

Series No.: 2016-3

Tranche No.: 1



Westpac Banking Corporation
(ABN 33 007 457 141)

Debt Issuance Programme

Issue of
A\$500,000,000 Fixed Rate Instruments due June 2021
("Debt Instruments")

These Debt Instruments have been certified as Climate Bonds under the Climate Bonds Standard by the Climate Bonds Standard Board of the Climate Bonds Initiative ("CBI"). Note that certification as a Climate Bond is neither a recommendation to buy, sell or hold securities, nor a credit rating, and may be subject to withdrawal at any time if the Issuer does not comply with certain ongoing requirements of the Climate Bond Standard.

The date of this Supplement is 30 May 2016.

This Supplement (as referred to in the Information Memorandum in relation to the above Programme dated 5 March 2014 ("**Information Memorandum**")) relates to the Tranche of Debt Instruments referred to above. It is supplementary to, and should be read in conjunction with the Senior Note Deed Poll dated 5 March 2014 made by Westpac Banking Corporation ("**Deed Poll**") and the Information Memorandum.

This Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Debt Instruments or the distribution of this Supplement in any jurisdiction where such action is required.

Terms used but not otherwise defined in this Supplement have the meaning given in the applicable Conditions set forth in the Information Memorandum.

The particulars to be specified in relation to the Tranche of Debt Instruments referred to above are as follows:

- | | | |
|----------|--|---|
| 1 | Issuer | : Westpac Banking Corporation
(ABN 33 007 457 141) |
| 2 | Lead Manager | : Westpac Banking Corporation
(ABN 33 007 457 141) |
| 3 | Relevant Dealer | : Westpac Banking Corporation
(ABN 33 007 457 141) |
| 4 | Registrar and Australian Paying Agent | : BTA Institutional Services Australia Limited (ABN 48 002 916 396) of Level 2, 35 Clarence Street, Sydney NSW 2000 |
| 5 | Calculation Agent | : BTA Institutional Services Australia Limited
(ABN 48 002 916 396) |

- 6 **Issuing and Paying Agent (Offshore)** : Not Applicable
- 7 **If to form a single Series with an existing Series, specify date on which all Debt Instruments of the Series become fungible, if not the Issue Date** : Not Applicable
- 8 **Status** : Senior
- 9 **Currency** : Australian dollars ("A\$")
- 10 **Aggregate Principal Amount of Tranche** : A\$500,000,000
- 11 **If interchangeable with existing Series, Series No.** : Not Applicable
- 12 **Issue Date** : 3 June 2016
- 13 **Issue Price** : 99.725 per cent. per Denomination
- 14 **Commissions Payable** : As set out in the Subscription Acknowledgement dated 30 May 2016 between the Issuer and the Lead Manager and Dealer.
- 15 **Selling Concession** : Not Applicable
- 16 **Purchase Price** : A\$99,725 fully paid per Denomination
- 17 **Denomination** : A\$100,000
- The minimum aggregate consideration for offers or transfers of the Debt Instruments in Australia must be at least A\$500,000 (disregarding moneys lent by the transferor or its associates to the transferee), unless the offer or invitation resulting in the transfer does not otherwise require disclosure to investors in accordance with Parts 6D.2 or 7.9 of the Corporations Act 2001 of Australia.
- 18 **Partly Paid Senior Notes** : Not Applicable
- If yes, specify number, amounts and dates for, and method of, payment of instalments of subscription moneys and any further additional provisions (including Forfeiture Dates in respect of late payment of Partly Paid Unsubordinated Notes)
- 19 **Type of Debt Instruments** : Fixed Rate Debt Instrument
- 20 **If interest-bearing, specify which of the relevant Conditions is applicable, and then specify the matters required for the relevant Condition, namely** : Condition 5.2 applies

21	Fixed Rate Debt Instruments	:	Applicable
	Fixed Coupon Amount	:	A\$1,550 per Denomination
	Interest Rate	:	3.10 per cent. per annum payable semi-annually in arrear
	Interest Commencement Date, if not Issue Date	:	Issue Date
	Interest Payment Dates	:	3 June and 3 December of each year commencing on 3 December 2016, up to and including the Maturity Date, subject to adjustment in accordance with the Applicable Business Day Convention specified below.
	Day Count Fraction	:	Australian Bond Basis
	Initial Broken Amount	:	Not Applicable
	Final Broken Amount	:	Not Applicable
	Applicable Business Day Convention	:	
	- for Interest Payment Dates:		Modified Following Business Day Convention
	- for Interest Period End Dates:		Not applicable
	- for Maturity Date:		Modified Following Business Day Convention
	- any other date:		Not applicable
	Additional Business Centre(s)	:	Sydney
22	Floating Rate Debt Instruments	:	Not Applicable
23	Index-Linked Interest Debt Instrument provisions	:	Not Applicable
24	Other rates	:	Not Applicable
25	Accrual of interest	:	Not Applicable
26	Default Rate	:	Not Applicable
27	Overdue Rate	:	Not Applicable
28	Zero Coupon Debt Instrument	:	Not Applicable
29	Reference Price	:	Not Applicable
30	Maturity Date	:	3 June 2021, subject to adjustment in accordance with the Applicable Business Day Convention specified above.
31	Maturity Redemption Amount	:	100 per cent. of the Outstanding Principal Amount of the Debt Instruments.
32	Early Redemption Amount (Tax)	:	
	Specify if applicable	:	Applicable

	Specify minimum notice period	:	15 days
	Specify maximum notice period	:	45 days
	Specify any conditions to early redemption	:	Not Applicable
	If Early Redemption Amount (Tax) is not the Outstanding Principal Amount, together with accrued interest (if any) thereon of the Debt Instruments, insert amount or full calculation provisions	:	100 per cent. of the Outstanding Principal Amount of the Debt Instruments.
33	Early Redemption Amount (Call)¹		
	Specify if applicable	:	Not Applicable
34	Early Redemption Amount (Put)		
	Specify if applicable	:	Not Applicable
35	Early Redemption Amount (Adverse Tax Event)		
	Specify if applicable	:	Not Applicable
36	Early Redemption Amount (Regulatory Event)		
	Specify if applicable	:	Not Applicable
37	Early Termination Amount	:	
	If Early Termination Amount is not the Outstanding Principal Amount of the Debt Instruments, insert amount or full calculation provisions	:	100 per cent. of the Outstanding Principal Amount of the Debt Instruments.
	Specify if Holders are not to receive accrued interest on early redemption on default	:	Not Applicable
38	Redemption of Zero Coupon Debt Instruments	:	Not Applicable
39	Deed Poll	:	Senior Note Deed Poll dated 5 March 2014
40	Taxation	:	Condition 8.8 is applicable
41	Other relevant terms and conditions	:	Not Applicable
42	ISIN	:	AU3CB0237683

¹ Any failure to comply with the Climate Bonds Standard, any withdrawal of the certification of the Debt Instruments for any reason, any failure by the Issuer or any Nominated Project to comply with any Environmental Laws and Standards or any failure by the Issuer to make the notifications required by Item 57 below will not permit an early redemption of the Debt Instruments. Capitalised expressions in this footnote are described or defined in the Schedule.

43	Common Code	:	142371197
44	Common Depository	:	Not Applicable
45	Austraclear Number	:	WP2204
46	Any Clearing System other than Euroclear / Clearstream / Austraclear	:	Not Applicable
47	Settlement procedures	:	Customary medium term note settlement and payment procedures apply
48	U.S. selling restrictions	:	As set out in the Information Memorandum
49	Distribution of Information Memorandum	:	As set out in the Information Memorandum
50	Other selling restrictions	:	As set out in the Information Memorandum
51	Australian interest withholding tax	:	<p>The Issuer intends to issue the Debt Instruments in a manner consistent with the public offer test set out in section 128F(3) of the Income Tax Assessment Act 1936 of Australia (the "Tax Act"). If the requirements of section 128F of the Tax Act are not satisfied, Condition 8.8 will be applicable (subject to Item 40 above), and accordingly the Issuer may, subject to certain exceptions, be obliged to pay Additional Amounts in accordance with Condition 8.8.</p> <p>See also the section of the Information Memorandum entitled "Australian Taxation".</p>
52	Transaction Documents	:	Not Applicable
53	Listing	:	It is intended that the Notes will be quoted on the Australian Securities Exchange
54	Events of Default	:	<p>Condition 7.1 applies</p> <p><i>Any failure to comply with the Climate Bond Standard, any withdrawal of the certification of the Debt Instruments for any reason, any failure by the Issuer or any Nominated Project to comply with any Environmental Laws and Standards or any failure by the Issuer to make the notifications required by Item 57 below will not constitute an Event of Default. Capitalised expressions are described or defined in the Schedule.</i></p>
55	Additional or alternate newspapers	:	Not Applicable
56	Stabilisation Manager	:	Not Applicable
57	Other amendments	:	<i>If the Debt Instruments cease to comply with the Climate Bond Standard and the Issuer receives written notice from the CBI that the certification of the Debt Instruments as Climate Bonds has been withdrawn, the Issuer will notify Holders of that fact as soon as reasonably practicable after receipt of the</i>

relevant notice, provided, however, that any failure to do so shall not constitute an Event of Default or other default, or otherwise permit redemption before the Maturity Date by the Issuer or at the option of the Holders. Capitalised expressions are described or defined in the Schedule.

58 Other disclosure

- (1) As set out in the Information Memorandum
(2) As at the date of this Supplement, the Issuer's long term credit ratings are as follows:

S&P: AA-

Moody's: Aa2

- (3) The Debt Instruments to be issued are expected to be assigned the following ratings:

S&P: AA-

Moody's: Aa2

- (4) Refer to the Schedule for additional disclosure in relation to the certification of the Debt Instruments under the Climate Bond Standard.

CONFIRMED

For and on behalf of

Westpac Banking Corporation

By: 

Name: Richard Salmon

Position: Associate Director
Group Treasury

Date: 30 May 2016

Schedule – Additional disclosure

The CBI and Climate Bonds

The CBI is an international not-for-profit organisation which was launched in December 2009. As part of its stated aim to promote large-scale investments that will deliver a global low-carbon economy, the CBI has developed standards for certification of certain eligible bonds. If it certifies an eligible bond under the Climate Bonds Standard, the CBI will issue a statement which confirms the Climate Bond Certification in respect of those bonds and permit the use of the Climate Bond Certification Mark in connection with those bonds.

Before a bond can be certified, the compliance of that bond with the Climate Bonds Standard must be verified by a third party verifier (referred to as a "**Verifier**"). If a bond is certified by the Climate Bonds Standards Board as meeting the requirements of the Climate Bonds Standard it is referred to as a "**Climate Bond**".

Ernst & Young acting as a Verifier has verified the compliance of the Debt Instruments to be issued under this Pricing Supplement with the Climate Bond Standard, and the CBI has confirmed that the Climate Bond Certificate has been issued in respect of the Debt Instruments. As such, these Debt Instruments will be, at their issue date, "Climate Bonds" for the purposes of the Climate Bond Standard.

Further information, including a copy of the Climate Bond Standard, is available on the CBI's website – www.climatebonds.net. The information contained on the CBI's website is not included in, incorporated by reference into, or otherwise a part of this Pricing Supplement.

Eligible Projects & Physical Assets and Nominated Projects

Only bonds issued to fund projects and assets which qualify as "Eligible Projects & Physical Assets" under the terms of the Climate Bond Standard can be certified as Climate Bonds. "Eligible Projects & Physical Assets" are projects, physical assets or loans made to finance physical assets that satisfy the prescribed eligibility criteria for the purposes of the Climate Bond Standard. "Eligible Projects & Physical Assets" are subject to sector-specific technical criteria and must be regarded as contributing to the delivery of a low carbon economy within the terms of the Climate Bonds Standard. The Eligible Projects & Physical Assets with which a Climate Bond is associated are referred to as the "Nominated Projects".

The Issuer expects to use the proceeds of the issuance of the Debt Instruments to finance or maintain the finance for one or more of its Nominated Projects, as described below. So long as the Debt Instruments are outstanding, the Issuer's internal records will show, at any time, the net proceeds from the issuance of the Debt Instruments as allocated to the assets that fall within the Nominated Projects. During the term of the Debt Instruments, the Issuer will provide Holders with periodic reporting on the use of proceeds to finance Nominated Projects.

As at the date of this Pricing Supplement, the Issuer's Nominated Projects include a portfolio of Australian domiciled wind-farms and low carbon commercial buildings and the Issuer's total commitment to the Nominated Projects totalled approximately A\$1,041m (total drawn funding A\$924 million). As at the date of this Pricing Supplement, the Nominated Projects adhere to the requirements of the Climate Bond Standard, a financial industry benchmark for determining, assessing and managing social and environmental risk in project financing.

Details of the actual Nominated Projects with which the Debt Instruments may be associated at any given time may be subject to obligations of confidentiality that would preclude the Issuer disclosing those details to Holders. In addition, investors should note that the Issuer is not required to, and no assurance can be given that, the Issuer will, invest in any such project or that any investment in any such project will be retained for the term of the Debt Instruments. Investors should further note that the Issuer may at any time and from time to time change the composition of its investments financed by the Debt Instruments and such investments may not include any of the projects or assets described above.

Environmental and social laws and regulations

Information about the Issuer's compliance as at the date of this Pricing Supplement with:

- international and Australian environmental and social laws and regulations ("**Laws and Regulations**") is available in the Issuer's Annual Report available at the Issuer's online Investor Centre at <http://www.westpac.com.au/about-westpac/investor-centre/financial-information/annual-reports/>; and
- environmental, social and governance standards and best practices is available on the Issuer's website at <http://www.westpac.com.au/about-westpac/sustainability-and-community/> (together with Laws and Regulations, the "**Environmental Laws and Standards**").

Such information is not taken to be incorporated by reference in the Information Memorandum.

Credit of the Debt Instruments

The Debt Instruments are debt obligations of the Issuer in the form of a registered note. As such, obligations of the Issuer in respect of the Debt Instruments rank equally with each other Series of Debt Instruments of the Issuer and each other obligation ranking equally with them. **Repayment of, or payment of interest on, the Debt Instruments is not linked to the credit or the performance of any underlying Nominated Projects in any way.**

Ongoing compliance with Climate Bonds Standard

Although, as at the date of this Pricing Supplement, the Issuer expects to retain an interest in Eligible Projects & Physical Assets having a market value equal to or greater than the principal amount of the Debt Instruments at the relevant time in accordance with the Climate Bond Standard, the Issuer does not covenant to ensure that the Debt Instruments continue to comply with the Climate Bond Standard. **There can be no assurance that the Issuer will retain an interest in sufficient Eligible Projects & Physical Assets to allocate fully towards the principal amount of the Debt Instruments or that the compliance of the Debt Instruments with the Climate Bond Standard will otherwise be ongoing or that the certification of the Debt Instruments will not be withdrawn.**

Further, the Debt Instruments are certified as Climate Bonds under the Climate Bond Standard (version 1.0). The Issuer has no obligation to act so as to ensure compliance with any amended, updated, replaced or re-issued Climate Bond Standard.

Investors should note that in no circumstances will any failure to comply with the Climate Bond Standard or any withdrawal of the certification of the Debt Instruments for any reason, or any failure by the Issuer or any Nominated Project & Asset to comply with any Environmental Laws and Standards, constitute an Event of Default or any other breach (howsoever described) of the terms and conditions of the Debt Instruments ("**Conditions**"). Without limitation, Holders will have no right whatsoever to require early redemption of those Debt Instruments in these circumstances. Further, non-compliance or withdrawal of certification or any non-compliance with any Environmental Laws and Standards does not of itself entitle the Issuer to redeem the Debt Instruments before their stated maturity. However, non-compliance or withdrawal of certification does not relieve the Issuer from its obligations to make scheduled payments in connection with the Debt Instruments in accordance with the Conditions.

If the Debt Instruments cease to comply with the Climate Bond Standard and the Issuer receives actual notice from the CBI that the certification of the Debt Instruments as Climate Bonds has been withdrawn, the Issuer will publish on Westpac's Investor Centre website at the Fixed Income page (<http://www.westpac.com.au/about-westpac/investor-centre/fixed-income-investors/>) such information as soon as reasonably practicable after receipt of the relevant notice. In these circumstances, the Issuer will also cease to use the Climate Bond Certification Mark in connection with documents relating to these Debt Instruments after it receives that notice from the CBI (but need not remove the mark from any such documents already in existence, distributed or published prior to the receipt of that notice) and will take reasonable steps to have third party Climate Bond listings updated.

No representation, guarantee or support

The certification of the Debt Instruments as Climate Bonds by the CBI is addressed solely to the Issuer and is not a recommendation to any person to purchase, hold or sell the Debt Instruments and such certification does not address the market price or suitability of the Debt Instruments for a particular investor. The certification also does not address the merits of the decision by the Issuer or any third party to participate in any Nominated Projects. The Climate Bond Standard is not a financial standard and is not a substitute for financial due diligence - the obligation to conduct this due diligence remains with the investor as it does for other investments. The CBI does not guarantee, or otherwise stand behind, the Debt Instruments. The certification also does not express and should not be deemed to be an expression of an opinion as to the Issuer or any aspect of any Nominated Project (including but not limited to the financial viability of any Nominated Project) other than with respect to compliance with the Climate Bond Standard.

The certification of the Debt Instruments as Climate Bonds by the CBI is based solely on the Climate Bond Standard and does not, and is not intended to, make any representation or give any assurance with respect to any other matter relating to the Debt Instruments or any Nominated Projects, including but not limited to the Information Memorandum, this Pricing Supplement, any investor presentation, the programme documents, the Issuer or the management of the Issuer.

In issuing or monitoring, as applicable, the certification, the CBI has assumed and relied upon and will assume and rely upon the accuracy and completeness in all material respects of the information supplied or otherwise made available to the CBI. The CBI does not assume or accept any responsibility to any person for independently verifying (and it has not verified) such information or to undertake (and it has not undertaken) any independent evaluation of any Nominated Projects or the Issuer. In addition, the CBI does not assume any obligation to conduct (and it has not conducted) any physical inspection of any Nominated Project & Asset. The certification may only be used with the Debt Instruments the subject of this Pricing Supplement and may not be used for any other purpose without the CBI's prior written consent.

The certification does not and is not in any way intended to address the likelihood of timely payment of interest when due on the Debt Instruments and/or the payment of principal at maturity or any other date.

The certification may be withdrawn at any time in the CBI's sole and absolute discretion and there can be no assurance that such certification will not be withdrawn.

The Issuer does not, and does not intend to, make any representation or give any assurance with respect to the CBI or the Climate Bond Standard. The Issuer is not responsible for any information or standard published or provided by the CBI. The Issuer also cannot and does not give any assurance in relation to the actual climate-based impact of the Debt Instruments, of any Nominated Project or of the Climate Bond Standard generally.