



2015-2016 Westpac Banking Corporation

PUBLIC DISCLOSURE SUMMARY
1 JULY 2015 - 30 JUNE 2016



An Australian Government Initiative

Westpac GROUP

Declaration

FOR WESTPAC GROUP, SUSTAINABILITY IS NOT A STATIC AGENDA. WE KNOW THAT THE ISSUES THAT IMPACT OUR CUSTOMERS, EMPLOYEES AND THE BROADER COMMUNITY WILL ALL EVOLVE OVER TIME.

As one of our region's largest financial services organisations, we have an important role to play in addressing emerging societal issues affecting customers, communities, the environment and our own people and operations. This requires us to embrace new ways of doing business, ultimately designed to drive sustainable growth, better social outcomes and a stronger economy.

Our actions are guided by our Sustainability Strategy, which includes the target to establish and maintain carbon neutrality over the period 2013-2017. I am therefore pleased to present Westpac Group's Public Disclosure Summary, detailing our commitment to and achievement of carbon neutrality over the twelve months to 30 June 2016.

To the best of my knowledge, the information provided in this Public Disclosure Summary is true and correct and meets the requirements of the National Carbon Offset Standard Carbon Neutral Program.



Simon LeGear
Chief Procurement Officer,
Westpac Group

Date: 26 October 2016

Type of carbon neutral certification: **Organisation**
Verification
Date of most recent external verification/audit: **September 2016**
Auditor: **EY**

INTRODUCTION

About Westpac Group

ESTABLISHED IN 1817, WESTPAC GROUP (“WESTPAC”) WAS AUSTRALIA’S FIRST BANK AND COMPANY. AS AT 30 SEPTEMBER 2016, WE HAD AROUND 35,200 EMPLOYEES SUPPORTING MORE THAN 13 MILLION CUSTOMERS IN AUSTRALIA, NEW ZEALAND AND THROUGHOUT THE ASIA PACIFIC REGION.

We provide consumer, business and institutional banking services, wealth management and insurance services, through trusted brands including Westpac, St.George, BankSA, Bank of Melbourne, RAMS and BT.

As at 2 October 2016, we have around 615,000 shareholders and are currently in the top five listed companies on the ASX. Our vision is to be one of the world’s great service companies, helping our customers, communities and people to prosper and grow.

Our strategy seeks to deliver on our vision by providing superior returns for our shareholders, building deep and enduring customer relationships, being a leader in the community and being a place where the best people want to work. We recognise that to achieve this vision, our approach needs to make sustainability a core part of the way we do business, embedded in our strategy, culture and processes.

Westpac was assessed as the most sustainable bank globally in the 2016 Dow Jones Sustainability Indices (DJSI) Review. Westpac has been recognised as a global leader for banks in the DJSI annually since the awards inception in 2002 and has achieved the global sector leadership position nine times.

WESTPAC’S COMMITMENT TO SUSTAINABILITY

As one of our region’s largest financial services organisations, we have an important role to play in addressing emerging societal issues affecting customers, communities, the environment and our own people and operations. This requires us to embrace new ways of doing business, ultimately designed to drive sustainable growth, better social outcomes and a stronger economy.

Our actions are guided by the Westpac Sustainability Strategy which has three focus areas, underpinned by measurable objectives set over five years to 2017.

FIGURE 1 – WESTPAC SUSTAINABILITY STRATEGY



Finding solutions to environmental challenges is core to Westpac’s 2013-2017 Sustainability Strategy. Continuing our proud history of environmental leadership, included in the Strategy are direct environmental targets which aim to reduce the environmental footprint of our operations. In 2015-16 we have expanded our Sustainability Strategy to include an additional three targets to reduce absolute electricity consumption, carbon emissions and water consumption across our property portfolio, further strengthening our commitments to improving our environmental performance.

We continued to monitor and actively manage our direct footprint and have made significant progress against our targets.

A summary of our targets is shown in Table 1 below.

TABLE 1 - WESTPAC DIRECT ENVIRONMENTAL FOOTPRINT TARGETS

Target	2012 Baseline	2017 Target
Electricity efficiency in commercial and retail sites (kWh/m ²)	202	181
Electricity usage in commercial and retail sites (MWh)	176,567	154,496
Scope 1 & 2 GHG emissions in commercial and retail sites (tonnes CO ₂ -e) 1	141,726	121,884
Power usage effectiveness (PUE)	1.8	1.6
Office paper (tonnes)	1,579	1,340
Recycling rates in Sydney head offices (% of waste)	59%	75%
Establish and maintain carbon neutrality	Achieve certification	Maintain carbon neutrality
Water Consumption for Sydney Head Offices (kL)*	171,330	137,064
* The baseline year for the water reduction target is 2014		

Implementation of the Sustainability Strategy is led by the Sustainability Council, a committee of General Managers from across the business. Progress against our Sustainability Strategy is publicly reported in the Annual Review and Sustainability Report, available on our website: www.westpac.com.au.

WESTPAC REPORTING STRUCTURE

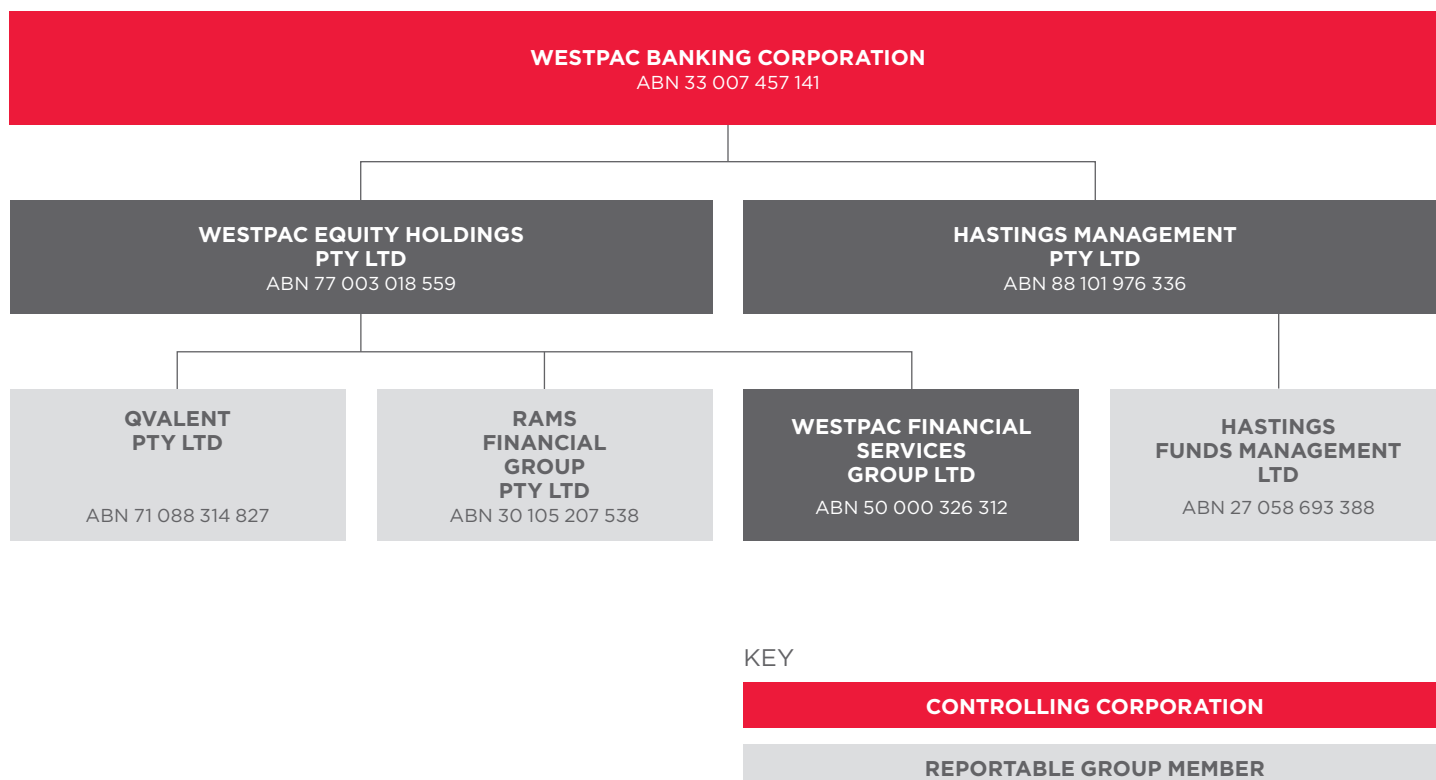
For the period 1 July 2015 – 30 June 2016 there has been one change to Westpac’s structure for the purpose of reporting under the National Carbon Offset Standard Carbon (NCOS) Neutral Program. The BT Investment Management Ltd is no longer within Westpac Group’s operational control for the purposes of NCOS reporting.

The Westpac Boundary and Organisational Structure (Figure 2) for the Carbon Neutral Program is the same as that reported under the National Greenhouse and Energy Reporting (NGER) Act 2007. The four group members are:

- Westpac Banking Corporation (controlling corporation);
- Hastings Fund Management Ltd (Hastings);
- Qvalent Pty Ltd (Qvalent); and
- RAMS Financial Group Ltd (RAMS).

For a full list of entities, refer to the Westpac Group Annual Report.

FIGURE 2 – WESTPAC BOUNDARY AND ORGANISATIONAL STRUCTURE



CARBON NEUTRAL INVENTORY BOUNDARY

Westpac's certification under the NCOS is for a defined inventory of carbon emissions resulting from the activities of our Australian-based business. Westpac uses an operational control approach to determine facility and reporting boundaries, consistent with the NGER Act. Scope 1 and Scope 2 emissions are calculated and reporting in line with the NGER Act methodology. Scope 3 emissions are reported consistent with the principles outlined in the Greenhouse Gas Protocol.

Our carbon neutral boundary includes the direct operational footprint of all Westpac businesses and brands within Australia, including:

- branches;
- commercial offices;
- customer contact centres;
- business banking centres;
- stand alone and in-store ATMs;
- data centres; and
- tool of trade vehicles.

Table 2 illustrates energy and greenhouse gas (GHG) emission sources included in the boundary of Westpac's Inventory.

TABLE 2 – WESTPAC CARBON NEUTRAL INVENTORY BOUNDARY

Scope 1	Scope 2	Scope 3
Diesel - Stationary LPG - Stationary Natural Gas - Stationary Diesel - Transport Petrol - Transport Refrigerants	Electricity	Electricity - Transmission losses Natural Gas - Transmission Losses Stationary fuels - Extraction Losses Vehicle Fleet - Extraction Losses Paper Consumption Paper Disposal Waste Disposal Base Building Employee Travel - Air, Taxi, Hotel Stay, Hire Vehicles Water Consumption

The following emission sources are not included within the inventory boundary due to data limitations or materiality considerations. The impact of excluding these sources is not expected to materially affect Westpac's total emissions.

- Refrigerants from Retail Sites;
- Base building emissions from Retail Sites and ATMs;
- Employee travel - public transport, employee owned vehicles;
- Employee commuting.

CHANGES TO OUR INVENTORY

In 2016, Westpac expanded the boundary of Scope 3 reporting to include emissions from water consumption from offices and employee business travel - hotel stay. Scope 3 emissions from these sources are immaterial to the Westpac inventory, but have been included within the boundary for completeness. In 2016 NCOS Disclosure Year, no other material changes have been made to the Westpac carbon inventory since our initial certification in 2012-2013.

Westpac has transformed its environmental reporting processes, implementing new software in 2014-2015 NCOS Disclosure Year to improve accuracy and efficiency in data capture and reporting of our environmental footprint. As part of the transformation, Westpac has reviewed and updated selected Scope 3 emission factors for the 2015-2016 NCOS Disclosure Year to ensure transparency, consistency and comparability of Scope 3 emissions reporting which has improved overall data accuracy.

Emissions reduction measures

EMISSION REDUCTION STRATEGY

Under the Westpac Sustainability Strategy, the target to establish and maintain carbon neutrality is one of eight direct environmental footprint targets which drive our approach to reducing carbon emissions.

The decision to pursue carbon neutrality continues Westpac's proud history of environmental leadership. Having commenced reporting of emissions in 1996 and achieving a 40 percent emissions reduction between 1996 and 2008, this year marks 20 years of action in energy and emissions reporting and reductions by Westpac.

In 2016 NCOS Disclosure Year, Westpac's Australian operations had total GHG emissions of **209,984** tonnes of CO₂-e, representing a 9.9 percent decrease in emissions since 2014-15. Since the base year of 2011-2012, Westpac has decreased carbon emissions by 19.6 percent.

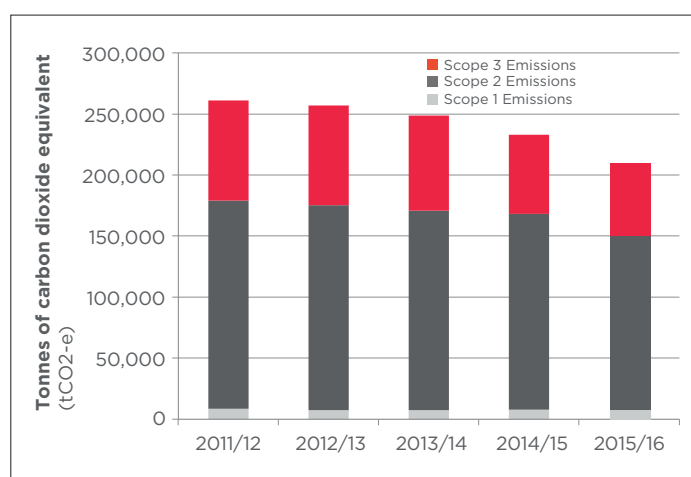
TABLE 3 - WESTPAC GROUP AUSTRALIAN EMISSIONS SINCE BASE YEAR 2011/12*

	Baseline	2012-13	2013-14	2014-15	2015-16
Scope 1	8,587	7,497	7,289	7,772	8,245
Scope 2	170,500	167,953	163,351	160,240	141,575
Scope 3	82,187	81,433	78,044	64,933	60,163
Total GHG Emissions	261,273	256,884	248,685	232,945	209,984

* NCOS Disclosure Years

Scope 2 emissions from electricity consumption are the major source of emissions for Westpac. In 2016 NCOS Disclosure Year, Scope 2 emissions represented 67 percent of our total emissions. Figure 3 shows the reduction in our Scope 1, 2 and 3 emissions since the base year.

FIGURE 3 - WESTPAC GROUP AUSTRALIAN SCOPE 1, 2 AND 3 EMISSIONS



EMISSION REDUCTION ACTIONS

Westpac continues to drive emission reductions through its focus on energy efficiency. This year we implemented a number of commercial office energy efficiency initiatives. Westpac also commenced a pilot energy efficiency program across a number of sites in our retail network. Whilst these projects have had a limited impact on the 2015-2016 NCOS inventory, they are expected to result in future emissions reduction.

In 2016, Westpac also completed the final stage of its commercial property consolidation project, transitioning out of three commercial offices into a new energy efficient office building in Melbourne, and consolidating stand alone Data Centres.

TABLE 4 - WESTPAC GROUP EMISSIONS REDUCTION ACTIONS

Emission Source	Reduction Measure	Scope	Savings (tCO ₂ -e)
Electricity	Commercial office energy efficiency initiatives	2	1915
Electricity	Data Centre energy efficiency initiatives	2	1799
Electricity	Retail energy efficiency pilot program	2	133
Electricity	Property consolidation project	2	3675
Total expected emission reductions			7522

Emissions summary

For the period 1 July 2015 – 30 June 2016 total GHG emissions across Scope 1, 2 and 3 emission sources was **209,984** tonnes of CO₂-e. The major source of emissions were Scope 2 and Scope 3 emissions from purchased electricity, which accounted for 77 percent of emissions. Scope 3 emissions associated with base building operations and air travel were the other major sources of emissions.

FIGURE 4 - WESTPAC GROUP EMISSION SOURCES

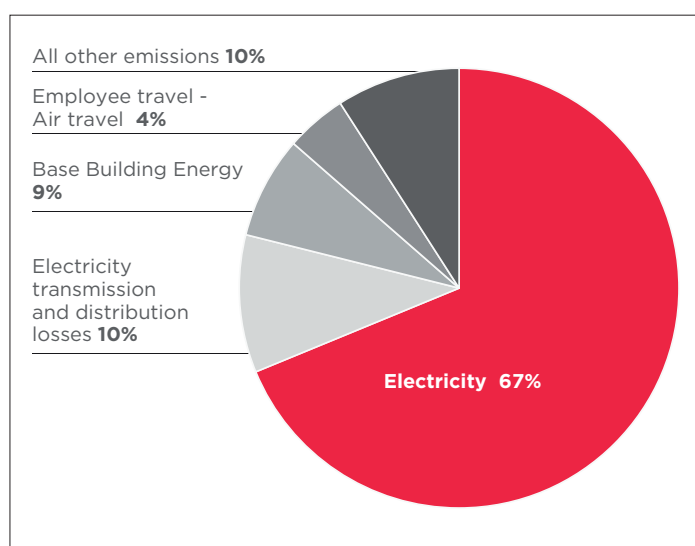


Table 5 below presents a detailed breakdown of the GHG inventory for 2015-2016 by scope. No GreenPower was purchased nor any Large Scale Generation Certificates (LGCS) voluntarily surrendered by Westpac during the reporting year.

TABLE 5 - WESTPAC AUSTRALIAN CARBON FOOTPRINT

Scope	Emissions Source	t CO ₂ e
1	Unleaded Petrol (Gasoline, Post 2004 vehicles)	4,678.27
1	R134a (Building Refrigerant)	758.65
1	R143 (Building Refrigerant)	656.91
1	R22 (Building Refrigerant)	648.22
1	Natural Gas (Stationary)	633.37
1	R11 (Building Refrigerant)	299.25
1	Diesel (Transport, Post 2004 vehicles)	273.48
1	R410A (Building Refrigerant)	125.11
1	R407C (Building Refrigerant)	115.50
1	Diesel (Stationary)	41.51
1	R123 (Building Refrigerant)	7.81
1	R23 (Building Refrigerant)	5.98
1	LPG (Stationary)	1.17
2	Electricity	141,575.55
3	Electricity transmission and distribution losses	20,006.56
3	Base Building Energy	18,553.00
3	Employee Travel - Air Travel	8,499.66
3	Paper - Disposal	4,486.28
3	Paper - Consumption	2,703.37
3	Employee Travel - Hotel Stay	2,328.28
3	Waste Disposal - Landfill	1,921.78
3	Water	660.08
3	Employee Travel - Taxis	479.27
3	Vehicle Fleet petrol extraction and distribution losses - Unleaded Petrol (Gasoline, Post 2004 vehicles)	249.07
3	Natural Gas transmission and distribution losses	143.74
3	Employee Travel - Hire Vehicles	116.03
3	Vehicle Fleet diesel extraction and distribution losses - Diesel (Transport, Post 2004 vehicles)	13.96
3	Diesel (Stationary) extraction and distribution losses	2.13
3	LPG (Stationary) extraction and distribution losses	0.07
	Total Footprint (Net)	209,984.07
	Green Power	0
	Total Footprint (Gross)	209,984.07

Carbon offsets

Westpac has in place contractual arrangements for the purchase of a fixed number of carbon offsets for the period 2013 to 2017. In November 2015 Westpac retired a number of carbon offsets, this was in excess of what was required for reporting year (ending June 30). Remaining purchased offsets are held for future use.

In 2016 NCOS Disclosure Year, Westpac retired offsets totalling **475,590 tCO₂-e** of Certified Emissions Reduction (CER) type offsets. For the 2016 NCOS Disclosure Year (ending June 30) Westpac required offsets totalling

209,984 tCO₂-e CER type offsets. The remaining offsets retired will be used in future years. Table 6 presents a detailed overview on offset type, project title and offset quantity.

CER – Certified Emissions Reduction type offsets are an example of ‘carbon credits’ or ‘carbon offsets’ issued in return for a reduction of atmospheric carbon emissions through projects under the Kyoto Protocol’s Clean Development Mechanism (CDM). One CER equates to an emission reduction of one tonne of CO₂-e.

TABLE 6 – WESTPAC OFFSET SUMMARY

Offset Type	Registry	Year Retired	Serial Numbers	Quantity
CER	Australian National Registry of Emissions Units	2016	BR-171 (73,043,457-73,174,303)	130,847
CER	Australian National Registry of Emissions Units	2016	BR-171 (73,043,357-73,043,456)	100
CER	Australian National Registry of Emissions Units	2016	UZ-3339 (6,939,332-7,054,059)	114,728
CER	Australian National Registry of Emissions Units	2016	MY-2594 (3,558,987-3,608,986)	50,000
CER	Australian National Registry of Emissions Units	2016	MY-2594 (5,394,088-5,439,396)	45,309
CER	Australian National Registry of Emissions Units	2016	IN-1615 (133,506,572-133,521,571)	15,000
CER	Australian National Registry of Emissions Units	2016	IN-1615 (148,698,850-148,713,234)	14,385
CER	Australian National Registry of Emissions Units	2016	IN-1615 (182,655,494-182,680,085)	24,592
CER	Australian National Registry of Emissions Units	2016	IN-2925 (148,774,088-148,796,833)	52,746
CER	Australian National Registry of Emissions Units	2016	GE-2404 (459,337-487,219)	27,883
Total Offsets Retired				475,590
Total Emissions for 2015-2016				209,984
Net Emissions				0
Total offsets held in surplus for future years				265,606