

ESG Example

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ESG Analysis of 2023 Annual Report

1. Information Collection:

The attached file contains extensive information on ESG-related contents.

2. Summary of ESG Information:

a. ESG Mission Statement:

The mission is to support Australia's transition to net zero emissions by 2050, focusing on responsible lending, reducing operational impacts, and fostering sustainability in communities .

b. ESG Targets:

•Carbon Emission Targets:

- Net zero emissions by 2050.
- Sector-level financed emissions targets aligned with 1.5°C scenarios .
- 95% reduction in Scope 1 and 2 emissions from 2014 levels .

•Sustainable Financing:

- \$70 billion in cumulative sustainable funding by 2030 .
- \$44.7 billion in cumulative funding provided as of June 2023 .

•Operational Emissions:

- 100% renewable electricity for Group-wide operations in 2022 .

c. Progress Towards Each Target:

•Carbon Emissions:

- Achieved a 95% reduction in Scope 1 and 2 emissions compared to 2014 levels .
- Scope 3 emissions increased due to business travel post-COVID-19 and new categories like employee commuting .

•Sustainable Financing:

- \$44.7 billion in sustainable funding provided by June 2023 towards the \$70 billion target .

d. Explanation on Current Progress:

The substantial reduction in Scope 1 and 2 emissions highlights the company's commitment to operational sustainability. The increase in Scope 3 emissions indicates a return to normal business operations and expanded reporting categories.

e. Approaches to Achieve ESG Targets:

1.Climate Strategy and Governance:

- Updated E&S Framework and refined client transition plans assessment.
- Established a new transaction-level committee for fossil fuel sector transactions .

2.Sustainable Finance:

- Lending and financing directed towards sectors crucial for energy transition.
- Development of new products and services to assist customers in transitioning to a net zero economy .

3.Operational Initiatives:

- Utilization of 100% renewable electricity.
- Incorporation of sustainable design principles in office refurbishments .

4.Biodiversity and Natural Capital:

- Use of the ENCORE platform to understand nature-related impacts and dependencies, focusing on agriculture and mining sectors .

5.Sustainability Reporting:

- Emphasis on enhancing environmental reporting despite data limitations and confidentiality issues .

6.Materiality Assessment:

- ESG materiality assessment to align with stakeholder priorities and UN SDGs .

Page References:

1.ESG Mission Statement: Page 22-23 .

2.ESG Targets: Page 22-23, 39 .

3.Progress Data: Page 22-23 .

4.Explanation on Progress: Page 22-23 .

5.Approaches: Page 22-23 , Page 39 .

This analysis provides a comprehensive overview of the ESG initiatives, targets, progress, and strategies of the company as outlined in their 2023 Annual Report.

