Westpac GROUP

ASIA ROADSHOW

MARCH 2024

FIXED INCOME INVESTOR PRESENTATION

WESTPAC BANKING CORPORATION ABN 33 007 457 141

AUSTRALIAN AND NEW ZEALAND ECONOMIC FORECASTS

As at 8 March 2024

(%)		2023			2024F				Calendar Years			
		Q2	Q3	Q4	Q1	Q2	Q3	Q4	2022	2023F	2024F	2025F
World	**GDP[1]**	-	-	-	-	-	-	-	**3.5**	**3.3**	**3.3**	**3.1**
Australia	**GDP[2]**	**2.1**	**2.1**	**1.5**	**1.3**	**1.1**	**1.3**	**1.6**	**2.4**	**1.5**	**1.6**	**2.5**
	Unemployment – end period	3.6	3.7	3.8	4.0	4.2	4.4	4.5	3.5	3.9	4.5	4.6
	CPI headline – year end	6.0	5.4	4.1	3.4	3.1	2.8	3.0	7.8	4.1	3.0	2.7
	Interest rates – cash rate	4.10	4.10	4.35	4.35	4.35	4.10	3.85	3.10	4.35	3.85	3.10
New Zealand	**GDP[2]**	**1.5**	**-0.6**	**0.1**	**0.5**	**0.2**	**0.7**	**0.7**	**2.3**	**0.1**	**0.7**	**2.3**
	Unemployment – end period	3.6	3.9	4.0	4.3	4.6	4.9	5.1	3.4	4.0	5.1	5.2
	Consumer prices	6.0	5.6	4.7	4.1	3.6	2.8	2.7	7.2	4.7	2.7	2.3
	Interest rates – official cash rate	5.50	5.50	5.50	5.50	5.50	5.50	5.50	4.25	5.50	5.50	4.50

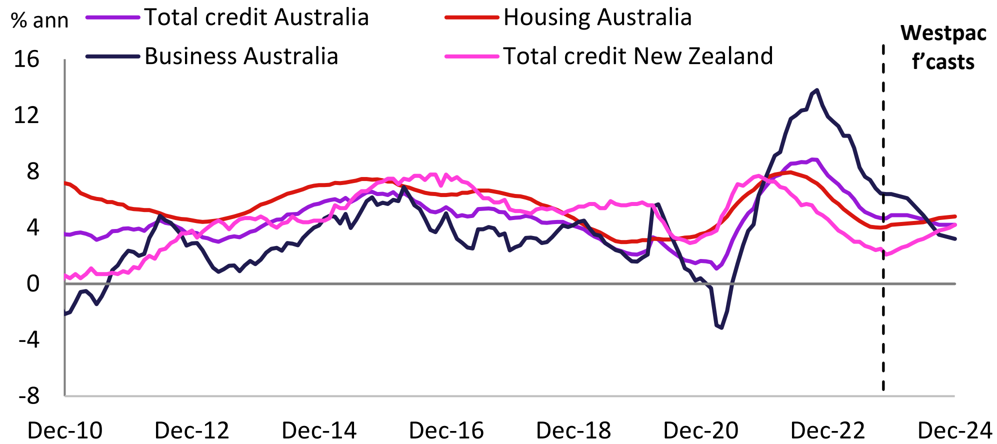
Sources: IMF, RBA, Statistics NZ, Westpac Economics

(%)		2022	2023F	2024F	2025F
Australia	**Credit growth**				
	Total – year end	7.8	4.9	4.2	5.3
	Housing – year end	6.5	4.2	4.8	5.3
	Business – year end	11.9	6.4	3.2	5.6
New Zealand	**Credit growth**				
	Total – year end	4.6	2.3	4.2	5.4
	Housing – year end	4.4	3.0	5.6	6.8
	Business – year end	5.4	0.7	1.8	2.9

Sources: RBA, Statistics NZ, Westpac Economics

1 Year average growth rates. 2 Through the year growth rates.

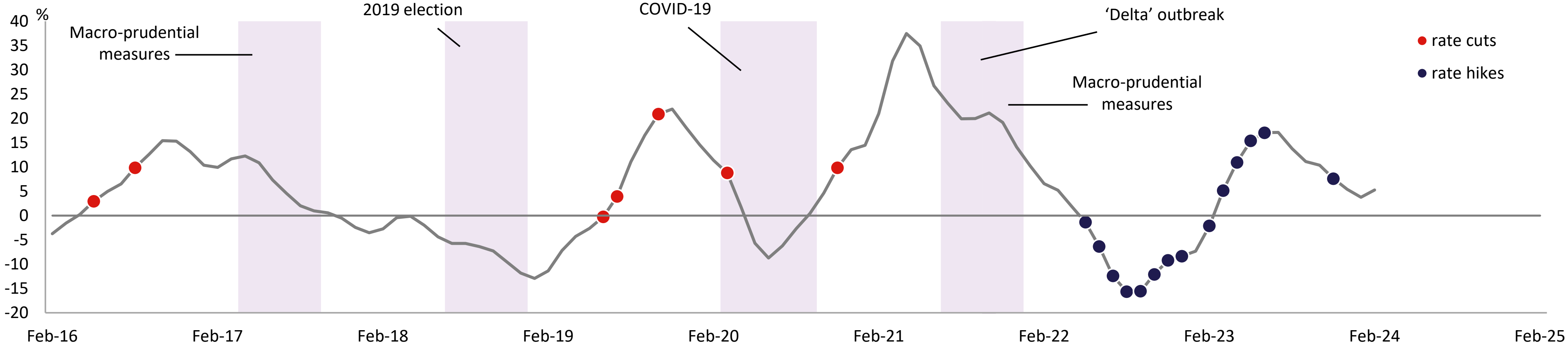
Private sector credit growth (% Ann)



Sources: RBA, Westpac Economics

AUSTRALIAN HOUSING MARKET

Australian dwelling prices (%, 3 month annualised)



Sources: CoreLogic, Westpac Economics

Dwelling prices (% change over period, to Feb-24)

Capital city	Pop'n	Last 3 mths	Last 12 mths	Last 5 years
Sydney	5.3m	Up 0.6%	Up 10.6%	Up 43.3%
Melbourne	5.0m	Down 0.6%	Up 4%	Up 23.9%
Brisbane	2.6m	Up 2.9%	Up 15.6%	Up 59.3%
Perth	2.2m	Up 5.2%	Up 18.3%	Up 54.6%

Sources: CoreLogic, Westpac Economics

Westpac economics dwelling price forecasts (annual %)

Capital city	Pop'n	avg*	2020	2021	2022	2023	2024F
Sydney	5.3m	7.0	2.7	26.9	-11.4	11.5	6
Melbourne	5.0m	5.4	-1.3	16.1	-7.1	3.6	3
Brisbane	2.6m	5.5	3.6	31.5	–1.9	13.0	8
Perth	2.2m	1.9	7.3	13.9	4.1	15.3	10
Australia	**26m**	**5.8**	**1.8**	**23.0**	**-6.6**	**10.2**	**6**

* average last 10yrs. Sources: CoreLogic, Westpac Economics

WESTPAC OVERVIEW

IMPROVED FINANCIAL RESULT

Data as at 30 September 2023.
Comparisons to 30 September 2022.

- **Net profit after tax**
  $7.2bn, up 26%
- **Return on avg. ordinary equity**
  10.1%, up 199bps
- **Net interest margin**
  1.95%, up 2bps
- **Cost to income ratio**
  49.4%, down from 55.1%

BALANCE SHEET STRONG

Data as at 31 December 2023.
Comparisons to 30 September 2023.

- **CET1 capital ratio**
  12.3%
  down from 12.4% (APRA basis)
- **CET1 capital ratio**
  18.4%, down from 18.7%
  (Internationally comparable basis)
- **Deposit to loan ratio**
  83.3%, up from 82.9%
- **LCR**
  133%, down from 134%
- **NSFR**
  114%, down from 115%

CREDIT QUALITY RESILIENT

Data as at 31 December 2023.
Comparisons to 30 September 2023.

- **Collectively Assessed Provisions to Credit RWAs**
  137bps, up from 135bps
- **Stressed assets to TCE**
  1.22%, down from 1.26%
- **Mortgage 90+ day delinquencies** Australia
  0.95%, up from 0.86%
- **Mortgage 90+ day delinquencies**
  New Zealand 0.40%, up from 0.33%

FOCUSED ON BANKING IN AUSTRALIA AND NEW ZEALAND

Data as at 30 September 2023 unless otherwise stated

PORTFOLIO SIMPLIFICATION COMPLETE

- 10 businesses exited[1]
- Retaining BT Platforms and Pacific Banking
- Focused on four segments – Consumer, Business & Wealth, WIB and NZ

BUSINESS SIMPLIFICATION ONGOING

- FTE down 4% in FY23
- More customer services via digital
- Products reduced by 37% over 3 years
- Technology infrastructure layer simplified

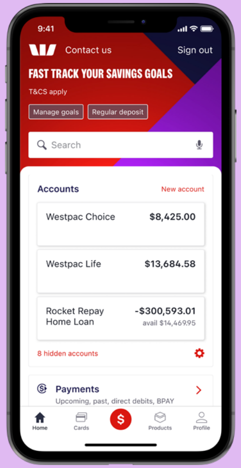
CONTINUING TO STRENGTHEN RISK MANAGEMENT

- Risk and regulatory programs well progressed in FY23
- Customer Outcomes and Risk Excellence (CORE) strengthening risk management

EASY AND INTUITIVE ONLINE BANKING DRIVING GROWTH

- 1.1x system household deposit growth[2] in 1Q24
- 1.0x system mortgage growth[2] in 1Q24
- Consistent first party mortgage Time to Right: 6 days[3]

#1 MOBILE BANKING APP[4]



BUSINESS BANKING OPPORTUNITY

- EFTPOS Air allows small businesses to accept payments on iPhone or Android
- Business One transaction account open online within 10 mins
- 147% business deposit to loan ratio
- 5% lending growth in FY23

MOMENTUM IN INSTITUTIONAL BANK

- Leading across a range of key fixed income markets[5]
- #2 $A bond league table[6]
- Supporting clients' transition journey – 58 transactions
- Loans up 9% in FY23

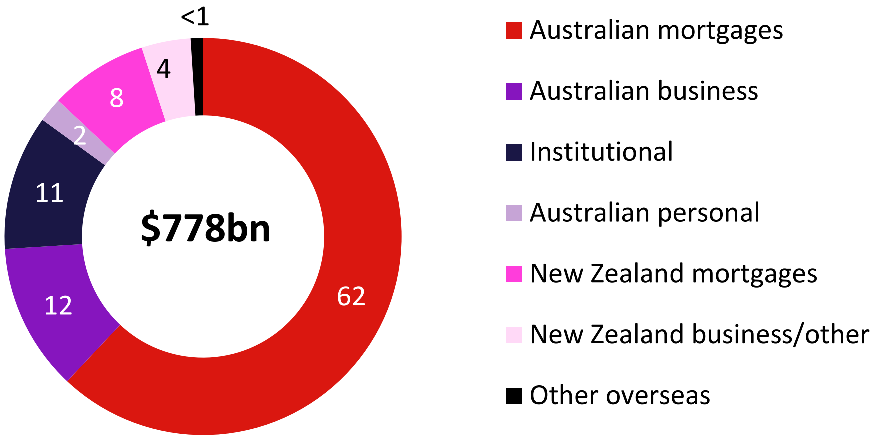
1 BT Personal and Corporate Super, Advance Asset Management, General Insurance, Life Insurance, Lenders Mortgage Insurance, Motor Vehicle Dealer Finance and Novated Leasing, Strategic Alliances 'Vendor Finance', New Zealand Life Insurance, New Zealand Wealth Advisory, BT Private Portfolio Management. 2 Source: APRA Monthly ADI Statistics. 3 Average for the month of September 2023. The Time to Right is the number of days from application to unconditional approval for a new loan. 4 The Forrester Digital Experience Review: Australian Mobile Banking Apps, Q4 2023. 5 #1 market share in bonds and semis, #1 market share in OIS, #1 market share in asset-backed bonds, =#2 market share in investment grade corporate bonds, #3 market share in interest rate swaps – 2022 Peter Lee Associates Fixed Income Survey, ranking against all banks.
6 Bloomberg Australia Bonds league table (excluding self-led deals), as at 30 September 2023.

Westpac GROUP

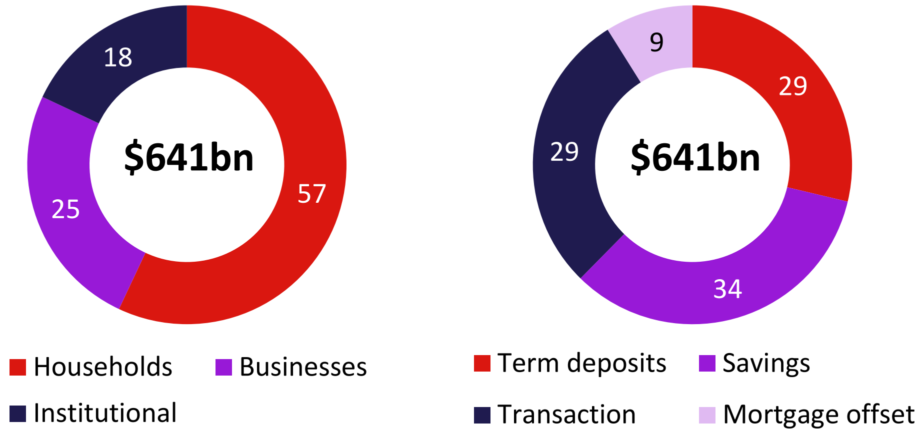
LOANS AND DEPOSITS

Data as at 30 September 2023 unless otherwise stated.

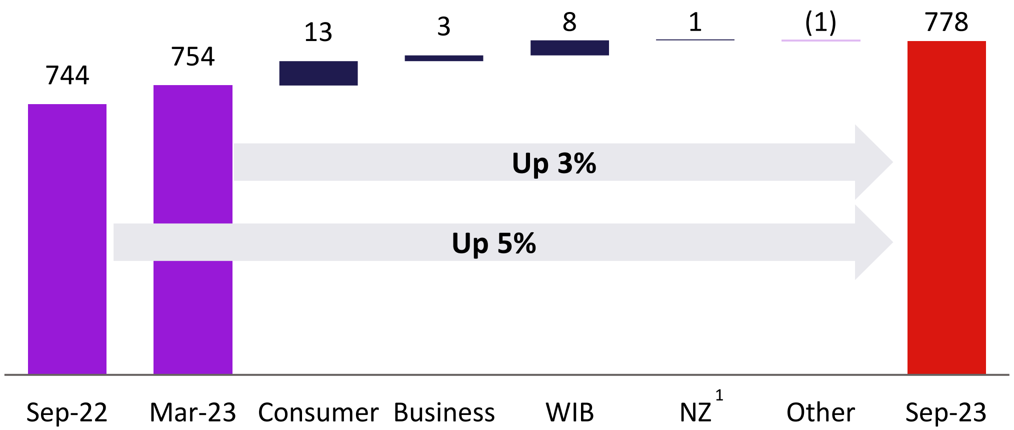
Composition of gross loans (% of total)



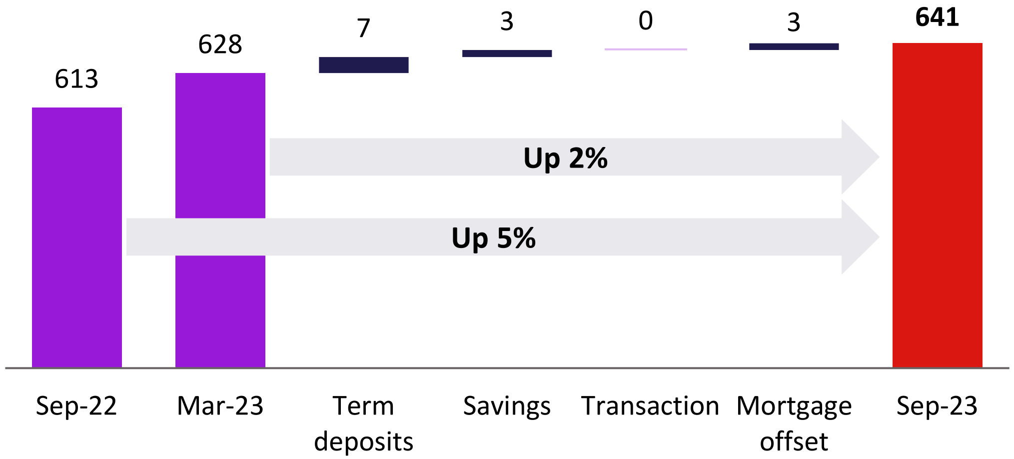
Composition of customer deposits (% of total)



Movement in gross loans ($bn)



Movement in customer deposits ($bn)



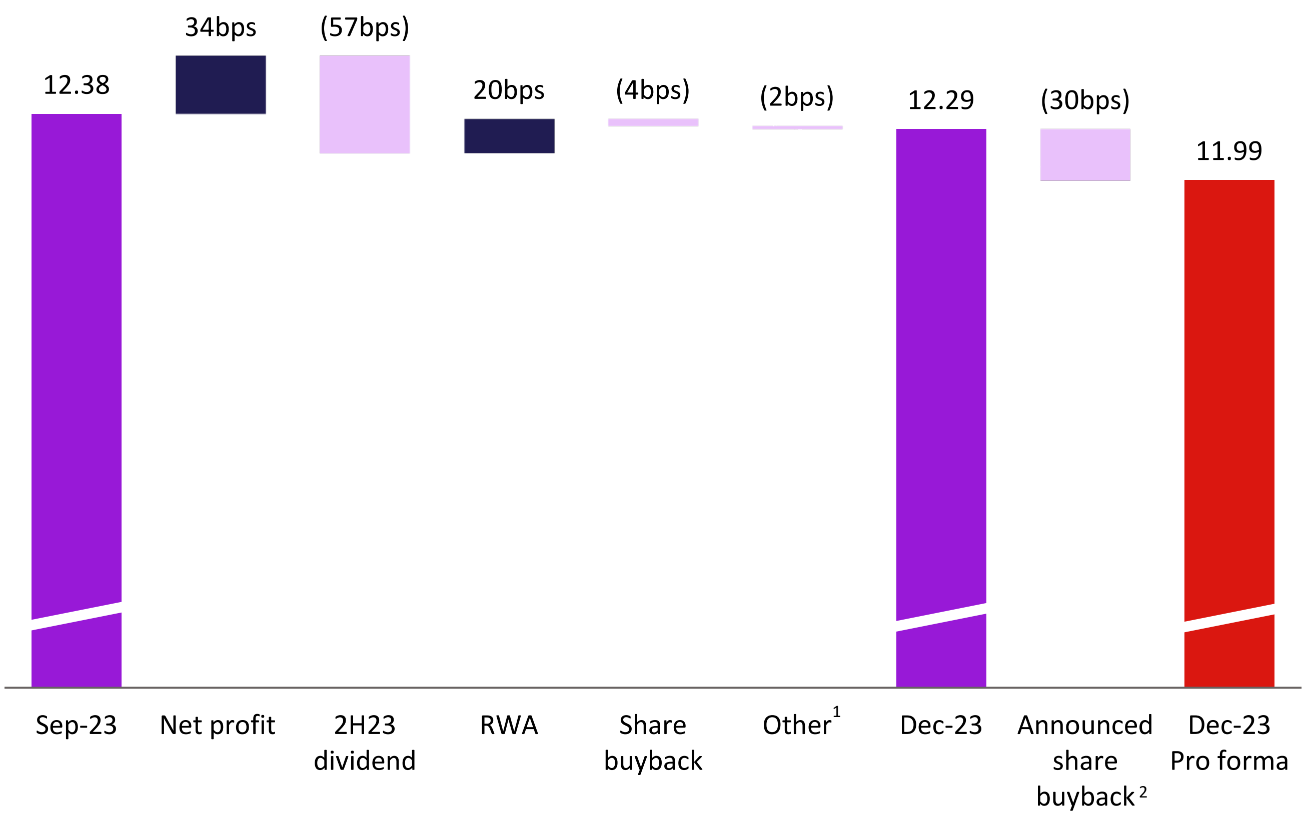
Charts may not add due to rounding.

1 In A$. New Zealand movement in local currency was NZ$1.1 billion. Other includes Group Businesses and Specialist Businesses.

Westpac GROUP

CET1 CAPITAL RATIO 12.3%

Level 2 CET1 capital ratio movements (%)

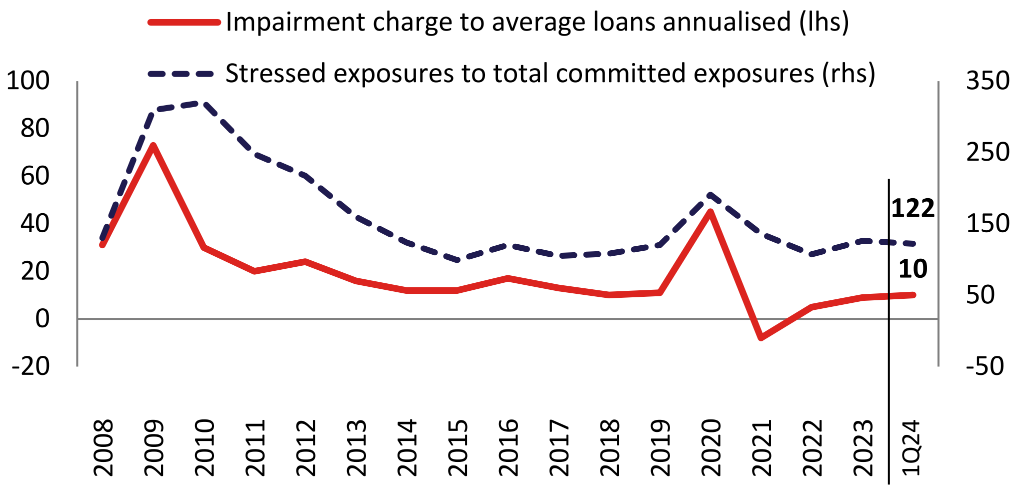


Key capital ratios (%)	Dec-22	Sep-23	Dec-23
Level 2 CET1 capital ratio	11.1	12.4	**12.3**
Additional Tier 1 capital ratio	2.1	2.2	**2.4**
Tier 1 capital ratio	13.2	14.6	**14.7**
Tier 2 capital ratio[1]	4.9	5.9	**6.3**
Total regulatory capital ratio	18.1	20.5	**21.0**
Risk weighted assets (RWA) ($bn)	480	451	**443**
Leverage ratio	5.5	5.5	**5.4**
Level 1 CET1 capital ratio	11.1	12.6	**12.5**
Internationally comparable ratios[3]			
Leverage ratio (internationally comparable)	5.9	6.0	**5.9**
CET1 capital ratio (internationally comparable)	17.4	18.7	**18.4**

1 Capital deductions and other items including FX translation impacts. 2 Assumes completion of remaining $1.3bn on-market share buyback. 3 Internationally comparable methodology references the Australian Banking Association (ABA) study on the comparability of APRA's new capital framework and finalised reform released on 10 March 2023.

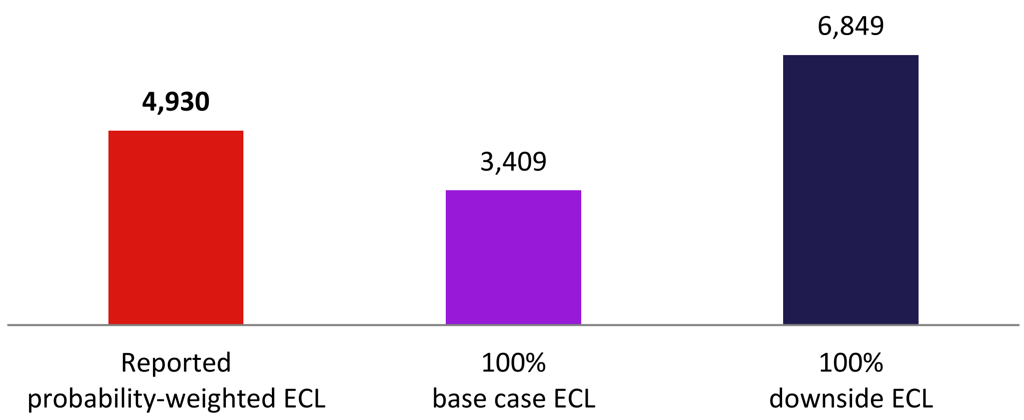
PROVISIONS AND CREDIT QUALITY

Impairment charges and stressed exposures (bps)

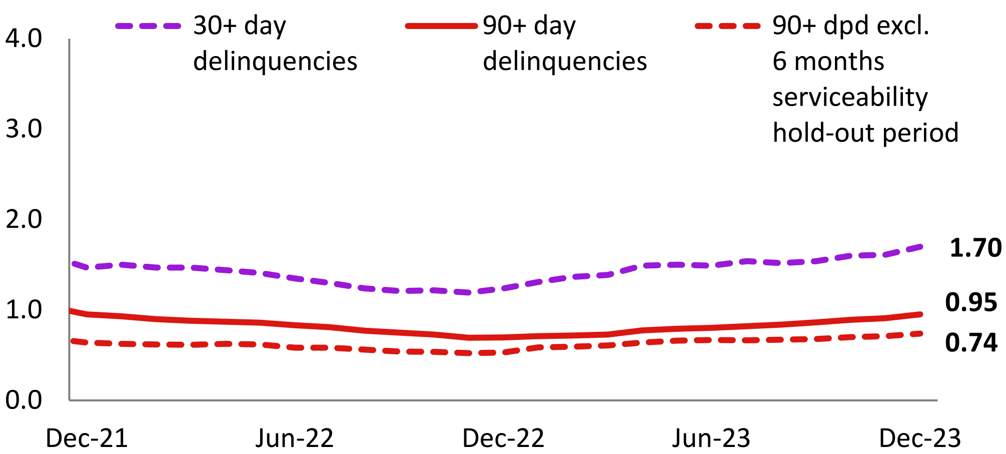


Expected credit loss[1] (ECL) ($m)

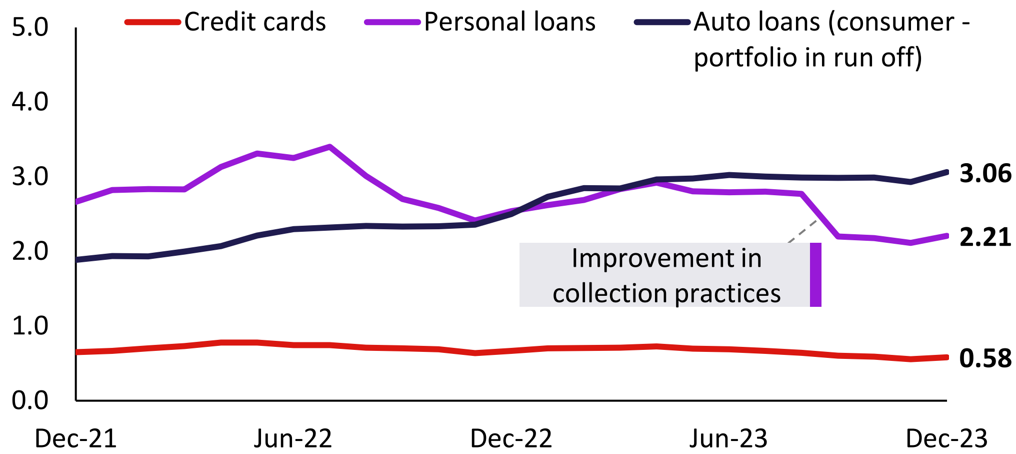
As at 30 September 2023



Australian mortgage delinquencies (%)



Australian consumer finance 90+ delinquencies (%)



1 ECL on loans and credit commitments.

AUSTRALIAN MORTGAGE PORTFOLIO COMPOSITION

Australian mortgage portfolio	Mar-23 balance	Sep-23 balance	Dec-23 balance
Total portfolio ($bn)	472.7	485.6	**490.9**
Owner occupied (OO) (%)	66.4	67.1	**67.5**
Investment property loans (IPL) (%)	32.2	31.6	**31.3**
Portfolio loan/line of credit (LOC) (%)	1.4	1.3	**1.2**
Variable rate / Fixed rate (%)	67/33	76/24	**81/19**
Interest only (I/O) (%)	13.3	12.8	**12.5**
Proprietary channel (%)	51.5	50.8	**50.2**
First home buyer (%)	10.8	10.8	**11.0**
Mortgage insured (%)	14.2	13.1	**12.9**

	Mar-23	Sep-23	Dec-23
Average loan size[1] ($'000)	292	301	**306**
Customers ahead on repayments including offset account balances (%)			
By accounts	74	75	**76**
By balances	69	71	**72**
Mortgage losses net of insurance ($m)	11	21	**9**
Annual mortgage loss rate[2] (bps)	0.5	0.7	**0.7**
Hardship[3] balances (% of portfolio)	0.50	0.71	**0.86**

Fixed rate mortgage expiry schedule ($bn, for the 6mths to)

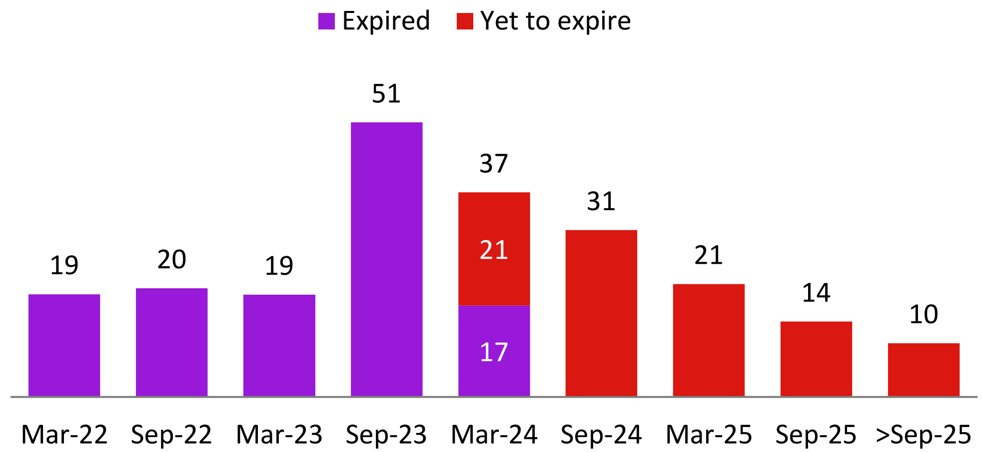
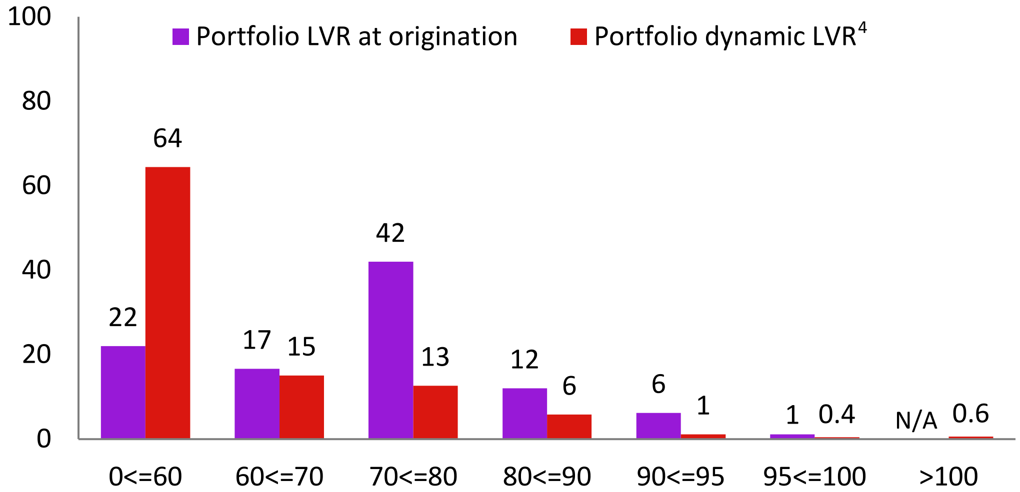


Chart may not add due to rounding

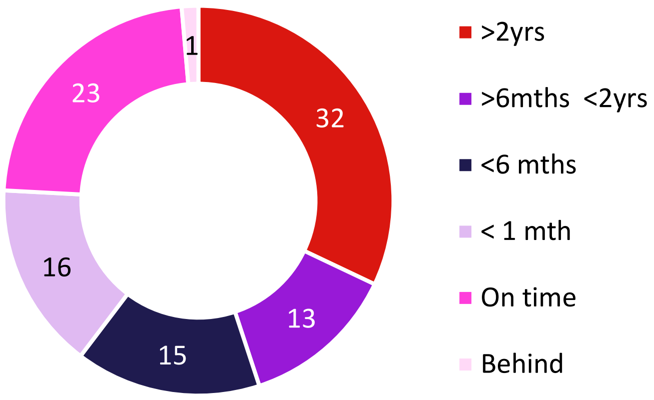
Loan-to-value ratios (LVRs) (%)



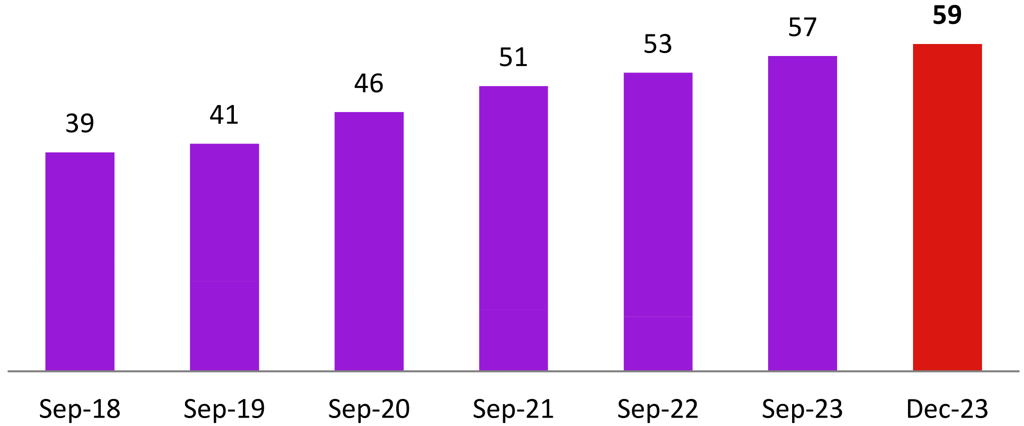
1 Includes amortisation. Calculated at account level, where split loans represent more than one account. 2 Mortgage loss rates for March are annualised, based on losses for the 6 months. Mortgage loss rates for September are actual losses for the 12 months ending. Mortgage loss rates for December are annualised, based on losses for the 3 months. 3 Financial hardship assistance is available to customers experiencing temporary financial difficulty, including changes in income due to illness, a relationship breakdown or natural disasters. Hardship assistance often takes the form of a reduction or deferral of repayments for a short period. 4 Dynamic LVR is the loan-to-value ratio taking into account the current loan balance, changes in security value, offset account balances and other loan adjustments. Property valuation source CoreLogic.

AUSTRALIAN MORTGAGE PORTFOLIO REPAYMENT BUFFERS

Customers ahead on repayments[1] (% by accounts)



Offset account balances[2] ($bn)



Customers ahead on repayments[1] (% by balances)

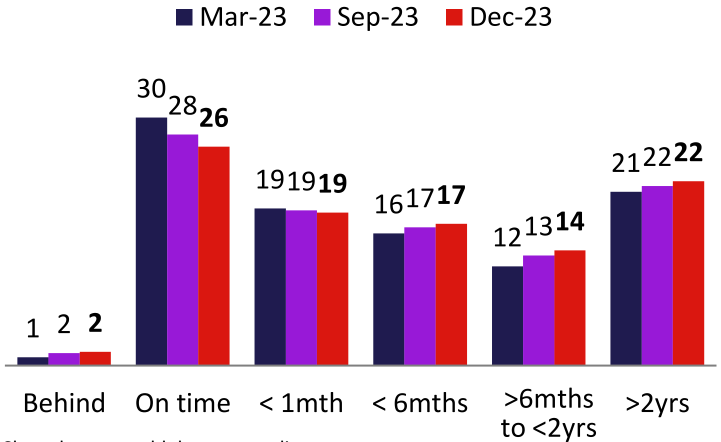
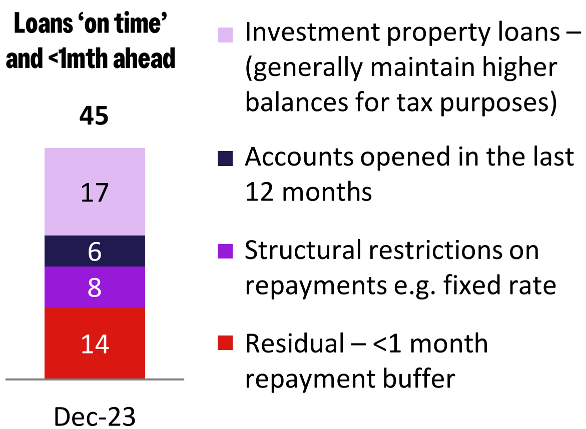


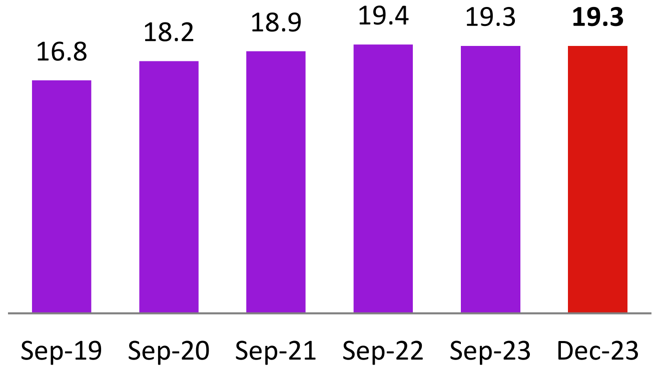
Chart does not add due to rounding



Buffer to balance ratio[3] (%)

Buffer =

Current Limit - Outstanding Balance + Offset Balance

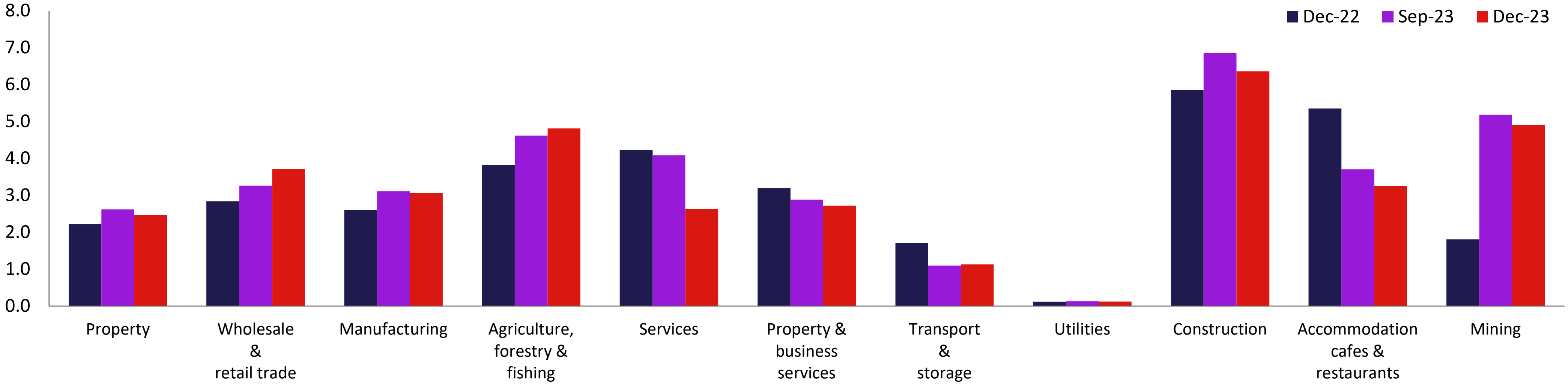


1 Customer loans ahead on payments exclude equity/line of credit products as there are no scheduled principal payments. Includes mortgage offset accounts. 'Behind' is more than 30 days past due. 'On time' includes up to 30 days past due.
2 Includes RAMS from Sep-20 onwards. 3 Excludes Line of Credit.

Westpac GROUP

CREDIT QUALITY ACROSS SECTORS

Corporate and business stressed exposures by industry sector (%)



Exposure and credit quality by sector

Sector		Finance & Insurance[1]	Property[2]	Wholesale & retail trade	Manufacturing	Agriculture, forestry & fishing	Services[3]	Property & business services	Transport & storage	Utilities	Construction[4]	Accomm, cafes & restaurants	Mining
TCE ($bn)	**Dec-23**	**201.9**	**80.3**	**30.8**	**24.5**	**24.4**	**26.3**	**23.1**	**19.0**	**20.5**	**12.9**	**11.5**	**7.5**
	Sep-23	202.1	80.7	31.0	24.7	24.1	26.4	23.0	18.3	18.9	12.9	10.8	8.0
Stressed (%) [5,6]	**Dec-23**	**0.1**	**2.5**	**3.7**	**3.1**	**4.8**	**2.6**	**2.7**	**1.1**	**0.1**	**6.4**	**3.3**	**4.9**
	Sep-23	0.1	2.6	3.3	3.1	4.6	4.1	2.9	1.1	0.1	6.9	3.7	5.2
Impaired (%) [6]	**Dec-23**	**0.0**	**0.1**	**0.7**	**0.6**	**0.2**	**0.4**	**0.5**	**0.1**	**0.0**	**0.6**	**0.3**	**0.1**
	Sep-23	0.0	0.1	0.4	0.4	0.2	0.4	0.5	0.1	0.0	0.6	0.4	0.1

1 Finance and insurance includes banks, non-banks, insurance companies and other firms providing services to the finance and insurance sectors. Includes assets held for liquidity portfolio. 2 Property includes both residential and non-residential property investors and developers and excludes real estate agents. 3 Services includes education, health & community services, cultural & recreational and personal & other services. 4 Construction includes building and non-building construction, and industries serving the construction sector. 5 Includes impaired exposures. 6 Percentage of portfolio TCE.

SECTORS IN FOCUS: COMMERCIAL PROPERTY

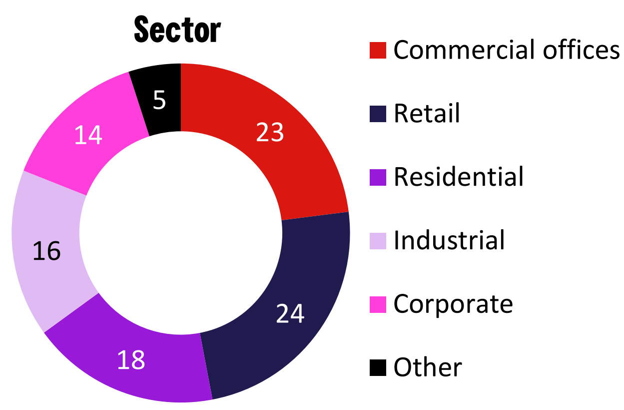
Data as at 30 September 2023 unless otherwise stated.

Commercial property portfolio

- Single credit policy, supported by industry sector concentration and sub limits
- Maintained credit standards, with close oversight of portfolio
- Managed by specialist relationship teams, dedicated credit officers and subject matter experts
- Limited risk appetite for lower grade office buildings
- Weighted average LVR for the Australian secured portfolio <50%
- 81% fully secured[1]

	Sep-22	Mar-23	Sep-23
TCE ($bn)	76.1	78.8	**80.1**
Lending ($bn)	60.0	61.0	**63.0**
As a % of Group TCE	6.42	6.46	**6.58**
Median risk grade (S&P equivalent)	BB	BB-	**BB-**
% of portfolio graded as stressed[2,3]	2.07	2.38	**2.63**
% of portfolio impaired[3]	0.07	0.08	**0.08**

Commercial property portfolio (Total committed exposure, %)

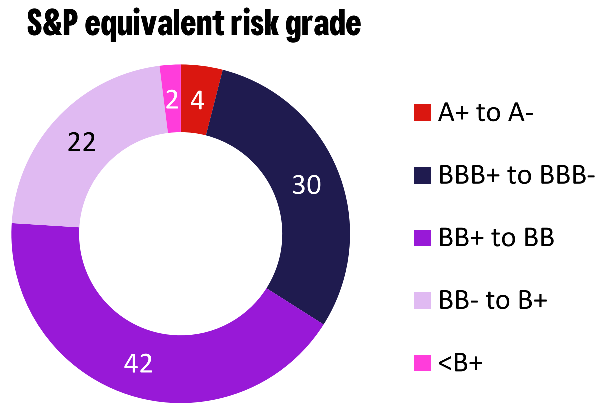


Commercial property office portfolio

- Office exposure has reduced from 2.1% of Group TCE in Sep-20 to 1.5% in Sep-23
- Weighted towards premium, A & B grade office assets in major CBD locations
- Specialist property relationship teams manage all office exposures > TCE $10m
- Low risk appetite settings for lower grade office assets since start of COVID

	Sep-22	Mar-23	Sep-23
TCE ($bn)	21.8	18.2	**18.4**
Lending ($bn)	18.5	15.1	**15.0**
As a % of Group TCE	1.79	1.49	**1.51**
Median risk grade (S&P equivalent)	BB-	BB-	**BB-**
% of portfolio graded as stressed[2,3]	2.49	2.43	**2.35**
% of portfolio impaired[3]	0.12	0.13	**0.10**

Commercial property office portfolio (Total committed exposure, %)

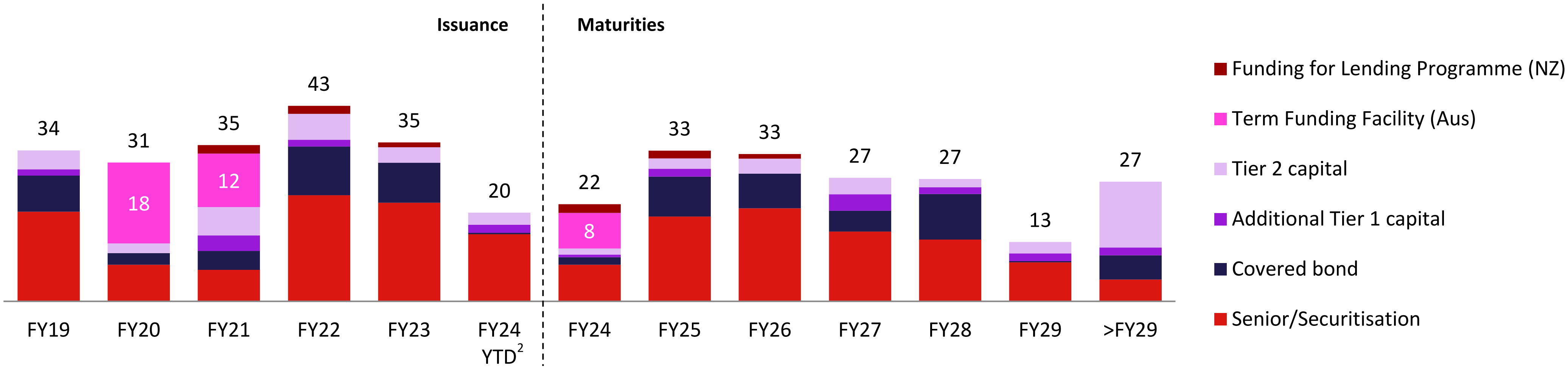


1 Fully secured: Secured loan to collateral value ratio ≤ 100%. 2 Includes impaired exposures. 3 Percentage of portfolio TCE.

Westpac GROUP

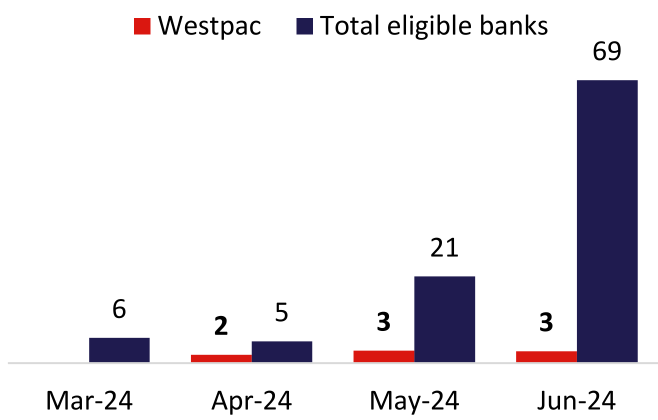
LONG TERM WHOLESALE FUNDING PROFILE

Term debt issuance and maturity profile[1] ($bn)



- $19.7 billion in new term issuance financial year to date (end February)
  - Continuing to see strong demand and liquidity in the AUD market
  - SEC registration remains a key advantage in USD market access
  - Additional diversity from WST 2024-1
  - Lower AUD moderates offshore funding activity
- Well managed Group maturity profile
  - Term Funding Facility drawdowns managed to support a smooth LCR profile
  - Remaining Term Funding Facility drawdowns expected to be refinanced within normal funding capacity

Term Funding Facility maturities ($bn)



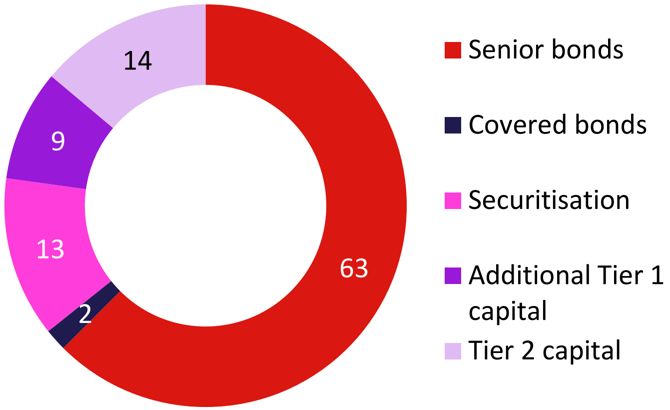
Source: Westpac, RBA

1 Based on residual maturity and FX spot currency translation. Includes all debt issuance with contractual maturity greater than 13 months excluding US Commercial Paper and Yankee Certificates of Deposit. Contractual maturity date for hybrids and callable subordinated instruments is the first scheduled conversion date or call date for the purposes of this disclosure. Any early redemption would be subject to prior written approval from APRA, which may or may not be provided. Maturities exclude securitisation amortisation. 2. Year to Date is 1 October 2023 to 29 February 2024.

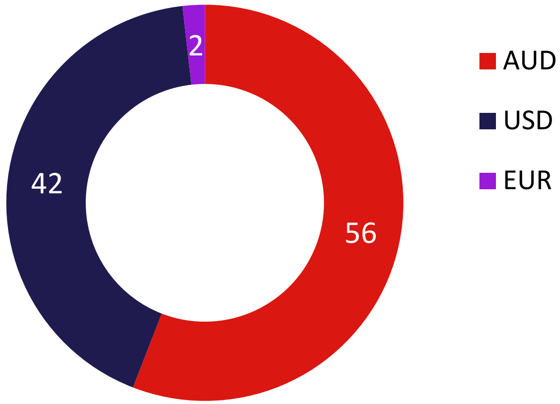
LONG TERM WHOLESALE FUNDING DIVERSIFICATION

Term debt issuance (%, 2024 financial year to end February)

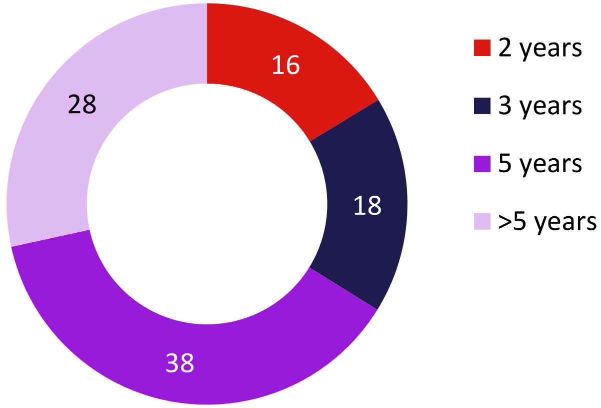
By program (%)



By currency (%)



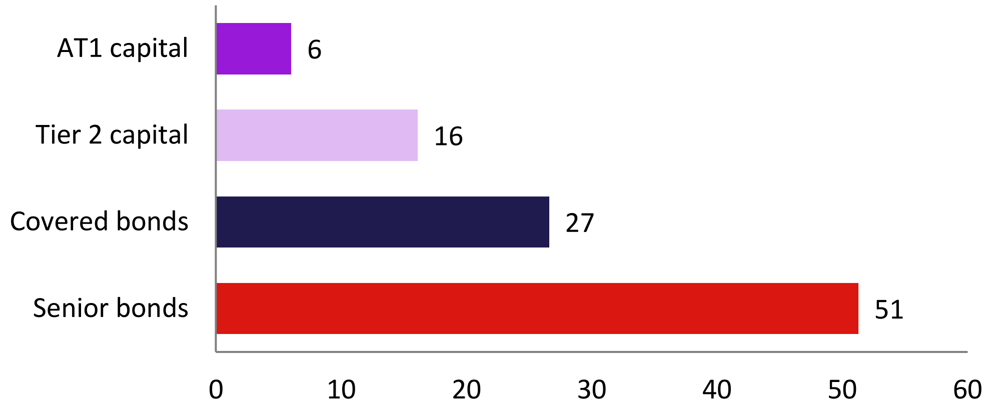
By tenor (%)



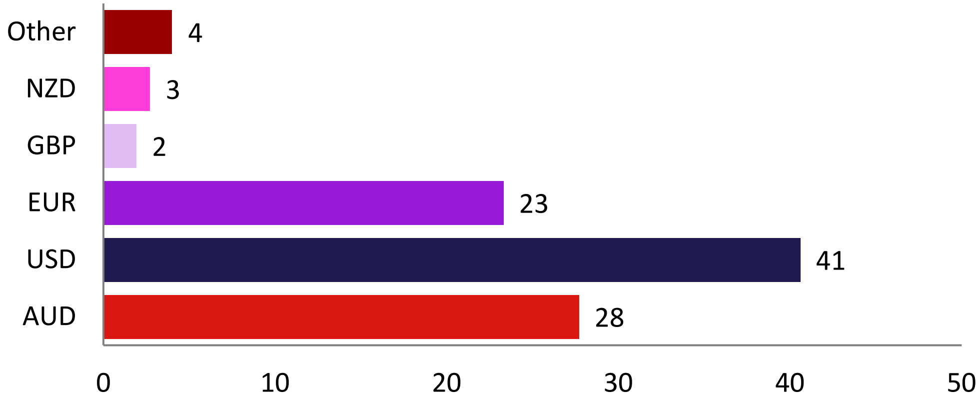
Charts may not add due to rounding.

Long term wholesale funding back book[1] as at 30 September 2023 (%)

By program (%)



By currency (%)



Charts may not add due to rounding.

1 Data excludes Term Funding Facility, Funding for Lending Programme and Securitisation.

Westpac GROUP

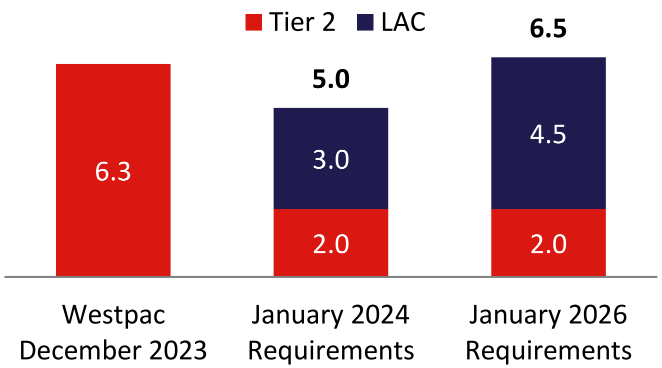
LOSS-ABSORBING CAPACITY AND TIER 2 CAPITAL

Loss-absorbing capacity (LAC)

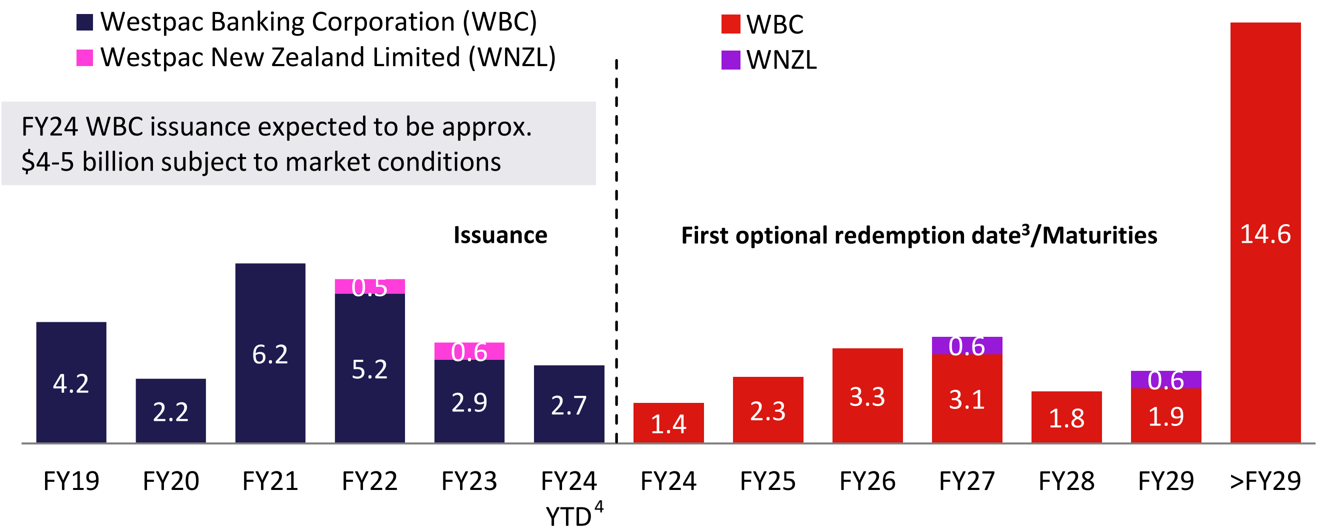
- Australian D-SIBs are required to increase Total Capital to meet APRA's LAC requirements
- This is expected to be met through Tier 2 Capital
- Westpac is well placed to meet future APRA requirements for LAC

$bn	@ 5.0% by 1 Jan 24	@ 6.5% by 1 Jan 26
Group RWA (at Dec-23)	443	443
Tier 2 requirement	22.2	28.8
Existing Tier 2 (Dec-23)	27.9	27.9
Current shortfall (excluding redemptions[3])	0	0.9

Tier 2 and LAC requirements (%)

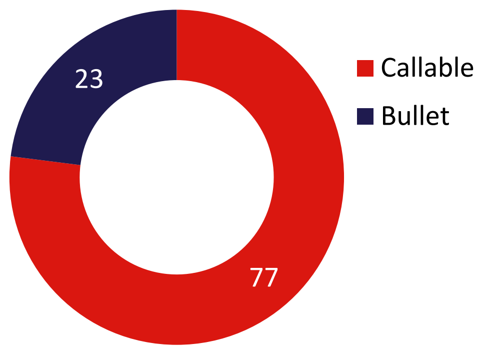


Westpac Tier 2 profile[1,2,3] (notional amount, A$bn)



Westpac Tier 2 capital (%)

By format[1,2,3] (notional amount)



By currency[1,2,3] (notional amount)

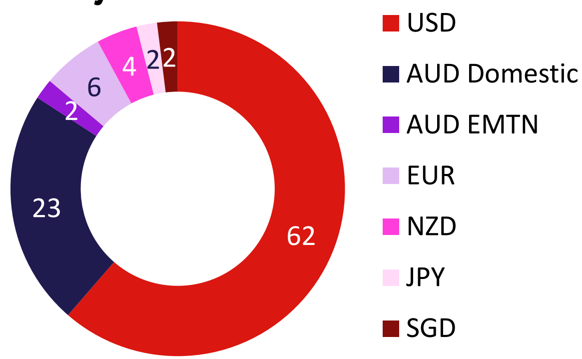


Chart does not add due to rounding.

1 Includes Westpac New Zealand Limited (WNZL). WNZL Tier 2 does not count for APRA LAC requirements. 2 Represents A$ equivalent notional amount using spot FX translation at date of issue for issuance and spot FX translation at 30-Sep-23 for maturities. Securities in callable format profiled to first call date. Securities in bullet format profiled to maturity date. 3 Any early redemption would be subject to prior written approval from APRA, which may or may not be provided. 4 Year to Date is 1 October 2023 to 29 February 2024.

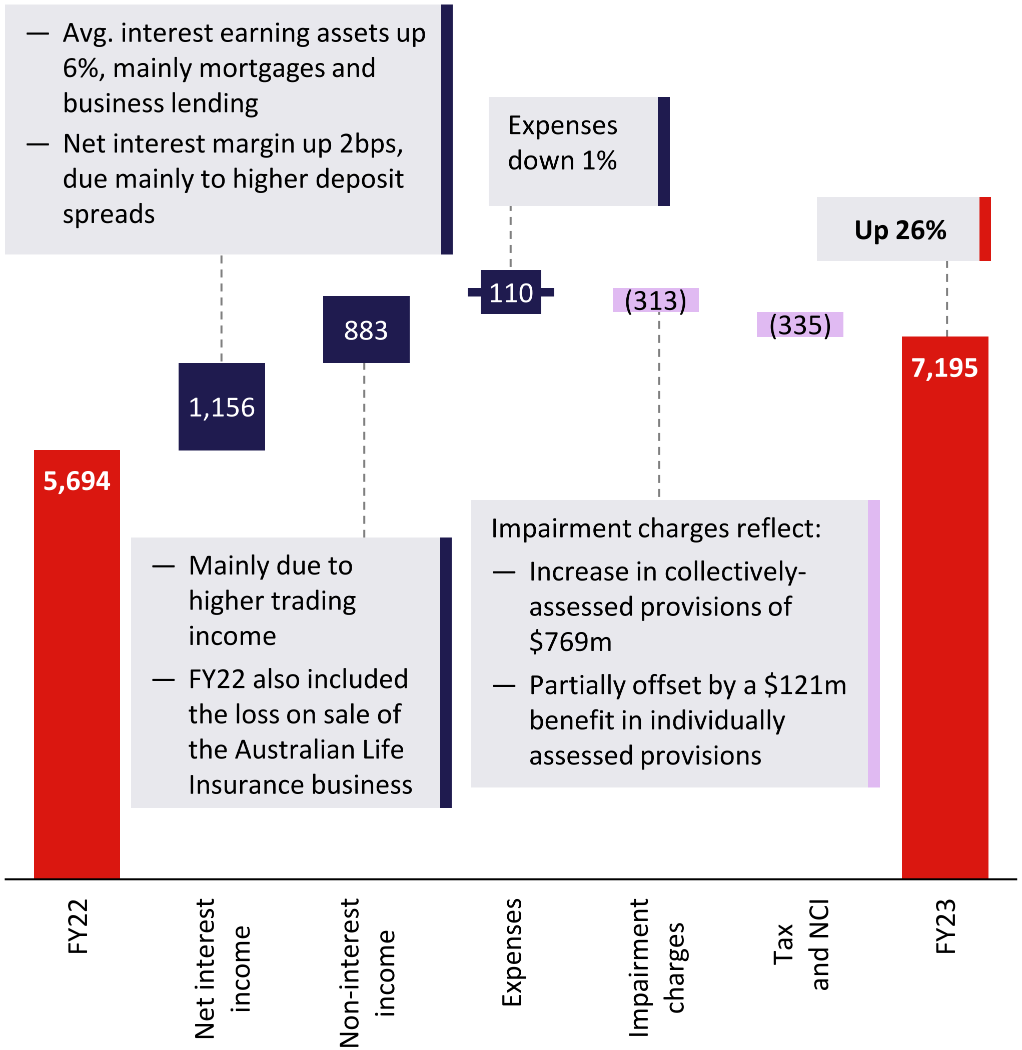
APPENDIX

Westpac GROUP

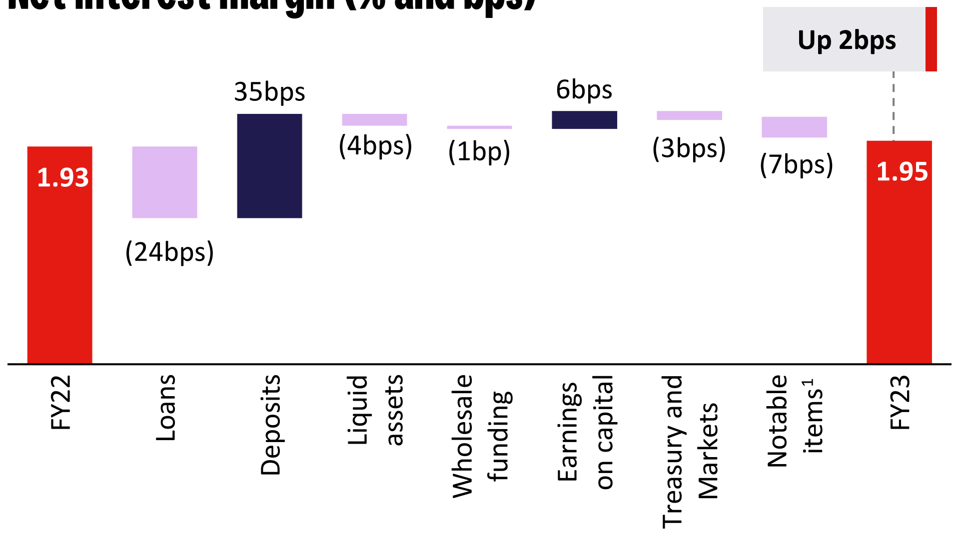
2023 GROUP FINANCIAL RESULTS

Data as at 30 September 2023 unless otherwise stated.

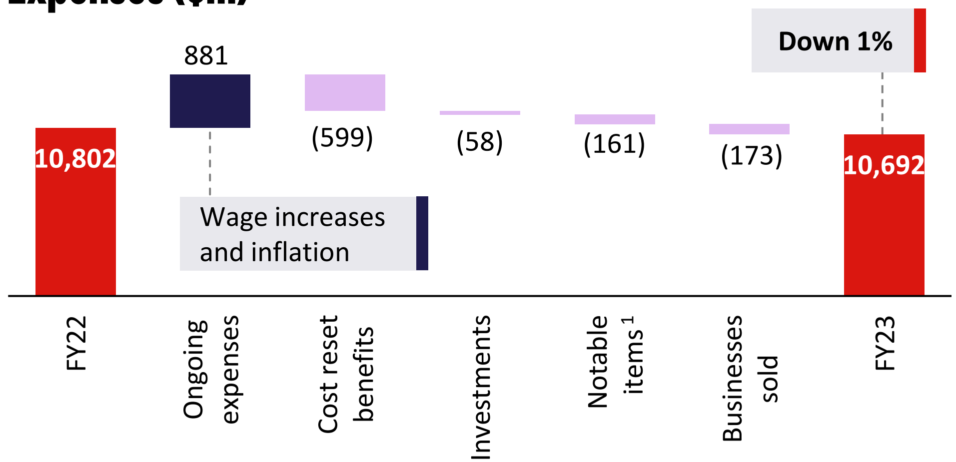
Net profit after tax FY22 – FY23 ($m)



Net interest margin (% and bps)



Expenses ($m)



1 Notable items include asset sales and revaluations, provisions for remediation, litigation, fines and penalties, restructuring costs, the write-down of assets, economic hedges and hedge ineffectiveness. Full more information refer to Westpac's 2023 Annual Report. Available www.Westpac.com.au/investorcentre

BECOMING A NET-ZERO, CLIMATE RESILIENT BANK

Data as at 30 September 2023 unless otherwise stated.

1 NET-ZERO, CLIMATE RESILIENT OPERATIONS

- Reduced scope 1 and 2 emissions[1] by **52%** and our scope 3 upstream emissions[1,2] by **4%** for the year Jun-23
- From Apr-23, **equivalent of 100%[3]** of our Australian electricity demand from renewables
- **Maintained certification[4]** for direct operations in Australia since 2012 and New Zealand since 2019

2 SUPPORTING CUSTOMERS' TRANSITION TO NET-ZERO AND TO BUILD THEIR CLIMATE RESILIENCE

- **7 new NZBA** targets, taking the total to 12 as a result we now have targets in **8 of 9 NZBA** sectors
- **58 Sustainable finance[5]** transactions in FY23 - total notional value of **$83bn**
- Over **$6.5bn in climate change solutions[6]** since 2020, exceeding our 2023 target of $3.5bn
- Established **pilot framework** for assessing institutional customers' transition plans
- New **Sustainable Finance Framework** – established 2030 targets
  - $55bn lending
  - $40bn in bond facilitation
- **Climate-related products**: Enhanced EV loan in Australia, Carbon footprint tracker in Westpac app (400,000+ users), new Sustainable Farm Loan and Sustainable Business Loan in NZ, expanded *Greater Choices Home Loan* for EV purchases and energy-efficient upgrades

3 COLLABORATE FOR IMPACT ON INITIATIVES TOWARDS NET-ZERO AND CLIMATE RESILIENCE

- Participated in **ABA[7]** and **ASFI[7]** working groups on climate risk, disclosure, financed emissions, and their sustainable finance taxonomy
- Contributor to **Australian Industry ETI[7]**, incl February 2023 report on pathways for heavy industry decarbonisation
- Sponsored the **Australian Farm Institute's ESG Goals and Target Setting Conference 2023**

Note: See footnotes on page 20.

SUMMARY OF OUR 2030 EMISSION REDUCTION TARGETS

Data as at 30 September 2023 unless otherwise stated.

2030 Targets set in FY22

UPSTREAM OIL AND GAS[1,2]	**23%** reduction in scope 1, 2 and 3 financed emissions FY22 Performance: **7.5MtCO_2-e** (18% change since FY21 baseline (9.2MtCO_2-e))
THERMAL COAL MINING[2,3]	**100%** reduction of scope 1, 2 and 3 financed emissions to companies with >5% of their revenue[4] directly from thermal coal mining FY22 Performance: **1.9MtCO_2-e** (23% change since FY21 baseline (2.46MtCO_2-e))
POWER GENERATION	**62%** reduction in scope 1 and 2 emissions intensity[5] to 0.10tCO_2-e/MWh FY22 Performance: **0.23MtCO_2-e** (12% change since FY21 baseline (0.26MtCO_2-e))
CEMENT PRODUCTION	**14%** reduction in scope 1 and 2 emissions intensity to 0.57tCO_2-e/tonne of cement[6] FY22 Performance: **0.66**tCO_2-e/tonne of cement (no change since FY21 baseline (0.66tCO_2-e/tonne of cement))
***COMMERCIAL REAL ESTATE (OFFICES)**[2]	**59%** reduction in scope 1 and 2 emissions intensity[7] for Australian and New Zealand office[8] (FY22 baseline: 60kgCO_2-e/m2 net lettable area[9])

New 2030 Targets established in FY23

***STEEL PRODUCTION**	Reduction in scope 1 and 2 emissions intensity to 1.42tCO_2-e/tonne of steel (FY21 baseline: Not disclosed[10])
AVIATION (PASSENGER AIRCRAFT OPERATORS[11])[12]	**60%** reduction in scope 1 emissions intensity to 76.4gCO_2-e/passenger km[13] FY22 Performance: 156.0gCO_2-e/passenger km) (18% change since FY21 baseline (190.6gCO_2-e/passenger km)
***AGRICULTURE: DAIRY**[14,15]	Australia: **10%** reduction in scope 1 land management[16] emissions intensity (FY21 baseline: 1.04tCO_2-e/tonne of FPCM[17]) New Zealand: **10%** reduction in scope 1 land management[16] emissions intensity (FY21 baseline: 0.83tCO_2-e/tonne of FPCM[17])
***AGRICULTURE: BEEF AND SHEEP**[14,15]	Australia: **9%** reduction in scope 1 land management[16] emissions intensity (FY21 baseline: 21.73tCO_2-e/tonne of FW[18]) New Zealand: **9%** reduction in scope 1 land management[16] emissions intensity (FY21 baseline: 19.4tCO_2-e/tonne of FW[18])
***AUSTRALIAN RESIDENTIAL MORTGAGES**[19]	**56%** reduction in scope 1 and 2 emissions intensity[20] (FY22 (year to Aug) baseline: 35kgCO_2-e/m2)

Note: See footnotes on page 20. *Performance to be disclosed in FY24.

SUSTAINABILITY – FOOTNOTES

Becoming a net-zero, climate resilient bank

1. 2021 baselines for scope 1, 2 and scope 3 upstream emissions targets adjusted for COVID-19 pandemic and other impacts. Refer to our 2023 Sustainability Index and Datasheet.
2. Refer to our 2023 Sustainability Index and Datasheet for details of included Scope 3 upstream emissions sources.
3. On track to achieve 100% renewables outcome for our direct operations. 95% of this supply is expected to be sourced from within the markets the electricity is consumed. We will continue to identify opportunities to lift local sourcing to 100%, to include for our Fiji and PNG businesses, as required to achieve 100% under the RE100/CDP Standard.
4. Certification is obtained for Westpac's Australian and New Zealand operations (excludes financed emissions) under the Australian Government's Climate Active Carbon Neutral Standard for Organisations and the New Zealand Toitū net carbonzero certification respectively. Further information can be found on the Sustainability Performance Reports page on our website.
5. These include green, social, sustainability, sustainability-linked and re-linked loans and bonds and have not been assessed under our new Sustainable Finance Framework.
6. Climate change solutions activities are defined in the Glossary section in our 2023 Sustainability Index and Datasheet. New lending represents the total of new and increases in lending commitments, excluding refinances
7. Australian Banking Association, Australian Sustainable Finance Institute, and Australian Industry Energy Transitions Initiative

Summary of our 2030 emission reduction targets

1. Includes exploration, extraction and drilling companies, all activities integrated oil and gas companies (IOCs), tolling and stand-alone refineries and LNG producers. Does not include downstream retail and distribution, pipeline infrastructure, storage and transport, nor trading entities.
2. Updated existing targets for NZBA sectors (thermal coal mining, upstream oil and gas, and commercial real estate (offices)). Refer to our 2023 Climate Report for more information.
3. Covers the production and sale of thermal coal, with adjacent sectors (including mining service providers) to be covered in other targets as appropriate. Transactional banking and rehabilitation bonds are excluded.
4. Annually, we calculate the percentage of revenue coming directly from thermal coal mining by assessing customers' full-year audited financial reports, based on a rolling average of the prior three years of revenues.
5. Refers to scope 1 and 2 emissions of power generators, i.e. customers with >10% revenue coming from power generation or >5% revenues from thermal coal electricity generation. In Australia, this applies to customers under ANZSIC (1993) code 3610 with National Greenhouse and Energy Reporting Scheme designated generation facilities and have >10% revenue coming from power generation
6. This target covers customers that produce clinker in-house. The target has been set for customers' scope 1 and 2 emissions in relation to the production of cement. It covers emissions generated from calcination in clinker production as well as fuel combustion and electricity consumption associated with the cement production process
7. Base building operational scope 1 and 2 emissions. Target excludes all scope 3 emissions (e.g. tenant emissions from electricity and appliance use, construction, embodied emissions and corporate activities)
8. Our target applies to facilities that are assigned office related ANZSIC codes, and with a TCE greater than or equal to $5 million A$ for Australian facilities or $5 million NZ$ for New Zealand facilities. This excludes exposures associated with site finance, construction and renovation of commercial real estate assets
9. Floor space is defined as net-lettable area (NLA). In Australia, the standard used for determining the NLA is set out in the Property Council of Australia (PCA) March 1997 Method of Measurement. In New Zealand, this is Rentable Area as set out in The Guide for the Measurement of Rentable Areas NZ
10. Steel represents a very small percentage of Westpac's lending portfolio and a small number of customers. To protect our customers confidentiality, we have adopted a 'traffic light' system to disclose our performance against the target. Unlike other targets, we will not be disclosing our baseline or progress
11. Covers customers that operate scheduled air transport for passengers, including freight operations undertaken by passenger airline operators
12. The aviation sector was highly impacted by the effects of the COVID-19 pandemic resulting in emissions intensities higher than the IEA NZE 2050 pathway (less people flying). Increased activity (more people flying) will improve efficiency and result in some reduction in emissions intensity
13. Passenger kilometres (pkm) is a measure of activity for passenger airline operators
14. Applies to institutional and commercial relationship-managed agribusiness customers with total committed exposures (TCE) ≥ $1.5 million who are captured by dairy, beef, sheep and mixed farming ANZSICs
15. Applies to relationship-managed agribusiness customers with TCE equal to or greater than $NZ1.0 million who are captured by dairy and sheep and beef farming ANZSICs
16. Land management emissions refers to operational emissions resulting from how land is managed rather than emissions resulting from land-use change or on-farm carbon removals. Land management emissions arise from processes such as enteric fermentation, fertiliser use and manure management
17. Fat Protein Corrected Milk is a commonly used measure of dairy farm outputs. FPCM is milk corrected for its fat and protein content to a regional standard. In SBTi FLAG (reference scenario we used for setting Agriculture targets), dairy production is expressed in tonnes of fat and protein corrected milk
18. In SBTi FLAG animal commodities production is expressed in tonnes of fresh weight of carcass where carcass is defined as animal meat, fresh, chilled or frozen, with bone in
19. Excludes mortgages on vacant land as well as construction and renovation loans given there are no in-use operational emissions associated with these
20. Scope 1 and 2 emissions refer to in-use operational emissions from energy associated with the operation of the building, consisting of purchased electricity and natural gas consumption

The information on this page contains 'forward-looking statements' and statements of expectation reflecting Westpac's current views on future events. They are subject to change without notice and certain risks, uncertainties and assumptions which are, in many instances, beyond its control. Please refer to the disclaimer.

DISCLAIMER

The material contained in this presentation is intended to be general background information on Westpac Banking Corporation (“Westpac”) (ABN 33 007 457 141) and its activities.

It should not be reproduced, distributed or transmitted to any person without the consent of Westpac and is not intended for distribution in any jurisdiction in which such distribution would be contrary to local law or regulation. It does not constitute a prospectus, offering memorandum or offer of securities. This presentation does not constitute or form part of an offer or solicitation of an offer to purchase or subscribe for any securities and no investment decision to purchase any securities should be made on the basis of this presentation. No part of this presentation should form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever.

The information is supplied in summary form and is therefore not necessarily complete. Also, it is not intended that it be relied upon as advice to investors or potential investors, who should consider seeking independent professional advice depending upon their specific investment objectives, financial situation or particular needs. The material contained in this presentation may include information derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information.

All amounts are in Australian dollars unless otherwise indicated.

Information contained in or otherwise accessible through the websites mentioned in this presentation does not form part of the presentation unless we specifically state that the information is incorporated by reference thereby forming part of the presentation. All references in this presentation to websites are inactive textual references and are for information only.

A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation. Credit ratings are for distribution only to a person (a) who is not a “retail client” within the meaning of section 761G of the Corporations Act and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Part 6D.2 or 7.9 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this presentation and anyone who receives this presentation must not distribute it to any person who is not entitled to receive it.

Disclosure regarding forward-looking statements

This presentation contains statements that constitute “forward-looking statements” within the meaning of Section 21E of the US Securities Exchange Act of 1934. Forward-looking statements are statements that are not historical facts. Forward-looking statements appear in a number of places in this presentation and include statements regarding our intent, belief or current expectations with respect to our business and operations, macro and micro economic and market conditions, results of operations and financial condition, capital adequacy and risk management, including, without limitation, future loan loss provisions and financial support to certain borrowers, forecasted economic indicators and performance metric outcomes, indicative drivers, climate- and other sustainability-related statements, commitments, targets, projections and metrics, and other estimated and proxy data.

We use words such as ‘will’, ‘may’, ‘expect’, ‘intend’, ‘seek’, ‘would’, ‘should’, ‘could’, ‘continue’, ‘plan’, ‘estimate’, ‘anticipate’, ‘believe’, ‘probability’, ‘indicative’, ‘risk’, ‘aim’, ‘outlook’, ‘forecast’, ‘f’cast’, ‘f’, ‘assumption’, ‘projection’, ‘target’, ‘goal’, ‘guidance’, ‘ambition’, or other similar words to identify forward-looking statements, or otherwise identify forward-looking statements. These forward-looking statements reflect our current views on future events and are subject to change, certain known and unknown risks, uncertainties and assumptions and other factors which are, in many instances, beyond our control (and the control of our officers, employees, agents and advisors), and have been made based on management’s expectations or beliefs concerning future developments and their potential effect upon us.

Forward-looking statements may also be made, verbally or in writing, by members of Westpac’s management or Board in connection with this presentation. Such statements are subject to the same limitations, uncertainties, assumptions and disclaimers set out in this presentation.

There can be no assurance that future developments or performance will align with our expectations or that the effect of future developments on us will be those anticipated. Actual results could differ materially from those we expect or which are expressed or implied in forward-looking statements, depending on various factors including, but not limited to, those described in the section titled ‘Risk factors' in our 2023 Annual Report available at www.westpac.com.au.

When relying on forward-looking statements to make decisions with respect to us, investors and others should carefully consider such factors and other uncertainties and events. Except as required by law, we assume no obligation to revise or update any forward-looking statements contained in this presentation, whether from new information, future events, conditions or otherwise, after the date of this presentation.