

2016 Slavery and Human Trafficking Statement

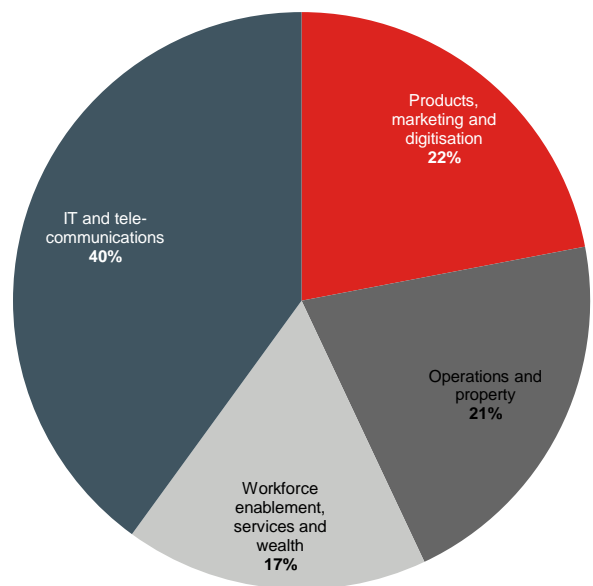
This statement sets out the steps Westpacⁱ has taken to prevent modern slaveryⁱⁱ in our business and supply chains globally during the financial year ending 30 September 2016. It has been prepared in accordance with Transparency in Supply Chains provision (section 54) of the United Kingdom’s Modern Slavery Act 2015.

Our business

The Westpac Group provides consumer, business and institutional banking services along with wealth management, wealth administration and insurance services to customers predominantly located in Australia, New Zealand and the Pacific region. The Westpac Group also maintains branches and offices in New York, London and Asia. We employ almost 40,000 employees across the Group and buy goods and services from around 30,000 suppliers.

More information about Westpac’s business is set out in our 2016 Annual Report and Sustainability Performance Report available at www.westpac.com.au.

Spend type across our top 80 suppliers



In 2016, we spent AU\$4.9bn on our top 80 suppliers by spend in Australia, New Zealand and the Pacific.

Our commitment to human rights and zero tolerance approach to modern slavery

The Westpac Group believes in respecting human rights in everything we do. Accordingly, we have zero tolerance for all forms of modern slavery and human trafficking.

The Westpac Group is a signatory to a number of international covenants and compacts on

human rights, including the UN Global Compact, which stands for, among other things, the elimination of all forms of forced or compulsory labour and the abolition of child labour. Our approach to human rights is further guided by the UN Guiding Principles on

Business and Human Rights and is set out in our Human Rights Position Statement and 2017 Action Plan.

Supporting our Human Rights Position Statement, we have a number of principles, policies and frameworks in place to assist in mitigating human rights risks in our business and supply chains, including:

- Principles for Doing Business, which set out how we aim to conduct ourselves, including in the areas of governance and ethics, employee practices and supply chain management.
- Operating principles and policies, which include our:
 - Code of Conduct, which sets out our expectation that all of our employees comply with applicable laws and act with honesty and integrity at all times;
 - Whistleblower Protection Policy, which aims to encourage reporting of suspected or actual wrongdoing; and
 - Economic and Trade Sanctions Policy.
- Procedures aimed at ensuring that all of our staff work under conditions that meet the employment standards and laws of the countries in which they operate.
- Sustainable Supply Chain Management Code of Conduct and Framework (respectively, the “**Supply Chain Management Code**” and the “**Supply Chain Management Framework**”) (available at <https://www.westpac.com.au/sscm>), which require that our suppliers do not participate in child labour, whether forced or involuntary, and do not otherwise breach employment laws and regulations (including, but not limited to, laws around minimum wages, discrimination, and/or harassment).
- Sustainability Risk Management Framework.

Steps taken during the financial year ended 30 September 2016

In the financial year ending 30 September 2016, the Westpac Group continued its commitment to sustainable business practices and respecting human rights, including through the activities described below:

1. We continued to apply our established standards for ethical and social business practices of suppliers through the Supply Chain Management Code and Supply Chain Management Framework. Currently, they apply to all suppliers to Westpac’s Australian operations, representing approximately 91% of our global procurement spend in 2016. We are working to extend the Supply Chain Management Code and Supply Chain

Management Framework across other geographies as described in our Human Rights Position Statement and 2017 Action Plan.

2. In line with our Supply Chain Management Code and Supply Chain Management Framework, we have undertaken due diligence and risk assessment processes to avoid involvement with suppliers where there could be the potential for breaches or abuses of fundamental human rights. Each supplier under or entering into a contract with Westpac Group in Australia is required to complete a Sustainable Supply Chain Management assessment requiring them to confirm steps they have

taken within their operations and supply chain to eliminate or manage their social and environmental risks focused on labour/workplace management, occupational health and safety, risk management, environment, corporate governance and ethics, supply chain and community.. Where we consider there to be residual risk, we may enter into supplier performance management or direct engagement through an action plan to monitor and manage that risk for the duration of the relationship.

3. For suppliers that have been through our sustainable supply chain management process, we include in our contracts a right to require that they submit to an independent audit of their performance against our Supply Chain Management Code and Supply Chain Management Framework.

4. We place a continued emphasis on working collaboratively with suppliers to positively influence social, ethical and environmental performance in the line with the Supply Chain Management Code and encourage our suppliers to extend the principles contained in our Supply Chain Management Code and Supply Chain Management Framework to their suppliers.
5. We offer training for our employees to ensure awareness and implementation of our relevant procedures.
6. We engage in ongoing monitoring of our procedures and review our systems to measure performance against the aims and targets set out therein with the goal of identifying where further improvements can be made.

This statement has been approved by Westpac Group's Board of Directors, and will be reviewed and released annually.



Brian Hartzler
Chief Executive Officer
March 2017

End notes

ⁱ In this statement a reference to 'Westpac', 'Group', 'Westpac Group', 'we', and 'our' is to Westpac Banking Corporation ABN 33 007 457 141 and its subsidiaries.

ⁱⁱ Modern slavery is defined by the Modern Slavery Act 2015 as including the offences of "slavery, servitude and forced or compulsory labour" and "human trafficking".