



Strategy Update

Westpac Institutional Bank

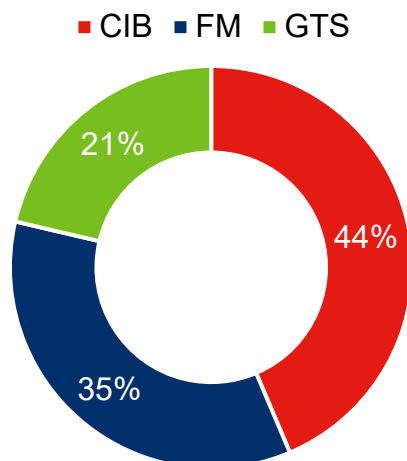
September 2023

Anthony Miller

Group Executive WIB, Business & Wealth

Gaining momentum in our institutional bank

WIB Revenue split 1H23

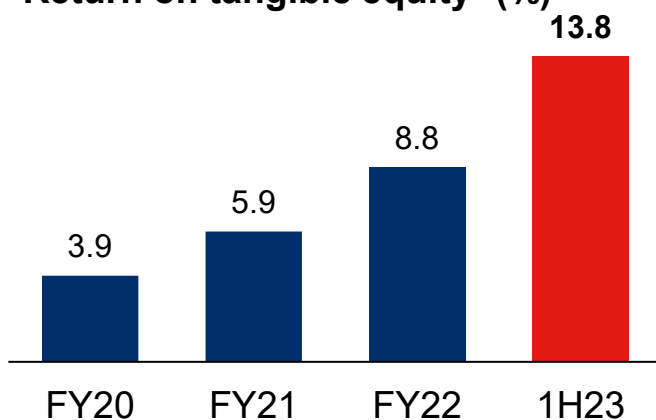


Our ambition: To be the banking partner of choice

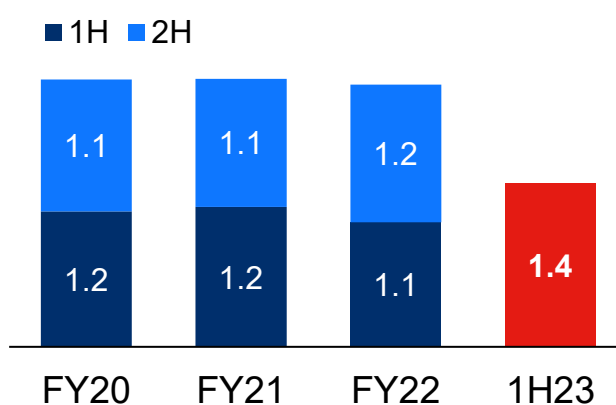
- Our clients' key partner for transactional banking, financing and risk management
- Simplified product and service offering
- Significantly improved risk culture
- Industry expertise and thought leadership
- Attracting and retaining talent

Improved financial performance

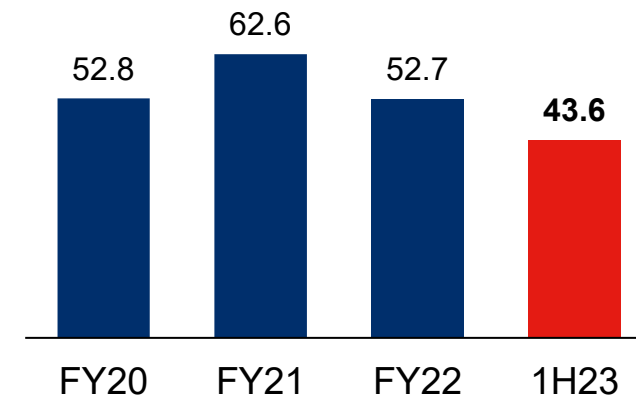
Return on tangible equity¹ (%)



Operating income^{1,2} (\$bn)



Cost to income ratio¹ (%)



¹ Excluding Notable Items. ² Operating income includes net interest income and non-interest income.

Nell Hutton

Group Executive WIB from 1 October 2023

Westpac Institutional Bank overview



Global Transaction Services

Jeff Byrne

Transactional banking
Liquidity management
Payments services for Westpac



Corporate & Institutional Banking

Alastair Welsh

Lending solutions
Relationship management
Deep industry understanding and expertise



Financial Markets

Max Bulloch

Risk management across fixed income, currencies and commodities
Debt capital markets

Global capabilities

Economics & Research

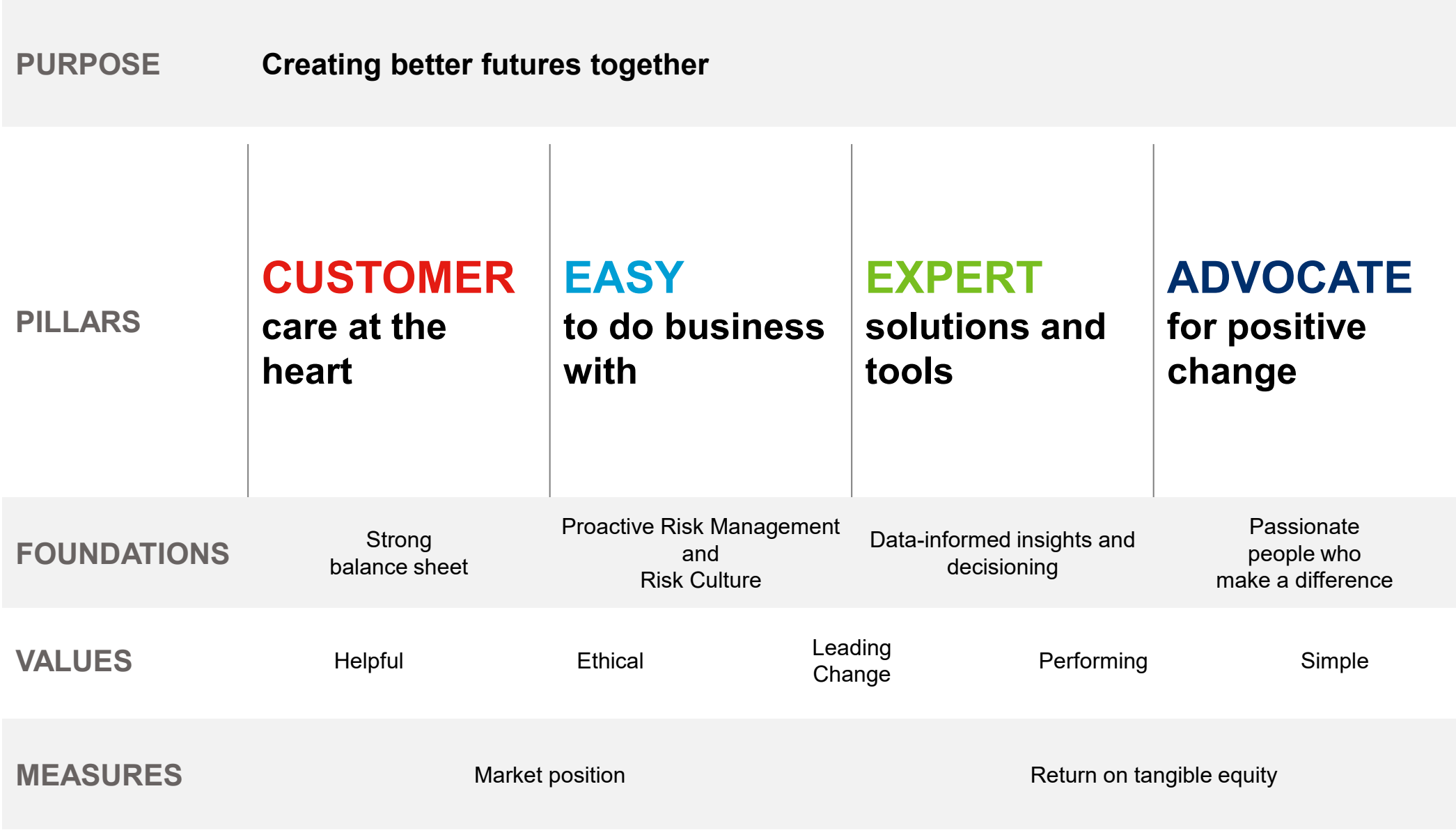
Sustainability

Technology

Digital

Data-driven insights

A strategy for growth and return

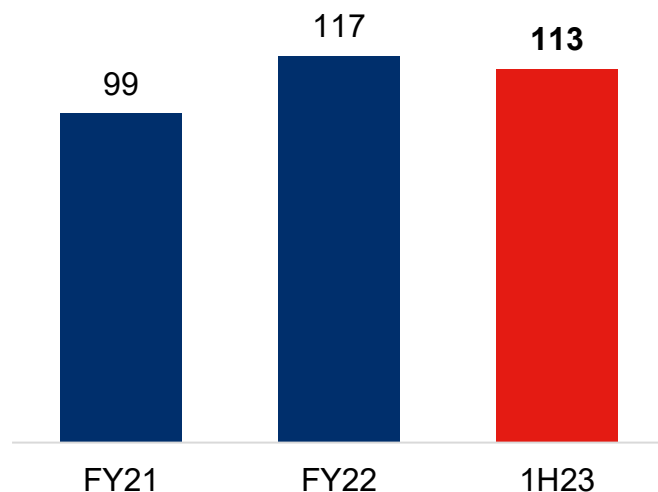


Jeff Byrne

Managing Director, Global Transaction Services

Global Transaction Services (GTS)

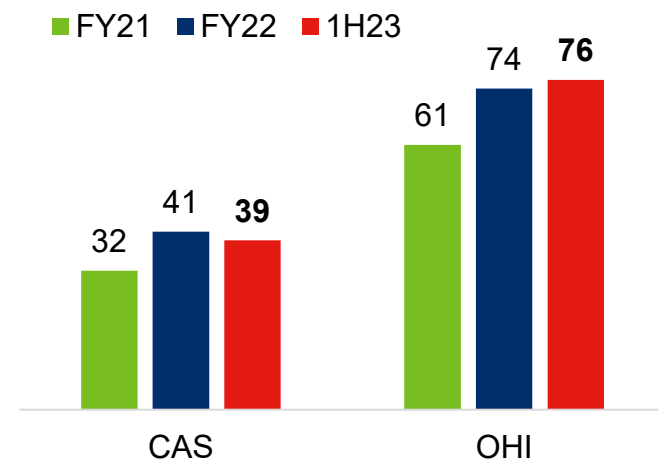
Deposits (\$bn)



Reset the business

- Strengthened AML³ systems and processes
- Selected correspondent banking and agency services relationships
- Simplified client, product and service offering (exited ~1,000 low value clients; reduced product suite by ~50%)

OHI¹ and CAS²



Gaining momentum

- Efficiency delivered from portfolio simplification
- Sustained deposit growth
- Improving customer advocacy
- Stronger employee engagement

¹ Organisational Health Index (OHI). ² Customer Advocacy Score (CAS). CAS is provided by Fifth Dimension and calculated as a 6-month rolling average. ³ Anti-money laundering (AML).

GTS: Meeting clients' needs today



PayTo for payers delivered; PayTo for Billers on schedule



Global SWIFT ISO upgrade: Phase-1 delivered; Phase-2 on schedule



Westpac Live FX upgrades



Introduced dynamic virtual cards

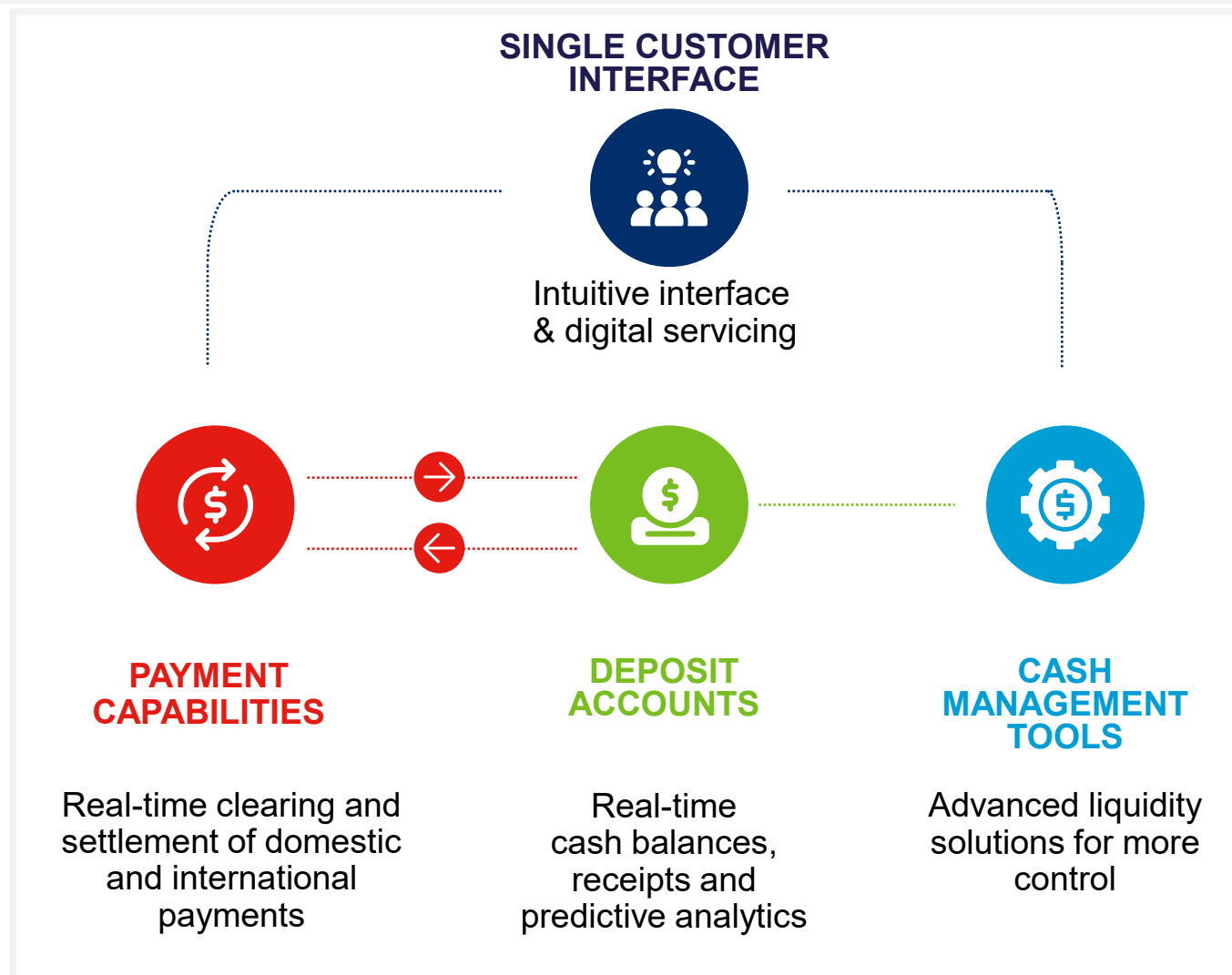


Launched new deposit product for Superannuation funds

GTS: Ambition to be a leading digital transaction bank

Transformational investment

- Transforming GTS into a leading, modern, digital transaction bank
- Radically simplifying the transaction banking user experience
- Delivering sophisticated, real time treasury management capabilities

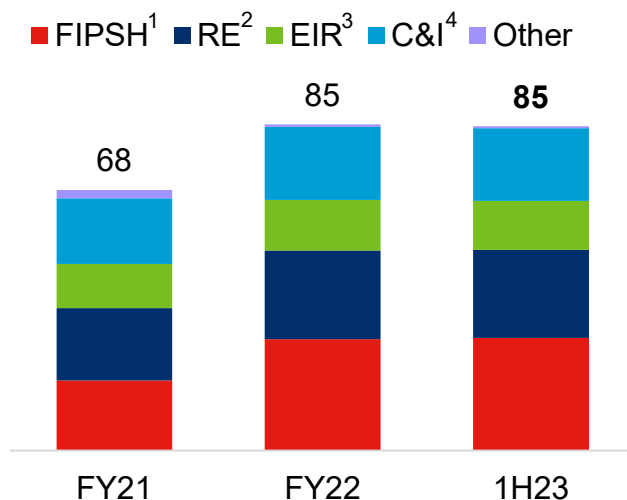


Alastair Welsh

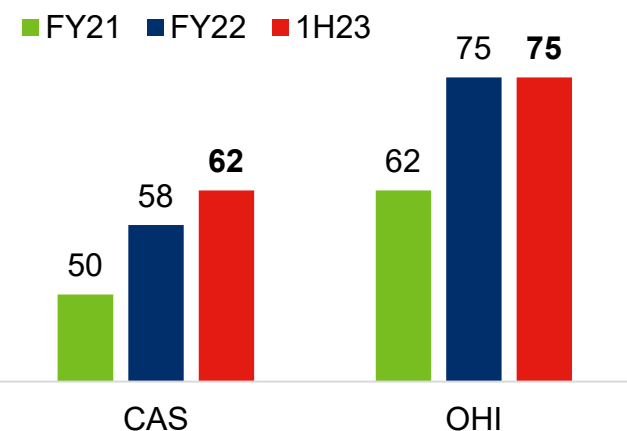
Managing Director, Corporate & Institutional Banking

Corporate & Institutional Banking (CIB)

Loans (\$bn)



CAS and OHI



Client driven business

- Client focus through industry specialisation
- Improving banker productivity
- Managing business end to end
- ESG capability uplift to support clients' transition journey
- Data insights and research to support clients' growth aspirations

Stronger foundations

- #1 greenfield renewable energy financier in Australia⁵
- Customer advocacy score increased
- Loan CAGR of 16% while maintaining risk settings⁶
- Uplift in banker engagement since FY21 - OHI moved from 4th to 2nd quartile
- ~3,000 employees completed ESG fundamentals training

1 Financial Institutions, Public Sector & Health (FIPSH). 2 Real Estate (RE). 3 Energy, Infrastructure & Resources (EIR). 4 Consumer & Industrial (C&I). 5 Source: Westpac research, project websites and IJ Global League Tables at 30 May 2023. 6 Over two years Mar-21 to Mar-23.

CIB: Ambition to be the lead relationship bank



Existing clients

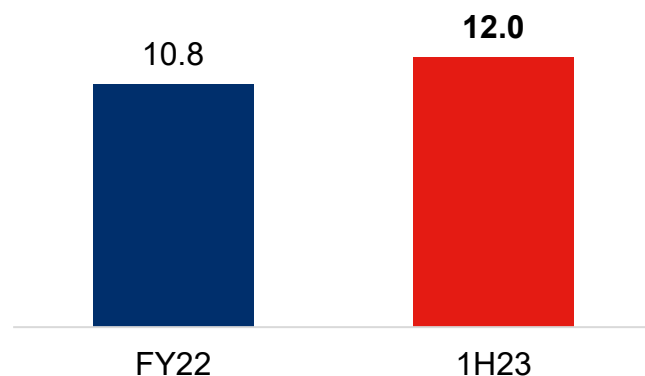


Infrastructure and renewables



To lead in ESG

Exposure to climate change solutions¹ (\$bn, TCE²)



Future state

- Simplified & digitised processes making client interactions easier
- Deeper relationships through enhanced WIB product offering
- Supporting our bankers to facilitate more time with clients
- ESG fully integrated into banking operations
- Portfolio diversification balancing risk and returns

Performance measures of future state

- Enhancing client experience through simplification and digitisation
- Aiming to be within top 2 lending market share while maintaining risk settings
- Growth aligned with soon to be launched Sustainable Finance Taxonomy
- Expanding NZBA targets
- Achieve top quartile employee engagement

¹ Climate change solutions activities are defined in the Glossary section in our 2022 Sustainability Index and Datasheet. ² TCE is total committed exposure.

Max Bulloch

Managing Director, Financial Markets

Financial Markets (FM)

Leading position
across a range of fixed income
markets¹

#1
Australian sustainable bond
league table

#2
\$A bond league table
(excluding self-led)

**Most useful analysis of the
economy**
17 years in a row²

Client focused business

- Deeper client relationships through greater external focus
- Alignment across all teams delivering a consistent, competitive and easy client experience
- Embarked on a technology and data simplification

Demonstrated capabilities

- JLM³ on all semi-government green/sustainability bond issuance in past 2 years
- JLM³ on 16 of 24 semi-government deals, covering 75% of supply⁴
- Ranked #1 in five out of six fixed income secondary trading categories⁵
- #2 FX market share with Institutional clients and #1 with funds⁶
- Technology uplift to streamline the deal process and enhance risk management

1 #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. 2 Peter Lee Associates Interest Rate Derivatives Survey 2006 to 2022. Ranking against four major domestic banks. 3 Joint lead manager (JLM). 4 Semi-government financial year runs from July 2022 to June 2023. 5 KangaNews Fixed Income Trading and Research Poll 2023. 6 2022 Peter Lee Associates Foreign Exchange – Financial Institutions Survey, ranking against all banks.

FM: Ambition to be #1 FM business in Australia and NZ



Business & Consumer



Cross border flows



Carbon & Commodities

A blueprint for moving forward

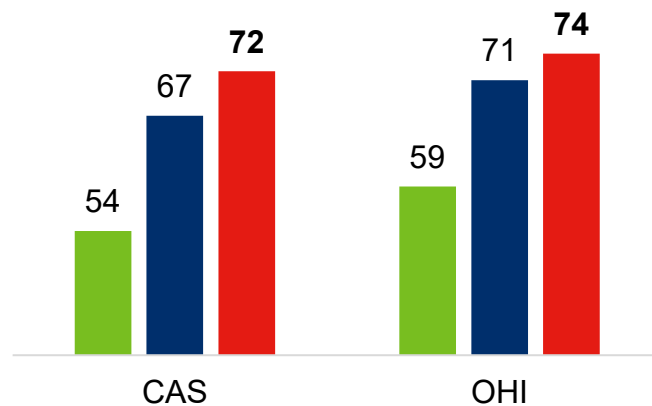
- Deepening existing client relationships
- Leveraging market leading systematic pricing capability
- Increasing cross border business
- Using data, technology and insights to enhance the client experience
- Partnering with clients on their climate transition journey

Performance measures for the future

- Top 2 market share in core products¹
- Top 2 in league tables for A\$ and NZ\$ bonds
- Improving growth and return
- Strong employee engagement

CAS and OHI

■ FY21 ■ FY22 ■ 1H23



¹ As measured by Peter Lee and East & Partners surveys – Corporate Foreign Exchange, Corporate Interest Rate Derivatives, Foreign Exchange – Financial Institutions, Fixed Income.

Nell Hutton

Group Executive WIB from 1 October 2023

Focus on becoming the leading institutional bank



Appendix and Disclaimer

Business structure: GTS

**Managing Director
Global Transaction Services**

**International
Payments**

**Qvalent Pty
Ltd**

**Digital
Solutions &
Channels**

**Domestic
Payments**

**Liquidity
Management**

**Corporate
Cards**

Institutional

Business and Consumer

New Zealand

Client Engagement

Transactional Banking Sales, Implementation and Client Service

Chief Operating Office

Global Operations Management, Strategic Business Transformation, Business Controls and Monitoring

Business structure: CIB

**Managing Director
Corporate & Institutional Bank**

Relationship Management and analytical expertise

**Consumer &
Industrial**

**Energy,
Infrastructure &
Resources**

**Financial
Institutions, Public
Sector & Health**

Real Estate

Debt Products

Highly experienced specialist teams delivering market-leading capabilities

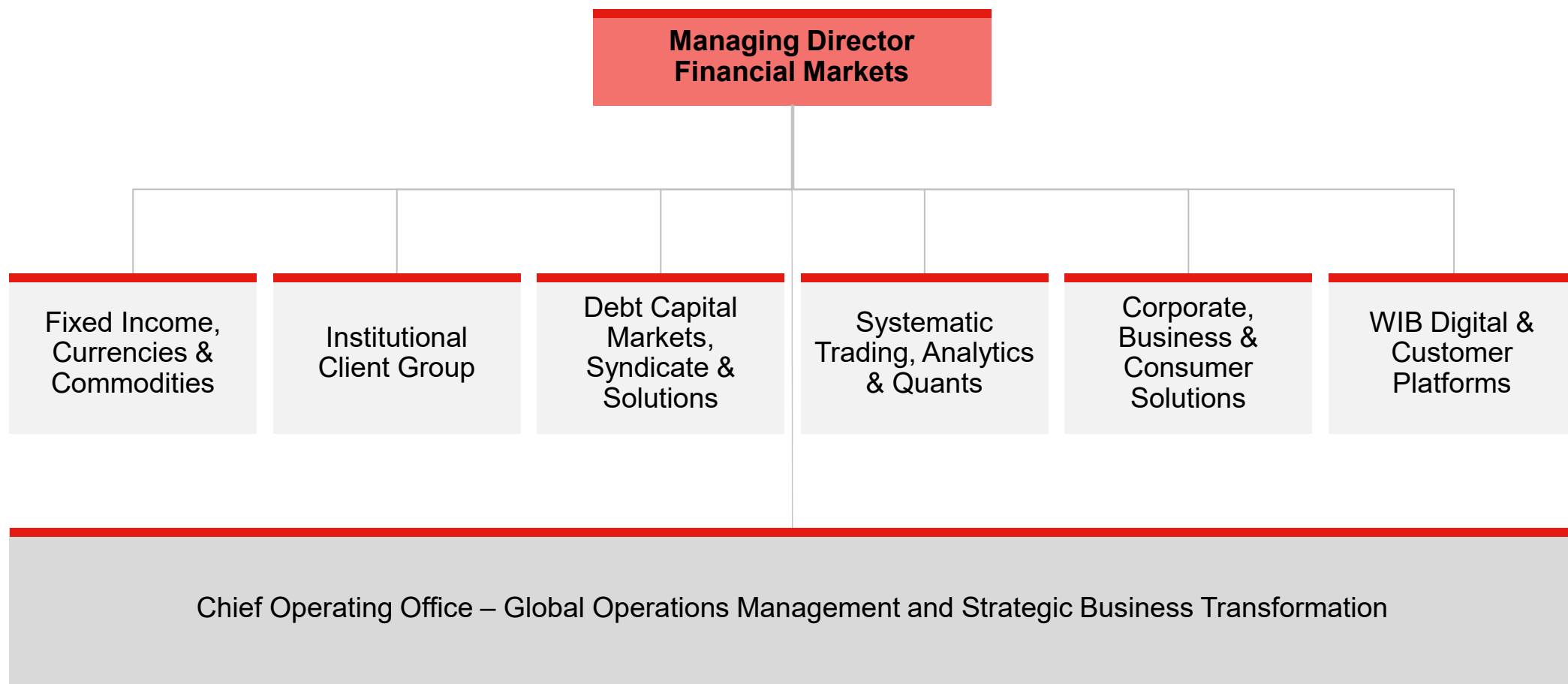
Chief Operating Office

Global Operations Management and Strategic Business Transformation

**Business Controls
& Monitoring**

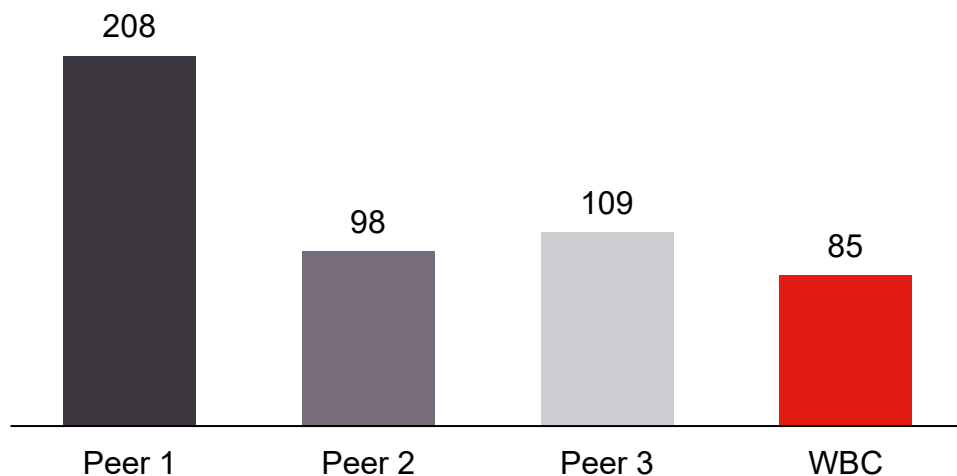
Support and guide the business in driving risk and compliance priorities

Business structure: FM

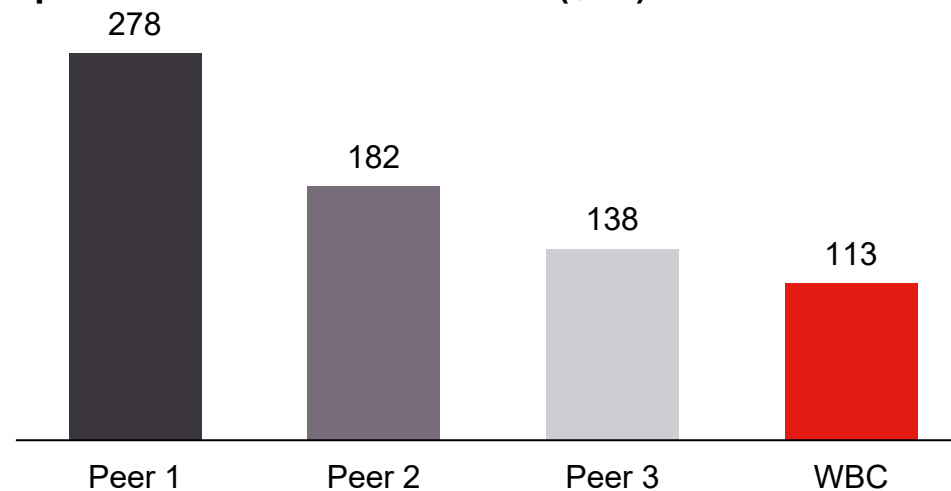


Peer comparison: institutional banking divisions¹

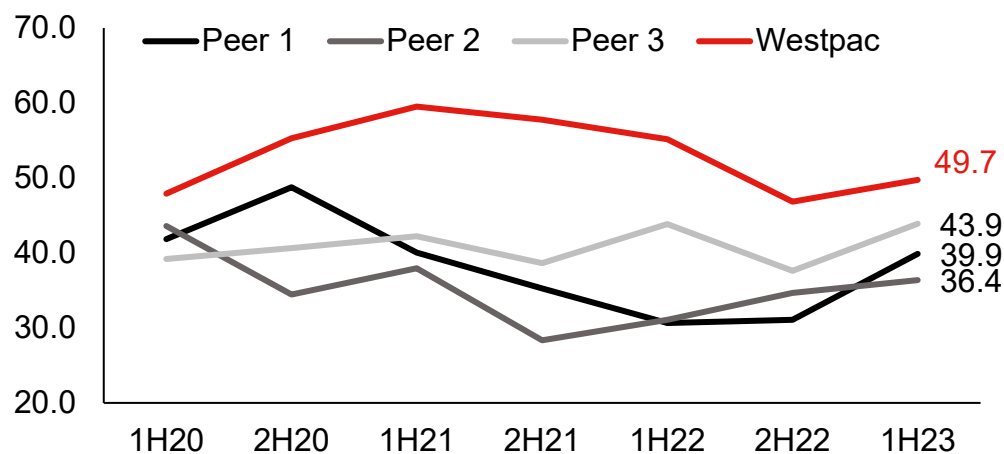
Loans: balances at end-1H23 (\$bn)



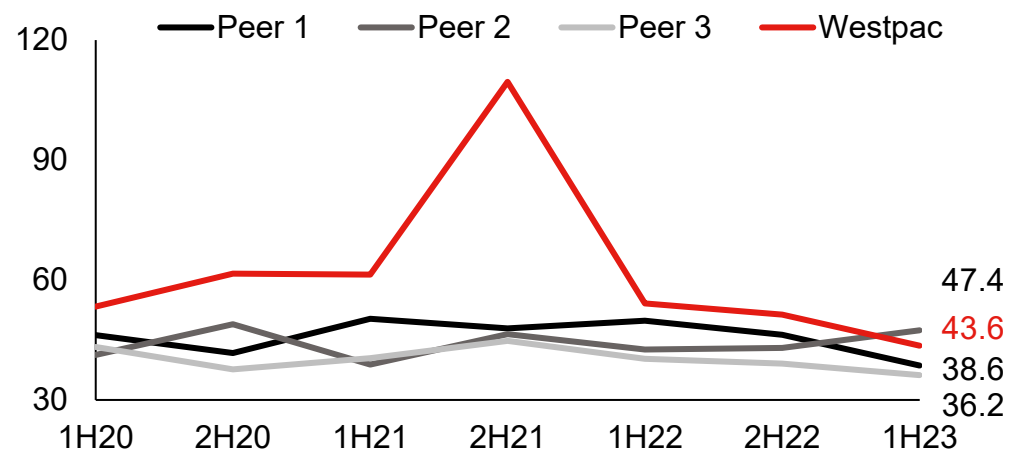
Deposits: balances at end-1H23 (\$bn)



Non-interest income/ operating income (%)



Expense to income ratio (%)



¹ Based on segment disclosure of each bank. The segments are not comparable on a like for like basis. The peer comparison provides an overview of relative size.

League tables^{1,2}

Manager, ranking according to market share

	2020	2021	2022	2023 YTD
A\$ bonds	4	3	2	2
NZ\$ bonds	3	3	3	3
A\$ securitisation	2	2	2	2
Australian sustainable bonds ³	3	6	1	1

¹ Excluding self-led. ² Source: Bloomberg, KangaNews. ³ Local issuers.

Investor Relations Team

Justin McCarthy

General Manager, Investor Relations

Andrea Jaehne

Head of Investor Relations,
Ratings Agencies and Analysis

Rebecca Plackett

Head of Corporate Reporting and ESG

Arthur Petratos

Manager, Shareholder Services

Jacqueline Boddy

Head of Debt Investor Relations

Catherine Garcia

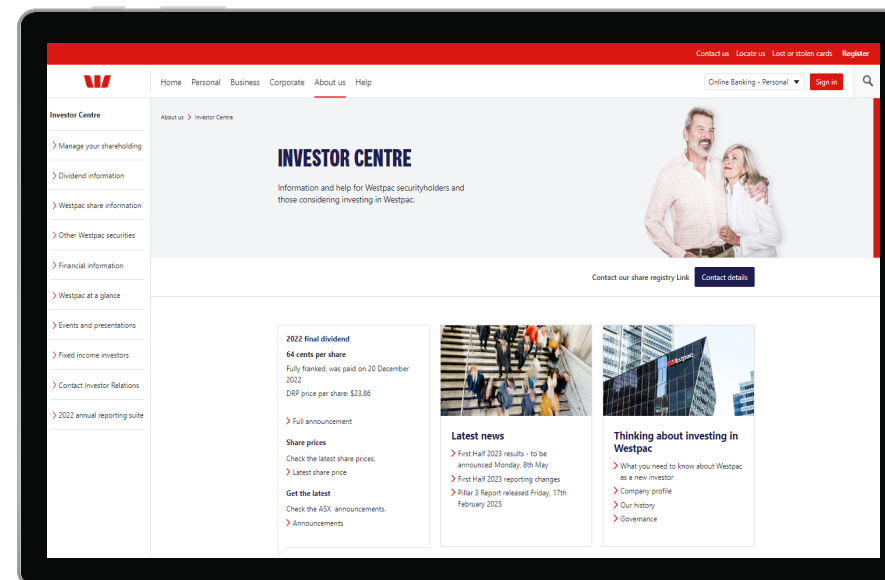
Head of Investor Relations,
Institutional

James Wibberley

Manager, Investor Relations

Nathan Fontyne

Graduate, Investor Relations



Investor Relations Contact

For all matters relating to Westpac's strategy,
performance and results

 +61 2 9178 2977

 investorrelations@westpac.com.au

 westpac.com.au/investorcentre

Share Registry Contact

For all shareholding enquiries relating to:

- Address details and communication preferences
- Updating bank account details, and participation in the dividend reinvestment plan

 1800 804 255

 westpac@linkmarketservices.com.au

 investorcentre.linkmarketservices.com.au

Disclaimer

The material contained in this presentation is intended to be general background information on Westpac Banking Corporation (Westpac) and its activities.

The information is supplied in summary form and is therefore not necessarily complete. 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.

The financial information in this presentation is presented in accordance Australian Accounting Standards (AAS) and is also compliant with International Financial Reporting Standards. In First Half 2023, Westpac ceased reporting cash earnings and cash earnings excluding Notable Items and now uses net profit attributable to owners of Westpac (net profit) as Westpac's key measure of financial performance. Refer to Westpac's 2023 Interim Financial Results (incorporating the requirements of Appendix 4D) for the six months ended 31 March 2023 available at www.westpac.com.au in the section "Results Announcement to the market - Introduction" for details of the presentation changes and non-AAS financial measures.

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 Westpac. 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 Interim Financial Results (incorporating the requirements of Appendix 4D) for the six months ended 31 March 2023 available at www.westpac.com.au. When relying on forward-looking statements to make decisions with respect to Westpac, 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.