

LIBERTY GROUP

**AASB S2 SUSTAINABILITY REPORT
FOR THE YEAR ENDED 30 JUNE 2026**

LIBERTY GROUP
AASB S2 SUSTAINABILITY REPORT
FOR THE YEAR ENDED 30 JUNE 2026

Basis of Preparation

This report (hereby referred to as the 'Climate Report') represents climate-related financial disclosures for the Liberty Group for the financial year ended 30 June 2026. Liberty Group's climate-related disclosures have been prepared in accordance with AASB S2 Climate-related Disclosures ('AASB S2'), which is the mandatory Australian Sustainability Reporting Standard ('ASRS') that has been issued by the Australian Accounting Standards Board ('AASB') and the requirements of the Corporations Act 2001 ('Corps Act'). This report has been prepared for the same consolidated reporting entity and reporting period as Liberty Group's Consolidated Financial Statements. This report is intended to operate as a standalone report presenting the Liberty Group's climate-related disclosures and should be read in conjunction with its consolidated financial statements.

The Climate Report is comprised of the following documents:

- the climate statements for the year; and
- the Directors' declaration about the statements.

Transition Relief

As this is the first year Liberty Group has applied AASB S2, the following transition reliefs have been applied:

- Comparative information has not been disclosed; and
- Scope 3 Greenhouse Gas (GHG) emissions have not been disclosed.

Material information

When making decisions on materiality and decisions on information relevant for inclusion in this report, Liberty Group has used qualitative and quantitative criteria informed by AASB guidance on material information, Liberty Group's Risk Management Framework and financial reporting practices.

Judgements, assumptions and uncertainties

In preparing this report, Liberty Group has applied estimates, assumptions and judgments including in areas containing forward-looking information, which are subject to uncertainties which are not within the control of Liberty Group. As a result, actual outcomes may differ materially from those presented.

Additional information on estimates, assumptions and judgments is included in Appendix 1.

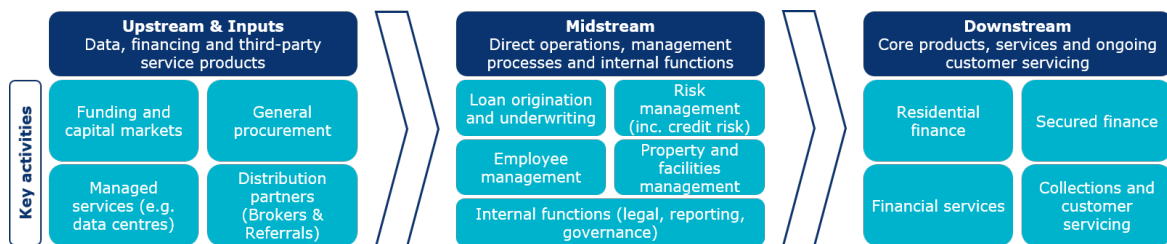
Business Model and value chain

Liberty Group is a leading financial services group, operating across Australia and New Zealand. Liberty Group's business model is focused on providing diverse and accessible financial solutions to its customers. Liberty Group's activities include specialty lending (residential mortgages, motor vehicle finance, personal loans, commercial loans and self-managed superannuation fund loans), finance and insurance broking, receivables servicing, consumer insurance underwriting and funds management.

LIBERTY GROUP
AASB S2 SUSTAINABILITY REPORT
FOR THE YEAR ENDED 30 JUNE 2026

Liberty Group's value chain includes several key external dependencies that can influence outcomes. These include distribution partners (brokers and referrals) that generate customers for the Liberty Group, funding and capital markets and the downstream customer base, along with the broader macroeconomic environment. The Liberty Group considers its value chain in three core components:

- **Upstream** - The enabling component of Liberty Group's operations, that are not directly operated by the Liberty Group. This includes but is not limited to, data providers, providers of funding and capital markets, managed services and distribution partners;
- **Own Operations** - The activities and assets in Liberty Group's direct control and influence. These encompass Liberty Group's employees and its core activities including loan origination, underwriting and capital and risk management; and
- **Downstream** - The core products and services provided by Liberty Group to its customers, and their ongoing lifecycle and management. These are classified into Liberty Group's core product segments, being residential finance, secured finance and financial services.



Governance

As a proudly certified B Corp since 2019, Liberty holds a commitment to maintaining a high standard of Environmental, Social and Governance (ESG) related performance. As part of managing its ESG responsibilities, the Liberty Group recognises that the effective governance of climate-related risks and opportunities is critical to long-term value creation and is committed to transparent disclosure in line with AASB S2 requirements. The Liberty Group has undertaken uplift in the current financial year, across several functions including governance, risk-management and strategy, as well as the monitoring and reporting of climate-related metrics to meet these requirements.

Oversight of climate-related risks and opportunities

The Board retains overall responsibility for the oversight of Liberty Group's implementation of strategic objectives and the effective management of financial and non-financial risks, including climate-related risks and opportunities. In the current reporting period, the Board reviewed and approved the carbon neutral target set out in this report. The Board will monitor the target on an annual basis through the sustainability reporting process. The Board delegates the roles and responsibilities for the management of climate related matters to the:

- **The Audit and Risk Committee** which supports the Board by monitoring material economic, environmental and social risks (including climate-related risks and opportunities), overseeing the risk management framework and strategy, and advising on the organisation's risk appetite.

LIBERTY GROUP
AASB S2 SUSTAINABILITY REPORT
FOR THE YEAR ENDED 30 JUNE 2026

There are no climate-related roles or mandated responsibilities set out in the Board and Board-related Committee Charters as of 30 June. Post 30 June and prior to the signing of this report, Liberty Group has updated the responsibilities in the Audit and Risk Committee Charter to include “sustainability-related risks and opportunities, including those related to climate change”.

In FY26, the Board was informed of climate-related information on one occasion. This update included a summary of the requirements of AASB S2 and proposed updates to risk and governance documents in relation to climate. In FY26 the Audit and Risk Committee was informed of climate-related information on one occasion. This update included a summary of the requirements of AASB S2, progress of Liberty Group’s AASB S2 disclosures to date and a draft Sustainability Report for review, which included climate-related risks and opportunities.

Management of climate related risks and opportunities

The Compliance Committee is a management led committee, delegated by the Board. Post 30 June and prior to the signing of this report, Liberty Group has updated the Compliance Committee’s Charter to include “oversight of climate”. The Compliance Committee’s responsibilities include the day-to-day management of climate related matters, including the execution of strategy, risk management, and the setting, monitoring and achievement of targets. The Committee is comprised of the Chief Executive Officer (CEO), Chief Financial Officer (CFO), Chief Technology Officer (CTO), Chief Operating Officer (COO), General Counsel, Group Manager (GM) Group Risk and Compliance, and Compliance Manager. The Compliance Committee will report to the Audit and Risk Committee on climate periodically and the Audit and Risk Committee will report to the Board as appropriate.

The Group Manager – Group Risk and Compliance oversees climate risks and opportunities through the organisation’s broader enterprise risk management process. Liberty Group’s Risk Management Framework (RMF) provides a systematic method for identifying, assessing, treating and monitoring risks and opportunities, and has been applied to Liberty Group’s climate-related risks and opportunities.

As this is the first year Liberty Group has assessed climate-related risks and opportunities, these findings have not yet been incorporated into the Group’s strategic planning processes under board oversight. Consequently, they have not yet influenced major investment decisions or strategic trade-offs.

Board skills and experience

Liberty Group’s Board and committees comprise a balanced mix of executive and non-executive directors, each bringing diverse skills and experience. Post 30 June and prior to the signing of this report, Liberty Group’s Board Skills Matrix has been updated to include “ESG related (including climate-related) risks and opportunities”.

As part of a review into the Board’s skills, and to ensure climate-related competency is sufficient across the Board to oversee climate-related risks and opportunities, the following actions have occurred:

- Board members have received and discussed climate related materials provided by advisors with specific credentials in climate related matters including the requirements of AASB S2;

LIBERTY GROUP
AASB S2 SUSTAINABILITY REPORT
FOR THE YEAR ENDED 30 JUNE 2026

- Directors are required to stay up to date with regulatory developments that may affect Liberty Group, including those related to climate; and
- The Board participated in a dedicated training session with independent experts, covering the requirements of AASB S2, climate risk and opportunity assessments, scenario analysis and industry specific implications.
- The Board completed a self-assessment survey, including provisional director ratings against the sustainability category after 30 June but prior to signing of this report.

Remuneration and climate-related performance

Liberty Group's remuneration structure is applicable to Key Management Personnel (KMP), and this applies to persons who have specific responsibility for planning, directing, and controlling the activities of the Liberty Group, including any Director (whether Executive or otherwise). As of FY26, climate-related performance is not a consideration for the remuneration of KMP's. Executive KMP's long term incentives are however influenced by Liberty's B Corp score, which reflects broader environmental, social, and corporate governance performance.

Risk Management

Processes for identifying and assessing climate-related risks and opportunities

This year presents the first assessment of Liberty Group's climate-related risks and opportunities. The assessment has been aligned with current risk management procedures, to ensure that assessed outputs are consistent with the Liberty Group's approach for identifying and assessing other risks. This process began with mapping of key business activities and the upstream, operational and downstream activities of the business. Consistent with the principles of the Risk Management Strategy (RMS), climate risks and opportunities have been identified leveraging existing enterprise risks and through external advisory support.

The identification process involved:

- Benchmarking peers and the sector for climate risks and opportunities;
- A review of climate scenario pathways such as the Network for Greening for Financial System (NGFS);
- A review of internal policies and frameworks, such as the RMS, Risk Appetite Statement (RAS), Risk Management Policy (RMP), Risk Heat Map and Risk Matrix, to identify existing climate-related risks and opportunities; and
- Externally facilitated workshops with departmental leaders.

The prioritisation of identified climate risks has been assessed against Liberty Group's 5-point enterprise Risk Matrix for consequence (Very low, Low, Medium, Major, Extreme) and likelihood prior to controls / mitigating actions of the business (Rare, Unlikely, Possible, Likely, Almost Certain), to ensure consistency with other enterprise risk assessments. Each risk or opportunity was assessed qualitatively for an initial short-term period and longer-term period to inform prioritisation. For climate opportunities to be prioritised, the consequence thresholds of the enterprise Risk Matrix were inverted to present positive impacts. This process produced a shortlist of

LIBERTY GROUP
AASB S2 SUSTAINABILITY REPORT
FOR THE YEAR ENDED 30 JUNE 2026

prioritised climate related risks and opportunities for further assessment during scenario analysis. The assessment of the prioritised risks and opportunities is described further in the Strategy section of this disclosure.

Integration into Liberty Group's Risk Management Framework

Liberty Group's RMF provides the components that manage the development and implementation of strategies, policies, procedures and controls to manage risk. This informs the RMS, which outlines Liberty Group's risks and the processes, policies, procedures, roles and responsibilities to manage these. All identified risks and their associated controls are detailed in the risk register. Post 30 June and prior to the signing of this report, climate related risks have been incorporated into the RAS, RMS, RMP and Risk Registers. Climate-related opportunities are not currently a component of Liberty's risk documentation. The RMS enforces a three line of defence model for risk management, of which climate risks are a component;

- First line of defence: Liberty Group Staff - report to Chief Executive Officer and Chief Financial Officer;
- Second line of defence: Risk Management and Compliance Function - report to Chief Financial Officer with direct access to Board and Board Committees; and
- Third line of defence: Independent Internal Audit - report directly to Board and Board Committees. No internal audits in relation to climate-related risks were conducted in the financial year.

The identified climate-related risks and opportunities will be reviewed annually to assess whether any changes to the Group's remit, composition, or strategic approach necessitate revisions to the assessment.

Strategy

Liberty Group recognises that climate change presents both risks and opportunities for its business. This section outlines the Liberty Group identified climate-related risks and opportunities (CRROs), their current and anticipated impacts on the Group's business model and value chain, the associated actual and expected financial effects, and the Group's resilience under a range of climate scenarios, as assessed through climate scenario analysis.

Climate Scenario Analysis

Scenario analysis provides an opportunity to assess the identified CRROs that could reasonably be expected to affect Liberty Group's prospects. The insights generated delivered targeted, decision-useful data that informed the financial impact assessment of prioritised risks and opportunities, ensuring Liberty Group's climate resilience assessment was robust and evidence-based.

In FY26, Liberty Group conducted climate scenario analysis using three climate scenarios to assess the potential implications of low-, moderate-, and high-emissions futures for the Liberty Group. The below table describes the climate scenarios selected, and the applicable time horizons. Further descriptions around key assumptions and inherent uncertainties are described in Appendix 1.

LIBERTY GROUP
AASB S2 SUSTAINABILITY REPORT
FOR THE YEAR ENDED 30 JUNE 2026

Climate scenarios	Source	Scenario characteristics	Scenario selection rationale
Low emissions	Physical: IPCC, SSP1-2.6 (~1.3°C to 2.4°C warming)	Strong global climate action occurs, with rapid decarbonisation. Physical climate impacts evolve more slowly, providing more time to adapt, and fewer disruptions.	The NGFS Net Zero 2050 low emissions scenario is aligned with the scenario analysis requirements under the Corporations Act 2001.
	Transition: NGFS Net Zero 2050 (~1.5°C warming)	A rapid transition driven by strong global climate action, resulting in significant transition risk drivers. The global environment is characterised by stronger climate-policy and regulation, increased investment in decarbonisation, changes to market and consumer preferences and heightened reputational risks to organisations.	
Moderate emissions	Physical: IPCC AR6, SSP2-4.5 (2.1°C to 3.5°C warming)	A moderate policy scenario characterised by uneven climate action and a delayed transition to decarbonisation. This results in more frequent and intense physical climate impacts in the near to medium term, driven by slower structural change.	Provides an opportunity to appropriately compare both physical and transition related impacts under a moderate scenario. This scenario captures both the impact of a delayed transition and increasing intensification of physical climate events and may be considered more realistic based on current trajectories and ambitions globally.
	Transition: NGFS Delayed transition (2°C warming)	A delayed transition results in lower transition risks in the short term, followed by a rapid and disorderly transition. This shock creates meaningful transition impacts as greater degrees of change are required to meet global ambitions over a shorter timeframe.	
High emissions	Physical: IPCC AR6, SSP3-7.0 (2.8°C to 4.6°C warming)	In a high emissions future, there is limited climate action and continued reliance on existing production methods and materials. Physical risks intensify, creating significant strain on global systems.	The high emissions scenario is in line with scenario analysis requirements under the Corporations Act 2001.
	Transition:	Described as a current policies setting, transition	

LIBERTY GROUP
AASB S2 SUSTAINABILITY REPORT
FOR THE YEAR ENDED 30 JUNE 2026

Climate scenarios	Source	Scenario characteristics	Scenario selection rationale
	NGFS Current Policies (~3°C warming)	impacts are at their weakest, as minimal adjustment to the current operating environment occurs.	

For more information on scenarios, inputs, assumptions, and limitations see Appendix 1.

Climate-related risks and opportunities

Liberty Group conducted its first CRROs assessment in FY26. The assessment considered the potential impact of both physical and transition climate impacts across Liberty Group's business model and value chain (as described in the section "About this Report"), across three-time horizons:

Short term: 2030	Medium term: 2040	Long term: 2050
------------------	-------------------	-----------------

- Liberty Group's short-term time horizon to 2030 aligns with its current strategic planning cycle and carbon neutral target (please see section "Climate-related target" for more information).
- Selection of the long-term time horizon to 2050 captures longer-term transition and physical climate risks, including the resilience of the portfolio and businesses under different climate pathways.
- The medium-term horizon, set at 2040, provides a natural midpoint between these milestones, supporting effective planning and response to climate-related risks and opportunities over time.

Financial Impact Key

Current and anticipated financial effects for quantitatively assessed CRROs have been assessed using the financial consequence ranges defined below.

Categorisation	% Of FY26 Statutory Net Profit after Tax (NPAT)	Financial Ranges
High	Greater than 5%	Greater than \$7 million
Medium	2.5% - 5%	\$3.5 million – \$7 million
Low	Less than 2.5%	Less than \$3.5 million

The below tables describe the CRROs that could reasonably affect Liberty Group's prospects. These were developed after first creating an initial list of CRROs, which were then refined through externally facilitated workshops with senior management. Both the consequences and likelihood of each risk and opportunity are considered in accordance with the RMS. Further details about this process are provided in the Risk Management section of this report. The Liberty Group considers the moderate scenario as the most probable for the short- to medium-term and has used this as the basis for the anticipated effects of CRROs, factoring in mitigation measures and sensitivity to alternative scenarios.

LIBERTY GROUP
AASB S2 SUSTAINABILITY REPORT
FOR THE YEAR ENDED 30 JUNE 2026

Physical Risk

Physical Risk: Impact of extreme weather on portfolio performance and credit risk

Description

Extreme weather, such as fire hazards and rainfall, may increase credit risk through higher borrower hardship and delinquency, as well as lowering collateral valuations and increasing loan-to-value ratios. These hazards may also reduce building insurance affordability and availability, weakening borrower resilience. Where underinsurance or loss of insurance occurs during the loan term, exposure to uninsured collateral damage may increase, elevating default risk and credit losses.

Reduced insurance affordability and availability may also limit borrower eligibility and constrain loan origination volumes.

Timeline that risk could reasonably affect Liberty Group's prospects

Short term	Medium term	Long term
------------	-------------	-----------

Current financial effects and effects on business model and value chain

This risk is concentrated in the downstream component of Liberty Group's value chain, as an indirect exposure to customer impacts from physical climate events. Liberty Group did not incur any climate-related credit losses during FY26. Further, there are no expected material adjustments to the carrying amounts of loans receivable, nor collateral at the portfolio level expected within the next 12 months.

Anticipated financial effects and effects on business model and value chain under the moderate emissions scenario

To assess the anticipated financial impacts of Liberty Group customers' exposure to physical climate hazards, the quantitative assessment primarily models expected credit losses arising from projected changes in extreme rainfall and extreme fire hazards. The resulting impacts may be reflected through impairment losses on financial assets and associated changes to the provision for financial asset impairment. Cyclone impacts have been assessed qualitatively due to data limitations. The table below summarises the key financial statement line items that may be impacted. The associated impacts on financial position and cash flows reflect the timing and accounting treatment of these changes.

Financial performance	Financial position	Cash flows
• Net interest income • Impairment loss on financial assets	• Cash and cash equivalents • Financial assets • Provision for financial asset impairment • Net interest income receivable	• Net interest income received • Cash inflows from financial assets

Extreme rainfall intensity is projected to increase across several regions, particularly in Northeast Queensland and Victoria, and remain elevated across all time horizons. Bushfire risk is expected to increase moderately in the short term and more significantly over the medium and long term, particularly in parts of Western Australia. These hazards may increase the risk of damage to collateral, borrower hardship, insurance premiums and reduce insurance availability, affecting loan eligibility and collateral quality. This is expected to result in a Low negative financial impact across all time horizons, assuming the current lending portfolio composition remains unchanged. The Group's expected lending portfolio duration does, however, fall within the short-term horizon, allowing it to adapt its lending strategy and portfolio composition through the medium and long term, enabling it to manage exposure as climate conditions evolve.

LIBERTY GROUP
AASB S2 SUSTAINABILITY REPORT
FOR THE YEAR ENDED 30 JUNE 2026

Sensitivity to climate scenarios

Projections for extreme rain intensity and frequency show limited variation across scenarios, whereas extreme fire days and extreme fire index exhibit greater sensitivity. Under the high-emissions scenario, extreme fire days and extreme fire index are projected to be higher than under the moderate-emissions scenario, reflecting a greater potential impact on Liberty Group's collateral. Under the low-emissions scenario, extreme fire days and fire index are projected to be slightly lower than under the moderate-emissions scenario. Despite these outcomes, uncertainty in climate modelling and regional variability means Liberty Group continues to monitor physical climate risks and maintain various mitigation and adaptation efforts across its portfolio.

Current and anticipated direct and indirect mitigation and adaptation efforts

Liberty Group has practices in place that help reduce the impact of extreme events on its portfolio.

- Liberty Group offers hardship support services such as deferred payments and reduced minimum payments to customers in need, including those affected by climate events. This both assists customers and mitigates credit risks for the Liberty Group.
- Liberty Group has an existing requirement that all residential and commercial properties which are offered as security are appropriately insured (including fire, fire and storm damage) at the point of loan origination. This requirement helps to indirectly mitigate the effects of climate-related events on portfolio losses. Liberty Group also requires that properties offered as security are appropriately insured throughout the life of the loan and customers are required to confirm their insurance status annually.
- This year, Liberty Group included climate factors in its credit stress tests for the first time.

Transition Risk

The energy transition may lead to higher and more volatile energy prices, increasing operating costs through Liberty Group's direct energy use and its reliance on third-party operated data centres and technology services.

Description

The clean energy transition characterised by grid decarbonisation and changing demand and production levels for fossil fuels, will lead to price volatility and increased energy prices, increasing Liberty Group's energy procurement costs for its offices and vehicle fleet. Additionally, Liberty Group's IT cost associated with server usage may experience upward cost pressure due to the energy-intensive nature of data centres, further exacerbated by continued AI adoption.

Timeline that risk could reasonably affect Liberty Group's prospects

Short term	Medium term	Long term
------------	-------------	-----------

Current financial effects and effects on business model and value chain

Liberty Group's energy costs and IT expenses have remained stable, with no material climate-related impact that is separately identified for FY26. The Group does not expect these costs to result in any material adjustments to the carrying amounts of assets and liabilities due to this in the next reporting period.

Anticipated financial effects and effects on business model and value chain under the moderate emissions scenario

Anticipated financial impacts have been quantitatively assessed based on modelled changes in Liberty Group's operating expenditure resulting from projected increases in electricity and petrol prices, as well as higher technology expenses associated with increased data centre

LIBERTY GROUP
AASB S2 SUSTAINABILITY REPORT
FOR THE YEAR ENDED 30 JUNE 2026

costs. The associated impact on cash flows and financial position will depend on the timing of when associated costs are recognised and settled.

Financial performance	Financial position	Cash flows
• Travel and Entertainment Expenses • Technology and Communication Expenses • Occupancy Expenses	• Cash and cash equivalents • Accounts payable	• Utilities and other expense payments

Electricity prices are projected to increase by approximately 4% in the short term relative to FY26 levels, remain broadly stable in the medium term and decline by up to 21% in the long term as renewable energy investment increases. In contrast, transportation liquid fuel prices are expected to increase over time, potentially increasing fleet operating costs where petrol vehicles continue to be used. Overall, these changes are expected to result in a Low negative financial impact in the short and medium term due to higher operating expenditure, and a Low positive financial impact in the long term as lower electricity costs, particularly for third-party data centres operations, more than offset higher transportation fuel costs.

Sensitivity to climate scenarios

Although long-term forecasts project a reduction in electricity prices across all scenarios, the low emissions scenario experiences the fastest and largest reduction. Liberty Group acknowledges that these benefits could be offset by an increase in total energy consumption, driven by the adoption of energy-intensive technologies.

Transportation liquid fuel prices increase in all scenarios, with the most significant rises seen in the low and moderate climate scenarios, increasing fleet operating costs.

Current and anticipated direct and indirect mitigation and adaptation efforts

When purchasing new vehicles for Liberty Group's fleet, the company prioritises hybrid vehicles to lower reliance on petrol.

Transition Risk

Structural market changes towards electric and hybrid motor vehicles may have negative effects on the volumes of financed internal combustion engine vehicles and their collateral values.

Description

A larger share of electric vehicle (EVs) and hybrid vehicles (HVs) in the market may reduce the volume of Internal Combustion Engine (ICEVs) financed within Liberty Group's Motor portfolio. This could reduce interest income from ICEV lending and affect overall Motor portfolio yields as demand shifts toward EVs and HVs. Additionally, declining demand for ICEVs may increase uncertainty in residual collateral values for ICEV loans, elevating credit risk and potentially leading to higher loss-given-default and increased impairment charges.

Timeline that risk and opportunity could reasonably affect Liberty Group's prospects

Short term	Medium term	Long term
Current financial effects and effects on business model and value chain Liberty Group actively lends across multiple vehicle types, including EVs, HVs and predominantly ICEVs. In FY26, the financial contribution from ICEV lending was assessed as High. While changes in vehicle values are considered in the measurement of expected credit losses for vehicle-secured loans, Liberty Group does not expect climate-related changes in vehicle values to result in a significant risk of a material adjustment to the carrying amounts		

LIBERTY GROUP
AASB S2 SUSTAINABILITY REPORT
FOR THE YEAR ENDED 30 JUNE 2026

of its motor finance receivables within the next annual reporting period, with vehicle values expected to continue reflecting normal market movements and depreciation trends.

Anticipated financial effects and effects on business model and value chain under the moderate emissions scenario

The anticipated financial effects of changes in the projected composition of on-road vehicles by vehicle type, particularly on the Group's net interest income and financial assets, were assessed quantitatively for ICEVs. Expected credit losses associated with ICEVs held in the Group's loan book were also assessed quantitatively through the resulting impairment losses on financial assets and associated changes to the provision for impairment losses. The table below summarises the key financial statement line items that may be impacted. The associated impacts on financial position and cash flows reflect the timing and accounting treatment of these changes.

Financial performance	Financial position	Cash flows
• Net interest income • Impairment loss on financial assets	• Cash and cash equivalents • Financial assets • Financing • Provision for financial asset impairment • Net interest income receivable	• Net interest income received • Cash inflows from financial assets

ICEVs are projected to decline by approximately 12% in the short term, 42% in the medium term and 76% in the long-term relative to FY26 levels. The resulting reduction in ICEV financing demand, together with potential expected credit losses associated with ICEV lending, is expected to have a Medium negative financial impact across the short term and a High negative financial impact across the medium and long term, assuming the Group's motor finance portfolio composition remains unchanged. The Group's expected portfolio duration does, however, fall within the short-term time horizon, allowing it to adapt its lending strategy, rebalance portfolio composition and manage exposure to declining ICEV values over the medium and long term as market conditions evolve.

Sensitivity to climate scenarios

Liberty Group acknowledges the importance managing the overall composition of its motor finance portfolio over time. ICEVs are expected to decrease in market share across all scenarios however the risk associated with declining ICEV values are greatest under the low-emissions scenario.

Current and anticipated direct and indirect mitigation and adaptation efforts

Liberty Group finances both ICE and low-emissions vehicles, including hybrid and electric vehicles. Recognising the potential transition risks associated with ICE vehicles as the market shifts towards lower-emissions transport, the Group offers EV loans at lower interest rates to support customer uptake of electric vehicles. This strategy remained unchanged during the reporting period.

In addition, the Group regularly monitors vehicle resale value and depreciation assumptions, incorporating these considerations into its underwriting and risk management processes to address potential changes in asset values arising from the transition to a lower-emissions economy.

Transition Opportunity

Electric and hybrid vehicle demand creates new market opportunities for the Liberty Group.

Description

LIBERTY GROUP
AASB S2 SUSTAINABILITY REPORT
FOR THE YEAR ENDED 30 JUNE 2026

Rising demand for electric vehicles (EVs) and hybrid vehicles (HVs) is likely to increase appetite for green vehicle finance, supporting Liberty Group's portfolio growth.

Timeline that risk and opportunity could reasonably affect Liberty Group's prospects

Short term	Medium term	Long term
------------	-------------	-----------

Current financial effects and effects on business model and value chain

Liberty Group actively lends across multiple vehicle types, including EVs, HVs and predominantly ICEVs. In FY26, the financial contribution from EV and HV related lending was assessed as Medium.

Anticipated financial effects and effects on business model and value chain under the moderate emissions scenario

The anticipated financial effects of changes in the projected composition of on-road vehicles by vehicle type, particularly on the Group's net interest income and financial assets, were assessed quantitatively for EVs (including HVs). The table below summarises the key financial statement line items that may be impacted. The associated impacts on financial position and cash flows reflect the timing and accounting treatment of these changes.

Financial performance	Financial position	Cash flows
• Net interest income • Impairment loss on financial assets	• Cash and cash equivalents • Financial assets • Financing • Net interest income receivable	• Net interest income received • Cash inflows from financial assets

EV adoption is projected to increase significantly relative to FY26 levels, with EV volumes increasing by approximately 179% in the short term and 682% in the medium term, reaching 66% of Australia's on-road vehicle market by 2050. This transition is expected to increase demand for EV financing, resulting in a High positive financial impact across all time horizons. The transition is expected to progressively reshape the Group's motor finance portfolio and create opportunities to support increasing demand for EV financing.

Sensitivity to climate scenarios

Liberty Group acknowledges the importance of capitalising on emerging opportunities in the EV and HV financing sector. In all modelled scenarios, there is a consistent long-term trend toward increased EV adoption, with forecasts indicating that EVs will become the predominant on-road vehicle type in Australia by 2050. The effects of this change will be most pronounced in a low emissions scenario, resulting in the greatest degree of opportunity for EV related financing.

Current and anticipated direct and indirect mitigation and adaptation efforts

Liberty Group finances all types of vehicles, including electric and hybrid. Liberty Group offers EV loans at lower interest rates than standard ICE financing to encourage adoption of EVs and support customers in transitioning to a sustainable future. This strategy remains unchanged in the current reporting period.

Transition Opportunity

Increased demand from households and businesses to finance low-emissions technologies and energy-efficiency upgrades.

Description

As the economy transitions, households and businesses are expected to increase investment in energy-efficient capital improvements. This includes solar and battery technology,

LIBERTY GROUP
AASB S2 SUSTAINABILITY REPORT
FOR THE YEAR ENDED 30 JUNE 2026

retrofitting homes and buildings for greater efficiency, and the development of climate-resilient properties. As a result, demand for green and sustainability-linked lending across the Liberty Group is likely to grow, presenting further opportunities to support and finance the transition.

Timeline that risk could reasonably affect Liberty Group's prospects

Short term	Medium term	Long term
------------	-------------	-----------

Current financial effects and effects on business model and value chain

Liberty Group has a small proportion of its loan book associated with green financing for residential and commercial customers. In FY26, the financial contribution from green lending was assessed as Medium. Liberty Group does not anticipate material climate-related adjustments to the carrying amounts of these loans in the next reporting period.

Anticipated financial effects and effects on business model and value chain under the moderate emissions scenario

Anticipated financial effects were quantitatively determined by modelling the increase in net interest income arising from higher loan origination for clean energy-related loans and loans targeting energy-efficient home upgrades. The resulting impacts may be reflected through changes in net interest income, financial assets and cash flows associated with increased lending activity. The table below summarises the key financial statement line items that may be impacted. The associated impacts on financial position and cash flows will depend on the timing of loan origination, recognition and settlement.

Financial performance	Financial position	Cash flows
• Net Interest income	• Cash and cash equivalents • Financial assets • Interest income receivable	• Interest income received • Cash inflows from financial assets

In the short term, adoption of solar and renewable technologies is expected to remain relatively slow due to limited policy incentives and continued reliance on conventional energy sources, resulting in a Low level of opportunity for Liberty Group. Over the medium to long term, increasing decarbonisation pressures are expected to drive greater uptake of renewable energy and energy efficiency technologies, creating additional opportunities for Liberty Group. Despite this, the associated financial impact is expected to remain Low across all time horizons.

Sensitivity to climate scenarios

Liberty Group is buoyed by a structural opportunity to capitalise on growing demand for green financing, in both its residential and commercial portfolios. Across all scenarios, there is a projected rise in solar PV and battery adoption and ongoing reduction in energy intensity.

In a low emissions scenario, there is a smoother transition towards renewable energy adoption, accompanied by continuous advancements in energy efficiency. This environment is likely to generate sustained and robust demand for green financing solutions.

Under a high emissions scenario, projections indicate a decline in the growth rate of solar PV capacity additions in the short to medium term. For Liberty Group, this is likely to result in limited growth in demand for green financing, as reliance on conventional energy persists and progress in building codes and energy efficiency remains subdued.

Current and anticipated direct and indirect mitigation and adaptation efforts

Liberty Group offers loans to help customers invest in renewable and energy-efficient assets, including solar installations, battery systems, and retrofitting. These products provide customers with access to financing for sustainable technologies and may enable Liberty Group to respond to increasing demand for sustainable financing solutions. The extent of the financial opportunity will depend on customer uptake, lending volumes, achieved margins and the pricing of these products.

LIBERTY GROUP
AASB S2 SUSTAINABILITY REPORT
FOR THE YEAR ENDED 30 JUNE 2026

Climate resilience

Liberty Group takes a structured and considered approach to strengthening resilience to climate-related impacts. Credit risk stress testing, which incorporated climate-related physical and transition impacts across the portfolio for the first time in FY26, provides an emerging forward-looking risk management tool that helps the credit risk team identify vulnerabilities arising from a changing climate. Existing controls, including mandated insurance at loan origination, annual confirmation of insurance status and hardship arrangements, help mitigate the financial effects of extreme weather on the portfolio while supporting customers facing ongoing hardship. Liberty Group's resilience is also supported by the characteristics of its lending portfolio and business model. The relatively short-term duration of parts of the portfolio provides flexibility to adjust lending settings, manage exposure and respond to changing climate conditions over time.

Liberty Group is also positioned to respond to transition-related market opportunities. The Group finances a range of vehicle types, including EVs, HVs and ICEVs, and can adjust its motor finance portfolio as market demand shifts. It also offers green financing products that may support increased customer demand for renewable energy, energy efficiency and low-emissions technologies. At the same time, Liberty Group continues to monitor ICEV exposure, residual collateral values and associated credit risk as the vehicle market transitions. In relation to transition risks, Liberty Group prioritises hybrid vehicles when renewing its fleet to reduce reliance on petrol.

As noted in the Risk Management section, enhancements to key risk artefacts, such as the RMF and RMS, have been made, increasing oversight of climate-related risks in the future. Together, these measures reinforce a strong risk culture and improve Liberty Group's ability to identify and respond effectively to climate-related change.

Based on the assessment performed, the Group considers its strategy and business model to be resilient to the identified CRROs across the scenarios and time horizons assessed. While certain risks and opportunities may have, in the absence of any mitigants, potential High anticipated financial effects, the Group's existing controls, portfolio management practices and ability to adapt lending activity support this conclusion. As at the reporting date, the assessment has not identified any climate-related impacts that would require a material change to the Group's strategy or business model. This conclusion is supported by the assessment of the anticipated financial effects described above.

Metrics and Targets

Greenhouse Gas Emissions (GHG)

GHG Metrics

The Group measured its Scope 1 and Scope 2 emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) and applied the financial control consolidation approach. Following a financial control approach ensures alignment with Liberty Group's current accounting and financial consolidation practices.

Emissions are expressed in tonnes of CO₂ equivalent (tCO₂-e), covering the seven GHG Protocol gases where relevant, using 100-year global warming potentials from the IPCC Sixth Assessment Report. Scope 2 is reported using the location-based method. The

LIBERTY GROUP
AASB S2 SUSTAINABILITY REPORT
FOR THE YEAR ENDED 30 JUNE 2026

Group held no contractual instruments such as renewable energy certificates during the period.

The table below reflects Liberty Group's absolute gross Scope 1 and 2 GHG emissions, that have been generated across the reporting period. See Appendix 1 for further details on methodology, input and assumptions, estimates, limitations and uncertainty.

Emissions	Metric tonnes of CO₂-e FY26
Gross Scope 1	113.1
Gross Scope 2 (location based)	300.3
Total	413.4

Liberty Group does not have any investees which require separate disclosure.

Climate Related Targets

Liberty Group has one climate related target that extends throughout the consolidated group. The below table outlines the components of this target. The target was updated during this reporting period.

Target Component	Description
Target description	Achieve Carbon Neutral GHG emissions by 2030.
Base period of the target	2026
Metric used to set target	Net Scope 1 and 2 emissions (tCO ₂ -e)
Objective of the target	This is a mitigation and offsetting target, aimed at achieving carbon neutrality via net emissions reduction, with use of offsets.
Part of the entity to which the target applied	The target applies to the consolidated group.
Period over which the target applies	2026-2030
Milestones and interim targets	No milestones or interim targets exist.
Absolute or intensity targets	Absolute targets
Has the latest international climate agreement informed this target	The target has not been aligned with a jurisdictional commitment including the Paris Agreement.
Third-party target validation	This target has not been validated by a third party.
Metrics used to monitor progress towards reaching the target	Net Scope 1 and 2 emissions (tCO ₂ -e) to assess total performance against the target. Scope 2 will be assessed using a market-based approach.
Process for reviewing the target	This target was approved in FY26 by the Board, as part of approving climate-related disclosures. The target base year was updated to FY2026 during the reporting period to reflect changes to Liberty Group's greenhouse gas emissions boundary and calculation methodologies.
Target setting process	This target was not set using a sectoral decarbonisation approach.

This is the baseline year for the target, so progress will be evaluated from the next reporting period onward. In FY27 the Liberty Group aims to develop an emissions reduction strategy that provides a clear and actionable roadmap to facilitate reductions in GHG emissions over its Scope 1 and 2 emissions sources.

LIBERTY GROUP
AASB S2 SUSTAINABILITY REPORT
FOR THE YEAR ENDED 30 JUNE 2026

The Group's 2030 emissions target is a net emissions target, with carbon credits expected to play a role in offsetting residual emissions that cannot be eliminated through operational emissions reduction initiatives. The Group is currently developing its emissions reduction approach and has not yet established a quantified gross emissions reduction target. Liberty Group plans to develop a carbon credit procurement strategy in FY27 to guide the selection and sourcing of carbon credits and ensure alignment with its environmental and social objectives. Liberty Group does not currently have a formal transition plan.

Vulnerability and alignment of assets and business activities to climate-related risks and opportunities

In FY26, the Group has assessed the amount and percentage of its business activities vulnerable to the climate-related risks and aligned with the climate-related opportunities.

Vulnerability to Physical Risks

The Group estimates \$0.6 billion (2.6%) of the loan portfolio to be vulnerable. Vulnerability was assessed based on (i) exposure of underlying property collateral securing the Group's loans to physical hazards identified through scenario analysis, (ii) sensitivity based on loan-to-value ratio and borrower risk grade, and (iii) adaptive capacity based on the existence of insurance coverage for the collateral.

Vulnerability to Transition Risks

All energy consumed in Liberty Group's operations (3,240 GJ or 100%) was assessed as vulnerable to the energy transition and its impact on energy prices.

The Group's ICEV loan portfolio (\$1.4 billion or 9.2% of the Group total) is estimated to be vulnerable to the transition risk arising from declining ICEV market share.

Alignment with Transition Opportunities

The Group's EV and HV loan portfolio (\$0.2 billion or 1.6% of the Group total) is estimated to be aligned with the transition opportunity arising from increasing demand for EVs and HVs.

The Group's unsecured loan portfolio associated with green financing (\$0.1bn or 0.8% of the Group total) is estimated to be aligned with the transition opportunity arising from increasing demand for low-emissions technologies and energy-efficiency upgrades.

Capital Deployment

In FY26, the Group deployed capital and provided loans associated with transition risks and opportunities.

Transition risks

The Group spent \$0.1 million on the purchase of HVs for its own fleet in FY26.

The balance of ICEV loans provided by the Group was \$1.4 billion as at 30 June 2026.

LIBERTY GROUP
AASB S2 SUSTAINABILITY REPORT
FOR THE YEAR ENDED 30 JUNE 2026

Transition opportunities

The balance of EV, HV, solar and battery loans provided by the Group was \$0.3 billion as at 30 June 2026.

Internal Carbon Price

Liberty Group does not apply an internal carbon price in its decision-making processes.

LIBERTY GROUP
AASB S2 SUSTAINABILITY REPORT
FOR THE YEAR ENDED 30 JUNE 2026

Notes to the Sustainability Report

This section sets out additional information relating to methodologies, judgements, data sources, and key assumptions applied in the preparation of the disclosures presented in this Sustainability Report.

Appendix 1: Judgements, assumptions, limitations and uncertainty

Area of judgment	Description
Climate scenario analysis and resilience assessment	• Management exercised judgement in selecting the climate scenarios and determining the level of analysis undertaken (e.g. quantitative vs qualitative) in alignment with the skills, capabilities and resources available. • Management exercised judgement in identifying and assessing the adequacy of controls and mitigation measures in place in relating to the disclosed CRROs. • These judgements influenced the climate-related risks disclosed and the assessment of organisational resilience.
Current and anticipated financial effect	• Management exercised judgement in determining the anticipated effects of CRROs, particularly the profit or loss, balance sheet and cash flow line items expected to be affected by each risk and opportunity. The anticipated effects were assessed based upon Liberty Group's best estimate of market conditions going forward.
Scope 1 and 2 emissions	• Liberty Group adopted a financial control boundary and used estimates where primary data was not available. These judgements may impact assertions relating to the completeness, accuracy and comparability of emissions disclosure.

Area of assumption	Description
Climate scenario analysis and resilience assessment	• The location, composition and characteristics of securities were assumed to remain constant over the assessment period; future changes in geographic exposure or asset characteristics were not incorporated. • Climate projections were assessed at a regional scale and do not represent site-specific conditions. Local factors such as topography, drainage, land use and infrastructure characteristics are not explicitly captured and may require additional location-specific analysis. • Transition scenario analysis was based on NGFS and broad macroeconomic, policy and technological trends, and involve simplifying variability across models. The outputs should therefore be interpreted as indicative estimates of exposure rather than predictions of future outcomes. • Physical climate risk assessments were based primarily on the NASA Earth Exchange Global Daily Downscaled Climate Projections (NEX-GDDP-CMIP6), which provides climate projections derived from CMIP6 models used in the IPCC Sixth Assessment Report (AR6). Climate data was analysed at approximately 25 km spatial resolution and processed to calculate climate metrics consistent with World Meteorological Organization definitions. Historical baseline conditions were assessed over 1995–2014, with future projections extending to 2100.

LIBERTY GROUP
AASB S2 SUSTAINABILITY REPORT
FOR THE YEAR ENDED 30 JUNE 2026

Area of assumption	Description
	Scenario outputs are not forecasts and should be interpreted as plausible future climate conditions under defined assumptions regarding greenhouse gas emissions and socioeconomic pathways. The assessment is intended to support climate-related risk identification, resilience planning and strategic decision-making rather than predict the occurrence or timing of specific events.
Current and anticipated financial effects	- Projections were based on current business strategy, operating conditions and information available at the reporting date. - The assessment uses Liberty Group's most recent board approved 3-year Financial Plan as the baseline forecast, which was extended beyond FY29 to assess impacts at 2030, 2040 and 2050. - Revenue and expense line items are assumed to grow over time in line with management's expectations and business growth assumptions. - Climate modelling outputs are assumed to be suitable proxies for future business impacts such as electricity prices, fuel prices, EV uptake, solar uptake and energy-efficiency adoption. - Financial position impacts were estimated directionally based on the assessed portion of the loan portfolio exposed to climate-related risks. A full balance sheet forecast was not undertaken.
Scope 1 and 2 emissions	- Billing periods were aligned to the FY26 reporting period on a pro rata daily basis where invoices spanned multiple financial years. - Emission factors reflect grid average intensities and study data that lag actual conditions in the reporting period.

Significant areas of uncertainty

- There is uncertainty regarding the future development of climate-related policies, regulatory requirements, economic conditions and market responses. Changes in these factors may influence customer behaviour, asset values, energy prices, financing demand and the financial impacts associated with Liberty Group's identified CRROs.
- Climate-related physical risk assessments rely on climate models and scenario projections that inherently contain uncertainty. The frequency, severity and geographic distribution of future climate hazards may differ from modelled outcomes, which could affect borrower behaviour, collateral values, insurance availability and expected credit losses across Liberty Group's lending portfolio.
- There is uncertainty regarding the pace and extent of the transition to a lower-emissions economy, including the development, availability, adoption and cost of technologies such as renewable energy systems, energy-efficient technologies, electric vehicles and related infrastructure. Variations in the speed of technological change and market adoption may affect the timing and magnitude of both transition risks and commercial opportunities identified by Liberty Group.

LIBERTY GROUP
AASB S2 SUSTAINABILITY REPORT
FOR THE YEAR ENDED 30 JUNE 2026

Appendix 2: Scope 1 and Scope 2 Emissions Methodology

Sources of Guidance

The Group's greenhouse gas (GHG) emissions have been measured in accordance with the following standards:

- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004)
- The GHG Protocol Scope 2 Guidance, An amendment to the GHG Protocol, Corporate standard

Reporting period

GHG emissions are reported for the period 1 July 2025 to 30 June 2026, consistent with the Group's financial reporting period. Activity data was compiled to 30 June 2026.

Consolidation approach and boundary determination

The Group has applied the financial control consolidation approach as defined by the GHG Protocol, under which an entity accounts for 100% of the GHG emissions of operations over which it has the ability to direct financial and operating policies with a view to gaining economic benefits from their activities. This approach was selected because it aligns the Group's GHG reporting boundary with its financial reporting boundary.

Reporting boundary and emission sources

Scope	Emissions source	Emissions Boundary
Scope 1	Transport Fuels	Included. The Group controls owned and leased vehicles which are accounted for as Scope 1
Scope 1	Refrigerant Leakage	Included. Fugitive emissions associated with Liberty controlled HVAC and refrigeration systems within leased premises have been calculated using leakage rates, reflecting indirect exposure to refrigerant leakage within occupied spaces.
Scope 2	Purchased electricity	Included. Electricity consumption across the Group's leased office portfolio is accounted for as Scope 2 emissions.

Calculation Methodology

Liberty Group applies emission factors that best represent its activities as the basis for measuring greenhouse gas emissions. All emissions factors used are CO₂e factors. Emission factors are sourced from publicly available, internationally recognised datasets and applied using the location-based method wherever possible.

Scope 1	Activity data	Data source	Data quality	Emissions factor source
Transport Fuel – Diesel and Petrol	Petrol and diesel consumption (L)	Fuel Reports	Primary	Department of Climate Change, Energy the Environment and Water (DCCEEW – Australia)

LIBERTY GROUP
AASB S2 SUSTAINABILITY REPORT
FOR THE YEAR ENDED 30 JUNE 2026

Scope 1	Activity data	Data source	Data quality	Emissions factor source
Refrigerants	Refrigerant Type and charge quantity	Refrigerant Asset Register	Primary	Intergovernmental Panel on Climate Change (IPCC) Global Warming Potential Values
Scope 2	Activity data	Data source	Data Quality	Emissions factor source
Purchased electricity	Electricity consumption (kWh)	Electricity invoices	Primary and Estimated	Department of Climate Change, Energy the Environment and Water (DCCEEW – Australia) Ministry for the Environment New Zealand (2026)

Estimation methodology

Scope 1 Refrigerants

- 100% of the Group's Scope 1 refrigerant emissions have been calculated using refrigerant amount and type activity data from refrigerant lists and published leakage and intensity factors.

Scope 1 Transport Fuel

- 100% of the Group's Scope 1 transport fuel emissions have been calculated using petrol and diesel usage reports.

Scope 2 Purchased Electricity

- 92% of the Group's Scope 2 electricity consumption has been calculated using electricity consumption reports. 8% of the Group's Scope 2 electricity consumption was estimated through date apportionment across invoices.

Controls and Verifications

GHG data is collected by Liberty Group's Facilities and Finance teams and subject to internal review, year-on-year review and analysis, period-on-period variance analysis by location, and review of the consolidated calculation by Management. The calculation workpapers, including location-level data sources and estimation bases, are retained to support the disclosed figures.

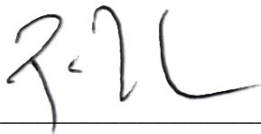
**LIBERTY GROUP
AASB S2 SUSTAINABILITY REPORT
FOR THE YEAR ENDED 30 JUNE 2026**

Directors' Declaration

The Directors of the Liberty Group declare that, in the Directors' opinion, Liberty Group has taken reasonable steps to ensure the substantive provisions of this sustainability report are in accordance with the Corporations Act 2001, including:

- section 296C (compliance with Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures*); and
- section 296D (climate statement disclosures).

Signed in accordance with a resolution of the Directors made pursuant to section 296A of the *Corporations Act 2001*:



Peeyush Gupta
Chair

Dated at Melbourne on 21 August 2026