

# Sustainable performance pack 2024





Rārangi Kōrero

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We exist to serve customers well and help our communities prosper.

We will achieve this by living our Mātāpono (values).

Our Mātāpono have been taken from whakataukī/whakatauākī (proverbs), which traditionally represent the wisdom within Māori culture.

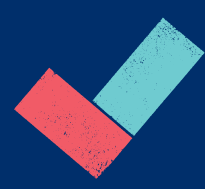
## Whāia te iti kahurangi | Excellence for customers

“Whāia te iti kahurangi, ki te tuohu koe me he maunga teitei.” Strive for excellence, should you stumble, let it be to a lofty mountain.



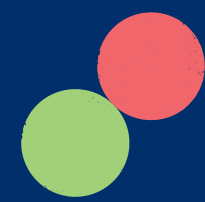
## Tika, pono, aroha | Be respectful

“Mahia te mahi i runga i te tika, te pono, me te aroha.” Do what is required of you with correctness, integrity, and compassion.



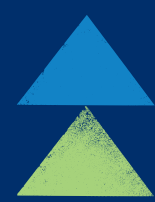
## Toa takitini | Grow together

“Ehara taku toa i te toa takitahi, he toa takitini.” My success is not an individual one, but that of a collective.



## Mahia te mahi | Own it

“Mahia te mahi.” Take responsibility and do the work that is required of you.



Our values guide us to connect as BNZ whānau, and with our customers, in a meaningful, inclusive, and authentic way.

Tauākī a te Tumu Whakarae

# CEO statement

Welcome to Bank of New Zealand’s Sustainable Performance pack for 2024.

Nau mai ki te kōrero mō Ngā Tutukinga Toitū a te Bank of New Zealand mō te 2024.

We recognise for many of our customers, colleagues, and communities, 2024 has been challenging. Our journey together and the progress we’re making to help build a regenerative, and inclusive Aotearoa New Zealand for the long term is reflected in the pages that follow.

E mōhio ana mātou he uaua te tau 2024 mō te tokomaha o ā mātou kiritaki, ō mātou hoamahi me ngā hāpori. Ka kitea i ngā whārangi e whai ake nei tō tātou ara haere ngātahi ki te hanga i tētahi Aotearoa whakamātūtū me te tauawhi mō ngā tau kei te haere mai.

Our sustainability vision for the future is underscored by two strategic pillars: Kaitiakitanga - to accelerate the just transition to a net zero emission economy and Manaakitanga - to grow the long-term social, cultural, and financial wellbeing of New Zealanders.

E noho ana ngā pou rautaki e rua hei tūāpapa mō tō mātou matawhānui toitū mō anamata: Kaitiakitanga - ki te whakahohoro i te whakaumu tika ki tētahi ōhanga tukunga more kore me te Manaakitanga - ki te whakapakari i te toiora ahumoni, ahurea, pāpori tauroa o ngā tāngata o Aotearoa.

We know that together we can help our customers, colleagues and communities navigate towards a better future and we are committed to regularly sharing our progress, our successes, and our challenges.

E mōhio ana mātou mā te mahi tahi ka taea e ā mātou kiritaki, ō mātou hoamahi me ngā hāpori te whakatere ki te anamata



pai ake, ka mutu, e ū ana mātou ki te tiritiri auau i tā mātou kokenga, ō mātou angitu me ngā wero ki a mātou.

“Mahia te mahi i runga i te tika, te pono, me te aroha.” Do what is required of you with correctness, integrity, and compassion.

### Ngā mihi nui

Dan Huggins  
CEO BNZ



Mō te BNZ

# About BNZ

We are Te Pēke o Aotearoa, Bank of New Zealand. Our purpose is to serve customers well and help our communities prosper. We are proud to be one of the country’s largest and oldest financial institutions, a full-service retail, business and institutional bank, and provider of financial advice on a range of products including wealth management.

For more than 160 years, we have played an integral role in building Aotearoa New Zealand’s social and economic future. We’ve done this by taking a long-term leadership position for a more sustainable and inclusive financial system. By harnessing the expertise of our colleagues to build genuine partnerships across the economy, we are able to stimulate the economic transformation required as New Zealand transitions to a low carbon economy. We play a vital role in mobilising capital, and actively support the long-term social, cultural, and financial wellbeing of communities.

## Governance

BNZ is governed by its Board of directors and is ultimately owned by National Australia Bank Limited (NAB). The BNZ Board is the governance body responsible for oversight and implementation of BNZ’s overall strategy, policies, and risk management framework, which includes oversight of climate-related risks and opportunities. Details of our governance and risk management practices can be found in our Climate Statements [here](#). Information about our Board and Executive Leadership Team can be found [here](#).

5,399 People



95 Branches throughout New Zealand



32 Partner Centres



1861 We opened the doors

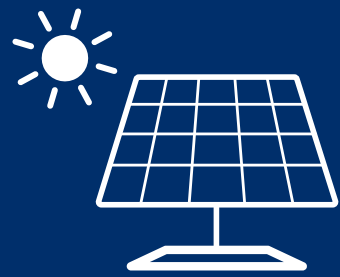


## Snapshot 2024



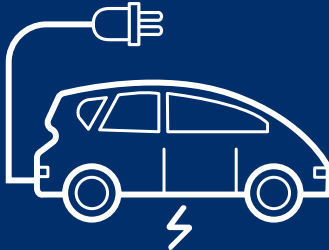
\$42.4 million

In no- or low-interest funds to support those impacted by predatory lending since 2014.



\$4 billion

In sustainable finance categorised in FY24.



49% reduction

In operational emissions against 2019 baseline.



43% women

Representation of senior leadership roles in FY24.



9.2% Māori

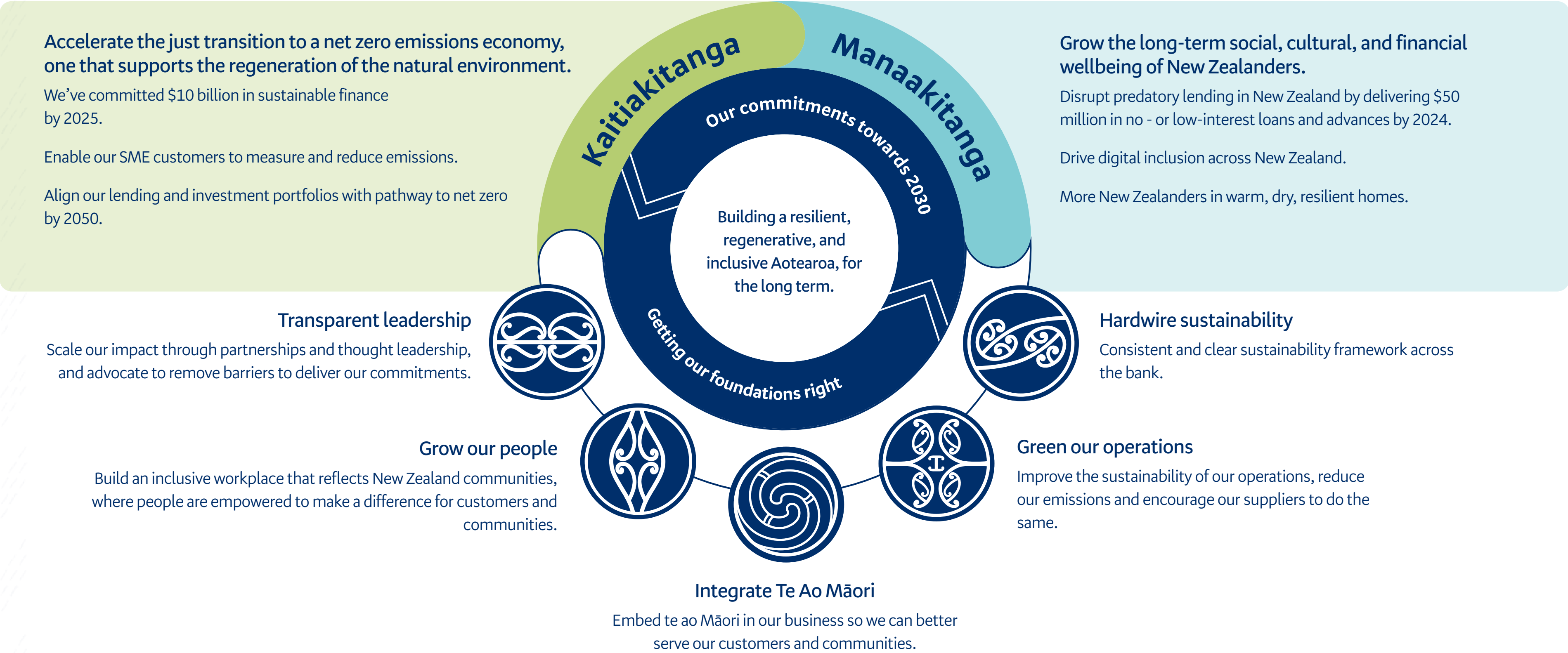
Staff representation.



\$93 million

In green consumer lending helping customers improve the resilience of their homes and electrify transport in FY24.

# Te pae tawhiti: BNZ sustainability strategy



Te pae tawhiti – translates as distant horizon or taking a long-term, intergenerational view.








\* United Nations Sustainable Development Goals – note these icons are relevant to each commitment.



He pēhea tā mātou whakatutuki i ngā mahi

# How we’re tracking

Our commitments		Our progress	Indicator <sup>1</sup>	
  Kaitiakitanga Accelerate a just transition to a low-emissions economy	\$10 billion in sustainable finance by 2025	\$4 billion <sup>2</sup> categorised as sustainable finance in FY24, taking the cumulative total (since 2020) to \$8.8 billion.		On track
	Support 50% of BNZ SME customers to actively measure and reduce emissions by 2025	Enabled 17,366 SMEs (as of June 30, 2024) to undertake climate action assessments through the Climate Action Toolbox (CAT) since inception. Our support of the CAT ended in June 2024. We’re proud to have been a founding partner of a tool that remains free for businesses in New Zealand to utilise.  We’re initiating new ways to engage directly with our SME customers. In July 2024, working in collaboration with CarbonTrail, we launched a pilot to help our SME customers understand, measure, disclose, and reduce their emissions through a more accessible, accurate, and automated platform. We are inviting up to 1000 SME customers to participate and will report on our progress in 2025.		More to do
	Set 2030 decarbonisation targets for our priority sectors in 2023 Set remaining sector targets by October 2024	We are committed to transitioning all operational and attributable greenhouse gas (GHG) emissions from our lending portfolios in line with New Zealand’s commitment to net zero emissions, by 2050. Details can be found in our annual Climate Statements <a href="#">here</a> .		More to do
	60% emissions reduction by 2025 (from a 2019 baseline)	We are on track at 49% reduction in absolute operational GHG emissions compared with our science-aligned target of 60% by 2025 (2019 baseline <sup>3</sup> ). Details can be found in our annual Climate Statements <a href="#">here</a> .		On track

<sup>1</sup> On track means that we see a clear trajectory to achieving the target and progress is being made as planned. More to do means that we are continuing to work towards the target and a different approach may be needed to meet the target.

<sup>2</sup> This value includes \$0.910b of activities from the year ended 30 September 2023, \$1.266b of activities from the year ended 30 September 2022, and \$1.206b of activities from the year ended 30 September 2021 which were categorised as sustainable finance transactions during the year ended 30 September 2024. In FY24, BNZ reviewed and updated our Sustainable Finance Framework to better align with updated market standards, products, and customer expectations. The update clarifies the scope of eligible social finance activities to include social bonds by offshore supranational, sovereign, and agencies where BNZ has been a joint lead manager in the Debt Capital Markets. These facilitation activities total \$3.3b since the target was announced in FY20.

<sup>3</sup> 2019 Baseline operational emissions exclude employee commute, courier-postage-freight, upstream purchased fuel and electricity, facilitated and financed emissions. BNZs target baseline was restated this year due to the reporting year change from 30 June to 30 September. Further details on our full GHG emissions are reported in our annual Climate Statements found [here](#).




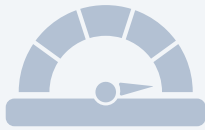


\*TCE refers to the total amount of irrevocable funding a BNZ customer can access at any time. For example, a customer may have \$0.5 million outstanding to the bank, but we have a TCE to the customer of \$2 million, meaning an additional \$1.5 million can be borrowed by that customer, if relevant conditions are met.



He pēhea tā mātou whakatutuki i ngā mahi

# How we're tracking

In alignment with our Manaakitanga ambition (below), we are in the process of developing the evolution of these focus areas and will disclose these in 2025. We will continue the work with our customers and community, to grow the long term social, cultural, and financial wellbeing and, deliver initiatives that enable more New Zealanders into warm, dry, resilient homes.

Our commitments		Our progress	Indicator	
  Manaakitanga Grow the long-term social, cultural, and financial wellbeing of New Zealanders	Disrupt predatory lending in New Zealand by delivering \$50 million in no and low-interest loans by 2024	Delivered \$42.4 million against targeted \$50 million in no or low-interest loans, and advances, since 2014 (\$20 million through Good Loans and Habitat for Humanity New Zealand; and \$22.4 million through PayNow and Money Sweetspot).		Commitment coming to a close
	Deliver \$5 million of lending by end of FY24 as part of the Habitat for Humanity Home Repair Programme	Since 2019, \$3.8 million of Habitat Home Repair loans have been provided (a subset of the targeted \$50 million to deliver low- and no- interest lending).		Commitment coming to a close
	Drive digital inclusion	<ul style="list-style-type: none"><li>As a founding member of the Digital Boost Alliance, we have completed all seven pledges made to encourage digital transformation and support improved digital inclusion.</li><li>We've shifted to an always-on approach to ensure our colleagues, customers and communities remain Scam Savvy. In 2024, an additional 58,349 people have benefitted from our Scam Savvy programme, including more than 10,000 visits to <a href="https://getscamsavvy.co.nz">getscamsavvy.co.nz</a>, more than 3,200 Scam Savvy Information packs downloaded and over 44,000 Scam Savvy conversations held. Since 2018, BNZ has proudly assisted with over 350,000 interactions to help New Zealanders get scam savvy and be safer online.</li></ul>		Commitment coming to a close
Te Ao Māori.	Embed Te Ao Māori in our business so we can better serve our customers and communities	<ul style="list-style-type: none"><li>More than 785 of our people have participated in either Te Pūtaketanga, BNZ's cultural capability programme to support all our BNZ people on their te ao Māori journey (launched in 2020), or Te Kuhunga, a nine week te reo and tikanga Māori programme (launched this year).</li><li>At year end, 9.2% of our people identify as Māori (down from 9.3% in FY23) – our target is that 15% of staff identify as Māori by 2025, and for that to grow to 15% at each level in the bank by 2030.</li></ul>		More to do
Grow our people	Build an inclusive workplace that reflects New Zealand communities	<ul style="list-style-type: none"><li>We increased the representation of women in senior leadership roles to 43% (up from 42% in FY23).</li><li>We achieved a two-point uplift (from the 2020 baseline) in employee response with our annual Heartbeat survey statement; 'Our company takes a genuine interest in the employees' wellbeing'.</li><li>BNZ people have the opportunity to gain a globally-recognised qualification with Career Qualified in Banking (CQiB) and 2,736 BNZ people are qualified to-date.</li></ul>		On track



# Kaitiakitanga

“We recognise that our choices have an impact on the environment, and we are committed to making responsible decisions that benefit our customers, our communities, and the planet.” Anna Flower, Executive, Personal and Business Banking.

Click [here](#) to learn more about how we’re working with local suppliers to deliver a brilliant experience for customers.



Te tiaki i te taiao tūturu

# Caring for our natural environment

## Our commitment

In line with New Zealand’s commitment to net zero, BNZ is committed to accelerating the just transition to a net zero emissions economy, one that supports the regeneration of the natural environment. We help our business, customers, and communities transition, adapt, and build resilience. Our climate action begins with aligning our operations (buildings, waste processes, and transport) with a low emissions future. Details can be found in our annual Climate Statements [here](#).

## Our progress

### Transitioning our lending portfolios to net zero emissions by 2050

Further information about the progress against our targets, is outlined in our annual Climate Statements [here](#).

### Supporting our customers to transition to low emission, resilient business models by 2050

- In FY24, a further \$4 billion<sup>4</sup> was categorised as sustainable finance, totalling a cumulative \$8.8 billion in funding against our \$10

billion target. This commitment acknowledges the shift required in capital flows to achieve the just transition to a net zero emissions economy. Our [Sustainable Finance Framework](#) describes our approach and the transactions that contribute to our 2025 \$10 billion sustainable finance target.

- Due to the evolving nature of sustainable finance, in FY24, BNZ reviewed and updated our Sustainable Finance Framework to better align with updated market standards, products, and customer expectations. The update clarifies the scope of eligible social finance activities to include social bonds by offshore supranational, sovereign, and agencies where BNZ has been a joint lead manager in the Debt Capital Markets. This activity totals \$3.3b since the target was announced in FY20. A comprehensive review was undertaken to ensure robustness, relevancy, and alignment with BNZ’s wider ambitions and internal policies.

## Sustainable finance - supporting our customers sustainability ambitions



### Facilitated transactions\*

- International bonds - \$3.294b

### New finance or refinanced transactions\*\*

- Eligible sector finance - \$0.339b
- Green loans - \$0.251b
- Sustainable-linked loans - \$0.088b
- Social loans - \$0.020b

### Total of 8.8 billion against our 2025 \$10 billion target

\$8.8 billion

\*This value includes \$0.824b of facilitated bonds from the year ended 30 September 2023, \$1.266b of facilitated bonds from the year ended 30 September 2022 and \$1.204b of facilitated bonds from the year ended 30 September 2021.

\*\*These values include \$0.015b of green loans and \$0.071b of eligible sector finance from the year ended 30 September 2023, \$0.071m of green loans from the year ended 30 September 2022, and \$0.002b of eligible sector finance from the year ended 30 September 2021.

<sup>4</sup> This value includes \$0.910 bn of activities from the year ended 30 September 2023, \$1.266 bn of activities from the year ended 30 September 2022, and \$1.206 bn of activities from the year ended 30 September 2021 which were categorised as sustainable finance transactions during the year ended 30 September 2024.



- Additionally, independent assurance was sought from EY - EY Sustainable finance assurance report is available [here](#).
- To support customers wanting to make their homes warmer, more energy or climate resilient, and / or electrify their transport - we offer [low interest home loan top-ups](#) to customers. In FY24, \$93million of green consumer lending was delivered to more than 2,300 customers. This sits outside the \$10 billion Sustainable Finance target.
- We have 50 BNZ Sustainability Champions to help build the capability of our colleagues and support our customer conversations. To support our larger business and corporate customers, 33 BNZ colleagues across Corporate & Institutional Banking and Partnership Banking have completed and passed the Green & Sustainable Finance certificate course provided by the Chartered Banker Institute in the UK.

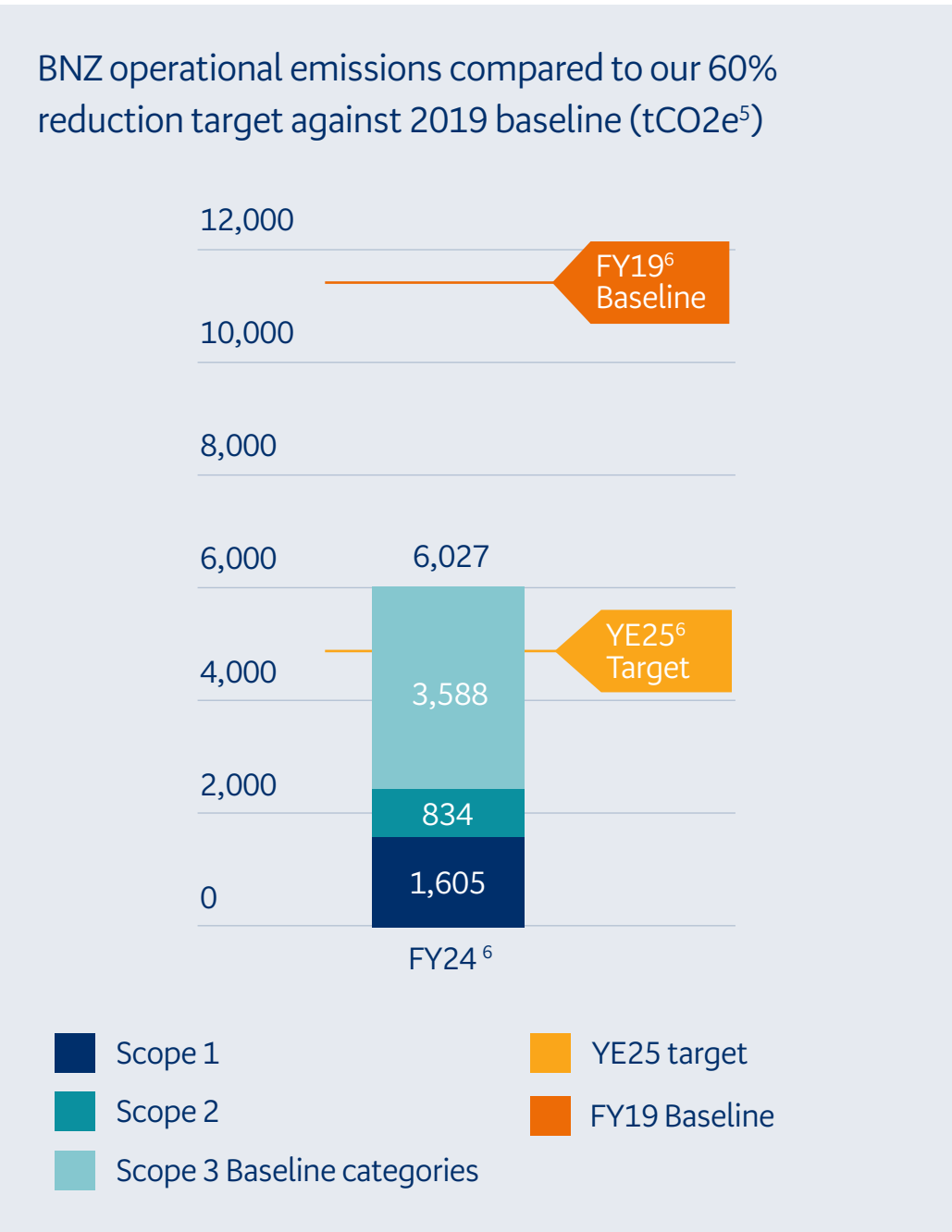
Actively reducing emissions across our operations and supply chain

BNZ has made a reduction of gross operational emissions of 49%, against a 60% reduction target by 2025, from a 2019 baseline aligning with our 2050 net zero emissions goal, and consistent with limiting warming to 1.5 degrees above pre-industrial levels (see progress right). BNZ has undertaken the following steps:

- **Environmental Management System (EMS):** We maintained our [Toitū net carbonzero certification](#) for our operations in FY24 and our Toitū enviromark diamond certification for our Environmental Management System. This system identifies significant impacts across our operations and our plans to see impacts reduce. This voluntary carbon certification programme requires adherence to a set of standards and rules on an annual basis, focusing on measuring and reducing greenhouse gas (GHG) emissions according to ISO 14064-1: 2018 standards.
- **Renewable electricity:** 96% of our purchased electricity needs are sourced from renewable sources in FY24.

- **Reducing waste:** We’ve reduced our waste to landfill by 41% against our 60% 2025 target.
- **Electrifying our fleet:** In FY24, all but one of our fleet vehicles are Plug-in Hybrid Cars (PHEV) or Electric Vehicles (BEV). Additionally, we’ve increased our charging network at BNZ sites and now have 22 chargers and four fast chargers.
- **Engaging our suppliers:** We have increased our engagement with suppliers this year. In 2023, BNZ set a supplier engagement target that 67% of BNZ suppliers, by emissions (covering purchased goods and services, and capital goods), would have set science aligned targets by 2028.

For our full GHG inventory and disclosures refer to our annual Climate Statements [here](#).



Looking Ahead

Working with others to protect our natural environment

- This year we increased our involvement with the [Aotearoa Circle](#), becoming a lead partner. Other memberships and commitments include, founding partner of Toitū Tāhūa (Centre for Sustainable Finance), member of the Net Zero Banking Alliance and UN Principles of Responsible Banking. Collaboration, through our memberships, plays a key role in helping advocate for change, the development of tools, and the bringing together of public, private partnerships to help New Zealand achieve its sustainability goals.
- This year, [The BNZ Foundation](#) an independent charitable entity, has helped the ‘Revive Our Gulf’ project meet a significant milestone of 10 million kūtai (green lipped mussels) deposited in the Hauraki Gulf in large-scale experiments to help enhance biodiversity and restore this vital species. Monitoring the progress of these kūtai will continue in 2025.

<sup>5</sup> tCO2e = Tonnes of carbon dioxide equivalent

<sup>6</sup> Historic balances and baseline targets have been restated in the FY24 report to align with the financial statement reporting period for the year ended 30 September 2024 consistent with our Financial Statements. Operational targets have been set on a consistent basis with only a period change being applied. 2019 Baseline operational emissions exclude employee commute, courier-postage-freight, and upstream purchased fuel and electricity.

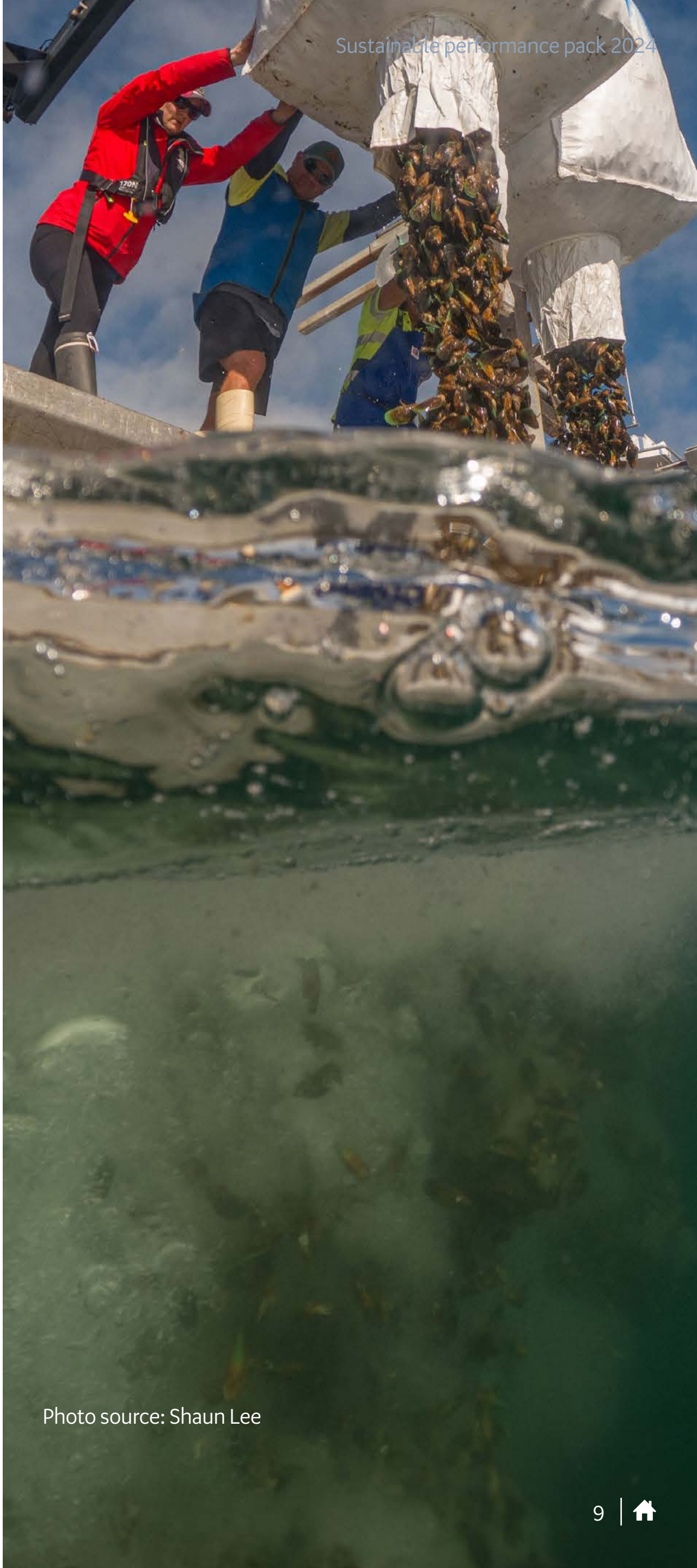


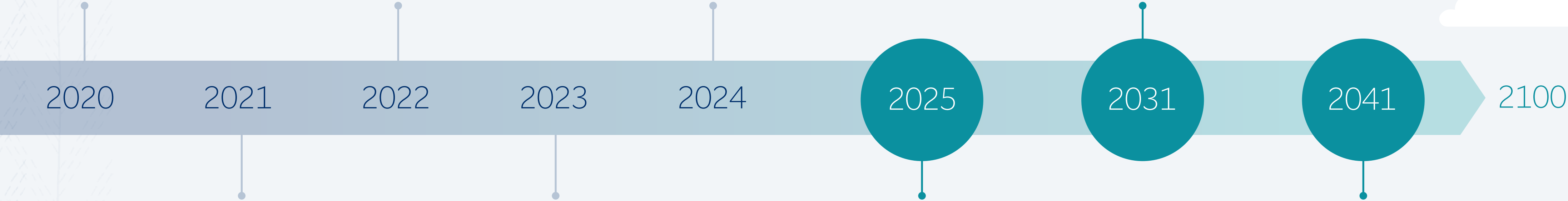
Photo source: Shaun Lee



# Climate progress

to support New Zealand’s commitment to net zero by 2050

- Committed to exit all lending to thermal coal mining by the end of 2025 and all remaining lending to coal mining by the end of 2030. We are likely to have residual performance guarantees in place beyond 2030. These funds will be used for environmental rehabilitation of existing thermal coal mining assets.
- Te pae tawhiti: BNZ’s Sustainability strategy.
- Achieved Toitū Net carbonzero certification.
- Collaborated with CarbonTrail to support SME measure and reduce their emissions.
- Set to publish first mandatory climate-related disclosures.
- Invested \$4million in AgriZero.\*\*



- Signed up to UNEP Finance Initiatives Principles of responsible Banking as part of the NAB Group since 2019.
- Signed up to the Net Zero Banking Alliance (NZBA).
- Partnered with Sustainable Business Network to launch the Climate Action Toolbox.
- Published first set of reduction targets aligned to NZBA.
- Set supply chain engagement target.
- Committed to being a Leading Partner of The Aotearoa Circle.
- Published third voluntary climate report.

## Medium term (2031-2040)\*

### 2030 Targets

Exit all lending to coal mining by 2030.

21% absolute reduction in Oil and Gas emissions, from a 2021 baseline. Limited to upstream Oil and Gas industries.

11% emission intensity reduction in Agriculture-dairy, from a 2022 baseline.

74% emission intensity reduction in Power generation, from a 2021 baseline.

34% emission intensity reduction in Residential real estate, from 2023 baseline.

For further information on climate action at BNZ refer to our annual Climate Statements [here](#).

## Short term (2025-2030)\*

### 2025 Targets

- Exit all thermal coal mining.
- 60% reduction in operational greenhouse gas (GHG) emissions by 2025 from a 2019 baseline.
- \$10 billion of sustainable finance delivered.
- Support 50% of BNZ SME customers to actively measure and reduce their emissions by 2025.

## Long term (2041-2050)\*

### Net zero by 2050

Transitioned our operations and lending portfolios to net zero greenhouse gas (GHG) emissions by 2050.

\*These time horizons align broadly with those used for the quantitative physical risk analysis, decarbonisation targets, and to lending timeframes for different products provided by BNZ to its customers.

\*\*Shares in AgriZeroNZ are held by National Australia Group (NZ) Limited, BNZ’s holding company.



# Manaakitanga

“It’s about more than just providing loans; it’s about empowering our people to create sustainable, thriving communities on their whenua.” Whetu Rangi, BNZ Head of Māori Business.

Click [here](#) to find out more about how BNZ is expanding an innovative funding framework that will create a new path to home ownership on Māori land.

Photo credit: Ngāti Whātua Ōrākei



Te tiaki i ō mātou tāngata me ngā hapori

# Care for our people and communities

## Our commitment

Our Manaakitanga commitment is to grow the long-term social, cultural, and financial wellbeing of New Zealanders. Our focus is on uplifting the financial wellbeing of our colleagues, customers, and communities. This includes partnering to help people take control of their financial futures, boosting digital inclusion, and getting more New Zealanders into warm, dry, resilient homes.

## Our progress

### Celebrating 10 years of uplifting the financial wellbeing of our colleagues, customers and communities

- In FY24, \$9.8 million in no or low interest loans and advances were delivered against our \$50 million target, bringing our cumulative total to \$42.4 million (since 2014). Since 2014, the estimated savings in fees and interest through the programmes totalled \$18.9 million.
- Our specialist support team works closely with our customers and colleagues experiencing economic harm, from problem gambling, and addiction, elder abuse or living with domestic violence. In FY24, this specialist team of bankers received 1,095 customer referrals, and have received a total of 2,494 referrals since 2020 when the team was launched to help guide customers on a path to financial wellbeing.
- The BNZ Financial Trading room, a joint initiative between the BNZ and the University of Auckland Business School, is the largest simulated financial trading room in New Zealand. In 2024, an estimated 5,000 students used the simulated environment to gain first-hand experience to help them

master trading, analysis and understand the complexities to better equip them for the real world.

### Getting more New Zealanders into warm, dry, resilient homes.

- Since 2019, \$3.8 million of lending has been delivered through the Habitat for Humanity Home Repair programme. This year alone we’ve helped 63 families with \$665,963 worth of upgrades and in total the programme has supported over 400 families.
- This year our innovative funding model, initially developed in collaboration with Ngāti Whātua Ōrākei, has expanded to enable lending for housing on Māori freehold whenua. Under the expanded model, individuals and whānau who meet BNZ’s standard home lending criteria can secure a home loan for housing on Māori whenua managed by land trusts or incorporations, at standard home loan interest rates. Read more [here](#).
- This year, 68 BNZ customers bought their homes with \$38.7 million in loans through First Home Partner, an initiative with our shared ownership partner, Kāinga Ora.

### Drive digital inclusion

- In FY24 we continued to support 360 Tautua Trust, Arataki Systems, and Digital Seniors who are focused on uplifting the digital skills of New Zealanders as part of our commitment under the Digital Boost Alliance. Through our support, the three programmes have together reached more than 1,600 people in FY24.
- Customers (who are on the 2degrees, Spark, Skinny, and One NZ networks) can access BNZ banking via online banking or mobile app without incurring data charges.



87% of New Zealanders were targeted by scams in the past 12 months, with an increase this year to 70% (62% in 2023) of people reporting scams to organisations like banks, police and Netsafe. Source: [BNZ’s annual Scam Savvy survey](#)

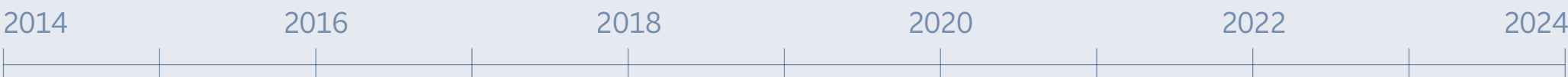
- This year we launched another anti-scam tool. This tool gives customers the ability to disable all online banking activity and lock access to their online banking if they suspect a scammer has gained access to their accounts.
- Together with other measures such in-app identification and additional two-factor authentication (2FA) within internet banking BNZ continues a market leading role in protecting its customers from scammers.
- Through [getscamsavvy.co.nz](#) we are helping New Zealanders to feel safer online through increasing awareness of scams – how to spot them and what to do if you’ve been scammed.

## Looking Ahead

We’ve been working with our charitable customers to find ways that help them meet the way consumers want to donate. We have run open banking demonstrations using Volley, a ‘request to pay’ app that connects with BNZ through secure APIs and allows individuals to easily create and share payment requests. We’ve also helped connect organisations to other platforms such as Mika, a mass enabling platform that allows charitable organisations to turn phones into contactless payment devices for collections.



## Celebrating 10 years of growing financial wellbeing in Aotearoa New Zealand





# Celebrating 10 years of action

Growing the long-term social, cultural, and financial wellbeing of New Zealanders.

Progress on finance delivered:





“Celebrating Matariki has taught me that there is more similarities than differences. There is more connecting us than separating us, and I’m so proud of the way we as a company decide to celebrate and bring all of our cultures together” Erica Salvador, Learning coordinator.

As the stars of Matariki took centre sky this season, our colleagues from across Te Pēke o Aotearoa (Bank of New Zealand) gathered in the dawn light to honour this special time of year. Click [here](#).

# Strong Foundations



Te whakapakari i tō mātou ahurea kauawhi

# Inclusive workplace, inclusive leadership

## Our commitment – building on a culture of inclusion

We are committed to building an inclusive workplace that reflects New Zealand communities, ensuring all colleagues feel a sense of belonging and it is a place where people are empowered to make a difference. We are also committed to embedding te ao Māori in our business so that we can better serve all our customers and communities.



### Our progress

#### Grow our people

**Inclusive leadership:** BNZ maintains a strong focus on actively building diversity in teams. Our mentoring programmes targeted at developing future Senior Leader talent has seen another strong cohort, with women comprising 55% of all participants.

This year, we focused on wellbeing and risk reduction by upskilling our frontline staff and leaders to prepare and respond when faced with customer aggression incidents. We have delivered Safe Haven training to all Heads of Regions and Senior Partners; Customer Aggression training to 46 branches, three partners centres, our Customer Connection Hub, AgriBusiness and other specialist units across BNZ. Alongside other measures and controls our frontline staff have said they’re feeling safer and better supported while at work.

Our 12-month Māori Leadership Programme, Te Hōkaitanga, has had 17 participants this year. To date, 14 of our people have progressed into leadership roles since the programme was launched in 2021.

**Inclusive workplace:** We launched myHauora, a wellbeing app available to all BNZ colleagues enabling connection between teams to improve health and personal wellbeing. Since launching, we’ve run challenges that focus on proactive physical and mental health initiatives with 90% audience engagement from those signed up to the app.

This year we released our Gender Affirmation guidelines aimed to support trans and gender diverse BNZers, People Leaders, and teams, to navigate affirming their gender at work, and creating a trans inclusive team environment.

#### Te Ao Māori

- In FY24, 209 BNZ people completed Te Kuhunga (te reo and tikanga) and 32 completed Te Pūtaketanga (cultural capability) programmes.
- BNZ remains an active participant in Tāwhia, the Māori bankers’ Rōpū (group). Tāwhia is a platform for raising Māori issues and opportunities to the banking sector.
- Since the launch of our Let’s Ako app (ako means to both teach and learn) in 2023, it has had more than 3,326 downloads providing colleagues and customers convenient access to te reo Māori.
- Since 2012, BNZ has proudly supported the Māori Business Leaders Awards as the Premier Partner and sponsor. We proudly presented the prestigious Te Tohu Kairangi mō te Kaiārahi Pakihi Māori - Outstanding Māori Business Leader award recognising a kaupapa Māori business that achieved significant success and demonstrated transformation in their chosen industry, sector, or community.

### Looking Ahead

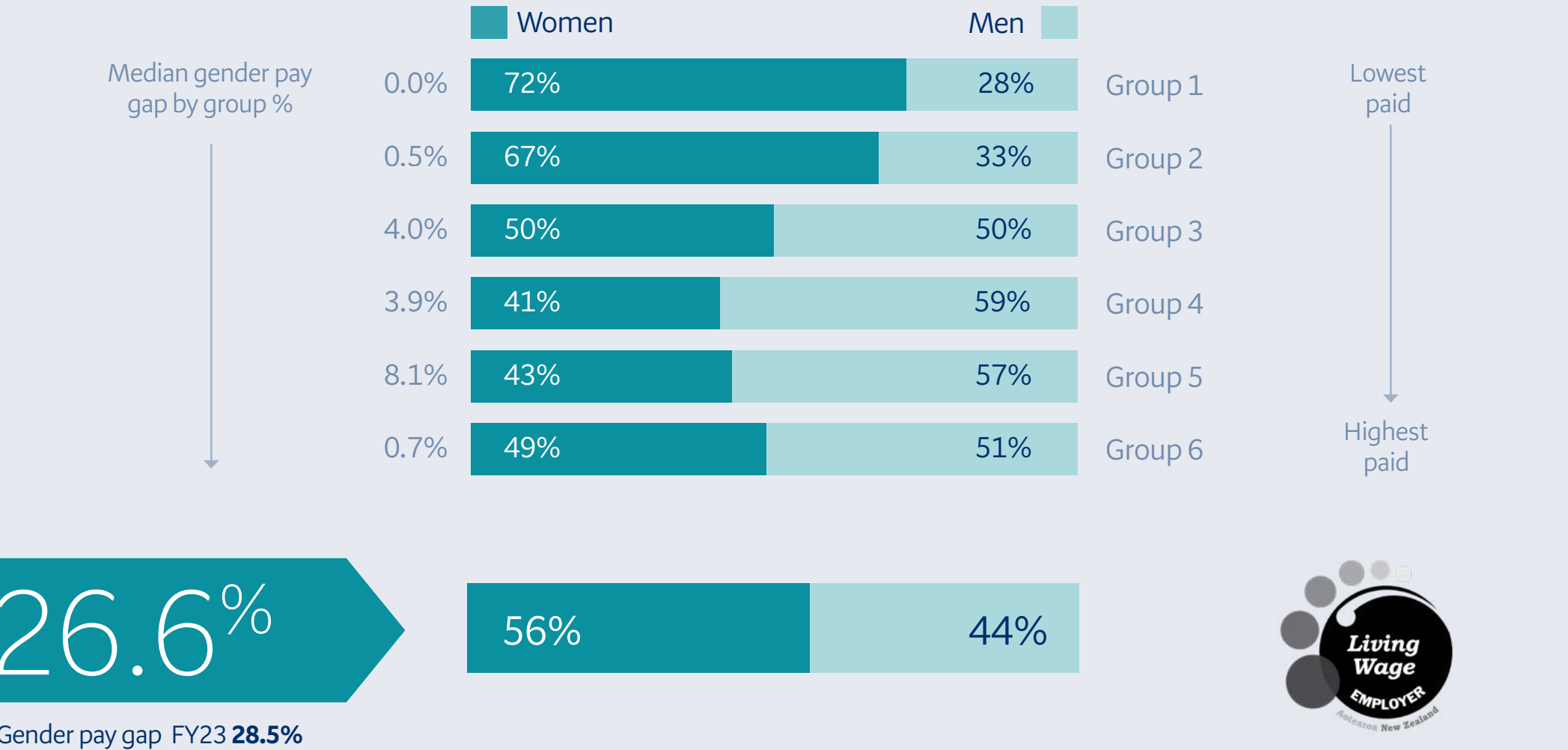
We have invested in a new people data platform, Workday, which allows us to collect a wider range of data, improving our ability to identify and address representation gaps and embed diversity across BNZ.



“I’m really excited to grow my marketing skills, and build more relationships within the industry here in Aotearoa and abroad.”

Ashleigh Patia, BNZ Social Engagement Manager. Awarded the 2024 Ivy Waters Scholarship - supporting our emerging leaders with a contribution towards their plan of study.

### BNZ gender pay gap



Our gender pay gap is calculated at a total company level, comparing the median hourly rate for women to the median hourly rate of men irrespective of role. Includes full-time and part-time permanent employees only. The gender pay gap is calculated by subtracting the women’s median hourly rate from the men’s median hourly rate and dividing this figure by the men’s median hourly rate. At BNZ we recognise people of all genders, including men, women, non-binary and others. BNZ’s people data, for the purposes of pay gap reporting, does not currently represent this diversity.



Ka pēhea mātou e pūrongo ai

# How we report

This document covers Bank of New Zealand (BNZ) Banking Group’s sustainability disclosures relating to Te pae Tawhiti: BNZ’s Sustainability strategy for the period 1 October 2023 to 30 September 2024.

## Cautionary statements

This report is for your information only, it does not take into account any circumstances of the reader and it’s not professional advice (financial, legal, or otherwise). Readers should make their own assessments, not place undue reliance on this report and take appropriate professional advice in considering this report. This report contains statements that are, or may be consider to be, forward looking statements. Forward-looking statements may, without limitation, relate to statements regarding:

- goals, targets, commitments, pathways, ambitions, expectations, objectives and strategies, and mitigating and adapting to related risks and opportunities;
- certain plans, strategies and objectives of management, and perceived costs, benefits and opportunities for BNZ associated with such plans, strategies and objectives;
- the assumptions, beliefs and conclusions in our climate change related statements and strategies; and
- our commitments to sustainable finance funding; sustainability reporting, frameworks, standards and initiatives.

By their very nature, forward-looking statements reflect judgements, predictions, estimates, projections, assumptions, and conclusions about the future which:

- are subject to inherent known and unknown risks, uncertainties and other factors, and continue to evolve;

- depend on a number of factors out of BNZ’s control, including but not limited to domestic and offshore governmental policy, regulatory, environmental and economic factors, and the actions of third parties, including our customers;
- rely on customer and other third-party data over which BNZ has no control; and
- are not forecasts of future outcomes, are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of BNZ. This may cause actual results to differ materially from those expressed or implied in such statements.

BNZ makes no warranty or representation, express or implied, in relation to any forward-looking statement made by any person (including BNZ or any of its advisors) or as to the accuracy or completeness or reliability of any information in this report. BNZ expressly disclaims all liability for any loss (direct, indirect, consequential, or otherwise) arising from the use of this report.

BNZ believes that as at the date of preparing this report, BNZ’s judgements, predictions, estimates, projections, assumptions, and conclusions about the future, and the standards, metrics, measurements, methodologies and models used by BNZ in preparing this report, are based on reasonable assumptions but outcomes may be materially different than anticipated. In addition, many of the standards, metrics, measurements, methodologies and models used in preparing this Report, as well as the data underlying our climate analysis and strategy, and this Report, continue to evolve. Due to the inherent uncertainty and limitations in measuring GHG emissions under the calculation methodologies used in the preparation of such

data, GHG emissions or references to GHG emissions (including ratios or percentages) in this Report may include estimates.

While certain matters discussed in this report may be of interest and importance to our stakeholders, the use of the terms “material”, “significant”, “important” or similar words or phrases should not necessarily be read as rising to the level of materiality used for the purposes of securities or other laws and regulations. Any matters identified as ‘material’, or terms of similar meaning, for the purposes of climate-related or sustainability-related matters in this document are therefore not necessarily material for the purposes of financial reporting, securities disclosures or reporting under other regimes.

When this report refers to third party information or websites, you can’t assume that they are verified, safe, or available. Any views or opinions in third party information or websites may not be the same as BNZ’s views or opinions.

The limitations associated with this report may lead to BNZ revisiting its analysis and changing its views in the future (including but not limited to, as its understanding of climate-related risks and opportunities, and the quality and completeness of data, standards, metrics, measurements, methodologies and models, continue to evolve and improve). BNZ does not intend to update any information in this report, and expressly disclaims any obligation or undertaking to do so, except where required to do so under applicable law.

## Our stakeholders

In the development of these reports, we spend considerable time talking to our colleagues, customers, and communities, as we seek clarity on the issues and challenges that are material to them. Views were sought on BNZ’s strategies, performance, and its impact on the environment and society. This approach helped identify key risks, opportunities, and



trends for our business. It helped reinforce where we can support opportunities with the greatest impact for our colleagues, customers, communities, and the environment, while supporting the general prosperity of the economy.

We continue to see climate change emerge as a more significant issue for businesses. It is also an area where we play an important role, supporting customers as they reduce emissions and adapt to the changing climate. Inflationary pressures, the ensuing cost of living, and financial inclusion, are material issues for both businesses and households. This report details how we are working hard to support Aotearoa New Zealand with these challenges and opportunities through commitments under BNZ’s sustainability strategic pillars, of Kaitiakitanga and Manaakitanga.



# Reporting what matters

Since 2020, we have undertaken materiality assessments when preparing our annual sustainability reports. This involves engaging with key stakeholders to understand BNZ’s most significant impacts on the economy, environment, and people. A material issue that holds lower importance on our matrix is not a reflection of how well it is currently managed. Through this process we can identify key risks and opportunities, and trends that may impact our business, inform where we may shift our focus, and define where we can make the biggest impact.

## Our approach

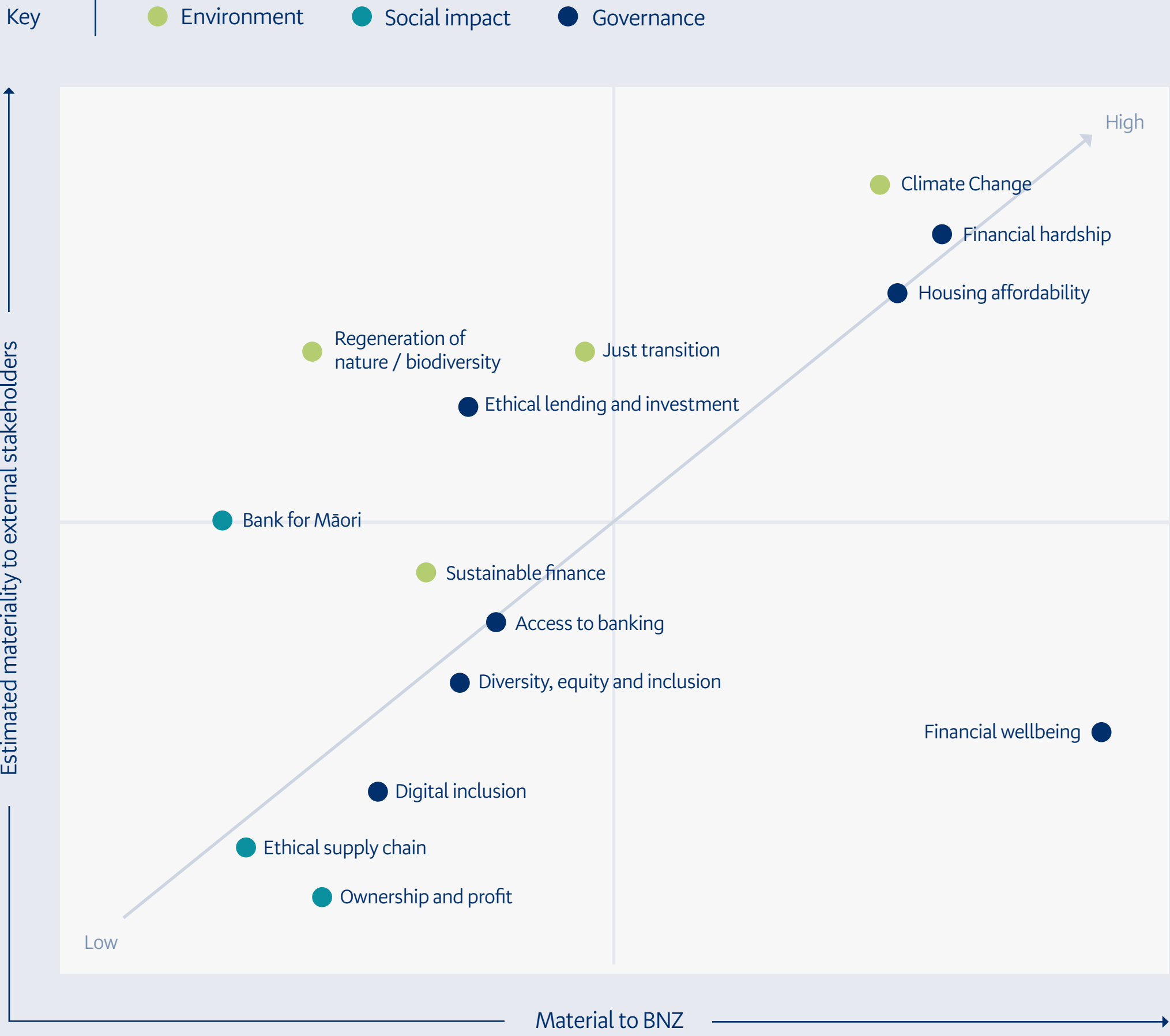
Following our FY23 survey, we conducted a more extensive materiality assessment that has helped evolve our significant issues that were last set in 2022. We started this year with an independent, interview-based assessment of external stakeholders, followed by a survey of internal stakeholders, including executives and leadership across BNZ. This approach allowed us to validate the ranking of material issues identified by external stakeholders. We also incorporated public insights

from the Kantar Better Futures 2024 report, which included BNZ as one of 20 NZ corporates studied for sustainability reputation.

Our analysis shows financial wellbeing, housing affordability, and climate change are material issues for BNZ leaders, external stakeholders, and the public. The matrix this year reflects an increased concern about environmental issues among external stakeholders, and financial hardship remains among the most consistent material issues in recent years. Much like FY23, this year saw financial hardship, housing affordability, and financial wellbeing continue to be a material issue. Given both the local and global economic environment we are living in, with increased cost of living and more acute climate events, it makes sense these issues sit together at the top right quadrant of our 2024 materiality matrix. Our FY24 analysis highlights the continued materiality of financial hardship and financial wellbeing, which have again surpassed climate change as the top issue for the second year (previously the top issue in FY22). Climate change, however, remains a ‘top five’ issue in this year’s assessment and is an area where BNZ has an important role in supporting customers to transition to low emissions, resilient business models, and advocating for the initiatives in response to the changing climate.



# BNZ 2024 materiality matrix



Sources: BNZ ESG Materiality Leaders Survey July 2024, n=101 and BNZ Materiality Stakeholder Perspectives, Kantar, May 2024 (Qualitative study among n= 9 BNZ stakeholders, position is estimated from analysis of qualitative interviews)





Throughout our reports we include toi Māori (Māori art) designs co-created by Hāmiora Bailey (Ngāti Porou ki Harataunga, Ngāti Huarere). These pattern systems are inspired by toi whakairo, tukutuku, and tāniko (traditional Māori art forms). They act as a poutokomanawa (central pole) along the spine of the report providing support for the content, and Visualising Te Pēke O Aotearoa (the Bank of New Zealand) on its haerenga (journey) to create a more sustainable future. As well as representing our people, these toi Māori work to illuminate BNZ's strategy of integrating te ao Māori (the Māori world) into our business practices, policies, products and services.

Ngā whakapā

## Contacts

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### BNZ general enquiries

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Free phone available 8am-8pm Monday to Friday,  
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From overseas call +64 4 931 8209.

Internet Banking and the BNZ app are available 24/7

for general banking enquiries.

[bnz.co.nz/contact](https://bnz.co.nz/contact)

Find all our sustainability reports,  
policies and approach [here](#).