METRICS

FY26 Climate Report

ISSUED BY METRICS CREDIT HOLDINGS PTY LTD

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Foreword

Welcome to the FY26 Climate Report[1] of Metrics Credit Holdings Pty Ltd (ABN 66 150 647 091), the reporting entity, and its owned and controlled entities (collectively referred to as **Metrics**, **the Group**, **we** or **us**).

The Group undertakes investment and lending activities, supported by investment management, fund administration, agency, security trustee, and loan administration services. Through funds managed by Metrics Credit Partners Pty Ltd (ABN 27 150 646 996) (**Metrics Credit Partners**) and Metrics Real Estate Partners Pty Ltd (ACN 649 136 970) (**Metrics Real Estate Partners**) we provide access to Australian private debt and equity, commercial real estate and consumer finance markets.

These activities are complemented by our direct origination capability through Navalo Financial Services Group Holdings Pty Limited (ACN 686 866 419) (**Navalo**), a wholly owned subsidiary of Metrics Credit Holdings Pty Ltd. Navalo provides alternative sources of financing across both consumer and business markets, extending the Group's access to diversified lending opportunities.

Metrics has a responsibility to act in the best long-term interests of investors in our funds. We believe that Environmental, Social and Governance (**ESG**) issues present both risks and opportunities that can affect the performance of our funds and the long-term, risk-adjusted returns we ultimately deliver to our investors.

Metrics has pledged its commitment to the United Nations Global Compact and supports its Ten Principles on human rights, labour, environment, and anti-corruption and has become a member of the UN Global Compact Network Australia.

As asset managers we believe we can play a part in delivering the goals of the Paris Agreement and transitioning to a low-carbon economy. On this basis, Metrics Credit Partners made the Net Zero Asset Managers (**NZAM**) Commitment in November 2021 to support the goal of net zero greenhouse gas (**GHG**) emissions by 2050, in line with global efforts to limit warming to 1.5 degrees Celsius above pre-industrial levels. In 2022, Metrics Credit Partners set near-term emissions reduction targets using the target setting criteria of the Science Based Targets initiative (**SBTi**).

We are committed to seeking SBTi validation of targets aligned with the *SBTi Financial Institutions Net-Zero Standard*, which requires both near- and long-term science-based targets that are consistent with achieving net-zero across financial institutions' portfolios by 2050. We are currently revising the near-term targets we set in 2022 to reflect SBTi's updated criteria,[2] and are also setting long-term targets. Our new targets will adopt 2026 as the base year.

We have been measuring the emissions of our operations and financing activities since 2021, which serves as the baseline for measuring performance against our existing targets. This report aims to provide stakeholders with our updated emissions footprint for the financial year ending 30 June 2026, which will act as our new baseline going forward.

In preparing this report, we were guided by leading industry standards and the newly introduced Australian Accounting Standards Board (**AASB**) Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures (**AASB S2**). We rely on the *Greenhouse Gas Protocol* (**GHG Protocol**) and the reporting requirements and recommendations of the *Global GHG Accounting and Reporting Standard for the Financial Industry* (**PCAF Standard**) developed by the Partnership for Carbon Accounting Financials (**PCAF**) in order to measure our emissions footprint.

This report has been prepared in line with our commitment as a signatory of PCAF. Using the PCAF Standard, we were able to measure the financed emissions associated with 56% of our assets under management (**AUM**) as at 30 June 2026, with the remaining portfolio being unable to be confidently or reliably measured due to lack of global quantification methodologies. Our carbon footprint is dominated by financed emissions, which contributed more than 99% of our total emissions profile.

1 This Climate Report should be read with the Basis of Preparation document published in respect of it.

2 The SBTi Financial Institutions Net-Zero Standard v1.0

Metrics also understands the importance of nature in the context of business, recognising that more than half the world's economic output is moderately or highly dependent on at least one ecosystem service. We understand the urgency for action to reduce the negative impact of business activities on nature including the important role financial institutions must play to execute this change.

To address this challenge, Metrics has refreshed our assessment of our interface with nature to understand the nature-related risks, opportunities, impacts or dependencies (collectively referred to as **nature-related issues**) that may exist in our direct operations and value chain. To aid this assessment, we have been guided by the Locate, Evaluate, Assess, Prepare (**LEAP**) assessment framework developed by the Taskforce on Nature-related Financial Disclosures (**TNFD**).

We acknowledge the important role our sector must play in financing the transition to a more sustainable economy and we are dedicated to transparency and continuous improvement in our reporting of our efforts to measure and manage climate risk. We would welcome your comments on this report.



Andrew Lockhart
CEO and Managing Partner

Introduction

Our Commitment to Tackling Climate Change

Metrics acknowledges the impacts of climate change,[3] and that there is an urgent need to accelerate the transition towards global net zero emissions and for asset managers to play our part to help deliver the goals of the Paris Agreement.

We recognise that a sustainable environment is critical to prosperity on a local, national, and international level. In particular, we recognise the global climate emergency and the impact of human activity on climate change and support the Paris Agreement goals of:

- Limiting global temperature rise to well below 2 degrees Celsius above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5 degrees Celsius above pre-industrial levels, recognising that this would significantly reduce the risks and impacts of climate change.

- Making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development.[4]

We have taken steps to understand our environmental impacts across our operations and value chain by measuring our emissions footprint, assessing our climate-related risks and opportunities and conducting climate scenario analysis. Finally, as previously outlined, Metrics Credit Partners, as a NZAM signatory, has committed to support the goal of net zero greenhouse gas emissions by 2050, in line with efforts to limit global warming to 1.5 degrees Celsius.

Focus on Nature

Metrics is a member of the TNFD Forum and was an inaugural Early Adopter of the TNFD Recommendations in 2024.

The TNFD is a global, market-led initiative with the mission to develop and deliver a risk management and disclosure framework for organisations to report and act on evolving nature-related risks, with the ultimate aim to support a shift in global financial flows away from nature-negative outcomes and toward nature-positive outcomes.

Metrics defines nature in line with the TNFD as the natural world, with an emphasis on the diversity of living organisms (including people) and their interactions among themselves and with their environment. The TNFD defines biodiversity as the variability among living organisms from all sources including diversity within species, between species and of ecosystems. The TNFD defines natural capital as the stock of renewable and non-renewable resources (e.g., plants, animals, air, water, soils, minerals) that combine to yield a flow of benefits to people.

We understand that biodiversity underpins the functioning of ecosystems and nature's contributions to quality of life by providing basic life support for humanity, as well as material goods and services. Accordingly, nature-related risks, including those associated with biodiversity loss, pose not only financial risks to individual organisations but could have significant macroeconomic implications. Failure to account for, mitigate, and adapt to these implications can also create nature-related systemic risk due to impacts and dependencies across the economy.

We understand that climate change is one of five drivers of nature change[5] and is inextricably linked in cause and effect to the other four drivers. We understand we need to take an integrated approach to identifying, assessing and responding to climate and nature-related issues.

As a result, we are focusing our efforts on identifying and assessing nature-related issues that may be material to our operations and the business activities of our investments. The section under the heading Our Progress on Nature expands more on our efforts towards understanding and managing nature-related issues.

3 Intergovernmental Panel on Climate Change, Sixth Assessment Report.

4 Please see our specific commitments and additional detail under the heading Target Setting and Future Plans.

5 Global Assessment Report on Biodiversity and Ecosystem Services | IPBES secretariat

Our Approach to Managing Climate Change

Step 1: Formalising Our Position on Climate Change	As a first step, Metrics focused on fine-tuning and formalising its approach and ambition around climate change. In 2021, we adopted a fossil fuel investment policy and formed a dedicated team to deliver Metrics' commitments and drive our internal and external initiatives in pursuit of the Paris Agreement goals. Today, there are 5 members of our Responsible Investment & Sustainable Finance (**RISF**) team. As part of our advocacy, we have joined, and actively participate in, leading initiatives and collaborate with key industry bodies and peers taking action on climate change.
Step 2: Emissions Measurement	Since 2021, we have measured our emissions across both our operations (Scopes 1, 2 and 3) and most of our financing activities (Scope 3 - Category 15) in order to be able to effectively monitor our climate impacts. Please see the Our Emissions section of this report for our full GHG inventory for FY26. Historical emissions data is included in Appendix B.
Step 3: Target Setting	Our understanding of the key sources of our emissions allowed us to set science-based near-term emissions reduction targets. Please refer to the Target Setting and Future Plans section of this report for the actions we have taken to reduce our operational and financed emissions. We are committed to seeking SBTi validation of targets aligned with the *SBTi Financial Institutions Net-Zero Standard*, which requires both near- and long-term science-based targets that are consistent with achieving net-zero across financial institutions' portfolios by 2050. We are currently revising the near-term targets we set in 2022 to reflect SBTi's updated criteria and are also setting long-term targets. Our new targets will adopt 2026 as the base year.
Step 4: Climate-Related Disclosures	We aim to provide stakeholders with transparent disclosures on our climate impacts and progress against our targets. As part of Metrics Credit Partners' commitment to PCAF, we have pledged to measure and disclose the GHG emissions associated with our portfolio. From this reporting period, Metrics has commenced reporting in line with AASB S2. We will continue to refine our reporting in line with evolving regulation and market practice, with the aim of maintaining alignment with AASB S2 as it develops. As a signatory to the Principles for Responsible Investment (**PRI**), Metrics Credit Partners has been reporting as required since joining in 2019. In 2024, the PRI updated its reporting platform to integrate additional optional elements relating to climate-related disclosures. Metrics Credit Partners submitted responses under the PRI in 2025 and 2026, which included certain climate-related disclosures and it is our intention to continue to report against the PRI in future periods.
Step 5: Developing Our Strategy	Having quantified the relationship between our emissions footprint and our exposures to heavy emitting industries, assessed our climate-related risks and opportunities, conducted climate scenario analysis and set near-term targets in line with our ambition, we are now well positioned to expand our strategy to manage climate-related risks and opportunities.

Our Progress on Nature

This is Metrics' second disclosure using the TNFD framework. We are still in the early stages of our understanding and application of our interface with nature and are pleased to share an update on our nature assessment.

For the purposes of our assessment, we have focused on the Metrics Credit Partners portfolio, the Metrics Real Estate Partners portfolio and Navalo's residential mortgage portfolio (the **in-scope portfolios**) which, together, account for the substantial majority of the Group's nature-related exposures and form the basis of this year's nature assessment.

Other Group exposures fall outside the current scope of this assessment and will be considered for inclusion as our nature capabilities mature. We have continued to follow the guidance of the TNFD, following the LEAP assessment framework for our analysis, with sections on governance, and risk and impact management. Our future reporting ambitions include growing the maturity of our existing approaches, as well as the development of our strategy, and metrics and targets pillars.

In FY26 we refreshed our LEAP assessment to examine our direct operations and the in-scope portfolios. We now understand the material sector and ecological exposures across the in-scope portfolios and have leveraged this analysis in developing a roadmap for managing nature-related risks.

The results of our assessments can be found in the section titled Nature-Related Risks, Impacts and Dependencies.

In recognition of the data availability constraints and the challenges associated with collating nature-related data, we aim to utilise the best available public resources and estimations to determine our interface with nature. We will continue to regularly review our data sources and seek to identify more reliable investment specific data as more sophisticated nature analysis tools become available. Metrics is continuing to follow guidance set out in the LEAP assessment framework and as separately published by the TNFD and International Sustainability Standards Board to develop an approach that is tailored to Metrics.

Governance on Climate

We are committed to supporting high standards of governance, including ethics and business integrity. We believe that strong governance promotes effective identification and management of risk and facilitates transparency. We also believe that maintaining and promoting high standards of governance underpins an entity's capacity to anticipate and respond to emerging trends and potential disruptions and retain the trust and goodwill of stakeholders – including shareholders, borrowers, consumers, investors, investees, employees, and regulators. We consequently consider governance as a leading indicator of strong business performance.

We are therefore committed to continuous improvement in our governance, including structure and oversight, code and values, transparency and reporting, and financial and operational risk.

Oversight

As at the end of the reporting period, the Metrics Credit Holdings Pty Ltd Board of Directors (the **Board**) consisted of four Managing Partners, three non-executive Directors nominated by shareholders, and three independent non-executive Directors (one of whom is appointed as the Chairperson). The Board is responsible for the overall strategy and management of Metrics including climate-related risks and opportunities and the formulation of policies to be applied to the operations of the business.

Roles and Responsibilities

The Board has overall responsibility for oversight of climate-related risks and opportunities. Accordingly, the Board is responsible for approving the following:

- Group Risk Management Strategy – including Metrics' approach to identifying and managing climate-related risks and opportunities
- Group Risk Appetite Statement – including Metrics' approach to prioritising climate-related risks and opportunities
- Metrics' annual AASB S2 disclosures and Climate Report, including Metrics' climate-related strategy

- Identified material climate-related risks and opportunities
- Climate-related targets

The Board has delegated certain oversight responsibilities in relation to climate-related matters to the Board Audit and Compliance Committee (**BACC**). Climate-related and ESG matters are included as a standing agenda item on the BACC agenda, with matters considered as required during the reporting period. The BACC Chair reports to the Board following BACC meetings, providing a mechanism for relevant matters, including material climate-related matters where applicable, to be escalated to the Board. The BACC oversees Metrics' financial risk management, reporting and disclosures. Its charter outlines that it has responsibilities for:

- Oversight of climate-related reporting
- Oversight of climate-related risks and opportunities
- Climate-related risk management
- Metrics' risk and compliance framework
- The integrity of Metrics' climate and financial reporting

Role of Management

The Board is supported by the RISF team, which provides specialist expertise on climate related matters. The team comprises ESG professionals with experience across assurance, consulting, sustainable finance and climate-related reporting, including regulatory and voluntary disclosure frameworks.

The RISF team supports the Board through the provision of technical advice, analysis and training on climate-related matters, including risks and opportunities, greenhouse gas emissions, climate metrics, scenario analysis, and evolving regulatory expectations. The team is responsible for designing and delivering internal training and capability building programs to ensure climate related knowledge is maintained and enhanced across the organisation.

This specialist expertise supports the Board's oversight by enabling informed review of climate related strategies, disclosures and performance, and by enhancing the quality and consistency of climate-related information presented to the Board.

Governance on Nature

During the reporting period, the Board considered our FY26 LEAP assessment results and a proposed roadmap for developing our approach to nature.

The RISF team is responsible for co-ordinating nature-related activities within the Group. The team was responsible for refreshing our LEAP assessment and preparing a proposed roadmap for the Board's consideration. In FY27, this analysis will be used to inform a more detailed roadmap, the progress of which will be disclosed in our next Climate Report.

Our Emissions

Our Approach to Emissions Measurement

Metrics has adopted the operational control approach to consolidating GHG emissions under the GHG Protocol to determine its organisational boundary. Metrics accounts for 100% of the GHG emissions from operations that satisfy the operational control criteria as defined by the GHG Protocol.

Metrics conducts an organisational boundary assessment as of the last day of the relevant reporting period.

Scope 1 and 2

Our reporting of Scope 1 and 2 carbon emissions data was guided by the following:

Standards:

- ISO 14064-1:2019 – *Greenhouse gases Part 1*
- GHG Protocol – *A Corporate Accounting and Reporting Standard*

Guidance:

- GHG Protocol – *Scope 2 Guidance*
- New Zealand Ministry for the Environment – *Measuring Emissions: A Guide for Organisations*
- Greenhouse Gas Emissions Disclosure requirements applying AASB S2 Educational Material – *Australian Accounting Standards Board*

Our reporting of Scope 3 carbon emissions data is guided by the following:

Standards:

- GHG Protocol – *Corporate Value Chain (Scope 3) Accounting and Reporting Standard*
- Partnership for Carbon Accounting Financials – *The Global GHG Accounting and Reporting Standard for the Financial Industry (Part A, 3rd Edition)*

Guidance:

- GHG Protocol - *Scope 3 Calculation Guidance*
- Australian Banking Association – Financed Emissions Estimation Guidance for Residential Mortgages

Our FY26 GHG inventory covers the period 1 July 2025 to 30 June 2026, reporting on:

- Scope 1 emissions (direct emissions from owned or controlled sources)
- Scope 2 emissions (indirect emissions from the generation of purchased energy)
- Applicable Scope 3 emissions (indirect emissions not included in Scope 2 that occur in our value chain, including both upstream and downstream emissions) including:
  - Category 1: Purchased Goods & Services
  - Category 3: Fuel & Energy Related Emissions not included in Scope 1 and 2
  - Category 6: Business Travel
  - Category 7: Employee Commuting
  - Category 15: Investment Emissions (also referred to in this document as **financed emissions**)
- Data quality scores, and
- Portfolio temperature scores.

Metrics' total carbon footprint is dominated by financed emissions, which contribute more than 99% to our total emissions footprint. Please refer to Appendix B for a detailed breakdown of our overall emissions profile.

Our Scope 1 and 2 Emissions

Absolute gross GHG emissions generated for the period 1 July 2025 to 30 June 2026 are outlined below:

- Scope 1 GHG Emissions: 0 tCO_2e
- Scope 2 GHG Emissions (location-based): 217 tCO_2e
- Scope 2 GHG Emissions (market-based): 125 tCO_2e

Metrics measures these figures under the GHG Protocol as it is a globally recognised and consistent methodology. Inputs for operational direct GHG emissions (Scope 1) include natural gas consumption and refrigerant loss as a result of business operations. The input for Scope 2 GHG emissions is electricity consumption measured in kilowatt-hours (**kWh**) obtained from invoices for both market and location-based approaches. Where estimates were required for Scope 2 electricity consumption, it was assumed that the consumption rate derived from available actual data was representative of periods for which consumption data was unavailable.

Please refer to the Basis of Preparation published in respect of this Climate Report (**Basis of Preparation**) for more information on how we measured our emissions and the assumptions used.

Our Operational Scope 3 Emissions

With regard to Scope 3 emissions, the GHG Protocol – *Corporate Value Chain (Scope 3) Accounting and Reporting Standard*, has identified 15 different categories of indirect emissions across an organisation's value chain (upstream and downstream). We undertook an assessment to understand the applicability and materiality of these categories to Metrics.

A total of five categories of Scope 3 emissions have been identified as applicable to Metrics. These categories[6] include:

- Category 1 – Purchased Goods & Services
- Category 3 – Fuel & Energy Related Activities (not included in Scope 1 or Scope 2)
- Category 6 – Business Travel

6 Please refer to Basis of Preparation for GHG Protocol Scope 3 category definitions.

- Category 7 – Employee Commuting
- Category 15 – Investment Emissions

We have analysed and disclosed Category 15 of our Scope 3 emissions separately from our operational Scope 3 emissions. Please refer to the following section of this report for more information on our financed emissions.

Historical data can be found in Appendix B.

Our predominant source of operational Scope 3 emissions originate from Category 1 - Purchased Goods & Services. For FY26, Category 1 contributed approximately 90% of the total emissions associated with our operational carbon footprint.

Significant year-on-year increases were observed in categories 3, 6 and 7. These increases are linked to the significant growth in the business, including the acquisition of new entities falling under our operational control which resulted in higher headcount and operating expenses.

In addition, for the FY26 reporting period, spend-based Category 1 emissions were calculated using inflation- and currency-adjusted emission factors derived from Watershed's Comprehensive Environmental Data Archive (**CEDA**) database, whereas FY25 emissions were calculated using adjusted emission factors derived from the Eora database. As CEDA and Eora are distinct environmentally extended input-output databases with different underlying economic structures, sector classifications and emissions allocation methodologies, emissions estimates are not directly comparable between reporting periods. Accordingly, the significant year-on-year movements in spend-based emissions may reflect both changes in underlying expenditure and changes in the emission factor methodology. Users should exercise caution when interpreting changes in spend-based emissions between FY25 and FY26.

Overall, significant increases from our 2021 baseline year have also been observed. Apart from the growth in the business, it should also be noted that when initially measuring our 2021 baseline figures, certain categories, such as Business Travel and Employee Commuting were affected by the impacts of COVID-19. As such, we believe that our baseline emissions for these two categories were unusually low in 2021.

Please refer to our Basis of Preparation for more information on how we measured our operational emissions and the assumptions used.

FY26 Operational Emissions (tCO_2e)



Scope 1,2 & 3 Total 8,258

Scope 1
(emissions were 0 for the reporting period)

Scope 2
Location based

Scope 3
Category 1 – Purchased Goods and Services

Scope 3
Category 3 – Fuel- and energy-related activities (not included in Scope 1 or Scope 2)

Scope 3
Category 6 – Business Travel

Scope 3
Category 7 – Employee Commuting

Our Financed Emissions

In line with the GHG Protocol – *Corporate Value Chain (Scope 3) Accounting and Reporting Standard*, our financed emissions include Scope 3 emissions associated with our investments that are not already included in our Scope 1 or Scope 2 reporting.

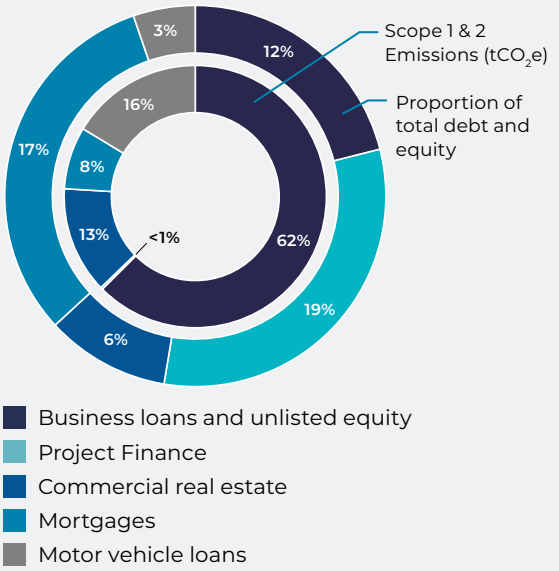
Our approach to measuring our financed emissions was guided by the PCAF Standard.[7]

Detailed methodological guidance is currently offered for seven classes of financed emissions under the PCAF Standard:

- Listed equity and corporate bonds
- **Business loans and unlisted equity**
- **Project finance**
- **Commercial real estate**
- **Mortgages**
- **Motor vehicle loans**
- Sovereign debt

Business loans and unlisted equity, project finance, commercial real estate, mortgages and motor vehicle loans are the asset classes covered by the PCAF Standard relevant to the calculation of our financed emissions, together covering 56% of our portfolio by value as of 30 June 2026. Finance provided to consumers, loans that are advanced to funds rather than for borrowers' operations (i.e. fund management, wealth management) and loans that are used for construction of commercial real estate were excluded from our measurement as these assets are not covered by the PCAF Standard.

Metrics' Proportion of Total Debt + Equity and Financed Emissions by Asset Class (FY26)*



* We were able to measure the financed emissions associated with 56% of our AUM. Broken down figures are subject to rounding.

A detailed breakdown of Metrics' financed emissions per asset class can be found in the sections below and in Appendix B. Our financed emissions have been measured in accordance with our Basis of Preparation.[8]

Business Loans and Unlisted Equity

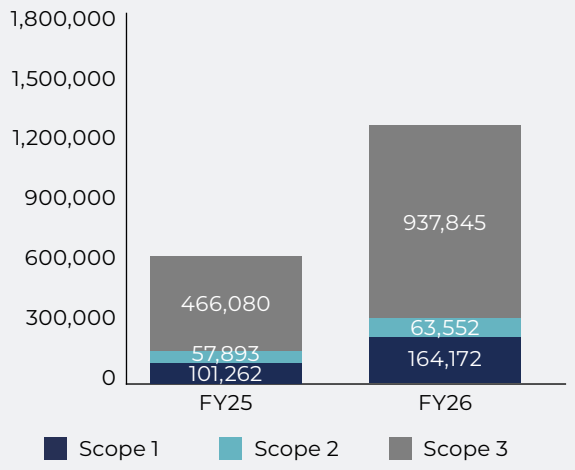
This asset class comprises business loans and equity investments in private companies, also referred to as unlisted equity, and makes up 12% of Metrics' assets.

- **Business loans** – include all on-balance sheet loans and lines of credit to listed and unlisted businesses, non-profits, and any other structure of organisation that are not traded on a market and are for general corporate purposes, i.e., with unknown use of proceeds as defined by the GHG Protocol.
- **Unlisted equity** – includes all on-balance sheet equity investments to businesses, non-profits, and any other structure of organisation that are not traded on a market and are for general corporate purposes, i.e., with unknown use of proceeds as defined by the GHG Protocol.

7 Our approach is informed by the PCAF Standard and not fully aligned. We have not disclosed the threshold that would trigger base year emissions recalculations as part of our base year financed emissions recalculation protocol, as market practice is still developing in this regard.

8 Historical data for our Scope 3 emissions can be found in Appendix B of this report.

Business Loans and Unlisted Equity
Financed emissions (tCO_2e)



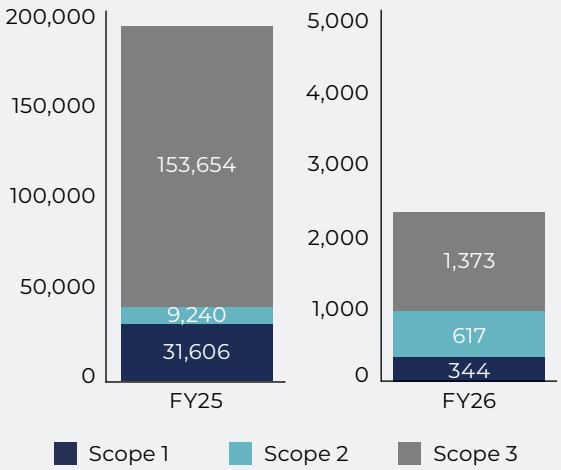
Emissions increased year on year for this asset class, particularly Scope 1 emissions, primarily due to the addition of a small number of higher-emitting investees to the portfolio. Where actual emissions data was unavailable, estimates were applied using generally conservative emissions factors, which may result in higher reported emissions.

A summary of Metrics' FY26 financed emissions from business loans and unlisted equity can be found in Table 7 of Appendix B. Please refer to our Basis of Preparation for more information on how we measured our emissions for this asset class and the assumptions used.

Project Finance

This asset class includes all on-balance sheet loans or equities to projects or activities that are designated for specific purposes, i.e., with known use of proceeds as defined by the GHG Protocol. The financing is designated for a defined activity or set of activities, such as motorway construction, waste to energy facility construction, wind or solar projects, or energy efficiency projects. 19% of Metrics' assets, in terms of overall debt and equity exposure in our portfolio, fell under this asset class as at 30 June 2026.

Project Finance
Financed emissions (tCO_2e)



Emissions decreased year-on-year for this asset class, primarily due to two of the highest-emitting investees no longer being held in the portfolio. The decrease was also influenced by improved data availability for another investee, where estimates used in the previous year were replaced with actual emissions data, resulting in a significant reduction in reported emissions.

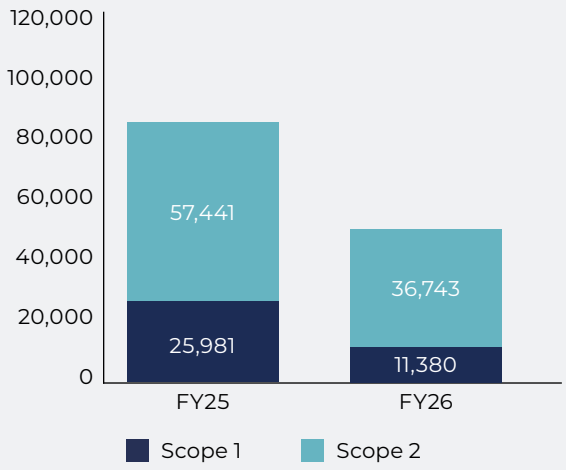
A summary of Metrics' FY26 financed emissions from project finance can be found in Table 7 of Appendix B. Please refer to our Basis of Preparation for more information on how we measured our emissions for this asset class and the assumptions used.

Commercial Real Estate

This asset class includes on-balance sheet loans for specific corporate purposes, namely the purchase and refinance of commercial real estate, and on-balance sheet investments in commercial real estate when the financial institution has no operational control over the property. 6% of Metrics' assets, in terms of overall debt and equity exposure in our portfolio, fell under this asset class as at 30 June 2026.

Since the PCAF Standard does not provide a suitable methodology to calculate emissions from construction of commercial real estate, such loans are excluded from our emissions measurement.

Commercial Real Estate Financed emissions (tCO_2e)



The observed decrease in emissions is driven by changes in the portfolio composition during the reporting period as well as methodology refinements as we continue to improve our property-level data, including updated government emission factors and more granular property-level inputs.

A summary of Metrics' FY26 financed emissions from commercial real estate can be found in Table 7 of Appendix B. Please refer to our Basis of Preparation for more information on how we measured our emissions for this asset class and the assumptions used.

Mortgages

This asset class includes all on-balance sheet loans to individuals for the purpose of purchasing or refinancing residential property. These exposures are typically secured against residential real estate, where the use of proceeds is known and linked to owner-occupied or investment housing. 17% of Metrics' assets, in terms of overall debt and equity exposure in our portfolio, fell under this asset class as at 30 June 2026.

In measuring financed emissions associated with mortgages, Metrics has applied the methodology outlined under the PCAF Standard for residential mortgages. This approach estimates emissions based on the operational energy consumption of underlying properties, with emissions attributed to Metrics based on the proportion of financing provided relative to the total property value at origination (i.e. loan-to-value ratio).

Where available, property-specific data inputs are prioritised. In the absence of this data, estimates are derived using publicly available datasets and proxy assumptions, including average household energy consumption profiles by geography and emissions factors.

MORTGAGES	FY26 EMISSIONS (tCO_2e)
Scope 1 & 2	28,109

Following the acquisition of Navalo, FY26 is the first year Metrics has measured financed emissions associated with residential mortgages. As such, no historical comparison is available.

Please refer to our Basis of Preparation for more information on how we measured our emissions for this asset class and the assumptions used.

Motor Vehicle Loans

This asset class includes all on-balance sheet loans to individuals or businesses for the purpose of financing motor vehicles. These exposures are typically secured against the underlying vehicle, where the use of proceeds is known and linked to the purchase or refinance of passenger or commercial vehicles. 3% of Metrics' assets, in terms of overall debt and equity exposure in our portfolio, fell under this asset class as at 30 June 2026.

In measuring financed emissions associated with motor vehicle loans, Metrics has applied the methodology outlined under the PCAF Standard for motor vehicle loans. This approach estimates emissions based on the lifetime use-phase emissions of the underlying vehicles, with emissions attributed to Metrics based on the proportion of financing provided relative to the total vehicle value at origination.

Where available, vehicle-specific data inputs are prioritised, including fuel type, energy efficiency and expected usage. In the absence of this data, estimates are derived using publicly available datasets and proxy assumptions, including average fuel consumption, annual distance travelled and relevant emissions factors.

MOTOR VEHICLE LOANS	FY26 EMISSIONS (tCO_2e)
Scope 1 & 2	59,826

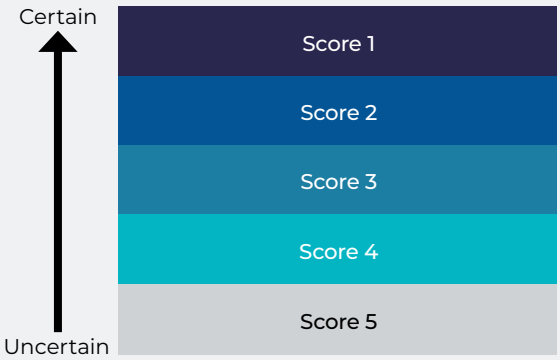
As with the mortgage portfolio, FY26 is the first year that Metrics has measured the emissions associated with motor vehicle loans and, therefore, no historical comparison can be made.

Please refer to our Basis of Preparation for more information on how we measured our emissions for this asset class and the assumptions used.

Data Quality

High quality data for emissions measurement purposes can be difficult to source when measuring financed emissions. The PCAF Standard sets out a hierarchy for determining the best available data to be used in measuring financed emissions. Metrics followed PCAF's methodology when measuring its financed emissions, leveraging data specifically relevant to our investments wherever possible. As the quality of this data can vary depending on assumptions relating to its assuredness, specificity, and other variables, Metrics has adopted a data quality scorecard aligned to PCAF's data quality scorecard for all asset classes in scope.

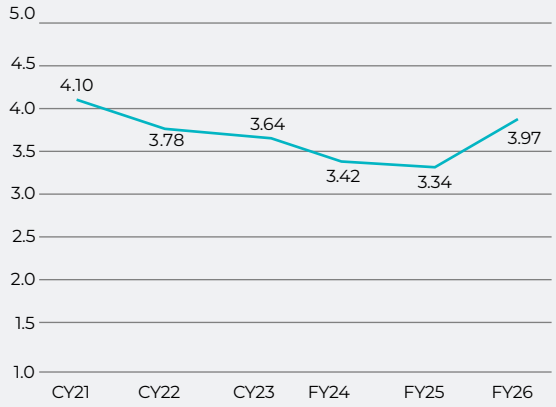
Metrics' data quality scorecard



Data quality scores for each asset class are provided in the tables in Appendix B.

Our portfolio's weighted average data quality score across Scope 1 and 2 emissions has marginally improved from 4.1 as at 31 December 2021 to 4.0 as at 30 June 2026.

Weighted Average Data Quality Score (Scopes 1 and 2)



We have observed a significant improvement, since our first year of measurement in 2021, of the data quality score for the asset classes business loans and unlisted equity and project finance with those scores being 3.2 and 2.4 respectively in FY26.

As momentum toward emissions reporting builds, we expect that data quality will continue to improve. The introduction of the Australian mandatory climate-related disclosure regime represents a material step toward the availability of comprehensive sustainability reporting in Australia, in line with some leading international trends and standards.

In the interim, Metrics seeks to engage with investee companies to encourage and support them in measuring and reporting their GHG emissions. We will continue to do so and have previously provided support to our investee companies with practical solutions to assist them in their efforts to measure their carbon footprint through the emissions measurement pilot discussed in our 2025 Stewardship Report.

Motor vehicle loans and mortgages were included in our financed emissions assessment for the first time this year. The motor vehicle loans asset class achieved a data quality score of 2.1, while mortgages recorded a score of 4.9. Metrics will continue to seek opportunities to improve data quality for the mortgage asset class in future reporting periods. Given the relative significance of mortgages within the portfolio, improvements in data quality for this asset class should also contribute to a lower weighted-average data quality score for the portfolio's Scope 1 and 2 emissions.

Our Emissions Baseline Recalculation Approach

Under the PCAF Standard, financial institutions shall, in line with the GHG Protocol – *Corporate Value Chain (Scope 3) Accounting and Reporting Standard* requirement, establish a baseline recalculation policy to define the circumstances under which a recalculation of base year financed emissions is necessary "to ensure the consistency, comparability, and relevance of the reported GHG emissions data over time".

Metrics has considered the GHG Protocol's guidance, which stipulates that companies are required to recalculate base year GHG emissions when the following changes occur and have a significant impact on their GHG inventory:

- Structural changes in the reporting organisation, such as mergers, acquisitions, divestments, outsourcing, and insourcing;
- Changes in and/or development of new calculation methodologies and updates in reporting, improvements in data accuracy, or discovery of significant errors;
- Significant changes in emissions factors data and the approach of measuring those factors by third parties, including those factors provided via the PCAF database, that may skew the comparability of data year on year; and
- Changes in the categories or activities included in the Scope 3 inventory.

We have not recalculated our baseline emissions for this report despite the acquisition of new businesses, which has resulted in a larger operational footprint and the addition of two new asset classes to our financed emissions inventory during the reporting period. These changes have not resulted in the addition of new scope 3 operational emissions categories and have not impacted the three financed emissions asset classes that Metrics has historically reported against. However, we are in the process of revising our targets and given the aforementioned changes, our new targets will adopt 2026 as the base year.

Going forward, in the instance of a significant change as referred to in the GHG Protocol's guidance, we may retroactively recalculate our baseline emissions. We will consider the thresholds that will trigger a recalculation of our base year emissions when preparing our GHG inventory in future periods.

Metrics will assess the need to undertake a recalculation annually when updating and finalising its GHG inventory or, in the event of a significant, one-off change in the organisation such as a merger, more frequently. Any updates to our baseline recalculation approach will be disclosed as needed in future reporting periods.

In undertaking any recalculations, Metrics will consider the guidance provided under the GHG Protocol – *Corporate Value Chain (Scope 3) Accounting and Reporting Standard*, including the criteria for determining whether to recalculate base year emissions due to changes in outsourcing or insourcing and the criteria for determining whether to recalculate base year emissions for adding or changing the categories or activities included in our Scope 3 inventory. Metrics also understands that any changes to our methodology for calculating Scope 3 emissions that can result in significant differences in emissions estimates will require us to recalculate base year emissions applying the new data sources and/or methodology.

Risk Management

Identifying, Assessing and Monitoring Climate-Related Risks and Opportunities

Climate-related risks and opportunities are identified, assessed and monitored within the Group's established policies and processes for material risk categories (Compliance, Financial, Operational, Reputational, Strategic and Information Technology), using the Group Risk Likelihood–Consequence Matrix, and the Group Red Amber Green Rating-based risk tolerance framework. Climate-related scenario analysis and responsible investment principles inform how climate-related factors are considered through origination, portfolio monitoring and engagement activities.

Identification

During the reporting period, climate-related risks and opportunities were identified through a structured process supported by a third-party specialist, beginning with the development of a long list of sector-based risks and opportunities. Each risk and opportunity was first assessed for its present day relevance using a "base score" (a qualitative measure of current exposure, considering sector characteristics and regional policy settings). Scenario "modifiers" were then applied to reflect how each risk and opportunity is expected to change across scenarios and time horizons, drawing on transition inputs from the International Energy Agency and physical risk modelling accessed through the Climate Impact Explorer, developed by the Intergovernmental Panel on Climate Change.

A preliminary shortlist of climate-related risks and opportunities was developed using external scenario analysis alongside internal assessment of portfolio exposures and input from cross-functional stakeholders. This shortlist was then refined through consultation with Metrics' Finance and Risk teams to focus on exposures most directly reflected in the Group's financial statements, earnings profile and business activities.

Assessment

Shortlisted climate-related risks and opportunities were assessed with reference to the Group Risk Likelihood–Consequence Matrix, providing a consistent framework for considering the potential impact and breadth of exposure under each scenario and time horizon. This supported alignment with Metrics' broader risk management framework.

Climate scenario analysis was used to indicate how exposures may shift under different warming and policy pathways across the short, medium and long term. The risks and opportunities that met the initial materiality threshold were progressed to financial quantification, using scenario-specific assumptions and sensitivity testing.

Monitoring

Climate-related risks are incorporated into the existing Group Red Amber Green Rating-based risk tolerance framework set out in the Group Risk Appetite Statement. Each risk is assigned a tolerance measure and Green, Amber or Red thresholds, which define the conditions under which a risk remains within target levels, approaches tolerance, or moves outside appetite.

As Metrics' climate-related risk processes continue to evolve, monitoring of these risks will be further integrated into ongoing portfolio monitoring and risk reporting activities.

Nature-Related Risks, Impacts and Dependencies

To date, Metrics has conducted desktop assessments to locate our interface with nature, evaluate nature-related dependencies and impacts, and assess the associated risks and opportunities. We have been guided by the TNFD's LEAP assessment framework throughout this process, acknowledging constraints and limitations faced due to the nature of private markets and limited data availability.

In locating our interface with nature, we considered where the sectors, value chains and direct operations with potentially moderate and high dependencies and impacts are located, and to which biomes and specific ecosystems those locations relate. Moving forward, we will focus our actions and resources on the most material sectors and nature-related issues.

To undertake our assessments, we utilised the Exploring Natural Capital Opportunities, Risks and Exposures (**ENCORE**) tool developed by the UN Environment Programme World Conservation Monitoring Centre to identify the sector level dependencies and impacts. This analysis was followed by the World Wide Fund for Nature (**WWF**) Risk Filter Suite which includes separate biodiversity and water risk filters that use global datasets for spatially explicit screening of biodiversity and water-related risks at the site level. This tool was used in identifying physical and transition risks linked to our office locations and in-scope portfolios, identifying potential overlap between sites and sensitive locations.

Locating Our Interface

We have identified our exposed sectors, dependencies and impacts through the completion of the 'Locate' phase of our LEAP assessment. As part of this, we considered the offices out of which we operate as well as assets in our in-scope portfolios. Through this assessment, we screened for potentially material nature-related issues at the sector level, and asset level. At the date of this report, Metrics has operations across nine geographic locations (Sydney, Melbourne, Brisbane, Auckland, Kuala Lumpur, Manila, Hong Kong, London and Dublin). According to the TNFD's *Additional guidance for financial institutions*, as a financial institution, the nature of our direct operations is unlikely to present material nature-related impacts. To confirm this assumption, we leveraged the WWF Biodiversity Risk Filter[9] and Water Risk Filter[10] to assess key risks of our corporate office and asset locations for our in-scope portfolios. The results of this assessment determined our biodiversity physical risk to be low, and water risk as moderate for all office locations.

Based on our assessment of our office locations, it is evident that material interfaces with nature do not lie in our direct operations and therefore we focused our analysis and future ambitions on the entities in which we invest, particularly those within the construction and real estate sectors. Our analysis of our in-scope portfolios found that there are material interfaces with nature, particularly in relation to biodiversity areas and water stress. The physical risk scores produced from this analysis went on to inform the asset-level screening undertaken in the 'Assess' phase.

9 Refer to: WWF Biodiversity Risk Filter

10 Refer to: WWF Water Risk Filter

Evaluating Priority Sectors and Sensitivities

Our desktop sector analysis identified priority sectors that may have material exposure to nature-related issues. As a first step, we screened our portfolio for TNFD's defined priority sectors as per the *Additional guidance for financial institutions* (Annex 1). Our screening determined approximately 75% of our AUM fell into TNFD defined priority sectors as of 30 June 2026, with most of Metrics' exposure concentrated in the construction and real estate sectors. The significance of these sectors was further informed by weighted financial materiality at the portfolio level, and WWF Key Biodiversity Area and Baseline Water Stress scores.

We then considered the most material ENCORE pressures and dependencies, informed by the WWF Biodiversity and Water Risk analysis, for our significant sectors. The material sensitivities were identified as the following:

PRESSURES	
1	Area of land use
2	Volume of water use
3	Emissions of toxic pollutants to water and soil
4	Generation and release of solid waste
5	Disturbances (e.g. noise & light)

DEPENDENCIES	
1	Water supply
2	Water purification
3	Flood mitigation
4	Global climate regulation
5	Storm mitigation

Assessing Our Exposure

Building on the identification of priority pressures and dependencies, we undertook an asset-level screening of selected exposures within the in-scope portfolios to further refine our understanding of where nature-related risks may be most pronounced. The analysis incorporated geospatial screening of higher risk assets, including consideration of ecological sensitivities such as Key Biodiversity Area risk and biome classifications, to identify concentrations of potential exposure to nature-related issues. The results of this analysis reinforced the findings of analysis undertaken during a 2024 pilot, demonstrating a clear concentration within construction and real estate within two biomes: Temperate Broadleaf & Mixed Forests, and Mediterranean Forests, Woodlands & Scrub.

Preparing to Respond

Metrics has not yet completed the Prepare stage of the LEAP assessment. We plan to undertake internal workshops and develop a more detailed nature roadmap during FY27, with a view to expanding our future disclosures.

Target Setting and Future Plans

Metrics Credit Partners made the Net Zero Asset Managers Commitment in November 2021 and further signalled its commitment to supporting efforts to reach net zero global GHG emissions by 2050 or sooner in alignment with the Paris Agreement by committing to set science-based emission reduction targets aligned with the target setting criteria of the SBTi.

Metrics Credit Partners has specifically committed to the following targets against a 31 December 2021 baseline.

CLIMATE RELATED TARGET	CLIMATE METRIC
Intensity Target: **Reduce Metrics Credit Partners Scope 1 and 2 Portfolio Temperature Rating within the asset classes Corporate loan, Private equity and Project finance from 3.2 degrees Celsius in 2021 to 2.3 degrees Celsius by 31 December 2027**	Temperature Rating: Degrees Celsius Calculation Method: The Temperature Rating Approach is an open-source framework published by the SBTi to enable the translation of corporate GHG emission reduction targets into temperature scores at a target, company, and a portfolio level. To use the Temperature Rating Approach, Metrics determined the current temperature score of Metrics Credit Partners' portfolio based on the public GHG emission reduction targets of its investees (these targets include validated SBTi targets and any other public GHG reduction targets that meet the method criteria). The SBTi has developed a codebase to function as a calculator for the temperature scoring method. Inputs: ▸ Investees' publicly disclosed GHG emissions reduction targets; ▸ Investees' target characteristics, including: type, intensity metric, coverage, ambition, start year, base year and end year; ▸ Investees' reported GHG emissions; and ▸ Investees' disclosed progress against stated targets (achieved reduction). Assumptions: ▸ For investees with GHG targets that encompass all scopes, we have manually calculated achieved reduction using the following formula: *(recent year total GHG emissions – base year total GHG emissions)/base year total GHG emissions*. ▸ Achieved reductions cannot be negative. If the investee has increased their emissions, their achieved reduction would be defaulted to zero. ▸ For investees with 'Intensity' target types, these need to be mapped to one of the following 8 categories: Revenue, Product, Cement, Oil, Steel, Aluminium, Power Generation or Other. Metrics does not currently map any targets to any specific category and hence all existing Intensity targets are mapped to 'Other'. ▸ Where investees' reporting does not align with Metrics' financial reporting period, Metrics uses the closest twelve-month period available. ▸ If a company with an existing target has no available information for that target's baseline year, Metrics uses the most relevant historical emissions data to calculate its emissions reduction. ▸ Where target coverage is not explicitly specified by the investee, Metrics assumes 100% coverage. ▸ Where investees have previously reported emissions data but have not yet released their current year emissions data, Metrics includes their baseline year and leaves their achieved reduction as zero for the period.
Intensity Target: **Reduce Metrics Credit Partners Scope 1, 2 and 3 Portfolio Temperature Rating within the asset classes Corporate loan, Private equity and Project finance from 3.2 degrees Celsius in 2021 to 2.5 degrees Celsius by 31 December 2027**	

CLIMATE RELATED TARGET	CLIMATE METRIC
Absolute Target: **Reduce Metrics Credit Partners absolute gross Scope 1 and 2 (market-based) GHG emissions 50% by 31 December 2030**	Percentage: Derived from difference in market-based tonnes of Carbon Dioxide Equivalent (tCO_2e) for the reporting period compared to the 2021 base year. For measurement approach, calculation, inputs and assumptions please see the Our Emissions section of this report. No interim target has been set.
Absolute Target: **Increase annual sourcing of renewable electricity from 0% in 2021 to 100% by 31 December 2030**	Metric: Percentage Measurement approach: kWh consumption of renewable electricity as a percentage of total kWh consumption of electricity by operational sites within organisational boundary. Inputs: Invoices from operational sites within organisational boundary Assumptions: Where electricity consumption is estimated, this consumption is assumed to be sourced from non-renewable electricity unless there is sufficient evidence to support classification as renewable electricity. No interim target has been set.

Metrics Credit Partners' current GHG emissions reductions targets were not derived using a sectoral decarbonisation approach and include all greenhouse gases required by the GHG Protocol. The targets have not been submitted for validation by SBTi as SBTi has granted an extension to financial institutions that had committed to set targets prior to the publication of its Financial Institutions Net Zero Standard (**FINZ Standard**) until 27 July 2027, being 24 months after SBTi's publication of the FINZ Standard. The targets were not revised in the reporting period. Metrics intends to revisit its near-term targets and set long-term targets in line with the FINZ Standard and using a 30 June 2026 baseline in the next reporting period.

Metrics Credit Partners does not use or plan to use carbon credits to achieve its climate targets nor does Metrics Credit Partners apply an internal carbon price in decision-making.

To measure progress against Metrics Credit Partners' Portfolio Temperature Rating targets, an annual review is conducted to monitor investees' emissions measurement, reporting and target setting. To support the alignment of future investments with Metrics Credit Partners' climate targets, it applies negative screens as set out in its Responsible Investment, Environmental, Social and Governance Policy (**ESG Policy**) and has adopted a fossil fuel investment policy reflecting the SBTi guidance under which its targets were set. Please refer to the ESG Policy for more information.

To support the Scope 1 and 2 GHG emission reduction target, Metrics considers annually whether office locations within our organisational boundary consume natural gas or generate fugitive emissions. During the reporting period, there was no natural gas used for cooking or heating in any Metrics offices within our organisational boundary, nor were there fugitive emissions associated with coolant leakage.

Renewable electricity has to-date been pursued on a site-by-site energy contract basis in an ad hoc manner due to the nature of office acquisitions. Metrics is investigating the opportunity to join a group buy renewable energy power purchase agreement for its major Australian offices.

Progress Against Our Targets

We have explored pathways for achieving net zero for our operations and financing activities.

Steps Taken in Prior Reporting Periods

Our first steps to reduce our operational carbon emissions were to switch to carbon neutral electricity, decommission gas, and upgrade lighting in Metrics Credit Partners' former North Sydney and Collingwood offices and encourage employees to commute using active or public transport. In 2024, we switched Metrics Credit Partners' former Collingwood office to renewable energy[11] and in 2025 we switched our new Sydney office at 1 Martin Place to renewable energy[12,13].

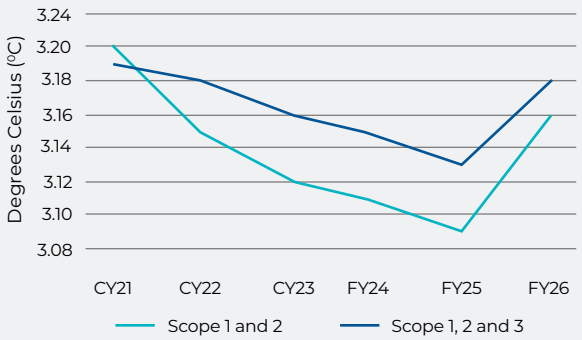
Steps Taken in the FY26 Reporting Period

In 2026, Metrics switched the Group's new Melbourne office at 101 Collins Street to renewable energy [14]. As at the date of this report, Metrics is investigating the opportunity to join a group buy renewable energy power purchase agreement in pursuit of the target to increase annual sourcing of renewable electricity to 100% by 2030. Renewable electricity accounted for 46% of the Group's electricity consumption in FY26.

Metrics Credit Partners' Scope 1 and 2 Portfolio Temperature Rating within the asset classes Corporate loans, Private equity and Project finance consistently improved from 3.20 as at 31 December 2021 to 3.09 as at 30 June 2025, mostly as a result of more investee companies adopting net zero targets. In the reporting period, Metrics observed an increase in its Portfolio Temperature Rating to 3.16, which we understand to be attributable to changes in the tool used to measure portfolio temperature scores (developed by CDP-WWF and SBTi). Specifically, since 1 January 2026, the tool has treated existing 2030 company targets as short-term rather than mid-term, resulting in an increase in the temperature score of these targets to the default score (3.2°C in version 1 and 3.4°C in version 1.5 of the tool), unless mid-term targets beyond 2030 are in place. SBTi has described this as a "cliff-edge effect" that could lead to worsened portfolio temperature outcomes.

Metrics recognises that in order for this target to continue to improve and at a more rapid pace, the Group's investees would need to: a) measure their emissions and b) set ambitious, reliable, science-based reduction targets to achieve net zero. A common challenge within Metrics Credit Partners' portfolio is lending to private companies, which are more likely to lack the dedicated resources and specialist skills to measure their emissions and set appropriate targets to reduce their impact. This is a challenge Metrics Credit Partners seeks to address through stewardship and engagement activities.

Metrics Credit Partners' Portfolio Temperature Rating



Refinement

As we continue to develop our climate and broader sustainability strategy, and reporting best practice evolves, we will continue to refine our targets, policies and disclosures. During FY27, Metrics intends to revisit its near-term targets and set long-term targets in line with SBTi's FINZ Standard and using a 30 June 2026 baseline. In accordance with SBTi's guidance, to ensure consistency with the most recent climate science and best practices, we will review, and, if necessary, recalculate and revalidate, our targets at least once every five years.

11 The retailer of renewable electricity for Metrics' former Collingwood office, ENGIE (ABN 67 269 241 237), provides GreenPower-accredited electricity to customers who have opted in. GreenPower is an independent government accreditation program that ensures participating consumers' payments support renewable energy projects beyond mandated government requirements, such as the Renewable Energy Target. GreenPower sales and purchases are independently audited under the National GreenPower Accreditation Program to verify that the renewable energy supplied meets strict environmental standards. Further information on GreenPower accreditation is available on the GreenPower website (www.greenpower.gov.au).

12 The retailer of renewable electricity for level 16 of Metrics' Martin Place office during the reporting period, EnergyAustralia Pty Ltd (ABN 99 086 014 968), provides GreenPower-accredited electricity to customers who have opted in.

13 The retailer of renewable electricity for level 15 of Metrics' Martin Place office during the reporting period, Shell Energy Operations Pty Ltd (ABN 28 122 259 223), provides GreenPower-accredited electricity to customers who have opted in.

14 The retailer of renewable electricity for Metrics' Collins St office during the reporting period, EnergyAustralia Pty Ltd (ABN 99 086 014 968), provides GreenPower-accredited electricity to customers who have opted in.

Appendix A: Third Party Commitments and Collaborations

Net Zero Asset Managers initiative	Metrics Credit Partners is an investor signatory to the NZAM initiative and is represented on the NZAM Advisory Group. As a signatory, Metrics Credit Partners has committed to: ▸ Provide its clients with information to help them understand and act on climate-related financial risks and opportunities. ▸ Support its clients to deliver on their climate goals. This may include increased investment in climate solutions, transition finance and climate-resilient investments. ▸ Set near-term climate targets consistent with the global goal of net zero greenhouse gas emissions, and review them periodically to reflect evolving financial risks, client expectations, and practices. ▸ Implement an investment stewardship strategy to support investees to address material climate risks and opportunities, consistent with its commitment above and positive long-term investment outcomes. ▸ Engage with key actors in the investment system (including, but not limited to, data and index providers, ratings agencies, stock exchanges, and investment consultants) to encourage the availability of products and services that appropriately reflect climate-related risks and opportunities. ▸ Ensure relevant policy advocacy it chooses to undertake does not undermine these commitments. ▸ Publicly disclose a plan for implementing these commitments and report annually on the actions it has taken towards these, and any outcomes achieved.
Science Based Targets initiative	Metrics Credit Partners committed to working with SBTi to set science-based emissions reductions targets for its operations and portfolio in November 2021, becoming the fifth financial institution headquartered in Australia to do so. The SBTi is a corporate climate action organisation that enables companies and financial institutions worldwide to play their part in combating the climate crisis. It develops standards, tools and guidance which allow companies to set GHG emissions reductions targets in line with what is needed to keep global heating below catastrophic levels and reach net-zero by 2050 at latest.
Partnership for Carbon Accounting Financials	Metrics Credit Partners was the first financial institution headquartered in Australia or New Zealand to formally commit to reporting under the PCAF Standard and was represented on its Global Core Team during the reporting period. PCAF is an industry-led partnership to facilitate transparency and accountability of the financial industry. PCAF participants work together to jointly develop and implement a harmonised approach to assess and disclose the greenhouse gas emissions associated with their loans and investments. PCAF has developed an open-source global GHG accounting standard for financial institutions, The Global GHG Accounting and Reporting Standard for the Financial Industry.

Principles for Responsible Investment	Metrics Credit Partners is a signatory of the UN-supported PRI. The PRI is a global network of asset managers, owners and services providers working collaboratively to implement responsible investment into practice. The PRI's six key Principles for Responsible Investment are: 1. We will incorporate ESG issues into investment analysis and decision-making processes. 2. We will be active owners and incorporate ESG issues into our ownership policies and practices. 3. We will seek appropriate disclosure on ESG issues by the entities in which we invest. 4. We will promote acceptance and implementation of the principles within the investment industry. 5. We will work together to enhance our effectiveness in implementing the principles. 6. We will each report on our activities and progress towards implementing the principles. Metrics participates in the PRI's Australian and Global Policy Reference Groups, its Collaborative Sovereign Engagement on Climate Change in respect of Australia, and its Sustainable Systems Investment Managers Reference Group.
Australian Sustainable Finance Institute	Metrics was a founding Member of the Australian Sustainable Finance Institute (**ASFI**) which was established to realign the Australian financial services system so that more money flows to activities that will create a sustainable, resilient and inclusive Australia. ASFI does this by coordinating, facilitating and driving implementation of the Australian Sustainable Finance Roadmap. Metrics participated in a pilot of the Australian Sustainable Finance Taxonomy during the reporting period with the aim of supporting taxonomy adoption, development of market practice, and informing Government consideration on initial use cases for a taxonomy in Australia's financial and regulatory architecture.
Investor Group on Climate Change	Metrics Credit Partners is a member of the Investor Group on Climate Change (**IGCC**). IGCC is a network for Australian and New Zealand investors to understand and respond to the risks and opportunities of climate change. It aims to deliver real and accelerated progress on climate change by connecting, collaborating, and advocating on behalf of investors to responsibly manage climate risks and opportunities, and drive sustainable returns for investors and the beneficiaries they represent.
Asia-Pacific Loan Market Association	Metrics Credit Partners is a member of the Green & Sustainable Loan Committee of the Asia Pacific Loan Market Association (**APLMA**) and was represented during the reporting period on its SME Lending Taskforce and the Pure Play Company working group convened by the APLMA and the Loan Market Association. The APLMA is a professional not-for-profit trade association which represents the interests of institutions active in the syndicated loan markets in the Asia Pacific region. The APLMA Green & Sustainable Loan Committee aims to increase loan market efficiency in bringing capital to support the just transition to a sustainable financial and economic system and produce robust and ambitious green and sustainable loan standards, principles and guidelines.

Transition Pathway Initiative	Metrics Credit Partners is a Supporter of the Transition Pathway Initiative (**TPI**). TPI is a global initiative led by asset owners and supported by asset managers. Its mission is to assess the progress of large corporations on the transition to a low-carbon economy, supporting efforts by investors to address climate change. As a responsible investor, Metrics Credit Partners is proud to be a TPI Supporter. Metrics values the independent insights offered by the TPI across the hardest to abate sectors and supports the continued growth of the TPI universe to drive the low-carbon transition.
Sustainability Advantage	Metrics Credit Partners is a Bronze Partner of Sustainability Advantage, a program of the New South Wales (**NSW**) Government's Department of Climate Change, Energy, the Environment and Water. Sustainability Advantage is an initiative aimed at helping organisations to accelerate the adoption of sustainable practices and nurturing leaders committed to securing a sustainable NSW. Sustainability Advantage assists organisations to become sustainability leaders by: ▸ supporting organisations to embed sustainability into everyday practices. ▸ helping organisations to be more efficient and save money by reducing resource and energy use, water use and waste. ▸ encouraging organisations to set ambitious targets to reduce carbon emissions. ▸ cultivating networks and collaborations to solve sustainability challenges and achieve a low carbon and circular economy.
Pinnacle	We have adopted the Pinnacle Group ESG Charter developed by Pinnacle Investment Management Group Limited and its affiliated investment managers. The Charter reflects our shared commitment to ensure that sustainability principles and practices are integrated into the way we conduct business. Under the Charter, we have agreed to annually review our approach to managing important issues such as ESG governance, climate change, modern slavery, employee wellbeing, diversity & inclusion, privacy protection and information security in a collaborative manner. The Charter underpins the activities of the Pinnacle Group's ESG Working Group, a collaboration between Pinnacle and its affiliates, with the objective to enhance consideration of ESG principles across the Pinnacle Group, as well as improve disclosure transparency and drive positive change in our industry.
Taskforce on Nature-related Financial Disclosures	Metrics Credit Partners is a member of the TNFD Forum and registered as an inaugural Early Adopter of the TNFD Recommendations in 2024. We published our first TNFD-aligned disclosures as part of our FY24 reporting package, and this report contains an update on this initiative. The TNFD is a global, market-led initiative with the mission to develop and deliver a risk management and disclosure framework for organisations to report and act on evolving nature-related risks, with the ultimate aim to support a shift in global financial flows away from nature-negative outcomes and toward nature-positive outcomes. To this end the TNFD has developed a set of disclosure recommendations and guidance that encourage and enable business and finance to assess, report and act on their nature-related dependencies, impacts, risks and opportunities.

Appendix B: Our Emissions Data

Table 1: Metrics' operational carbon footprint

EMISSIONS CATEGORY	CY2021 (tCO_2e)	CY2022 (tCO_2e)	2023-24 (tCO_2e)[15]	FY25 (tCO_2e)	FY26 (tCO_2e)
Scope 1 - Total	**0.8**	**0.0**	**0.0**	**0.0**	**0.0**
Natural Gas	0.8	0.0	0.0	0.0	0.0
Scope 2 - Total (Location-Based)	**61**	**58**	**113**	**102**	**217**
Electricity Consumption (Location-Based)	61	58	113	102[16]	217[17]
Scope 3 - Total	**3,210**	**3,845**	**12,540**	**21,846**	**8,042**
C1 Purchased Goods and Services	3,049	3,572	11,792	21,375	7,200
C3 Fuel- and Energy-Related Activities	6	5	9	6	42
C5 Waste Generated in Operations	5	9	23	N/A	N/A
C6 Business Travel	16	98	419	238	451
C7 Employee Commuting	134	161	297	227	348
C15 Investments	Disclosed separately				
Total	**3,272**	**3,903**	**12,652**	**21,948**	**8,258**

15 Our operational emissions were measured for an 18-month period, 1 January 2023 to 30 June 2024, in order to align our climate reporting with our financial accounting cycle from our 2024-25 financial year.

16 Our Scope 2 market-based emissions were measured at 51 tonnes of CO2e for the period ending 30 June 2025.

17 Our Scope 2 market-based emissions were measured at 125 tonnes of CO2e for the period ending 30 June 2026.

Table 2: CY21 Metrics' financed emissions (Scope 3 – Category 15 (Investments))*

PCAF ASSET CLASS	% OF TOTAL METRICS' DEBT AND EQUITY	SCOPE 1 & 2 EMISSIONS (tCO_2e)	SCOPE 3 EMISSIONS (tCO_2e)	TOTAL SCOPE 1, 2 & 3 EMISSIONS (tCO_2e)	EMISSIONS INTENSITY - SCOPE 1, 2 & 3 (tCO_2e/ A$M)	WEIGHTED AVERAGE DATA QUALITY SCORE – SCOPE 1 & 2	WEIGHTED AVERAGE DATA QUALITY SCORE – SCOPE 3
Business Loans and Unlisted Equity	38%	183,705	450,056	633,761	220	3.6	3.9
Project Finance	27%	47,882	43,927	91,809	44	5.0	5.0
Commercial Real Estate	16%	10,490	N/A	10,490	9	4.0	N/A
All Asset Classes	**81%**	**242,077**	**493,983**	**736,060**	**119**	**4.1**	

* Figures subjected to rounding. Scope 3 emissions relating to Commercial Real Estate have not been measured or included.

Table 3: CY22 Metrics' financed emissions (Scope 3 – Category 15 (Investments))*

PCAF ASSET CLASS	% OF TOTAL METRICS' DEBT AND EQUITY	SCOPE 1 & 2 EMISSIONS (tCO_2e)	SCOPE 3 EMISSIONS (tCO_2e)	TOTAL SCOPE 1, 2 & 3 EMISSIONS (tCO_2e)	EMISSIONS INTENSITY - SCOPE 1, 2 & 3 (tCO_2e/ A$M)	WEIGHTED AVERAGE DATA QUALITY SCORE – SCOPE 1 & 2	WEIGHTED AVERAGE DATA QUALITY SCORE – SCOPE 3
Business Loans and Unlisted Equity	35%	268,955	955,605	1,224,560	308	3.6	3.8
Project Finance	20%	42,259	15,109	57,367	25	3.9	4.1
Commercial Real Estate	27%	34,663	N/A	34,663	12	4.0	N/A
All Asset Classes	**82%**	**345,877**	**970,713**	**1,316,590**	**142**	**3.8**	

* Figures subjected to rounding. Scope 3 emissions relating to Commercial Real Estate have not been measured or included.

Table 4: CY23 Metrics' financed emissions (Scope 3 – Category 15 (Investments))*

PCAF ASSET CLASS	% OF TOTAL METRICS' DEBT AND EQUITY	SCOPE 1 & 2 EMISSIONS (tCO_2e)	SCOPE 3 EMISSIONS (tCO_2e)	TOTAL SCOPE 1, 2 & 3 EMISSIONS (tCO_2e)	EMISSIONS INTENSITY - SCOPE 1, 2 & 3 (tCO_2e/ A$M)	WEIGHTED AVERAGE DATA QUALITY SCORE – SCOPE 1 & 2	WEIGHTED AVERAGE DATA QUALITY SCORE – SCOPE 3
Business Loans and Unlisted Equity	30%	209,145	704,309	913,454	230	3.5	3.8
Project Finance	17%	42,956	13,773	56,728	26	2.5	2.5
Commercial Real Estate	28%	70,426	N/A	70,426	19	3.9	N/A
All Asset Classes	**75%**	**322,526**	**718,081**	**1,040,608**	**105**	**3.6**	

* Figures subjected to rounding. Scope 3 emissions relating to Commercial Real Estate have not been measured or included.

Table 5: FY24 Metrics' financed emissions (Scope 3 – Category 15 (Investments))*

PCAF ASSET CLASS	% OF TOTAL METRICS' DEBT AND EQUITY	SCOPE 1 & 2 EMISSIONS (tCO_2e)	SCOPE 3 EMISSIONS (tCO_2e)	TOTAL SCOPE 1, 2 & 3 EMISSIONS (tCO_2e)	EMISSIONS INTENSITY - SCOPE 1, 2 & 3 (tCO_2e/ A$M)	WEIGHTED AVERAGE DATA QUALITY SCORE – SCOPE 1 & 2	WEIGHTED AVERAGE DATA QUALITY SCORE – SCOPE 3
Business Loans and Unlisted Equity	31%	234,375	1,318,291	1,552,666	343	3.4	3.7
Project Finance	22%	4,277	12,426	16,703	4	1.9	2.2
Commercial Real Estate	24%	96,049	N/A	96,049	21	3.6	N/A
All Asset Classes	**77%**	**334,680**	**1,330,717**	**1,665,397**	**148**	**3.4**	

* Figures subjected to rounding. Scope 3 emissions relating to Commercial Real Estate have not been measured or included.

Table 6: FY25 Metrics' financed emissions (Scope 3 – Category 15 (Investments))*

PCAF ASSET CLASS	% OF TOTAL METRICS' DEBT AND EQUITY	SCOPE 1 & 2 EMISSIONS (tCO_2e)	SCOPE 3 EMISSIONS (tCO_2e)	TOTAL SCOPE 1, 2 & 3 EMISSIONS (tCO_2e)	EMISSIONS INTENSITY - SCOPE 1, 2 & 3 (tCO_2e/ A$M)	WEIGHTED AVERAGE DATA QUALITY SCORE – SCOPE 1 & 2	WEIGHTED AVERAGE DATA QUALITY SCORE – SCOPE 3
Business Loans and Unlisted Equity	23%	159,154	466,080	625,235	132	3.2	3.6
Project Finance	22%	40,846	153,654	194,499	42	2.4	2.8
Commercial Real Estate	20%	83,423	N/A	83,423	20	3.7	N/A
All Asset Classes	**65%**	**283,423**	**619,734**	**903,157**	**67**	**3.3**	

* Figures subjected to rounding. Scope 3 emissions relating to Commercial Real Estate have not been measured or included.

Table 7: FY26 Metrics' financed emissions (Scope 3 – Category 15 (Investments))*

PCAF ASSET CLASS	% OF TOTAL METRICS' DEBT AND EQUITY	SCOPE 1 & 2 EMISSIONS (tCO_2e)	SCOPE 3 EMISSIONS (tCO_2e)	TOTAL SCOPE 1, 2 & 3 EMISSIONS (tCO_2e)	EMISSIONS INTENSITY - SCOPE 1, 2 & 3 (tCO_2e/ A$M)	WEIGHTED AVERAGE DATA QUALITY SCORE – SCOPE 1 & 2	WEIGHTED AVERAGE DATA QUALITY SCORE – SCOPE 3
Business Loans and Unlisted Equity	12%	227,724	937,845	1,165,569	239	3.2	3.7
Project Finance	19%	961	1,373	2,334	0.3	2.4	2.8
Commercial Real Estate	6%	48,122	N/A	48,122	19	3.8	N/A
Mortgages	17%	28,109	N/A	28,109	4	4.9	N/A
Motor Vehicles	3%	59,826	N/A	59,826	51	2.1	N/A
All Asset Classes	**56%**	**364,742**	**939,217**	**1,303,960**	**55**	**4.0**	

* Figures subjected to rounding. Scope 3 emissions relating to Commercial Real Estate have not been measured or included.

Table 8: FY25 Fund level data*

FUND	SCOPE 1 & 2 EMISSIONS (tCO_2e)	SCOPE 3 EMISSIONS (tCO_2e)	EMISSIONS INTENSITY - SCOPE 1 & 2 (tCO_2e/A$M)	EMISSIONS INTENSITY - SCOPE 1, 2 & 3 (tCO_2e/A$M)
Metrics Credit Partners Diversified Australian Senior Loan Fund (DASLF)	135,754	265,311	29	87
MCP Secured Private Debt Fund II (SPDF II)	43,474	112,885	24	86
MCP Real Estate Debt Fund (REDF)	5,905	289	3	3
Metrics Credit Trust (CT)	4,882	10,724	11	34
MCP Wholesale Investments Trust (WIT)	99,991	207,137	22	69
Metrics Wholesale Income Opportunities Trust (WIOT)	2,355	6,804	6	22
Metrics Diversified (Australia and New Zealand) Lending Fund (MDLF)	11,531	22,592	29	87
Metrics Multi-Strategy Private Debt (NZ) Fund (NZ PIE)	1,045	2,165	22	69
Metrics Master Income Trust (ASX: MXT)	37,863	78,435	22	69
Metrics Income Opportunities Trust (ASX:MOT)	2,355	6,804	6	22

* Figures subjected to rounding. Scope 3 emissions relating to Commercial Real Estate have not been measured or included.

Table 9: FY26 Fund level data*

FUND	SCOPE 1 & 2 EMISSIONS (tCO_2e)	SCOPE 3 EMISSIONS (tCO_2e)	EMISSIONS INTENSITY - SCOPE 1 & 2 (tCO_2e/A$M)	EMISSIONS INTENSITY - SCOPE 1, 2 & 3 (tCO_2e/A$M)
Metrics Credit Partners Diversified Australian Senior Loan Fund (DASLF)	153,634	565,290	30	140
MCP Real Estate Debt Fund (REDF)	2,560	N/A	1.27	1.27
MCP Secured Private Debt Fund II (SPDF II)	42,856	113,057	22	81
MCP Credit Trust (CT)	3,771	5,018	14	35
Metrics Credit Trust II (MCTII)	3,463	13,305	9	45
Metrics Real Estate Partners Fund 1 (MREP1)	75	N/A	2	2
Metrics Wholesale Income Opportunities Trust (WIOT)	47	1,141	1.03	26
Metrics Master Income Trust (ASX: MXT)	42,053	142,731	24	105
MCP Wholesale Investments Trust (WIT)	107,041	363,304	24	105
Metrics Income Opportunities Trust (ASX:MOT)	2,943	9,027	6	25
Metrics Real Estate Multi-Strategy Fund (MRE)	1,697	N/A	3	3
Metrics Direct Income Fund (MDIF)	48,883	165,912	24	105
Metrics Real Estate Income Fund (MREIF)	7	N/A	1.3	1.3
Metrics Multi-Strategy Private Debt (NZ) Fund (NZ PIE)	1,189	4,036	24	105
Metrics Diversified (Australia and New Zealand) Lending Fund (MDLF)	16,480	59,857	30	140
Metrics High Yield CRE Debt Fund (MHYCDF)	92	N/A	2	2

* Figures subjected to rounding. Scope 3 emissions relating to Commercial Real Estate have not been measured or included.

Glossary

TERM	DEFINITION
A$M	Million Australian dollars
AASB	Australian Accounting Standards Board
APLMA	Asia Pacific Loan Market Association
ASFI	Australian Sustainable Finance Institute
ASX	Australian Securities Exchange
AUM	Assets under management
CDP	Carbon Disclosure Project
CEDA	Watershed's Comprehensive Environmental Data Archive database
BACC	Board Audit and Compliance Committee
Basis of Preparation	Document prepared and published by Metrics in respect of this Climate Report, which includes more information on how we measured our emissions and the assumptions used
CO_2e	Carbon dioxide equivalent
ENCORE	Exploring Natural Capital Opportunities, Risks and Exposures
ESG	Environmental, social and governance
ESG Policy	Metrics Credit Partners' Responsible Investment, Environmental, Social and Governance Policy
Financed emissions	Scope 3 – Category 15 (Investments) emissions under the GHG Protocol
FINZ Standard	Financial Institutions Net Zero Standard
GHG	Greenhouse gas
GHG Protocol	Greenhouse Gas Protocol
GPRG	Global Policy Reference Group
IGCC	Investor Group on Climate Change
LEAP	Locate, Evaluate, Assess and Prepare
NSW	New South Wales
NZAM	Net Zero Asset Managers initiative
PCAF	Partnership for Carbon Accounting Financials
PCAF Standard	Global GHG Accounting and Reporting Standard for the Financial Industry
PRI	Principles for Responsible Investment
RISF	Responsible Investment & Sustainable Finance
SBTi	Science Based Targets initiative
tCO_2e	Tonnes of carbon dioxide equivalent
TNFD	Taskforce on Nature-related Financial Disclosures
TPI	Transition Pathway Initiative
WWF	World Wide Fund for Nature

METRICS

For More Information

If you would like to learn more about Metrics or our funds, contact us on the details below.

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