

Westpac Banking Corporation

The Euromoney/ECBC Covered Bond Congress September 2021 Investor Presentation

WESTPAC BANKING CORPORATION
ABN 33 007 457 141

Fix. Simplify. Perform.

 **estpac** GROUP

The Australian economy

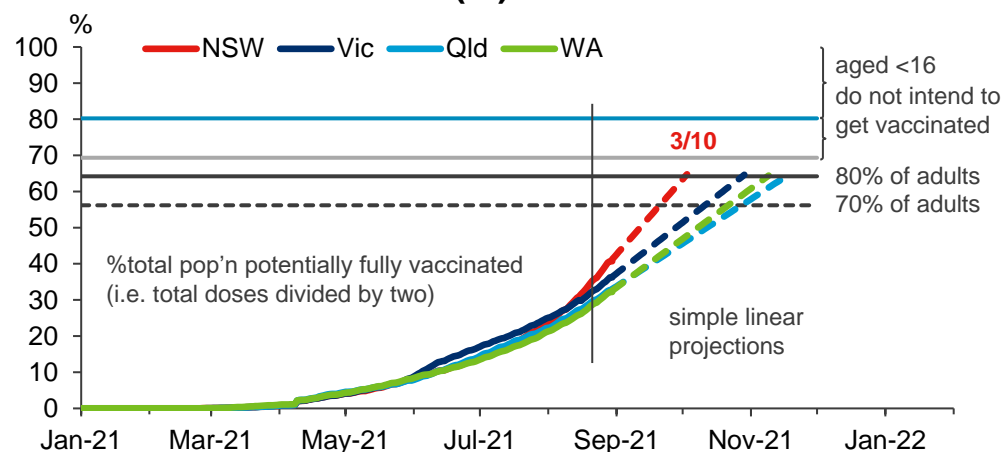
Recovery facing a significant near-term setback from virus outbreaks

Key economic indicators (%) at 30 August 2021

		2020	2021F	2022F
Australia	GDP¹	-1.0	2.4	5.0
	Unemployment – end period	6.8	5.4	4.0
	CPI headline – year end	0.9	2.6	2.4
	Interest rates – cash rate	0.10	0.10	0.10

Source: Westpac Economics

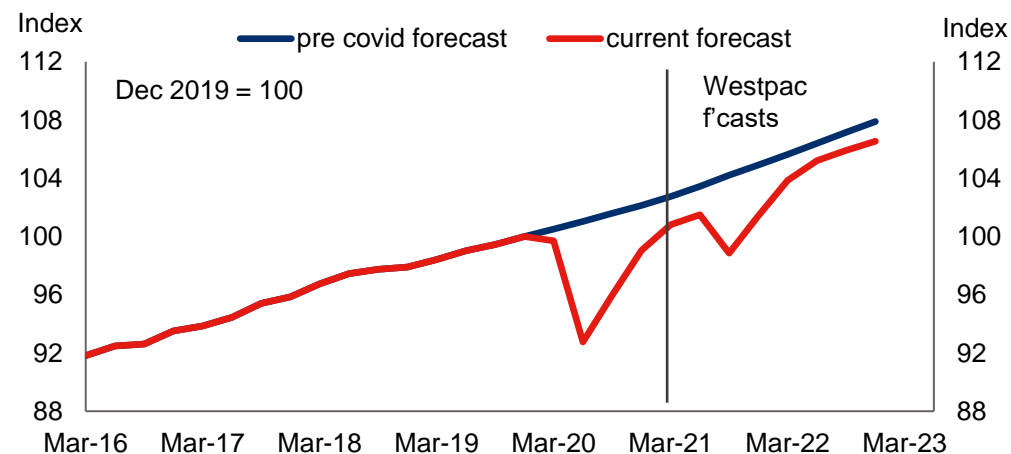
Australian vaccinations (%)



Source: Macrobond, Westpac Economics

¹ Through the year growth rates.

Australia's GDP profile (index)



Sources: ABS, Westpac Economics.

Unemployment rate (%)



Sources: NAB survey, ABS, Westpac Economics.

Westpac overview



Earnings

as at
31 March 2021

- Cash earnings \$3.5bn, up \$1.9bn on 2H20
- Cash ROE 10%
- Net interest margin 2.09%, up 6bps on 2H20



Balance sheet strength

as at
30 June 2021

- CET1 capital ratio of 12.0% APRA-basis, 17.7% internationally comparable basis
- Announced divestments expected to add ~50bps to the CET1 capital ratio¹
- Given excess capital and franking credits, the Board will consider a return of capital, with an update expected at our FY21 results
- Funding and liquidity remain strong. LCR 127% and NSFR 123%
- Deposit to loan ratio 80.2%, compared to 79.8% at 31 March 2021
- Term Funding Facility (TFF) fully drawn down (\$30bn)



Asset quality

as at
30 June 2021

- Stressed assets to TCE 1.51%, 9bps lower than 31 March 2021
- Mortgage 90+ day delinquencies – Australia 1.11% (down 9bps on 31 Mar 2021), NZ 0.37% (up 4bps on 31 Mar 2021)
- Provision cover little changed. Total provisions to credit RWAs 1.55%, down 4bps over 3Q21
- Relatively small number of new repayment deferrals related to recent lockdowns



Progress on strategic priorities

as at 30 June 2021

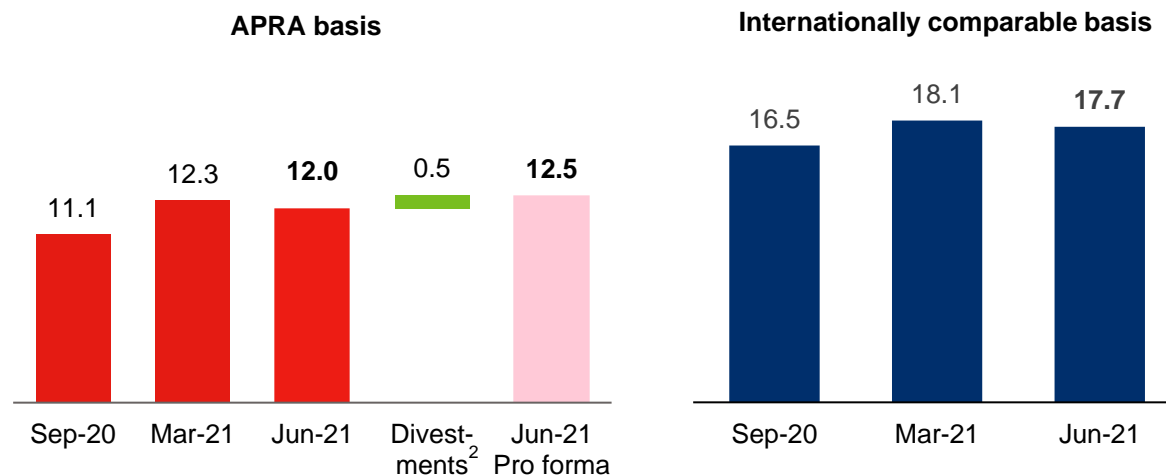
- Australian mortgages and Australian business lending grew at 1x system in 3Q21²
- Completed sale of General Insurance. Responding to PNG's ICCC interim findings on Westpac Pacific sale³
- Announced sales of Motor Vehicle Finance, Westpac Life New Zealand and Australian Life business

¹ Refer to Westpac's 3Q21 Capital, Funding and Credit Quality Update for further details of the announced divestments and the expected CET1 benefit. ² Mortgage system is based on APRA banking statistics, business lending is based on RBA financial system. ³ On 26 July 2021, Westpac announced that PNG's Independent Consumer and Competition Commission (ICCC) has released its draft determination indicating it proposes to deny authorisation to Kina Bank for the proposed acquisition of Westpac's stake in Westpac Bank PNG Limited. Westpac and Kina Bank are currently reviewing the draft determination and intend to make further submissions to the ICCC before its final determination is issued in September 2021, following a public consultation period.

Key capital ratios

Key capital ratios (%)	Sep-20	Mar-21	Jun-21
Internationally comparable ratios¹			
CET1 capital ratio (internationally comparable)	16.5	18.1	17.7
Leverage ratio (internationally comparable)	6.5	6.9	6.5
APRA capital ratios			
CET1 capital ratio	11.1	12.3	12.0
Additional Tier 1 capital ratio	2.1	2.2	2.2
Tier 1 capital ratio	13.2	14.5	14.2
Tier 2 capital ratio	3.1	3.9	4.2
Total regulatory capital ratio	16.4	18.4	18.4
Risk weighted assets (RWA) (\$bn)	438	429	437
Leverage ratio	5.8	6.3	5.9
Level 1 CET1 capital ratio	11.4	12.6	12.2

CET1 capital ratio (%)



Regulatory developments

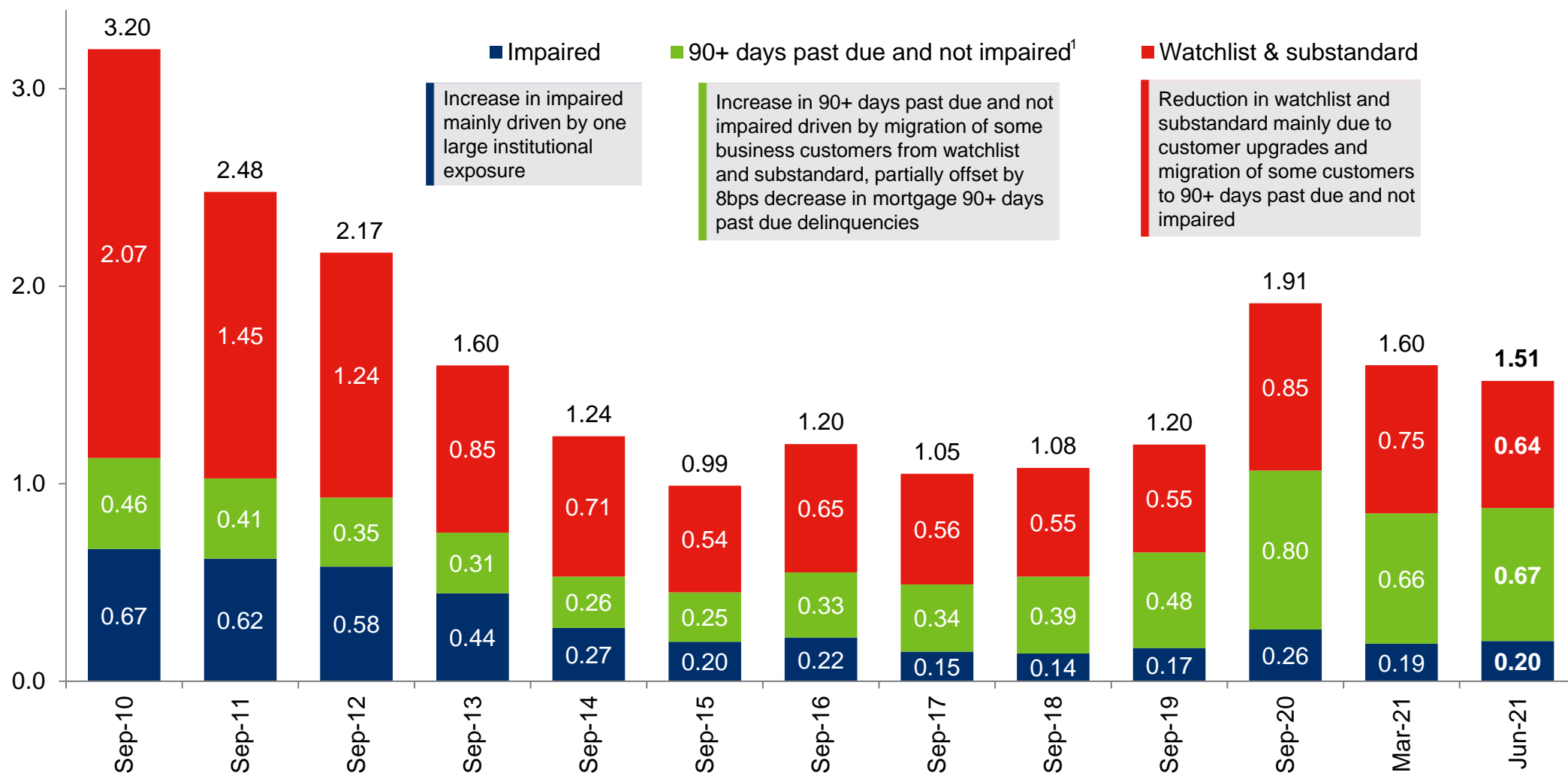
- APRA advised that COVID-19 loan deferrals will not be treated as a period of arrears or loan restructuring
- On 21 July 2021, APRA released further guidance on the implementation of Basel III reforms including:
 - The CET1 capital requirement (comprising the minimum requirement and buffers) for the major banks is proposed to increase from 8% to 10.5% from 1 January 2023
 - The interest only (IO) component of non-standard mortgages amended to IO loans with a current contractual term > than 5 years and a loan to valuation ratio >80%. We estimate that less than \$10bn of mortgages at 30 June 2021 meet this criteria
 - We expect further clarity on the changes ahead of 1 January 2023 implementation
- On 5 August 2021, APRA released the final revised APS 111 standard which will come into force from 1 January 2022. The changes are expected to reduce the Level 1 CET1 ratio by ~20bps primarily from Westpac's equity investment in WNZL

¹ Internationally comparable methodology aligns with the APRA study titled 'International Capital Comparison Study' dated 13 July 2015. ² Announced divestments expected to add ~50bps to the CET1 capital ratio. Refer to Westpac's 3Q21 Capital, Funding and Credit Quality Update for further details of the announced divestments and the expected CET1 benefit.

Credit quality

Stressed exposures down 9bps in 3Q21.

Stressed exposures as a % of TCE



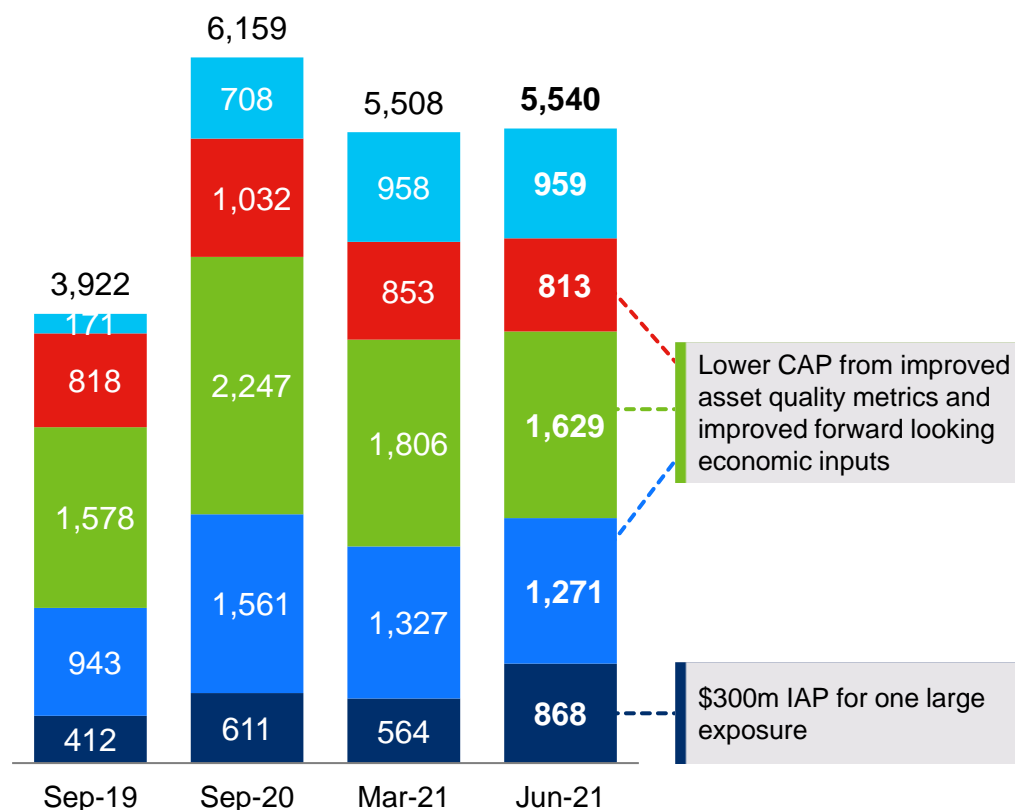
¹ Facilities 90 days or more past due date and not impaired. These facilities, while in default, are not treated as impaired for accounting purposes.

Provisions

Prudence maintained.

Total impairment provisions¹ (\$m)

- Overlay
- Stage 1 CAP
- Stage 2 CAP
- Stage 3 CAP
- IAP (Stage 3)



Provision coverage	Sep-20	Mar-21	Jun-21
Provisions to Credit RWA	171bps	159bps	155bps
Provisions to TCE	58bps	51bps	50bps
Impaired provisions to impaired assets	41.5%	47.0%	55.0%

Forecasts used in base case economic scenario²

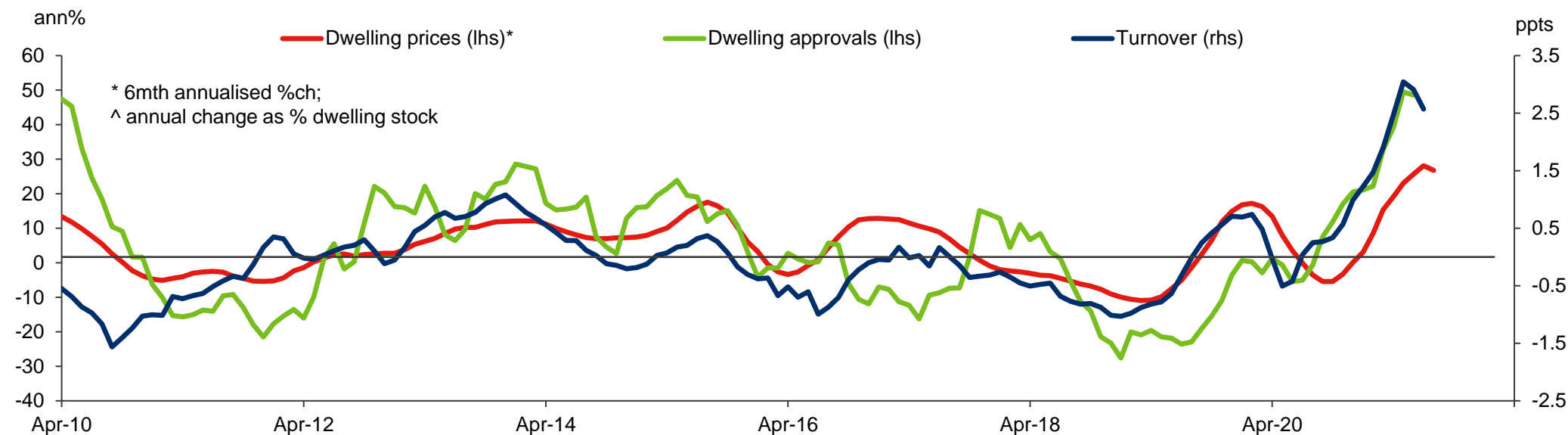
	At Mar 2021		At Jun 2021	
	2021	2022	2021	2022
GDP growth	4.0%	3.0%	4.8%	3.2%
Unemployment	6.0%	5.3%	5.0%	4.7%
Residential property price increase/(decrease)	10%	10%	15%	5%

¹ CAP is Collectively Assessed Provision. IAP is Individually Assessed Provision. ² GDP and Residential property price growth is annual growth to December each year. Unemployment rate forecast is as at year end. Forecasts used for June 21 were determined 7 June 21. These forecasts are likely to change in light of recent lockdowns.

Australian housing market

Temporary loss of momentum, but correction looks unlikely

Australian housing market metrics



Dwelling prices

Capital city	Pop'n	% change over period		
		Last 3 mths (to Jul-21)	Last 12 mths (Jul-21)	Last 5 years (to Jul-21)
Sydney	4.8m	Up 7.7%	Up 18.2%	Up 29.9%
Melbourne	4.5m	Up 4.6%	Up 10.4%	Up 25.0%
Brisbane	2.3m	Up 6.0%	Up 15.9%	Up 21.2%
Perth*	1.9m	Up 1.6%	Up 11.1%	Down 5.7%

* Price data for Perth has been temporarily suspended as a technical issue is reviewed.
Sources: CoreLogic, Westpac Economics.

Westpac Economics dwelling price forecasts (%)

Capital city	Pop'n	avg*	2020	2021f	2022f	2023f
Sydney	4.8m	6.8	2.7	22	4	-6
Melbourne	4.5m	4.9	-1.3	16	6	-6
Brisbane	2.3m	3.2	3.6	18	8	-1
Perth	1.9m	-0.2	1.9	12	4	-1
Australia	25m	4.9	1.8	18	5	-5

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

Australian housing market

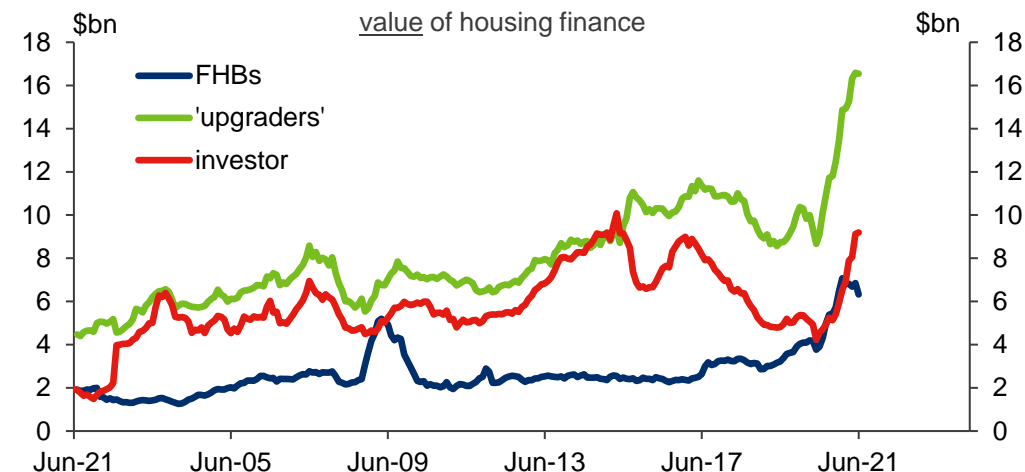
Key measures of activity show impact of recent COVID-19 outbreaks.

Residential property: sales vs listings



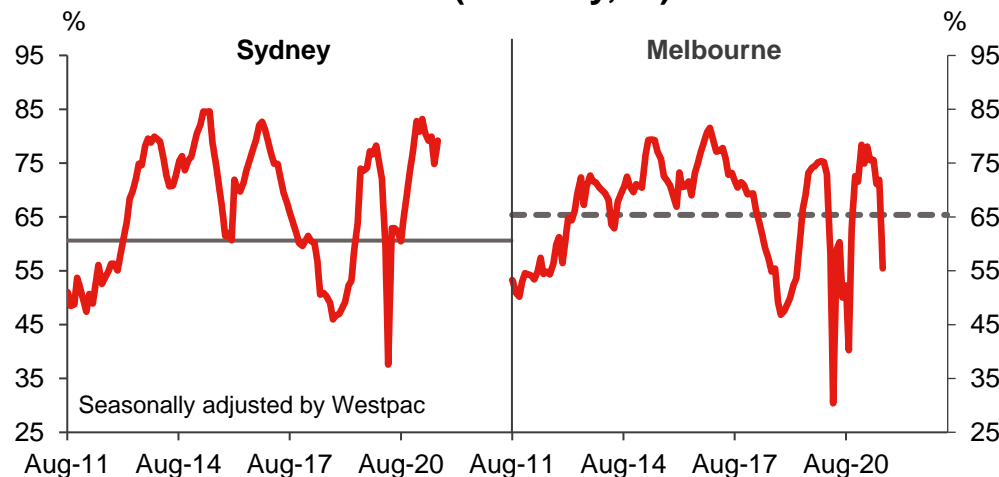
Source: CoreLogic, Westpac Economics

Housing finance approvals by segment (\$bn)



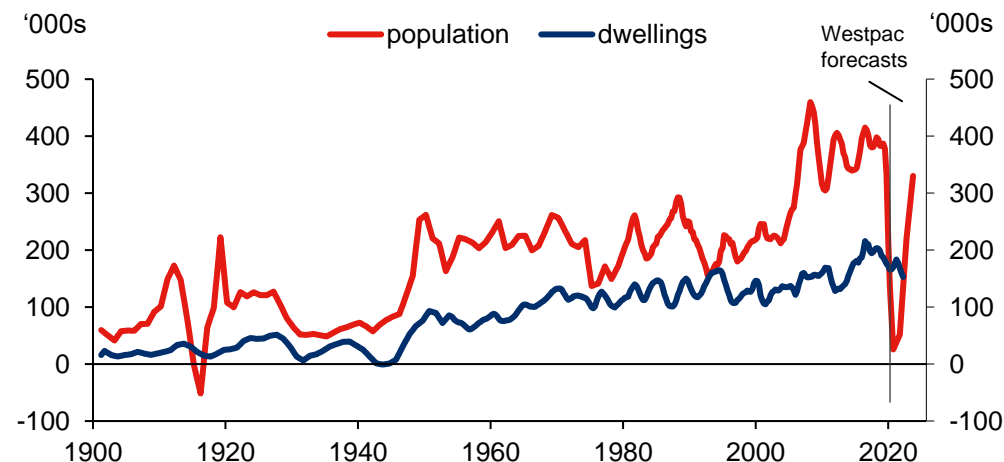
Sources: ABS, Westpac Economics.

Auction clearance rates (monthly, %)



Sources: APM, CoreLogic, Westpac Economics

Dwelling stock and population: ann change

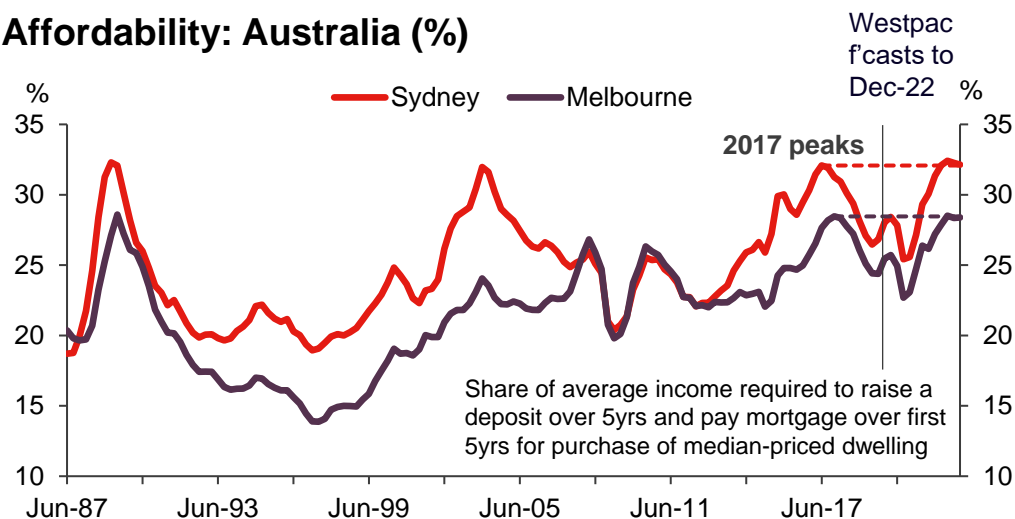


Sources: ABS, Australian Government, Westpac Economics

Australian housing market

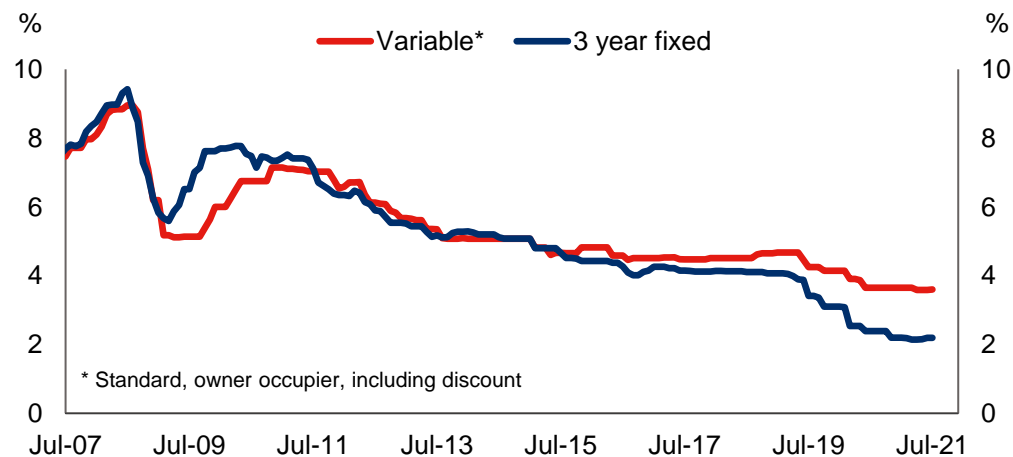
Affordability issues emerging in Sydney and Melbourne.

Affordability: Australia (%)



Sources: CoreLogic, Westpac Economics

Mortgage interest rates (%)



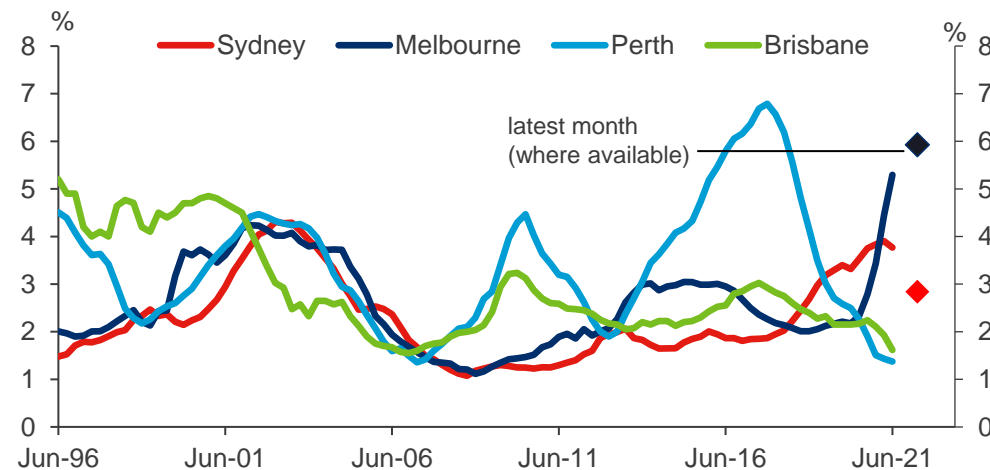
Sources: RBA, Westpac Economics.

Housing consumer sentiment (index)



Sources: Melbourne Institute, Westpac Economics

Rental vacancy rates (% quarterly, annual average)

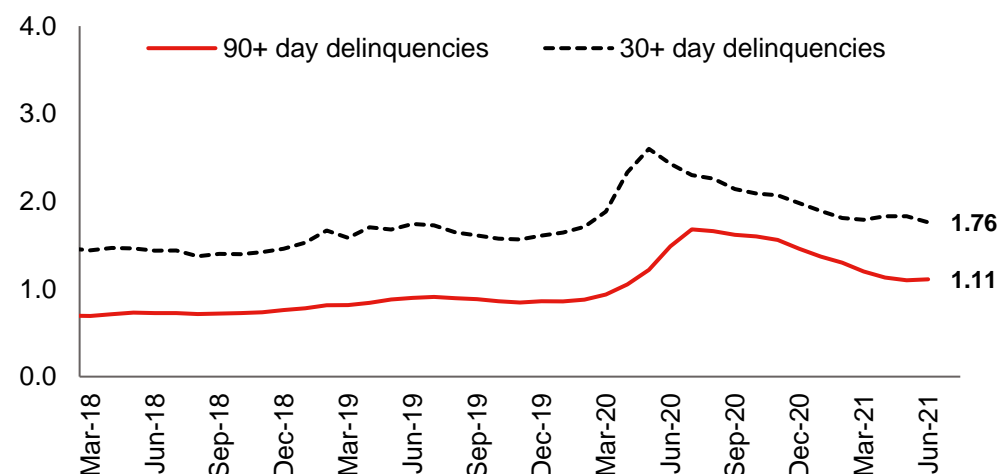


Sources: REIA, Westpac Economics.

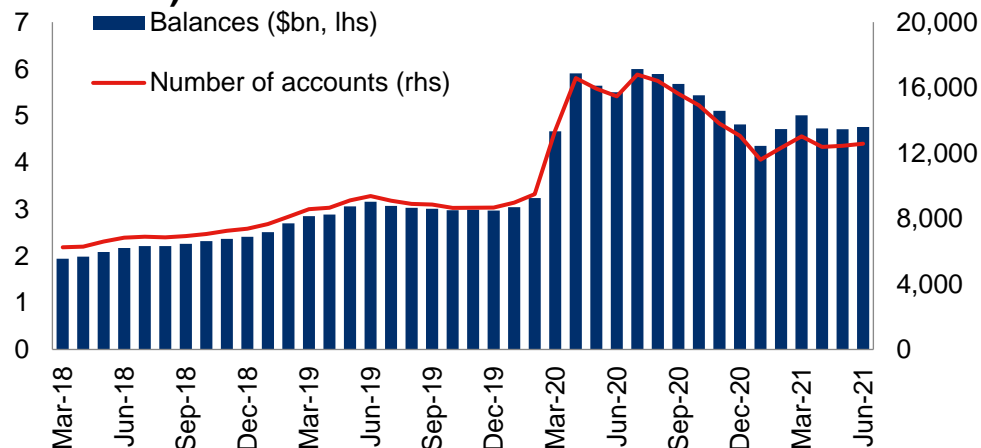
Australian mortgage delinquencies

Australian mortgages	Sep-20	Mar-21	Jun-21
Total portfolio 30+ day delinquencies (bps)	214	179	176
Total portfolio 90+ day delinquencies (bps) (incl. impaired mortgages)	162	120	111
Investment property loans 90+ day delinquencies (bps)	148	118	109
Interest-only loans 90+ day delinquencies (bps)	125	91	84
Customers in hardship ¹ (by balances, bps)	129	113	106
Consumer properties in possession (number)	256	180	199
Actual mortgage loss rate annualised ² (bps, for the 6 months ending)	3	2	2

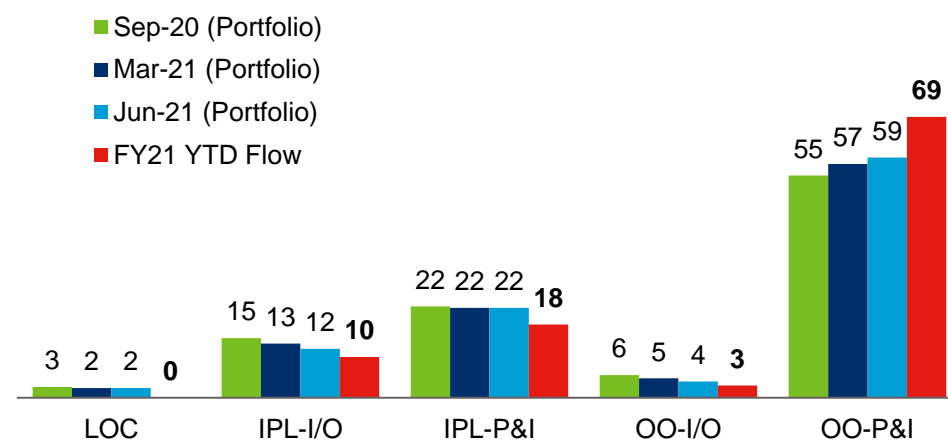
Australian mortgage delinquencies (%)



Australian mortgage hardship balances (\$bn and # of accounts)



Australian mortgage portfolio and FY21 YTD³ flow by product and repayment type (%)



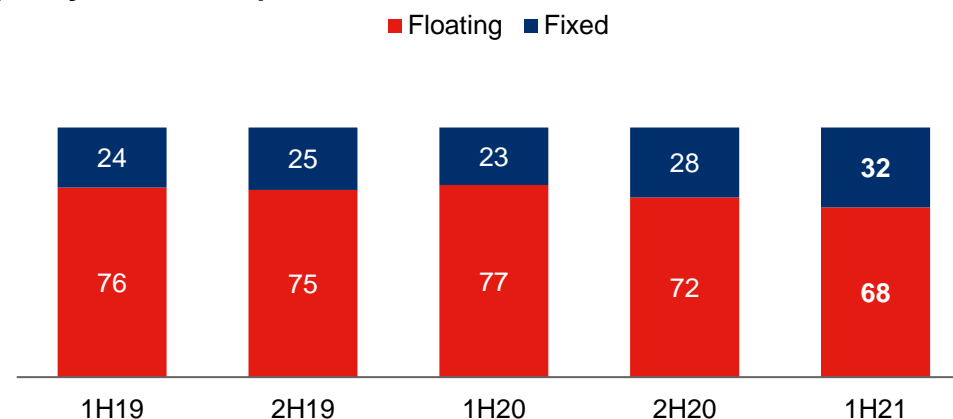
¹ Financial hardship assistance is available to customers experiencing unforeseen events, including changes in income due to illness, a relationship breakdown or a natural disaster. Hardship assistance often takes the form of a reduction or deferral of repayments for a short period. Customers requesting financial hardship assistance must provide a statement of financial position and an assessment is made regarding their eligibility. ² Mortgage loss rates are annualised write-offs for the 6 months ending. ³ Year to date (YTD) is 1 October 2020 to 30 June 2021.

Australian mortgage portfolio composition

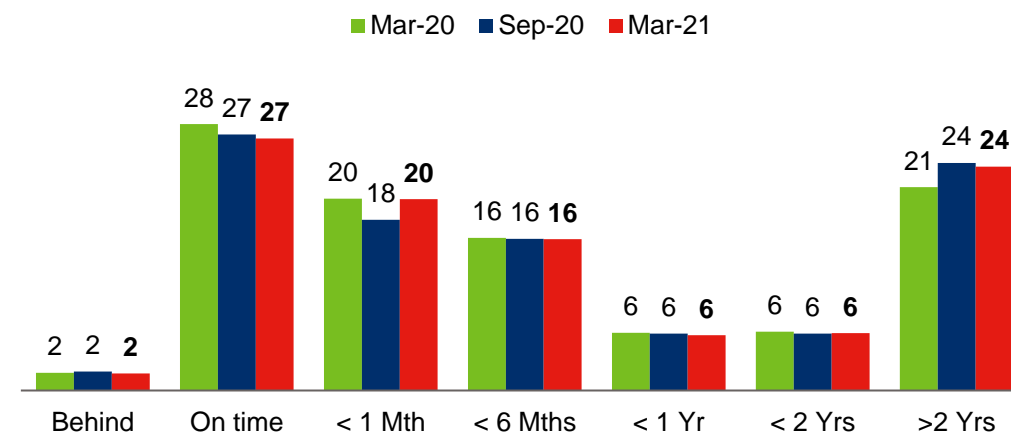
Owner-occupiers driving new flows; more customers choosing fixed rates.

Australian mortgage portfolio	Mar-20 balance	Sep-20 balance	Mar-21 balance	1H21 Flow ¹
Total portfolio (\$bn)	445.7	440.9	443.6	42.0
Owner occupied (OO) (%)	59.4	60.4	62.0	73.6
Investment property loans (IPL) (%)	37.6	36.6	35.2	26.2
Portfolio loan/line of credit (LOC) (%)	2.9	2.5	2.3	0.2
Variable rate / Fixed rate (%)	77 / 23	72 / 28	68/32	63/37
Interest only (I/O) (%)	23.4	20.6	18.2	13.6
Proprietary channel (%)	55.5	54.8	54.2	48.2
First home buyer (%)	8.8	9.0	9.4	13.4
Mortgage insured (%)	16.1	16.0	16.1	16.1
	Mar-20	Sep-20	Mar-21	1H21 Flow ¹
Average loan size ² (\$'000)	276	275	284	367
Customers ahead on repayments including offset account balances ³ (%)	70	71	72	
Actual mortgage losses net of insurance (\$m, for the 6 months ending)	67	58	44	
Actual mortgage loss rate annualised ⁴ (bps, for the 6 months ending)	3	3	2	

Australian mortgage portfolio by interest rate type (% by balances)



Australian home loan customers ahead on repayments⁵ (% by balances)

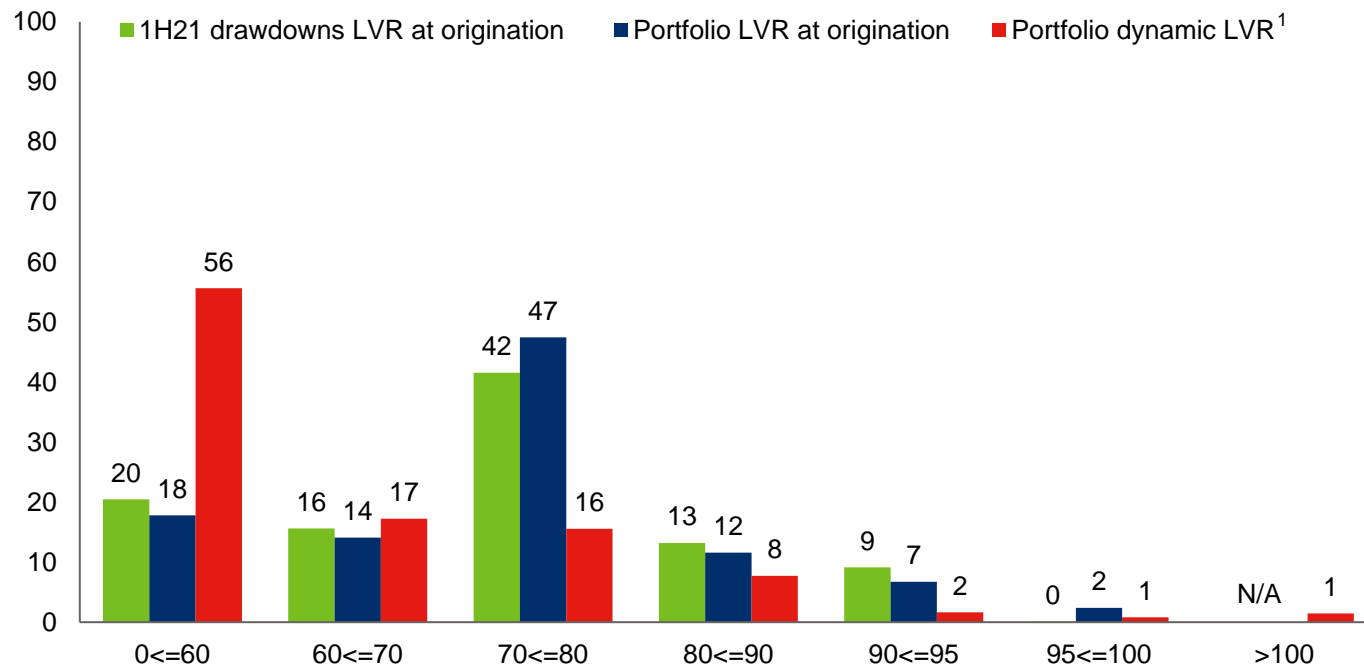


1 Flow is new mortgages settled in the 6 months ended 31 March 2021 and includes RAMS. 2 Includes amortisation. Calculated at account level, where split loans represent more than one account. 3 Loans ahead on payments exclude equity/line of credit products as there are no scheduled principal payments. 4 Mortgage loss rates are write-offs for the 6 months ending. 5 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.

Australian mortgage portfolio

Majority of borrowers have significant equity.

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

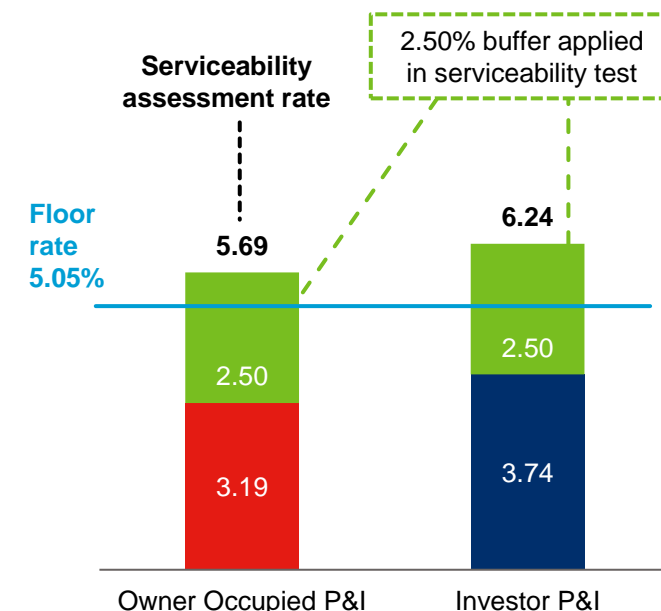


Australian mortgage portfolio LVRs

		Mar-20 balance	Sep-20 balance	Mar-21 balance
Weighted averages ²	LVR at origination (%)	73	73	73
	Dynamic LVR ¹ (%)	57	56	54
	LVR of new loans ³ (%)	72	71	72

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 Weighted average LVR calculation considers size of outstanding balances. 3 Average LVR of new loans is on rolling 6 months. 4 Interest rates for Westpac Rocket Repay Home Loan/Rocket Investment Loan inclusive of Premier Advantage Package discount assuming LVR up to 70%. As at 14 April 2021.

Serviceability assessment rate (%)



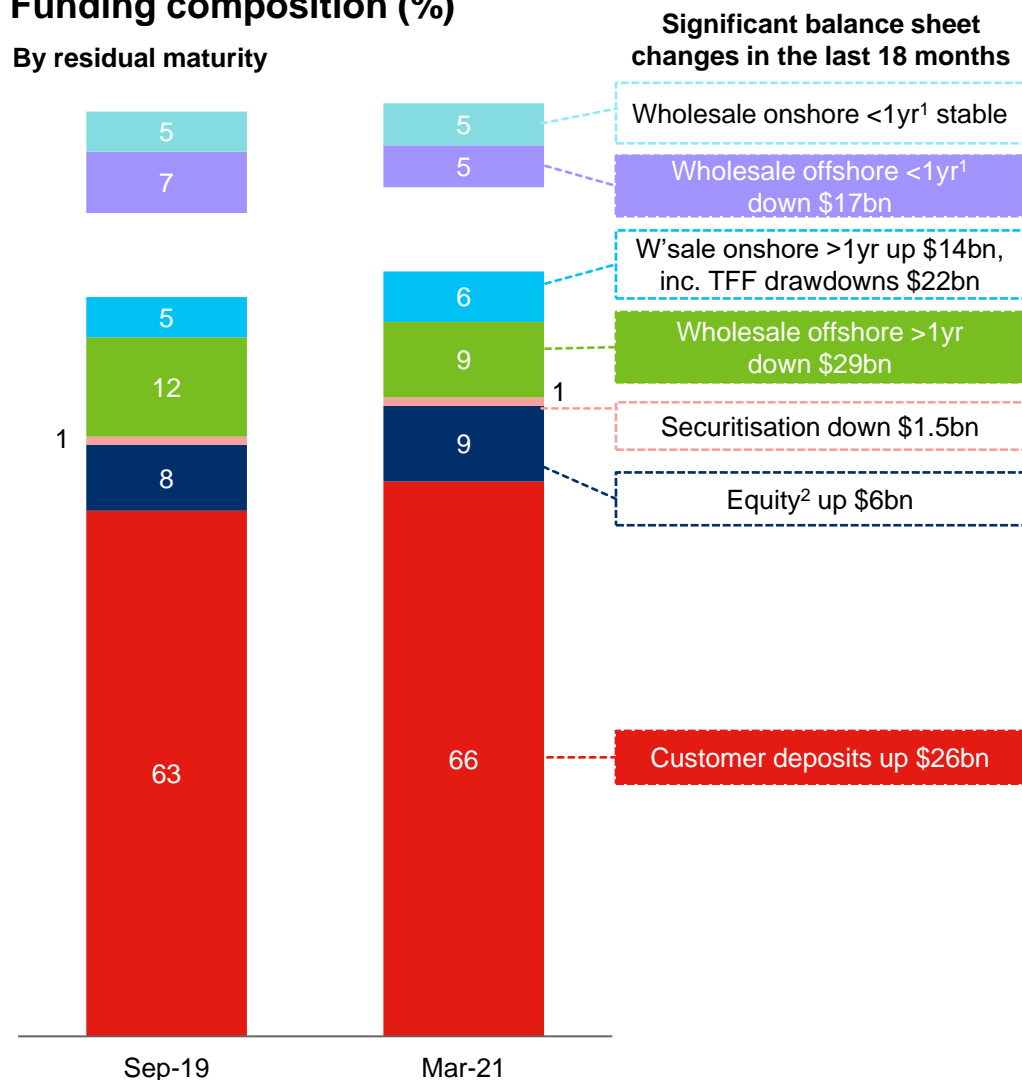
- Loans are assessed at the higher of the customer rate (including any life-of-loan discounts) plus a 2.50% buffer, or the minimum assessment rate (called the "floor rate")
- Westpac applies a floor rate of 5.05%
- Interest only loans are assessed based on the residual P&I term using the applicable P&I rate
- Fixed rate loans are assessed on the variable rate to which the loan will revert after the fixed period – usually higher than the fixed rate

Funding and liquidity

Shift in balance sheet: higher customer deposits, lower offshore wholesale funding

Funding composition (%)

By residual maturity

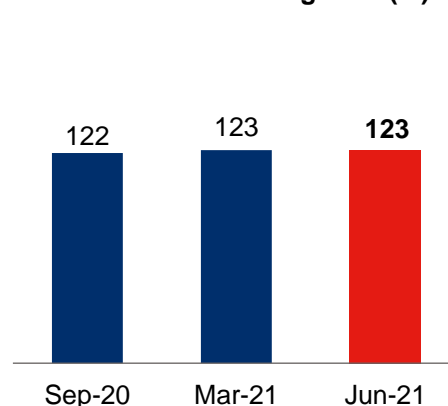


Bars may not add to 100 due to rounding

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.

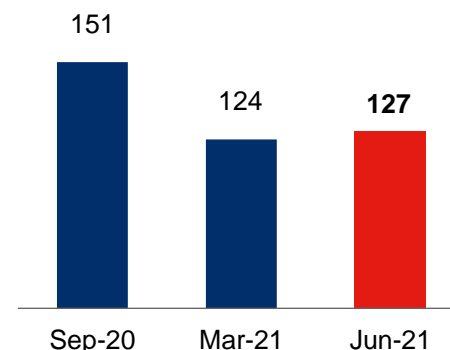
Key funding and liquidity measures

Net stable funding ratio (%)

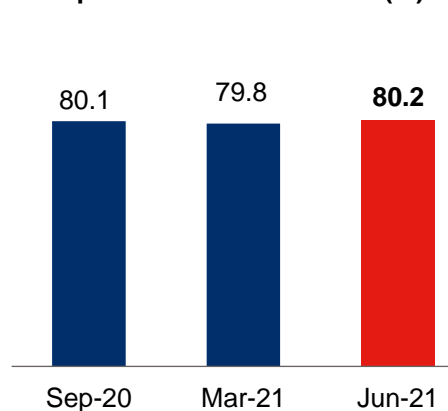


Liquidity coverage ratio (%)

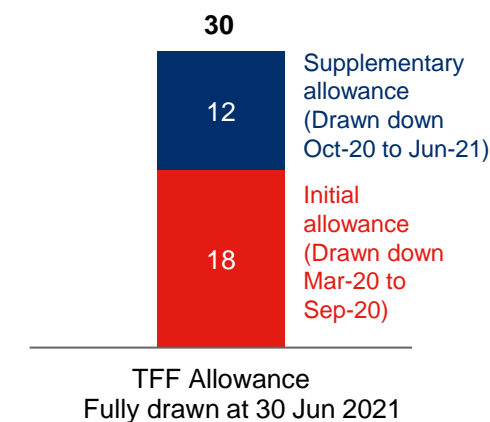
Quarterly average



Deposits to net loans ratio (%)



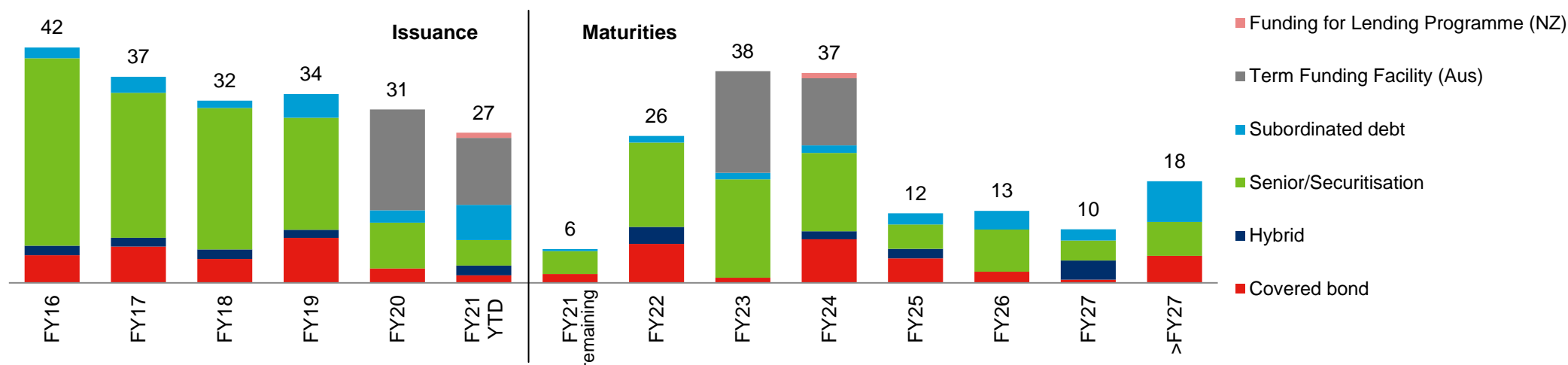
Term Funding Facility (TFF) (\$bn)



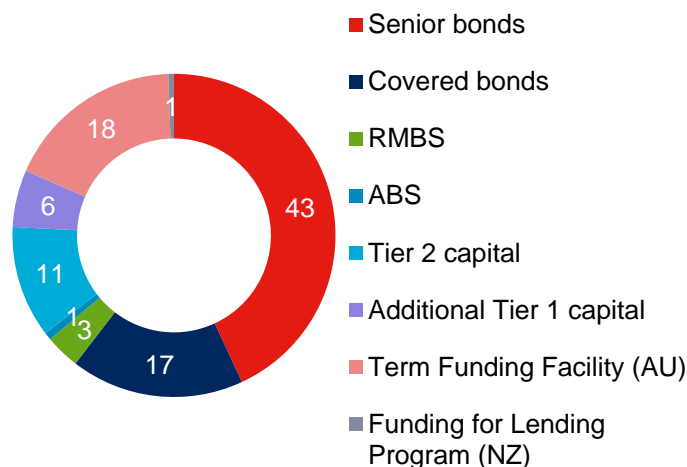
Long term wholesale funding

Expect to return to more normal funding activities in FY22

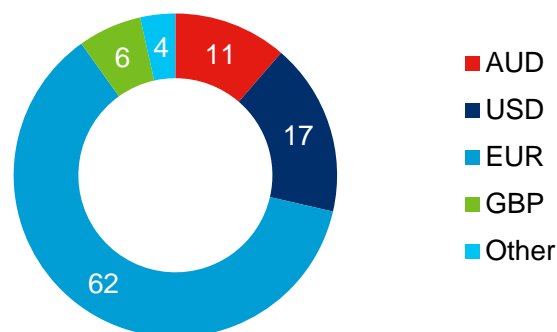
Term debt issuance and maturity profile at 30 June 2021¹ (\$bn)



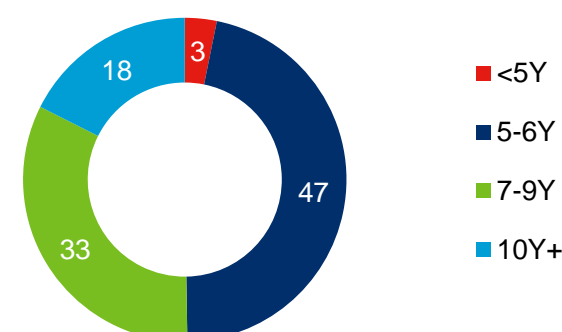
Funding backbook by program^{2,3} (%)



Covered bonds by currency² (%)



Covered bonds by contractual tenor² (%)



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 as at 30 June 2021. ³ Includes WNZL. RMBS and ABS at amortised value.

Westpac Australian Covered Bonds

Westpac covered bonds highlights



Key features

- Covered Bonds are AAA/Aaa rated¹
- Highly rated issuer Westpac A+ / Aa3 / AA-²
- Issuer can go to BBB+/A3(cr) (Fitch/Moody's) and covered bonds will retain AAA rating
- Sovereign rated AAA / Aaa / AAA³
- Meet ICMA standard; Level 2A asset
- Maximum value applied 80% LTV to Asset Coverage Test
- LTV indexed (85% of upside; 100% of downside)



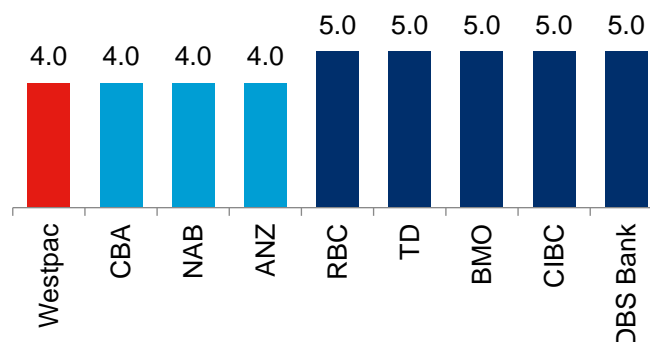
Westpac issuance profile

- Well managed maturity profile
- Covered bond issuance capped at 8% of Australian assets
- A\$23 bn of covered bonds outstanding, with benchmark trades in Euro, USD, AUD and GBP
- Circa 35% of Westpac's covered bond capacity utilised (including over-collateralisation)

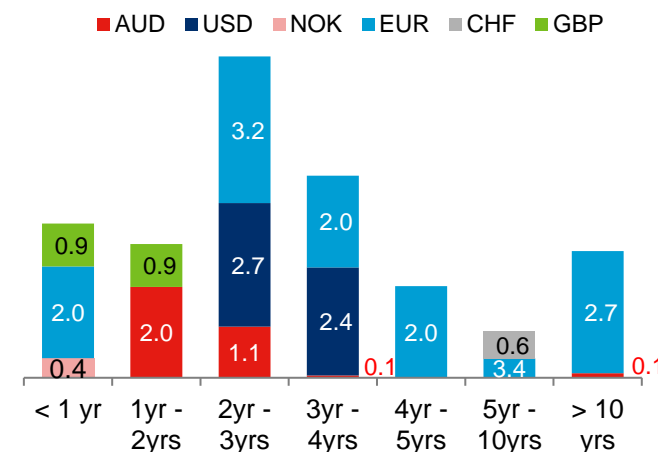
Covered bond pool at 31 July 2021

Total pool loan balance	A\$22,551,207,423
Average loan size	A\$273,017
Weighted average current LVR (unindexed/indexed)	58.16% / 50.25%
Weighted average seasoning	62 months
Owner occupied (Product)	65.21%
Interest only loans	14.14%

Moody's collateral score⁴



Covered bond maturity profile⁵ (A\$bn)



¹ Fitch Ratings ("Fitch") and Moody's Investors Service ("Moody's") respectively. ² Fitch, Moody's and S&P Global Ratings ("S&P") respectively. All agencies have Westpac on a stable outlook. ³ Fitch, Moody's and S&P respectively. Fitch has a negative outlook, Moody's and S&P outlook stable. ⁴ The collateral score is Moody's opinion of how much credit enhancement is needed to protect investors from the credit deterioration of assets in a cover pool in order to reach a theoretical Aaa expected loss, assuming those assets are otherwise unsupported. The higher the credit quality of the cover pool, the lower the collateral score. Source: Moody's. Last updated June 2021. ⁵ At 31 July 2021. Amounts shown in AUD equivalent as at 31 July 2021.

Australian covered bonds

Australian covered bonds legislation

Timing	<ul style="list-style-type: none"> Legislation was passed in October 2011 to amend Banking Act and enable Australian banks to issue covered bonds Covered bond issuances previously prohibited by Banking Act and Regulator
Structure	<ul style="list-style-type: none"> Covered bond issuance only permitted in accordance with the legislative framework Segregation of cover assets to be achieved via sale into an insolvency remote special purpose vehicle Legal certainty for the segregation of the cover pool in the event of bankruptcy of the issuing ADI
Priority	<ul style="list-style-type: none"> Bondholders have priority over other investors against a cover pool of financial assets in the event of Issuer's insolvency APRA has no direction making powers over assets held by the SPV for the benefit of covered bondholders and service providers
Cover Pool	<ul style="list-style-type: none"> Eligible cover assets include cash equivalents, bank bills and certificate of deposits with maturity less than 100 days (limited to 15%), Australian government or semi-government bonds, residential or commercial mortgage loans (separate programs expected for each loan class), and derivatives Minimum level of overcollateralisation of 3% (programs also to include an asset coverage test) Value only provided up to 80% LVR for residential loans and 60% for commercial loans
Issuance limits	<ul style="list-style-type: none"> Covered bond issuance not permitted if cover assets exceeds 8% of ADI's Australian assets Capital neutral for ADI if the cover pool is less than 8% of ADI's Australian assets

Westpac's Australian covered bond program

Issuer	Westpac Banking Corporation
Issuer rating	AA-/Aa3/A+ by S&P / Moody's / Fitch
Format	Legislative Covered Bond
Covered Bond rating	Aaa / AAA by Moody's / Fitch
Program size	US\$40 billion
Maturity options	Program allows for issuance of Soft and Hard Bullet Covered Bonds. The current issuance strategy is to issue Soft Bullet only.
Covered Bond Guarantor	Westpac Covered Bond Trust, a special purpose vehicle
Covered Bond Guarantee	Covered Bond Guarantor has guaranteed payments of interest and principal under the Covered Bonds secured over the Mortgage Loans and its other assets (limited in recourse to its assets)
LVR cap in asset coverage test	80% (subject to indexation)
Asset percentage	Subject to rating agency requirements, program maximum 95%
Collateral	Prime Australian residential mortgages
Listing	London Stock Exchange

Westpac's Australian covered bond program

Key features

Structure

Covered Bonds are issued by Westpac, backed by an unconditional and irrevocable guarantee by the Covered Bond Guarantor (the “**CBT Guarantor**”), which is limited in recourse to the assets in the Westpac Covered Bond Trust.

Security

Security comprises a pool of Australian residential mortgages which meet the eligibility criteria (the “*cover pool*”). It also includes certain other assets such as cash and investments (subject to legislative and rating agency limits). Mortgages in the cover pool sold to the CBT Guarantor to ensure that covered bondholders have a priority claim over the cover pool in the event of Issuer insolvency.

Overcollateralisation

Prior to service of a Notice to Pay on the CBT Guarantor, an Asset Coverage Test will be run monthly to ensure the CBT Guarantor has sufficient assets to support the outstanding covered bonds. Defaulted loans will have nil value applied to them and remaining loans adjusted by the Asset Percentage. The Asset Percentage is confirmed by the rating agencies periodically and is subject to a maximum of 95%, which represents a minimum level of overcollateralisation of just over 5%.

Following service of a Notice to Pay on the CBT Guarantor, an Amortisation Test is run monthly to ensure the CBT Guarantor has sufficient assets to meet the covered bond obligations.

Asset Monitor

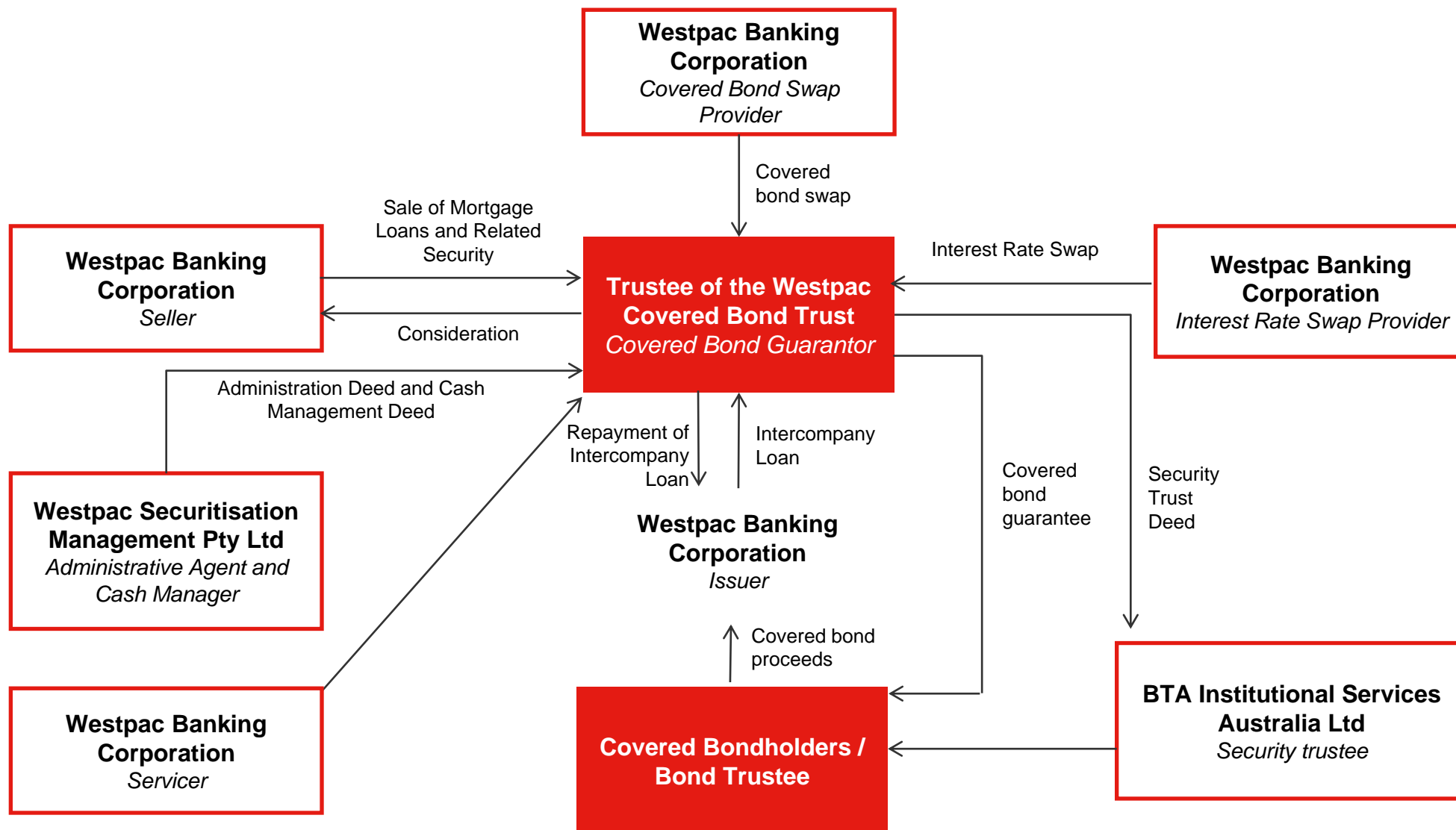
PricewaterhouseCoopers monitors the calculation of the Asset Coverage Test and the Amortisation Test on at least an annual basis.

They also provide the asset monitor reporting requirements in relation to the legislation on at least a six monthly basis. This includes verification of the asset register and provision of any other information APRA requires.

Hedging

The Interest Rate Swap and Covered Bond Swap are used to hedge any exposure of the CBT Guarantor to interest rate and currency risks.

Covered bond structure



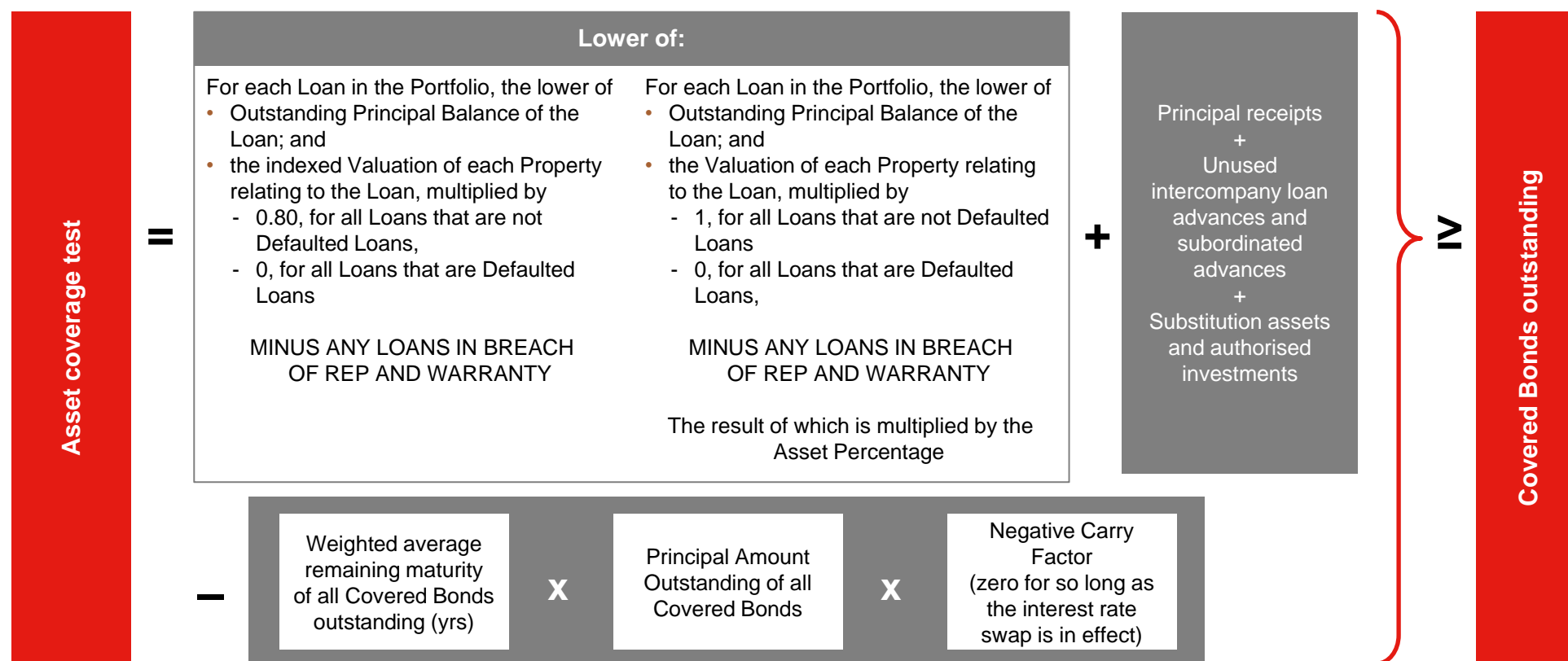
Structural enhancements

Interest rate swap	<ul style="list-style-type: none">• The Interest Rate Swap provides a minimum yield on the Cover Pool by swapping:<ul style="list-style-type: none">- The amount of interest received from the residential mortgage loans and other assets of the CBT Guarantor, in exchange for- An amount sufficient to pay expenses and the interest on the Intercompany Loan, or the Covered Bond noteholders after a Notice to Pay• WBC is the initial interest rate swap provider. If the interest rate swap provider is downgraded below specified triggers¹ it will need to post collateral and/or be replaced• If the Interest Rate Swap cannot be replaced and terminates, the Threshold Rate mechanism is activated. This means that the Servicer, once notified, must commence the process to change the interest rate on the variable rate loans so as to ensure that the weighted average interest rate payable on the variable rate loans is sufficient for the CBT Guarantor to meet its obligations
Covered bond swap	<ul style="list-style-type: none">• Only after a Notice to Pay, the CBT Guarantor and covered bond swap providers will swap:<ul style="list-style-type: none">- AUD floating rate amounts, in exchange for- Foreign currency amounts reflecting the obligations payable under the relevant tranche of Covered Bonds• WBC is the initial covered bond swap provider. If the covered bond swap provider is downgraded below specified triggers¹ it will need to post collateral and/or be replaced
Reserve fund	<ul style="list-style-type: none">• If the rating of WBC's short term, unsecured, unsubordinated debt obligations falls below specified triggers¹, then the reserve fund shall be funded with an amount equal to the (AUD equivalent) greater of:<ul style="list-style-type: none">(i) the amount of interest accrued on all covered bonds for 3 months; and(ii) actual interest payable in the forthcoming 3 monthsplus<ul style="list-style-type: none">- one quarter of certain trust expenses• The Reserve Fund will be<ul style="list-style-type: none">- Funded via an advance under the Intercompany Loan or Subordinated Loan; or- Funded via interest collections before interest payments are made to WBC on the Intercompany Loan
Servicer downgrade	<ul style="list-style-type: none">• If WBC is downgraded below F1 or A (Fitch) or P-1 (Moody's), then it will be required to transfer all collections from the Cover Pool to the CBT Guarantor's account within 2 business days• The Servicer may be replaced if it ceases to have the required servicer rating (that is, if the Servicer's long-term, unsecured, unsubordinated debt obligation rating falls below BBB-/Baa3)

¹ Triggers based on rating agency requirements.

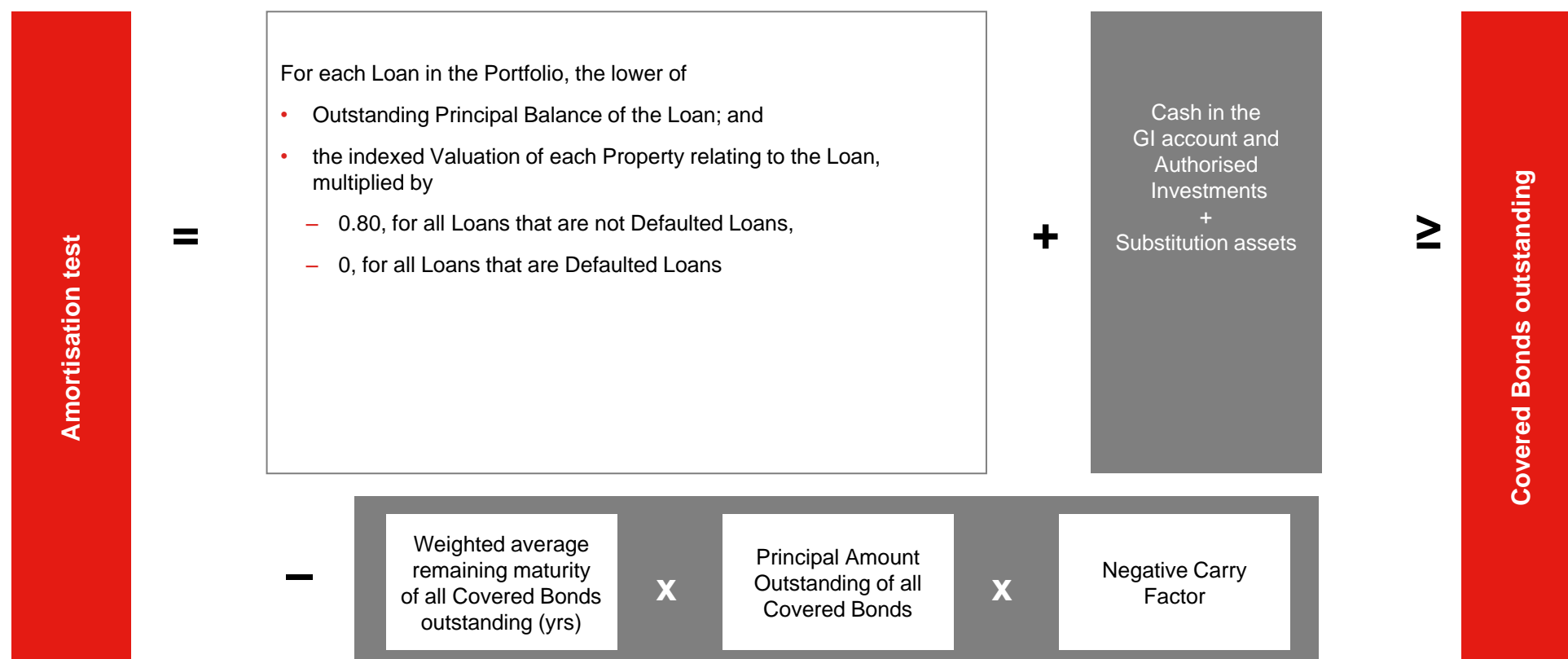
Asset Coverage Test

- Tested prior to the service of a Notice to Pay as of every Calculation Date (monthly)
- The Asset Coverage Test is designed to protect Covered Bondholders by ensuring that the value of mortgages, cash and substitution assets are greater than the outstanding principal of the Covered Bonds, plus a buffer set by the rating agencies. At all times, nil value is attributed to Defaulted Loans
- Failure of the Asset Coverage Test after the service of an Asset Coverage Test Breach Notice will constitute an Issuer Event of Default and prompt an acceleration of the Covered Bonds against the Issuer



Amortisation Test

- Tested as of every Calculation Date (monthly) after the service of a Notice to Pay
- The Amortisation Test is designed to ensure the CBT Guarantor has sufficient assets to meet its obligations under the Covered Bond Guarantee
- A failure of the Amortisation Test will constitute a CBT Guarantor Event of Default and prompt an acceleration of the Covered Bonds against the Covered Bond Guarantor



Pre-Acceleration Priority of Payments

Revenue priority of payments

Accrued interest adjustment
Taxes (CBT Guarantor only)
Amounts due to CBT Guarantor / Bond Trustee / Security Trustee / Agents / Trust Expenses
Amounts due to Servicer (if not part of Westpac Group)
Amounts due to any third party
Amounts due to Servicer (if WBC) / Cash Manager / Account Bank / Asset Monitor / Administration Agent
Amounts due to Interest Rate Swap Provider & Covered Bond Swap Provider (if required)
Amounts to fund Reserve Fund (if required)
Interest due on Demand Loan ¹ / If the Pre Maturity Test has been breached: to Pre Maturity Liquidity Ledger
Interest due on Guarantee Loan
If a Servicer Termination Event has occurred: all remaining funds to be deposited into the GI account
Excluded Swap Termination Amounts
Interest due on Subordinated Loan
Repayment of principal on Subordinated Loan
Distribution to Residual Income Unitholder

¹ Westpac may re-elect to increase the priority of this payment

Principal priority of payments

If the Pre Maturity Test has been breached: to Pre Maturity Liquidity Ledger
Repurchase price adjustment, if any / Principal payable on Demand Loan
Acquisition of new Mortgages
Credit to GI account to ensure the CBT Guarantor is in compliance with the Asset Coverage Test
Repayment of Guarantee Loan
Repayment of Subordinated Loan
Credit to GI account

Guarantee Priority of Payments

Guarantee priority of payments – following service of a Notice to Pay

Accrued Interest Adjustment to Seller / Repurchase Price Adjustment to Seller
CBT Guarantor Fees and Amounts due to Bond Trustee / Security Trustee / Agents / Trust Expenses
Amounts due to Servicer (if not part of Westpac Group)
Amount to any third party
Amounts due to Servicer (if WBC) / Cash Manager / Account Bank / Asset Monitor / Administration Agent
Amounts due to Interest Rate Swap Provider
Interest amounts due to Covered Bond Swap Provider / Interest on Covered Bonds / Interest and principal payable on the Demand Loan ¹
Principal amounts due to Covered Bond Swap Provider / Covered Bondholders
Principal payments to soft bullet Covered Bonds (during Extended Due for Payment period)
All remaining funds to be deposited into the GI account until the Covered Bonds have been fully repaid
Excluded Swap Termination Amounts
Amounts due on Intercompany Loan (other than the Demand Loan)
Amounts due on Subordinated Loan
Providing for current or future obligations
Distribution to Residual Income Unitholder

¹ Westpac may re-elect to increase the priority of this payment

Issuer Events of Default

Events of Default

- Issuer fails to pay when due
 - Any amount of Covered Bond principal within seven days of the due date
 - Any amount of Covered Bond interest within 14 days of the due date
- Issuer defaults in performance or obligations under the Transaction Documents and such default remains unremedied for a period of 30 days after written notice requiring such default to be remedied
- Order is made for the winding-up of the Issuer
- Issuer ceases to carry on all or substantially all of its business
- A receiver or administrator is appointed to the whole or substantial part of assets of the Issuer and not removed within 30 days
- Issuer unable to pay its debts as they fall due
- Asset Coverage Test Breach Notice has been served and not revoked by the next Test Date

Activation of the Covered Bond Guarantee

- Bond Trustee may accelerate the full outstanding amount of the Covered Bonds against the Issuer or may be required to, if requested by 25% or more of the covered bondholders
- If the Bond Trustee accelerates the Covered Bonds against the Issuer, the Bond Trustee must issue a Notice to Pay on the CBT Guarantor under the Covered Bond Guarantee
- Any amounts from the Issuer's insolvency are paid to the Bond Trustee and on to the CBT Guarantor (not the bondholders) and flow through the Guarantee Priority of Payments

Payments under the Covered Bond Guarantee

- Investors receive payment of interest and principal under the Covered Bond Guarantee according to the original payment schedule
- To the extent the Covered Bond Guarantor has insufficient funds to repay in full the Covered Bonds on their Maturity Date (other than for Hard Bullet Covered Bonds) the unpaid amount will be deferred and under the final terms shall be due and payable 12 months later (or earlier if the Covered Bond Guarantor has sufficient funds)

CBT Guarantor Events of Default

Events of Default

- CBT Guarantor fails to pay when due
 - Any amount of Covered Bond principal within seven days of the due date
 - Any amount of Covered Bond interest within 14 days of the due date
- CBT Guarantor defaults in performance of obligations under the Transaction Documents (other than the Asset Coverage Test) and such default remains unremedied for a period of 30 days after written notice requiring such default to be remedied
- An insolvency event has occurred in respect of CBT Guarantor
- A receiver / official manager is appointed to the whole or substantial part of assets of the CBT Guarantor and not removed within 30 days
- Covered Bond Guarantee ceases to be in full force and effect
- Amortisation Test is not satisfied on any Test Date following service of Notice to Pay

Enforcement

- Bond Trustee may direct Security Trustee to take proceedings to enforce the security against CBT Guarantor
- Claims against the CBT Guarantor are limited to the assets of CBT Guarantor

International comparisons

Terms	Westpac	UK	Sweden	Canada
Legislation	Amendment to the Banking Act 1959	UK Regulated Covered Bonds Regulations	Lag om Utgivning av Säkerställda Obligationer	National Housing Act
Asset allocation	All assets transferred to SPV	All assets transferred to SPV All assets on the cover register	All assets on the cover register	All assets transferred to SPV All assets on the cover register
Inclusion of hedge positions	Hedge positions are part of the structural enhancements intended to protect bondholders	Hedge positions are part of the structural enhancements intended to protect bondholders	Hedge positions can be included in the cover register	Hedge positions are part of the structural enhancements intended to protect bondholders
Substitute collateral	Up to 15%	Up to 10% in most cases	Up to 20%	Up to 10%
Inclusion of commercial mortgages	100% residential Australian mortgage loans	100% residential mortgage loans in regulated programs	Commercial mortgage loans should not exceed 10% of total cover assets	100% residential Canadian uninsured mortgage loans
LTV barrier	Resi 80%	Resi 80%	Resi 75% CRE 60% Agricultural loan limit 70%	80%
Valuation check	Subject to internal bank procedures and indexed to house price index (APM) ¹	Indexed to house price index	Regular monitoring of property values	Indexed to house price index
Special supervision	Independent trustee and Cover Pool monitor	FCA, independent trustee and Cover Pool Monitor	Swedish FSA and independent inspector	CMHC under the OSFI, independent trustee and Cover Pool Monitor
Protection against credit risk	Yes, defined by asset coverage test	Yes, defined by asset coverage test	Issuer may replace non-performing loans	Yes, defined by asset coverage test
Mandatory over-collateralisation	Yes; 105% per the maximum asset percentage in the asset coverage test of 95%	Yes; subject to the asset percentage applied in the asset coverage test	Yes; 102% legislated minimum	Yes, subject to the asset percentage applied in the asset coverage test with minimum and maximum for each program
Bankruptcy remoteness of SPV	Yes, assets sold to SPV	Yes, assets sold to SPV	No but assets within the cover pool	Yes, assets sold to SPV
UCITS compliance	No - Not an EU issuer	Yes	Yes	No - Not an EU issuer
In the event of insolvency, first claim is on...	...all the payments received from SPV assets which are collected in GI account	...all the payments received from SPV assets which are collected in GI account	...all the payments received from the earmarked assets	...all the payments received from SPV assets which are collected in GI account
In the event of insufficient pool assets...	...investors rank pari passu with senior debt holders	...investors rank pari passu with senior debt holders	...investors rank pari passu with senior debt holders	...investors rank pari passu with all deposit liabilities and other unsubordinated and unsecured obligations of the bank

Westpac's high quality cover pool

Covered bond pool eligibility criteria

- **At the time of sale, each loan:**
 - Is denominated and payable only in A\$ in Australia
 - Is secured by a mortgage that constitutes a first ranking Australian mortgage (second allowed as long as first held with the CBT Guarantor)
 - Is secured by a mortgage over a property which has erected on it a residential dwelling
 - Was approved and originated by the seller in the ordinary course of business
 - Is a loan under which the outstanding principal balance owed by the borrower is not more than A\$2,000,000
 - Is a loan under which the relevant borrower is required to repay the loan within 30 years of the relevant cut-off date
 - Is not a delinquent loan or a defaulted loan and no legal demand has been served on the relevant borrower in respect of a payment on the loan
 - The sale of an interest in, or the sale of an interest in any related security, does not contravene or conflict with any law
 - The relevant borrower is a resident of Australia
 - Not a loan with an interest only payment period of >10 years
 - The related mortgage has been or will be stamped
 - Where applicable, all progress drawings have been made by the borrower and the residential dwelling has been completed; and
 - The borrower has made at least one monthly payment or two fortnightly payments in respect of the loan

Covered pool loan statistics as at 31 July 2021

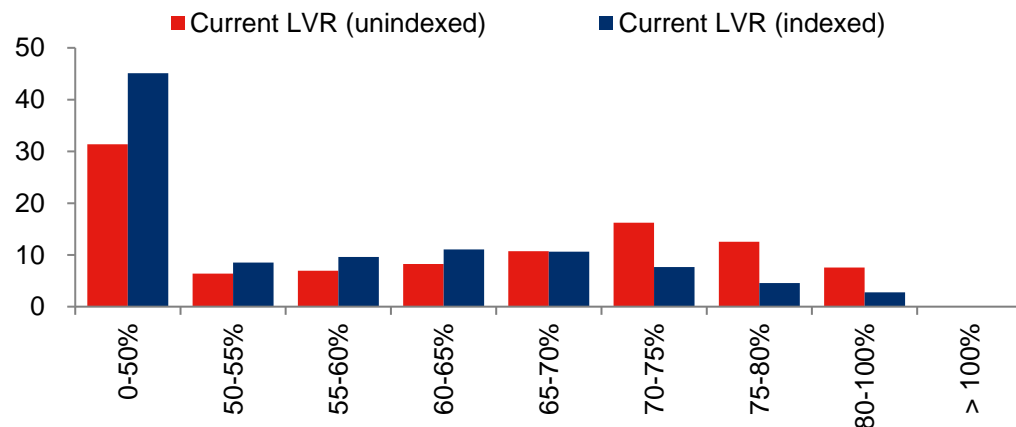
Total pool loan balance ¹	A\$22,551,207,423
Number of loans	82,600
Average loan size	A\$273,017
Max loan size	A\$2,000,000
Weighted average current LVR (unindexed)	58.16%
Weighted average current LVR (indexed)	50.25%
90 day + arrears (by bal)	0.00%
Weighted average seasoning	62 months
Weighted average remaining term to maturity	290 months
Weighted average interest rate	3.11%
Fixed / variable split (by bal)	41.40% / 58.60%
Interest only (by bal)	14.14%
Owner occupied product (by bal)	65.21%

¹ Pool loan balance excludes cash balances of A\$5,448,792,577. Loans included in the cover pool are currently only Westpac brand.

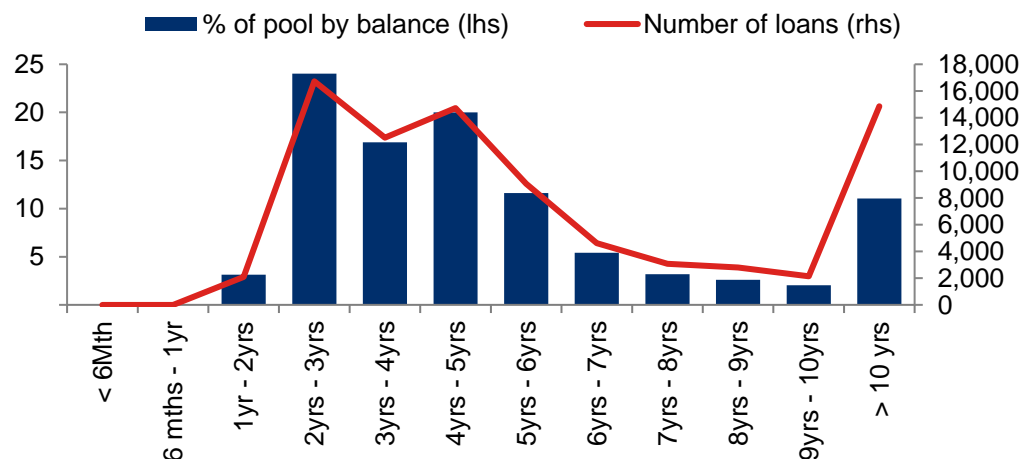
Cover pool statistics

As at 31 July 2021

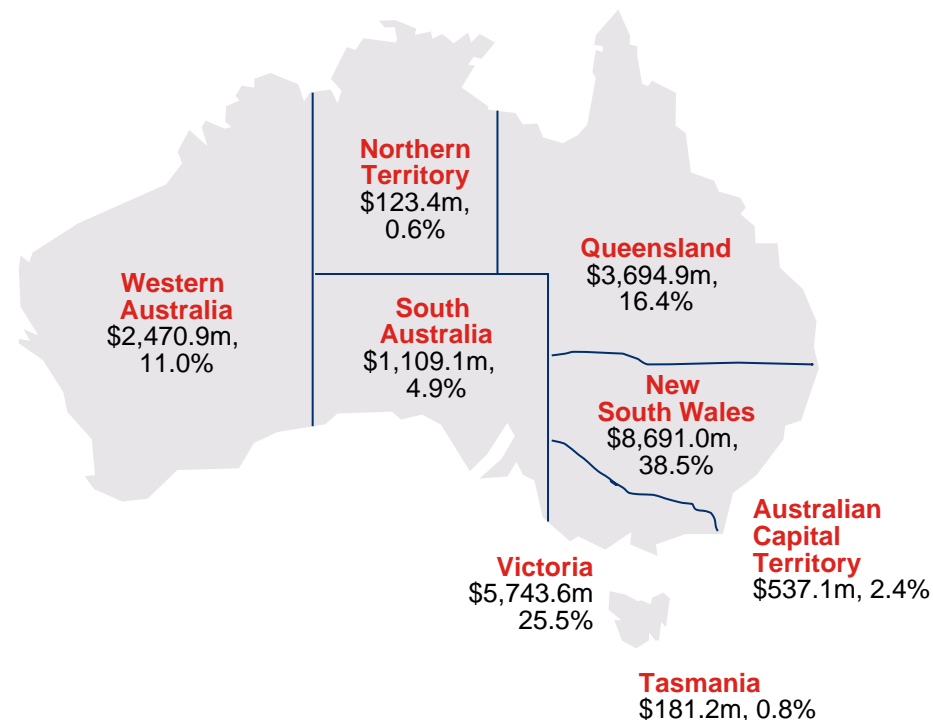
Loan to value ratio by balance (%)



Seasoning



Geographic distribution by state

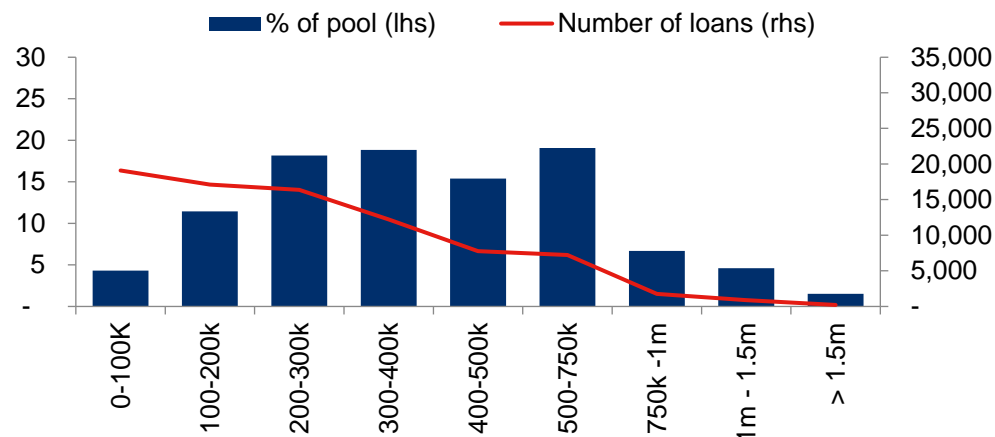


Distribution by region	Value of loans (A\$m)	% of pool by value
Metropolitan	18,677	82.8%
Non-Metropolitan	3,874	17.2%

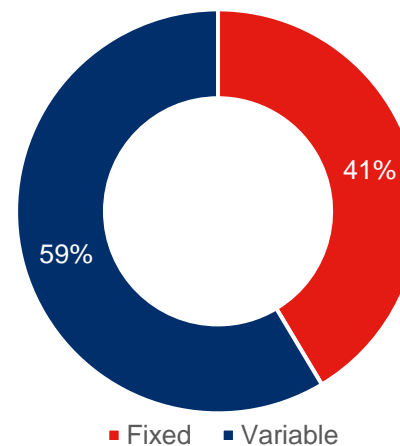
Cover pool statistics

As at 31 July 2021

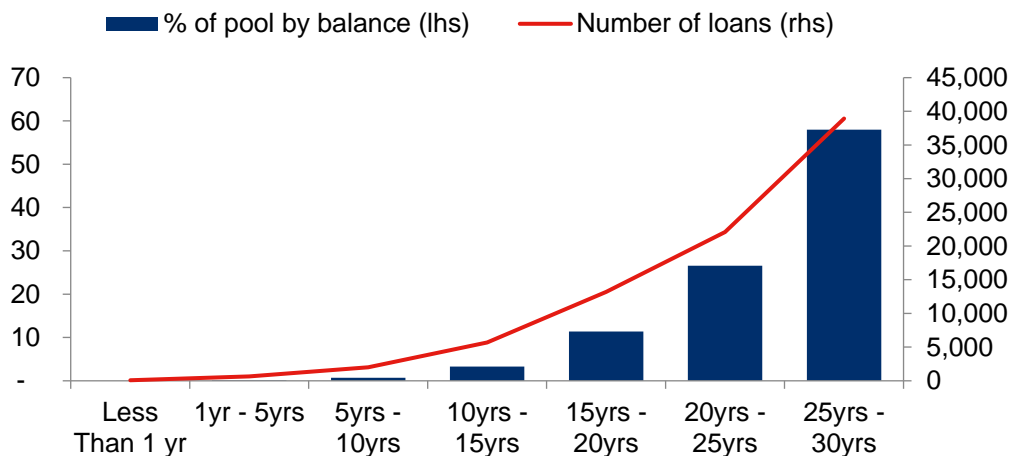
Current loan balance



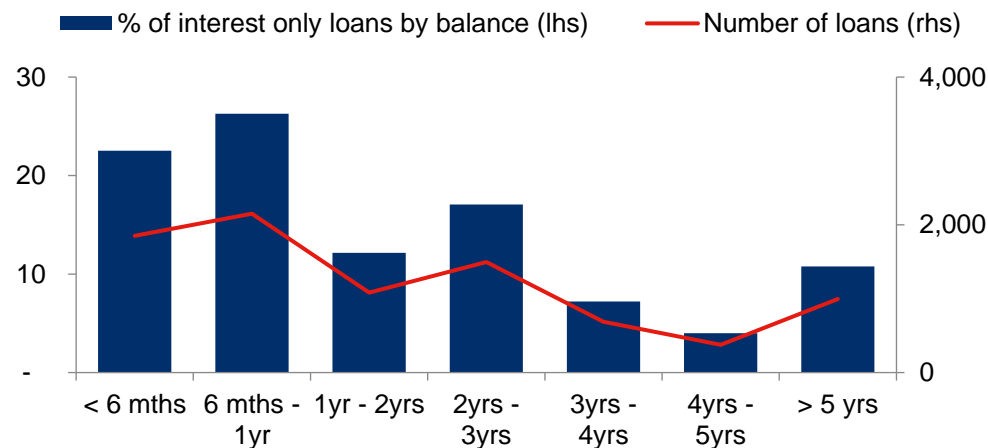
Interest rate split (%)



Remaining tenor (legal)



Interest only expiry date remaining period



Additional Information

Supporting customers, communities and our people

We have continued to operate effectively through the latest lockdown.

New and ongoing support to customers

- New support for eligible customers announced in July 2021 including¹:
 - Short term deferrals for **mortgages, personal loans** and **small business loans**
 - Repayment and interest rate reductions for **credit cards**
 - **Interest free** temporary overdrafts up to \$15k on a maximum 45-day term for business customers
 - Access to term deposit or farm management deposits early with **no interest adjustment**
- To 11 August 21, **\$1.6bn** in home loan balance deferrals (~**3,700** customers) and **\$29.5m** in business loan balance deferrals (~**725** customers) have been approved²
- This is in addition to standard hardship support options available to customers experiencing financial difficulty

Supporting key infrastructure

- System availability **>99%** in 2021³
- **96%** of branches remain open⁴
- Increased staff in operations and call centres
- Continue to return certain capabilities and operations onshore

2020 support



















- In 2020 we provided \$55bn in mortgage deferrals to 149k customers, and \$10bn in business loan deferrals to 33k customers
- Most customers returned to payment with **~\$1.9bn** in mortgages and **\$0.4bn** in business lending migrating to hardship

Supporting our people

- Supporting **vaccine** rollout
 - Special **paid leave** to get vaccinated
 - **Voluntary vaccination program** currently available to all employees in greater Sydney and household members of customer facing staff in the most impacted local government areas (LGAs)
- Special **paid leave** when in isolation
- Pilot program for **rapid antigen testing** for employees in some key operational sites and the most impacted LGAs
- Over **25,000** employees working from home
- Less than **1%** of capacity on site in our Sydney CBD head office sites (275 Kent St and Barangaroo)⁵
- Wellbeing and mental health support

¹ For further details of support and conditions refer westpac.com.au. ² Support provided only relates to those customers who have accessed COVID-19 emergency support since 10 July 2021. Business loans also include equipment finance and auto loans to business customers. ³ Refers to availability of customer channels. ⁴ Some branches have been operating at reduced hours but remain open. ⁵ Refers to the average number of employees on site for the four weeks to 6 August 2021 compared to the capacity of the buildings.

Our sustainability strategy

Sustainability Priorities	What	How	UN Sustainable Development Goals ¹						
 Helping when it matters most Local Perspective	Help individuals and businesses build strong financial futures and navigate times of change, providing extra support for customers experiencing hardship. <i>This is about helping at a personal, local level.</i>	<ul style="list-style-type: none">Supporting customers and businesses through times of change and hardshipSupporting financial wellbeing	 End poverty in all its forms everywhere. Targets 1.4 and 1.5	 Decent work and economic growth. Target 8.10	 Reduced inequalities. Targets 10.2 and 10.4				
 Backing a stronger Australia National Perspective	Help support the social, economic and environmental wellbeing of our nation to build a stronger Australia. <i>This is about contributing to the success of our nation.</i>	<ul style="list-style-type: none">Backing people, jobs and ideas shaping Australia's futureHelping Australians respond to climate change	 Quality education. Targets 4.4 and 4.5	 Decent work and economic growth. Targets 8.3 and 8.5	 Industry, innovation and infrastructure. Targets 9.3, 9.4 and 9.5	 Responsible consumption and production. Target 12.2	 Climate action. Targets 13.1 and 13.3		
 Collaborating for impact Global Perspective	Finance has a central role to play in addressing the biggest challenges facing our world. We want to play our part – by learning from our partners, sharing our experiences and collaborating to find solutions. <i>This is about collaborating to help solve global problems.</i>	<ul style="list-style-type: none">Respecting human rights and amplifying Indigenous voicesSupporting the transition to a climate resilient future	 Affordable and clean energy. Target 7a	 Decent work and economic growth. Targets 8.7 and 8.8	 Industry, innovation and infrastructure. Target 9.4	 Sustainable, cities and communities. Target 11b	 Responsible consumption and production. Target 12.2	 Peace, justice and strong institutions. Targets 16.2 and 16.7	 Partnerships for the goals. Targets 17.16 and 17.17

¹ References to UN Sustainable Development Goals (SDGs) are based on Westpac's view of how its initiatives contribute to the SDGs.

Our climate change strategy

OUR PRINCIPLES



A transition to a **net zero** emissions economy is required **by 2050**.



Economic growth and emissions reductions are **complementary goals**.



Addressing climate change creates **opportunities**.



Climate-related risk is a **financial risk**.



Collective action, transparency and disclosure matter.

OUR ACTIONS



Help customers and communities respond to climate change.

- Aim to provide \$3.5 billion of new lending to climate change solutions over the three years to 2023.
- Ensure our financing of the electricity generation sector supports Paris-aligned transition pathways to a net zero emissions economy by 2050.
- Support existing thermal coal customers while committing to reduce our thermal coal mining exposure to zero by 2030.

- Advance our Paris-aligned financing strategies and portfolio targets, with annual updates.
- Provide access to products and services that help customers to reduce energy consumption and improve the resilience of their businesses and homes.
- Help communities become more resilient to climate change and transition to a low carbon economy.



Improve the climate change performance of our operations.

- Target emissions reductions for our own operations in alignment with a science-based trajectory.
- Source the equivalent of 100% of our global electricity consumption through renewable sources by 2025.

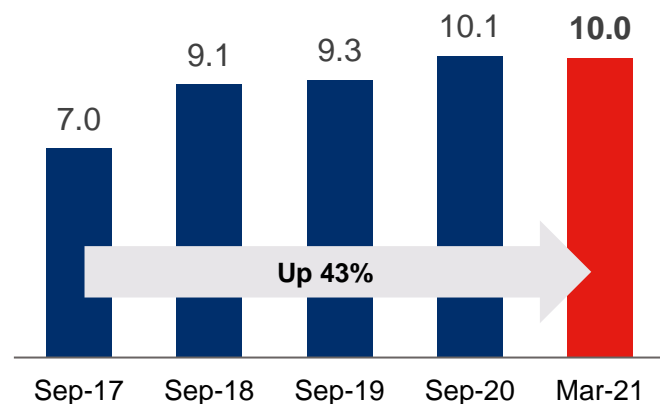


Support initiatives and policies to achieve the goals of the Paris Agreement.

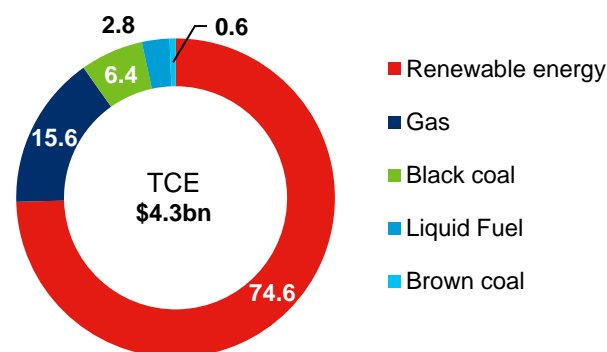
- Support policy outcomes aligned to net zero emissions by 2050.

Climate-related metrics

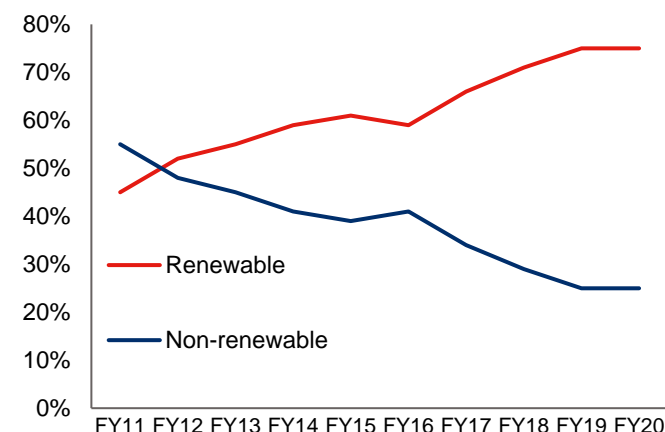
Lending to climate change solutions
(\$bn, Total Committed Exposures (TCE))



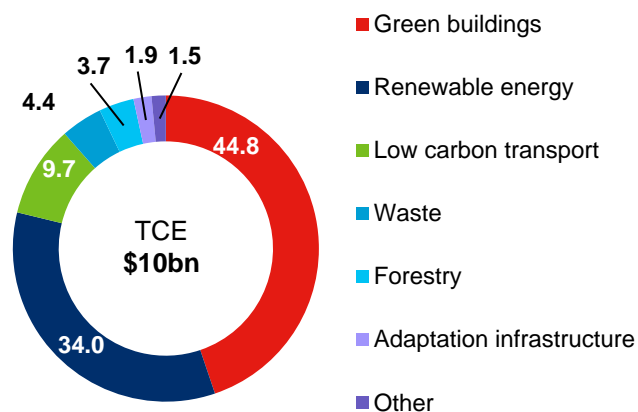
Electricity generation exposure
(% of TCE)¹ at 30 September 2020



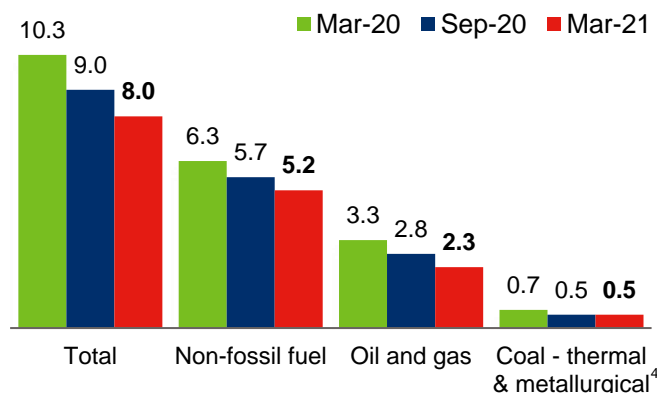
Lending to electricity generation
in Australia and New Zealand (% of total)



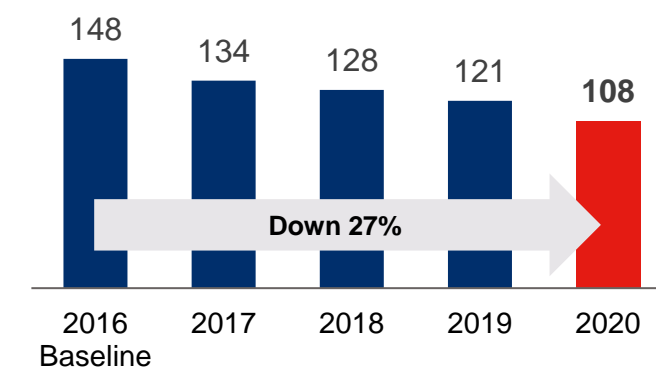
Climate change solutions exposure
(% of TCE)² at 31 March 2021



Mining exposure
(\$bn, TCE)³



Our scope 1 and 2 emission production⁵
(tCO₂-e 000's)



¹ Exposures in WIB only. ² Climate solutions definition is available in our 2020 Sustainability Datasheet glossary. ³ The reduction in lending to oil and gas extraction from September 2020 is mainly due to the consolidation of Westpac's international operations. ⁴ Lending to thermal coal mining is 56% of total coal mining in WIB. ⁵ FY16 Scope 1 & 2 emissions baseline: 147,620 tCO₂-e.

Portfolio simplification progress

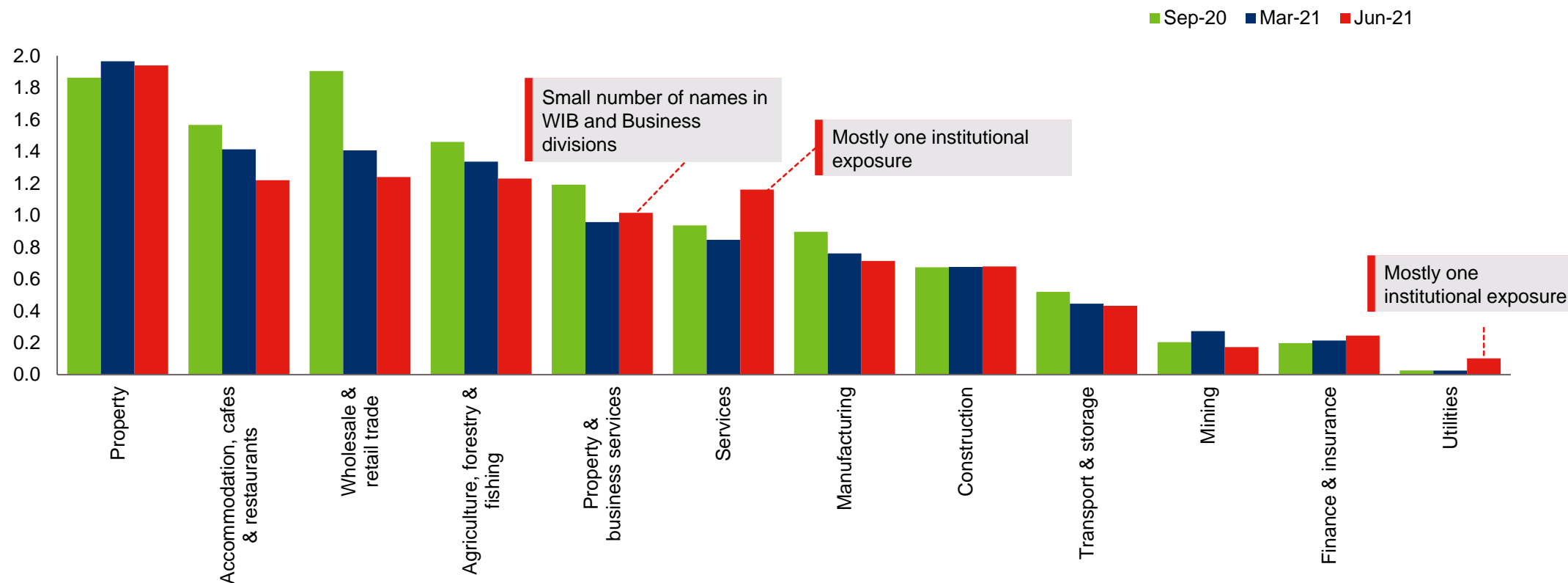
Businesses sold	Announced	Completed	Expected divestment CET1 benefit (bps)
Zip Co Ltd.	Oct 2020	Oct 2020	Realised
Coinbase Inc.	May 2021	May 2021	Realised
General Insurance	Dec 2020	Jul 2021	12
Vendor Finance	Aug 2020	Aug 2021	-
Announced sale	Announced	Completion expected	
Westpac Pacific ^{1,2}	Dec 2020	Dec 2021	6
Westpac LMI	Mar 2021	Sep 2021	7
Motor Vehicle Finance	Jun 2021	Dec 2021	6
NZ Life Insurance	Jul 2021	Dec 2021	7
Westpac Life Insurance	Aug 2021	Second half of 2022	12
Total expected divestment benefit			50

Operations within Specialist Businesses Division
Superannuation, Platforms and Investments

1 On 26 July 2021, Westpac announced that PNG's Independent Consumer and Competition Commission (ICCC) has released its draft determination indicating it proposes to deny authorisation to Kina Bank for the proposed acquisition of Westpac's stake in Westpac Bank PNG Limited. Westpac and Kina Bank are currently reviewing the draft determination and intend to make further submissions to the ICCC before its final determination is issued in September 2021, following a public consultation period. 2 Impact reflects the remaining CET1 impact expected to occur by Dec 2021 (mainly the release of risk weighted assets upon sale). The accounting loss on sale in Westpac Pacific included in First Half 2021 notable items impacted the CET1 ratio for June 21. In total, the sale of Westpac Pacific is expected to add approximately 3bps to Westpac's Common Equity Tier 1 capital ratio.

Stressed exposures

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



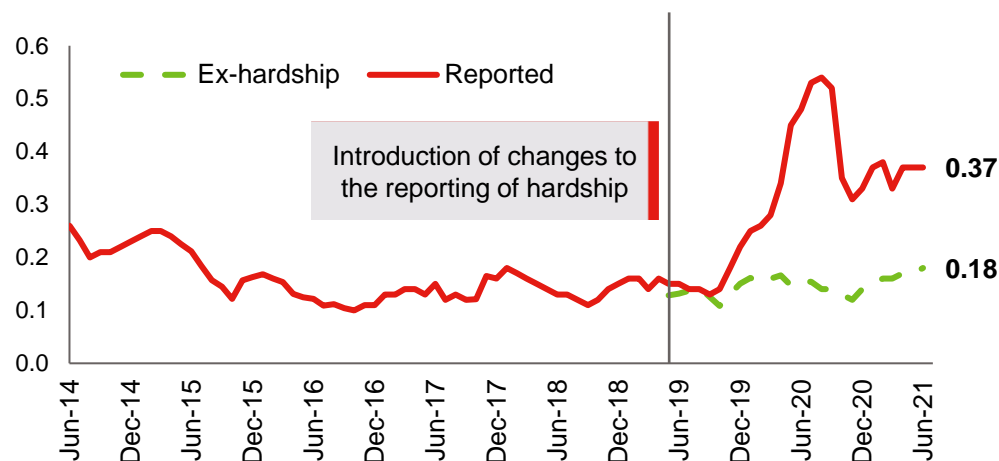
Stressed exposures to TCE by sector

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-21 (%)	2.9	14.6	4.8	6.0	4.3	3.7	3.3	6.1	2.7	3.4	0.2	0.2
Jun-21 (%)	2.9	12.8	3.9	5.4	4.7	5.1	3.2	6.2	2.5	2.0	0.2	0.7

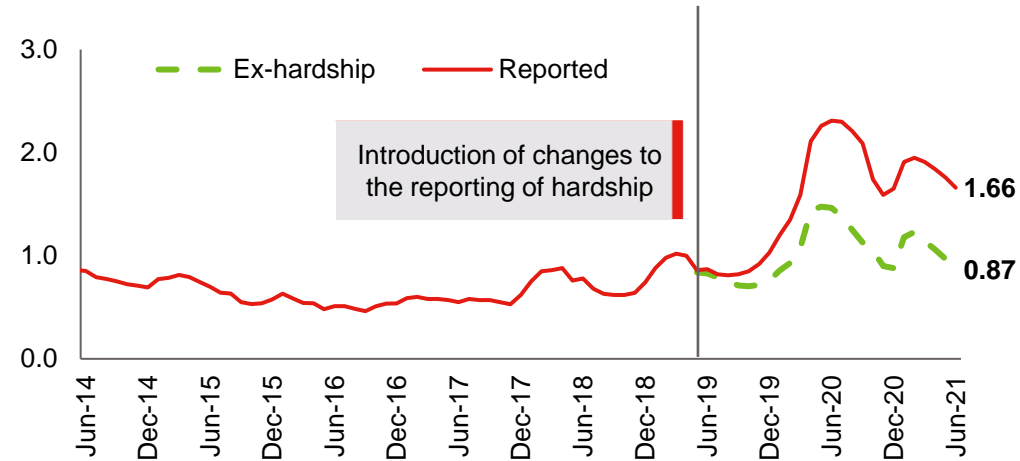
¹ Services includes education, health & community services, cultural & recreational services and personal & other services.

New Zealand credit quality

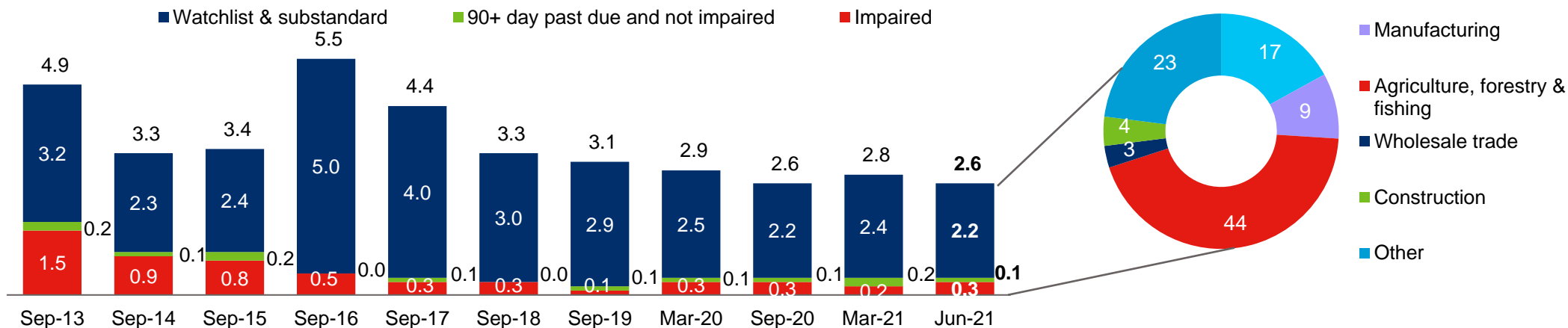
Mortgage 90+ day delinquencies¹ (%)



Unsecured consumer 90+ day delinquencies¹ (%)



Business stressed exposures as a % of New Zealand business TCE



¹ In May 2019 we made changes to the reporting of customers in hardship to align to the method used by APRA.

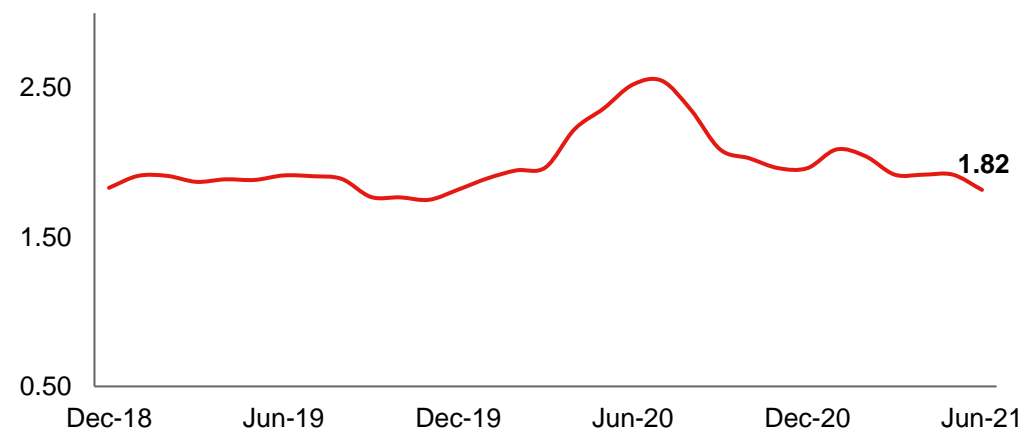
Australian consumer portfolio

Australian consumer finance portfolio¹

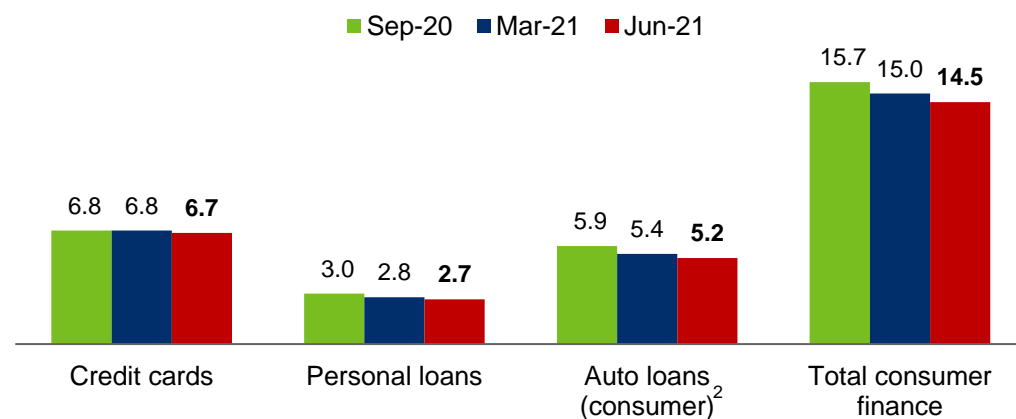
	Sep-20	Mar-21	Jun-21
Lending	\$15.7bn	\$15.0bn	\$14.5bn
30+ day delinquencies (%)	3.62	3.58	3.25
90+ day delinquencies (%)	2.09	1.92	1.82

90+ day delinquencies improved 10bps over 3Q21, reflecting 16bps improvement in portfolio, partially offset by 6bps from portfolio contraction. 30+ day delinquency improved 33bps over the period, reflecting 43bps improvement in portfolio, partially offset by 10bps from portfolio contraction

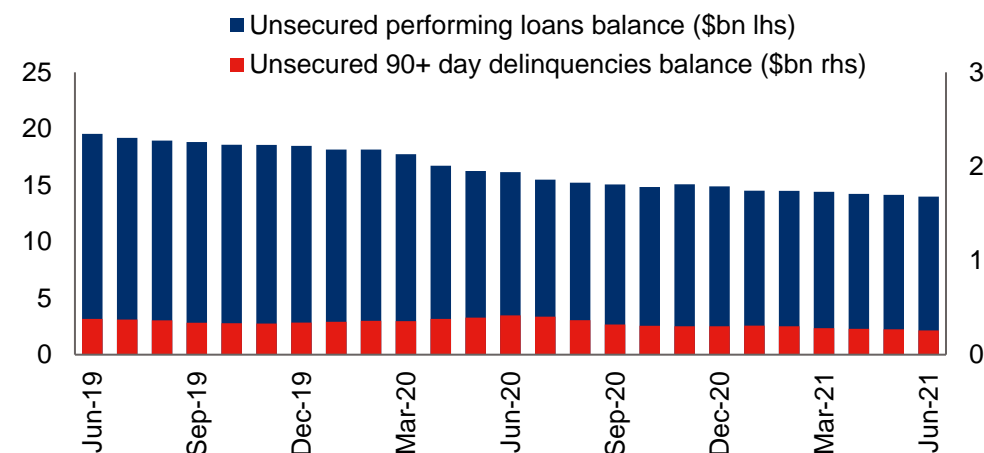
Australian consumer finance 90+ day delinquencies (%)



Australian consumer finance portfolio (\$bn)¹



Australian consumer finance portfolio (\$bn)



¹ Does not include margin lending. ² These Auto loans only relate to consumer loans and do not relate to loans outstanding to business customers. These loans will be run-down over their contractual term.

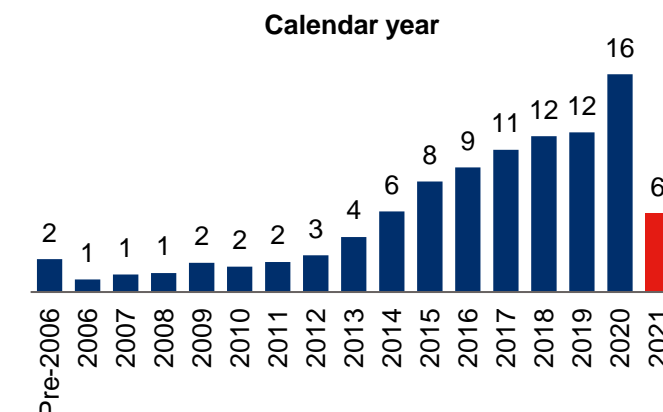
Australian mortgage portfolio underwriting

Credit policy as at April 2021

Income	<ul style="list-style-type: none"> Income verified via payslips or tax returns with other supporting documentation such as PAYG income statements and salary credits to accounts where required (minimum standards for documents apply) Discount of at least 20% applies to less certain income sources i.e. rental income, bonuses
Credit Score & Credit Bureau	<ul style="list-style-type: none"> Bespoke application scorecards segmented by new and existing customers Credit and score override rates tracked and capped Credit bureau checks required
Expenses	<ul style="list-style-type: none"> Expenses are assessed as the higher of a borrower's HEM comparable expenses or HEM¹, plus any expenses that are not comparable to HEM (e.g. private school fees, life insurance) HEM is adjusted 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	<ul style="list-style-type: none"> For serviceability assessment, interest rate applied to all mortgage debt is the greater of: <ul style="list-style-type: none"> Actual interest rate plus buffer of 2.50%; and Minimum assessment rate of 5.05% (effective 9 October 2020, previously 5.35%) For IO Loans, serviceability is assessed on a P&I basis over the residual term 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
Genuine savings deposit requirements	<ul style="list-style-type: none"> Minimum 5% proof of genuine savings for higher LVR loans (typically LVR >85%). First Home Owners Grants not considered genuine savings
Security	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Mortgage insurance for higher risk loans, such as high LVRs. Exception policy applies for certain professionals and Westpac Group staff.

¹ HEM is the Household Expenditure Measure, produced by the Melbourne Institute.

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



Australian mortgages

Interest-only and Investment property lending.

I/O lending by dynamic LVR¹ and income band (%)

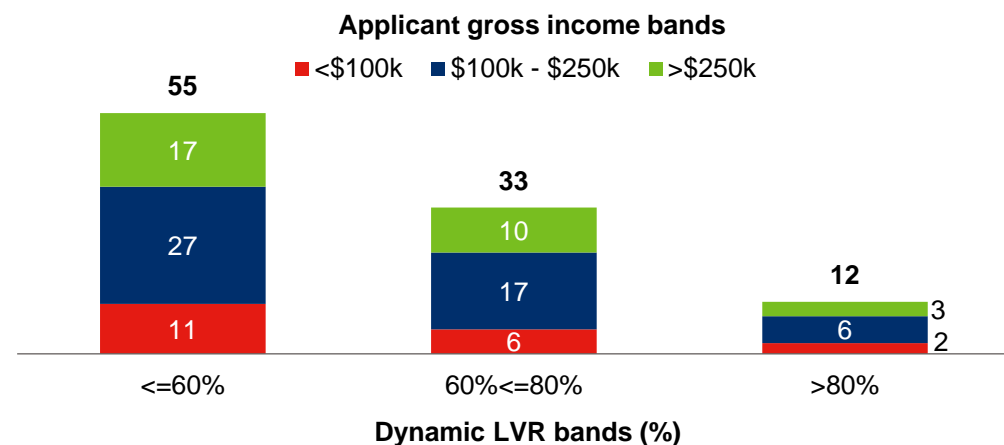
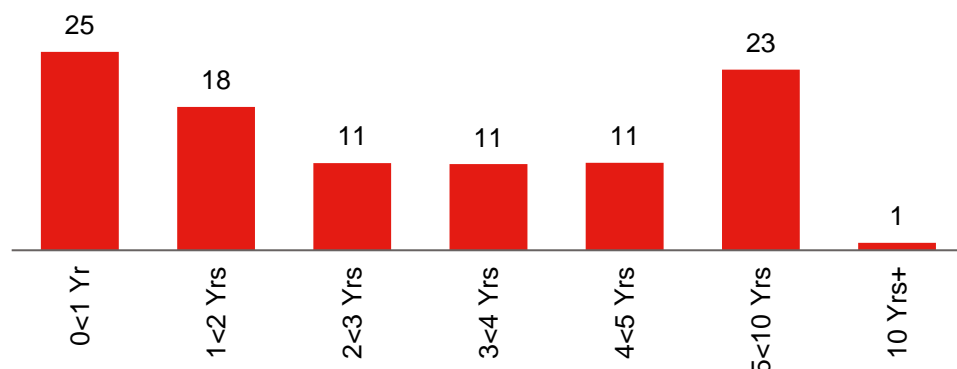


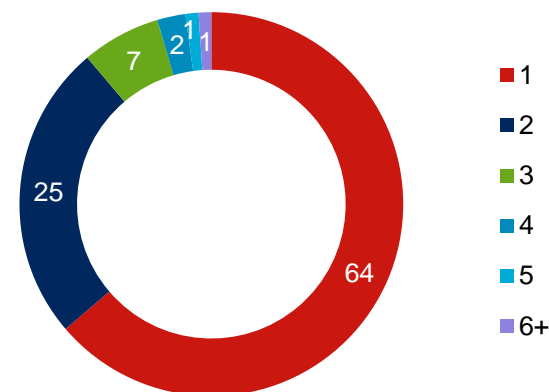
Chart does not add due to rounding

Scheduled I/O term expiry² (% of total I/O loans)



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 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 Includes amortisation. Calculated at account level where split loans represent more than one account. ⁵ Customer loans ahead on payments exclude equity/line of credit products as there are no scheduled principal payments.

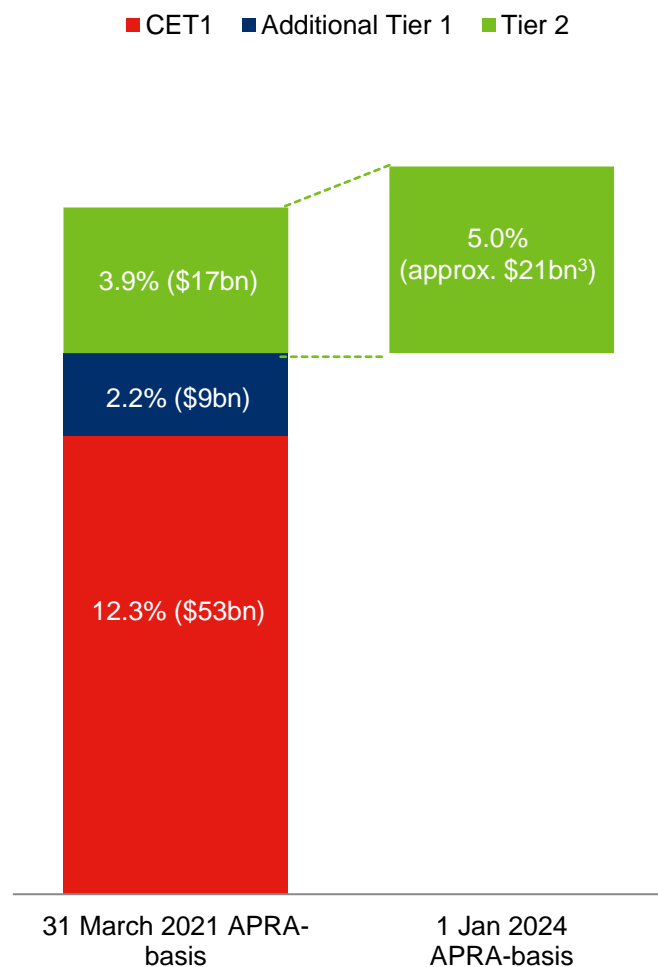
Investment property portfolio by number of properties per customer (%)



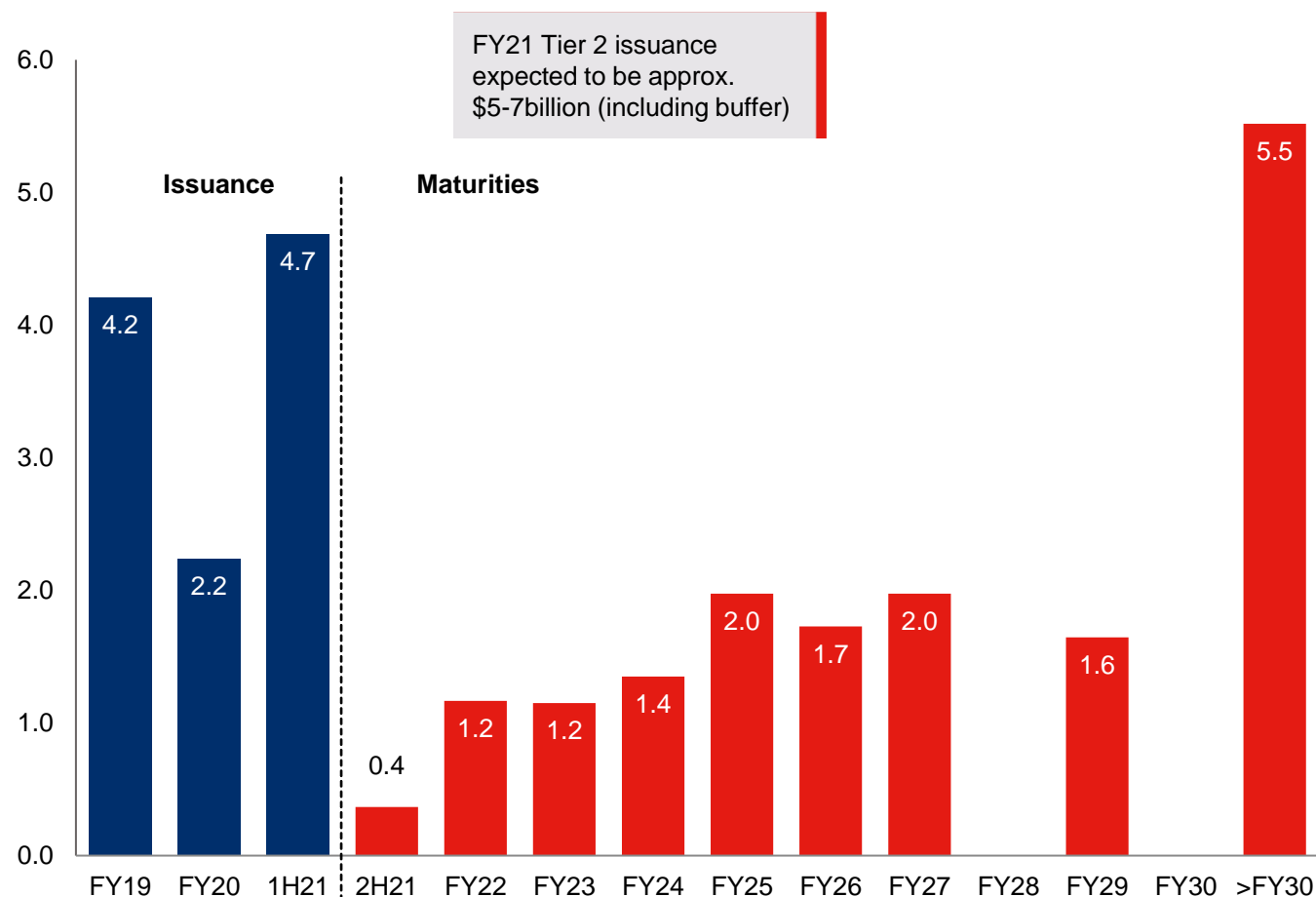
Investment property lending (IPL) portfolio		Mar-20	Sep-20	Mar-21
Investment property loans (\$bn)		167	161	157
Weighted averages ¹	LVR of IPL loans at origination (%)	72	72	72
	LVR of new IPL loans in the period ² (%)	70	69	70
	Dynamic LVR ³ of IPL loans (%)	57	57	54
Average loan size ⁴ (\$'000)		322	320	320
Customers ahead on repayments including offset accounts ⁵ (%)		60	62	63
90+ day delinquencies (bps)		78	148	118
Annualised loss rate (net of insurance claims) (bps)		5	3	3

Tier 2 issuance

Westpac Total Regulatory Capital



Westpac Tier 2 issuance and calls/maturities⁴ as at 31 March 2021 (notional amount, A\$m)



1 Westpac's Additional Allowance at 31 March 2021 was zero. 2 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 >FY26 maturity bucket. Maturities exclude securitisation amortisation. 3 Based on current capital regulation. Does not include balance sheet growth or management buffer. 4 Represents AUD equivalent notional amount using spot FX translation at date of issue for issuance and spot FX translation at 31 March 2021 for maturities. Securities in callable format profiled to first call date, excluding the Perpetual Floating Rate Notes issued 30 September 1986. Securities in bullet format profiled to maturity date.

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The financial information for the three months ended 30 June 2021 has not been audited or reviewed by any independent registered public accounting firm and has been derived from the unaudited financial statements for the quarter ended 30 June 2021. Any other financial information provided as at a date after 30 June 2021 has not been audited or reviewed by any independent registered public accounting firm either. The information contained in this presentation is presented for information purposes only, is based on management's current information and reflects management's view of other factors, including a wide variety of significant business, economic and competitive risks and uncertainties, which may be heightened during the ongoing COVID-19 pandemic. Certain data herein may involve underlying estimates, assumptions and judgments when applying accounting policies and preparing its financial statements, particularly in connection with the calculation of provisions. Any change in such estimates, assumptions and/or judgments resulting from new information or from changes in circumstances or experience could result in Westpac incurring losses greater than those anticipated or provided for.

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