A$2,530,000,000 Class A Notes due 2051
(the "**Notes**")
being mortgage backed floating rate notes

(Notes Stock Code: 40142)

of

Series 2020-1 WST Trust
managed by

Westpac Securitisation Management Pty Limited
(incorporated in Australia with limited liability under the Corporations Act 2001)
in its capacity as manager of the Series 2020-1 WST Trust

and issued by
BNY Trust Company of Australia Limited
(incorporated in Australia with limited liability under the Corporations Act 2001)
in its capacity as trustee, and with recourse limited to the assets, of the Series 2020-1 WST Trust

The attached announcement has been released to the Australian Securities Exchange on which the Notes are listed.

The Notes are amortising debt securities. Information on the Notes, including outstanding principal, is available at www.westpac.com.au/about-westpac/investor-centre/fixed-income-investors/secured-funding.

Australia, 20 December 2022

As at the date of this announcement, the board of directors of Westpac Securitisation Management Pty Limited comprises:

<u>*Directors*</u>
Joanne Renee Dawson
Gaetano Francesco Volpicella
Scott Robert Manning

SERIES 2020-1 WST TRUST

ABN 11 874 558 397

Annual Report

For the year ended 30 September 2022

SERIES 2020-1 WST TRUST

Contents

This financial report, presented in Australian dollars, covers Series 2020-1 WST Trust (the Trust) as an individual entity. Series 2020-1 WST Trust is incorporated and domiciled in Australia.

The financial report was authorised for issue by Westpac Securitisation Management Pty Limited (the Manager) under delegation of BNY Trust Company of Australia Limited (the Trustee) on 15 December 2022. The Trustee has the power to amend and reissue the financial report.

The Manager's registered office is:

Level 18, Westpac Place
275 Kent Street
Sydney NSW 2000

SERIES 2020-1 WST TRUST
Manager's report
30 September 2022

For the purposes of this report, the 'Manager' refers to Westpac Securitisation Management Pty Limited. The Manager has prepared this general purpose financial report under delegation of BNY Trust Company of Australia Limited (the Trustee).

The Manager of Series 2020-1 WST Trust (the Trust) presents its report together with the financial statements of the Trust for the financial year ended 30 September 2022.

Principal activities

The Trust's principal activities during the year consisted of holding the rights, but not the obligations, in relation to a pool of Westpac Banking Corporation (Westpac) originated residential home loans secured by mortgages funded with proceeds from the issuance of debt securities. The Trust has entered into swap agreements to manage its exposure to interest rate risk. The transactions with Westpac are accounted for based on the substance of the transactions (rather than the legal form) and are recognised in the accounts as part of a loan.

There have been no significant changes in the nature of the principal activities of the Trust during the year.

Operating and financial review

The operating profit after income tax for the financial year ended 30 September 2022 was $13,575,490 (2021: $18,050,549). As the income unitholders are presently entitled to all taxable profits, no income tax is payable by the Trust.

Significant changes in state of affairs and events during and since the end of the 2022 financial year

There have been no significant changes in the state of affairs of the Trust during the year.

The Manager is not aware of any matter or circumstance that has occurred since the end of the financial year that has significantly affected or may significantly affect the operations of the Trust, the results of its operations or the state of affairs of the Trust in subsequent financial years.

Developments and expected results

There are no likely developments that are expected to have a material impact on the results of the Trust.

Environmental disclosure

The operations of the Trust are not subject to significant environmental regulation under any law of the Commonwealth of Australia or of any state or territory of Australia. The Trust has not incurred any liability (including for rectification costs) under any environmental legislation.

Rounding of amounts

Amounts in this report and the accompanying financial report have been rounded to the nearest thousand dollars, unless indicated to the contrary.

Signed in accordance with a resolution of the Directors of the Manager.

Gaetano Volpicella – Director

Sydney
15 December 2022

{The Auditor's Independence Declaration will be provided by your Auditor - refer to page 22.}

SERIES 2020-1 WST TRUST
Statement of profit or loss and other comprehensive income
For the years ended 30 September

	Note	2022 $'000	2021 $'000
Interest income	3	34,816	39,690
Interest expense	3	(21,848)	(21,679)
Net interest income		**12,968**	**18,011**
Operating expenses	4	(350)	(430)
Impairment benefit		957	470
Operating profit before income tax		**13,575**	**18,051**
Income tax expense		-	-
Operating profit after income tax		**13,575**	**18,051**
Financing costs attributable to unitholders	11	(13,575)	(18,051)
Net profit for the year		**-**	**-**
Other comprehensive income		-	-
Total comprehensive income for the year attributable to unitholders of Series 2020-1 WST Trust		**-**	**-**

The above Statement of profit or loss and other comprehensive income should be read in conjunction with the Notes to the financial statements.

SERIES 2020-1 WST TRUST
Balance sheet
As at 30 September

	Note	2022 $'000	2021 $'000
Assets			
Cash and cash equivalents	12(a)	6	-
Loan	5	1,143,981	1,605,929
Due from related entities	7	3,819	3,452
Total assets		**1,147,806**	**1,609,381**
Liabilities			
Due to related entities	8	1,996	1,859
Debt issues	9	1,144,767	1,607,014
Other financial liabilities	10	1,043	508
Total liabilities excluding net assets attributable to unitholders		**1,147,806**	**1,609,381**
Net assets attributable to unitholders	11	-	-
Total liabilities		**1,147,806**	**1,609,381**
Net assets		**-**	**-**

The above Balance sheet should be read in conjunction with the Notes to the financial statements.

SERIES 2020-1 WST TRUST
Statement of changes in equity
For the years ended 30 September

	Total equity $'000
Balance at 1 October 2020	-
Balance at 30 September 2021	-
Balance at 30 September 2022	-

Under Australian Accounting Standards (AAS), net assets attributable to unitholders are classified as financial liabilities rather than equity. As a result there was no equity at the start or the end of the year. The net assets attributable to the unitholders are disclosed in note 11 to the financial statements.

The above Statement of changes in equity should be read in conjunction with the Notes to the financial statements

SERIES 2020-1 WST TRUST
Cash flow statement
For the years ended 30 September

	Note	2022 $'000	2021 $'000
Cash flows from operating activities			
Interest and other revenue received		34,449	41,067
Interest paid		(21,169)	(21,990)
Payments to suppliers and service providers		(355)	(433)
Net cash provided by/(used in) operating activities	12(b)	**12,925**	**18,644**
Cash flows from investing activities			
Loan proceeds		462,905	653,890
Net cash provided by/(used in) investing activities		**462,905**	**653,890**
Cash flows from financing activities			
Repayment of debt issues		(462,247)	(651,920)
Financing costs paid to unitholders		(13,577)	(20,614)
Net cash provided by/(used in) financing activities	12(c)	**(475,824)**	**(672,534)**
Net increase/(decrease) in cash and cash equivalents		**6**	**-**
Cash and cash equivalents as at the beginning of the year		-	-
Cash and cash equivalents as at the end of the year	12(a)	**6**	**-**

The above Cash flow statement should be read in conjunction with the Notes to the financial statements.

1 General information

Series 2020-1 WST Trust (the Trust) was established pursuant to a Notice of Creation of Trust under the Master Trust Deed from Westpac Securitisation Management Pty Limited (the Manager) to BNY Trust Company of Australia Limited (the Trustee) dated 22 January 2020.

2 Financial statements preparation

(a) Basis of accounting

(i) General

This general purpose financial report has been prepared in accordance with *Australian Accounting Standards (AAS)* and Interpretations as issued by the Australian Accounting Standards Board and other mandatory professional requirements of Australia.

The principal accounting policies adopted in the preparation of the financial reports are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

(ii) Historical cost convention

The financial report has been prepared under the historical cost convention, except for certain assets and liabilities as described in the accounting policies below.

(iii) Comparative revisions

Comparative information has been revised where appropriate to conform to changes in presentation in the current year and to enhance comparability.

(iv) Standards adopted during the year ended 30 September 2022

AASB 2020-2 Amendments to Australian Accounting Standards - Removal of Special Purpose Financial Statements (SPFS) for Certain For-Profit Private Sector Entities

This standard was issued in March 2020 and is effective for the Trust for the 30 September 2022 financial year. AASB 2020-2 amended the Conceptual Framework and a number of Australian Accounting Standards to remove the ability of certain for-profit entities to prepare SPFS.

As the Trust applies all the recognition and measurement requirements of all Australian Accounting Standards, there has been no impact on the amounts recognised in the financial statements. However, there are additional disclosures in Note 6 Provision for ECL, Note 13 Financial risk management and Note 15 Related Party disclosures.

This annual financial report for the year ended 30 September 2022 is the first Trust annual financial report to be prepared in accordance with Australian Accounting Standards and interpretations, including *AASB 1* First-time Adoption of *Australian Accounting Standards ("AASB 1")*, with a transition date of 1 October 2021. Financial records of the Trust until 30 September 2021 had been prepared in accordance with the recognition and measurement requirements of Australian Accounting Standards only. The Trust's adoption of *AASB 1* did not have any impact on the financial position, financial performance and cashflows of the Trust. As such, these financial statements do not include an opening balance sheet.

There are no other standards and interpretations issued which have a material impact on the Trust.

(v) Balance sheet presentation

Assets and liabilities have been presented in order of liquidity on the face of the balance sheet.

(vi) Functional and presentation currency

The financial statements are presented in Australian dollars, which is the Trust’s functional and presentation currency.

(vii) Offsetting

Financial assets and liabilities are presented net in the balance sheet when the Trust has an intention to settle the asset and liability on a net basis, or to realise the asset and settle the liability simultaneously.

(b) Revenue recognition

Interest income

Interest income for all instruments measured at amortised cost is recognised in the statement of profit or loss and other comprehensive income using the effective interest method.

The effective interest method calculates the amortised cost of a financial instrument by discounting the financial instrument’s estimated future cash receipts or payments to their present value and allocates the interest income or interest expense, including any fees, costs, premiums or discounts integral to the instrument, over its expected life.

2 Financial statements preparation (continued)

(b) Revenue recognition (continued)

Interest income (continued)

Interest relating to impaired loans is recognised using the loan's original effective rate based on the net carrying value of the impaired loan after giving effect to impairment charges, or for a variable loan, the current effective interest rate determined under the contract. This rate is also used to discount the future cash flows for the purpose of measuring the impairment loss.

(c) Expense recognition

(i) Interest expense

Interest expense is recognised in the statement of profit or loss and other comprehensive income for all instruments measured at amortised cost using the effective interest method (refer Note 2(b)).

(ii) Operating expenses

Operating expenses are recognised on an accrual basis over the period during which the service is performed.

(iii) Impairment charges

Impairment charges are based on an expected loss model which measures the difference between the current carrying amount and the present value of expected future cash flows, taking into account past experience, current conditions and multiple probability-weighted macroeconomic scenarios for reasonably supportable future economic conditions.

Impairment charges are recognised in the statement of profit or loss and other comprehensive income (write-offs are reported as a reduction in interest income and not presented separately as impairment expense), with a corresponding amount recognised as loans at amortised cost and due from related entities: as a reduction of the carrying value of the financial asset through an offsetting provision account (refer Notes 5, 6 and 7).

Uncollectable loans

A loan may become uncollectable in full or part if, after following the Trust's loan recovery procedures, the Trust remains unable to collect that loan's contractual repayments. Uncollectable amounts are written off against their related provision for expected credit losses, after all possible repayments have been received.

The Trust may subsequently be able to recover cash flows from loans written off. In the period which these recoveries are made, they are recognised in the statement of profit or loss and other comprehensive income.

(d) Income tax

Under current legislation, the Trust is not subject to income tax provided the taxable income of the Trust is fully distributed to income unitholders.

(e) Assets

Financial assets

Recognition

Purchases and sales by regular way of financial assets are recognised on trade-date, the date on which the Trust commits to purchase or sell the asset. Loans are recognised on settlement date, when cash is advanced to the borrowers.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the asset have expired, or when the Trust has either transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full under a 'pass through' arrangement and transferred substantially all the risks and rewards of ownership.

Classification and measurement

The Trust has grouped its financial assets into the following classes: cash and cash equivalents, loan and due from related entities.

Financial assets measured at fair value through profit or loss are recognised initially at fair value. All other financial assets are recognised initially at fair value plus directly attributable transaction costs.

The accounting policy for each category of financial asset mentioned above and the determination of its fair value is set out in the note for the relevant item.

(i) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

2 Financial statements preparation (continued)

(e) Assets (continued)

Financial assets (continued)

Classification and measurement (continued)

(ii) Loan
The loan is a non-derivative financial asset with fixed or determinable payment that is not quoted in an active market. The loan to Westpac is recognised at the fair value of consideration and is subsequently measured at amortised cost. The terms of the loan include a number of linked agreements between Westpac and the Trust, including cash flow management agreements/derivative contracts, services provided by Westpac and the underlying pool of securitised assets. Recourse is limited to the underlying pool of securitised assets. Since the derivatives are deemed part of the terms of the loan, they are not being measured at fair value. The associated profit/interest and loss/fee items are included in interest income.

(iii) Due from related entities
Amounts due from related entities are initially recognised at fair value of consideration and are subsequently measured at amortised cost, less the provision for ECL.

(iv) Provisions for expected credit losses (ECL)
The ECL is recognised as follows:

- Loans at amortised cost and due from related entities as a reduction of the carrying value of the financial asset through an offsetting provision account.

The Trust calculates the provision for ECL based on a three stage approach. ECL are a probability-weighted estimate of the cash shortfalls expected to result from defaults over the relevant timeframe. They are determined by evaluating a range of possible outcomes and taking into account the time value of money, past events, current conditions and forecasts of future economic conditions.

The models use three main components to determine the ECL (as well as the time value of money) including:

- Probability of default (PD): the probability that a counterparty will default;
- Loss given default (LGD): the loss that is expected to arise in the event of a default; and
- Exposure at default (EAD): the estimated outstanding amount of credit exposure at the time of the default.

Model stages

The three stages are as follows:

Stage 1: 12 months ECL - performing

For financial assets where there has been no significant increase in credit risk since origination a provision for 12 months ECL is recognised.

Stage 2: Lifetime ECL - performing

For financial assets where there has been a significant increase in credit risk since origination but where the asset is still performing a provision for lifetime ECL is recognised.

Stage 3: Lifetime ECL - non-performing

For financial assets that are non-performing a provision for lifetime ECL is recognised.

Collective and individual assessment

Financial assets that are in Stages 1 and 2 are assessed on a collective basis. This means that they are grouped in pools of similar assets with similar credit risk characteristics including the type of product and the customer risk grade. Financial assets in Stage 3 are assessed on an individual basis and calculated collectively for those below a specified threshold.

Expected life

In considering the lifetime timeframe for ECL in Stages 2 and 3, the standard generally requires use of the remaining contractual life adjusted where appropriate for prepayments, extension and other options.

Movement between stages

Assets may move in both directions through the stages of the impairment model. Assets previously in Stage 2 may move back to Stage 1 if it is no longer considered that there has been a significant increase in credit risk. Similarly, assets in Stage 3 may move back to Stage 1 or Stage 2 if they are no longer assessed to be non-performing.

2 Financial statements preparation (continued)

(f) Liabilities

Financial liabilities

Recognition

Financial liabilities are recognised when an obligation arises.

Derecognition

Financial liabilities are derecognised when the obligation is discharged, cancelled or expires.

Classification and measurement

The Trust has grouped its financial liabilities into the following classes: due to related entities, debt issues and other financial liabilities

Financial liabilities are measured at amortised cost if they are not held for trading or designated at fair value through profit or loss otherwise they are measured at fair value through the statement of profit or loss and other comprehensive income.

Financial liabilities measured at fair value through profit or loss are recognised initially at fair value. All other financial liabilities are recognised initially at fair value minus directly attributable transaction costs.

The accounting policy for each category of financial liability mentioned above and determination of fair value is set out in the note for the relevant item.

(i) Due to related entities
Due to related entities are initially recognised at fair value and subsequently measured at amortised cost.

(ii) Debt issues
Debt securities issued are initially recognised at fair value of the consideration received and are subsequently measured at amortised cost.

To the extent that the estimated payments on debt issues are revised, the gross carrying amount of the debt issues held at amortised cost will be adjusted to reflect the revised estimated cash flows. The resulting adjustment is recognised in the Statement of profit or loss and other comprehensive income as changes in estimated payments on debt issues.

(iii) Other financial liabilities
Other financial liabilities include payables and accrued expenses owing by the Trust which are unpaid as at balance sheet date. They are initially recognised at fair value and subsequently measured at amortised cost.

(g) Net assets attributable to unitholders

Units are redeemable on a fixed date 80 years after the commencement of the Trust, unless the Trust is terminated before this date in accordance with the provisions of the Master Trust Deed. Under the terms of the Master Trust Deed and the transaction documents of the Trust, residual income unit and residual capital units have been issued to unitholders. Residual income unitholders have a present entitlement to the distributable income of the Trust. Residual capital unitholders have no right to receive distributable income except on termination of the Trust to an amount equals to the initial subscription price, subject to availability of funds in the Trust. All net assets attributable to unitholders have been recognised as liabilities of the Trust, rather than as equity due to the entitlement to the income and/or the mandatory redemption of the units. The classification of net assets attributable to unitholders does not alter the underlying economic interest of the unitholders in the net assets and comprehensive income attributable to unitholders of the Trust. The units issued are initially recognised and subsequently measured at cost, being the fair value of consideration received.

(h) Goods and Services Tax (GST)

The Trust is part of a GST consolidated group, of which Westpac is the head entity. Net GST payable or recoverable is presented on the balance sheet as a payable to or receivable from the ultimate parent entity.

Revenue, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not deemed recoverable from the Australian Taxation Office (ATO). In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are recognised inclusive of GST.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are ultimately recoverable from, or payable to the ATO, are presented as operating cash flows.

Commitments are disclosed net of the amount of GST ultimately recoverable from, or payable to, the ATO.

2 Financial statements preparation (continued)

(i) Segment reporting

The Trust operates in only one segment that is domiciled in Australia to act as a special purpose vehicle for the securitisation of the Westpac home loan mortgage portfolio. The Trust has no other operating segment.

(j) Contingent liabilities

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events, and present obligations where the transfer of economic resources is not probable or cannot be reliably measured. Contingent liabilities are not recognised on the balance sheet but are disclosed unless the outflow of economic resources is remote.

(k) Critical accounting assumptions and estimates

Applying the Trust's accounting policies requires the use of judgement, assumptions and estimates which impact the financial information.

Provision for ECL

Key judgements include when a significant increase in credit risk has occurred, estimation of forward-looking macroeconomic information, the borrower's financial situation, the realisable value of collateral, the Trust's position relative to other claimants, the reliability of customer information and the likely cost and duration of recovering the loan.

Significant increase in credit risk (SICR)

Determining when a financial asset has experienced a SICR since origination is a critical accounting judgement which is based on the change in the probability of default (PD) since origination. In determining whether a change in PD represents a significant increase in risk, relative changes in PD and absolute PD thresholds are both considered based on the portfolio of the exposure.

The Trust does not rebut the presumption that instruments that are 30 days past due have experienced a SICR but this is used as a backstop rather than the primary indicator. In addition, the deferral of payments by customers in hardship arrangements is generally treated as an indication of a SICR.

Forward-looking macroeconomic information

The measurement of ECL for each stage and the assessment of significant increase in credit risk considers information about past events and current conditions as well as reasonable and supportable projections of future events and economic conditions. The estimation of forward-looking information is a critical accounting judgement. The Trust considers a minimum of three future macroeconomic scenarios including a base case scenario along with upside and downside scenarios.

The macroeconomic variables used in these scenarios, based on current economic forecasts, include (but are not limited to) unemployment rates, real gross domestic product growth rates and residential property price indices.

- Base case scenario
  This scenario utilises the internal Westpac economics forecast used for strategic decision making and forecasting.
- Upside scenario
  This scenario represents a modest improvement on the base case scenario.
- Downside scenario
  This scenario is a more severe scenario with ECL higher than those under the base case scenario. The more severe loss outcome for the downside is generated under a recession scenario in which the combination of declines in residential property prices and an increase in the unemployment rate simultaneously impact ECL across all portfolios from the reporting date.

The three macroeconomic scenarios are probability weighted and together represent the Trust's view of the forward-looking distribution of potential loss outcomes. The weighting applied to each of the three forward-looking macroeconomic scenario takes into account historical frequency, current trends, and forward-looking conditions.

Where appropriate, adjustments will be made to modelled outcomes to reflect reasonable and supportable information not already incorporated in the models.

Judgements can change with time as new information becomes available which could result in changes to the provision for ECL.

There are no other critical accounting assumptions and estimates.

2 Financial statements preparation (continued)

(l) Future developments in accounting standards

There are no new standards and interpretations that have been issued which have a material impact on the Trust.

3 Net interest income

	2022 $'000	2021 $'000
Interest income		
Transactions with ultimate parent entity:		
Loan	34,805	39,690
Bank interest	11	-
Total interest income	**34,816**	**39,690**
Interest expense		
Debt issues	15,713	16,624
Transactions with ultimate parent entity:		
Debt issues	6,135	5,055
Total interest expense	**21,848**	**21,679**
Net interest income	**12,968**	**18,011**

4 Operating expenses

	2022 $'000	2021 $'000
Transactions with related entities:		
Management fees	132	188
Trustee fees	109	138
Other operating expenses	109	104
Total operating expenses	**350**	**430**

5 Loan

	Note	2022 $'000	2021 $'000
Balances with ultimate parent entity:			
Loan - principal		1,145,815	1,608,720
Provision for ECL	6	(1,834)	(2,791)
Total loan		**1,143,981**	**1,605,929**

Of the above amount, $293,555,000 (2021 $439,566,000 is expected to be recovered within 12 months of the reporting date and the remaining $852,260,000 (2021 $1,169,154,000) is expected to be recovered after 12 months of the reporting date by the Trust.

6 Provision for ECL

The following table reconciles the 30 September 2022 provision for ECL on loan for the Trust:

	Note	Total $'000
Provision for ECL as at 1 October 2020		**3,261**
Movement during the year		(470)
Provision for ECL as at 30 September 2021		**2,791**
Movement during the year		(957)
Provision for ECL as at 30 September 2022	5	**1,834**

The loan is a single loan with the ultimate parent entity, Westpac. Recourse is limited to the underlying pool of securitised assets, hence the calculation of the provision for ECL, on the loan, is based on the underlying pool of securitised assets.

Modelled provision for ECL

The modelled provision for ECL is a probability weighted estimate based on three scenarios which together represent the Trust's view of the forward-looking distribution of potential loss outcomes.

The base case scenario uses Westpac Economic forecasts which forecast further interest rate rises and residential price reductions due to the current high inflationary environment.

The downside scenario is a more severe scenario with expected credit losses higher than the base case. The more severe loss outcome for the downside is generated under a recession in which the combination of declines in residential property prices and an increase in the unemployment rate simultaneously impact expected credit losses across all portfolios from the reporting date.

The following table indicates the weightings applied:

Macroeconomic scenario weightings (%)

	2022	2021
Upside	5	5
Base	50	55
Downside	45	40

The increase in weighting to the downside reflects an elevated level of uncertainty in potential credit losses driven by new geopolitical and economic headwinds, supply chain disruptions, capacity constraints and rising inflation.

7 Due from related entities

	2022 $'000	2021 $'000
Balances with ultimate parent entity:		
Accrued interest receivable - loan	3,819	3,452
Total due from related entities	**3,819**	**3,452**

Receivables to be recovered within 12 months. As at 30 September 2022, there were no overdue amounts from receivables (2021:$nil).

8 Due to related entities

	2022 $'000	2021 $'000
Balances with ultimate parent entity:		
Accrued interest payable - debt issues	337	195
Financing costs payable to unitholders	1,651	1,652
Balances with related entities:		
Management fees payable	8	12
Total due to related entities	**1,996**	**1,859**

Payables to be settled within 12 months. As at 30 September 2022, there were no overdue amounts from payables (2021: $nil).

9 Debt issues

	2022 $'000	2021 $'000
Class A Notes	927,261	1,387,014
Class B Notes	217,506	220,000
Total debt issues	**1,144,767**	**1,607,014**

Debt issues balance with ultimate parent entity at year end is $217,505,673 (2021: $234,253,900). The debt issues matures beyond 12 months.

10 Other financial liabilities

	2022 $'000	2021 $'000
Accrued interest payable – debt issues	1,041	505
Accrued expenses	2	3
Total other financial liabilities	**1,043**	**508**

The financial liabilities will be settled within 12 months.

11 Net assets attributable to unitholders

	2022 $'000	2021 $'000
Net assets attributable to unitholders	-	-
Total net assets attributable to unitholders	**-**	**-**

Movements in net assets attributable to unitholders	2022 $'000	2021 $'000
Opening balance	-	-
Operating profit after income tax	13,575	18,051
Financing costs attributable to unitholders	(13,575)	(18,051)
Closing balance	**-**	**-**

11 Net assets attributable to unitholders (continued)

	2022 Units	2021 Units
On issue at beginning of the year	2	2
On issue at the end of the year	**2**	**2**

The residual capital unit holder, Westpac, has no right to receive monies in respect of the Trust other than the right to receive, on the termination of the Trust, the entire beneficial interest of the Trust subject to the rights of the holders of the residual income unit.
Residual income and residual capital units were issued at a face value of $10.

12 Notes to the Cash flow statement

(a) Reconciliation of cash

	2022 $'000	2021 $'000
Cash with ultimate parent entity	6	-
Cash and cash equivalents at end of the year	**6**	**-**

(b) Reconciliation of net cash provided by/(used in) operating activities to operating profit for the year is set out below:

	2022 $'000	2021 $'000
Operating profit for the year	13,575	18,051
Adjustments:		
Impairment (benefits)/charges	(957)	(470)
Changes in operating assets and liabilities:		
Decrease/(increase) in assets		
Interest receivable	(367)	1,377
Increase/(decrease) in liabilities		
Interest payable	678	(310)
Accrued expenses	(4)	(4)
Net cash provided by/(used in) operating activities	**12,925**	**18,644**

(c) Reconciliation of liabilities arising from financing activities

Movement in liabilities arising from financing activities:

	Debt issues $'000	Financing costs payable to unitholders $'000	Total $'000
Balance as at 1 October 2020	**2,258,934**	**4,213**	**2,263,147**
Repayments of debt issues	(651,920)	-	(651,920)
Other cash movements	-	(20,614)	(20,614)
Total cash movements	**(651,920)**	**(20,614)**	**(672,534)**
Other non-cash movements	-	18,053	18,053
Total non-cash movements	**-**	**18,053**	**18,053**
Balance as at 30 September 2021	**1,607,014**	**1,652**	**1,608,666**

12 Notes to the Cash flow statement (continued)

(c) Reconciliation of liabilities arising from financing activities (continued)

Repayments of debt issues	(462,247)	-	(462,247)
Other cash movements	-	(13,577)	(13,577)
Total cash movements	**(462,247)**	**(13,577)**	**(475,824)**
Other non-cash movements	-	13,576	13,576
Total non-cash movements	**-**	**13,576**	**13,576**
Balance as at 30 September 2022	**1,144,767**	**1,651**	**1,146,418**

13 Financial risk management

Risk management policies and procedures

Categories of risk

The financial condition and operating results of the Trust are affected by a number of key financial and non-financial risks. These risks may include the following:

- Credit risk: the potential for financial loss where a customer or counterparty fails to meet their financial obligations to the Trust.
- Market risk: the risk to earnings from changes in market factors. The principal market risk is interest rate risk, the potential loss arising from the changes in market interest rates.
- Liquidity risk: the potential loss arising from cash outflows exceeding cash inflows over a given period.

The Trust's objectives and policies in respect of managing these risks are set out below.

Governance framework

The Trust operates within the governance and risk management frameworks of Westpac. These frameworks support effective and efficient decision-making through established reporting obligations to the Board of the Westpac, to the board of the Trust Manager and the committees which support the Board.

The key components of the Operational Risk Management and Compliance and Conduct Management frameworks include:

- Risk and control identification and assessment;
- Ongoing monitoring of control effectiveness;
- Internal and external assurance reviews, reporting and actions;
- Incident and issue management and reporting; and
- Regulatory breach reporting.

The Trust's risk and compliance framework is aligned with Westpac's business units rather than the individual entities that comprise the Westpac Group. Nevertheless the framework recognises the governance arrangements that are in place in relation to all Westpac Group entities and is designed to ensure that all risks and risk related issues that impact the Trust are captured, escalated and managed appropriately via the appropriate forums and committees.

(a) Credit risk

(i) Credit risk exposure

The table below sets out the maximum exposure to credit risk and the credit risk concentrations to which the Trust is exposed.

	2022 $'000	**2021 $'000**
On-balance sheet credit exposures consist of		
Cash and cash equivalents	6	-
Loan	1,143,981	1,605,929
Due from related entities	3,819	3,452
Total credit risk exposures	**1,147,806**	**1,609,381**
Analysis of credit exposures by industry and economic sector		
Financial	1,147,806	1,609,381
Total credit risk exposures	**1,147,806**	**1,609,381**

13 Financial risk management (continued)

(a) Credit risk (continued)

(i) Credit risk exposure (continued)

The Trust has a credit exposure of $1,147,806 thousand comprised mainly of loan assets of $1,143,981 thousand. The loan is a single loan which represents the cash flows receivable from the underlying pool of securitised assets. This loan is considered Stage 1 of the ECL model as 94% of the underlying assets are currently Stage 1 of the ECL model. (2021: 96%).

(ii) Credit quality of financial assets

There are a variety of techniques to reduce the credit risk arising on the underlying portfolio of residential mortgages. Enforceable legal documentation establishes direct, irrevocable and unconditional recourse to any collateral, security or other credit enhancements provided. All residential mortgages are secured by fixed charges over borrowers' residential properties and are subject to Westpac's credit lending policies, including lenders mortgage insurance as required.

(b) Liquidity risk

Liquidity risk is the risk that the Trust will encounter difficulty in meeting obligations associated with the financial liabilities due to lack of liquid assets or access to adequate funding on acceptable terms. No significant liquidity risk exposure existed at balance date. All financial liabilities are expected to mature within three months, with the exception of distributions payable which have an expected maturity of less than one year and borrowings, which have an expected maturity of greater than five years. This is for the current and comparative periods.

The table below analyse the Trust's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows.

	2022 $'000	**2021 $'000**
<1 year	333,140	500,831
1-5 years	896,730	1,147,788
>5 years	-	-
	1,229,870	**1,648,619**

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market variables such as interest and foreign exchange rates. No significant market risk exposure existed at balance date.

The Trust does not enter or trade financial instruments for speculative purpose.

(d) Interest rate risk

Interest rate risk is the risk of loss resulting from changes in market interest rates. Adverse changes in market interest rates can potentially decrease returns on financial assets.

The table below demonstrates the impact on the Trust's operating profit based on 1% (2021: 1%) increase or decrease in interest rate with all other variables held constant. The impact is mainly due to changes in cash flow from a change in interest rate.

Impact on operating profit

	2022 $'000	**2021 $'000**
Interest rate increase 1%	11	17
Interest rate decrease 1%	(11)	(17)

The method used deriving sensitivity information and significant variables did not change from the previous period.

The Trust is not materially impacted by market interest rates due to economic hedging of interest bearing assets and interest bearing liabilities.

(e) Fair value measurements

The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

13 Financial risk management (continued)

(e) Fair value measurements (continued)

On initial recognition, the transaction price generally represents the fair value of the financial instrument unless there is observable information from an active market to the contrary. Where unobservable information is used, the difference between the transaction price and the fair value is only recognised in the statement of profit or loss and other comprehensive income when the inputs become observable, or over the life of the instrument.

The Trust categorises all fair value instruments according to the hierarchy described below:

Level 1 instruments

The fair value of financial instruments traded in active markets based on recent unadjusted quoted prices. These prices are based on actual arm's length basis transactions. The valuation of Level 1 instruments requires little or no management judgement. The Trust does not hold instruments classified as Level 1 in the fair value hierarchy.

Level 2 instruments

The fair value for financial instruments that are not actively traded are determined using valuation techniques which maximise the use of observable market prices. Valuation techniques include the use of market standard discounting methodologies. The Trust does not hold instruments classified as Level 2 in the fair value hierarchy.

Level 3 instruments

Financial instruments valued where at least one input that could have a significant effect on the instrument's valuation is not based on observable market data due to illiquidity or complexity of the product. The carrying value of financial instruments approximate their net fair value as they are based upon market prices where a market exists or by discounting the expected future cash flows by the current interest rates for similar risk profiles. The financial instruments relate to intercompany balances which are deemed to have no observable market. The Trust holds instruments which are classified as Level 3 in the fair value hierarchy.

The table below summarises the estimated fair value and fair value hierarchy of financial instruments not measured at fair value:

30 September 2022	**Level 1 $'000**	**Level 2 $'000**	**Level 3 $'000**	**Total $'000**
Financial assets				
Cash and cash equivalents	6	-	-	6
Loan	-	-	1,130,490	1,130,490
Due from related entities	-	-	3,819	3,819
Total financial assets carried at fair value	**6**	**-**	**1,134,309**	**1,134,315**
Financial liabilities				
Due to related entities	-	-	1,996	1,996
Debt issues	-	921,874	217,505	1,139,379
Other financial liabilities	-	-	1,043	1,043
Total financial liabilities carried at fair value	**-**	**921,874**	**220,544**	**1,142,418**

30 September 2021	**Level 1 $'000**	**Level 2 $'000**	**Level 3 $'000**	**Total $'000**
Financial assets				
Cash and cash equivalents	-	-	-	-
Loan	-	-	1,103,442	1,103,442
Due from related entities	-	-	3,452	3,452
Total financial assets carried at fair value	**-**	**-**	**1,106,894**	**1,106,894**
Financial liabilities				
Due to related entities	-	-	1,859	1,859
Debt issues	-	1,401,633	220,000	1,621,633
Other financial liabilities	-	-	508	508
Total financial liabilities carried at fair value	**-**	**1,401,633**	**222,367**	**1,624,000**

14 Auditor's remuneration

The auditor's remuneration for the audit of the Trust's financial statements of $19,563 (2021: $12,000) was paid by the ultimate parent entity, Westpac.

15 Related Party disclosures

The Manager of the Series 2020-1 WST Trust is Westpac Securitisation Management Pty Limited, incorporated in Australia. The Manager is a wholly owned subsidiary of Westpac, incorporated in Australia.

(a) Parent entity

The Trust's immediate and ultimate parent entity is Westpac Banking Corporation (Westpac), incorporated in Australia.

(b) Key management personnel (KMP)

Key management personnel are those who, directly or indirectly, have authority and responsibility for planning, directing and controlling the activities of the Trust. This includes all Executive and Non-Executive Directors.

The Directors of the Manager of the Trust during the year since 1 October 2021 and up to the date of this report unless otherwise stated are:

Gaetano Volpicella	
Joanne Dawson	
Rebecca Coates	(resigned on 30/05/2022)
Scott Manning	(appointed on 15/08/2022)
Richard Burton	(resigned on 25/08/2022)

No compensation is paid to key management personnel directly by the Trust. Total key management personnel compensation is wholly borne and paid by the ultimate parent entity, Westpac.

(c) Transactions with related parties

The following transactions occurred with related parties:

Type of transaction	Class of related party	Note	2022 $'000	2021 $'000
Interest income	Ultimate parent entity	3	34,816	39,690
Interest expense	Ultimate parent entity	3	(6,135)	(5,055)
Operating expenses	Related entities	4	(132)	(188)
Impairment benefit/(charges)	Ultimate parent entity	6	957	470

(d) Outstanding balances arising from sales/purchases of goods and services

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

Balance type	Class of related party	Note	2022 $'000	2021 $'000
Cash and cash equivalents	Ultimate parent entity	12(a)	6	-
Loan	Ultimate parent entity	5	1,143,981	1,605,929
Due from related entities	Ultimate parent entity	7	3,819	3,452
Due to related entities	Ultimate parent entity	8	(1,988)	(1,847)
Due to related entities	Related entities	8	(8)	(12)
Debt issues	Ultimate parent entity	9	(217,506)	(234,254)

(e) Terms and conditions

The transactions with related entities were disclosed in the notes to the financial statements, and were made on normal commercial terms and conditions and at market rates except where indicated.

16 Contingent liabilities and commitments

The Trust does not have any contingent liabilities or commitments.

17 Subsequent events

No matters have arisen since the year ended 30 September 2022 which are not otherwise dealt with in this report, that have significantly affected or may significantly affect the operations of the Trust, the results of its operations or the state of affairs of the Trust in subsequent periods.

SERIES 2020-1 WST TRUST
Manager's declaration
30 September 2022

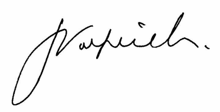
We report that in our opinion:

(a) the Series 2020-1 WST Trust (the Trust) has operated during the year ended 30 September 2022 in accordance with the provisions of the Master Trust Deed for the Trust;

(b) the general purpose financial report of the Trust is properly drawn up in accordance with the transaction documents for the Trust so as to present fairly the state of affairs of the Trust at 30 September 2022 in accordance with Note 2(a) to the financial report and the results and cash flows of the Trust for the year ended at that date; and

(c) at the date of this declaration, there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they fall due.

For and on behalf of the Manager
Westpac Securitisation Management Pty Limited



Gaetano Volpicella – Director

Sydney
15 December 2022

SERIES 2020-1 WST TRUST
Trustee's report
30 September 2022

Pursuant to the Master Trust Deed for the Trust this general purpose financial report has been prepared by Westpac Securitisation Management Pty Limited (the Manager), and has been audited by PricewaterhouseCoopers, who were appointed by the Manager and whose report is attached.

The Trustee is not aware of any material matters that require disclosure and that have not been disclosed. The Trustee is not aware of any material matters that have occurred since the date of the financial report that require disclosure and that have not been disclosed.

Andrea Ruver

For and on behalf of:
BNY Trust Company of Australia Limited
Sydney 19 Dec 2022

Independent auditor's report

To the unitholders of Series 2020-1 WST Trust

Our opinion

In our opinion the accompanying financial report presents fairly, in all material respects, the financial position of Series 2020-1 WST Trust (the Trust) as at 30 September 2022 and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards to the extent described in Note 2 (a) of the financial report.

What we have audited

The financial report comprises:

- the balance sheet as at 30 September 2022
- the statement of changes in equity for the year then ended
- the cash flow statement for the year then ended
- the statement of profit or loss and other comprehensive income for the year then ended
- the notes to the financial statements, which include significant accounting policies and other explanatory information
- the declaration of the directors of the Manager.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Trust in accordance with the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Emphasis of matter - basis of accounting and restriction on distribution and use

We draw attention to Note 2 (a) in the financial report, which describes the basis of accounting. The financial report has been prepared to assist the directors of the Manager (the directors) to meet the requirements of the Master Trust Deed. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for Series 2020-1 WST Trust and its unitholders and should not be used by parties other than Series 2020-1 WST Trust and its unitholders. Our report should not be distributed to parties other than Series 2020-1 WST Trust, the Trustee, its Noteholders and its unitholders. Our opinion is not modified in respect of this matter.

PricewaterhouseCoopers, ABN 52 780 433 757
One International Towers Sydney, Watermans Quay, Barangaroo, GPO BOX 2650, SYDNEY NSW 2001
T: +61 2 8266 0000, F: +61 2 8266 9999

Other information

The directors of the Manager are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 September 2022, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors of the Manager for the financial report

The directors of the Manager are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards to the extent described in Note 2 (a) of the financial report, and for such internal control as the directors of the Manager determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. The directors of the Manager have determined that the basis of preparation described in Note 2 (a) to the financial report is appropriate to meet the needs of the unitholders.

In preparing the financial report, the directors of the Manager are responsible for assessing the ability of the Trust to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Manager either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

PricewaterhouseCoopers

Rob Spring
Partner

Sydney
15 December 2022