

# 2023 SUSTAINABILITY REPORT SNAPSHOT



TOGETHER  
GREATER

**Manaaki te ao, manaaki te tāngata, e tipu pūtea ora.**  
Care for the planet, care for people, and grow financial wellbeing.





# SUSTAINABILITY AT WESTPAC NZ

**For Westpac NZ, sustainability means ensuring that what we do every day meets our financial, social and environmental responsibilities to our customers, communities and people. We strive to be open, honest, fair and transparent in everything we do.**

Our Sustainability Report Snapshot is a summary of our progress against targets and key achievements, which are outlined in greater detail in our full [Sustainability Report](#) along with our challenges.

Our 2025 Sustainability Strategy is He rau ringa manaaki – Many hands working together. This strategy outlines our commitment to Manaaki te ao – Care for the planet, Manaaki te tāngata – Care for people, and E tipu pūtea ora – Grow financial wellbeing.

Our sustainability targets are where we believe we can have positive impact.<sup>1</sup>

The ‘How we’re responding’ table outlines our progress against material topics. These are issues and opportunities we’ve identified as mattering most to our stakeholders.

We’d love to hear more about what you think we’re doing well and what we could do better. Please contact us at [sustainability@westpac.co.nz](mailto:sustainability@westpac.co.nz).

# 2023 HIGHLIGHTS



**Launched** a Sustainable Farm Loan and a Sustainable Business Loan, and expanded the Greater Choices Home Loan



Westpac NZ employees volunteered **24,179** hours to help local communities



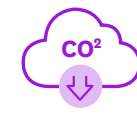
Enabled **\$11.7b** in sustainable finance since October 2020, achieving our 2025 target of \$10b



Helped grow financial confidence in **10,241** people through our financial wellbeing programme, Managing Your Money



**\$17.1m** invested in communities including emergency relief



**36.8%** reduction of operational emissions in 2023 vs 2019 baseline



Raised **\$1.4m** for New Zealand's rescue helicopters to help keep communities safe



**Released** the Westpac NZ Access to Banking in Aotearoa Report aimed at helping more New Zealanders obtain a bank account



**Helped develop** a Natural Capital Position Statement, which outlines Westpac Group's ambition to become a nature positive bank<sup>2</sup>



**Partnered** with NZ Landcare Trust to help improve local waterway quality around the country





**1,609** New Zealanders experiencing vulnerable circumstances supported by our Extra Care team and funded initiatives









Reached our healthy, affordable and social home lending 2025 target of **\$700m**

## Our 2025 targets



	Target	Performance against target
 <p><b>Manaaki te ao</b> Care for the planet</p> <p>Support Aotearoa's transition to a resilient, net-zero economy for the benefit of all New Zealanders.</p>	<p>Reduce operational CO<sub>2</sub>e by 30% (vs 2019). Offset remaining emissions to stay carbon neutral.</p> <ul style="list-style-type: none"> <li>Reduce scope 1, 2, and 3 mandatory emissions<sup>3</sup> to 4,359tCO<sub>2</sub>e.</li> </ul>	<ul style="list-style-type: none"> <li>36.8% reduction in 2023 vs 2019. Aided in part by a reduction in the national electricity emissions factor.</li> <li>Offset remaining emissions in line with Toitū net carbonzero certification.</li> </ul>
	<p>Enable \$10b in sustainable finance.<sup>4</sup></p> <ul style="list-style-type: none"> <li>Provide \$6b of sustainable lending to customers (e.g. renewable energy, education, low carbon transport)</li> <li>Facilitate \$4b of sustainable bonds for our customers and Westpac.</li> </ul>	<ul style="list-style-type: none"> <li>Enabled \$11.7b in sustainable finance, comprising \$7.4b of sustainable lending and \$4.4b of sustainable bonds to date.</li> </ul>
	<p>Manage our climate-related financial risks.</p> <ul style="list-style-type: none"> <li>Help our customers and communities transition to a low emissions economy and adapt to climate change.</li> </ul>	<ul style="list-style-type: none"> <li>In 2020, Westpac NZ was the first NZ bank to release a Climate Risk Report based on recommendations from the Task Force on Climate-Related Finance Disclosures (TCFD) to help identify risks and opportunities for us to help our customers transition to a low emissions economy. This has been built on in subsequent annual disclosures.</li> <li>This year, we have uplifted our report towards alignment with the External Reporting Board standards ahead of mandatory climate disclosures next year. See our <a href="#">Climate Report 2023</a> for more detail.</li> </ul>
 <p><b>Manaaki te tāngata</b> Care for people</p> <p>Help create thriving local communities, a workforce and society where everyone feels valued.</p>	<p>Set a cultural diversity in leadership target.</p>	<ul style="list-style-type: none"> <li>We have defined what cultural diversity in leadership means to us. To this end we have established a baseline for cultural diversity of the Westpac NZ workforce and identified under-represented groups.</li> <li>Work to improve quality of data continues, with targets to be set within the next 6 months.</li> </ul>
	<p>1% pre-tax profits invested in communities.<sup>5</sup></p>	<ul style="list-style-type: none"> <li>1.16% (\$17.11m) in 2023. <ul style="list-style-type: none"> <li>Community investment: \$14.1m.</li> <li>Emergency relief: \$3m.</li> </ul> </li> </ul>
	<p>\$700m in lending to healthy, affordable and social housing.<sup>6</sup></p>	<ul style="list-style-type: none"> <li>\$810m to date.</li> </ul>
 <p><b>E tipu pūtea ora</b> Grow financial wellbeing</p> <p>Enable all New Zealanders to be financially secure and independent.</p>	<p>25,000 people to participate in Westpac NZ-facilitated financial education workshops.<sup>7</sup></p>	<ul style="list-style-type: none"> <li>32,619 people participated in Westpac NZ facilitated financial education.</li> </ul>
	<p>Help 15,000 New Zealanders who are at risk of financial exploitation and exclusion.<sup>8</sup></p>	<ul style="list-style-type: none"> <li>Helped 7,862 New Zealanders at risk of financial exploitation and exclusion.</li> </ul>
	<p>Source 25% of spend from local small and medium sized businesses, including businesses owned by diverse and under-represented communities.</p>	<ul style="list-style-type: none"> <li>17.5% of purchasing spend against our 25% target.</li> </ul>

## How we're responding

Topic	Description	How we're responding
 <p><b>Climate change and environment</b></p>	<ul style="list-style-type: none"> <li>Managing the risks and opportunities of climate change.</li> <li>Supporting collaborative efforts to limit global warming and taking steps to help customers, the economy and communities transition to low-carbon emissions and become more climate-resilient.</li> <li>Measuring and reducing our carbon emissions across our value chain, alongside managing use of high-emissions materials (e.g. plastic).</li> <li>Understanding our dependencies and impacts on natural capital.</li> <li>Supporting biodiversity and “nature-based solutions”.</li> <li>Reducing waste.</li> </ul>	<ul style="list-style-type: none"> <li>Expanded Greater Choices Home Loan product (rebranded from Westpac Warm Up Home Loan) to become the first Aotearoa bank to offer interest-free lending (for 5 years) on EVs. We also increased the loan limit from \$40k to \$50k and doubled our targeted lending goal to \$200m.</li> <li>Launched a comprehensive Sustainable Farm Loan, and a Sustainable Business Loan that include discounted lending for a range of social and environmental initiatives.</li> <li>As part of Westpac Group’s Net-Zero Banking Alliance commitment, set Aotearoa-specific targets for our agriculture portfolio to reduce emissions in line with keeping global warming to 1.5 degrees.</li> <li>Since 2020, enabled \$11.7b of sustainable finance solutions achieving our overall 2025 \$10b in sustainable finance target two years early, including \$4.9b towards Climate Change Solutions.<sup>9</sup></li> <li>Developed a Natural Capital Position Statement, which outlines Westpac Group’s ambition to become a bank that supports nature positive environmental outcomes.</li> <li>Developed our 4th annual voluntary Climate Disclosure, ahead of FY24 mandatory disclosure.</li> <li>Partnered with NZ Landcare Trust to offer six \$10k grants per year to help local catchment groups improve their waterways.</li> <li>Maintained Toitū net carbonzero certification, purchasing offsets for residual emissions from NZ indigenous forestry.</li> <li>Became one of the first organisations in Aotearoa to sign up to the new <a href="#">Climate Leaders Coalition 2022 Statement of Ambition</a>.</li> </ul>
 <p><b>Customer vulnerability and hardship</b></p>	<ul style="list-style-type: none"> <li>Supporting our customers in times of financial hardship and when they find themselves facing vulnerable circumstances.</li> </ul>	<ul style="list-style-type: none"> <li>Released the <a href="#">Westpac NZ Access to Banking in Aotearoa Report</a>, which explores barriers to obtaining a bank account and helps inform our approach to support marginalised populations.</li> <li>Supported 1,609 New Zealanders experiencing vulnerable circumstances through our Extra Care team and funded initiatives, including 954 complex escalations.</li> <li>Engaged support organisation Be. Lab to audit the accessibility of a number of our corporate locations and branches.</li> </ul>
 <p><b>Digitalisation of banking services</b></p>	<ul style="list-style-type: none"> <li>Supporting the digital transformation of banking – moving services online and harnessing digital innovations such as open banking and AI.</li> </ul>	<ul style="list-style-type: none"> <li>Along with other major banks, introduced seven-day a week domestic electronic payments, providing more convenience to customers.</li> <li>Made Google Pay available, allowing customers to have Westpac Digital Cards on Android phones.</li> </ul>

Topic	Description	How we're responding
 <p><b>Diversity, equity and inclusion</b></p>	<ul style="list-style-type: none"> <li>• Providing a safe, welcoming, and supportive environment for our people, customers and communities to succeed, regardless of their background.</li> </ul>	<ul style="list-style-type: none"> <li>• Achieved an Organisational Health Index score over 70, which is above the global banking median.</li> <li>• Piloted beginners' conversational te reo Māori classes with 50 employees.</li> <li>• Partnered with Dignity NZ to provide period products to Westpac NZ employees and gift an equivalent amount to youth and community organisations.</li> <li>• Introduced Pasifika style wardrobe items for our customer-facing teams nationwide.</li> <li>• Updated Parental Leave policy to ensure annual leave is paid at the full rate on return, ahead of regulation change.</li> <li>• Supported Employee Action Groups (gender equality, accessibility, cultural, generational and rainbow).</li> <li>• Continued Te Waiu O Aotearoa Trust Scholarships, supporting Māori students into the banking and financial services industry.</li> </ul>
 <p><b>Financial capability and empowerment</b></p>	<ul style="list-style-type: none"> <li>• Helping improve the financial capability and resilience of New Zealanders.</li> </ul>	<ul style="list-style-type: none"> <li>• Delivered in-person and online Managing Your Money workshops to 10,241 participants.</li> <li>• Partnered with Oranga Tamariki and VOYCE Whakarongo Mai to help young people in care access a bank account.</li> <li>• Launched Mastering Your Money – a financial wellbeing programme aimed at helping New Zealanders boost their financial future. In collaboration with other banks and the Banking Ombudsman, helped fund a four-part documentary “You’ve Been Scammed by Nigel Latta” to raise awareness of fraud and scams.</li> <li>• Ran a series of workshops for Westpac NZ employees and the public in Money Month.</li> <li>• Refreshed our Westpac NZ General Terms and Conditions to ensure they are easier for our customers to understand.</li> <li>• Launched an on-going communications programme to proactively engage and support home loan customers nearing the end of their fixed interest rate period and likely facing an increase in repayments.</li> </ul>
 <p><b>Helping communities in times of need</b></p>	<ul style="list-style-type: none"> <li>• Supporting communities and charity partners to help those in need, including in times of emergency, as well as initiatives to address complex societal and economic issues.</li> </ul>	<ul style="list-style-type: none"> <li>• Provided \$3.9m in financial support to customers and communities affected by the severe weather events. This included cash grants of \$2.5k to affected business customers, and targeted donations to a range of support organisations helping their communities, including iwi, rural support trusts and mayoral relief funds.</li> <li>• Raised \$1.4m for Westpac Rescue Helicopters in our annual Chopper appeal.</li> <li>• Employees volunteered 24,179 hours in the community.</li> <li>• Increased employee volunteer leave from 1 to 2 days per year. Employees facilitating Managing Your Money workshops can take an additional 3 days of volunteer leave.</li> <li>• Introduced Emergency Response Volunteer leave.</li> <li>• Completed the installation of 160 Automated External Defibrillator (AED) machines throughout our branch network.</li> </ul>
 <p><b>Inclusive, affordable and healthy homes</b></p>	<ul style="list-style-type: none"> <li>• Enabling homes that are inclusive (offering suitable living conditions for everyone regardless of stage in life), affordable and healthy.</li> </ul>	<ul style="list-style-type: none"> <li>• Lent \$810m towards healthy, affordable, and social housing since 2021.</li> <li>• Worked with key partners including NZ Housing Foundation and Kāinga Ora on developing shared equity solutions, making home ownership more accessible for people struggling to finance the whole purchase price alone.</li> <li>• Since 2020, provided \$110m in interest-free lending through Greater Choices Home Loan (formerly Warm Up Home Loan) to enable customers to purchase a range of energy efficient home improvement features, as well as now including electric and hybrid vehicles and chargers.</li> <li>• Westpac NZ Government Innovation Fund granted more than \$900k to three housing initiatives supporting Māori, Pasifika and people buying through co-ownership, to bring quality housing within closer reach.</li> </ul>

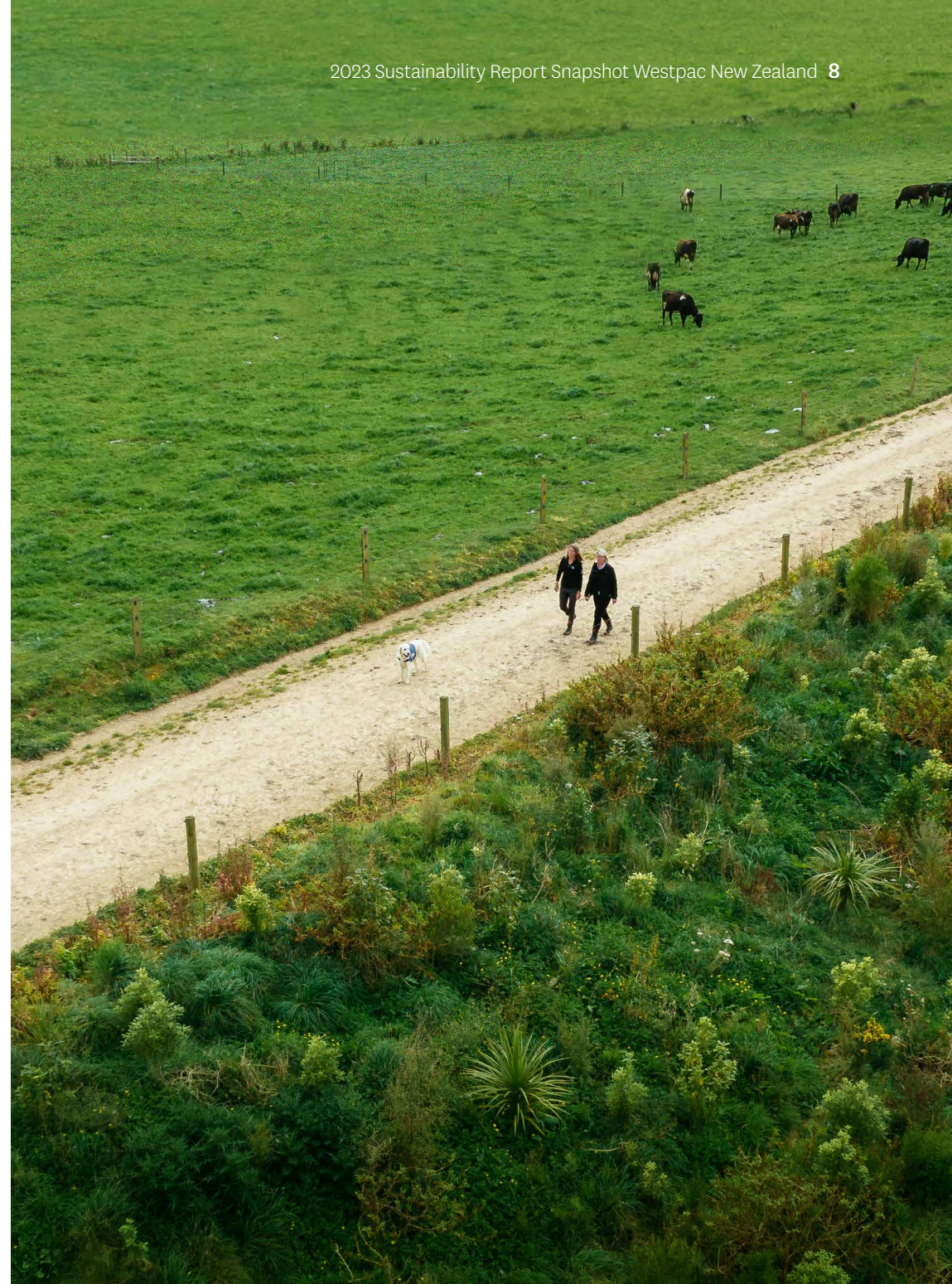


Topic	Description	How we're responding
 <p><b>Information security and data privacy</b></p>	<ul style="list-style-type: none"> <li>• Cyber resilience and security.</li> <li>• Maintaining customer privacy and consumer protection.</li> </ul>	<ul style="list-style-type: none"> <li>• Delivered cyber security enhancements.</li> <li>• Collaborated with government and other banks to help protect customers from fraud and scams.</li> <li>• Became the first New Zealand bank to partner with Biocatch, a global cybersecurity company that analyses customers' online behaviour to help detect unusual activities and protect them against financial crime.</li> <li>• Strengthened internal anti-fraud measures to combat financial crime.</li> </ul>
 <p><b>Mental wellbeing</b></p>	<ul style="list-style-type: none"> <li>• Helping our employees, customers and community take care of their mental wellbeing and resilience.</li> </ul>	<ul style="list-style-type: none"> <li>• Continued to partner with the Rural Support Trust in their work helping agri communities to manage wellbeing and mental health challenges.</li> <li>• Took Westpac NZ mental health ambassador Sir John Kirwan to deliver his messages of hope and resilience to communities in the Hawke's Bay, Tairāwhiti, Northland and Auckland that were hit hard by severe weather events.</li> <li>• Partnered with Maia Health Foundation to help build a new child and youth mental health facility in Christchurch, due for completion in 2024.</li> <li>• Ran self-defence classes for employees in conjunction with domestic violence support and service provider Shine.</li> <li>• Continued to offer five days of Wellbeing Leave each year for Westpac NZ employees.</li> </ul>
 <p><b>Sustainable investment</b></p>	<ul style="list-style-type: none"> <li>• Integration of our four guiding sustainable investment pillars: exclusion, ESG integration, stewardship, and sustainable themes. We're committed to investing in line with a 1.5 degree target and net zero greenhouse gas emissions by 2050 or sooner.</li> </ul>	<ul style="list-style-type: none"> <li>• BTNZ, which is responsible for investment of the Westpac KiwiSaver scheme<sup>10</sup>, released its first standalone <a href="#">Sustainable Investment report</a> and voting data.</li> <li>• BTNZ increased investment by \$140m (to \$415m) in an international equities strategy focused on reducing its carbon intensity, aligned to the Paris Agreement.<sup>11</sup></li> <li>• BTNZ reduced the greenhouse gas emission footprint of the listed equities and property portfolios by 51.7% between March 2019 and March 2023. These portfolios form part of our KiwiSaver and other diversified funds.</li> </ul>
 <p><b>Sustainable supply chain</b></p>	<ul style="list-style-type: none"> <li>• Embedding environmental, social and governance (ESG) considerations in the sourcing process including issues such as climate change, human rights and modern slavery, to ensure sustainable outcomes for communities, customers and suppliers through purchasing decisions.</li> </ul>	<ul style="list-style-type: none"> <li>• Continued engaging with Amotai and Ākina to strengthen our procurement processes including promoting diversity.</li> <li>• Progressed initiatives to embed Responsible Sourcing and Diversity and Inclusion principles.</li> <li>• Maintained Living Wage accreditation.</li> </ul>
 <p><b>Well-managed business</b></p>	<ul style="list-style-type: none"> <li>• Clear governance practices, active management of risk and commitment to compliance.</li> <li>• Maintaining a healthy financial performance and strong balance sheet.</li> <li>• Improving corporate culture and outcomes for customers.</li> </ul>	<ul style="list-style-type: none"> <li>• Westpac NZ Board closed its programme of work related to Risk Governance, implementing changes at Board and executive level, following a section 95 (independent) review required by the Reserve Bank in 2021.</li> <li>• Established an ESG Advisory Team to further support our customers to transition to a low emissions and sustainable economy.</li> <li>• Strengthened our governance practices by increasing visibility of our ESG programme and sustainability into key management committees.</li> <li>• Invested in a comprehensive online sustainability learning programme, that will be available for all employees.</li> <li>• Undertook a review of our climate governance in preparation for External Reporting Board climate-related standards.</li> </ul>



## Notes

1. For further detail on these targets, refer [Westpac New Zealand 2025 Sustainability Strategy](#)
2. The term “nature positive” refers to a high-level goal and concept describing a future state of nature (e.g. biodiversity, ecosystem services and natural capital) which is greater than the current state.
3. Scope 3 mandatory emissions are specified by the Toitū standards. These include business travel, waste and transmission & distribution losses. It does not include Scope 3 additional emissions which include accommodation, paper usage and data centres.
4. This is a cumulative target which comprises (a) \$5b for lending to Climate Change Solutions, \$700m for lending for healthy, affordable and social housing, and other sustainable lending (building on Westpac NZ’s FY20 exposure), and (b) facilitation of sustainable bonds by Westpac Banking Corporation – New Zealand Branch from 1 October 2020 to 30 September 2025. All sustainable finance reported is informed by global sustainable finance market standards, principles and guidance that are commonly used to label or categorise loans and bonds as sustainable. The sustainable finance target includes finance for social and non-climate sustainability initiatives which may not reduce climate change risk.
5. For the purposes of this target, investment in communities includes both community investment and emergency relief. This year, we’ve changed the definition for this target to include emergency relief. 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. Emergency relief includes, but is not limited to, cash grants with no commercial intent that are provided to individuals or other entities in response to social or environmental disasters. Where it meets the criteria, support provided to community organisations in response to social or environmental disasters will be counted as community partnerships or charitable gifts, rather than as emergency relief.
6. This is a cumulative target from 1 October 2020 to 30 September 2025. This target is included within our other target: Enable \$10b in sustainable finance by 2025.
7. This is a cumulative target from 1 October 2020 to 30 September 2025. Westpac NZ facilitated financial education workshops includes those run by Westpac NZ Managing Your Money facilitators and financial education workshops facilitated by our partners using Westpac NZ materials.
8. This is a cumulative target from 1 October 2020 to 30 September 2025. The number of people at risk of financial exploitation and exclusion measures the number of people supported through most escalations to the Extra Care team or through Extra Care initiatives. Extra Care initiatives include our New Start initiative for released prisoners, SeniorNet learners accessing Managing Your Money financial wellbeing programme to improve their digital literacy and online safety, MoneyTalks referrals, iSign service uses, tracking abusive messages in payment references, Foxton Budgeting Service Emergency–Loan, young people in care supported to open bank accounts and ID Care.
9. The term “Climate Change Solutions” includes lending to projects, assets or activities that are considered consistent with the investment required to achieve the goals of the Paris Agreement and address the impacts of climate change. This includes (but is not limited to) lending to the categories of energy efficiency, green buildings, renewable energy, low carbon transport, waste and forestry that align to the Green Loan Principles.
10. BT Funds Management (NZ) Limited is the manager and issuer, and Westpac New Zealand Limited is a distributor, of the Westpac KiwiSaver scheme, Westpac Active Series and Westpac Premium Investment funds (Schemes). For a copy of the Product Disclosure Statement for the Schemes visit [www.westpac.co.nz](http://www.westpac.co.nz)
11. This represents 16.5% of BTNZ’s international equities portfolio.







**TOGETHER GREATER  
MAHI TAHI TĀTOU  
KAHA AKE TĀTOU**

Westpac New Zealand Limited.

**Product Disclosure:** Where loan products are discussed in this document, lending criteria, terms and conditions apply to these products, which may be subject to change from time to time. Fees and charges may also apply. See [westpac.co.nz/home-loans-mortgages/options/greater-choices-home-loan/](https://westpac.co.nz/home-loans-mortgages/options/greater-choices-home-loan/) for further details on Westpac NZ's Greater Choices Home Loan, [westpac.co.nz/business/products-services/loans-overdrafts/sustainable-business-loan/](https://westpac.co.nz/business/products-services/loans-overdrafts/sustainable-business-loan/) for further details on Westpac NZ's Sustainable Business Loan, and [westpac.co.nz/agribusiness/sustainable-farm-loan/](https://westpac.co.nz/agribusiness/sustainable-farm-loan/) for further details on Westpac NZ's Sustainable Farm Loan.

The information in this sustainability report is given in summary form and does not purport to be complete. The material in this report is provided for information purposes only and is not advice, recommendations or opinions in relation to any Westpac products or services. The information in this report is general, and does not take into account the investment objectives, financial position, or needs of any particular investor or customer.