FIXED INCOME INVESTOR PRESENTATION
NOVEMBER 2022

WESTPAC BANKING CORPORATION
ABN 33 007 457 141

Westpac Banking Corporation

Westpac GROUP

Westpac FY22 overview – steady progress.

Data at 30 September 2022 unless otherwise stated

Well advanced on Fix and Simplify strategic priorities

Financial performance solid

Fix

- Major remediation programs in final stages
- CORE program on track and delivering change

Simplify

- Announced sales of 9 businesses (out of 11). Exited 7 businesses.

Perform

- Reported return on equity 8.1% (Sep 21: 7.7%)
- Net interest margin up in Second Half 2022
- Lifting return focus – new 2023 capital range; cost reset underway
- Climate change – commitment to net-zero

Maintaining balance sheet strength

- CET1 capital ratio 11.29% (APRA basis) (Sep 21: 12.32%)
- Pro forma[1] CET1 capital ratio 11.4% (post announced asset sales)
- Deposit to loan ratio 82.9% (Sep 21: 81.6%)
- LCR 132% (Sep 21: 129%)
- NSFR 121% (Sep 21: 125%)

Asset quality remains sound

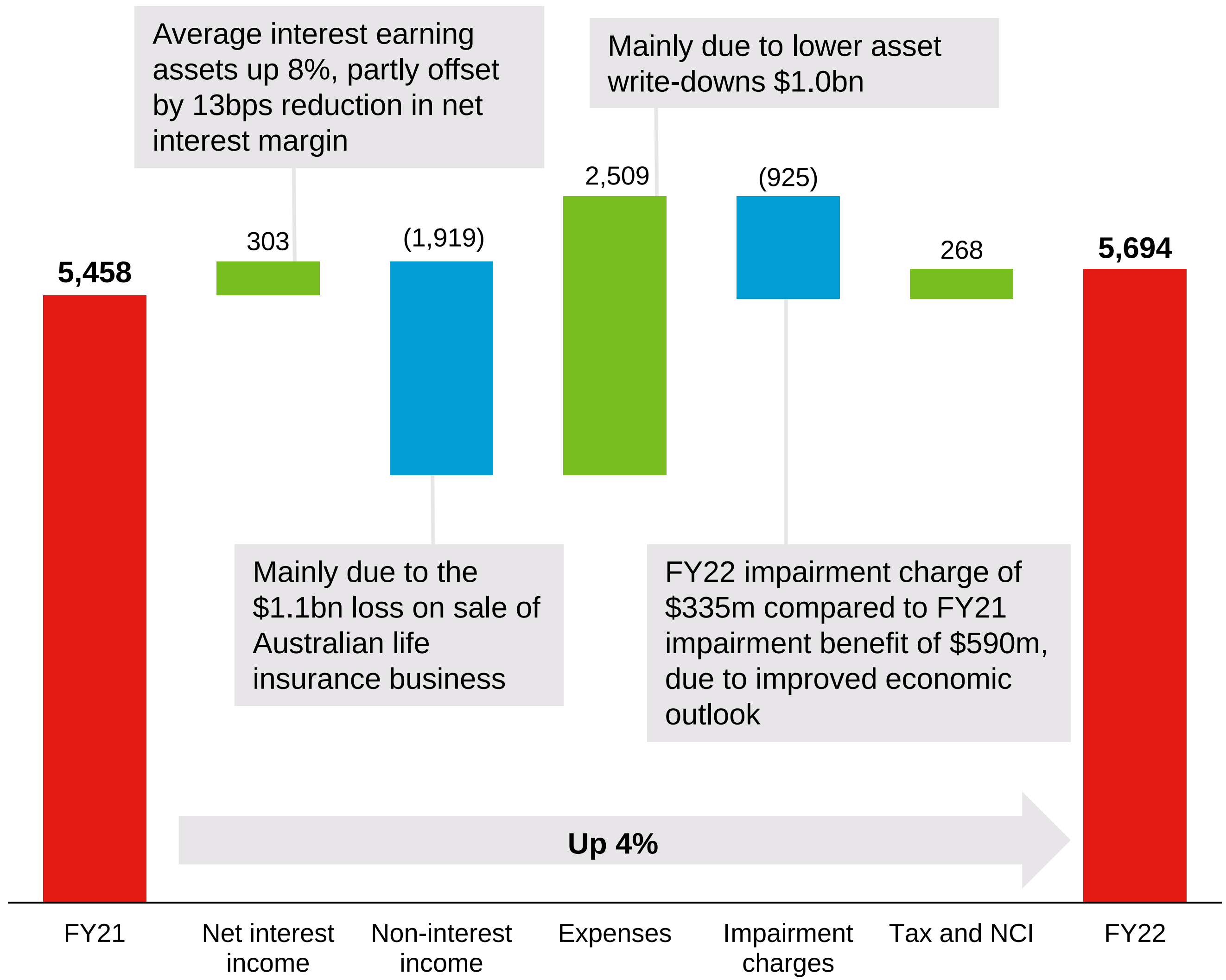
- Stressed assets to TCE 1.07% (Sep 21: 1.36%)
- Mortgage 90+ day delinquencies Australia 0.75% (Sep 21: 1.07%)
- Mortgage 90+ day delinquencies New Zealand 0.22% (Sep 21: 0.30%)
- Total provisions to credit RWAs 1.28% (Sep 21: 1.40%), above pre-COVID levels (Sep 19: 1.07%)

1 Reflecting announced divestments relating to sale of Superannuation and Advance Asset Management Limited (AAML) businesses (sales have been announced but not yet completed).

FY22 Group Financial results.

	FY22	vs FY21
Net profit after tax (NPAT) ($m)	**5,694**	+ 4%
Return on average ordinary equity (%)	**8.10**	+ 40bps
Net interest margin (%)	**1.93**	(13bps)
Expense to income ratio (%)	**55.10**	(8ppts)
Net write-offs to average loans annualised (bps)	**10**	2bps
Loans ($bn)	**740**	+ 4%
Customer deposits ($bn)	**613**	+ 6%
APRA Level 2 CET 1 ratio (%)	**11.29**	(103bps)
LCR (%)	**132**	+ 211bps
NSFR (%)	**121**	(4ppts)

Net profit after tax FY21 – FY22 ($m)



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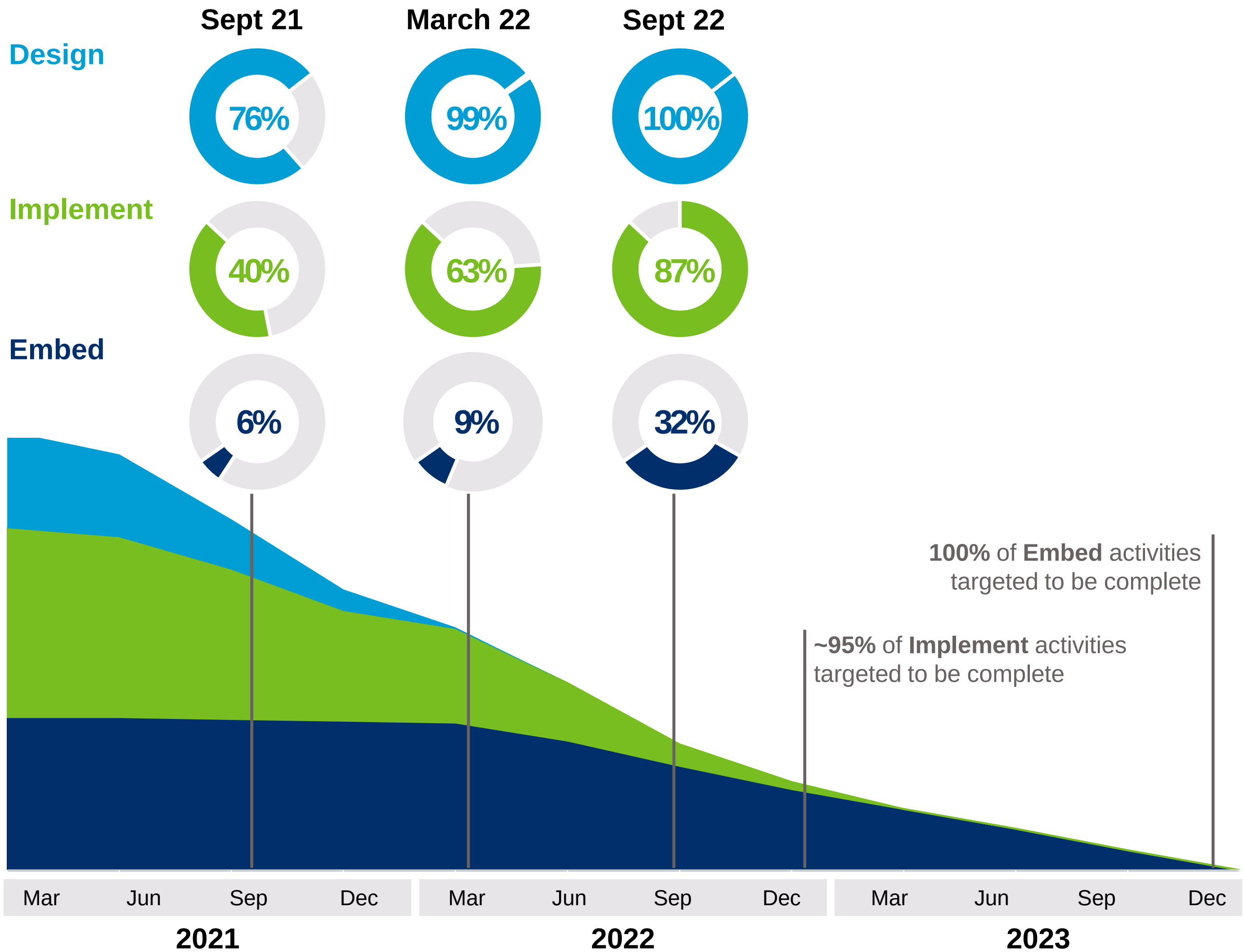
Fix priority – reducing risk.

Customer Outcomes and Risk Excellence (CORE) Program.

- CORE program in place to address enforceable undertaking with APRA **signed December 2020**
- Aims to **strengthen** risk governance, **improve** accountability and **enhance** risk culture
- **Board, CEO** and **Group Executive** accountability
- Quarterly independent assurance by **Promontory Australia**
- **350 activities across 19 workstreams**

CORE activities progress[1]



1 At 30 September 2022. Completed activities finalised by Westpac. Activities may still be subject to Promontory Australia review.

Simplify priority – moving to further simplify banking.

Portfolio simplification

3 businesses **exited** in FY22

7 Total of business exits **completed**

2 businesses **under agreement to divest**

Geographic simplification

2 Asian offices **closed**

3 Asian offices **no longer operating**

Banking simplification

27 Co-located **branches**

150 Products **reduced** by more than

47 applications **decommissioned**

Digital mortgage launched

285 **Enabled** self service for requests

400+ processes and paper forms **digitised**

Our plan to become a net-zero, climate resilient bank.

Progress

- Joined **NZBA** in July 2022
- **Set interim 2030 financed emissions targets** for five sectors in our lending portfolio, in accordance with our NZBA commitment

Updated Climate Change Position Statement and Action Plan (Climate Action Plan)

01

Net-zero, climate resilient operations

- Agreements in place to source the equivalent of 100% of our Australian electricity consumption from renewable energy sources[1] by 2025, and planning underway to achieve this same milestone for our international footprint by 2025
- Continue to maintain carbon neutral certification[2] for our Australian and New Zealand direct operations
- Continue to support employee and supply chain emissions reductions

02

Supporting customers' transition to net-zero and to build their climate resilience

- Engaging with customers and supporting them in their transition
- Become transition partner of choice
- Commencing engagement with agribusinesses on climate change impacts on farm productivity and the role of adaptation measures to improve climate resilience

03

Collaborate for impact on initiatives towards net-zero and climate resilience

- Work with governments, industry organisations and/or community partners to improve outcomes to transition to net-zero and build climate resilience
- Participated in the Australian Industry Energy Transitions Initiative (AIETI)
- Founding member of the Australian Sustainable Finance Institute (ASFI)

Note: See footnotes at the back of this presentation.
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Targets set for five sectors in our lending portfolio.

Sector targets in line with our NZBA commitment.

For details on our targets and target-setting approach refer to our 'Net-Zero 2030 Targets and Financed Emissions – our methodology and approach'. We continue to integrate and operationalise our targets into our processes and lending decisions.

Sector	2030 Financed Emissions Reduction Target[1]	FY21 Baseline
Extractives – Upstream oil and gas[2]	**23% reduction in Scope 1, 2 and 3 absolute financed emissions by 2030** (relative to 2021 baseline) We have updated our upstream oil and gas position to support this target Our position provides • We will only consider directly financing greenfield oil and gas projects that are in accordance with the IEA NZE scenario[3] or where necessary for national energy security[4] • We will continue to provide corporate lending where the customer has a credible transition plan[5] in place by 2025 • We will work with customers to support their development of credible transition plans prior to 2025	**7.5** $MtCO_2$-e (absolute financed emissions)
Extractives – Thermal coal mining[6]	**Zero lending exposure** to companies with >5% of their revenue coming directly from thermal coal mining by 2030	**$216.7m** (TCE at 30 Sep 2021)
Power generation[7]	**0.10** tCO_2-e/MWh for Scope 1 and 2 emissions intensity by 2030	**0.26** tCO_2-e/MWh (emissions intensity)
Industrials – Cement production[8]	**0.57** tCO_2-e/tonne of cement for Scope 1 and 2 emissions intensity by 2030	**0.66** tCO_2-e/tonne cement (emissions intensity)
Australian commercial real estate (large customers with office properties)[9]	**62% reduction in Scope 1 and 2 emissions[10] intensity** ($kgCO_2$-e/m^2 net lettable area) **by 2030** (relative to a 2021 baseline) for Australian large customers with office properties	Baseline and progress to be disclosed in FY23

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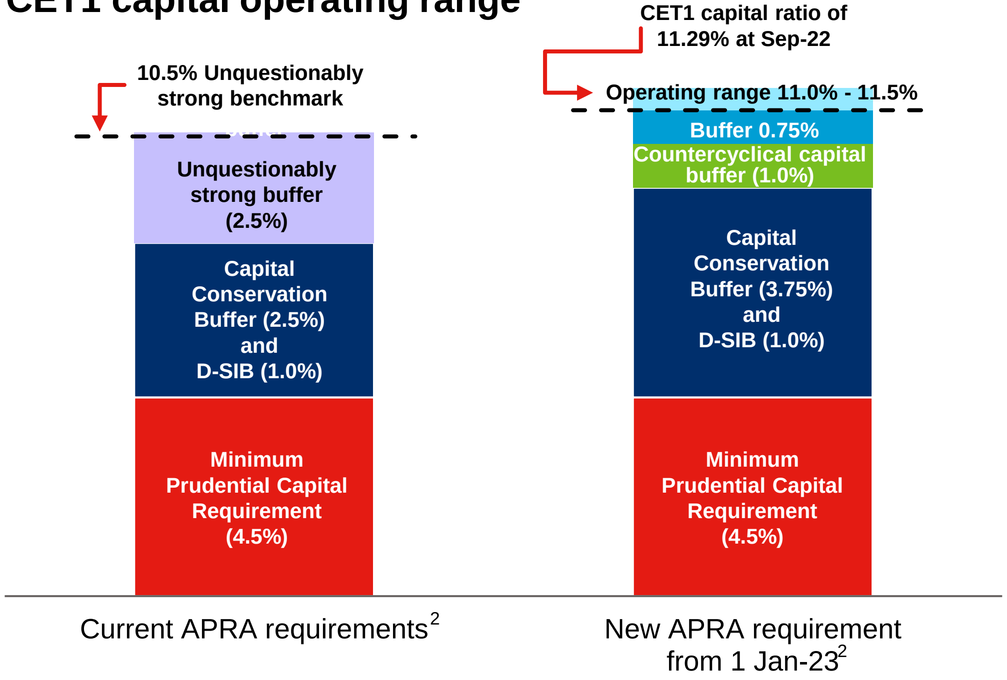
CET1 capital ratio 11.3% (APRA basis).

Key capital ratios (%)	Sep-21	Mar-22	Sep-22
Level 2 CET1 capital ratio	12.3	11.3	**11.3**
Additional Tier 1 capital ratio	2.3	2.1	**2.1**
Tier 1 capital ratio	14.6	13.4	**13.4**
Tier 2 capital ratio	4.2	4.3	**5.0**
Total regulatory capital ratio	18.9	17.7	**18.4**
Risk weighted assets (RWA) ($bn)	437	460	**478**
Leverage ratio	6.0	5.6	**5.6**
Level 1 CET1 capital ratio	12.6	11.2	**11.3**
Internationally comparable ratios[1]			
CET1 capital ratio (internationally comparable)	18.2	17.4	**17.6**
Leverage ratio (internationally comparable)	6.6	6.1	**6.0**

CET1 capital operating range



- We will seek to operate with a CET1 capital ratio of between 11.0% and 11.5% (including to account for dividend payments) in normal operating conditions under the new capital framework from 1 January 2023
- On 29 November 21, APRA finalised its capital framework, increasing the top of the CET1 capital ratio level for Domestic Systemically Important Banks (D-SIBs) from 8% to 10.25% from 1 January 2023
- Under the new framework, the capital conservation buffer increases from 2.5% to 3.75% and a base level for the countercyclical capital buffer (CcyB) of 1.0% was introduced. The D-SIB buffer of 1% continues to apply
- APRA indicated that it expects the D-SIBs will likely operate with a CET1 capital ratio above 11% in normal operating conditions from 1 January 2023

1 Internationally comparable methodology aligns with the APRA study titled ‘International Capital Comparison Study’ dated 13 July 2015. 2 Noting than APRA may apply higher CET1 capital ratio requirements for an individual authorised deposit-taking institution.

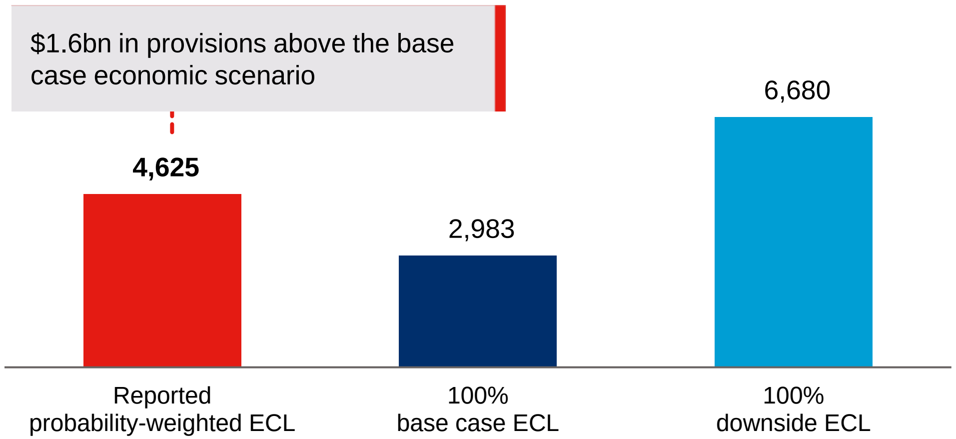
Provisions for Expected Credit Loss.

Sound coverage.

Key ratios

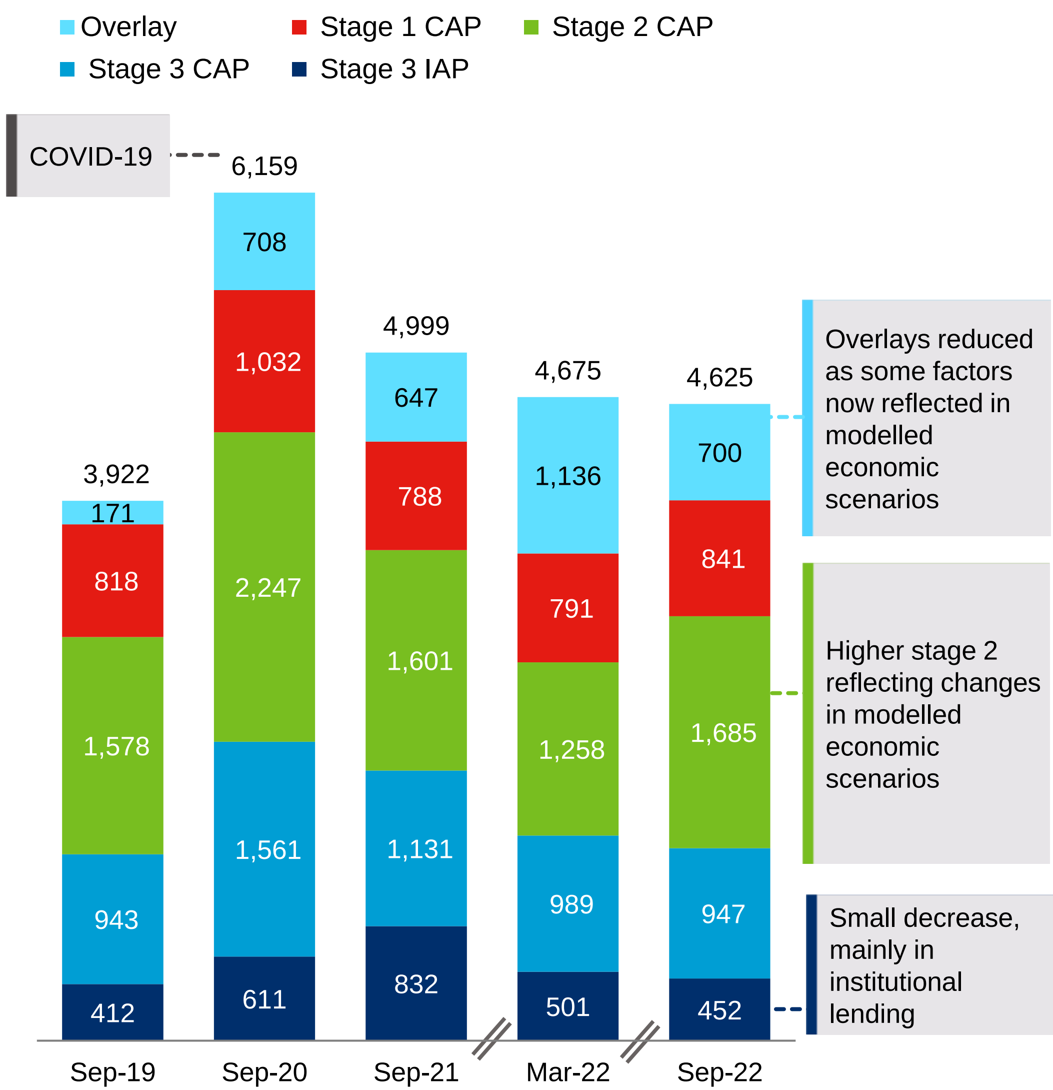
	Sep-21	Mar-22	Sep-22
Provisions to gross loans (bps)	70	65	**62**
Impaired asset provisions to impaired assets (%)	54	48	**48**
Collectively assessed provisions to credit RWA (bps)	117	116	**116**

Expected Credit Loss[1] (ECL) ($m)



Forecasts for base case economic scenario[2]	Base Case		Downside
	2022	2023	Trough / Peak[3]
GDP growth	3.4%	1.0%	(6%)
Unemployment	3.1%	4.4%	11%
Residential property prices	(6.5%)	(7.8%)	(27%)

Provisions for ECL[1] ($m)



1 Excludes provisions for debt securities. 2 Forecast date is 19 September 2022. 3 These KEIs represent trough or peak values that characterise the scenarios considered in setting downside severity.

Credit quality metrics improved.

Stressed exposures down 29bps in FY22.

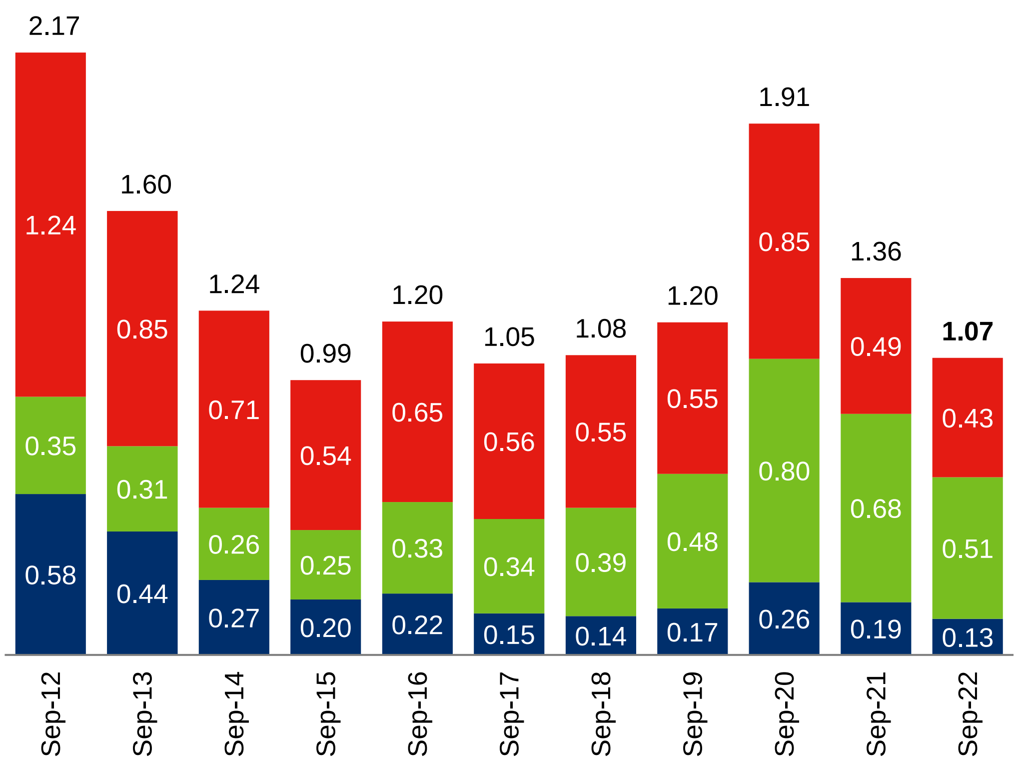
Stressed exposures as a % of TCE

Watchlist and substandard

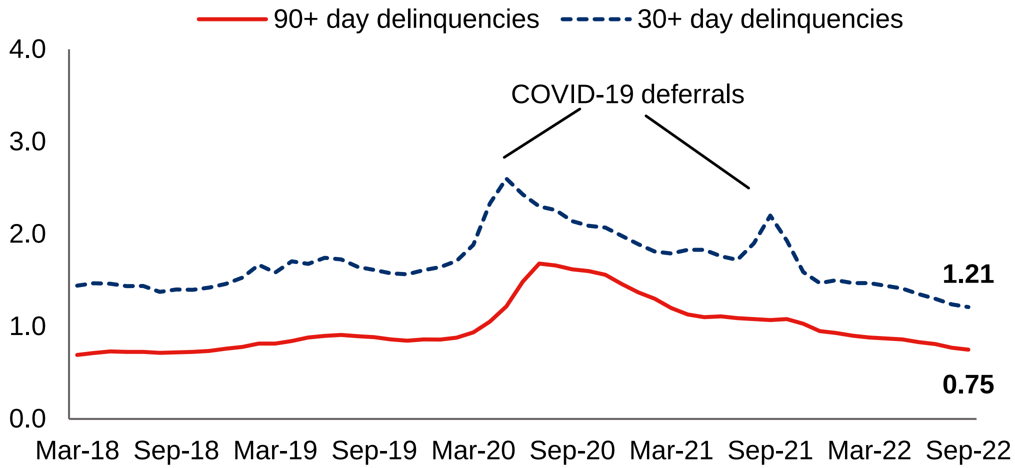
90+ day past due and not impaired[1]

Impaired

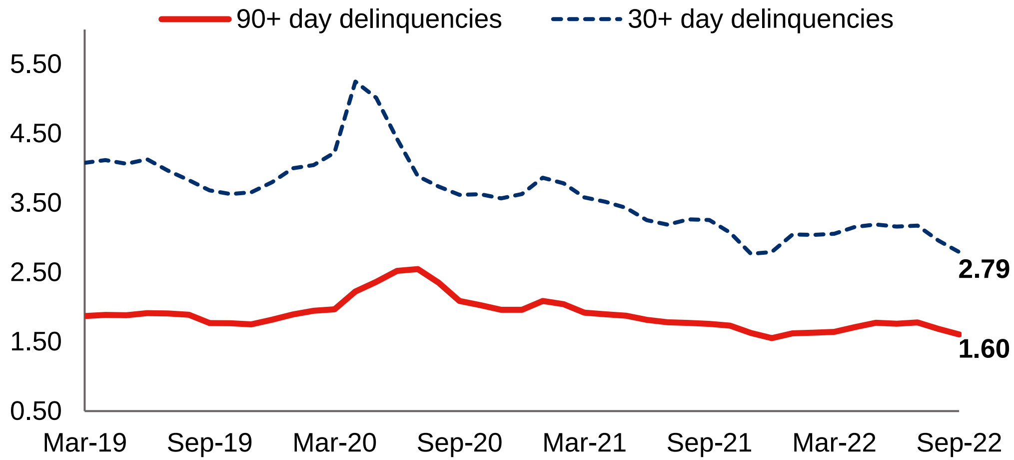
- Deterioration mostly downgrade of one large customer in Australian business to watchlist
- Reduction from 13bp decrease in mortgage 90+ day delinquencies
- 1bp improvement driven by write-offs and customer upgrades, primarily in Australian business and institutional portfolios



Australian mortgage 90+ day delinquencies (%)



Australian consumer finance[2] delinquencies (%)



1 Facilities 90 days or more past due date not impaired. These facilities, while in default, are not treated as impaired for accounting purposes. 2 Consumer finance includes personal loans, overdrafts, credit cards and auto loans.

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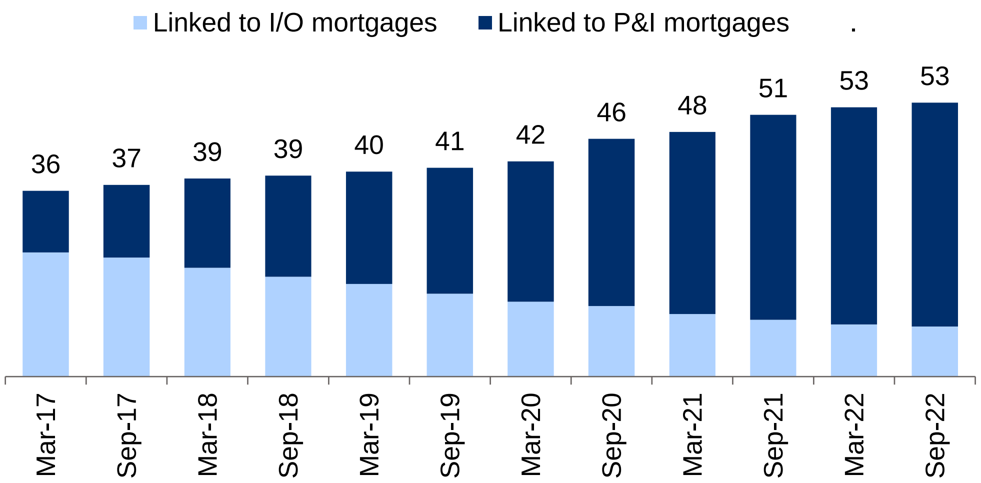
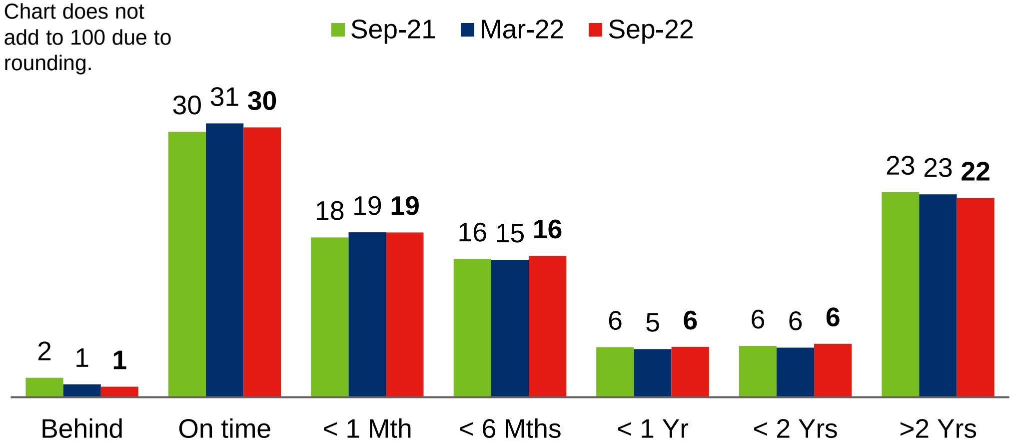
Australian mortgage portfolio repayment buffers.

Offset account balances[1] ($bn)



Australian home loan customers ahead on repayments[2] (% by balances)

Chart does not add to 100 due to rounding.



Australian housing loan-to-value ratios (LVRs) (%)

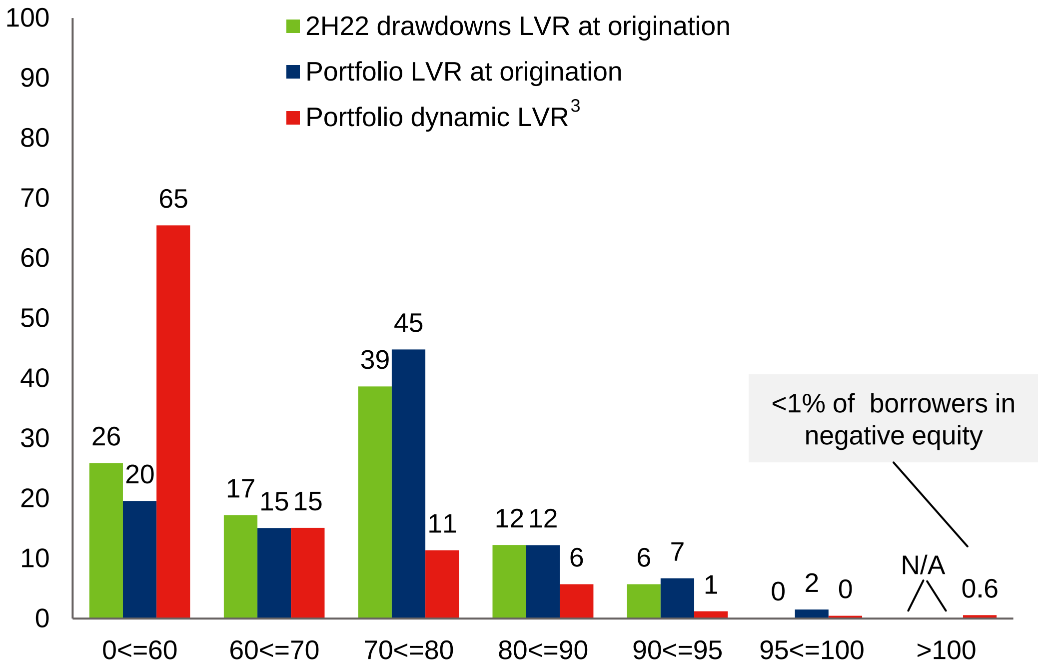


Chart does not add to 100 due to rounding.

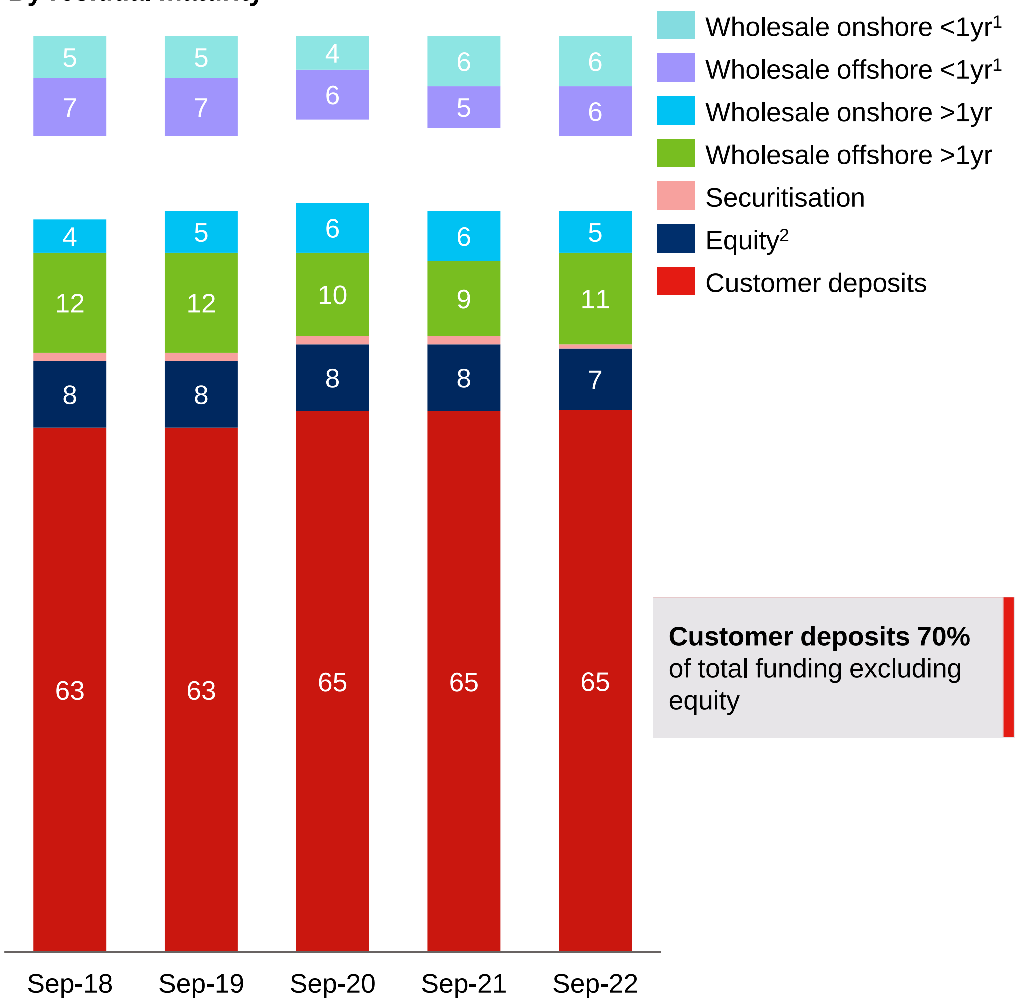
Australian mortgage portfolio LVRs		Sep-21 balance	Mar-22 balance	Sep-22 balance
Weighted averages[4]	LVR at origination (%)	73	**73**	**73**
	Dynamic LVR[3] (%)	50	**47**	**49**
	LVR of new loans[5] (%)	71	**71**	**70**

1 Includes RAMS from September 2020 onwards. 2 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. Sep-21 and Mar-22 re-stated for classification changes between 'On time' and '<1 month' ahead categories. 3 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. 4 Weighted average LVR calculation considers size of outstanding balances. 5 Average LVR of new loans is on rolling 6 months.

Balance sheet funding and liquidity.

Funding composition (%)

By residual maturity



Customer deposits 70% of total funding excluding equity

Key funding and liquidity measures

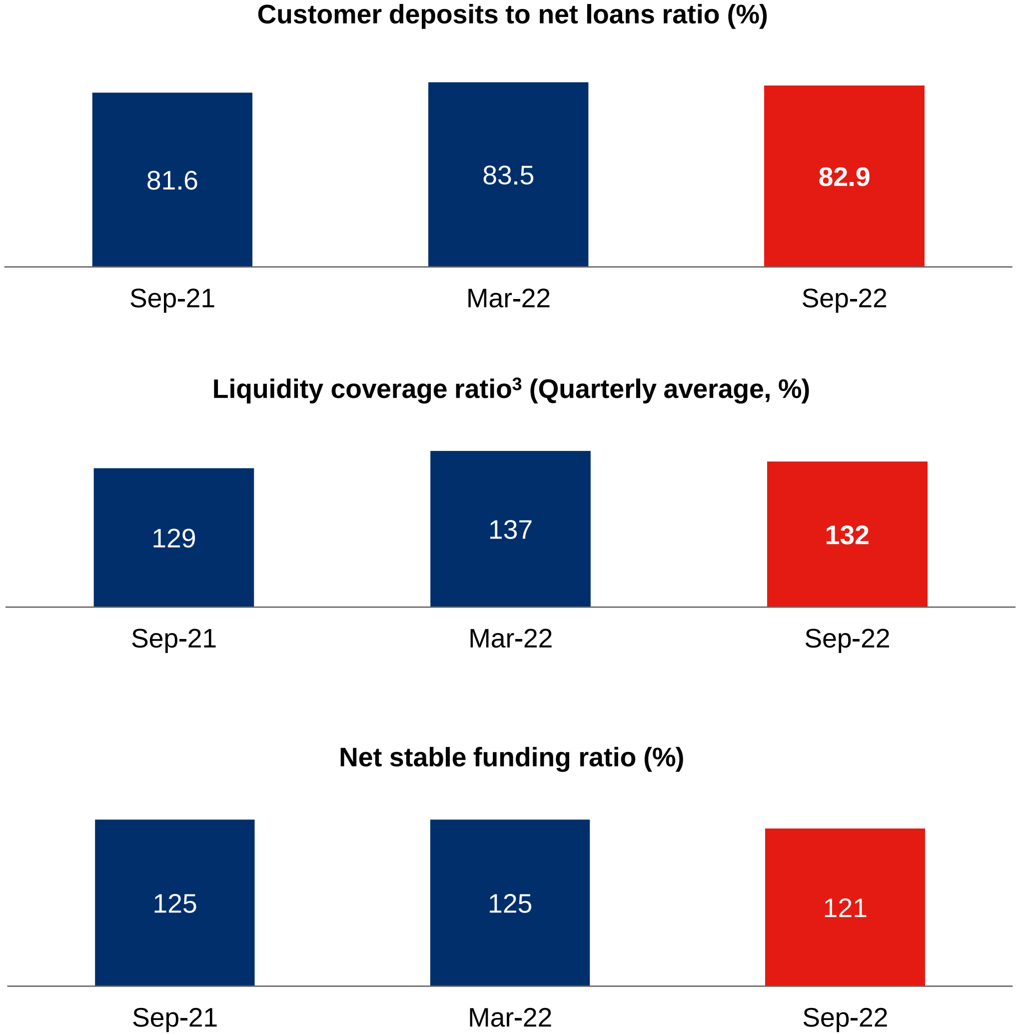


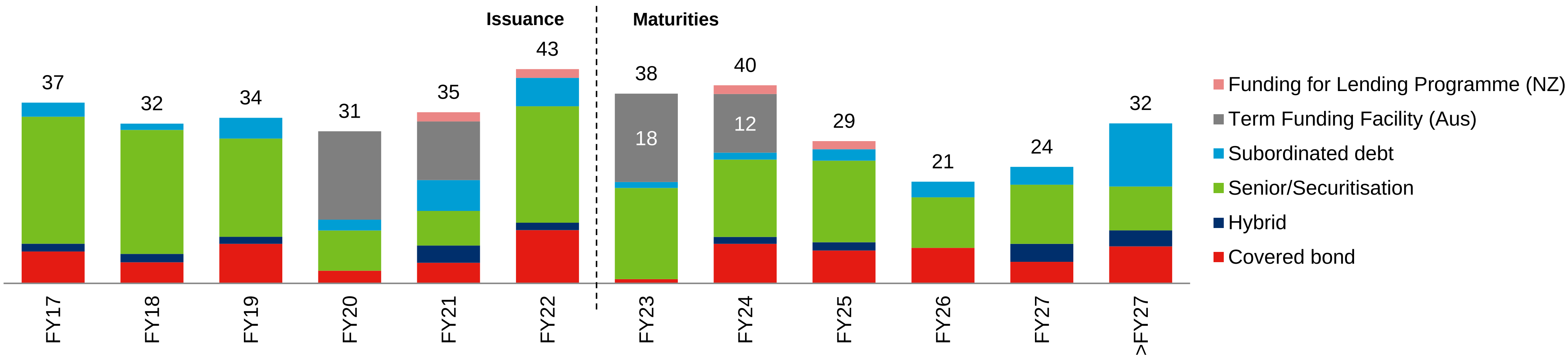
Chart does not add to 100 due to rounding

1 Includes long term wholesale funding with a residual maturity less than or equal to 1 year. 2 Equity excludes FX translation, Available-for-Sale securities and Cash Flow Hedging Reserves. 3 LCR is calculated as the percentage ratio of stock of liquid assets over the total net cash outflows in a modelled 30 day defined stressed scenario. Liquid assets include HQLA as defined in APS 210, RBNZ eligible liquids and CLF eligible securities.

Long term wholesale funding.

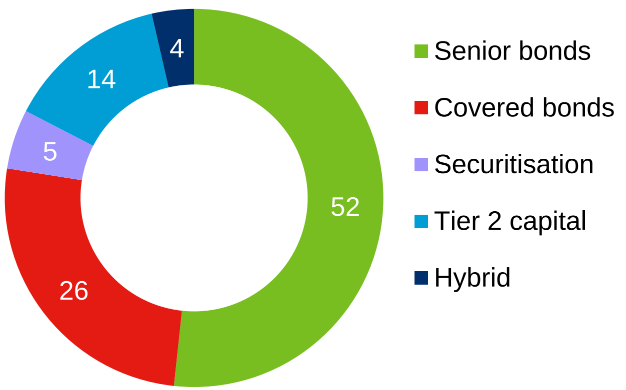
$43 billion in new term funding, including $4 billion pre-funding.

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

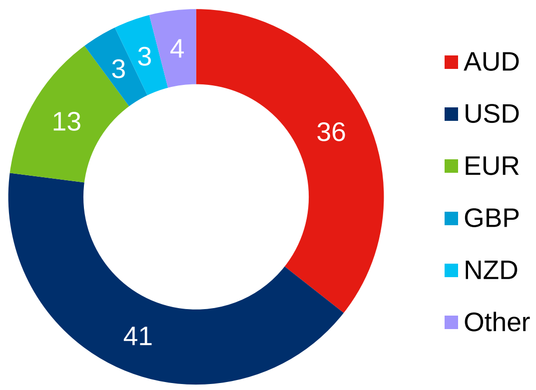


FY22 term debt issuance[2] (%)

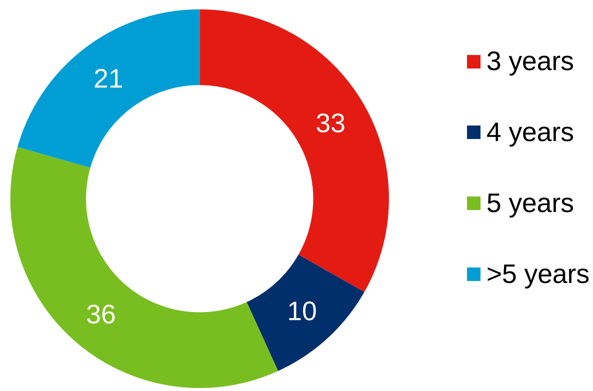
By program (%)



By currency (%)



By tenor (%)



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. Perpetual sub-debt has been included in >FY27 maturity bucket. Maturities exclude securitisation amortisation. 2 Data excludes Funding for Lending Programme. The programme allows eligible banks to borrow directly from the RBNZ at the official cash rate (OCR). The programme started on 7 December 2020 and ran until 6 June 2022 for the initial allocations, and will run until 6 December 2022 for the additional allocations.

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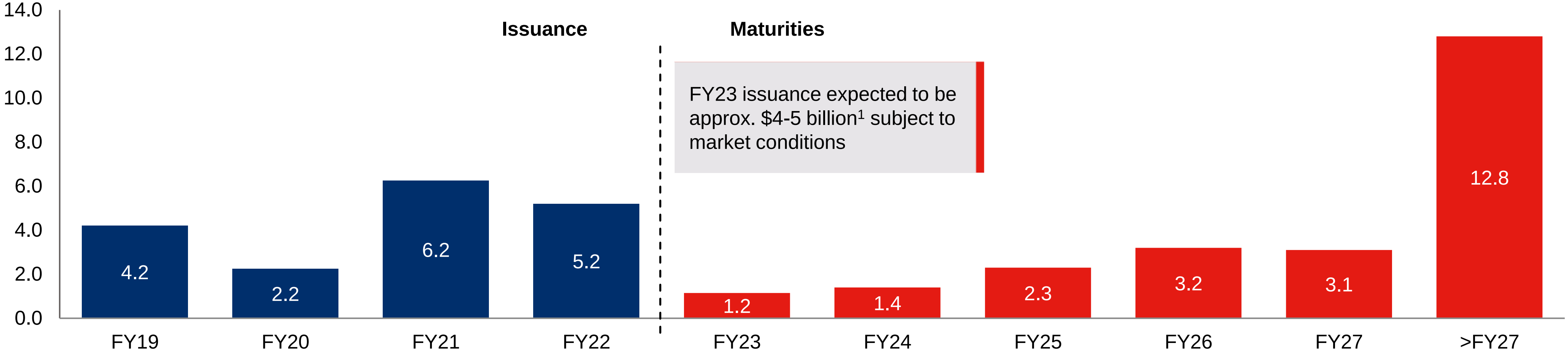
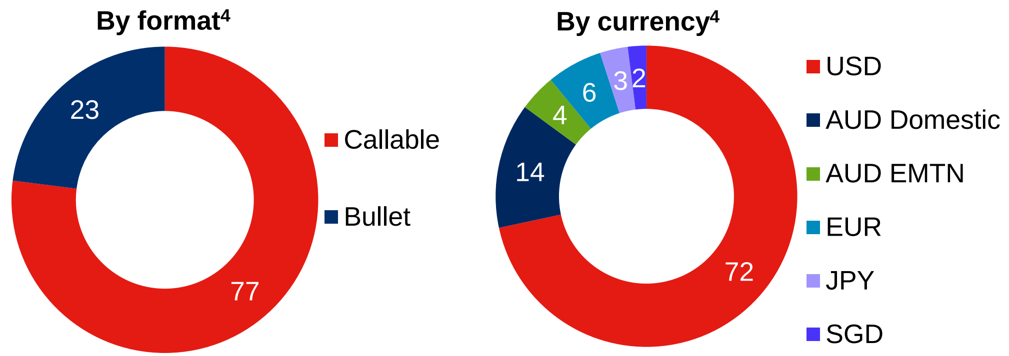
Tier 2 capital issuance and maturities.

Westpac Tier 2 issuance and calls/maturities[1,2,3] (notional amount, A$bn)



Loss Absorbing Capacity (LAC) Requirements (%)

Westpac Tier 2 capital[1] (notional amount, %)



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1 Excludes Westpac New Zealand Limited. RBNZ Tier 2 does not count for APRA TLAC requirements. 2 Represents AUD equivalent notional amount using spot FX translation at date of issue for issuance and spot FX translation at 30 September 2022 for maturities. 3 Securities in callable format profiled to first call date. Securities in bullet format profiled to maturity date. 4 Represents AUD equivalent notional amount using spot FX translation at 30 September 2022.

Australian and New Zealand economic forecasts.

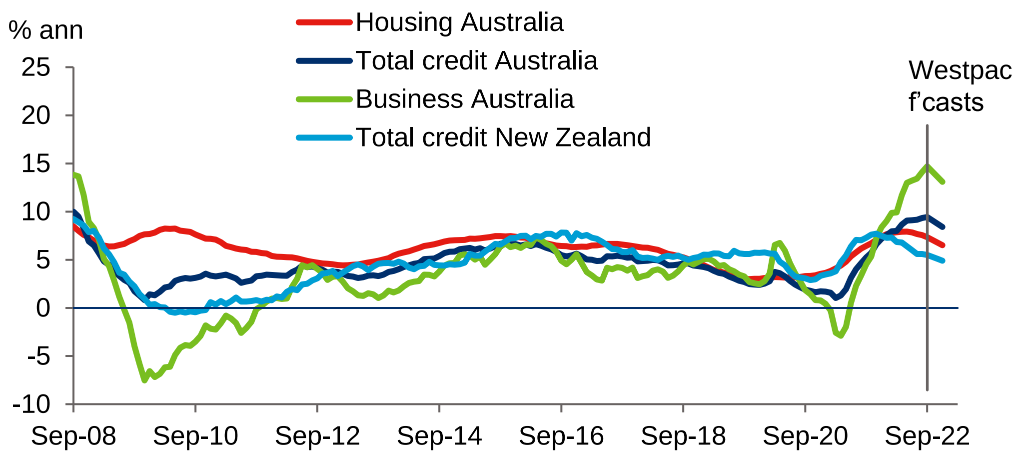
Key economic indicators (%) at November 2022		2021		2022				2023		Calendar years			
		Q3	Q4	Q1	Q2	Q3F	Q4F	Q1F	Q2F	2020	2021	2022F	2023F
World	**GDP[1]**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-3.0**	**6.0**	**3.2**	**3.0**
Australia	**GDP[2]**	**4.1**	**4.5**	**3.3**	**3.6**	**6.7**	**3.4**	**3.0**	**2.2**	**-0.7**	**4.5**	**3.4**	**1.0**
	Unemployment – end period	4.6	4.7	4.0	3.8	3.5	3.3	3.4	3.8	6.8	4.7	3.3	4.5
	CPI headline – year end	3.0	3.5	5.1	6.1	7.3	7.9	6.9	6.0	0.9	3.5	7.9	4.1
	Interest rates – cash rate	0.10	0.10	0.10	0.85	2.35	3.10	3.60	3.85	0.10	0.10	3.10	3.85
New Zealand	**GDP[2]**	**-0.4**	**3.0**	**1.0**	**0.4**	**5.0**	**2.5**	**3.3**	**2.0**	**0.3**	**3.0**	**2.5**	**1.6**
	Unemployment – end period	3.3	3.2	3.2	3.3	3.3	3.3	3.5	3.6	4.9	3.2	3.3	3.8
	Consumer prices	4.9	5.9	6.9	7.3	7.2	6.2	5.7	4.9	1.4	5.9	6.2	4.1
	Interest rates – official cash rate	0.25	0.75	1.00	2.00	3.00	4.25	4.75	5.00	0.25	0.75	4.25	5.00

Sources: IMF, RBA, Statistics NZ, Westpac Economics

Key economic indicators (%) at November 2022		2020	2021	2022F	2023F
Australia	**Credit growth**				
	Total – year end	1.7	7.2	8.4	2.7
	Housing – year end	3.5	7.4	6.5	3.6
	Business – year end	0.8	8.4	13.0	2.0
New Zealand	**Credit growth**				
	Total – year end	3.3	7.5	4.9	3.2
	Housing – year end	8.3	10.5	4.9	2.8
	Business – year end	-2.7	3.6	5.3	4.3

Sources: RBA, Statistics NZ, Westpac Economics

Private sector credit growth (% ann)



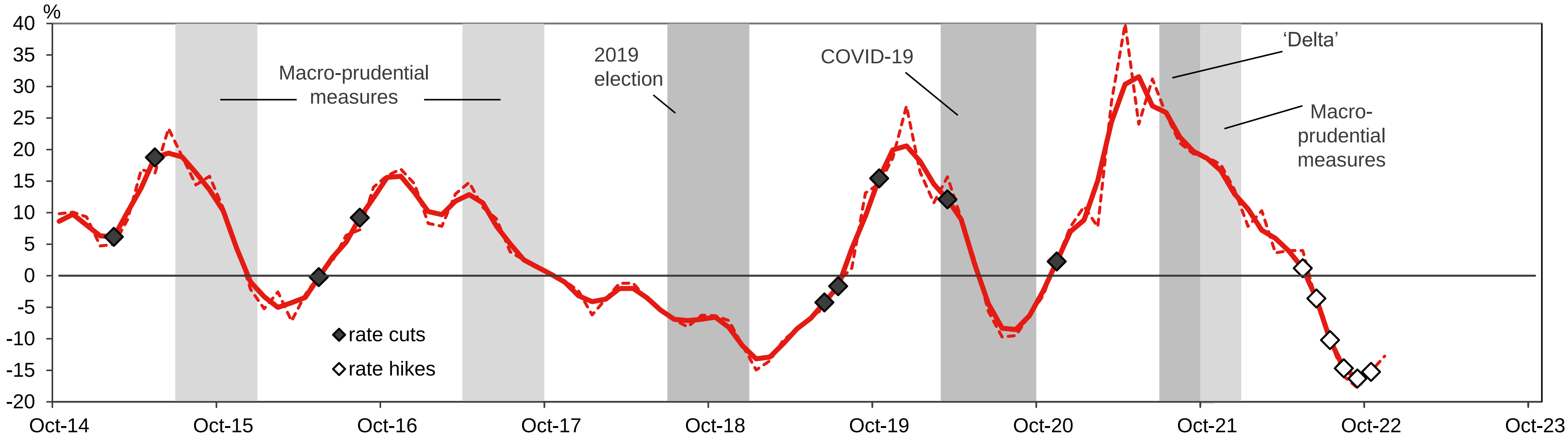
Sources: RBA, Westpac Economics

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

Australian housing market.

Entering a significant correction phase; stabilisation expected late 2023.

Australian dwelling prices (%, 3 month annualised)



Sources: CoreLogic, Westpac Economics

Dwelling prices (% change over period)

Capital city	Pop'n	Last 3 mths (to Oct-22)	Last 12 mths (Oct-22)	Last 5 years (to Oct-22)
Sydney	5.4m	Down 5.3%	Down 8.6%	Up 9.7%
Melbourne	5.1m	Down 3.1%	Down 5.6%	Up 4.3%
Brisbane	2.6m	Down 5.4%	Up 8.4%	Up 36.0%
Perth	2.1m	Down 0.7%	Up 4.0%	Up 18.2%

Sources: CoreLogic, Westpac Economics

Westpac Economics dwelling price forecasts (annual %)

Capital city	Pop'n	avg*	2020	2021	2022f	2023f	2024f
Sydney	5.4m	6.3	2.7	25.3	-10	-8	1
Melbourne	5.1m	5.0	-1.3	15.1	-8	-10	1
Brisbane	2.6m	4.9	3.6	27.4	2	-6	3
Perth	2.1m	1.1	7.3	13.1	2	-4	3
Australia	**26m**	**5.1**	**1.8**	**20.9**	**-6**	**-8**	**2**

* average last 10yrs
Sources: CoreLogic, Westpac Economics

Further information
Westpac Group

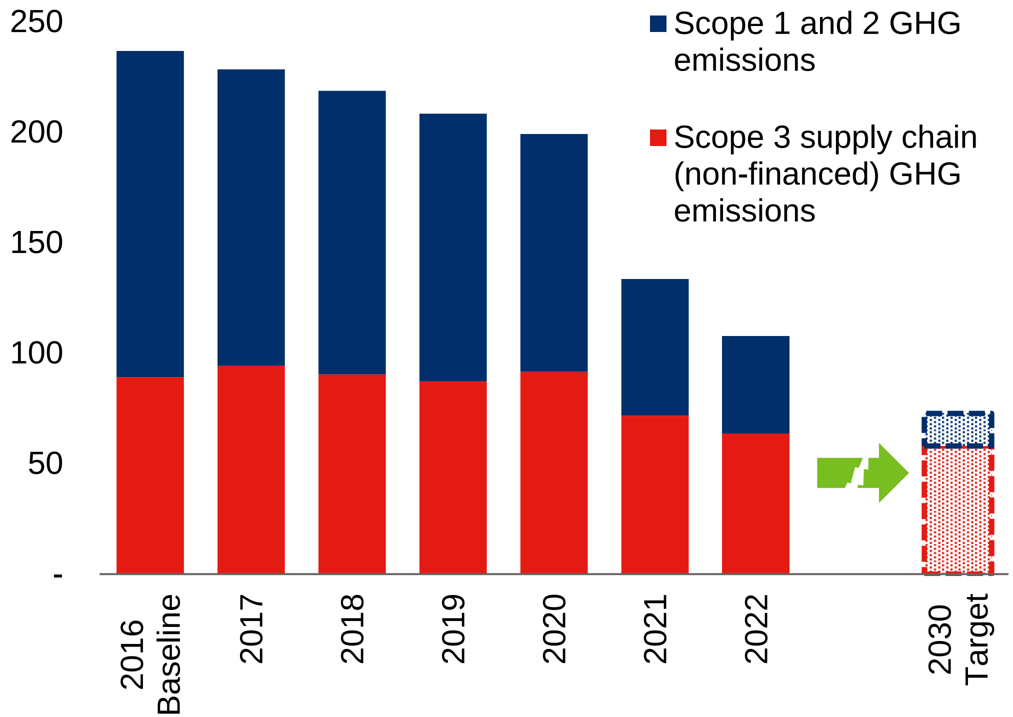
Net-zero, climate resilient operations.

Targets	Progress	
Reduce Scope 1 and 2 GHG emissions by 85% by 2025 and 90% by 2030 against <u>2016</u>	**70% reduction** since 2016	**29% reduction** in 2022
Reduce Scope 3 supply chain GHG emissions[1] by 35% by 2030 against <u>2016</u>	**29% reduction** since 2016	**12% reduction** in 2022
Maintain carbon neutral certification	**Maintained** carbon neutral certification[2]	
Source equivalent of 100% of global electricity consumption from renewable sources by 2025	**52% in 2022[3]**	

Westpac Group Operational GHG[4] Emissions[5] (tCO_2-e)

Before carbon offsets

Thousands



Updated target baselines and Scope 3 supply chain ambition – we will report on these new targets from FY23

- Scope 1 and 2 direct operational absolute emissions reduction target updated to 64% by 2025 and 76% by 2030, relative to a 2021 baseline[6]
- Scope 3 supply chain (non-financed) absolute emissions reduction target updated to 50% by 2030, relative to a 2021 baseline[7]

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Supporting customers' transition to net-zero.

FY22 highlights

- Largest bank lender to greenfield renewable energy projects in Australia over the past five years[1]
- Achieved over $1.9 billion in new lending[2] to climate change solutions[3]
- Continued to discuss climate change with WIB customers as a regular part of our engagement, particularly in sectors that have high emissions or significant transition risk
- Supported WIB and Westpac New Zealand (WNZL) customers across 69 Sustainable Finance transactions with a total volume of $108 billion[4]
- WNZL supported nine customers with Sustainability-Linked Loans – Sustainability Coordinator[5] for seven and the Sole Sustainability Coordinator or Green Bond Advisor on all four inaugural Green and Sustainability Bond issuances

Investing in the opportunity

Building banker capability

- ~3,000 employees completed ESG fundamentals training
- 1,100+ employees completed half-day training in partnership with Monash University and ClimateWorks

Mobilising sustainable finance

- Finance for low carbon transition and new scalable technologies
- First sustainability-linked loan in manufacturing sector in Australia[6]

Extending our product suite

- Introduced a loan for hybrid and electric cars
- Partnered with fintech Cogo to help customers track carbon footprint[7]
- WNZL piloted new Sustainable Agribusiness Loan[8]; expanded loan offerings to enable customers to make their homes warmer, drier and/or more energy efficient
- Expanded Carbon Trading Desk capability in Australia[9]

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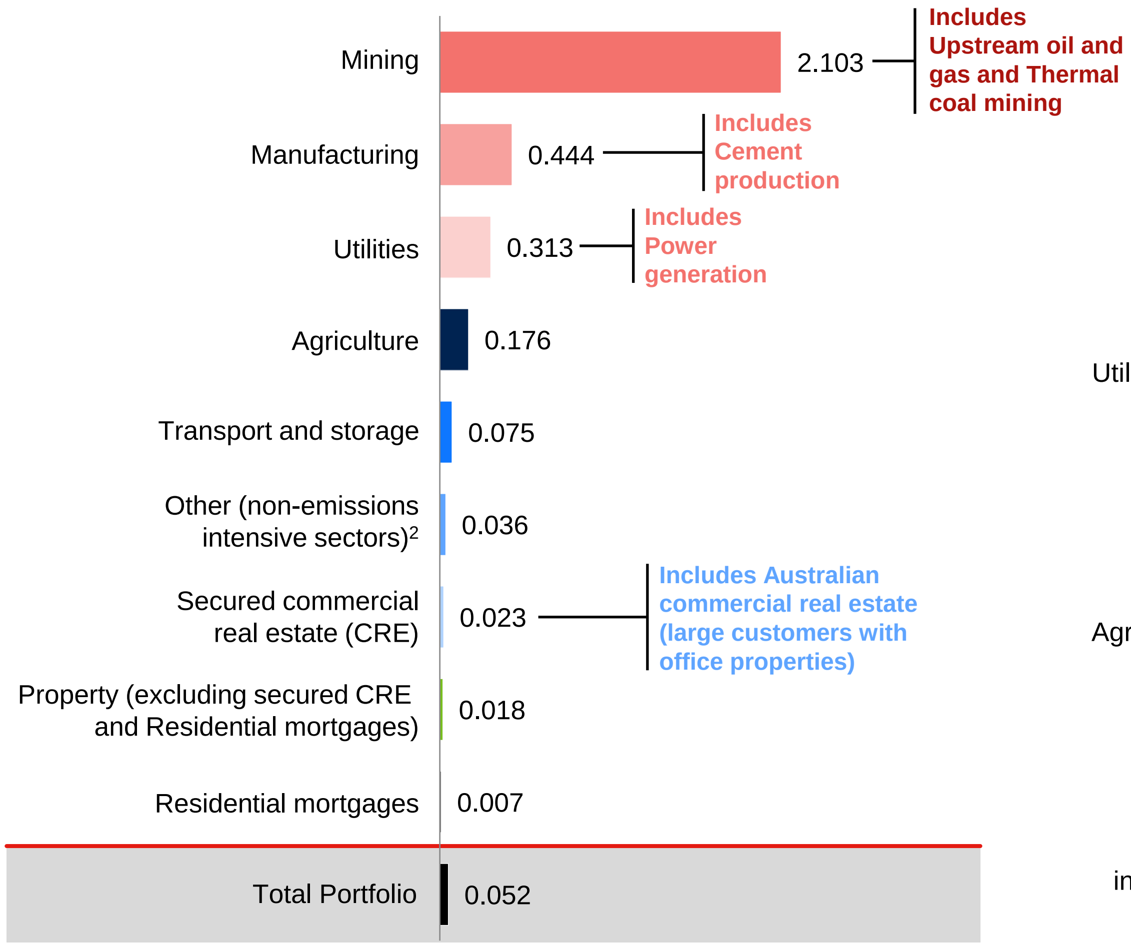
Understanding our financed emissions.

Our approach to reporting our estimated financed emissions.

Refer to our **'Net-Zero 2030 Targets and Financed Emissions – our methodology and approach'** disclosure on our website for more information on our financed emissions analysis, including data sources, assumptions and limitations.

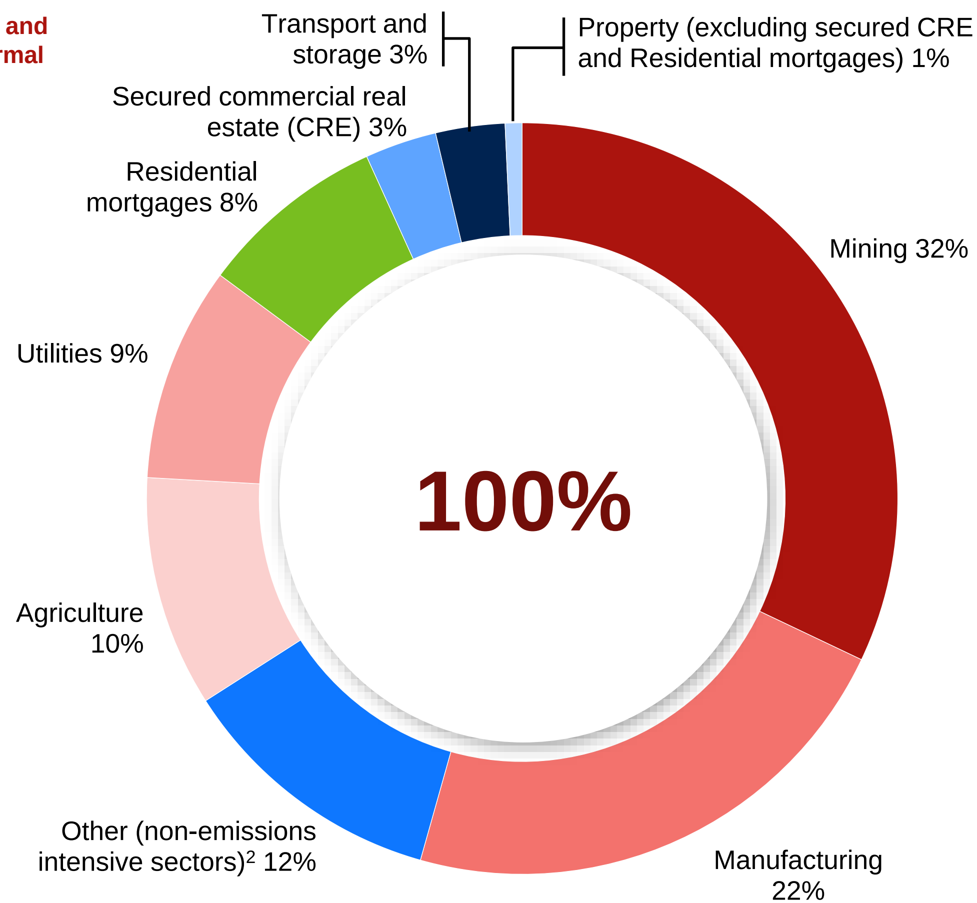
Westpac's estimated financed emissions[1] intensity

(FY22; kgCO_2-e per $ for in-scope exposures)



Westpac's estimated financed absolute emissions[1]

(% of FY22 total absolute emissions for in-scope exposures)



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Climate-related metrics.

TCE exposure to customers in the Energy Sector Value Chain ($bn)[1].

For more information, refer to our 2022 Sustainability Index and Datasheet and 'Net-Zero 2030 Targets and Financed Emissions – our methodology and approach' disclosures. Apart from Thermal coal in FY22, definitions used for sectors in the Energy Sector Value Chain currently differ from those used for our 2030 sector targets and financed emissions reporting.

Mining and extraction

	FY22	FY21	FY20
Oil and gas extraction[2]	1.87	1.84	2.22
Oil and gas exploration[2]	0.00	0.33	0.56
Metallurgical coal	0.13	0.29	0.21
Metallurgical coal in diversified miners[3]	0.15	0.02	0.03
Thermal coal[4]	0.20	0.22	0.30

Transport

	FY22	FY21	FY20
Coal			
Rail	0.79	0.30	0.28
Port	0.35	0.32	0.44
LNG terminal[5]	0.69	0.52	0.57

Electricity generation[6]

	FY22	FY21	FY20
Gas	0.54	0.58	0.67
Black coal	0.18	0.19	0.27
Brown coal	0.05	0.03	0.03
Liquid fuel	0.06	0.12	0.12
Hydro	0.98	1.26	1.30
Other renewables	2.35	2.23	1.89

Oil and gas refining

	FY22	FY21	FY20
Oil and gas refining	0.64	0.58	2.02

Distribution and retail

	FY22	FY21	FY20
Oil and gas	2.58	2.10	1.32
Electricity and gas networks[6]	3.48	3.80	4.53
Electricity and gas retailers[6]	0.97	1.01	0.77

Update on variance between FY21 and FY22

- The energy sector is critical in the transition to a 1.5°C-aligned net-zero emissions economy and we have a role in supporting this change. Customers and transactions in these sectors are assessed using Westpac's ESG Credit Risk Policy, which includes our Climate Action Plan commitments
- **This year, movements in customer exposures have partly been due to commodity prices and exchange rate movements, particularly where exposures are mostly in US$, such as the Oil and Gas sector**
- In future, we aim to modify our reporting of Energy Sector Value Chain exposure to align with reporting progress against our 2030 sector targets

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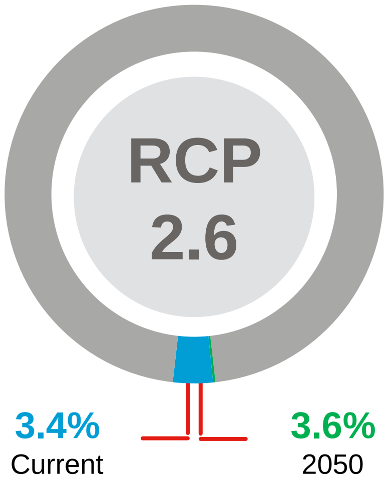
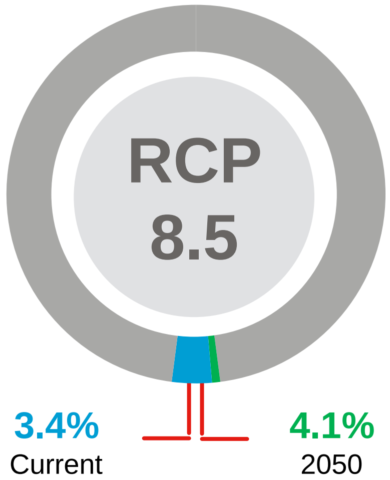
Physical and transition risk metrics.

Analysis suggests that overall potential risk exposures are likely to be low.

Potential physical risk[1] exposure in our Australian mortgage portfolio[2] (%)

% represents proportion of our Australian mortgage portfolio that may be at risk under these climate change scenarios[2]





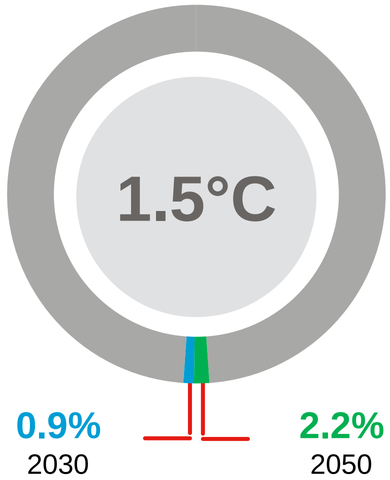
We used Intergovernmental Panel on Climate Change (IPCC) Representative Concentration Pathways (RCP) scenarios for the analysis

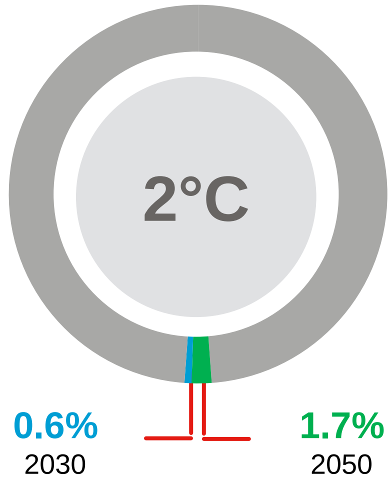
RCP2.6 represents a lower warming scenario indicative of 2°C warming by 2100

RCP8.5 represents a higher warming scenario indicative of 4°C warming by 2100

Potential transition risk exposure to 2030 and 2050 in our Australian business and institutional lending portfolio[3] (%)

% represents proportion of our lending portfolio that may be at risk under these climate change scenarios[3]





We analysed scenarios of how the Australian economy and major industry sectors might perform when constrained in line with transition pathways

1.5°C represents a rapid decarbonisation scenario

2°C represents a decarbonisation scenario

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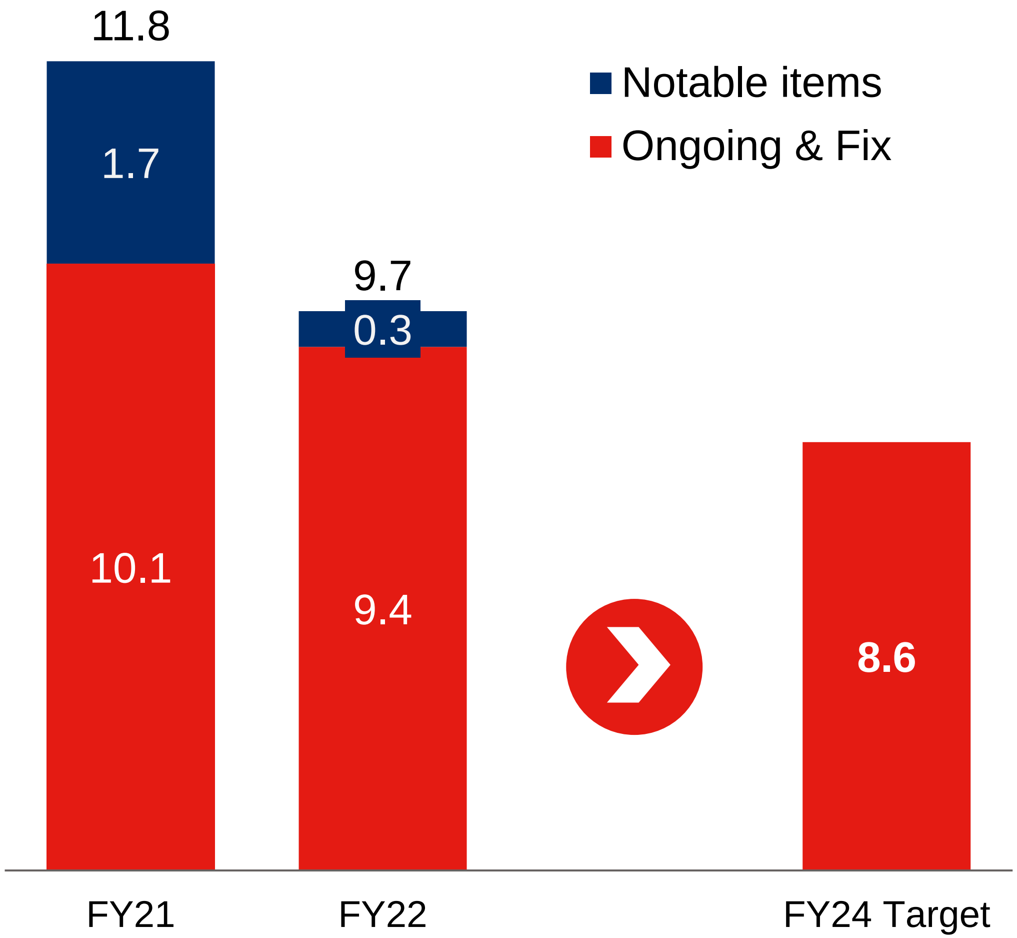
Revised cost target of $8.6bn by FY24.[1]

We are committed to reducing costs by FY24

- We revised our FY24 Target as
  - Inflation[2] higher than initially assumed
  - Persistence of some regulatory and compliance costs beyond FY23
- Revised target[3] excludes
  - Specialist Businesses segment
  - Acquisitions or notable items

Specialist Businesses ($m)[4]	FY21	FY22
Revenue	1,949	322
Expenses	1,478	1,047

Expenses, ex Specialist Businesses ($bn)



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Select cost reset targets.[1]

	Metric	FY20 baseline	FY22	FY24 target
Portfolio simplification	• Sale of non-core businesses • Completion of sales	1 under sale agreement	7 completed 2 under sale agreement	11 transactions completed[8]
Business simplification	• Mortgages processed on digital origination platform[2]	32%	82%	100%
	• Consumer sales via digital[3]	42%	43%	70%
	• Branch transactions[4]	29 million	23 million	~40% less
	• Number of products[5]	1,191	805	~450
Organisational simplification	• Offshore locations[6]	8	7	4
	• Reduce third party and contractor spend >$200m per annum[7]		>$200m	>$200m p.a
	• Reduce head office roles – more than 20%		(12%)	(20%)

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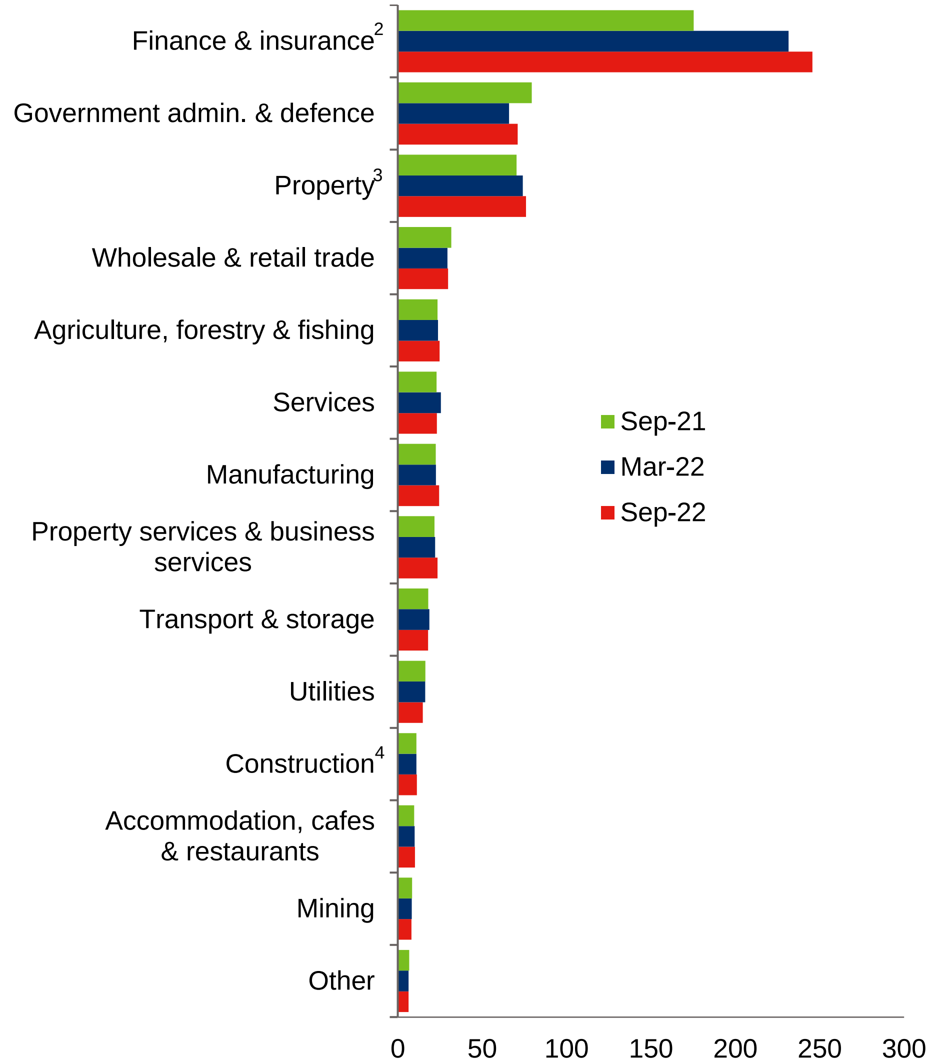
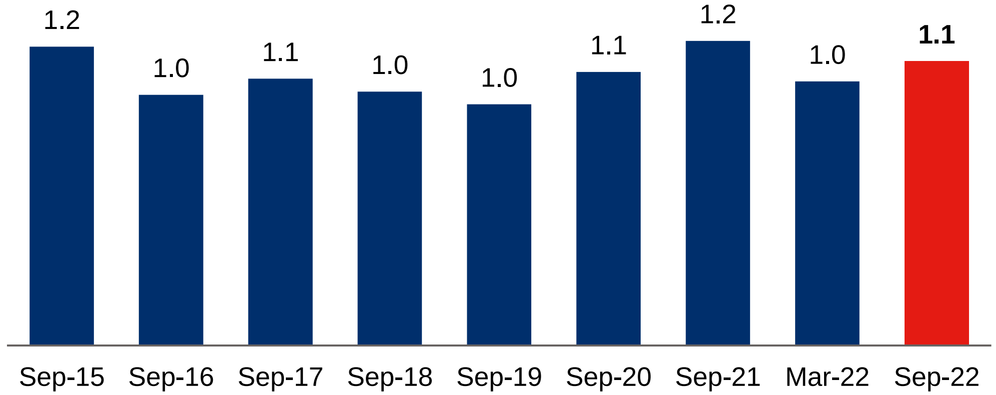
Loan portfolio composition.

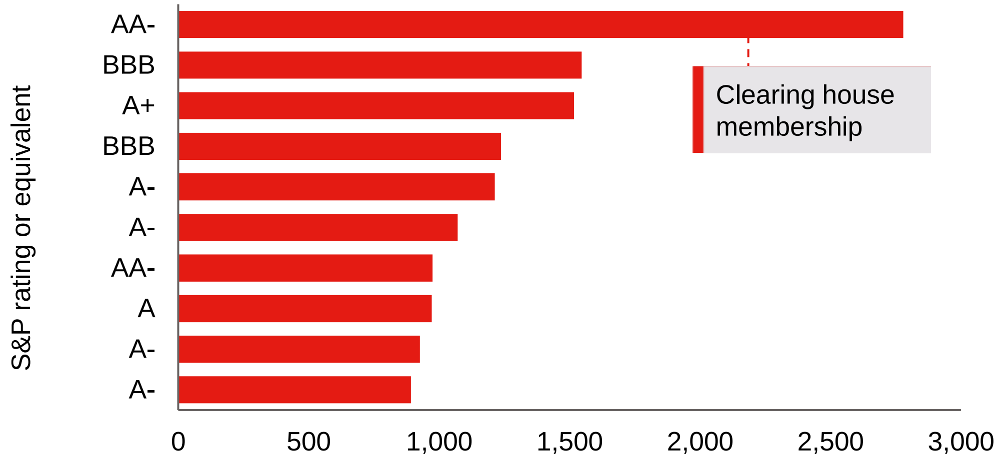
Exposures at default[1] by sector ($bn)



Top 10 exposures to corporations and NBFIs[5] (% of TCE)



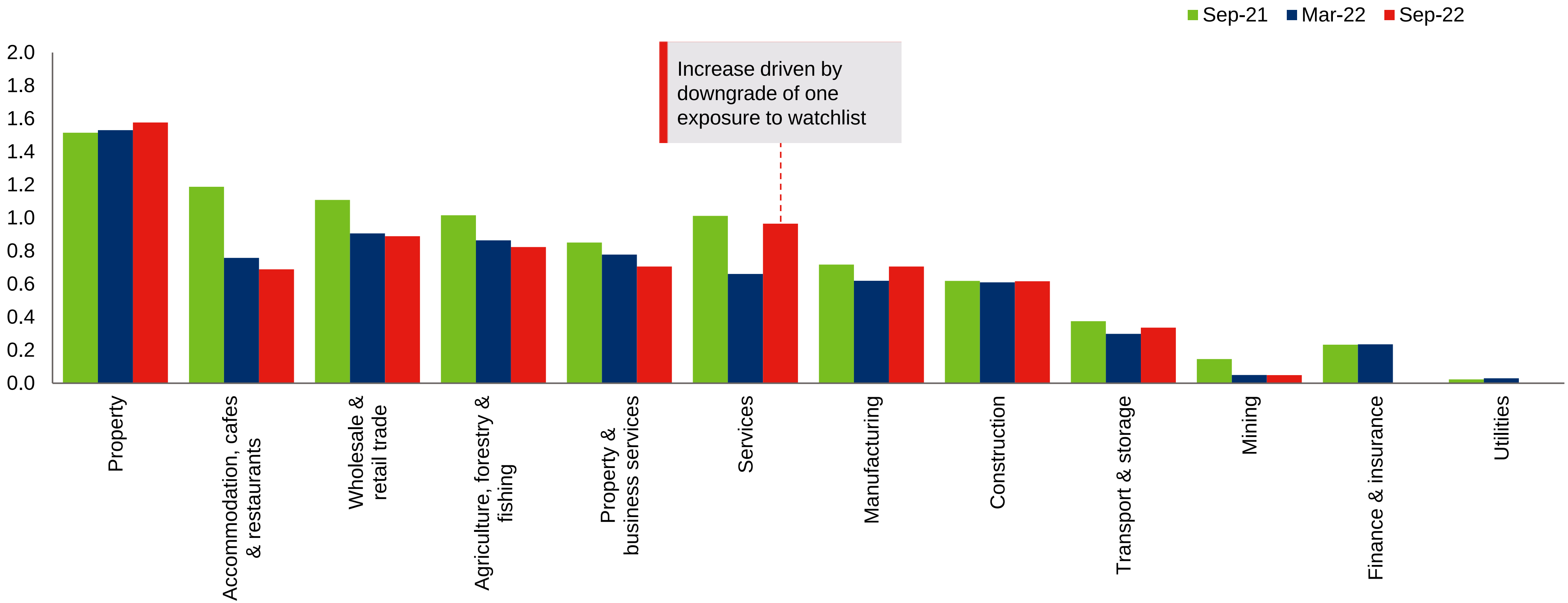
Top 10 exposures to corporations & NBFIs at 30 September 2022 ($m)



1 Exposures at default is an estimate of the committed exposure expected to be drawn by a customer at the time of default. Excludes consumer lending. 2 Finance and insurance includes banks, non-banks, insurance companies and other firms providing services to the finance and insurance sectors. 3 Property includes both residential and non-residential property investors and developers and excludes real estate agents. 4 Construction includes building and non-building construction, and industries serving the construction sector. 5 NBFI is non-bank financial institutions.

Credit quality across sectors.

Corporate and business stressed exposures by industry sector ($bn)



Stress to TCE by sector

Sector	Property	Accomm., cafes & restaurants	Wholesale & retail trade	Agriculture, forestry & fishing	Property & business services	Services[1]	Manufacturing	Construction	Transport & storage	Mining	Finance & Insurance	Utilities
Mar-22 (%)	2.1	7.6	3.1	3.7	3.6	2.8	2.7	5.5	1.7	0.6	0.1	0.2
Sep-22 (%)	**2.1**	**6.8**	**3.0**	**3.6**	**3.2**	**4.1**	**2.9**	**5.4**	**2.0**	**0.6**	**0.1**	**0.2**

1 Services includes education, health & community services, cultural & recreational and personal & other services.

Australian mortgage portfolio composition.

Australian mortgage portfolio	Sep-21 balance	Mar-22 balance	Sep-22 balance	2H22 flow[1]
Total portfolio ($bn)	455.6	458.3	**467.6**	**56.4**
Owner occupied (OO) (%)	63.7	64.8	**65.8**	**70.8**
Investment property loans (IPL) (%)	33.8	33.4	**32.6**	**29.2**
Portfolio loan/line of credit (LOC) (%)	1.9	1.7	**1.6**	**0.1**
Variable rate / Fixed rate (%)	62/38	60/40	**63/37**	**89/11**
Interest only (I/O) (%)	15.8	14.2	**13.5**	**16.4**
Proprietary channel (%)	52.8	52.7	**51.8**	**43.6**
First home buyer (%)	9.6	10.4	**10.1**	**8.2**
Mortgage insured (%)	15.8	15.4	**14.7**	**12.2**
	Sep-21	**Mar-22**	**Sep-22**	**2H22 Flow[1]**
Average loan size[2] ($'000)	277	280	**286**	**443**
Customers ahead on repayments including offset account balances (%)				
By accounts	74	74	**74**	
By balances[3]	68	68	**68**	
Mortgage losses net of insurance ($m, for 6 months ending)	27	28	**2**	
Annual mortgage loss rate[4] (bps)	2	1	**<1**	

Australian mortgage portfolio and 2H22 flow by product and repayment type (%)

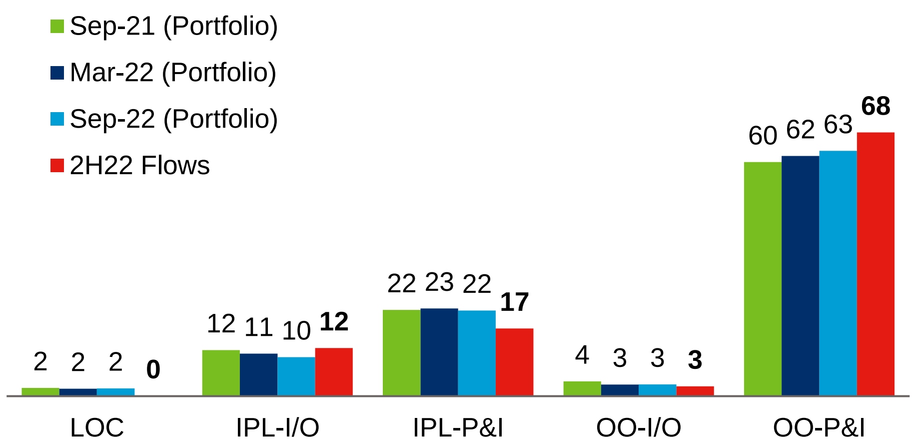


Chart does not add to 100 due to rounding.

Australian fixed rate mortgage expiry schedule ($bn, every 6 months to)

Chart does not add due to rounding.

1 Flow is new mortgages settled in the 6 months ended 30 September 2022. 2 Includes amortisation. Calculated at account level, where split loans represent more than one account. 3 Sep-21 and Mar-22 re-stated for classification changes between 'On time' and '<1 month' ahead categories. Loans ahead on payments exclude equity/line of credit products as there are no scheduled principal payments. 4 Mortgage loss rates for March balances are annualised, based on losses for the 6 months. Mortgage loss rates for September are actual losses for the 12 months ending.

Australian mortgage portfolio loan-to-value ratios.

Australian home loan customers ahead on repayments[1] (% by accounts)

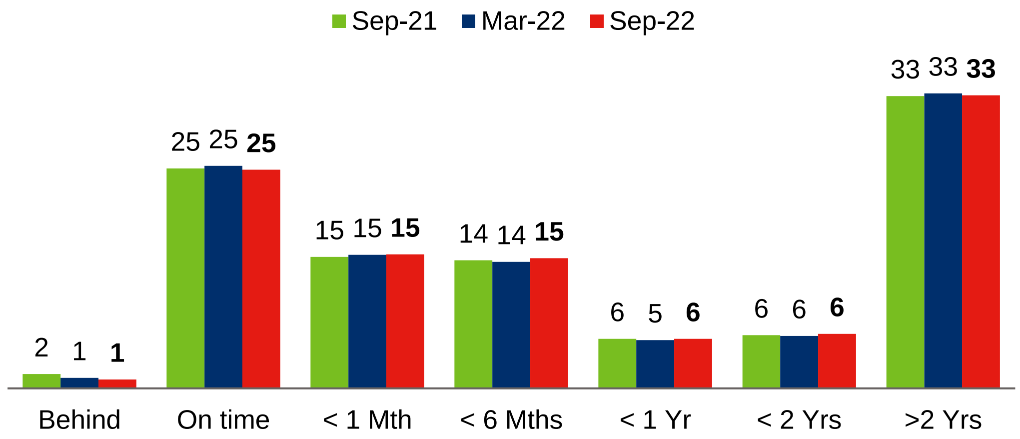


Chart does not add to 100 due to rounding.

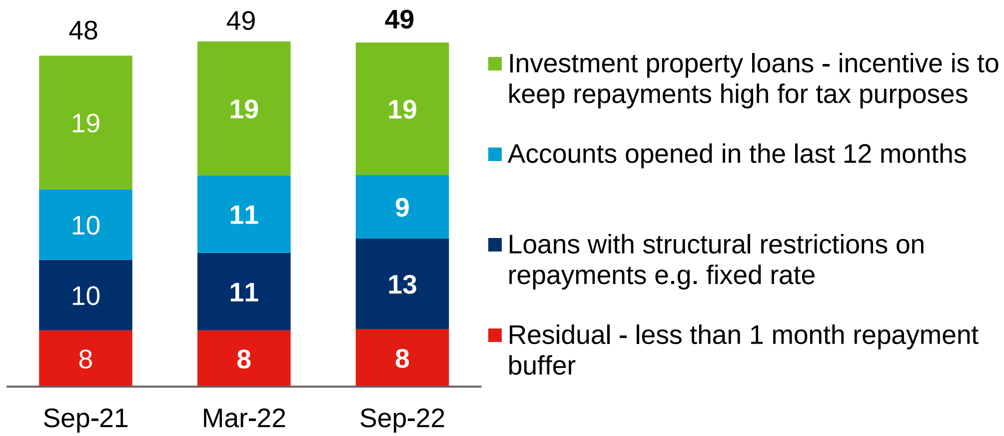
Serviceability assessment creates a buffer for borrowers

- Loans are assessed at the higher of
  - The customer rate, including any life-of-loan discounts, plus the serviceability buffer of 3.0% (up from 2.5% in October 2021);

  or

  - The minimum assessment rate, called the “floor rate”, currently 5.05%
- Interest only (I/O) loans are assessed based on the residual principal and interest (P&I) term using the applicable P&I rate, plus a 3.0% buffer
- Fixed rate loans are assessed on the variable rate to which the loan will revert after the fixed period, plus a 3.0% buffer

Loans ‘on time’ and <1 mth ahead (% of balances)



Applicant gross income band (2H22 drawdowns, % by approved limits)

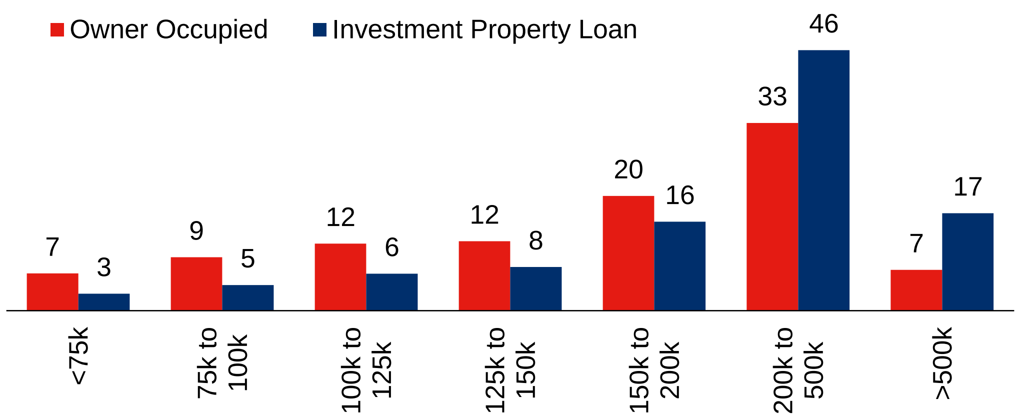


Chart does not add to 100 due to rounding.

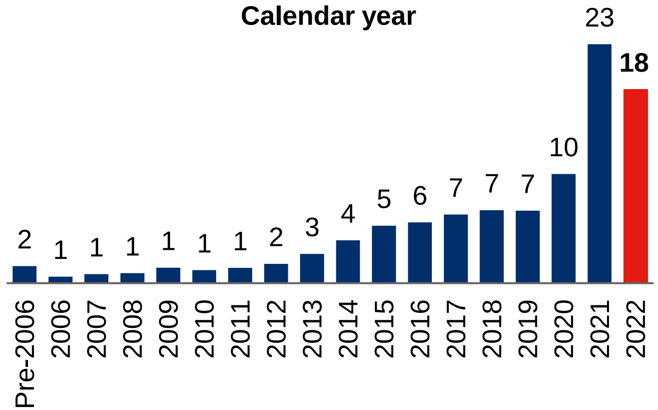
1 Customer loans ahead on payments exclude equity/line of credit products as there are no scheduled principal payments. Includes mortgage offset accounts. ‘Behind’ is more than 30 days past due. ‘On time’ includes up to 30 days past due. Sep-21 and Mar-22 re-stated for classification changes between ‘On time’ and ‘<1 month’ ahead categories. .

Australian mortgage portfolio underwriting.

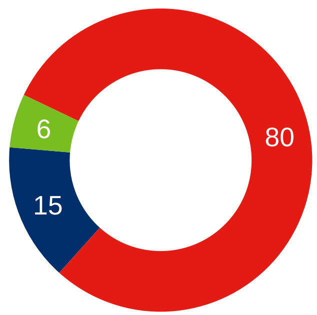
Credit policy at September 2022

Income	• Verified via payslips, tax returns or salary credits, with other supporting documentation such as PAYG payment summaries or ATO Statements (minimum standards apply) • Shading of at least 20% applies to less certain income sources i.e. overtime, bonuses
Credit Score & Credit Bureau	• Bespoke application scorecards segmented by new and existing customers • Credit and score override rates tracked and capped • Credit bureau checks required
Expenses	• Assessed as the higher of a borrower's HEM[1] comparable expenses or HEM plus any expenses that are not comparable to HEM (e.g. private school fees, life insurance) • HEM is applied by income bands, post settlement postcode location, marital status and dependants • 17 expense categories used, aligned with Melbourne Institute guidelines and LIXI standards
Serviceability assessment	• For serviceability assessment, loans are assessed at the higher of: - The customer rate, including any life-of-loan discounts, plus the serviceability buffer of 3.0% (up from 2.50% in October 2021), or - The minimum assessment rate, called the "floor rate", currently 5.05% (from October 2020, previously 5.35%) • For I/O Loans, serviceability is assessed on a P&I basis over the residual term • Fixed rate loans assessed on the variable rate to which the loan will revert after fixed period • All existing customer commitments are verified • Review Westpac Group accounts and Comprehensive Credit Reporting (CCR) to identify customer commitments • Limits apply to higher debt-to-income lending; above 7x referred for manual credit assessment • Credit card repayments assessed at 3.8% of limit or balance whichever is higher
Genuine savings deposit requirements	• Minimum 5% proof of genuine savings for higher LVR loans (typically LVR >90%). Any Home Owners Grants are not considered genuine savings
Security	• LVR restrictions apply depending on location, property value and nature of security • Restrictions on high-density apartments based in postcode defined areas (generally capital city CBD's) and properties in towns heavily reliant on a single industry (e.g. mining, tourism)
LMI	• Mortgage insurance for higher risk loans, such as LVRs >80%. Special package policy waivers apply for certain professionals and Westpac staff

Australian mortgage portfolio by year of origination (% of total book)



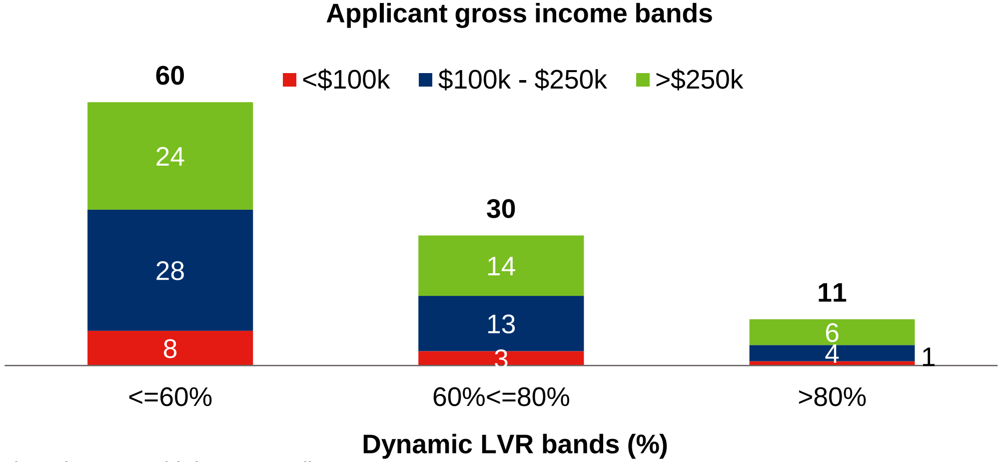
Australian mortgage portfolio by insurance profile[2] (%)



1 HEM is the Household Expenditure Measure, produced by the Melbourne Institute. 2 In Second Half 2021 Westpac Lender's Mortgage Insurance Limited was sold to Arch Capital Group. The sale was completed on 31 August 2021. Westpac has entered into a 10-year exclusive supply agreement for Arch to provide lenders mortgage insurance to the Group. 3 Includes loans where LMI applies to >70% LVR loans, for example, single industry towns.

Australian interest only and investment property lending.

Interest only (I/O) lending by dynamic LVR[1] and income band (% of total I/O lending)



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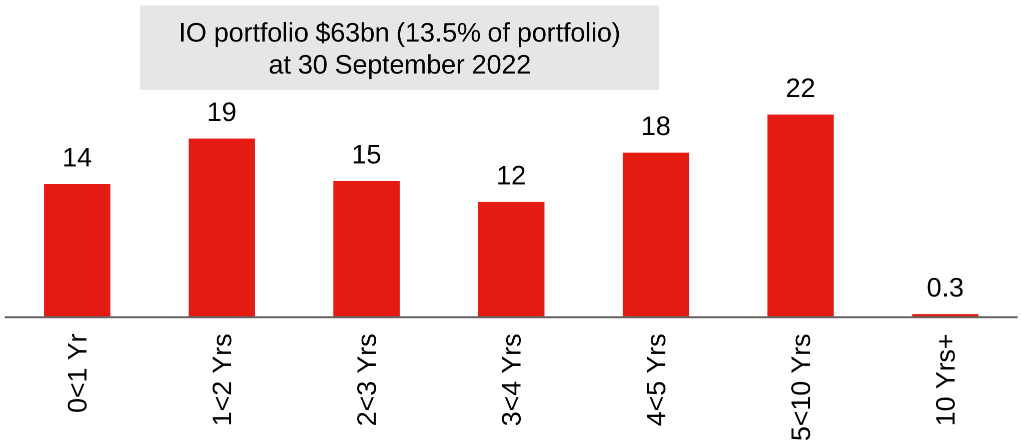
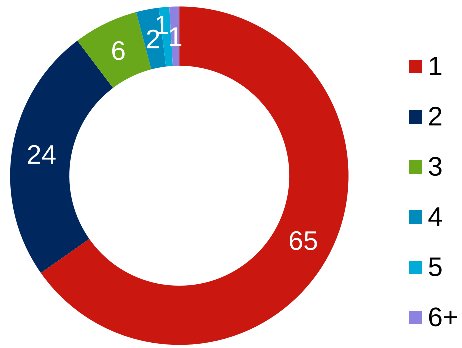
Scheduled I/O term expiry[2] (% of total I/O loans)



Investment property portfolio by number of properties per customer (%)



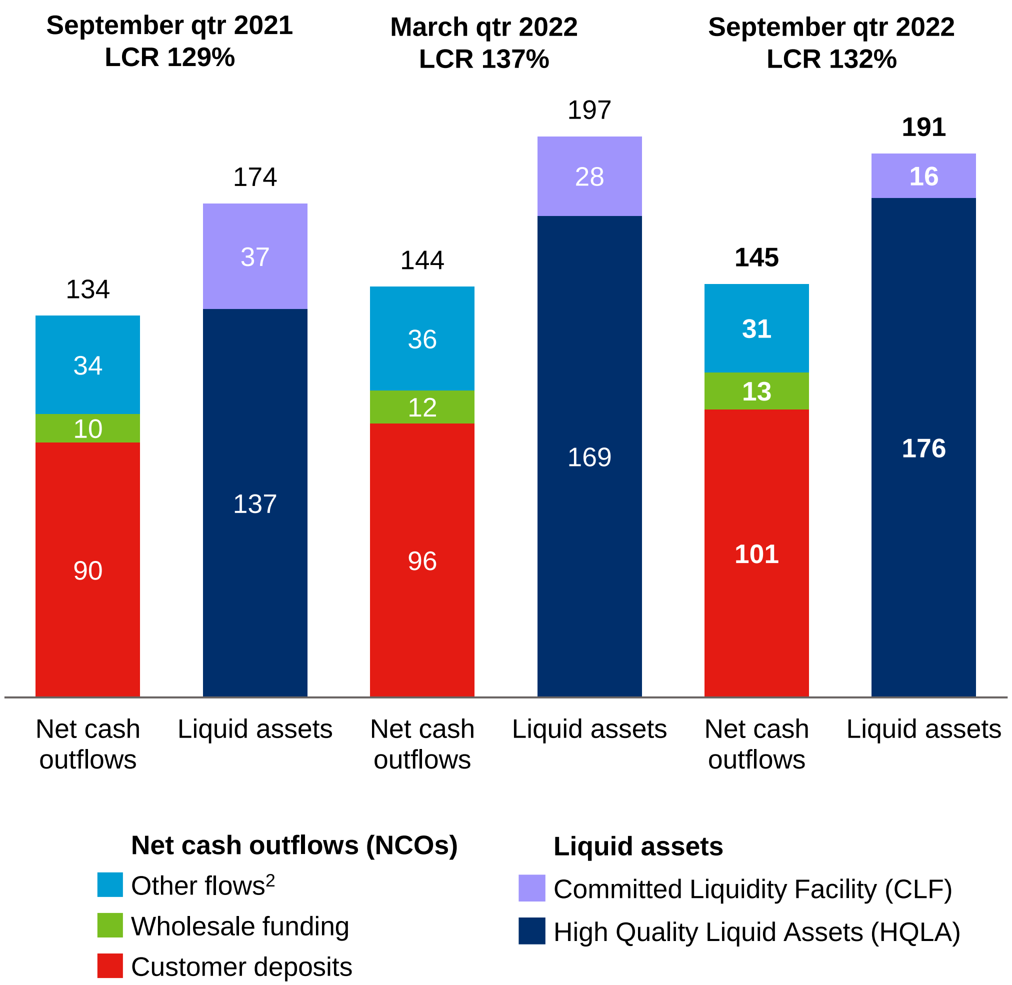
Investment property lending (IPL) portfolio		Sep-21	Mar-22	Sep-22
Investment property loans ($bn)		154	153	**152**
Weighted averages	LVR of IPL loans at origination (%)	72	71	**71**
	LVR of new IPL loans in the period (%)	70	70	**70**
	Dynamic LVR[1] of IPL loans (%)	50	47	**49**
Average loan size[3] ($'000)		318	321	**326**
Customers ahead on repayments including offset accounts[4] (%)		61	61	**60**
90+ day delinquencies (bps)		109	89	**75**
Annualised loss rate (net of insurance claims) (bps)		2	2	**1**

1 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. 2 Based on outstanding balance. Excludes line of credit loans, I/O loans without date (including bridging loans and loans with construction purpose) and I/O loans that should have switched to P&I but for the previously announced mortgage processing error. 3 Includes amortisation. Calculated at account level where split loans represent more than one account. 4 Customer loans ahead on payments exclude equity/line of credit products as there are no scheduled principal payments.

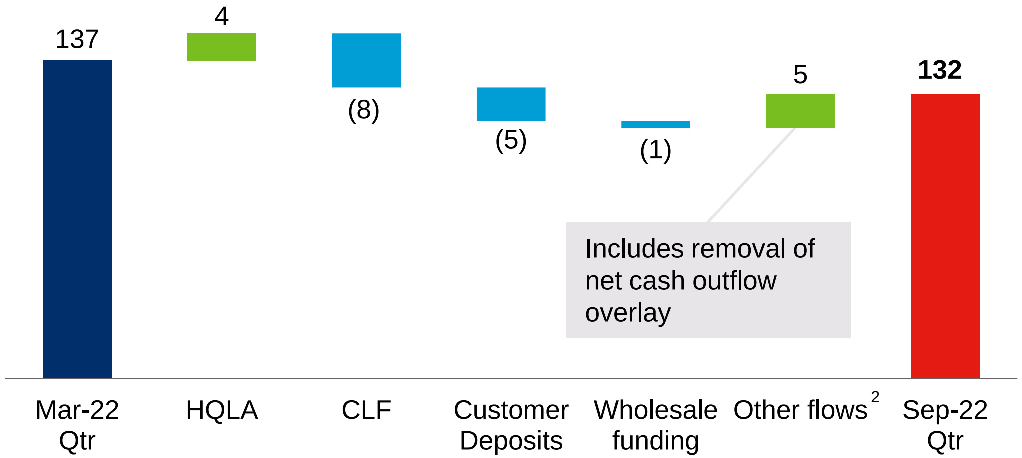
Liquidity coverage ratio 132%.

CLF reduction almost complete.

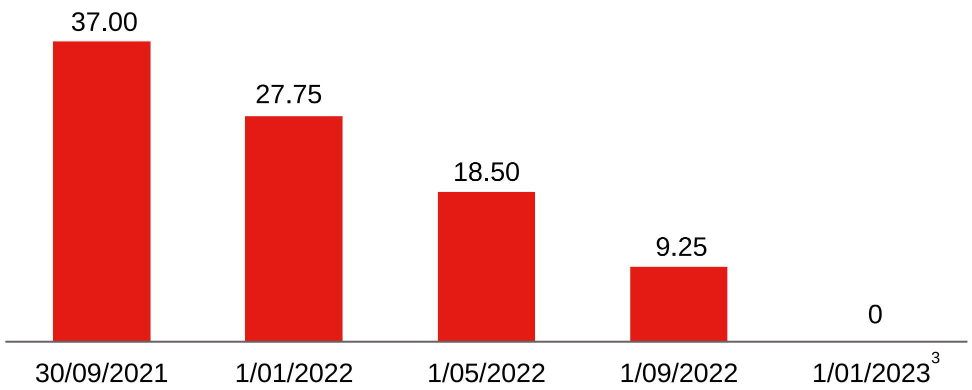
Liquidity coverage ratio[1] (LCR) (quarterly average, $bn)



Liquidity coverage ratio[1] (quarterly average, %)



Westpac CLF phase-out ($bn)



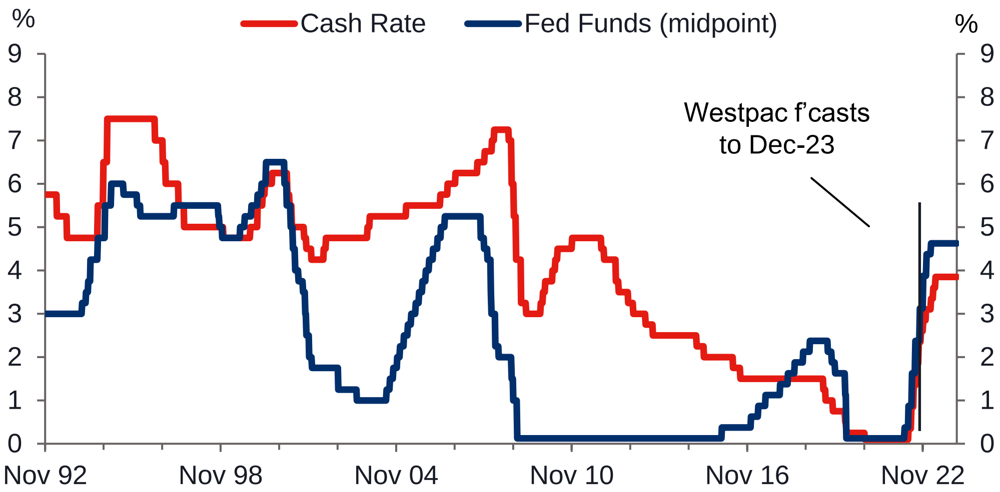
1 LCR is calculated as the percentage ratio of stock of liquid assets over the total net cash outflows in a modelled 30 day defined stressed scenario. Liquid assets include HQLA as defined in APS 210, RBNZ eligible liquids and CLF eligible securities.
2 Other flows include credit and liquidity facilities, collateral outflows and inflows from customers. Other flows also includes the net cash outflow overlay. Effective 1 January 2021, the Group was required to increase the value of its net cash outflows by 10% for the purpose of calculating LCR, in response to action taken by APRA for breaches of Westpac's liquidity requirements predominantly relating to WNZL. The overlay was removed from 1 September 2022. 3 Per APRA updated guidance, the CLF will now cease to exist by 1/01/2023 instead of 31/12/2022.

Economics

Global market backdrop.

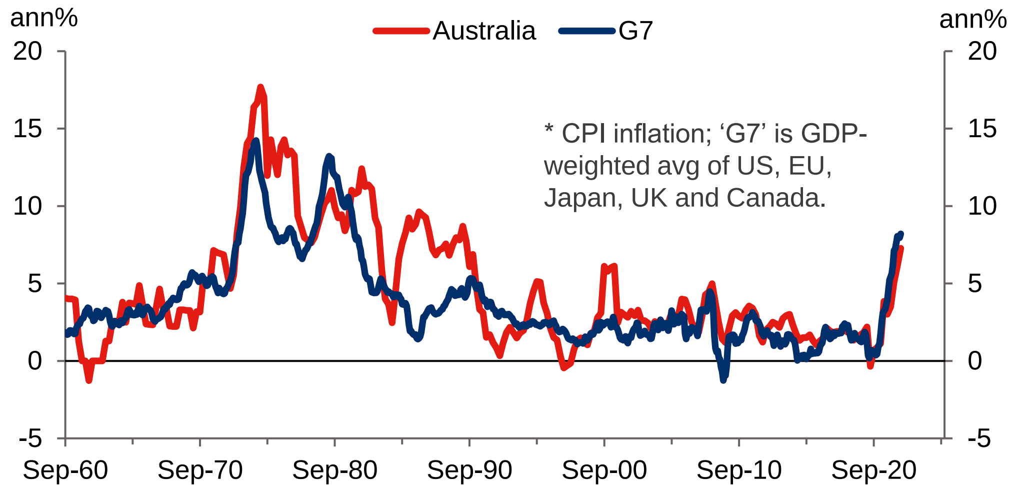
Central banks responding aggressively to inflation.

Fed Funds and RBA Cash Rate (%)



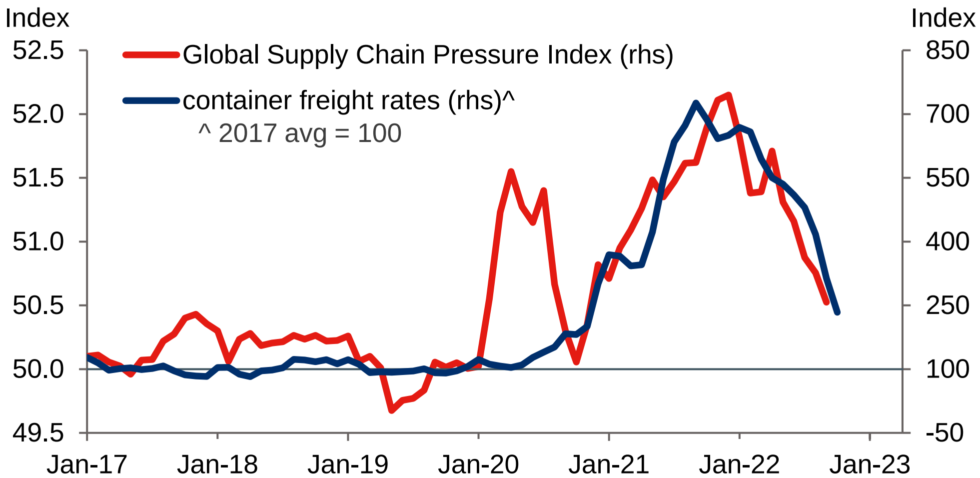
Sources: Bloomberg, RBA Westpac Economics

Global inflation (ann %)



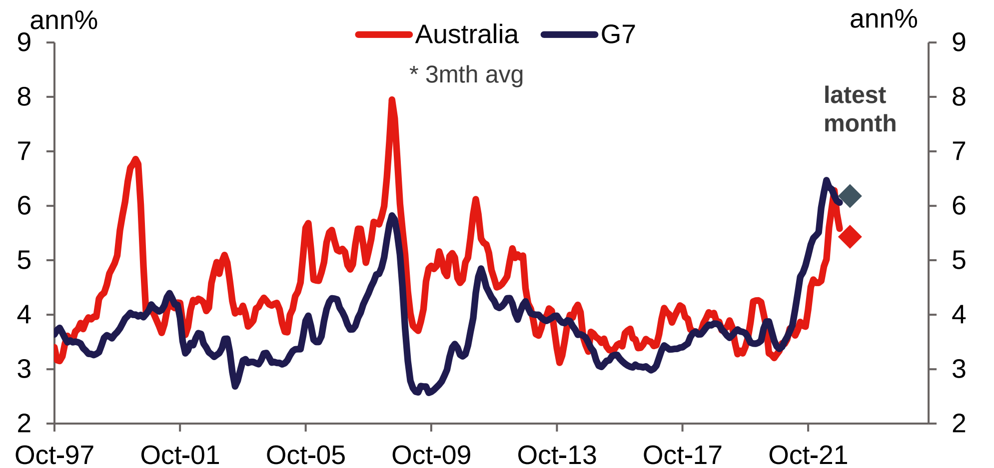
Sources: ABS, IMF, Macrobond, Westpac Economics

Global supply chains (index, monthly)



Sources: Bloomberg, Macrobond, Westpac Economics

Consumer inflation expectations[1] (ann, %)

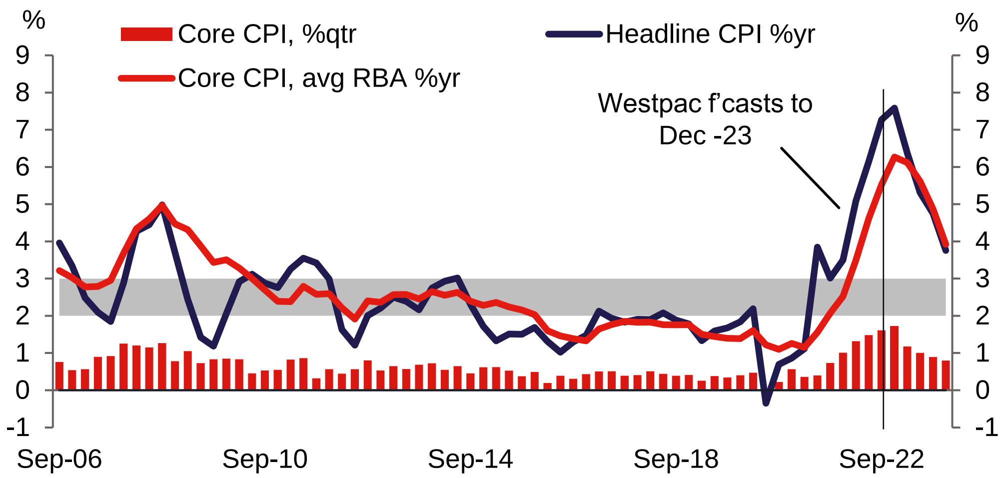


Sources: ABS, IMF, Macrobond, Melbourne Institute, Westpac Economics

RBA tightening cycle to continue.

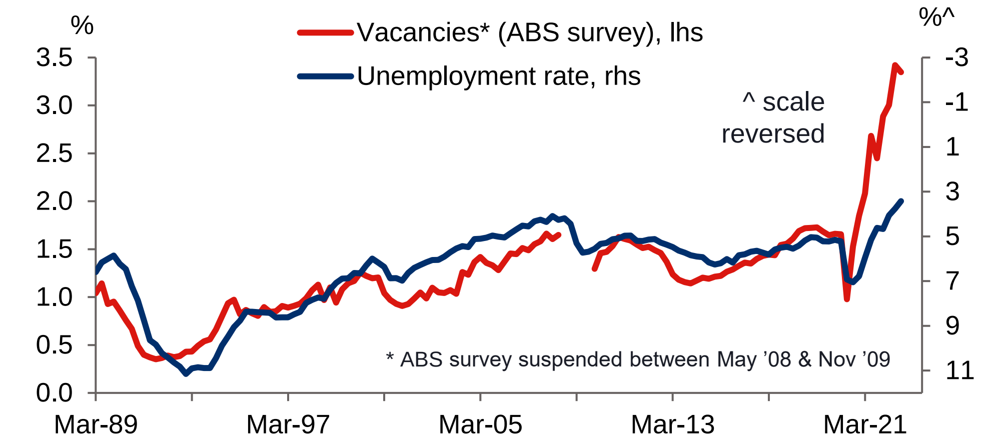
Labour market remains key risk to policy.

CPI inflation (%)



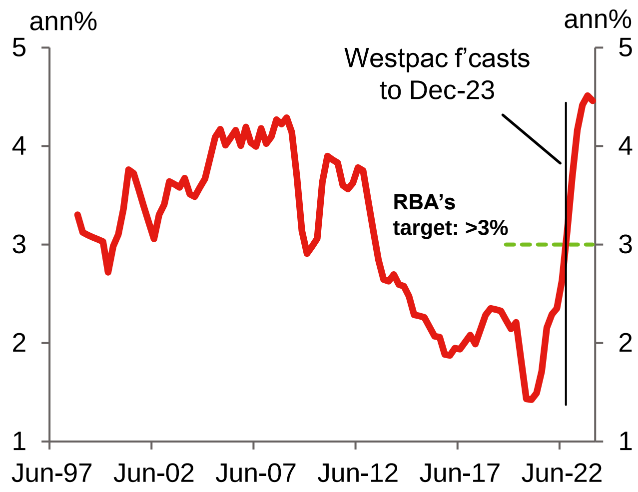
Sources: ABS, RBA, Westpac Economics

Job vacancies (% of labour force) and Unemployment rate (%)



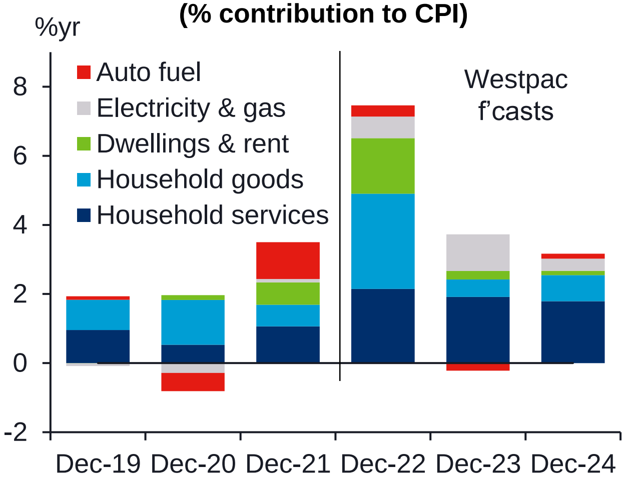
Sources: ABS, Westpac Economics

Wages (%)



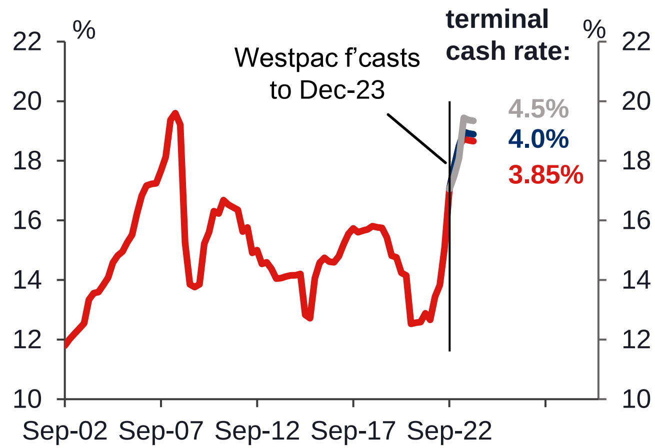
Sources: ABS, Westpac Economics

Dwelling & energy prices



Sources: ABS, Westpac Economics

Australia's household debt servicing ratio² (%)



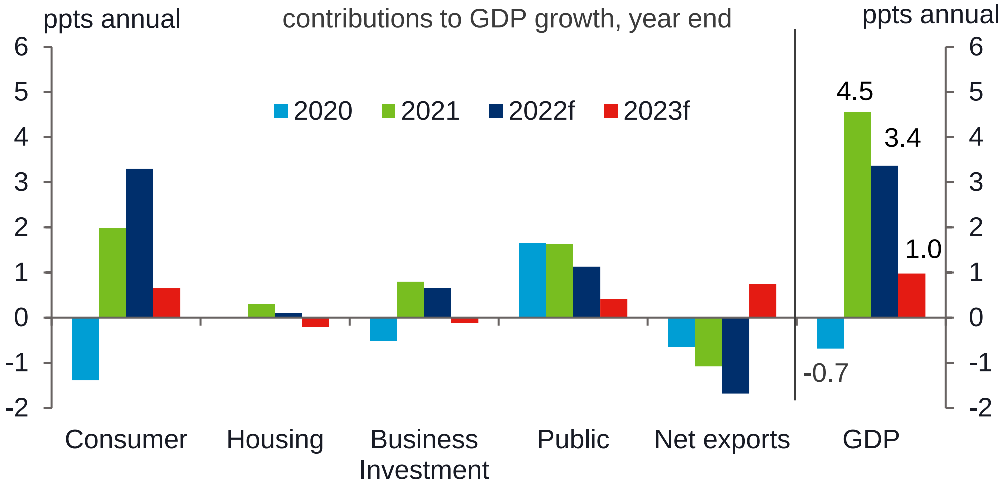
Sources: RBA, ABS, Westpac Economics

1 'G7' is GDP-weighted avg of US, EU, Japan, UK and Canada. Based on 1yr ahead expectations where available. 2 Mortgage repayments, owner occupied loans as % of household disposable income of owner occupiers.

Australian economy: slower growth expected in 2023.

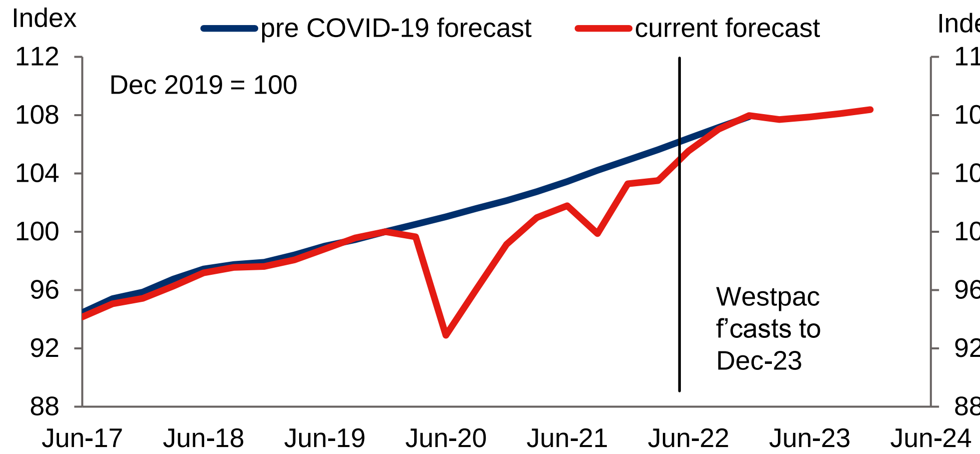
Higher rates and high inflation to impact.

Australia's growth mix (ppts, annual)



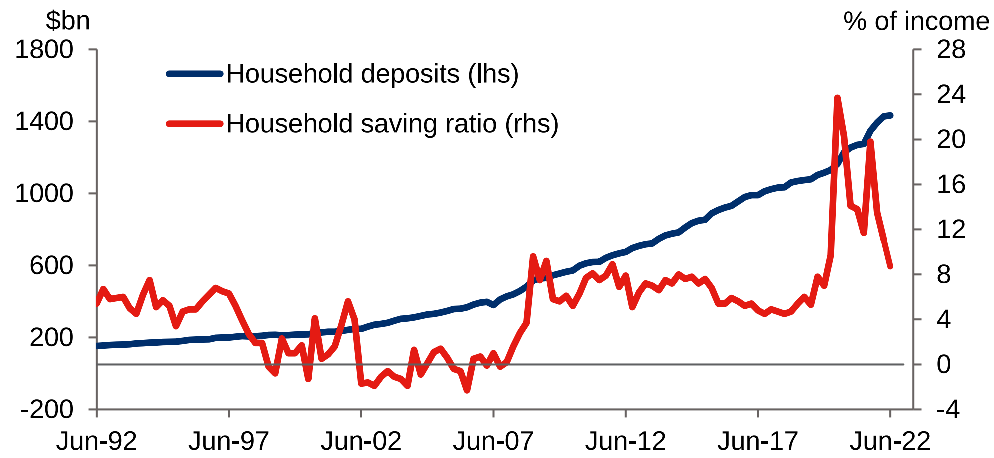
Sources: ABS, Westpac Economics

Australia's GDP profile (index)



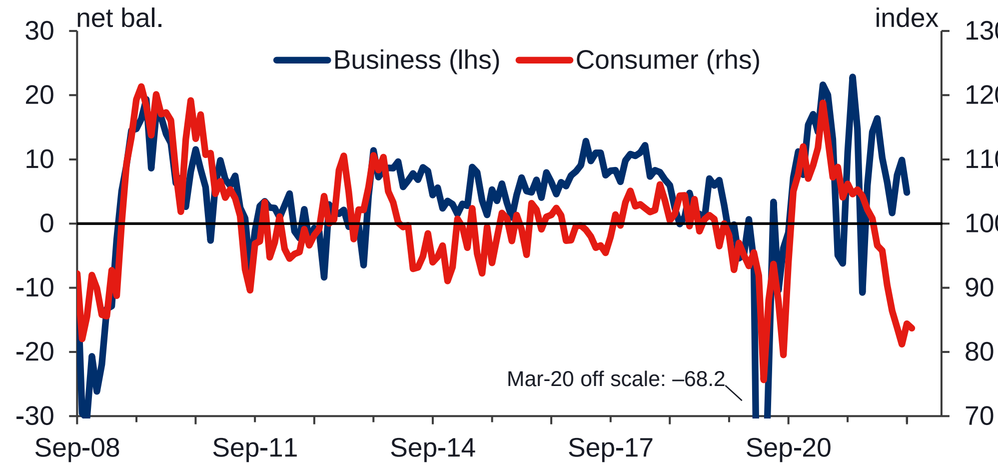
Sources: ABS, Westpac Economics

Household deposits ($bn) and Household saving ratio (% of income)



Sources: ABS, Westpac Economics

Confidence: consumers and businesses

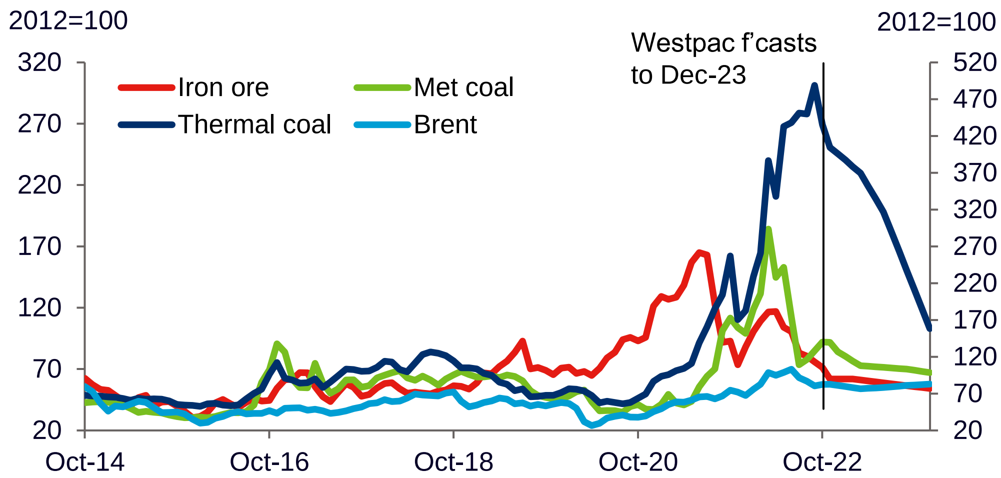


Sources: Westpac MI, NAB, Westpac Economics

Commodities: demand shifting, supply remains tight.

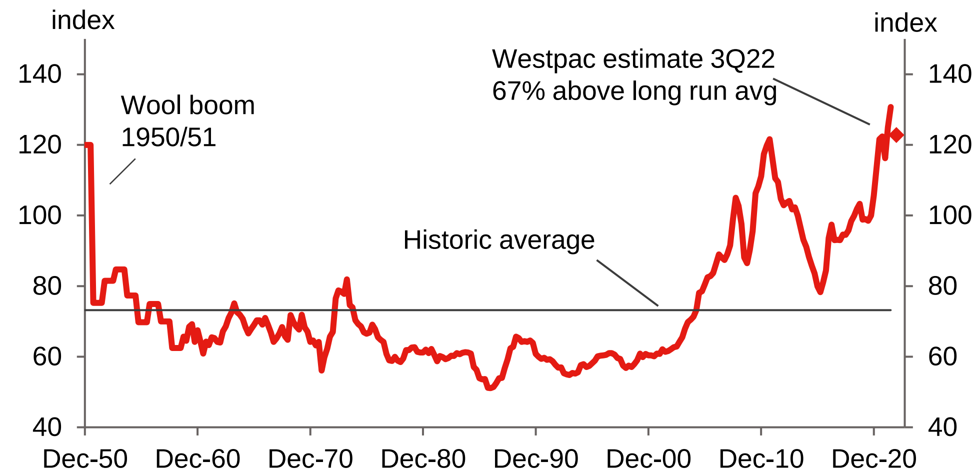
Terms of Trade at record high in 2Q22.

Australian commodity prices (index)



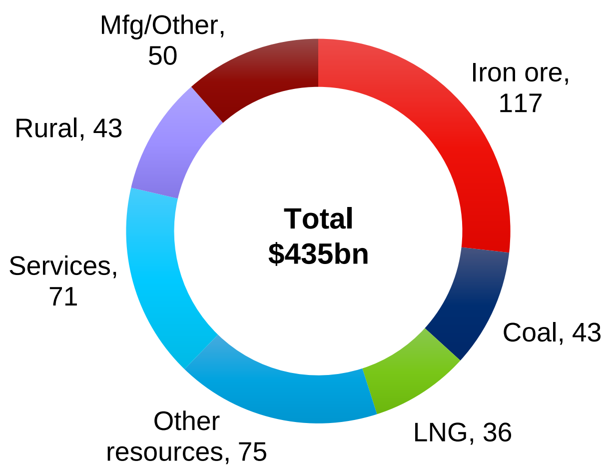
Sources: Westpac Economics, Bloomberg, ABS

Terms of Trade (index)



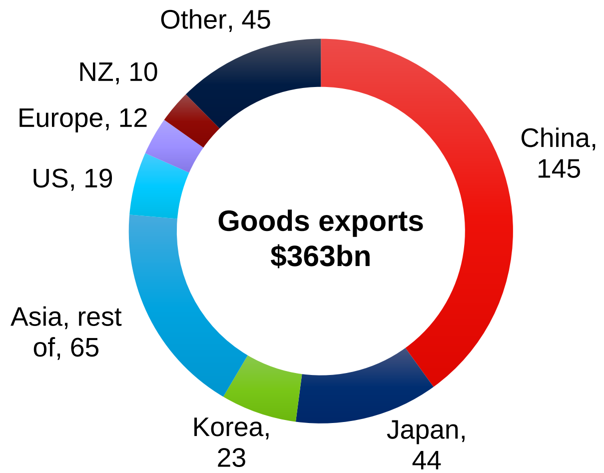
Sources: ABS; Westpac Economics

Australian export composition[1] ($bn)



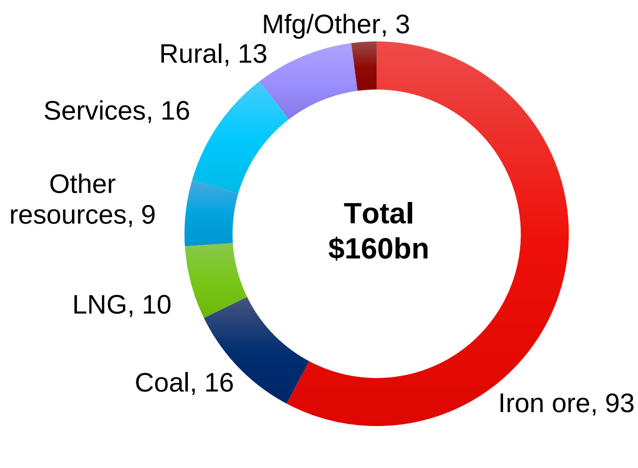
Sources: ABS, Westpac Economics

Australian export destinations[1] ($bn)



Sources: ABS, Westpac Economics

Australian exports to China[1] ($bn)



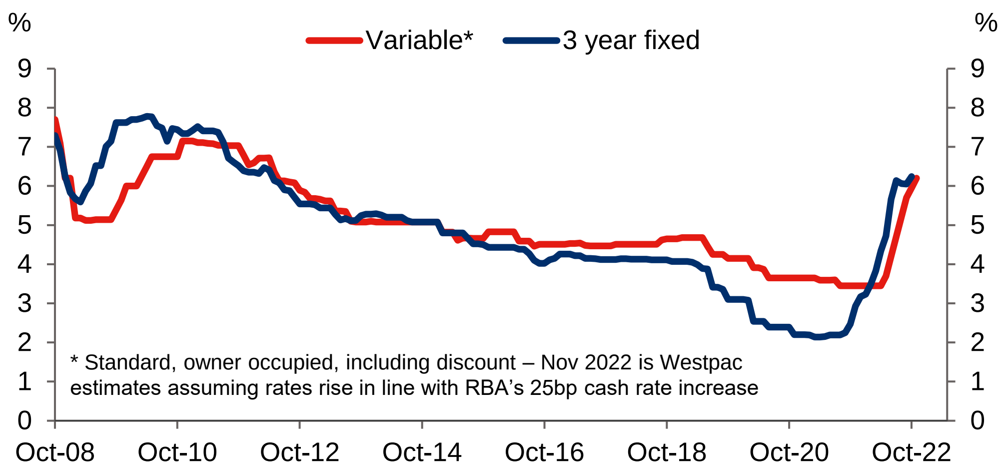
Source: DFAT, ABS, Westpac Economics

1 All figures show $bn exports in 2020, note that figures may not sum due to rounding and other small differences in source data.

Australian housing market.

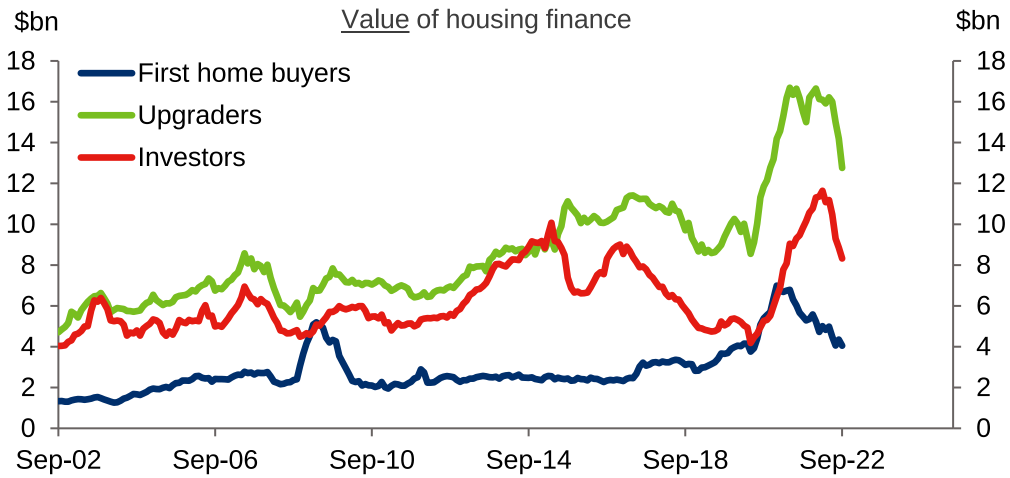
Slowdown in activity in response to higher rates.

Mortgage interest rates (%)



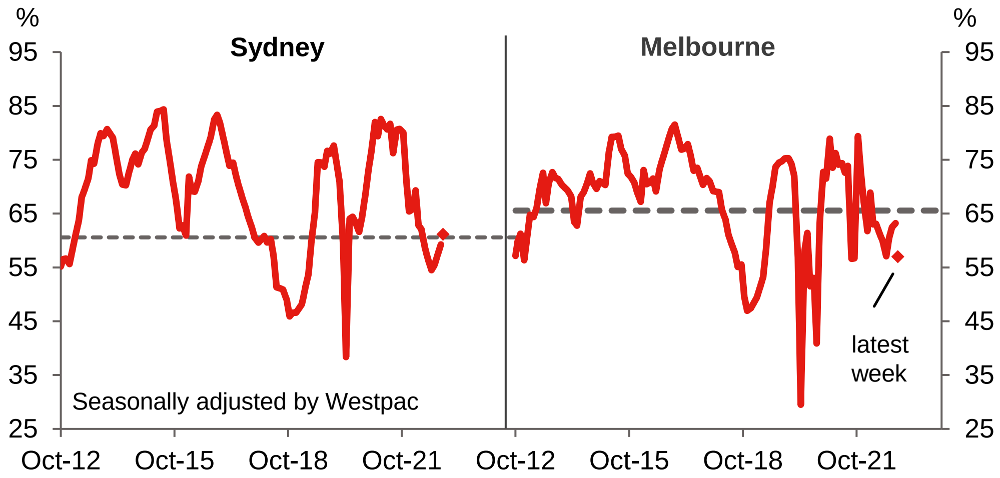
Sources: RBA, Westpac Economics

Housing finance approvals by segment ($bn)



Sources: ABS, Westpac Economics

Auction clearance rates (monthly, %)



Sources: APM, CoreLogic, Westpac Economics

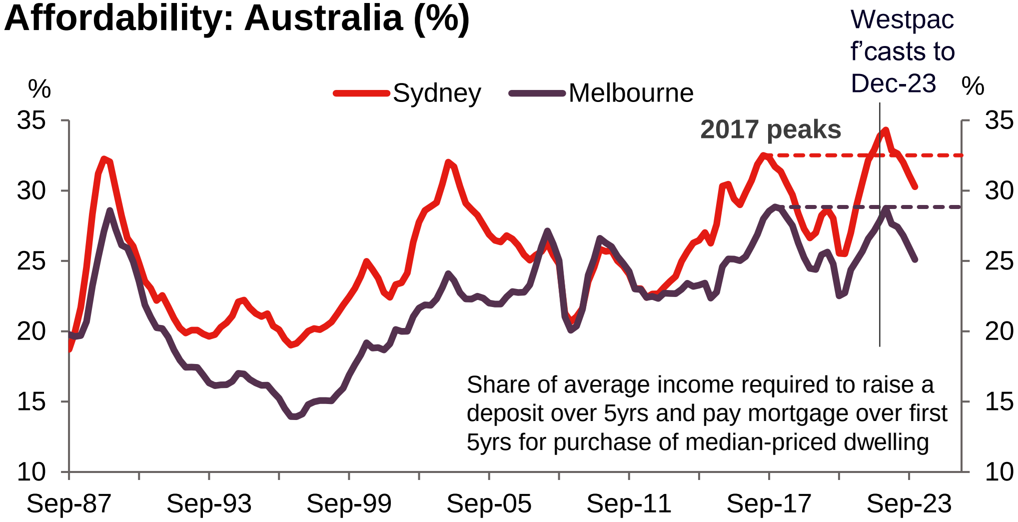
Residential property: sales vs listings

Source: CoreLogic, Westpac Economics

Australian housing market.

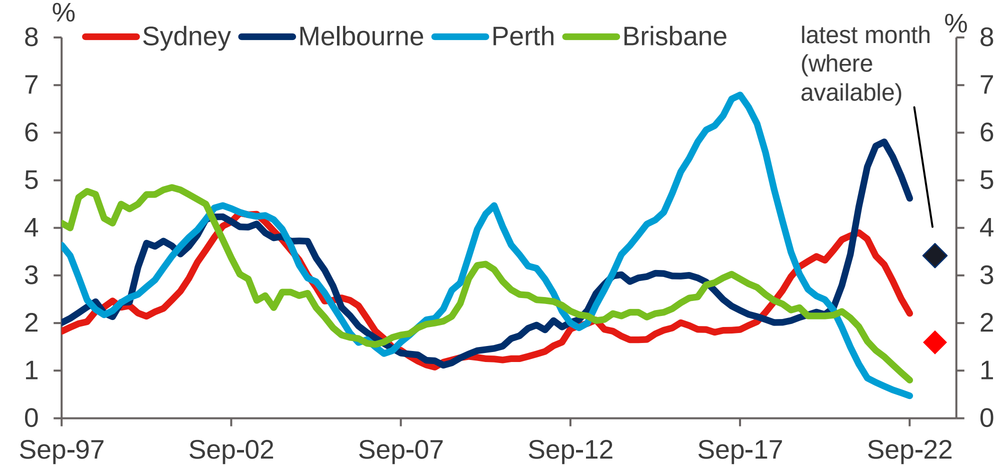
Rental market continues to tighten.

Affordability: Australia (%)



Sources: CoreLogic, ABS, RBA, Westpac Economics

Rental vacancy rates (% quarterly, annual average)

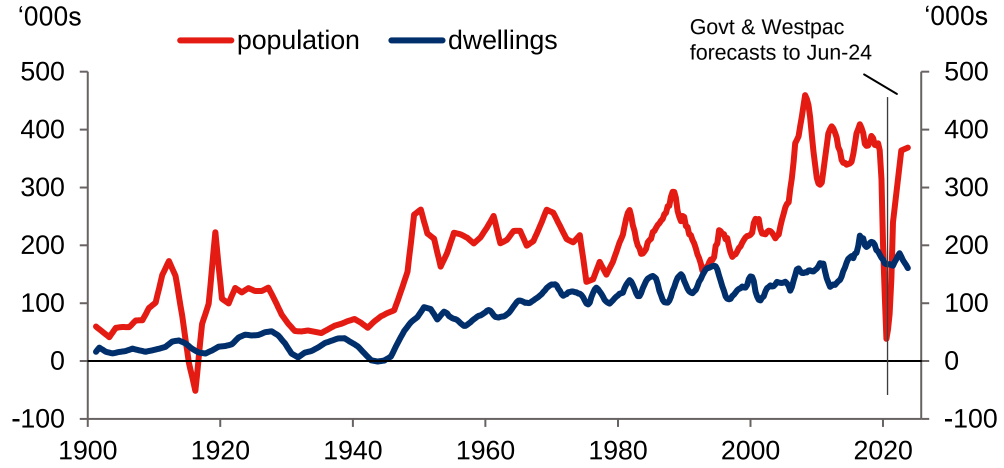


Sources: REIA, REINSW, REIV, SQM Research, Westpac Economics

Housing-related consumer sentiment

Sources: Melbourne Institute, Westpac Economics

Dwelling stock and population: ann change



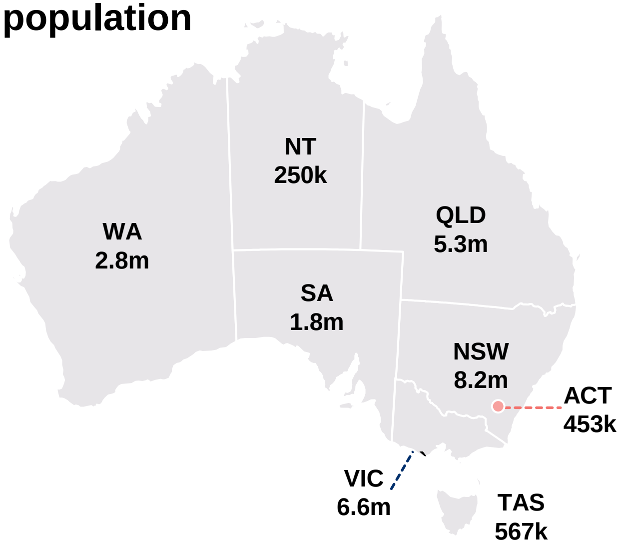
Sources: ABS, Australian Government, Westpac Economics

Westpac GROUP

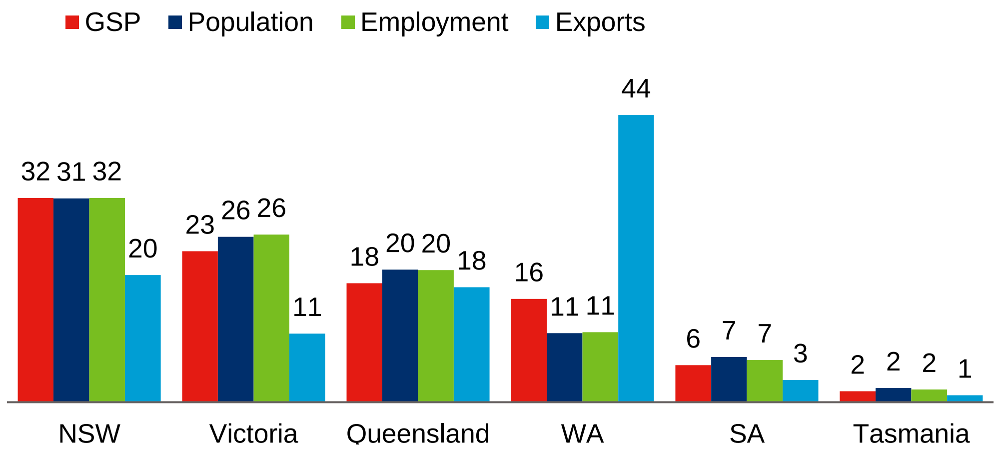
The Australian economy.

Population 26 million.

Australian population



Relative size of States (Share of Australia, %)[2]

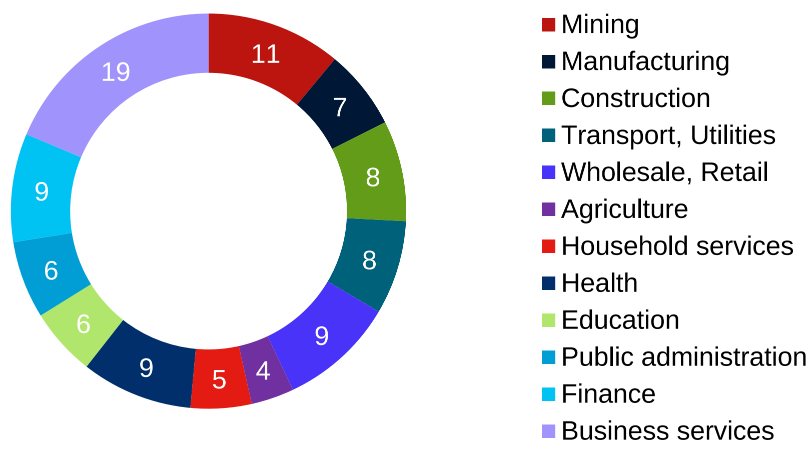


Sources: ABS, Westpac Economics

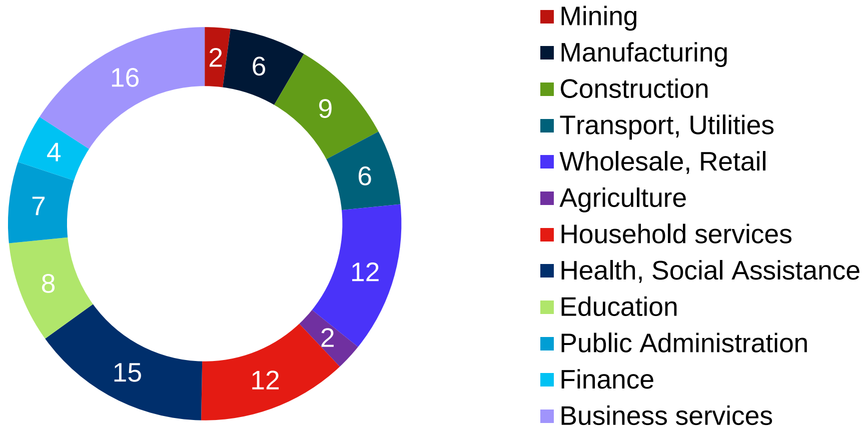
1 Real, financial years.. 2 GSP, exports are for 2020-21; Population at March 2022; Employment as at September 2022.

Australian GDP and employment composition

Output by sector 2021-22 (% contribution to GDP)[1]



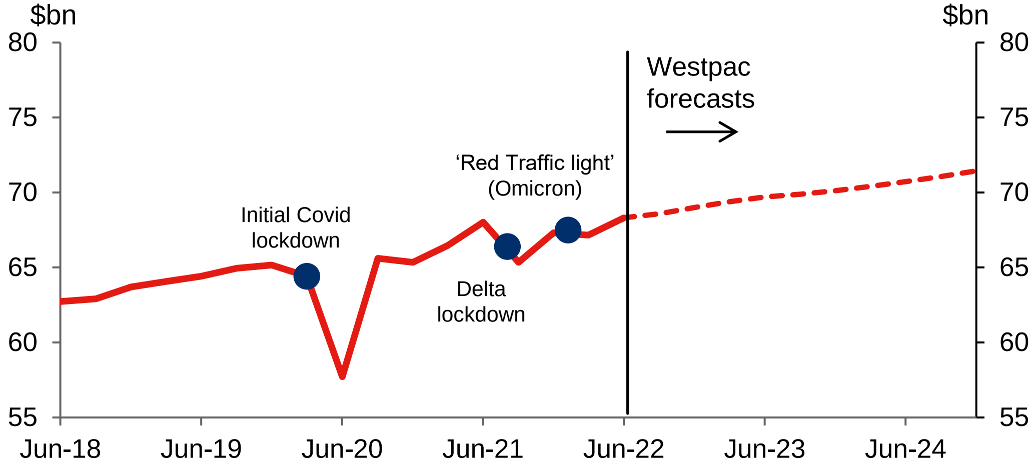
Australian employment by sector, Sep 2022 (%)



New Zealand economic overview.

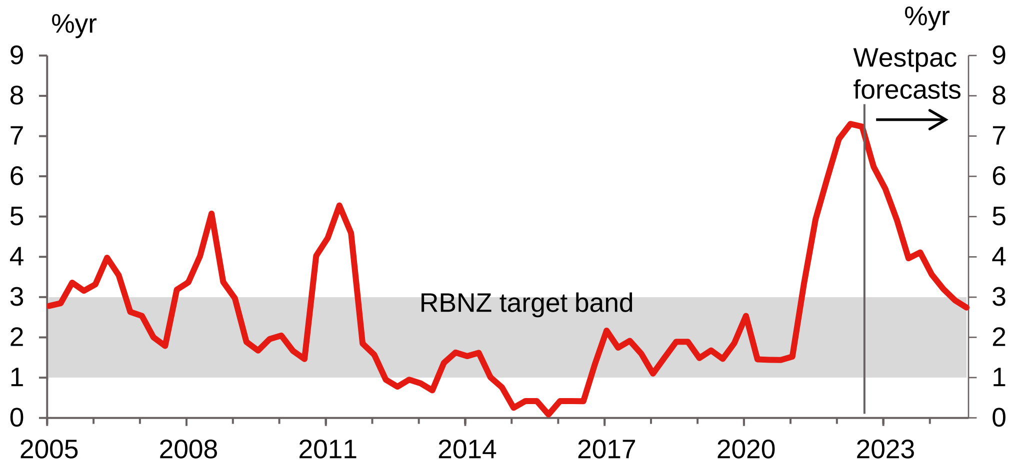
Interest rates rising in response to firm economy activity and increasing inflation.

New Zealand GDP ($bn)



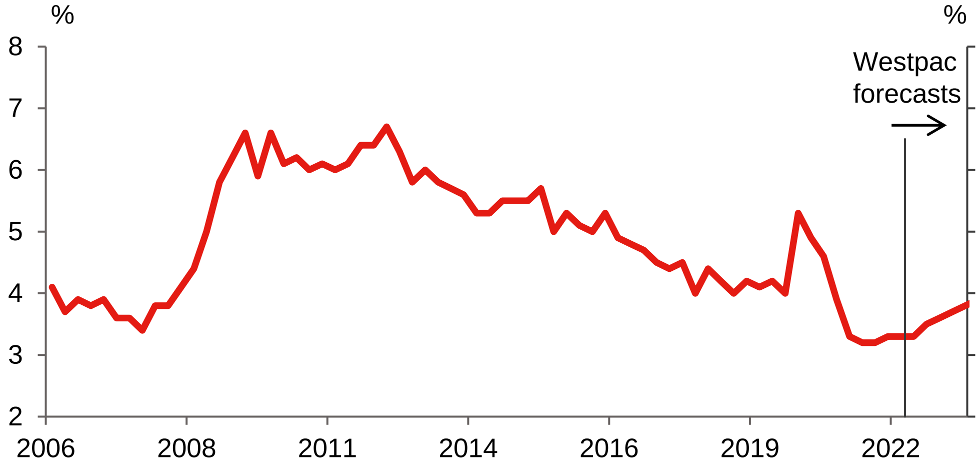
Sources: Stats NZ, Westpac Economics

Consumer prices (% year)



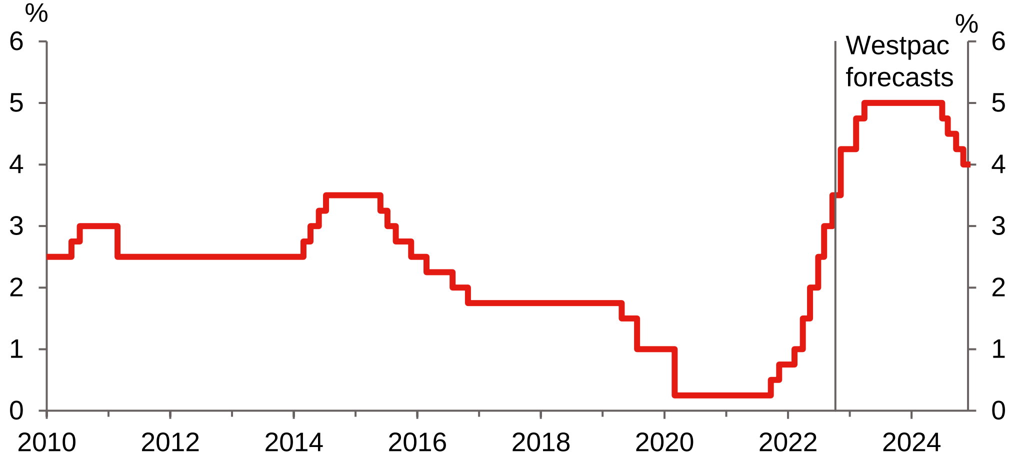
Sources: Stats NZ, Westpac Economics

Unemployment rate (%)



Sources: Stats NZ, Westpac Economics

Official Cash Rate (%)

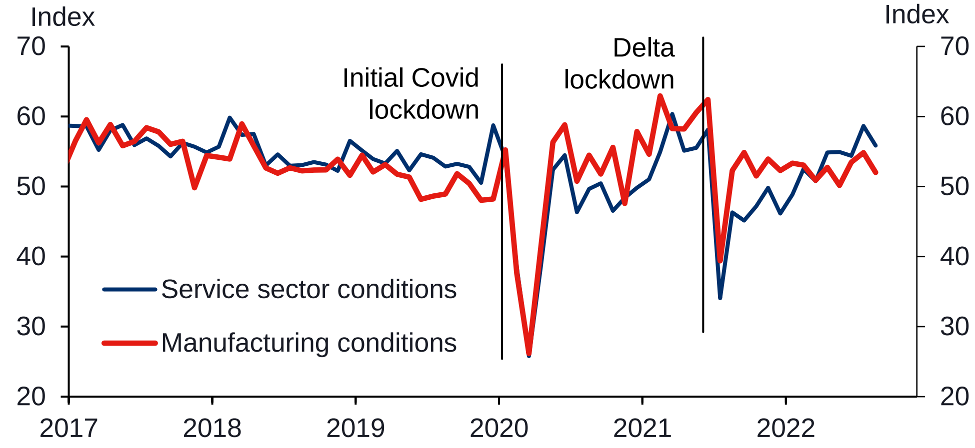


Sources: RBNZ, Westpac Economics

New Zealand economic activity.

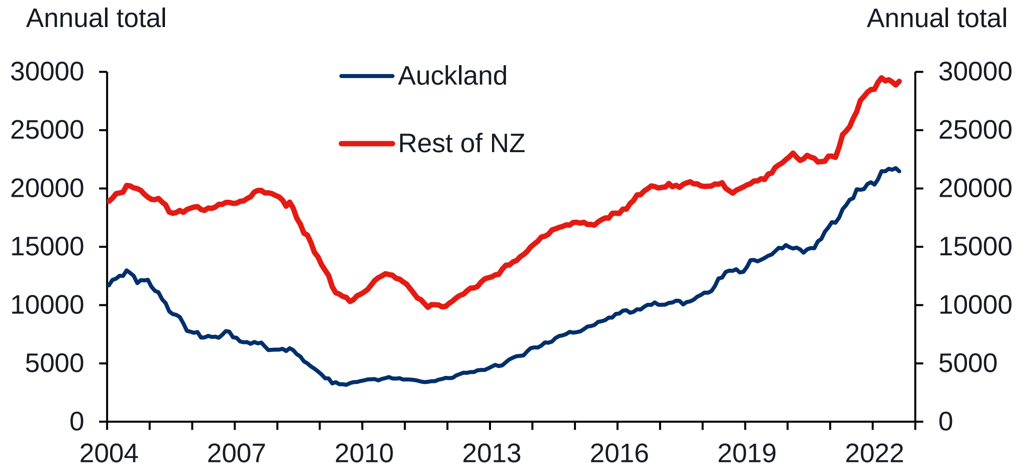
Demand has remained firm in recent months.

Manufacturing conditions (index) and Service sector conditions (index)



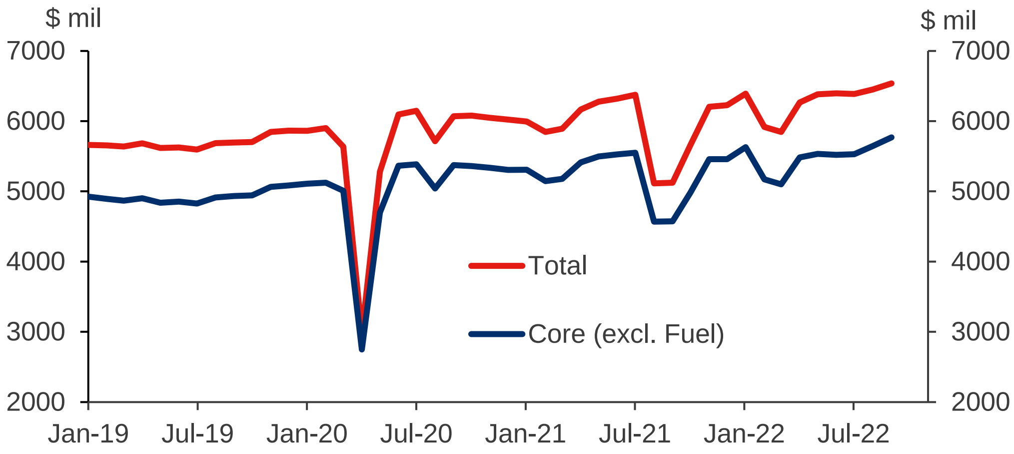
Source: BusinessNZ

Residential dwelling consents (annual, total)



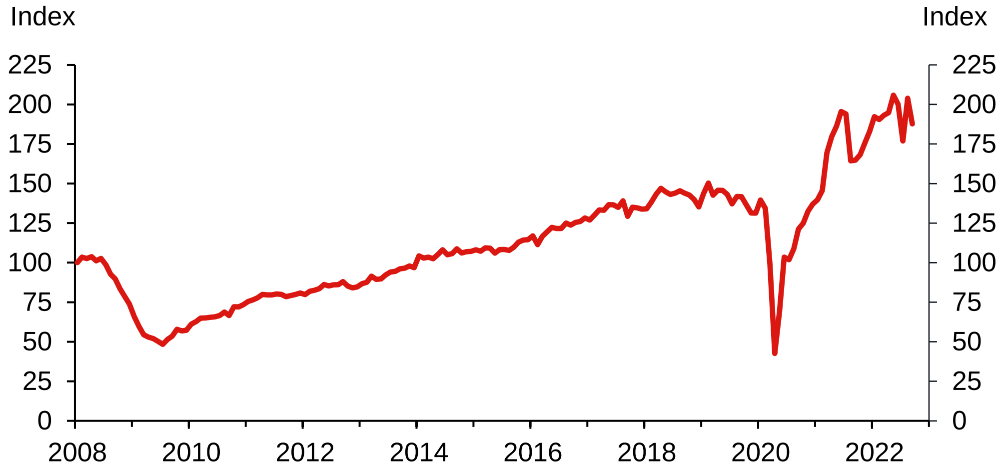
Source: Stats NZ

Monthly retail spending



Source: Stats NZ

Job advertisements (index)

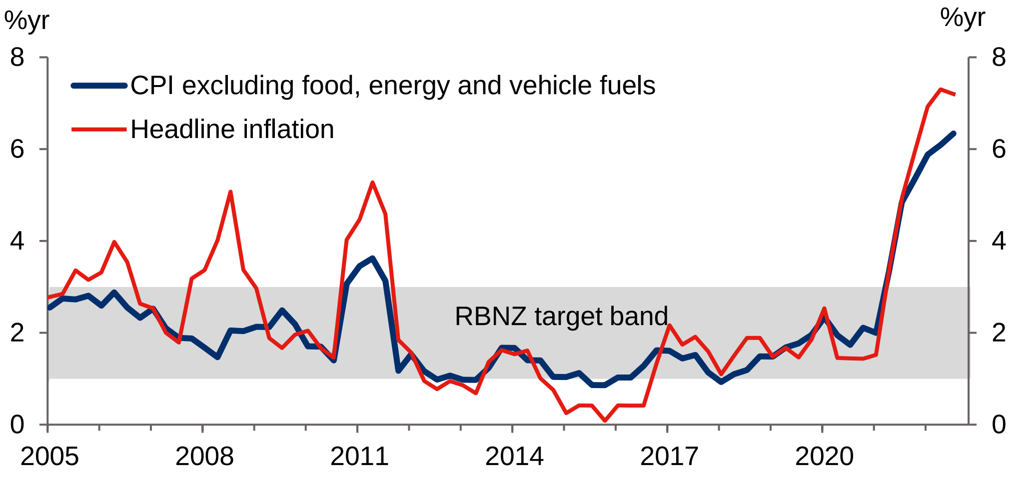


Source: MBIE

New Zealand inflation and interest rates.

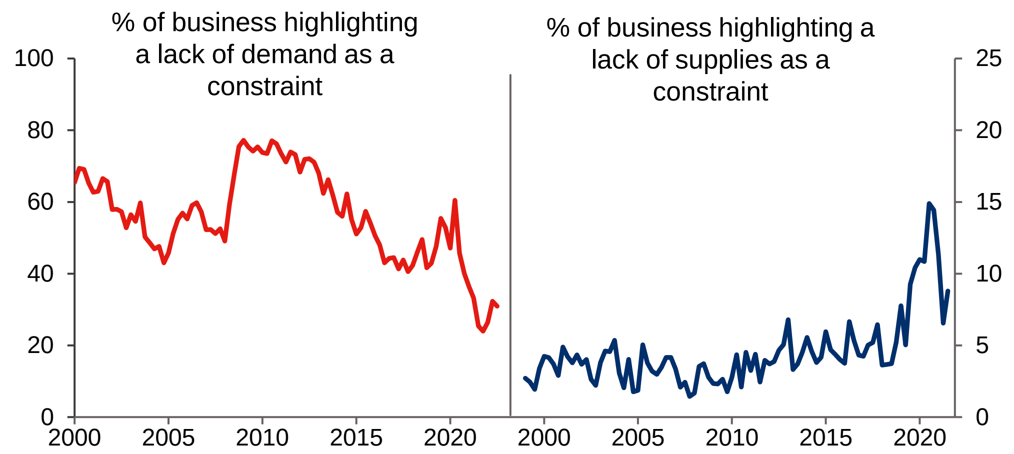
Demand and supply pressures widespread, interest rates to continue pushing higher.

Inflation (% yr)



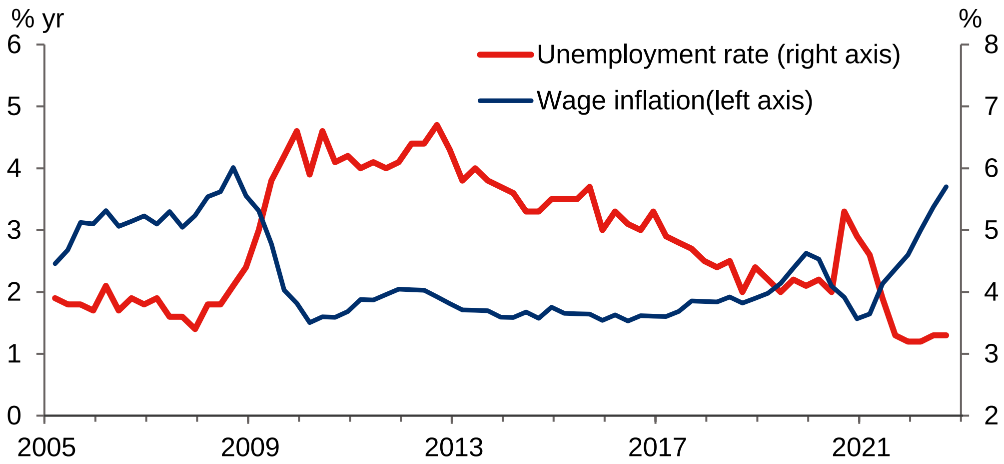
Source: Stats NZ

Strong demand and shortage of supplies



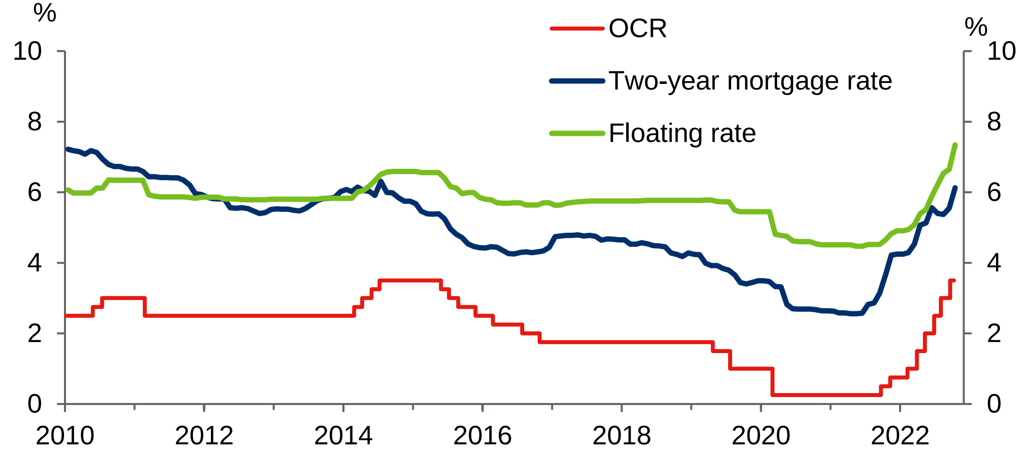
Source: NZIER

Unemployment rate (%) and Wage inflation (% year)



Source: Stats NZ

Mortgage interest rates (%)

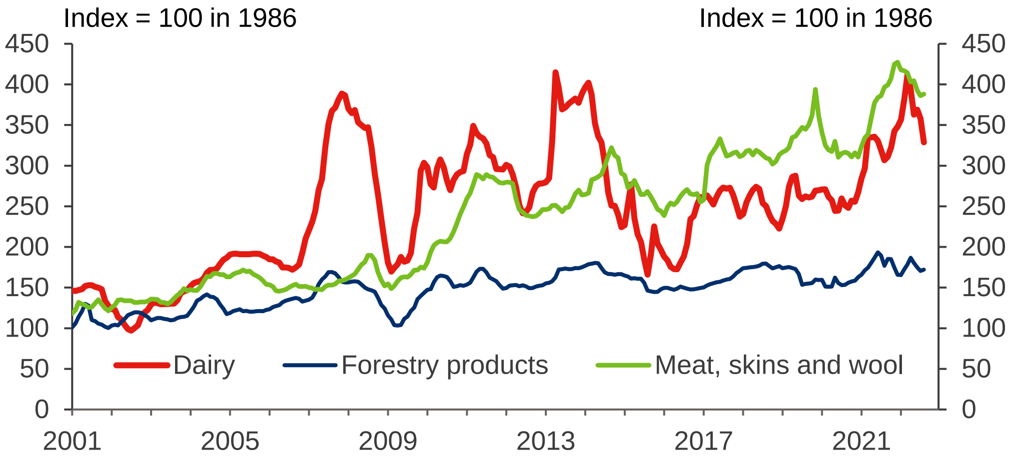


Source: RBNZ

New Zealand exports.

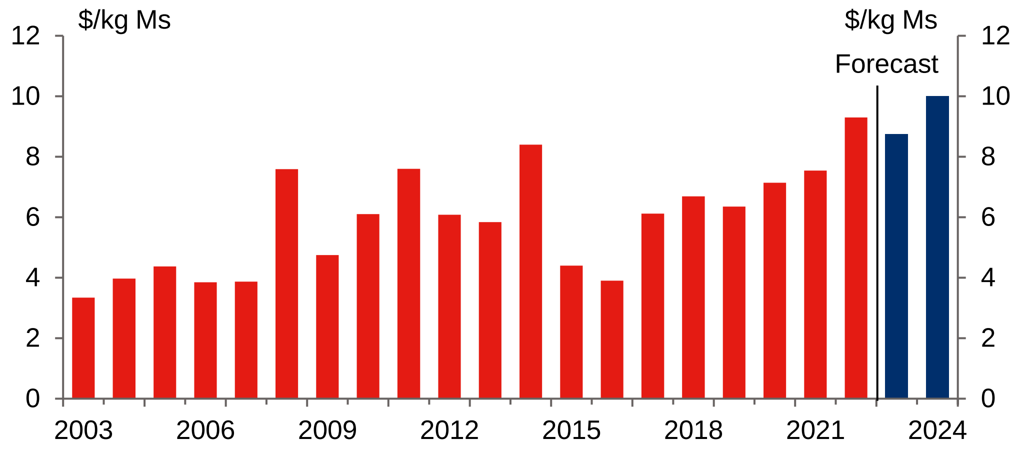
Commodity price strength expected to be sustained, services exports recovery in train.

NZ export commodity prices (index)



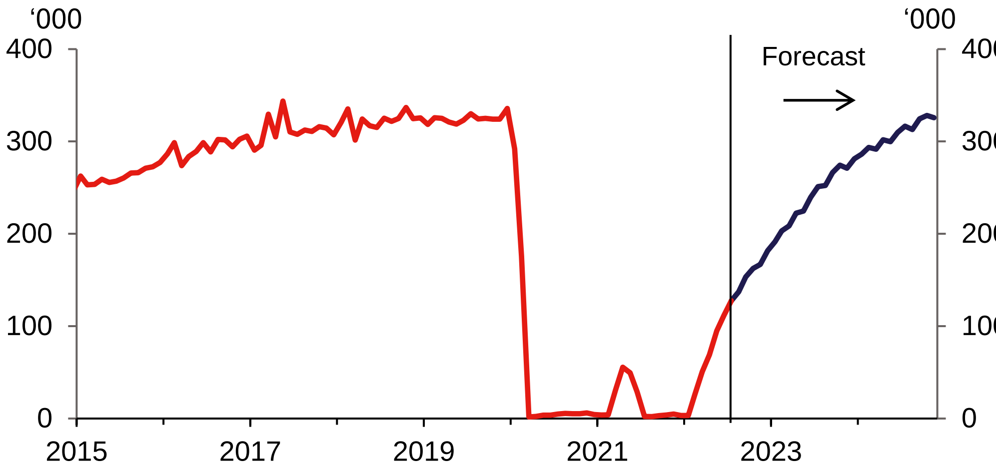
Source: ANZ

Farmgate milk price ($/kg Ms)



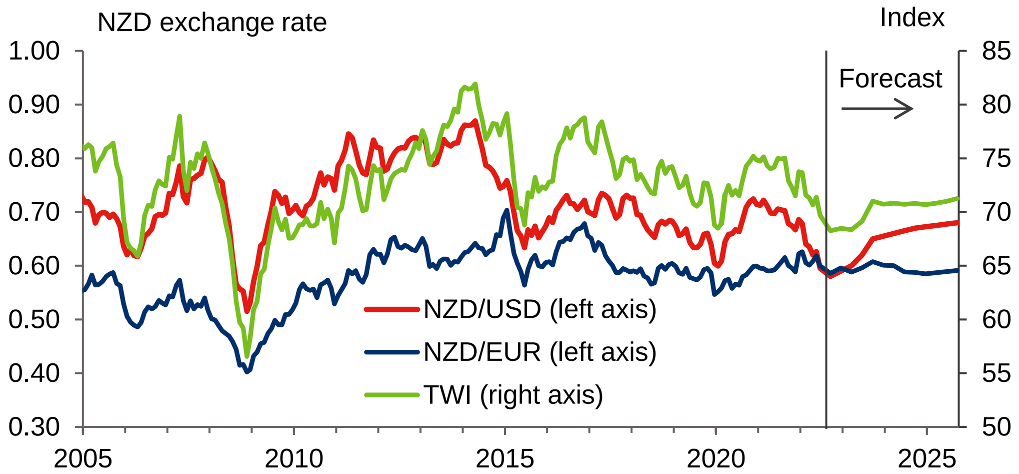
Source: Fonterra, Westpac Economics

International visitor numbers (‘000)



Source: Stats NZ, Westpac Economics

New Zealand dollar (index)

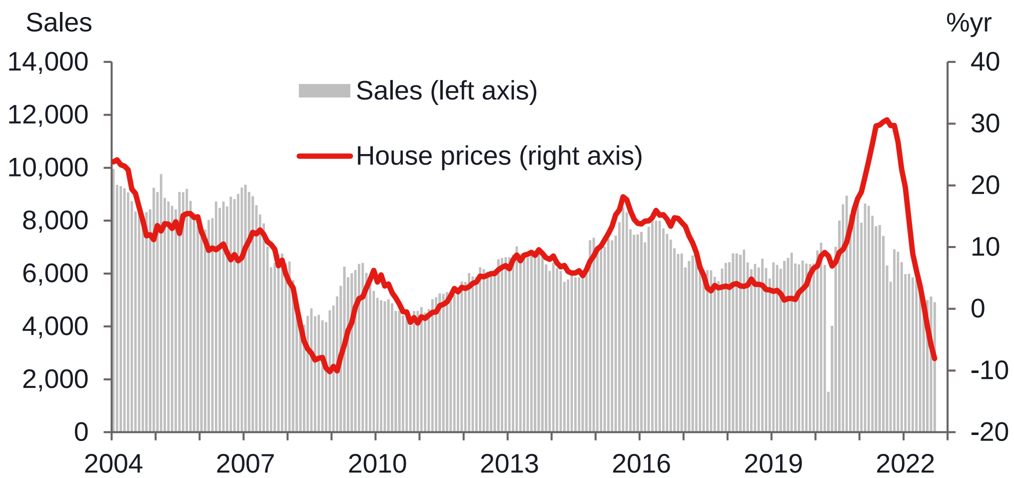


Sources: RBNZ, Westpac Economics

New Zealand housing market.

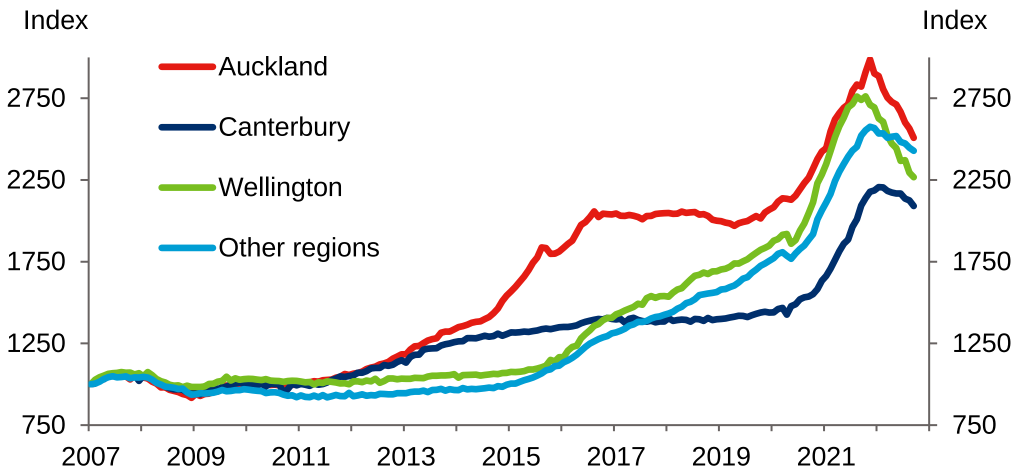
The housing market is cooling as interest rates rise.

Monthly house sales and prices (% yr)



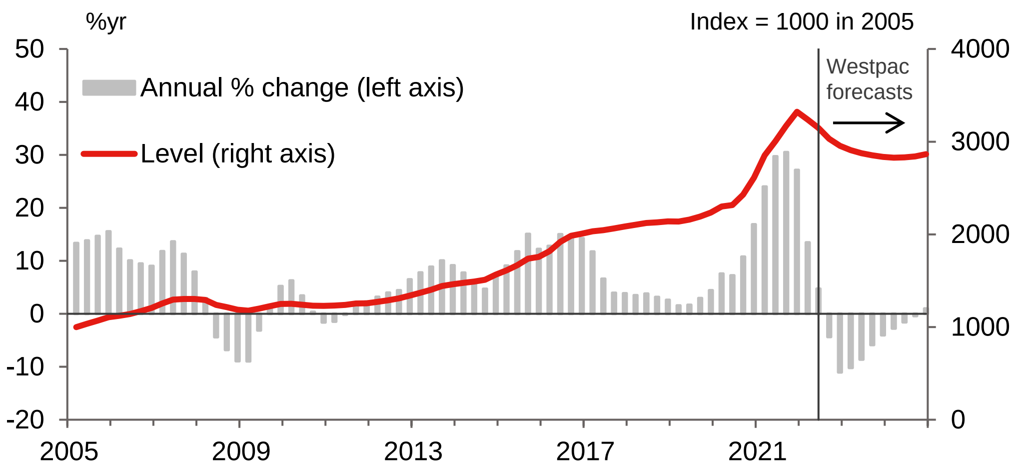
Source: REINZ

New Zealand dwelling prices (index)



Sources: REINZ, Westpac Economics

House prices (nationwide, index)



Sources: QVNZ, Westpac Economics

Dwelling prices (% change over period)

Region	Pop'n	Last 3 mths (to Sep-22)	Last 12 mths (to Sep-22)	Last 5 years (to Sep-22)
Auckland	1.7m	Down 6.0%	Up 11%	Up 24%
Wellington	0.5m	Down 4.2%	Down 17%	Up 47%
Canterbury	0.7m	Down 3.5%	Flat	Up 51%
Nationwide	5.1m	Down 4.5%	Down 8%	Up 43%

Forecast (Annual %)	Ave. past 10 years	2020	2021	2022f	2023f	2024f
Nationwide	10%	+17%	+27%	-11%	-4%	+1%

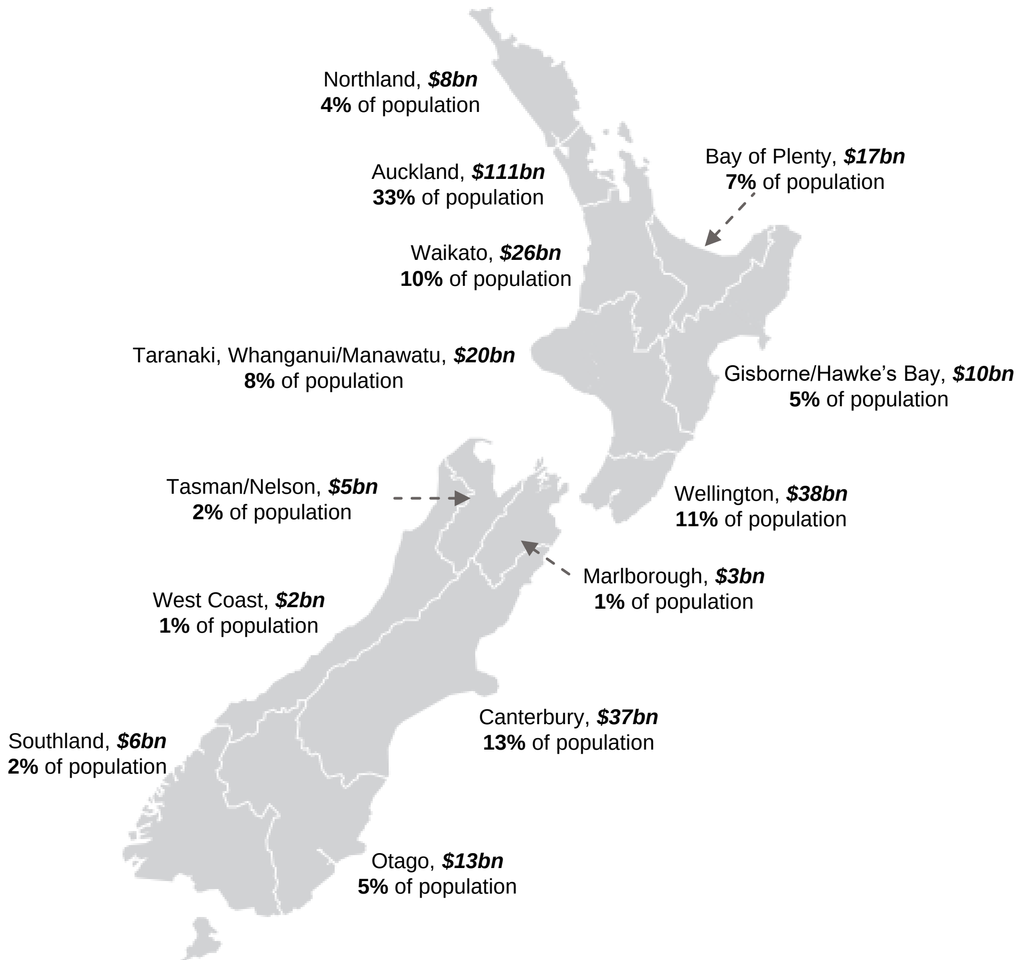
Sources: REINZ, Stats NZ

The New Zealand economy.

Population 5 million.

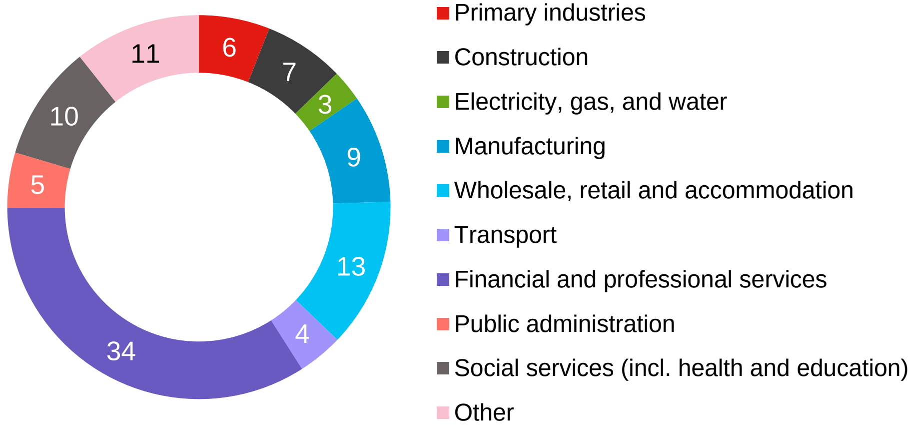
Regional GDP

Total nominal GDP 2021: ***$350bn***

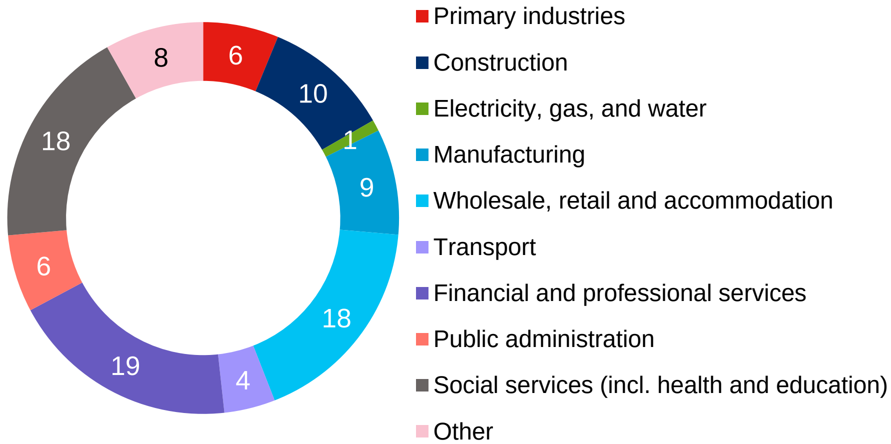


Economy

Output 2022 - sector shares of GDP (%)



NZ employment by sector (%)



Charts may not add to 100 due to rounding.

Sources: Stats NZ, Westpac Economics
Nationwide GDP and employment figures are for the year to Dec 2021, regional figures are for the year to March 2020.

Sustainability – footnotes.

Our plan to become a net-zero, climate resilient bank.

1. Predominantly through a virtual power purchase agreement with Bomen Solar Farm in NSW and through other sources including Westpac rooftop solar and Large-Scale Generation Certificates sourced and retired on behalf of Westpac by Lendlease for Westpac's Barangaroo commercial office tenancy supply.
2. Certification is obtained for Westpac's Australian and New Zealand direct operations 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.

Net-zero, climate resilient operations.

1. Excluding financed emissions.
2. Certification is obtained for Westpac's Australian and New Zealand direct operations 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.
3. Predominantly through a virtual power purchase agreement with Bomen Solar Farm in NSW and through other sources including Westpac rooftop solar and Large-Scale Generation Certificates sourced and retired on behalf of Westpac by Lendlease for Westpac's Barangaroo commercial office tenancy supply.
4. Greenhouse gas (GHG).
5. 2022 figures include direct operations in Australia, New Zealand, Fiji, Papua New Guinea, Singapore, United Kingdom, China, Germany and the United States. Reporting boundary expanded since 2021 to include Singapore, China, Germany and the United States.
6. Update reflects change in baseline year from 2016 to 2021 only to align with our 2030 sector lending targets baseline. No change to level of ambition. This target is aligned with a 1.5°C pathway.
7. Revised Scope 3 supply chain (non-financed) emissions reduction target reflects change in baseline year from 2016 to 2021 and increase in ambition from a 'well-below 2°C degree' pathway to a 1.5°C pathway.

Supporting customers' transition to net-zero.

1. Over the period 1 October 2017 to 30 September 2022. Based on IJGlobal and Westpac Research data.
2. Figure is FY22 result. New lending represents the total of new and increases in lending commitments, excluding refinances. Taking us to over $3.8 billion towards our target of $15 billion by 2030 and achieving our target of $3.5 billion from 2020 to 2023. Total exposure to climate change solutions is $10.8 billion (TCE at 30 September 2022).
3. Lending and investment to climate change solutions is defined as the total direct and indirect financing of customers to the extent they are a) Involved in climate change solutions activities reported in total committed exposures at 30 September; or b) Undertake activities that are over and above what is considered to be business as usual in the relevant industry, and which produce a material net benefit to the environment. For further information on our definition of climate change solutions and climate change solutions activities refer to the Glossary section in our 2022 Sustainability Index and Datasheet.
4. WIB and WNZL customers only across multiple currencies and jurisdictions; Sustainable finance transactions include green, social, sustainability, sustainability-linked and re-linked loans and bonds; Total value of Sustainable Financing provided by banks at financial close. This includes the full value of a loan provided and also includes the full value of bond issued for any Debt Capital Markets (DCM) transaction where Westpac is a Joint Lead Manager (JLM).
5. Westpac New Zealand (WNZL) was Sole Sustainability Coordinator for six Sustainability-Linked Loans and Joint Sustainability Coordinator for one Sustainability-Linked Loan. Overall, New Zealand borrowers executed NZD3.98bn of Sustainability-Linked Loans, of which approximately a quarter (NZD0.94bn) sits on WNZL's Balance Sheet (this includes all known or publicly disclosed transactions to 30 September 2022).
6. Acting as Joint Sustainability Coordinator and Lead Arranger. Based on publicly announced transactions in Australia to 12 September 2022. For more information, refer to the media release at https://www.westpac.com.au/about-westpac/media/media-releases/2022/12-september1/ .
7. Westpac will start to roll-out the carbon tracking capability to select retail customers from 2023.
8. The loan is the first of its kind to require a customer to meet all parts of the Sustainable Agriculture Finance Initiative (SAFI) guidance. This guidance includes practices to reduce emissions and improve long-term climate resilience.
9. Westpac believes reducing emissions should be a priority in achieving the transition to net-zero. Carbon offsets and credits are likely to play a role to supplement decarbonisation in line with climate science where there are limited technological or financially viable alternatives to eliminate emissions.

Sustainability – footnotes continued.

Targets set for five sectors in our lending portfolio.

1. Financed emissions are the Group's Scope 3 emissions attributable to its lending portfolios. We aim to achieve these targets by 30 September 2030.
2. Upstream oil and gas includes exploration, extraction and drilling companies, integrated oil and gas companies (that have upstream activities), and LNG producers. The scope does not include midstream and downstream companies.
3. International Energy Agency Net Zero by 2050 (IEA NZE) scenario specifies that no new (greenfield) oil and gas fields are needed beyond those projects that have already been committed (i.e. approved for development) as of 18 May 2021. The IEA NZE scenario is the International Energy Agency's Net Zero by 2050: A Roadmap for the Global Energy Sector report, 2021.
4. Where the Australian or New Zealand Government or regulator determines (or takes a formal public position) that supply from the asset being financed is necessary for national energy security.
5. A credible transition plan should be developed by reference to the best available science and should include Scope 1, 2 and 3 emissions and actions the company will take to achieve GHG reductions by 2050 aligned with a 1.5°C pathway.
6. Companies with >5% of their revenue coming directly from thermal coal mining (i.e. the production and sale of thermal coal). Adjacent sectors (including mining service providers) will be covered in other targets as appropriate. Transactional banking and rehabilitation bonds are excluded from our target.
7. Companies that are electricity generators include customers with >10% revenue coming from power generation or >5% revenues from thermal coal electricity generation. Target excludes electricity transmission / distribution companies and Scope 3 emissions of electricity generators.
8. Companies that produce clinker in-house. Target includes emissions generated from calcination in clinker production as well as fuel combustion and electricity consumption associated with the cement production process.
9. Discrete borrowers with office properties comprising a majority of their portfolio and with commercial real estate TCE > $75 million within Specialised Lending – Property Finance (Investment only) and Corporate portfolios, as defined under Pillar 3 reporting. This excludes construction finance.
10. 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).

Understanding our financed emissions.

1. Financed emissions are the Group's Scope 3 emissions attributable to its lending portfolios. Refer to our 'Net-Zero 2030 Targets and Financed Emissions – our methodology and approach' on our website for more information on our financed emissions analysis, including data sources, assumptions and limitations. Sectors in our financed emissions analysis is based on ANZSIC codes. These sector definitions differ from those used for our 2030 sector targets and Energy Sector Value Chain reporting.
2. Other (non-emissions intensive sectors) includes: accommodation; cafes and restaurants; construction; finance and insurance; property services and business services; services; trade; and undefined ANZSIC.

Climate-related metrics.

1. All figures in Energy Sector Value Chain diagram are TCE at 30 September 2022. WIB only. Refer to our 2022 Sustainability Index and Datasheet on our website for more information on our Energy Sector Value Chain reporting, including sector scope and definitions. Apart from Thermal coal in FY22, the definitions used for sectors in our Energy Sector Value Chain reporting currently differ from those used for our 2030 sector targets and financed emissions reporting.
2. Oil and gas extraction and Oil and gas exploration sector boundaries are defined based on Australian and New Zealand Standard Industry Classification (ANZSIC) codes.
3. For diversified miners, exposure to coal is apportioned by the percentage EBITDA contribution of coal in the miners' latest annual financial statements. Thermal coal exposure within diversified miners is immaterial.
4. The definition and scope of Thermal coal has been updated for FY22 only to align with the definition used for our 2030 sector target. For metrics relating to Thermal coal in FY20 and FY21 the sector definition and scope is detailed in the Glossary section in our 2022 Sustainability Index and Datasheet. Metallurgical coal mining is all other coal mining.
5. For Oil and gas extraction customers with LNG terminal operations, the exposures to LNG terminals are reported in the Transport category.
6. Australia and New Zealand only. These activities include customers with operations in several sectors – TCE is attributed based on business segment contribution.

Physical and transition risk metrics.

1. 'Higher risk' were locations where insurance may become more expensive or unavailable.
2. Share of Australian mortgage portfolio at 31 August 2022 in locations identified as likely to be exposed to higher physical risks under RCP2.6 and RCP8.5 scenarios by 2050. The change in the exposure of the portfolio from that reported in the 2022 Interim Financial Results is driven by the recent refinement in the methodology used in the physical climate risk analysis.
3. % of our current lending portfolio exposed to sectors which by 2050 may face relatively higher growth constraints under a 1.5°C scenario; at September 2022.

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