



## ***Independent assurance report to the Board of Directors of Westpac Banking Corporation on its Green Bonds***

To the Board of Directors of Westpac Banking Corporation

### ***Opinion***

We have undertaken a reasonable assurance engagement on the compliance of Westpac Banking Corporation's ('Westpac') Green Bonds as described below (the 'Subject Matter'), in all material respects, with the requirements of the Climate Bond Standard v4.0 (the 'Requirements') as evaluated against the Climate Bond Standard v4.0 ('CBS') inclusive of the Sector-Specific Criteria published by the Climate Bonds Initiative ('CBI') (together the 'Criteria'), as at 30 September 2023.

In our opinion, Westpac's Subject Matter has complied, in all material respects, with the Requirements as evaluated against the Criteria as at 30 September 2023.

### ***Subject Matter***

The Subject Matter consists of:

- Projects and assets to which Westpac has a debt exposure and which Westpac has nominated for its Green Bonds, as notified to us ('Nominated Projects and Assets' (as attached in Appendix A)).
- Westpac's outstanding 'Use of Proceeds' Green Bond issuances as at 30 September 2023, as defined under the CBS (as attached in Appendix B).
- Westpac's processes required by the CBS, including those which support the tracking of bond proceeds, and the monitoring and reporting of Nominated Projects and Assets.

### ***The Criteria***

The Criteria against which we assessed the Subject Matter consist of:

- The Climate Bond Standard v4.0 as published on the CBI website inclusive of the Sector-Specified Criteria.
- The Sector-Specific Criteria approved by the Climate Bonds Standard Board as published on the CBI website as at 30 September 2023, for the following sectors applicable to the Subject Matter:
  - Solar
  - Wind
  - Low carbon buildings, including the City Baselines published by the CBI (see Appendix C)
  - Low carbon transport.

This reasonable assurance engagement was performed based on the CBS programmatic option, as defined in Section P4.4 of the CBS.



## ***Independent assurance report to the Board of Directors of Westpac Banking Corporation on its Green Bonds (continued)***

### ***Basis for opinion***

We conducted our engagement in accordance with the Standard on Assurance Engagements ASAE 3100 *Compliance Engagements* (ASAE 3100), and the Standard on Assurance Engagements *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* (ASAE 3000) issued by the Auditing and Assurance Standards Board.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

### ***Management's responsibilities***

Westpac's management is responsible for:

- (a) Identification of the Requirements identified above.
- (b) The compliance activity undertaken to meet the Requirements as at 30 September 2023.
- (c) Identification and implementation of controls which will mitigate those risks that prevent the Requirements being met and monitoring ongoing compliance.

### ***Our independence and quality management***

We have complied with the ethical requirements of the Accounting Professional and Ethical Standard Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* relevant to assurance engagements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Australian Standard on *Quality Management ASQM 1, Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### ***Our responsibility***

Our responsibility is to express a reasonable assurance opinion about whether Westpac's Subject Matter has complied with the Requirements as evaluated against the Criteria, as at 30 September 2023, in all material respects. ASAE 3100 and ASAE 3000 require that we plan and perform our procedures to obtain reasonable assurance about whether Westpac's Subject Matter has complied, in all material respects, with the Requirements, as evaluated against the Criteria, as at 30 September 2023.



***Independent assurance report to the Board of Directors of Westpac Banking Corporation on its Green Bonds (continued)***

An assurance engagement to report on whether Westpac's Subject Matter has complied with the Requirements, as evaluated against the Criteria, involves performing procedures to obtain evidence about the compliance activity and controls implemented to meet the Requirements of the Criteria. The procedures selected depend on our judgement, including the identification and assessment of risks of material non-compliance with the Requirements, as evaluated against the Criteria.

Our procedures included, amongst others, the following:

- Assessing policies and procedures established by Westpac related to the issuances of 'Use of Proceeds' Green Bonds, against the CBS
- Obtaining supporting evidence through controls testing and substantive work done to assess the eligibility of Nominated Projects and Assets against the applicable Sector-Specific Criteria
- Obtaining supporting evidence through controls testing and substantive work done to assess the accuracy of the net proceeds of green bond issuances and the total committed exposure to the Nominated Projects and Assets
- Performing enquiries of management to understand and confirm Westpac's relevant systems and processes related to internal tracking of bond proceeds, the investment value and eligibility of Nominated Projects and Assets
- Confirming with Westpac's management that Nominated Projects and Assets are not nominated to other Certified Climate Bonds, Certified Climate Loans, Climate Debt Instructions, green bonds, green loans or other labelled instructions (such as social bonds or Sustainability Development Goals (SDG) bonds).

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

***Inherent limitations***

Because of the inherent limitations of an assurance engagement, together with the internal control structure, it is possible that fraud, error or non-compliance with Requirements may occur and not be detected.

A reasonable assurance engagement as at 30 September 2023 does not provide assurance on whether compliance with the Requirements will continue in the future.



***Independent assurance report to the Board of Directors of Westpac Banking Corporation on its Green Bonds (continued)***

***Use of report***

This report has been prepared solely for the use and benefit of the Board of Directors of Westpac under the terms of our engagement letter with Westpac for the purpose of obtaining programmatic certification of Westpac's Green Bonds by the Climate Bonds Initiative. It is not intended to be read or used by anyone other than Westpac and we make no representation concerning the appropriateness of this report for anyone other than Westpac. If anyone other than Westpac chooses to use or rely on it they do so at their own risk. We accept no duty, responsibility or liability for the consequences of any reliance on this report by any person other than the Board of Directors of Westpac, or to any party for the consequences of using or relying on the report for any purpose other than that for which it was prepared.

This disclaimer applies:

- to the maximum extent permitted by law and, without limitation, to liability arising in negligence or under statute; and
- even if we consent to anyone other than the Board of Directors of Westpac receiving or using this report.

*M. Beaton*

Meredith Beaton  
Authorised Representative of PricewaterhouseCoopers Securities Ltd

Sydney  
20 March 2024



*Appendix A – Westpac’s Nominated Projects and Assets as at 30 September 2023*

Investment area	Total committed exposure (A’\$m)
Renewable Energy <ul style="list-style-type: none"> <li>• Solar</li> <li>• Wind</li> </ul>	\$2,103.80
Low Carbon Buildings	\$1,083.60
Low Carbon Transport	\$588.00
<b>Grand Total</b>	<b>\$3,775.40</b>

*Appendix B – Westpac’s outstanding ‘Use of Proceeds’ Green Bonds as at 30 September 2023*

Date of issue	Currency	Bond principal	AUD equivalent at issuance date*	Term
13 May 2021	EUR	€1,000 million	\$1,550.5 million	10 years, callable at 5 years**
01 February 2017	USD	\$50 million	\$65.885 million	10 years
22 November 2017	EUR	€500 million	\$776.25 million	7 years

\* This is the AUD equivalent at the date of issue.

\*\*Contractual maturity date for callable subordinated instruments is the first scheduled conversion date or call date for the purposes of this disclosure

*Appendix C – CBI City Baselines*

The following City Baselines were determined by Westpac, using the *Low Carbon Buildings: Commercial CO<sub>2</sub> Target Calculator* published on the CBI’s website (<https://www.climatebonds.net/standard/buildings/commercial/calculator#calculator>) and based on the longest dated green bond issued by Westpac. They were used to test the eligibility of nominated low carbon building projects and assets.

City	Baseline (kgCO <sub>2</sub> e/m <sup>2</sup> )
Melbourne	71.38
Sydney	73.01
Brisbane	72.03
Adelaide	37.38
Perth	56.03
Canberra	48.11