gas emissions from electricity.

ANZ New Zealand has restated the 'Renewable electricity' percentage for 2008 from 65% to 67% based on the revised renewable electricity percentage published by The New Zealand Energy Efficiency and Conservation Strategy by MED and EECA.

Non-premises energy (fleet road transport): In 2008 ANZ changed its methodology for calculating Australian non-premises energy. The calculation is now based on fuel consumption, not kilometres travelled. This change has impacted figures back to 2007.

ANZ has restated Australian non-premises energy figures from 2005 to 2008 to include an extra 211 MWh. This change (0.5%) is to correct for a manual reporting error and to include reporting which is now available for ANZ's shuttle bus.

ANZ has restated New Zealand non-premises energy figures from 2006 to 2008 based on improved vendor reporting, which now includes UDC NZ and EFTPOS fuel usage and travel distances, which were previously unavailable. Tool of trade fleet road transport includes both business and personal usage.

Road transport: New Zealand road transport figures have been restated to include UDC and EFTPOS distances for 2008 and 2007.

ANZ has restated Australian road transport figures from 2005 to 2008 to include an extra 97,890 kms. This change (0.1%) is to include reporting which is now available for ANZ's shuttle bus.

Air travel: Due to limitations in supplier reporting, a small number of ANZ's Australian air travel records are duplicated. This may mean that Australian air travel figures are overstated by up to 1%.

In calculating New Zealand's greenhouse gas emissions, international air travel has been broken out into short-haul (less than 3,700 kms) and long-haul (more than 3,700 kms) back to October 2005 in line with Ministry for the Environment recommendations. This recalculation has caused some upward 'rounding' of decimal places which has resulted in an additional 2kms being reported for 2008.

Total paper consumed: ANZ has restated Australian Paper % Recycled content from 2006 to 2008 to correct for a reporting error. This reduction (average 8 percentage points) is due to a limitation in supplier reporting that prohibits the reporting of exact tonnes of recycled source material. ANZ has taken the conservative step of restating its figures to report the estimated 'minimum amount' of recycled content.

ANZ has restated New Zealand % FSC chain of custody certified paper, % recycled content and %ECF/TCF for 2006, 2007 and 2008. Discussions with key suppliers identified incorrect assumptions had been made regarding ANZ's usage. ANZ has taken the conservative step of restating its figures to report the estimated 'minimum amount' of recycled content. ANZ in New Zealand is working with suppliers and sub-contractors to get them to validate paper usage and compliance through the total supply chain.

Total water consumed from 12 key sites: ANZ captures Australian water consumption from a sample of 12 key sites. The sample includes major commercial sites in Victoria, New South Wales and Queensland, as well as ANZ's Australian data centres.

These sites were selected to cover the largest proportion of ANZ's Australian headcount as economically feasible. As at September 2009, ANZ's headcount at the sample sites equalled approximately 38% of ANZ's Australian headcount and 24% ANZ's global headcount.

Water information from a second water meter at one of ANZ's Victorian sites and the entirety of a second site is only available from Q4 2005.

In 2008, all Australian water consumption back to 2005 was restated to include two extra sites in the reporting sample.

Total paper and cardboard recycled: Total Paper Recycled in New Zealand includes ANZ National Bank volumes from May 2008.

ANZ has restated New Zealand total paper and cardboard recycled for 2007 from 625 tonnes to 598 tonnes and 2006 from 582 tonnes to 579 tonnes to correct a manual reporting error.

Total other recycled: 'Total other recycled' reporting was introduced in Q3 2006.

ANZ has restated its 'Total other recycled' figures for 2008 to include eWaste figures (36 tonnes), which is now available.

Average daily waste from 10 key sites: ANZ captures average daily waste from a sample of 10 key sites. The sample includes major commercial sites in Victoria and New South Wales, a data centre and a branch.

These sites were selected to cover a diverse range of facilities and the largest proportion of ANZ's Australian headcount as economically feasible. As at September 2009, ANZ's headcount at the sample waste sites equalled approximately 36% of ANZ's Australian headcount and 22% ANZ's global headcount.

Greenhouse gas emissions (GHG): Diesel consumption for ANZ's data centres (ANZ's two largest sites in Australia) is only available from June 2007.

ANZ has restated its Scope 1 and Scope 3 Australian greenhouse gas emissions in 2007 and 2008. This 547 tonne CO₂-e reduction (0.15%) is to correct for a manual reporting error.

Australian gas figures reported under Scope 1 for 2005 are calculated using the 'full fuel cycle' emission factors.

Australian electricity figures reported under Scope 2 for 2005 are calculated using the 'full fuel cycle' emission factors.

To calculate the 2009 GHG emissions from air travel, ANZ uses conversion factors from the World Resources Institute (2008), GHG Protocol tool for mobile combustion. Version 2.0.

ANZ cannot break down air travel by 'short, medium and long haul' prior to January 2007. In such cases, ANZ has assumed that domestic travel was 'medium haul' and international travel was 'long haul'."

New Zealand greenhouse gas emissions have been restated back to 2005, where applicable, to take into account the most recent emission factors published by the Ministry for the Environment and the additional emissions generated through the reporting of additional vehicles within UDC and EFTPOS.

2009 New Zealand emission factors will be restated, where applicable once the June 2009 emission factors have been retrospectively published by the Ministry for the Environment.

GHG emissions from Road Transport in India have been added to Scope 1 as leased buses are used exclusively by ANZ for staff transportation.

ANZ's Indian GHG emissions from Road Transport for 2008 were calculated based on litres of fuel consumed. The resulting GHG emissions are based on mileage estimates for the different vehicles used.