

2024 Full Year Results

Full year ended 30 September 2024

Environmental, Social and Governance (ESG) Investor Discussion Pack

8 November 2024

Approved for distribution by ANZ's Continuous Disclosure Committee

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Important information – Forward-looking Statements

The material in this presentation contains general background information about ANZ Group Holdings Limited (ANZ GHL) and its subsidiaries' (referred to as “ANZ” or “the Group” or “our” or “we”) activities current as at 7 November 2024. It is information given in summary form and does not purport to be complete. It has a sustainability focus and does not reflect the totality of the Group’s business activities.

It is not intended to be and should not be relied upon as advice to investors or potential investors, and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with or without professional advice, when deciding if an investment is appropriate. This presentation may contain forward-looking statements or opinions including statements regarding our intent, belief or current expectations with respect to the Group’s business operations, market conditions, results of operations and financial condition, capital adequacy, sustainability objectives or targets, specific provisions and risk management practices. Those matters are subject to risks and uncertainties that could cause the actual results and financial position of the Group to differ materially from the information presented herein. When used in the presentation, the words ‘forecast’, ‘estimate’, ‘goal’, ‘target’, ‘indicator’, ‘plan’, ‘pathway’, ‘ambition’, ‘modelling’, ‘project’, ‘intend’, ‘anticipate’, ‘believe’, ‘expect’, ‘may’, ‘probability’, ‘risk’, ‘will’, ‘seek’, ‘would’, ‘could’, ‘should’ and similar expressions, as they relate to the Group and its management, are intended to identify forward-looking statements or opinions. Those statements are usually predictive in character; or may be affected by inaccurate assumptions or unknown risks and uncertainties or may differ materially from results ultimately achieved. As such, these statements should not be relied upon when making investment decisions. There can be no assurance that actual outcomes will not differ materially from any forward-looking statements or opinions contained herein. Also see the important information in Appendix 4. Financed and Facilitated Emissions Methodology included in the ANZ 2024 Climate-related Financial Disclosures available at anz.com/esgreport, which may affect forward-looking statements relating to the Group’s financed and facilitated emissions.

These statements only speak as at the date of publication and no representation is made as to their correctness on or after this date. No member of the Group undertakes to publicly release the result of any revisions to these forward-looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of unanticipated events.

It also contains climate-related statements. Those statements should be read with the important notices in relation to the uncertainties, challenges and risks associated with climate-related information included at the end of this presentation pack.

All amounts in this document are in Australian dollars unless otherwise stated. Sum of parts within charts and commentary may not equal totals due to rounding. On 31 July 2024, the Group acquired 100% of the shares in SBGH Limited, the immediate holding company of Suncorp Bank. The information reported for the year ending 30 September 2024, in this presentation, does not include Suncorp Bank for the period since acquisition date. Disclosures and data relating to Suncorp Bank will be included in our 2025 reporting.



The integration of purpose, strategy and customer proposition



2024 Full Year Results

Material topics and targets



Improving financial wellbeing

ANZ is focused on improving the financial wellbeing of our people, customers and communities by helping them make the most of their money throughout their lives

Customer

- Launched in 2022, ANZ Plus – ANZ’s digital banking service – is a new way to bank that places our customers’ financial wellbeing at its core
- In 2024 we released new features aligned to ANZ Plus’ principle to help improve our customers’ financial wellbeing, including Scam Safe, a suite of enhanced controls, scam-focused features and educational content
- 47% of ANZ Plus customers have engaged with our financial wellbeing features including savings goals, card controls, and Round Ups

Community

- Introduction of a new scams education module to ANZ’s flagship financial education program, **MoneyMinded**
- Long running financial education programs – **Saver Plus**, **MoneyMinded** and **MoneyBusiness** – delivered with government and community partners, have reached >122,000 participants in 2024 (>1 million since 2002)
- Training and employment opportunities to support economic participation for under-represented groups including **Indigenous traineeships**, **Given the Chance**, and **Chance for All**

Capability

- Regular research of Australian and New Zealand financial wellbeing, including quarterly snapshots of the financial wellbeing of Australians through the ANZ Roy Morgan Financial Wellbeing Indicator
- In line with our Accessibility and Inclusion Plan to raise awareness of the financial wellbeing, attitudes and behaviours of people with disability or long-term health conditions, ANZ¹ supported research into the financial wellbeing of autistic adults², in October 2023

1. With the Australian Cooperative Research Centre for Living with Autism

2. Published in Autism: the International Journal of Research and Practice



Delivered >\$6 billion of housing supply in six years

>\$6b

Delivered \$6.48 billion into the housing sector, with \$1.18 billion in 2024

ANZ's housing target is to fund and facilitate at least \$10 billion of investment by end 2030¹

HIGHLIGHT:

Social and affordable housing project in Cairns, Queensland

- We are providing debt alongside the Northern Australia Infrastructure Facility (NAIF) and Housing Australia as well as a capital grant from the National Housing Infrastructure Facility and an upfront grant from the Queensland Government's Housing Investment Fund (HIF) to support a social and affordable housing project in Cairns.
- Once completed, the project will be Queensland's largest social and affordable housing precinct, comprising 490 residential units, including 245 social housing units, 223 affordable housing units, and 22 specialist disability apartments.

HIGHLIGHT:

Everyone's Place

- ANZ partnered with a Tetris-led consortium Everyone's Place to provide development finance to support the delivery of 483 affordable homes across Burpengary East, Jimboomba, Logan Reserve and Joyner in Queensland.
- The development will be completed in partnership with Metricon, KDL and community housing provider National Affordable Housing (NAH). This project targets suburbs where 85% of residents earn low and moderate incomes, and of those who rent, around 40% are under housing stress. All homes in this development will be affordable, with rents capped at 75% of market rates, ensuring access to quality, spacious housing for those most in need across the region.

1. Target is to deliver homes to buy and rent that are more affordable, accessible or sustainable, since 2018



Our other ESG focus areas

We're continuing to bring our purpose to life through our focus on complex issues that are important to society and our business strategy: environmental sustainability, financial wellbeing and housing. Our materiality assessment this year also highlighted the ongoing importance of three other issues.

Ethics, conduct and culture

- We see culture as critical to meeting community expectations and we continue to be guided by our Code of Conduct which sets the expected standards of behaviour consistent with our purpose. The Code of Conduct supports our values and helps us to make fair, balanced and ethical decisions in our day-to-day work

Responsible customer engagement

- ANZ's customer vulnerability strategy in Australia seeks to support customers in need of extra care, while also ensuring our products and services are accessible and inclusive. This aligns to our strategic focus of improving financial wellbeing and the expectations of our regulators, customers and the community
- To support our Australian customers, in September 2023 we commenced a program of work to uplift the experience and outcomes for those seeking hardship support

Information security

- Continually reviewing and adjusting our capabilities to keep customers safe as new scams emerge, preventing the loss of **>\$140m** to fraud and scams¹
- **>13b** data events analysed daily through our Security Operations Centre
- **200%** increase in traffic to ANZ's Security Hub webpage² supporting customers' understanding of key scam types and cyber events

1. 12-month period to September 2024, in Australia

2. From September 2023 to June 2024



2024 performance against ESG targets

Target	Performance
Encourage our customers to build and maintain financial resilience with the aim of having at least 2.5 million customers ¹ with a financial buffer of approximately 6 weeks' expenses by end 2026. (Australia/New Zealand)	>2.58 million (2,587,441)
Pilot a savings program ² for people on lower incomes in Fiji and Vanuatu by end 2025, with at least 80% of participants having demonstrated a savings habit ³ upon completion. (Pacific)	Fiji pilot commenced with 71 participants
Fund and facilitate at least \$100 billion by end 2030, including \$15 billion in 2024, in social and environmental activities through customer transactions and direct investments by ANZ. This includes initiatives that aim to help lower carbon emissions, protect nature, increase access to affordable housing and promote financial wellbeing.	\$30.17 billion in 2024 ⁴ \$38.96 billion since target commenced
Enhance our management of climate risks and opportunities by intensifying our engagement with our largest emitting business customers. We will expect and encourage them to strengthen their low carbon transition plans, by: • focusing our engagement and raised expectations on our 100 largest emitting business customers with the aim that by end 2025, compared to their starting point more customers achieve a well developed or advanced rating for their low carbon transition plans; • extending the use of our Climate Change Risk Assessment (CCRA) methodology so that by end 2024 it has been used to support our engagement with the revised list of our 100 largest emitting business customers	100 largest emitting business customers' transition plans assessed (100%)

See our 2024 ESG Supplement and Climate-related Financial Disclosures for further details on these targets and on the 2024 full year performance

1. From a baseline of approximately 2.4 million customers as at 30 September 2023

2. Saver Plus

3. Eight out of 10 months saving (as per Saver Plus program), measured by participant survey data.

4. Q1 2024 includes transactions validated as eligible for inclusion in the target from 23/09/2023. Q4 2024 progress included transactions allocated towards the target validated as eligible up to 21/09/2024. A small number of transactions lodged after 21/09/2024 and before 30/09/2024 were also validated and included. Refer also to the ANZ Social and Environmental Sustainability Target Methodology available at anz.com/esgreport.



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2024 performance against ESG targets

Target	Performance
- Reduce the direct impact of our business activities on the environment¹ by: - Reducing Scope 1 and 2 emissions by 85% by 2025 and 90% by 2030 (against 2015 baseline)² - Being powered by the equivalent of 100% renewable electricity by 2025³ - Reducing water consumption by 40% by 2025 (against 2017 baseline) - Reducing waste to landfill by 40% by 2025 (against 2017 baseline) - Reducing paper consumption (both office and customer paper use) by 70% by 2025 (against 2015 baseline).	80% reduction, since 2015 Increased to 57% 59% reduction, since 2017 75% reduction, since 2017 74% reduction, since 2015
Fund and facilitate at least \$10 billion of investment by end 2030, including \$750 million in 2024, to deliver homes to buy and rent that are more affordable, accessible or sustainable. ⁴	\$1.18 billion in 2024⁵ \$6.48 billion since target commenced
Helping New Zealand homeowners improve the sustainability of their homes and/or reduce their transport emissions through discounted lending of at least NZ\$670 million in aggregate to at least 16,000 households by end 2025. (New Zealand)	NZ\$647.2 million (96%) 16,221 households (101%)
Achieve the 17 actions in our Reconciliation Action Plan, by end 2024. (Australia)	Achieved 16 of 17 actions and 98 out of 100 deliverables

See our 2024 ESG Supplement and Climate-related Financial Disclosures for further details on these targets and on the 2024 full year performance

1. Environmental reporting year is 1 July – 30 June, in line with the Australian regulatory reporting year.

2. Using a market-based method for Scope 2 calculations. Refer to the ANZ Operational Greenhouse Gas Emissions Reporting and Carbon Offset Methodology in Appendix 6 to Climate-related Financial Disclosures.

3. Self-generated renewable electricity, direct procurement from offsite grid connected generators e.g. Power Purchase Agreement (PPA) and default delivered renewable electricity from the grid, supported by credible attributes in accordance with RE100 technical guidelines.

4. Eligible housing transactions that also meet the eligibility criteria for the social and environmental target to achieve \$100 billion by end 2030 may contribute towards both targets.

5. Q4 2023 performance included transactions allocated towards the target validated as eligible up to 22/09/2023. 2024 includes transactions validated as eligible for inclusion in the target from 23/09/2023 to 21/09/2024. A small number of transactions lodged after 21/09/2024 and before 30/09/2024 were also validated and included.

2024 Full Year Results

Climate



How we are driving our ambition

Our five year Climate and Environment Strategy sets out our objective to be a trusted partner for our customers, supporting them to adapt and become more resilient, to a changing environment and economy.

In particular, we aim to be a leading bank in supporting an effective and orderly transition for our large business customers. This supports our vision of financing a sustainable transition.

Highlights of how we have progressed our climate approach in 2024 include:

- Elevated climate risk as a material risk
- Commenced a new phase of our Large Emitters Engagement Program (LEEP)
- Funded and facilitated social and environmental activities as part of our \$100b target, including \$38.96b since 1 April 2023¹
- Supporting customers' transition through financing
- Implementing our sectoral pathways to transition our lending to net-zero financed emissions by 2050 in line with the goals of the Paris Agreement
- Taking steps to build capability to understand nature risks

This lays the foundation for us to deliver on our Climate and Environment Strategy action plan in coming years to support an effective and orderly transition.

1. Refer also to the ANZ Social and Environmental Sustainability Target Methodology available at anz.com/esgreport



Our Climate and Environment Strategy

Purpose	Supporting household, business and financial practices that improve environmental sustainability			
Objective	To be a trusted partner for our customers, supporting them to adapt and become more resilient, to a changing environment and economy. In particular, we aim to be a leading bank in supporting an effective and orderly transition for our large business customers			
Vision	Financing a sustainable transition			
Ambition	Building our capability to help customers understand climate and nature risks	Transitioning our lending portfolio to net-zero financed emissions	Supporting our customers' transition and resilience	
Divisional focus areas	Institutional Being a leading bank in supporting customers to transition, and growing our low-emissions and nature related opportunities	Commercial Delivering insights and propositions to support customers to understand and navigate the transition	Retail Delivering targeted education and propositions to support customers to adapt to climate impacts	New Zealand Supporting Aotearoa New Zealand's transition to a low-emissions, climate resilient economy
Action pillars	Understanding risks and opportunities	Building capability and capacity	Driving customer engagement and propositions	Collaborating with stakeholders to support an economy wide transition
Core enablers	Governance and Reporting	Data and Systems	People and Culture	

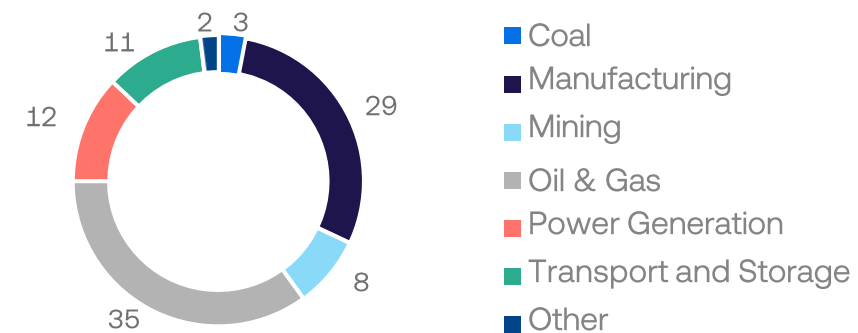


Large emitters engagement program

- Since 2018, our engagement with our large emitting business customers has continued to provide us with deeper insights into their transition plans, the opportunities available to them and the challenges they face.
- We expect the path to net-zero will be non-linear for many sectors, and we have observed that hard-to-abate sectors remain particularly challenged.
- This year, we commenced a new phase of customer engagement – Large Emitters Engagement Program (LEEP).
- Building on the experience we developed through the previous phase of our customer engagement, this new phase has:
 - [A large proportion of customers in energy and resources](#)
 - [Higher standards](#) embedded in a more challenging assessment framework
 - [Evolved disclosure approach](#) to better reflect how we assess our customers' transition trajectory relative to our expectations (see next slide)
- We continue to hold high expectations of our 100 largest emitting business customers¹. Additionally, we have set higher expectations for our Institutional energy customers.
- LEEP, together with sectoral pathways, is informing our credit decisions in higher emitting sectors.



100 largest emitting business customers by sector



1. Each customer was also required to meet specific credit limit thresholds and have an ongoing relationship with ANZ. For the definition of each LEEP customer cohort, refer to **LEEP customer selection** in the Glossary of Terms.



Supporting our LEEP customers' transition

Evolved disclosure approach to better categorise LEEP customers' transition journey

- We continue to review our customers' transition plans against our upgraded 2024 assessment framework.
- A three-phase categorisation approach is adopted to better reflect how we assess their transition trajectory relative to our expectations. This also allows us to acknowledge sector- and region- specific challenges.
- We observed that most customers recognise climate as a financial risk and have assigned board responsibility to manage it. The majority of customers have set net-zero 2050 emissions targets for their operations, and we are seeing stronger disclosures in transition-related related capital expenditure and investment.
- We will continue engaging with our customers, even those in the 'Mature' phase, to encourage further improvements to their transition plans or to discuss examples of good practice.
- Our target is that by the end of 2025, compared with their starting point, more customers will be in the 'Mature' phase for their transition plans.
- To uplift our governance, we established the Central Review Team (CRT) as the decision-making body that reviews the application of the customer transition plan assessment framework.

100 largest emitting business customers grouped by transition phase for 2024



Summary phase description

Mature

Customers who have disclosed a well-developed or advanced transition plan, which includes Paris-aligned¹ intermediate targets covering scope 1 and 2 emissions for the highest emitting part of their business² and committing to a net-zero target by 2050. They also have clear plans to achieve their targets with strong governance and 'TCFD aligned' climate disclosure. This includes customers who we consider as 'sector leaders'.

Progressing

Customers who are demonstrating sufficient improvement³ by progressing their plans. These customers may fall short on having Paris-aligned intermediate targets, eg due to challenges in the sector or environment they operate in. These customers have at least adequate climate governance, actions to meet their targets, and may have or are moving towards TCFD-aligned disclosure.

Emerging

Customers who generally do not meet our expectations for the 'Progressing' phase. Some of these customers may have or are moving towards TCFD-aligned reporting but need to significantly improve certain key components of their transition plan. Some may have internal plans, including governance structures and steps being taken to reduce emissions that are not yet disclosed.

1. A term used to describe actions, strategies, targets or pathways that are consistent with reducing greenhouse gas emissions to levels that will limit global temperature increases to well below 2°C above pre-industrial levels and pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels.

2. Institutional energy customers also need to, by end 2025, disclose (1) Material scope 3 emissions and any progress towards reducing those emissions and (2) How company strategy, targets and planned capital expenditure is aligned with the Paris goals.

3. We assess the customer's improvement which includes evaluating their public disclosures and engagement with us.



Supporting our customers' transition through financing

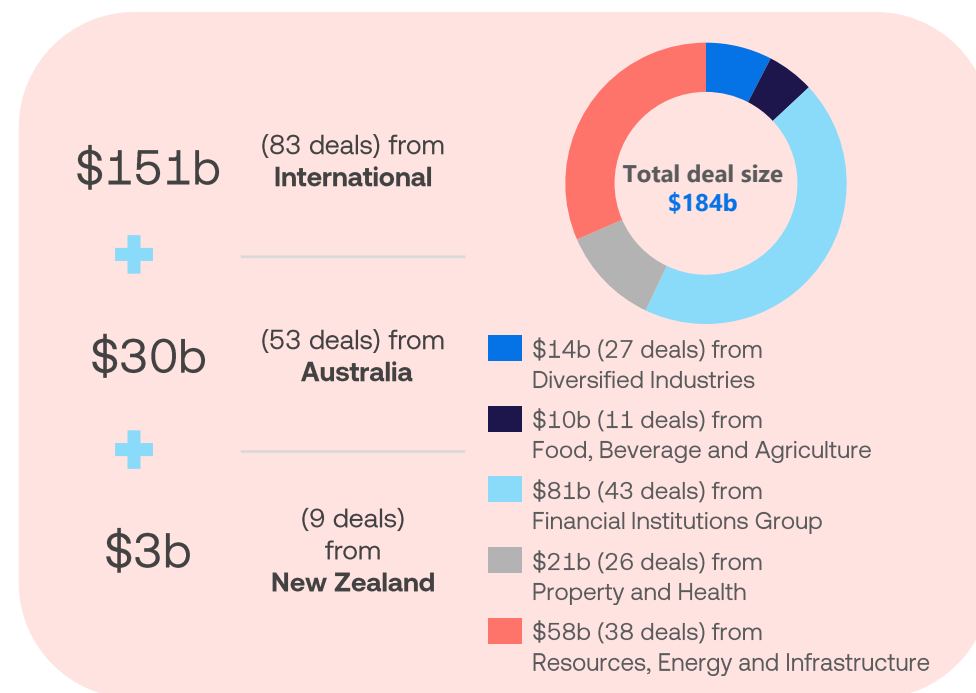
Supporting our customers' sustainability ambitions

- ANZ's Sustainable Finance team in Institutional is helping our customers by encouraging them to identify climate and nature-related risks and opportunities and how to link their financing needs to their sustainability strategies, through the use of labelled (e.g. Green, Social, Sustainability and Sustainability-Linked) loans, bonds and trade products.
- Highlight: SA Power Networks successfully issued a \$495 million 3 year and 8.5 year green bond transaction, becoming the first Australian electricity distributor to issue a certified green bond. ANZ acted as sole Sustainability Coordinator for the Sustainable Financing Framework, which is aligned to supporting our customers in their transition to net-zero.

Supporting customers' decarbonisation

- We also support our customers' transition through unlabelled financing products and services. In our Institutional business, these include relationship lending, structured lending (such as project finance or loan syndication) or other banking solutions to customers to finance or facilitate initiatives that contribute to decarbonisation, such as buildings and infrastructure, renewable energy or energy efficiency.
- Highlight: ANZ acted as Mandated Lead Arranger and Bookrunner in an upsized Syndicated Debt Facility for the Talison Lithium joint venture for US\$1.55 billion.

During 2024 our Sustainable Finance team participated in 145 sustainable finance deals with a total deal size of \$184 billion², compared to 111 deals with a total deal size of \$144 billion in 2023.



1. 'Unlabelled' refers to our existing banking products and services where no specific sustainability related label is applied

2. Of the 145 sustainable finance deals with a total deal size of \$184 billion, the amount attributed to ANZ was \$19.2 billion. Of the \$19.2 billion, \$14.6 billion was attributed to ANZ via on-balance sheet loans and other credit lines, and \$4.6 billion via our distribution capability.



Driving customer engagement and propositions

Helping Australian
Commercial
customers invest in
energy efficiency

- Continuing to work with the [Clean Energy Finance Corporation \(CEFC\) Energy Efficient Asset Finance Program](#) to support Australian businesses to invest in emission reducing infrastructure that will be resilient to a changing climate.
- Since its launch in 2017, this program has helped finance [more than \\$300 million of investment in 1,369 clean energy technology deals](#) for some of our Australian Commercial and Agribusiness customers.
- Highlight: [Carbon Logica](#) was granted a loan to build a power generation facility, which utilises waste coal mine gas from Fitzroy's Ironbark No. 1 metallurgical coal mine in Queensland, to generate electricity.
- In 2024, ANZ and the Energy Efficiency Council (EEC) again collaborated to launch a second report in the Forgotten Fuel series, [Putting energy efficiency to work for Business](#).

Supporting New
Zealand customers

- Our [Good Energy Home Loan](#) top up is available to existing eligible¹ home loan customers to upgrade their homes with solar panels, heating and insulation, double glazing, ventilation systems and/or rainwater tanks. It can also be used for electric and hybrid vehicles, electric bikes, and/or electric vehicle chargers.
- Our [Healthy Home Loan Package](#) offers interest rate discounts and fee savings for eligible² customers who are buying, building, renovating or already own a home with a 6 Homestar rating or higher.
- Since October 2020, [14,830 households](#) have drawn down loans across these two products, for an aggregate amount of [NZ\\$640.8 million](#).³

1. anz.co.nz/good-energy.

2. Important information: ANZ Health Home Loan Package: anz.co.nz/healthyhomes/.

3. Funds under management.



Implementing our sectoral pathways to transition our lending to net-zero financed emissions¹

Sectoral pathways and targets backing customer decarbonisation

- This year we disclosed our progress towards transitioning our lending portfolio within eight of our higher emitting sectors (which includes two sub sectors in transport) to net-zero financed emissions by 2050 in line with the goals of the Paris Agreement, as part of our net-zero Banking Alliance (NZBA) commitment.
- This year, we have also calculated certain of our facilitated emissions in line with NZBA guidelines updated in March 2024 requiring NZBA members to review their targets to include capital markets arranging and underwriting activities by 1 November 2025.

	Sector ²	2030 Interim Target reduction	Status
	Power generation	50% (2020 baseline)	ON TRACK
	Oil and gas	26% (2020 baseline)	ON TRACK
	Thermal coal	100% (2020 baseline)	ON TRACK
	Auto manufacturing	28% (2022 baseline)	ON TRACK
	Shipping	10% (2022 baseline)	CLOSE TO ON TRACK
	Aluminium	30% (2021 baseline)	NOT ON TRACK
	Cement	20% (2021 baseline)	CLOSE TO ON TRACK
	Steel	28% (2021 baseline)	CLOSE TO ON TRACK
	Australian large-scale commercial real estate	60% (2019 baseline)	ON TRACK
 >10% above pathway  <=10% above pathway  On or below pathway			

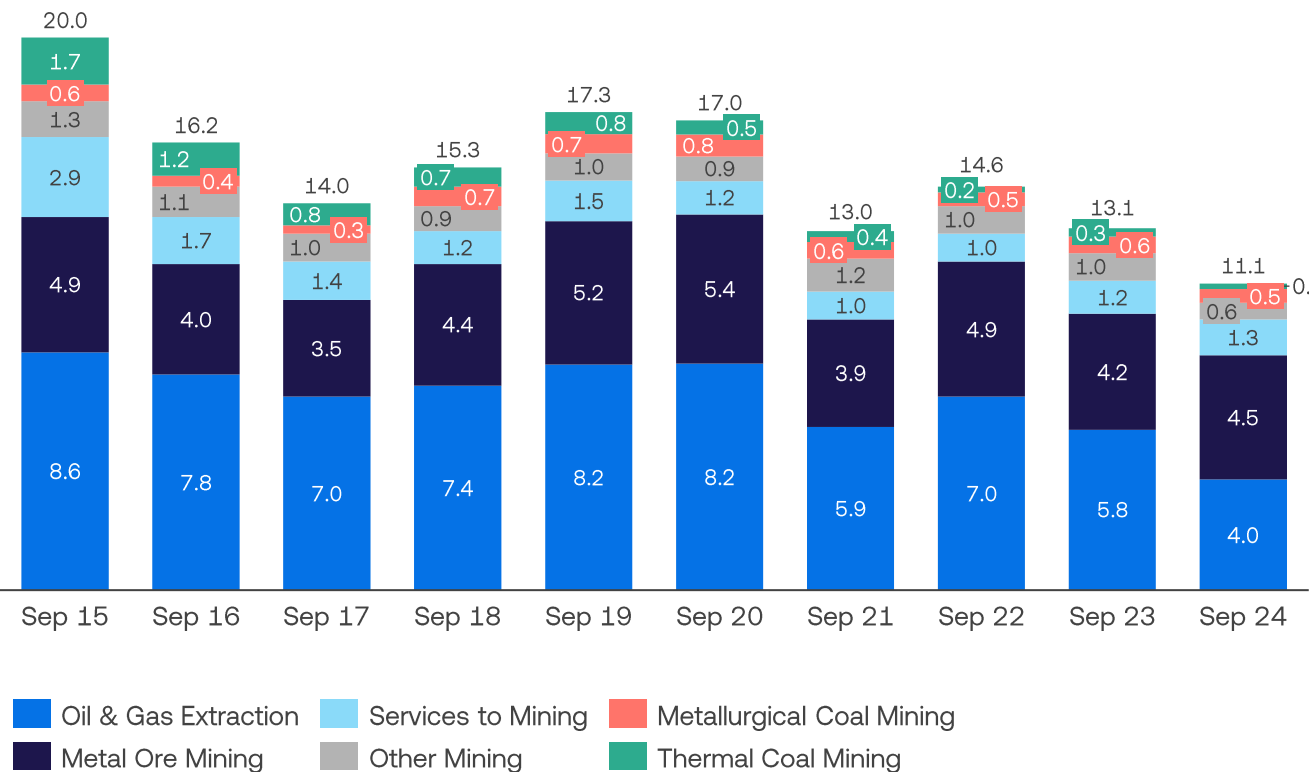
1. Please see the important information about forward-looking statements and climate-related information at the start and end of this presentation pack

2. See our Climate-related Financial Disclosures, including Appendix 4 Financed and Facilitated Emissions Methodology, for details on ANZ's rationale for not disclosing a sectoral pathway target in 2024 for the Australian residential home-loans, Institutional agribusiness, and Aviation sectors; sectoral pathways and targets including the part of each sector's value chain; and the customers included in the scope of each pathway as well as detail on our performance against the targets: anz.com/esgreport

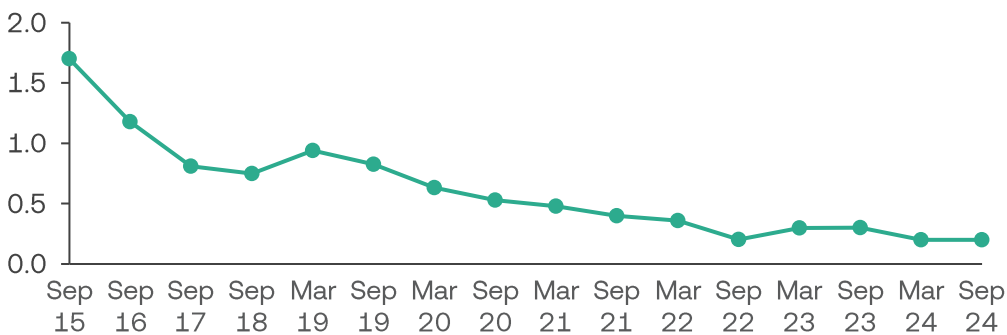


Our resources portfolio

Resources Portfolio, EAD¹ \$b



Thermal Coal Mining, EAD¹ \$b



Movements in Oil and Gas and Thermal Coal Mining Exposures

Our thermal coal mining exposure² decreased in 2024 driven by residual loan amortisation. The rate of decrease has slowed due to the portfolio reaching advanced stages of runoff, with the majority of our exposures (c. \$109m) being to mine rehabilitation bonds.

Our Upstream oil and gas exposures decreased in 2024 driven by lower corporate loan balances, ongoing amortisation of project financings, exited customer relationships, and lower trade finance and market exposures.

Our exposure is now lower than our 2025 exposure target (\$4.9b).

1. Exposure at Default – represents the exposure to each sector based on APRA’s calculation formula which includes total committed loans (drawn plus a proportion of off-balance sheet exposures as specified by APRA).
 2. Institutional customers that ANZ has allocated to industry code 1102 (Brown coal mining), i.e. those customers for whom thermal coal production is their predominant activity. For further details on the scope of this cohort and what we exclude (e.g. diversified miners that produce thermal coal), see Appendix 4 Financed and Facilitated Emissions Methodology included in the ANZ 2024 Climate-related Financial Disclosures available at anz.com/esgreport



Taking steps to build capability to understand nature risks

Our Climate and Environment Strategy highlights our acknowledgment of the importance of, and links between, climate and nature. Our approach is guided by our ambition to build our capability to help customers understand both climate and nature risks.

Steps taken this year to further our approach include:

Reviewed our Social
and Environmental
Risk Policy

Broadened our
approach to
engagement with
customers on nature

Incorporated nature
into our Climate and
Environment Strategy

Released a specialised
Nature Mindset2030
learning module



Transition Planning

In 2024, we have taken further steps to develop our transition plan, supporting our commitment to transition our lending portfolio to net-zero financed emissions by 2050 in line with the Paris Agreement.

The components of our transition planning are informed by the Glasgow Financial Alliance for net-zero's (GFANZ) Transition Plan Guidance Framework as illustrated in the table.

We acknowledge that ongoing work is required to achieve a robust and well-developed transition plan¹.

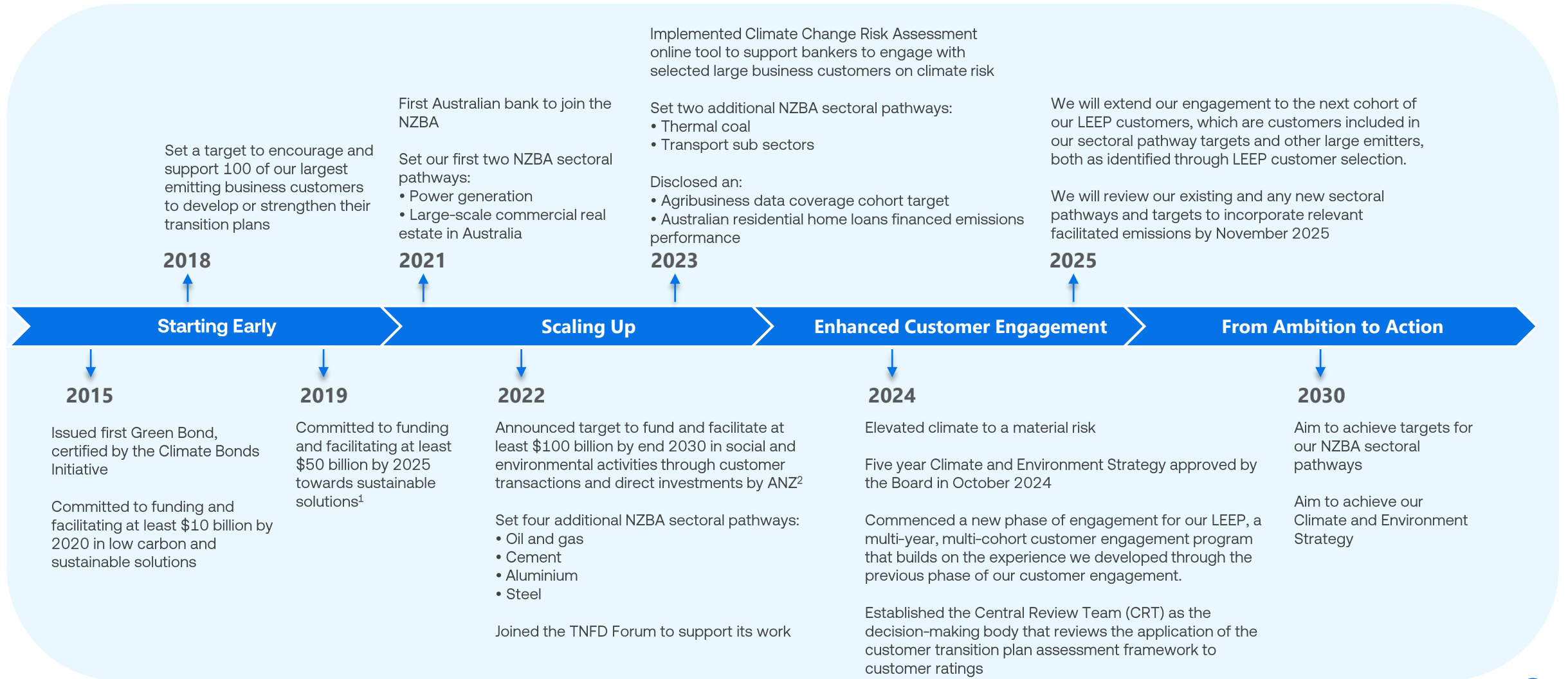
GFANZ alignment index

GFANZ Component	GFANZ Recommendation ²	Page Reference ³
Foundations		
Objectives and priorities	Define objectives to achieve net zero by 2050 or sooner aligned with science-based pathways to limit warming to 1.5 degrees Set interim and long-term targets Identify priority financing strategies for emissions reduction	8, 10, 12 12, ESG Targets ⁴ 19-27
Implementation strategy		
Products and services	Utilise products and services to support customers' transition Accelerate and scale the net-zero transition in the real economy Offer education, guidance, and support for portfolio decarbonization	21-32 36-37
Activities and decision-making	Integrate and apply (top-down and bottom-up) net-zero objectives and priorities into evaluation and decision-making tools and processes	13-18, 41-51
Policies and conditions	Implement policies and conditions for priority sectors e.g. thermal coal, oil and gas, and deforestation	33-35, 61-66
Engagement strategy		
Clients and portfolio companies	Provide feedback and support to clients	29-32 36-40
Industry	Engage with industry peers Represent cohesive financial sector views to external stakeholders	38-40
Government and public sector	Ensure lobbying and public-sector engagement supports an orderly net-zero transition and align customers efforts with ANZ's net-zero objectives	29-32, 38-40, ESG Targets ⁴
Metrics and targets		
Metrics and target	Establish metrics and targets to drive execution of the net-zero transition plan and monitor progress	52-86, ESG Targets ⁴
Governance		
Roles, responsibilities, and remuneration	Define roles for the Board or oversight body and senior management Assign appropriate individuals and teams to all aspects of both design and delivery of the transition plan Regularly review the plan	13-14 14-17 18
Skills and culture	Provide training and development for teams and individuals Implement a change management program to embed the transition plan into the organisation	36-37

1. Our disclosures do not purport to be comprehensive or to satisfy all aspects of GFANZ
2. Glasgow Financial Alliance for net-zero (GFANZ) Recommendations and Guidance on Financial Institution Net-zero Transition Plans (2022)
3. See our 2024 Climate-related Financial Disclosures located at anz.com/esgreport
4. See our 2024 ESG Supplement located at anz.com/esgreport



ANZ progress towards net-zero



1. See ANZ's 2022 ESG Supplement explanatory notes section for methodology at page 95 available here: anz.com.au/esgreport

2. Important information about eligibility requirements for the target is set out in the Social and Environmental Target Methodology available here: anz.com.au/esgreport.



Our ESG approach and related disclosures

At ANZ, our purpose is to shape a world where people and communities thrive.

Integrating ESG and purpose into our strategy has created an opportunity for us to better serve our customers and generate long-term shareholder value.

Our ESG approach is focused on responding to the five key materials issues:



Housing



Ethics, conduct and culture



Environmental sustainability



Information security



Financial wellbeing



Responsible customer engagement



[Environmental, Social and Governance \(ESG\) reporting | ANZ](#)



[ESG Shareholder Centre | ANZ](#)



[Climate change | ANZ](#)



[ANZ 2023 Modern Slavery Statement](#)



[Accessing affordable housing | ANZ](#)



[Financial wellbeing | ANZ](#)



Important information – Climate-related information

This presentation may contain climate-related statements, including in relation to climate-related risks and opportunities, climate-related goals and ambitions, climate scenarios, emissions reduction pathways and climate projections. While the statements were prepared in good faith, climate-related statements are subject to significant uncertainty, challenges and risks that may affect their usefulness, accuracy and completeness, including:

1. *Availability and reliability of data* – emissions and climate-related data may be incomplete, inconsistent, unreliable or unavailable (including information from the Group's clients), and it may be necessary to rely on assumptions, estimates or proxies where that is the case.
2. *Uncertain methodologies and modelling* – methodologies, frameworks and standards used for calculations of climate-related metrics, modelling and climate data are not universally applied, are rapidly evolving and subject to change. This may impact the data modelling, approaches, and targets used in preparation of this presentation.
3. *Complexity of calculations and estimates* – Estimating financed or facilitated emissions (including allocating emissions to banking activities) and emissions reduction is complex and relies on assumptions and judgments, often made in respect of long periods of time.
4. *Changes to climate-related governing frameworks* – changes to climate-related policy, laws, regulations and market practices, standards and developments, including those resulting from legal proceedings and regulatory investigations.
5. *Lack of consistency in definitions and climate-science terminology subject to changes* – definitions and standards for climate-related data and assessment frameworks used across industries and jurisdictions may vary, and terminology and concepts relating to climate science and decarbonisation pathways may evolve and change over time. These inconsistencies and changes can also make comparisons between different organisations' climate targets and achievements difficult or inappropriate.
6. *Reliance on third parties for data or involvement* – the Group may need to rely on assistance, data or other information from external data and methodology providers or other third parties, which may also be subject to change and uncertainty. Additionally, action and continuing participation of third parties, such as stakeholders, may be required (including financial institutions and governmental and non-governmental organisations).

Due to these uncertainties, challenges and risks, statements, assumptions, judgments, calculations, estimates or proxies made or used by the Group may turn out to be incorrect, inaccurate or incomplete. You should conduct your own independent analysis and not rely on the information for investment decision-making. The information in this notice should be read with the qualifications, limitations and guidance included throughout this presentation and in:

- ANZ ESG Supplement available at anz.com/esgreport
- ANZ Climate-related Financial Disclosures available at anz.com/esgreport, including Appendix 4 Financed and Facilitated Emissions Methodology and Appendix 6 ANZ Operational Greenhouse Gas Emissions Reporting and Carbon Offset Methodology
- ANZ Social and Environmental Sustainability Target Methodology available at anz.com/esgreport



Glossary of terms

100 largest emitting business customers

A cohort of our LEEP customers.

“ANZ” or “the Group” or “our” or “us”

Refers to ANZ Group Holdings Limited and its subsidiaries.

Australian residential home loans

On-balance sheet loans for the purchase and refinance of residential properties, including individual homes and multi-family housing with a small number of units in Australia. It excludes the following:

- Vacant land securities
- Construction and renovation loans
- Properties used solely as a guarantee for other residential or business loans
- Home equity loans and home equity lines of credit where use of proceeds is unknown

Board

Means ANZGHL Board of Directors.

Climate Change Risk Assessment

A tool used to help guide customer engagement and assess and manage climate-related risks. The CCRA includes an assessment of our customers’ exposure to potential physical risks and transition risks and the maturity of the customer’s transition plan, as aligned to our Customer Transition plan assessment framework.

Customer transition plan assessment

The framework that ANZ developed to assess the maturity of a customer’s transition plan. The framework focuses on three key elements of governance, targets, and disclosures.

Deal size

The total amount of funds raised by a borrower/ issuer on a transaction or deal that ANZ participated in.

Exposure at Default (EAD)

Represents the Group's exposure to each sector based on APRA’s calculation formula which includes total committed loans (drawn plus a predicted portion of off-balance sheet exposures that may be drawn in the event of future default, as specified by APRA in APS 113)

Hardship

Hardship typically refers to a situation where an individual is experiencing financial difficulty, making it challenging for them to meet their financial obligations. This can include situations such as loss of income, unexpected expenses, or other personal circumstances that impact one’s ability to repay debts or manage financial commitments.

Institutional Energy Customers

These are customers of our Institutional business (excluding Corporate Bank) that ANZ has allocated to the following internal industry classification codes:

1102 - Thermal coal mining

1200 - Oil and gas extraction

1511 - Petroleum exploration

1512 - Petroleum exploration service

2510 - Refining

4521 - Wholesaling / distribution

3611 - Electricity generation

Institutional energy customers comprise the vast majority of our energy customers and are responsible for the vast majority of financed emissions from our energy customers.

ANZ applies an internal classification system to allocate customers to industry sectors. The allocation is intended to reflect the primary business activity of the customer in terms of revenue. The classification system is informed by the 1993 Australia and New Zealand Standard Industrial Classification (ANZSIC) codes, adapted where appropriate. See page 55 of ANZ’s 2024 Climate-related Financial Disclosures for further information.

Large business customers

The customers of ANZ Institutional division where ANZ has a credit exposure.



Glossary of terms

Large Emitters Engagement Program (LEEP)

Our Large Emitters Engagement Program (LEEP). This is our signature customer engagement program, which provides the framework for engaging with LEEP customers on their transition plans.

LEEP customers

LEEP customers comprise: (a) from FY24, our 100 largest emitting business customers, and customers subject to the Safeguard Mechanism; and (b) additionally from FY25, large emitters in sectoral pathways and other large emitters, in each case as identified through LEEP customer selection.

LEEP customer selection

Customers were selected as LEEP customers based on information available in August 2023 as follows:

- (a) our 100 largest emitting business customers: 100 customers with the highest reported or estimated emissions encompassing scope 1 and scope 2 emissions for all customers and relevant scope 3 emissions for coal, oil & gas and mining infrastructure customers;
- (b) Safeguard Mechanism: customers with operational control over or a major financial stake in any Safeguard Mechanism facility;
- (c) large emitters in sectoral pathways: customers included in our sectoral pathway targets;
- (d) other large emitters: customers that ANZ identified as large emitters (such as large agribusiness or chemical manufacturers).

Each customer was also required to meet specific credit limit thresholds and have an ongoing relationship with ANZ to be included as a LEEP customer.

Customers selected on the basis outlined above will continue as LEEP customers until end FY25. A customer may be removed as a LEEP customer if it ceases its relationship with ANZ or if engagement is not practical for another reason. The outgoing customer will be replaced by another customer that meets the selection requirements.

MoneyBusiness

MoneyBusiness is an adult financial education program that is designed to build the money management skills and confidence of Indigenous Australians and develop a stronger savings culture.

MoneyMinded

MoneyMinded is a flexible adult financial education program that builds knowledge, confidence and skills to help people make informed decisions and manage their money. Developed in 2002, MoneyMinded is ANZ's flagship financial education program.

Nature

The TNFD considers 'nature' as the "natural world, with an emphasis on the diversity of living organisms (including people) and their interactions among themselves and with their environment."

Net-zero

Net-zero emissions in this document relates to net-zero human-induced emissions.

Net-zero financed emissions

The state where financed emissions are balanced by an equivalent amount of permanent removal and storage of carbon dioxide from the atmosphere, resulting in no net increase in global emissions.

Paris Agreement goals/the goals of the Paris Agreement

The main goals of the Paris Agreement, which include: (i) limiting the global temperature increase to well below 2°C above pre-industrial levels, with efforts to limit it to 1.5°C; (ii) achieving global net-zero greenhouse gas emissions by the second half of the century.

Paris-aligned

A term used by ANZ in this report to describe actions, strategies, targets or pathways that are consistent with reducing greenhouse gas emissions to levels that will limit global temperature increases to well below 2°C above preindustrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels.

Saver Plus

Saver Plus is a matched savings and financial education program developed in 2003 by ANZ and the Brotherhood of St Laurence. Eligible participants who complete the program have their savings matched (up to \$500) by ANZ for approved education-related expenses for themselves or their children.



Glossary of terms

Scope 1

Direct greenhouse gas emissions from sources owned or controlled by the company.

Scope 2

Indirect greenhouse gas emissions from consumption of purchased electricity, heat or steam.

Sectoral Pathways

Industry-specific trajectories of emissions reductions that indicate whether ANZ's financing is consistent with Paris Agreement goals.

Sustainability Linked Loan

Sustainability linked loans are a type of labelled sustainable finance. They are any type of loan instruments and/or contingent facilities (such as bonding lines, guarantee lines or letters of credit) which incentivise the borrower's achievement of predetermined sustainability performance objectives.

Transition plan

A climate-related transition plan is an aspect of an entity's overall strategy that lays out the entity's targets, actions or resources for its transition towards a lower-carbon economy, including actions such as reducing its emissions.

Under represented groups

Under-represented groups' refers to demographic groups that are not proportionately represented at ANZ when compared with the population in the wider community, for example people with disability, First Nations Australians, Māori, LGBTIQ+ etc.

Upstream oil and gas customers

An Institutional energy customer within industry code 1200.

