

WESTPAC NEW ZEALAND 2027 SUSTAINABILITY COMMITMENTS



Ko ngā muka o te harakeke te whiringa nui o te ao.
All the threads that bind us together for a greater world.



WESTPAC NEW ZEALAND 2027 SUSTAINABILITY TARGETS



POWER A SUSTAINABLE NEW ZEALAND

Whiria te muka tāngata

Support a low-emissions, climate-resilient, and nature positive future.

- 1 Increase sustainable lending to \$9 billion at 30 September 2027 to support our business customers to achieve positive social and environmental outcomes.
- 2 Continue to reduce operational emissions in line with 1.5°C, reduce our financed emissions, and support our customers to transition towards net-zero.



FIERCE ADVOCATES FOR INCLUSION

Whiria te kotahitanga

Enhance financial inclusion and independence of New Zealanders.

- 3 Support the financial wellbeing of New Zealanders through 40,000 interactions providing education, additional safe and equitable banking services, and extra care to customers in need between 1 October 2024 and 30 September 2027.



CARE FOR CUSTOMERS AND COMMUNITIES

Whiria te manaaki tāngata

Help our customers and local communities thrive.

- 4 Invest \$30 million in the community, including Westpac New Zealand staff using 100,000 hours of volunteering leave, between 1 October 2024 and 30 September 2027.
- 5 Increase lending in support of affordable housing solutions by \$1 billion at 30 September 2027.



POWER A SUSTAINABLE NEW ZEALAND

Whiria te muka tāngata

OUR AIM:

Support a low-emissions, climate-resilient, and nature positive future.

Our targets contribute to these United Nations Sustainable Development Goals.



2027 targets	<p>1 Increase sustainable lending to \$9 billion at 30 September 2027 to support our business customers to achieve positive social and environmental outcomes.</p>	<p>2 Continue to reduce operational emissions in line with 1.5°C, reduce our financed emissions, and support our customers to transition towards net-zero.</p>
How we'll get there	<ul style="list-style-type: none"> • Aim for \$4.2 billion of the \$9 billion sustainable lending to be lending to our agribusiness customers. • Support more New Zealand businesses with sustainable finance through our Sustainable Business Loan, Sustainable Farm Loan, Sustainable Equipment Finance Loan and tailored sustainable finance solutions. • Develop more sustainable finance solutions to help our business customers play their part in addressing social and environmental challenges in Aotearoa. 	<ul style="list-style-type: none"> • 40% reduction of Scope 1 and 2 emissions by 2027 (2019 baseline). • 40% reduction of Scope 3 operational emissions for baseline categories by 2027 (2019 baseline). • Engage with top 10 suppliers by spend to determine their emissions reduction strategies by 2027. • Expand Scope 3 operational emissions reporting to include full value chain. • Contribute to Westpac Group's Net-Zero Banking Alliance commitment and targets to reduce financed emissions.
What you need to know	<ul style="list-style-type: none"> • The target measures lending committed or outstanding as at 30 September 2027. • Sustainable lending means loans that are labelled as "sustainable" in accordance with the Westpac Banking Corporation Sustainable Finance Framework 2023 (as updated from time to time). 	<ul style="list-style-type: none"> • 'Baseline categories' for scope 3 operational emissions are air travel, private car use for business travel, taxi, rental cars, waste, freight of cash, electricity and natural gas transmission and distribution losses. It does not include accommodation, data centres, paper, offsite electric vehicle charging, and working from home.
Other complementary initiatives	<ul style="list-style-type: none"> • Westpac New Zealand's Natural Capital Action Plan. • Westpac New Zealand's Climate Transition Plan. <p>Please see Westpac New Zealand's annual Climate Report and Sustainability updates for details of progress on these initiatives.</p>	



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2027 targets

- 3 Support the financial wellbeing of New Zealanders through 40,000 interactions providing education, additional safe and equitable banking services, and extra care to customers in need, between 1 October 2024 and 30 September 2027.

How we'll get there

- Expand Managing Your Money financial education content to cater for different audiences and develop ways to measure the impact of these workshops.
- Continue to provide extra care to customers in vulnerable circumstances.
- Deliver initiatives to support banking accessibility and foster financial inclusion for New Zealanders.

What you need to know

This target counts:

- Participants attending financial education workshops facilitated by Westpac NZ employees or by external partners who are supported by Westpac NZ (whether through funding, training and/or provision of content) or
- People accessing an initiative that was led, supported and/or funded by Westpac NZ to support financial inclusion or assist customers experiencing vulnerability. This includes:
 - helping people who are financially excluded to access banking services;
 - referrals to services to meet specific needs arising from vulnerable circumstances;
 - support provided by Westpac NZ teams to customers experiencing vulnerable circumstances with complex needs;
 - services or processes of Westpac NZ or a third party (supported or funded by Westpac) to meet a specific need arising from vulnerable circumstances;
 - enabling safer services through preventing instances of fraud and scams.

Participants may be counted more than once if they access more than one included initiative or financial education workshop, or access an included initiative more than once.



CARE FOR CUSTOMERS AND COMMUNITIES

Whiria te manaaki tāngata

OUR AIM:

Help our customers and local communities thrive.

Our targets contribute to these United Nations Sustainable Development Goals.



2027 targets

4 Invest \$30 million in the community, including Westpac New Zealand staff using 100,000 hours of volunteer leave, between 1 October 2024 and 30 September 2027.

5 Increase lending in support of affordable housing solutions by \$1 billion at 30 September 2027.

How we'll get there

- Provide funding and support to community organisations to help improve the wellbeing of our communities.
- Support communities impacted by climate change.
- Grow our employee volunteering programme.
- Scale our existing work on Secure Home Leasehold, Shared Equity and First Home Loan initiatives (low equity loans guaranteed by a third party) alongside any further first home products that might be launched.
- Strengthen our focus on developing innovative solutions to help increase the supply of affordable housing and enable more New Zealanders to buy their first home.

What you need to know

- Community investment includes monetary contributions (including charitable gifts, matched giving and community partnerships), time contributions, in-kind gifts and donations, and management costs. It excludes commercial sponsorships and support for customers.
- The target is measured as the increase in lending committed or outstanding between 30 September 2024 and 30 September 2027.
- The target includes lending to customers purchasing a home through a shared ownership model or using the First Home Loan scheme, and lending to community housing providers to build and provide affordable and social housing (ownership and rental).

Other complementary initiatives

- Westpac New Zealand's Human Rights Action Plan.
- Please see Westpac New Zealand's annual Sustainability updates for details of progress on this initiative.



FOUNDATIONS

OUR AIM:

Embed sustainability across Westpac New Zealand.

Our initiatives contribute to these United Nations Sustainable Development Goals.



Our sustainability commitments are underpinned by strong foundations, our organisational purpose, values and behaviours.

What we've achieved

- We became the first New Zealand bank to make a new sustainability learning programme available to all employees.
- Continued to work with our partners AUT and Te Wānanga o Aotearoa as we grow the cultural confidence of our people through the different courses that they offer.
- Incorporated sustainability accountabilities into Board Governance Charters and held sustainability training with Board and Executive Leadership.
- In the 18 months prior to March 2024, we prevented, recovered, or reimbursed \$7 of every \$8 of known fraud and scams that touched our systems.
- Refreshed our digital banking channel experience, including new personalised notifications, improved discoverability, and accessibility features. Enabled Open Banking phase 1 with the ability for customers to provide consent for one-off payments.

What we will further progress

- **Training:** Provide opportunities for employees to upskill through sustainability training.
- **Inclusive culture:** Strive to be a place that reflects the diversity of Aotearoa, enable equitable access and outcomes, and foster a safe and inclusive culture.
- **Data:** Enhance our sustainability data capability and reporting.
- **Governance:** Continue to use good governance practice to support sustainability across Westpac New Zealand.
- **Fraud and scams:** Continue to reduce the impact of fraud and scams through awareness education for customers, and enhancement of our fraud protection systems and processes.