

REPORT REVIEW

Australian Government 2025 Green Treasury Bond Allocation and Impact Report

24 January 2025

VERIFICATION PARAMETERS

Type(s) of reporting

- Green Treasury Bond Allocation and Impact Report

Relevant standard(s)

- Harmonised Framework for Impact Reporting, ICMA, June 2024
- Australian Government Green Bond Framework (as of Dec. 5, 2023)
- Australian Government 2025 Green Treasury Bond Allocation and Impact Report (as of Feb. 13, 2025)

Scope of verification

- Bond(s) identification:

Issue date	ISIN	Maturity date	Amount raised (AUD)
Jun 4, 2024	AU3TB0000200	Jun 21, 2034	7 billion

Lifecycle

- Post-issuance verification

Validity

- As long as no changes are undertaken by the Issuer to its Green Treasury Bond Allocation and Impact Report (as of Feb. 13, 2025)

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SCOPE OF WORK

The Australian Government (“the Issuer”) commissioned ISS-Corporate to provide a Report Review¹ on its Green Treasury Bond Allocation and Impact Report by assessing:

- The alignment of the Australian Government Green Treasury Bond Allocation and Impact Report (as of Feb. 13, 2025) with the commitments set forth in the Australian Government Green Bond Framework (as of Dec. 5, 2023).²
- The Australian Government Green Treasury Bond Allocation and Impact Report, benchmarked against the Harmonised Framework for Impact Reporting (HFIR), as administered by the International Capital Market Association (ICMA), as of June 2024.
- The disclosure of proceeds allocation and soundness of reporting indicators — whether the impact metrics align with best market practices and are relevant to the Green Treasury Bond issued.

¹ A limited or reasonable assurance is not provided on the information presented in the Australian Government’s Green Treasury Bond Allocation and Impact Annual Report. A review of the use of proceeds allocation and impact reporting is solely conducted against the core principles and recommendations of ICMA’s standards (Green Bond Principles) where applicable, and the criteria outlined in the underlying Framework. The assessment is solely based on the information provided in the allocation and impact reporting. The Issuer is responsible for the preparation of the report, including the application of methods and internal control procedures designed to ensure that the subject matter is free from material misstatement.

² The Framework was assessed as aligned with the Green Bond Principles by an external reviewer as of December 2023.

ASSESSMENT SUMMARY

REVIEW SECTION	SUMMARY	EVALUATION
Part I Alignment with the Issuer's commitments set forth in the Framework	<p>The Australian Government 2025 Green Treasury Bond Allocation and Impact Report meets the commitments set forth in the Australian Government Green Bond Framework.</p>	Aligned
Part II Alignment with the Harmonised Framework for Impact Reporting	<p>The Australian Government 2025 Green Treasury Bond Allocation and Impact Annual Report is in line with the HFIR. The Issuer follows core principles and, where applicable, recommendations.</p> <p>The Australian Government adhered to the core principles by generally reporting the allocation from Green Treasury Bonds annually, illustrating the environmental impacts generated by Green Treasury Bonds and the ESG risk management process, and disclosing the currency associated with the allocation of Green Treasury Bond proceeds.</p>	Aligned
Part III Disclosure of proceeds allocation and soundness of reporting indicators	<p>The allocation of Green Treasury Bond proceeds has been disclosed, with a detailed breakdown across different eligible project categories as proposed in the Framework.³</p> <p>The Australian Government Green Treasury Bond Allocation and Impact Report has adopted an appropriate methodology to report the outcome and impact generated by providing comprehensive disclosure on data sourcing, calculation methodologies and granularity, reflecting best market practices.</p>	Positive

³ The assessment is based on the information provided in the Issuer's report. The Issuer is responsible for the preparation of the report, including the application of methods and procedures designed to ensure that the subject matter is free from material misstatement.

REPORT REVIEW ASSESSMENT

PART I: ALIGNMENT WITH COMMITMENTS SET FORTH IN THE AUSTRALIAN GOVERNMENT GREEN BOND FRAMEWORK

The following table evaluates the Australian Government Green Treasury Bond Allocation and Impact Report against the commitments set forth in the Issuer's Framework, which are based on the core requirements of the Green Bond Principles and best market practices.

GBP	OPINION	ALIGNMENT WITH COMMITMENT
<p>Process for project evaluation and selection</p>	<p>The Australian Government confirms to follow the process for project evaluation and selection described in its Green Bond Framework. The Issuer applied the eligibility criteria set in the Framework to determine whether projects fit within the defined categories.</p> <p>ESG risks associated with the project categories are identified and managed appropriately, as defined in the Framework.</p>	<p>✓</p>
<p>Management of proceeds</p>	<p>The Australian Government confirms to follow the management of proceeds described in its Green Bond Framework.</p> <p>The proceeds collected are greater than the amount allocated to eligible projects in the reporting period. Unallocated proceeds will be allocated in future years, consistent with the Green Bond Framework, with no exceptions. The proceeds are tracked appropriately and attested in a formal internal process. Moreover, the Issuer discloses the temporary investment instruments for unallocated proceeds.</p> <p>The proceeds from the Australian Government's first Green Treasury Bond issuance totaled AUD 6,968.9 million, as outlined in Table 3.1. No other Green Treasury Bonds were issued in 2023-24. 78% of proceeds have been allocated to expenditures in 2022-23 and 2023-24. The remaining AUD 1,559.7</p>	<p>✓</p>

GBP	OPINION	ALIGNMENT WITH COMMITMENT
	million of proceeds will be allocated in the next two years.	
Reporting	<p>The report is in line with the initial commitments set in the Australian Government Green Bond Framework.</p> <p><i>Further analysis of this section is available in Part III of this report.</i></p>	

PART II: ASSESSMENT AGAINST THE HARMONISED FRAMEWORK FOR IMPACT REPORTING

Reporting is a core component of the Green Bond Principles and transparency is of particular value in communicating the expected and/or achieved impact of projects in the form of annual reporting. Green bond issuers are required to report on both the use of green bond proceeds and the environmental impacts at least annually until full allocation or maturity of the bond. The HFIR has been chosen as the benchmark for this analysis as it represents the most widely adopted standard.

The table below evaluates the Australian Government Green Treasury Bond Allocation and Impact Report against the HFIR.


CORE PRINCIPLES		
ICMA HFIR	AUSTRALIAN GOVERNMENT	ASSESSMENT
Report on an annual basis	As reporting is a core component of the Green Bond Principles, the Australian Government reports within one year of issuance and thereafter within one year from the last report. The report will be available on the Australian Office of Financial Management's website .	✓
Formal internal process to allocate proceeds	The proceeds that have been allocated to green projects as of the date of the Australian Government Green Treasury Bond Allocation and Impact Report have only been allocated to green projects that meet the eligibility criteria stated in the Framework. The Issuer confirms that the allocation reporting in this report was subject to a limited assurance by the Australian National Audit Office.	✓
Transparency on the currency	Allocated proceeds have been reported in a single currency, Australian dollars.	✓
ESG risk management	The Issuer has a system in place to identify and manage ESG risks connected to the projects financed. Material risks of projects are reported.	✓

<p>Illustrate the expected environmental impacts and outputs</p>	<p>The impact reporting illustrates the expected environmental impacts and outputs made possible by projects to which Green Treasury Bond proceeds have been allocated. In many cases, it is based on ex-ante estimates (developed prior to project implementation) of expected annual results for a representative year once a project is completed and operating at normal capacity. The method of estimating GHG impacts is made transparent. Meanwhile, some impacts and outputs are based on the actual records and measures.</p> <p>More information can be found in Part III.</p>	<p>✓</p>
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RECOMMENDATIONS

ICMA HFIR	AUSTRALIAN GOVERNMENT	ASSESSMENT
<p>Report at project or portfolio level</p>	<p>The reporting was done on a Green Treasury Bond portfolio basis, in which the proceeds of all outstanding Australian Government Green Treasury Bonds fund a portfolio of projects. Additionally, the Issuer also makes detailed reports on the project level for proceeds allocation and the impact performance, starting from Chapter 5.</p>	<p>✓</p>
<p>Define and disclose period and process for including/removing projects in the report</p>	<p>Of the AUD 6,968.9 million raised, AUD 2,487.2 million was allocated to Eligible Green Expenditures in 2022–23, and AUD 2,922.0 million was allocated to expenditures in 2023–24. These allocations cover 13 Eligible Green Expenditures across the financial years 2022–23 and 2023–24, accompanied by impact data.</p> <p>The Issuer makes available the project list on the Australian Office of Financial Management’s website. A pre-issuance review was undertaken when the Issuer added two projects in September 2024.</p>	<p>✓</p>
<p>Signed amount and amount of green bond proceeds</p>	<p>In Chapter 5 of its report, the Australian Government outlines the total signed amount of the project, the total government</p>	<p>✓</p>

<p>allocated to eligible disbursements</p>	<p>contribution and the allocation of Green Treasury Bond proceeds to each project. This is accompanied by a table specifying the years of disbursement to the reported eligible projects.</p>	
<p>Approach to impact reporting</p>	<p>The report aggregates project-by-project results, which can be pro-rated based on Green Treasury Bond contributions or Australian Government contributions as a proportion of the total lifetime cost of the project. However, due to timing differences in financing between the Australian Government and co-financiers, it is not possible to accurately attribute impacts solely to Green Treasury Bond financing.</p> <p>Also, the Issuer has indicated that if data is not available (by project or record) at this stage, they will report in future reports when the impacts are available.</p>	<p>✓</p>
<p>Report on at least a limited number of sector-specific core indicators</p>	<p>To facilitate comparison and benchmarking of project results, the Australian Government reports on sector-specific core indicators.</p> <p>The core indicators are:</p> <ul style="list-style-type: none"> ▪ Annual GHG emissions reduced/avoided (ktCO₂-e) ▪ Annual renewable electricity generation (GWh) ▪ New energy storage created (MW/MWh) ▪ Increase in network capacity (GW) ▪ Hydrogen produced annually (ktH₂) ▪ Capacity installed (MW/MWh) ▪ Number of community batteries deployed ▪ Number of projects funded ▪ Number of concessional loans financed ▪ Number of energy-efficient technologies financed ▪ Length of rail built or upgraded (km) ▪ Number of EV charging sites delivered 	<p>✓</p>

	<ul style="list-style-type: none"> ▪ Number of bilateral, regional and multilateral investments financed for environmental protection, biodiversity conservation and climate protections ▪ Number of grants made to community organizations ▪ Additions and improvements to, and management of, land used as koala habitat (ha) ▪ Number of koala population surveys conducted ▪ Per cent reduction of anthropogenic dissolved inorganic nitrogen load leaving Great Barrier Reef catchments ▪ Per cent reduction of anthropogenic fine sediment load leaving Greater Barrier Reef catchments ▪ Per cent reduction of anthropogenic particulate nitrogen load leaving Great Barrier Reef catchments ▪ Per cent reduction of anthropogenic particulate phosphorous load leaving Great Barrier Reef catchments ▪ Annual pesticide risk condition – Per cent of aquatic species unlikely to experience harmful effects from pesticides ▪ Per cent of grazing lands with greater than 70 per cent ground cover in the late dry season ▪ Water registered for environmental use (GL/y) ▪ Surface water registered to Commonwealth (GL/y) ▪ Per cent of surface water allocation (in Commonwealth accounts) forfeited 	
	<p>Most of the impact metrics indicators are commonly used standards, and the Issuer has provided some calculation methodologies,</p>	<p style="text-align: center;"></p>

<p>Disclose own methodologies, where there is no single commonly used standard</p>	<p>including the projected emission avoidance. (ktCO₂-e p.a.)</p> <p>The projected emissions avoided per annum are estimated lifetime greenhouse emissions avoided divided by the estimated number of operational years. Emission intensity factors, which estimate the tCO₂ avoided per GWh of renewable generation, are based on DCCEEW projections published in 2023 (Scope 2, “with additional measures” scenario). Emission intensity factors are available to 2035 only. Due to emission intensity factors not being available beyond 2035, the CEFC estimated emission intensity factors for 2036 onward by applying the average percentage decline in supplied emission intensity factors up to 2035.</p>	
<p>Disclosure of the conversion approach</p>	<p>The Issuer converts units reported for individual projects based on (a) standard conversion factor(s) and includes appropriate disclosure of the conversion approach in the report.</p>	<p>✓</p>
<p>Projects with partial eligibility</p>	<p>All projects are 100% eligible for financing.</p>	<p>N/A</p>
<p>Use (and disclosure) of the attribution approach</p>	<p>The impacts achieved by each financed project are aggregated under each of the Framework’s green goals. Additionally, the Issuer reports the projected or recorded impacts and outputs at the project level for more detailed insights.</p>	<p>✓</p>
<p>Ex-post verification of specific projects</p>	<p>The Issuer does not sample ex-post verification of specific projects.</p>	<p>N/A</p>
<p>Report the estimated lifetime results and/or project’s economic life (in years)</p>	<p>To illustrate the impact of the project over its lifetime, the Issuer reports on the estimated lifetime results or the project’s economic life (in years) for some projects.</p> <p>For example:</p> <p>Renewable Energy Investments projects: 20 years and from operation (25+ years)</p>	<p>✓</p>

OPINION

***The Australian Government** follows the HFIR's core principles and key recommendations. The Issuer provides transparency on the level and frequency of expected reporting, in line with best practices. The Australian Government has reported within the next fiscal year after issuance, illustrated the environmental impacts, and provided transparency on ESG risk management and transparency on the currency used.*

PART III: DISCLOSURE OF PROCEEDS ALLOCATION AND SOUNDNESS OF THE OUTPUT AND IMPACT REPORTING INDICATORS

Use of proceeds allocation

The use of proceeds allocation reporting puts the impacts into perspective based on the number of investments allocated to the respective use of proceeds categories.

The use of proceeds allocation reporting occurred within one year of issuance.

The Issuer also transparently disclosed the amount of unallocated proceeds and the temporary investments. The Issuer confirms that the remaining proceeds will be allocated within the next two years. Proceeds that have not been allocated have been managed in line with the Australian Office of Financial Management's liquidity management practices. Unallocated proceeds are deposited in an account at the Reserve Bank of Australia. The Australian Government adjusts the volume of Treasury Notes on the issue to manage the level of cash balances.

Proceeds allocated to eligible projects

The allocation of proceeds is broken down at the project category level, by type of project. The Issuer has provided details about the type of projects included in the portfolio such as co-financing arrangements of the projects, material risks related to project category where relevant, social co-benefit as a result of the projects financed (if any), and case studies where available.

The Australian Government confirms that no Eligible Green Expenditures were removed from the allocation register.

The allocation reporting section of the Australian Government 2025 Green Treasury Bond Allocation and Impact Report aligns with best market practices by providing information on:

- The number of projects financed and refinanced.
- The total proceeds (in Australian dollars) allocated to each Eligible Green Expenditure.
- The balance of unallocated proceeds.
- Share of allocation of proceeds to refinancing existing Eligible Green Expenditures versus financing for new and future Eligible Green Expenditures.
- Any material risks (e.g., political, legal, climate, environmental, social) related to each Eligible Green Expenditure and actions taken in response.
- The total commitment from the Australian Government over the project's lifetime and the total lifetime cost of the project.
- The geographical regions/countries where the allocations of proceeds are located.

Output, outcome and impact reporting indicators

The table below presents an independent assessment of the Issuer’s report and disclosure on the output, outcome and/or impact of projects/assets using indicators.

ELEMENT	ASSESSMENT
<p>Relevance</p>	<p>The impact and output indicators chosen by the Issuer for this bond are the following:</p> <p>Climate change mitigation</p> <ul style="list-style-type: none"> ▪ Annual GHG emissions reduced/avoided (ktCO₂-e) ▪ Annual renewable electricity generation (GWh) ▪ New energy storage created (MW/MWh) ▪ Increase in network capacity (GW) ▪ Hydrogen produced annually (ktH₂/year) ▪ Capacity installed (MW/MWh) ▪ Number of community batteries deployed ▪ Number of projects funded ▪ Number of concessional loans financed ▪ Number of energy efficient technologies financed ▪ Length of rail built or upgraded (km) ▪ Number of EV charging sites delivered <p>Climate change adaptation</p> <ul style="list-style-type: none"> ▪ Number of bilateral, regional and multilateral investments financed for environmental protection, biodiversity conservation and climate protection <p>Improved environmental outcomes</p> <ul style="list-style-type: none"> ▪ Aquatic area restored/re naturalised, aquatic area with improved eco hydrological management, riparian areas habitat restored or improved ▪ Number of grants made to community organizations ▪ Additions and improvements to, and management of, land used as koala habitat (ha) ▪ Number of koala population surveys conducted ▪ Per cent reduction of anthropogenic dissolved inorganic nitrogen load leaving Great Barrier Reef catchments ▪ Per cent reduction of anthropogenic fine sediment load leaving Greater Barrier Reef catchments ▪ Per cent reduction of anthropogenic particulate nitrogen load leaving Great Barrier Reef catchments

	<ul style="list-style-type: none"> ▪ Per cent reduction of anthropogenic particulate phosphorous load leaving Great Barrier Reef catchments ▪ Annual pesticide risk condition – Per cent of aquatic species unlikely to experience harmful effects from pesticides ▪ Per cent of grazing lands with greater than 70 per cent ground cover in the late dry season ▪ Water registered for environmental use (GL/y) ▪ Surface water registered to Commonwealth (GL/y) ▪ Percent of surface water allocation (in Commonwealth accounts) forfeited <p>These indicators are quantitative and material to the use of proceeds categories financed through this bond and in line with the suggested impact reporting metrics for green building projects by the HFIR. This aligns with best market practices.</p> <p>The additional indicators new energy storage created (MW/MWh), increase in network capacity (GW), hydrogen produced annually (ktH₂), number of community batteries deployed, number of grants made to community organisations, and number of koala population surveys conducted are not listed in the HFIR. These indicators were part of the funding agreement and were designed by the Issuer to capture the specificity of its projects.</p>
<p>Data sourcing and methodologies of quantitative assessment</p>	<p>Data sourcing and methodologies of quantitative assessment for the impact indicator chosen by the Issuer for the green funding instruments:</p> <p>Renewable energy investments:</p> <p>Annual energy generation has been calculated as the estimated lifetime generation divided by an estimated number of operational years. The projected emissions avoided per annum are estimated lifetime greenhouse emissions avoided divided by estimated number of operational years. Emission intensity factors, which estimate the tCO₂ avoided per GWh of renewable generation, are based on DCCEEW projections published in 2023 (Scope 2, “with additional measures” scenario). Emission intensity factors are available to 2035 only. Due to emission intensity factors not being available beyond 2035, the CEFC estimated emission intensity factors from 2036 onward by applying the average percentage decline in supplied emission intensity factors up to 2035. New storage capacity metrics are based on the storage capacity committed to in project documentation with the CEFC.</p> <p>Regional hydrogen hubs:</p>

Hydrogen production per annum will be calculated in kilotons. The Australian Government contributes to regional hydrogen hubs through grants to state and territory government and/or industry proponents. Projected hydrogen production has been identified by project proponents of individual projects as part of feasibility studies. Projections have not been produced by the Australian Government, and the methodology may differ between projects. Once each project is operational, data on avoided emissions will be available by comparing the energy sources displaced by green hydrogen.

Infrastructure investment program:

Emissions avoided projections are not available for electric rail projects. Once rail projects are operational, state and territory operators may publish emission data and passenger numbers for those projects. Future allocation and impact reports may report operational emissions and passenger data (where available) for rail projects financed through Green Treasury Bonds.

The METRONET data is projected for all METRONET projects funded using proceeds from Green Treasury Bonds. Data for the Gold Coast Light Rail is only for Stage 3 of the project. Data for the Canberra Light Rail is only for Stage 2A of the project.

International climate finance projects:

International climate finance projects report impacts on a case-by-case basis. These cannot be aggregated as impact metrics differ between subprojects, and methodology may differ between project owners. The Department of Foreign Affairs and Trade's AusDevPortal provides additional details on contributions to U.N. Sustainable Development Goals and performance ratings in 2022-23 for some subprojects.

Urban Rivers and Catchments Program:

URCP is made up of approximately 100 projects spread across all Australian states and territories, delivering riparian and aquatic restoration and improvement works. The program will produce environmental outcome reporting through [MERIT](#), a publicly available reporting product delivered through CSIRO's Atlas of Living Australia. Future Green Treasury Bond reporting metrics for this program may include hectares of aquatic area restored/re-naturalized, hectares of aquatic area with improved eco-

hydrological management, or hectares of riparian areas habitat restored or improved.

Reef 2050:

The Issuer calculates the impact via measuring the percent reduction of anthropogenic dissolved inorganic nitrogen, fine sediment, particulate nitrogen, particulate phosphorus load leaving Great Barrier Reef catchments, annual pesticide risk condition, the ground covered from the project, and the percent of aquatic species protected. The most recent reef water quality data was [released](#) in May 2024 and contains data for 2021 and 2022. Significant work goes into data collection, validation, analysis, review and reporting to ensure the integrity and quality of the Reef Water Quality Report Card results. Each modeling process as part of the assessment takes several months to run on high-performance computers.

Murray-Darling Basin Plan:

With this basin plan, the Issuer measures the amount of water recovered for environmental use, surface water recovery and the percentage of surface water allocation forfeited. Water recovery data are validated between the [Department of Climate Change, Energy, the Environment and Water](#) and the Murray-Darling Basin Authority.⁴

Rewiring the Nation:

Network capacity has been determined and publicized by the relevant network planning authority.

Community batteries:

The Department of Climate Change, Energy, the Environment and Water records the number of community batteries delivered as part of its program delivery. Capacity installed is reported by project proponents as part of the grant process.

Advancing Renewables Program:

The Australian Renewable Energy Agency tracks the number of projects financed through the Advancing Renewables Program.






Household Energy Upgrades Fund:







⁴ Further information on the management of the Commonwealth's environmental water holdings is available at the [DCCEEW website](#).



	<p>The Clean Energy Finance Corporation records the number of loans and technologies financed through the Household Energy Upgrades Fund.</p> <p>Driving the Nation Fund:</p> <p>The Department of Climate Change, Energy, the Environment and Water records the number of EV charging sites delivered as part of its program delivery.</p> <p>Saving Koalas Fund:</p> <p>Data for the Saving Koalas Fund is recorded on the program website. The number of projects that received funding from community grants consists of the total between Round 1 and Round 2 of the program. The land improved and managed for koala habitat restoration is the sum of land used across all large habitat restoration projects financed through Green Treasury Bonds. The number of koala population surveys conducted is recorded by the National Koala Monitoring Program as of June 2024.</p>
<p>Baseline selection</p>	<p>For the GHG emission reduction, the Issuer considers the baseline scenario as 2005 and targets to fall to 42.6% below 2005 levels in 2030. The Issuer follows the Australian Energy Market Operator’s Integrated System Plan forecasts to meet Australia’s renewables and emission reduction targets. For the basin plan, the Issuer benchmarks against the Environmental Water Holdings Special Account and targets that less than 5% of surface water allocations are forfeited. For clean transportation, the Issuer will refer to the New Vehicle Efficiency Standard commencing Jan. 1, 2025, and the Climate Bond Initiative’s low-carbon criteria. The Reef Report Cards measured as a part of the Reef 2050 program are compared against a 2009 baseline. This aligns with the HFIR's suggestion.</p>
<p>Scale and granularity</p>	<p>The impact data is presented at the project level or at the use of the proceeds subcategory level for the indicators. Since few projects involve co-financiers, impacts can be prorated based on Green Treasury Bond contributions or Australian Government contributions as a proportion of the total lifetime cost of the project.</p>

High-level mapping of the impact indicators with the U.N. Sustainable Development Goals

Based on the project categories financed and refinanced by the bonds as disclosed in the Australian Government 2025 Green Treasury Bond Allocation and Impact Report, the impact indicator(s) adopted by the Australian Government for its Green Treasury Bond can be mapped to the following SDGs, according to ISS ESG’s SDG Solutions Assessment, a proprietary methodology designed to assess the impact of an Issuer’s product or services on the U.N. SDGs.

IMPACT INDICATORS	SUSTAINABLE DEVELOPMENT GOALS
<p>Climate change mitigation</p> <p>Renewable energy investments</p> <ul style="list-style-type: none"> Annual GHG emissions reduced/avoided (ktCO₂-e) Annual renewable electricity generation (GWh) New energy storage created (MW/MWh) 	
<p>Climate Change Mitigation</p> <p>Rewiring the Nation</p> <ul style="list-style-type: none"> Increase in network capacity (GW) 	
<p>Climate Change Mitigation</p> <p>Regional hydrogen hubs</p> <ul style="list-style-type: none"> Hydrogen produced annually (ktH₂) 	
<p>Climate Change Mitigation</p> <p>Community batteries</p> <ul style="list-style-type: none"> Capacity installed (MW/MWh) Number of community batteries deployed 	
<p>Climate Change Mitigation</p> <p>Advancing Renewables Program</p> <ul style="list-style-type: none"> Number of projects funded 	

IMPACT INDICATORS	SUSTAINABLE DEVELOPMENT GOALS
<p>Climate Change Mitigation</p> <p>Household Energy Upgrades Fund</p> <ul style="list-style-type: none"> ▪ Number of concessional loans financed ▪ Number of energy efficient technologies financed 	
<p>Climate Change Mitigation</p> <p>Infrastructure Investment Program</p> <ul style="list-style-type: none"> ▪ Length of rail built or upgraded (km) 	
<p>Climate Change Mitigation</p> <p>Driving the Nation</p> <ul style="list-style-type: none"> ▪ Number of EV charging sites delivered 	
<p>Climate change adaptation</p> <p>International climate finance projects</p> <ul style="list-style-type: none"> ▪ Number of bilateral, regional and multilateral investments financed for environmental protection, biodiversity conservation and climate protections 	
<p>Improved Environmental Outcomes</p> <p>Urban Rivers and Catchments Program</p> <ul style="list-style-type: none"> ▪ Aquatic area restored/re-naturalised, aquatic area with improved eco hydrological management, riparian areas habitat restored or improved 	
<p>Improved Environmental Outcomes</p> <p>Saving Koalas Fund</p> <ul style="list-style-type: none"> ▪ Number of grants made to community organizations 	

IMPACT INDICATORS	SUSTAINABLE DEVELOPMENT GOALS
<ul style="list-style-type: none"> Additions and improvements to, and management of, land used as koala habitat (ha) Number of koala population surveys conducted 	
<p>Improved Environmental Outcomes</p> <p>Reef 2050</p> <ul style="list-style-type: none"> Per cent reduction of anthropogenic dissolved inorganic nitrogen load leaving Great Barrier Reef catchments <ul style="list-style-type: none"> Per cent reduction of anthropogenic fine sediment load leaving Greater Barrier Reef catchments Per cent reduction of anthropogenic particulate nitrogen load leaving Great Barrier Reef catchments Per cent reduction of anthropogenic particulate phosphorous load leaving Great Barrier Reef catchments Annual pesticide risk condition - Per cent of aquatic species unlikely to experience harmful effects from pesticides Per cent of grazing lands with greater than 70 per cent ground cover in the late dry season 	
<p>Improved Environmental Outcomes</p> <p>Murray-Darling Basin Plan</p> <ul style="list-style-type: none"> Water registered for environmental use (GL/y) Surface water registered to Commonwealth (GL/y) Per cent of surface water allocation (in Commonwealth accounts) forfeited 	

OPINION

The allocation of the bond's proceeds has been disclosed, with a detailed breakdown across different eligible project categories as proposed in the Framework. The Australian Government has adopted an appropriate methodology to report the impact generated by providing comprehensive disclosure on data sourcing, calculation methodologies and granularity, reflecting best market practices. In addition, the impact indicators used align with best market practices using the HFIR's recommended metrics.

DISCLAIMER

1. Validity of the External Review ("External Review"): As long as no changes are undertaken by the Issuer to its Green Treasury Bond Allocation and Impact Report (as of Feb. 13, 2025)
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ANNEX 1: Methodology

Review of the post-issuance reports

The ISS-Corporate Report Review provides an assessment of labeled transactions reporting against international standards using ISS-Corporate's proprietary [methodology](#).

High-level mapping to the SDGs

The 17 Sustainable Development Goals (SDGs) were endorsed in September 2015 by the United Nations and provide a benchmark for key opportunities and challenges toward a more sustainable future. Using a proprietary methodology based on ICMA's Green, Social and Sustainability Bonds: A High-Level Mapping to the Sustainable Development Goals, the extent the Issuer's reporting and project categories contribute to related SDGs is identified.

ANNEX 2: Quality management processes

ISSUER'S RESPONSIBILITY

The Issuer's responsibility was to provide information and documentation on:

- The Australian Government 2025 Green Treasury Bond Allocation and Impact Report
- The Australian Government Green Bond Framework
- Proceeds allocation
- Reporting impact indicators
- Methodologies and assumptions for data gathering and calculation
- ESG risk management

ISS-CORPORATE'S VERIFICATION PROCESS

Since 2014, ISS Group, which ISS-Corporate is part of, has built up a reputation as a highly reputed thought leader in the green and social bond market and has become one of the first CBI-approved verifiers.

This independent Report Review has been conducted by following ICMA's Guidelines for Green, Social, Sustainability and Sustainability-Linked Bonds External Reviews, and its methodology, considering, when relevant, the ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

The engagement with the Australian Government took place from December 2024 to February 2025.

ISS-CORPORATE'S BUSINESS PRACTICES

ISS-Corporate conducted this verification in strict compliance with the ISS Group Code of Ethics, which lays out detailed requirements in integrity, transparency, professional competence and due care, professional behavior and objectivity for the ISS business and team members. It is designed to ensure that the verification is conducted independently and without any conflicts of interest with other parts of the ISS Group.

About this Report Review

Companies turn to ISS-Corporate for expertise in designing and managing governance, compensation, sustainability and cyber risk programs that align with company goals, reduce risk and manage the needs of a diverse shareholder base by delivering best-in-class data, tools and advisory services.

ISS-Corporate assesses the alignment of the Issuer's report with external principles (e.g., the Green/Social Bond Principles), assesses the alignment of the Issuer's report against the commitments in the respective Framework, and analyzes the disclosure of proceeds allocation, data source and calculation methodologies of the reporting indicators against best market practices. Following these guidelines, we draw up an independent Report Review so investors are as well-informed as possible about the proceeds allocation and the impact of the sustainable finance instrument(s).

Please visit ISS-Corporate's [website](#) to learn more about our services for bond issuers.

For information on Report Review services, please contact SPOsales@iss-corporate.com.

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