

# WESTPAC GREEN BOND FRAMEWORK

JANUARY 2026



WESTPAC BANKING CORPORATION  
ABN 33 007 457 141

IT TAKES A LITTLE





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In this Green Bond Framework, a reference to 'Westpac', 'Group', 'Westpac Group', 'we', 'us' and 'our' is to Westpac Banking Corporation ABN 33 007 457 141 and its subsidiaries unless it clearly means just Westpac Banking Corporation.

## Our Sustainability Strategy

Our purpose at Westpac is *taking action now to create a better future*. We believe that as one of Australia's largest companies, we have a role to play in helping to create a positive social, economic and environmental impact. Our Sustainability Strategy is aligned to our Group Strategy and Purpose. Climate transition is a key focus area of our Sustainability Strategy as we seek to play our role in decarbonising Australia and building resilience – for our customers and our operations.

We have an ambition to become a net-zero climate resilient bank. In support of this ambition, we have set clear, quantified targets that extend across the emissions of our operations and certain sectors in our lending, and the amount of sustainable finance and bond facilitation we provide. We aim to better understand and manage the exposure and vulnerability of our both operations, and those of our customers to climate change to strengthen our climate resilience.

Westpac is committed to financing activities that contribute to positive sustainable outcomes across climate, environmental and social objectives. Our Sustainable Finance Framework<sup>1</sup> ('SFF') defines how we assess, monitor, measure and report on sustainable lending and bond facilitation. The SFF supports Westpac's Sustainability Strategy and was informed by stakeholder feedback, national taxonomies, industry standards, principles and guidance, and aims to align with the United Nations ('UN') Sustainable Development Goals ('SDGs').

|                                |  |  |  |   |  |
|--------------------------------|--|--|--|---|--|
| <b>OUR PURPOSE</b>             | <b>Taking action now to create a better future</b>   |  |  |   |  |
| <b>WHAT</b>                    | <b>To be our customers' #1 bank and partner through life</b>   |  |  |   |  |
| <b>HOW</b>                     | <b>Customer</b><br>Proactively support customers' sustainability goals through finance, expertise and advocacy | <b>People</b><br>Strengthen sustainability learning so our people bring expertise and balance into every decision and interaction                        | <b>Change</b><br>Partner with customers to help deliver our positions on key sustainability topics including climate, natural capital, human rights and equitable Indigenous participation | <b>Risk</b><br>Actively manage material sustainability risks and impacts to customers, our business and community | <b>Performance</b><br>Create sustainability outcomes for our customers, communities and shareholders |
| <b>FOCUS AREAS</b>             | <b>Climate Transition</b><br>Decarbonisation and resilience for customers and our operations                   | <b>Housing Affordability</b><br>New housing supply, alternative pathways to ownership for customers and housing availability for underserved communities | <b>Regional Prosperity</b><br>Regional business growth, local employment, community and environment outcomes   |   |  |
| <b>SUSTAINABILITY OUTCOMES</b> | Support the goals of the Paris Agreement achieving our Scope 1, 2 and 3 emissions reduction targets by 2030    | \$55bn sustainable lending (including housing affordability) and \$40bn sustainable bond facilitation activities by 2030                                 | Support customers economic resilience and prosperity by increasing our footprint and growing lending to regional businesses and communities faster than in metro Australia                 |   |  |

For further details on our current targets and performance, refer to Westpac Sustainability<sup>2</sup>.

<sup>1</sup> <https://www.westpac.com.au/content/dam/public/wbc/documents/pdf/aw/sustainability/wbc-sustainable-finance-framework.pdf>

<sup>2</sup> <https://www.westpac.com.au/about-westpac/sustainability/>

## Our ambition is to become a net-zero, climate resilient bank

We are taking action now to create a better future. Climate change, in particular climate transition is a key focus area of our Sustainability Strategy, as we seek to play a role in decarbonising Australia and building resilience – for our customers and our operations.





# GREEN BOND FRAMEWORK

The Green Bond Framework (the 'Framework') set out in this document details Westpac Banking Corporation's ('Westpac') approach to green funding instruments ('Green Bonds'). The following types of instruments can be issued under this Framework:

- Unsecured bonds (senior or subordinated)
- Covered bonds
- Asset-backed or residential mortgage-backed securities
- Commercial paper and other liabilities

This Framework replaces the previous Westpac Green Bond Framework (May 2021). Any Green Bonds issued prior to the publication of this Framework and expressed to be aligned to the previous Framework will continue to be reported on in accordance with the prior Framework until the maturity of that Green Bond.

Green Bonds issued under this Framework will align with the International Capital Market Association ('ICMA') Green Bond Principles ('GBPs')<sup>3</sup>. This Framework aligns with the four core components of the ICMA GBPs:

- Use of Proceeds
- Process for Project Evaluation and Selection
- Management of Proceeds
- Reporting




This Framework will be reviewed and updated periodically as and when required. Westpac has obtained a Second Party Opinion to confirm that this Framework aligns with the ICMA GBPs. If there are material updates to this Framework, Westpac will seek to obtain an updated Second Party Opinion.

<sup>3</sup> ICMA Green Bond Principles (June 2025)



## Use of Proceeds: Eligible Assets

The net proceeds raised under this Framework will be allocated on a notional basis to finance or refinance, in whole or in part, eligible projects or assets that meet the below Eligibility Criteria ('Eligible Assets') and which contribute to a low carbon economy.

| GBP CATEGORY         | ELIGIBILITY CRITERIA   | EXAMPLE ELIGIBLE ASSETS  | UN SDG MAPPING   |
|----------------------|--|--|--|
| Renewable energy     | Loans and contingent facilities related to the: <ul style="list-style-type: none"> <li>Construction, operation, and maintenance of renewable energy generation sources, technologies and related equipment/components.</li> <li>Construction and expansion of associated distribution networks.</li> </ul>   | Lending <sup>4</sup> : <ul style="list-style-type: none"> <li>Renewable energy generation (solar, wind, green hydrogen<sup>5</sup> ocean).</li> <li>Biomass and biogas energy generation with emissions savings of at least 80% where the feedstock source:               <ul style="list-style-type: none"> <li>does not grow on land with high biodiversity;</li> <li>does not compete with food sources; and</li> <li>is certified sustainable by a credible source.</li> </ul> </li> <li>Hydropower, including run of river, impoundment, pumped storage which have Scope 1 and 2 emissions meeting an emissions threshold of &lt;0.1tCO<sub>2</sub>-e/MWh including:               <ul style="list-style-type: none"> <li>large hydropower (&gt;25 MW) with reservoirs formed by a dam, in operation before 2020 with power density &gt;5W/m<sup>2</sup>;</li> <li>small-scale run-of-river hydropower (&lt;25 MW) in operation before 2020; and</li> <li>any hydropower facility commencing operation in 2020 or after with power density &gt;10W/m<sup>2</sup>.</li> </ul> </li> <li>Other forms of energy generation meeting an emissions threshold of &lt;0.1tCO<sub>2</sub>-e/MWh<sup>6</sup>, including:               <ul style="list-style-type: none"> <li>geothermal energy (direct emissions); and</li> <li>waste to energy where majority of recyclables are segregated before incineration and the Scope 1 and 2 emissions intensity of generation &lt;0.1tCO<sub>2</sub>-e/MWh.</li> </ul> </li> <li>Systems, equipment, storage and infrastructure supporting the transmission and distribution of renewable energy, including battery energy storage systems ('BESS') and smart grid technology.</li> <li>Transmission and distribution where &lt;10% of electricity transmitted is fossil fuel generated.</li> </ul> | <br> |
| Energy efficiency    | Loans and contingent facilities related to the: <ul style="list-style-type: none"> <li>Construction, operation and maintenance of products or technology that reduces energy consumption of underlying asset, technology, product or system such smart grids and energy storage systems and facilities.</li> </ul>   | Lending <sup>4</sup> : <ul style="list-style-type: none"> <li>Other forms of energy generation meeting an emissions threshold of &lt;0.1tCO<sub>2</sub>-e/MWh<sup>6</sup>, including:               <ul style="list-style-type: none"> <li>geothermal energy (direct emissions); and</li> <li>waste to energy where majority of recyclables are segregated before incineration and the Scope 1 and 2 emissions intensity of generation &lt;0.1tCO<sub>2</sub>-e/MWh.</li> </ul> </li> <li>Systems, equipment, storage and infrastructure supporting the transmission and distribution of renewable energy, including battery energy storage systems ('BESS') and smart grid technology.</li> <li>Transmission and distribution where &lt;10% of electricity transmitted is fossil fuel generated.</li> </ul>   |  |
| Clean transportation | Loans and contingent facilities related to the: <ul style="list-style-type: none"> <li>Construction, operation and maintenance of low carbon/clean transportation infrastructure and assets including public transportation rolling stock (light passenger rail and electrified buses), networks and stations.</li> <li>Improvements, upgrades and expansion of supporting clean transportation infrastructure.</li> </ul> | Lending <sup>7</sup> : <ul style="list-style-type: none"> <li>Zero direct emissions freight and passenger transport (e.g. electric or hydrogen-fuelled vehicles).</li> <li>Construction and operation of infrastructure supporting zero direct emissions transport (e.g. electric charging ports, electrification of transport network infrastructure) and active mobility (e.g. walking, cycling, e-bikes, e-scooters).</li> </ul>  |   |

<sup>4</sup> Sustainable Finance Framework – Appendix B – Summary – Taxonomy Criteria, Table 6 (Power Generation)

<sup>5</sup> Hydrogen produced using renewable energy sources (e.g., biogas, hydro, wind, solar)

<sup>6</sup> Scope 1 and 2 emissions of electricity generated. This will be expanded to include Scope 3 emissions as data becomes available

<sup>7</sup> Sustainable Finance Framework – Appendix B – Summary – Taxonomy Criteria, Table 6 (Transport)

| GBP CATEGORY  | ELIGIBILITY CRITERIA   | EXAMPLE ELIGIBLE ASSETS  | UN SDG MAPPING   |
|---|--|--|--|
| Green buildings   | <p>Loans and contingent facilities related to the:</p> <ul style="list-style-type: none"> <li>Construction or operation of energy efficient commercial or residential buildings that meet regional, national or internationally recognised standards.</li> <li>Retrofit and renovation of buildings with the purpose of improved energy efficiency (e.g. LED lighting, thermal insulation, heating, and cooling systems).</li> </ul>       | <p>Lending<sup>8</sup>:</p> <ul style="list-style-type: none"> <li>The asset or the portfolio meets the specific requirements within the Climate Bonds Location Specific Criteria.</li> <li>Construction, renovation, refurbishment, fitout or ownership of buildings to a minimum level of 5.5 Star National Australian Built Environment Rating System ('NABERS') rating or equivalent NABERS Commitment Agreement for the following building types<sup>9</sup>: <ul style="list-style-type: none"> <li>office (base building); and</li> <li>shopping centres.</li> </ul> </li> <li>Construction, renovation, refurbishment, fitout or ownership of buildings to a minimum level of 5 Star NABERS rating or equivalent NABERS Commitment Agreement for the following building types<sup>10</sup>: <ul style="list-style-type: none"> <li>hotels;</li> <li>apartment buildings; and</li> <li>data centres.</li> </ul> </li> <li>Construction, renovation, refurbishment, fitout or ownership of buildings to a minimum level of Building Research Establishment Environmental Assessment Method ('BREEAM') Excellent or above.</li> <li>Customer financing for green residential building construction, acquisition or refurbishment to a minimum level above regulatory requirements of 7 Star energy Nationwide House Energy Rating Scheme ('NatHERS') rating and the applicable National Construction Code ('NCC') requirements<sup>11</sup>.</li> </ul> |   |
| Environmentally sustainable management of living natural resources and land use | <p>Loans and contingent facilities related to the:</p> <ul style="list-style-type: none"> <li>Management and operation of plantation and natural forest as certified under the Forest Stewardship Council framework.</li> </ul>  | <p>Lending:</p> <ul style="list-style-type: none"> <li>Projects and activities that builds resilience to the chronic and acute impacts of climate change; or is undertaken on land that uses natural resources responsibly and/or protects or enhances the preservation of natural ecosystems in the long term, while also contributing to human wellbeing.</li> </ul>   | <br><br><br> |
| Sustainable water and wastewater management                                     | <p>Loans and contingent facilities related to the:</p> <ul style="list-style-type: none"> <li>Construction, operation, and maintenance of sustainable water treatment infrastructure including clean drinking water and waste treatment systems.</li> <li>Activities which improve water quality, distribution efficiency and conservation, including engineered water infrastructure for flood defence and drought resilience.</li> </ul> | <p>Lending:</p> <ul style="list-style-type: none"> <li>Projects and activities that builds resilience to the chronic and acute impacts of climate change; or is undertaken on land that uses natural resources responsibly and/or protects or enhances the preservation of natural ecosystems in the long term, while also contributing to human wellbeing.</li> </ul>   | <br>   |

<sup>8</sup> Sustainable Finance Framework – Appendix B – Summary – Taxonomy Criteria, Table 6 (Commercial Real Estate & Residential Mortgages)

<sup>9</sup> Derived from NABERS Sustainable Finance Criteria Version 1.1, June 2022

<sup>10</sup> Derived from NABERS Sustainable Finance Criteria Version 1.1, June 2022

<sup>11</sup> Australia's NCC requires all Australian houses and apartments to meet a minimum 7 Star energy rating under NatHERS.

## Excluded Assets

The net proceeds raised under this Framework will not knowingly be allocated to assets where the main purpose has been assessed to be financing or refinancing:

- Fossil fuels
- Tobacco
- Gambling
- Defence, including controversial and nuclear weapons

## Process for Project Evaluation and Selection

Westpac has established the Sustainable Finance Framework Working Group ('SFFWG') which is responsible for identifying and approving Eligible Assets as well as managing the Green Bond asset pool.

The SFFWG comprises representatives from Financial Markets and Group Treasury, as well as sustainability experts across our Institutional Bank and Group Sustainability teams. The SFFWG meets at least quarterly to discuss the Green Bond asset pool.

Following is an overview of Westpac's process for the identification, evaluation and approval of Eligible Assets.

### ASSET IDENTIFICATION

Potential assets are screened for eligibility against Westpac's environmental, social, governance risk policies and any relevant external standards as well as Westpac's Sustainable Finance Framework, which set out how Westpac identifies and manages ESG risks associated with the relevant asset.

### ELIGIBLE ASSET EVALUATION AND APPROVAL

Potential assets are presented to the SFFWG for consideration. The SFFWG will evaluate the potential asset against the Framework and approve its inclusion in the Green Bond asset pool if it satisfies the Eligibility Criteria and is in line with Westpac's ESG risk policies and position statements.

Alignment of Eligible Assets with the Eligibility Criteria is reviewed on an ongoing basis by the SFFWG.

## Management of Proceeds

The net proceeds from Green Bonds issued under this Framework will be managed on a portfolio basis by the SFFWG. The SFFWG is responsible for the ongoing review, allocation and management of the Green Bond asset pool.

### TRACKING OF PROCEEDS

Each Green Bond is booked in a unique portfolio in Westpac's internal systems. Each Eligible Asset is tracked and reported against the GBP categories and notionally assigned to the Green Bond asset pool.

### ALLOCATION OF PROCEEDS

Westpac aims to fully allocate the net proceeds against Eligible Assets within 24 months of issuance. Where the maturity of a Green Bond is shorter than 24 months, the aim is to allocate against Eligible Assets within the timeframe the instrument is outstanding. Any unallocated net proceeds will be held in cash or cash equivalent instruments.

### POOL MANAGEMENT

The SFFWG meets at least quarterly to manage the Green Bond asset pool and will aim to ensure the total Eligible Assets available under the Green Bond asset pool is greater than the total amount of outstanding Green Bonds.

New assets that meet the Eligibility Criteria will be added into the Green Bond asset pool and existing assets which no longer comply with the Eligibility Criteria will be removed from the Green Bond asset pool.



## Reporting

Westpac will publish an Impact Report annually, which includes at least the following information:

- The net proceeds of the Green Bonds issued under this Framework.
- Information relating to Westpac's outstanding Green Bonds including the type, currency and maturity.
- Information on the Green Bond asset pool including pool balance, pool capacity, amount allocated to each GBP category, and the balance of any unallocated net proceeds.
- Relevant expected or actual environmental impact metrics aligned to the ICMA Handbook – Harmonized Framework for Impact Reporting (June 2023), where possible.

All reporting is subject to the availability of data and its disclosure being permitted under applicable confidentiality agreements, privacy, competition and other relevant laws and regulations.



Examples of potential impact reporting metrics are as follows:

| GBP CATEGORY  | EXAMPLE OF POTENTIAL IMPACT METRICS   |
|---|---|
| Renewable energy  | <ul style="list-style-type: none"> <li>• Annual greenhouse gas (GHG) emissions reduced/avoided (tCO<sub>2</sub>-e)</li> <li>• Annual renewable energy generation in MWh/GWh</li> <li>• Capacity of renewable energy plant(s) constructed or rehabilitated MW</li> </ul>   |
| Energy efficiency   | <ul style="list-style-type: none"> <li>• Annual GHG emissions reduced/avoided (tCO<sub>2</sub>-e)</li> <li>• Annual renewable energy generation in MWh/GWh</li> </ul>   |
| Clean transportation  | <ul style="list-style-type: none"> <li>• Passenger-kilometres and/or number of passengers</li> <li>• Annual GHG emissions reduced/avoided (tCO<sub>2</sub>-e) (per km travelled – benchmarked against average CO<sub>2</sub> emission vehicle)</li> <li>• Reduction of air pollutants</li> </ul>  |
| Green buildings   | <ul style="list-style-type: none"> <li>• Annual GHG emissions reduced/avoided (tCO<sub>2</sub>-e).</li> <li>• Energy consumption kWh/m<sup>2</sup> per annum and % energy use reduced/avoided vs local baseline/building code.</li> <li>• Floorspace/occupancy of green real estate (m<sup>2</sup>)</li> <li>• % of carbon emissions reduced/avoided vs local baseline/benchmark</li> </ul> |
| Environmentally sustainable management of living natural resources and land use | <ul style="list-style-type: none"> <li>• Area under sustainable forest management (ha)/Area.</li> </ul>   |
| Sustainable water and wastewater management                                     | <ul style="list-style-type: none"> <li>• Volume of water saved/reduced/treated (m<sup>3</sup>)</li> <li>• Total people served by the system</li> <li>• GHG emissions for engineered water treatment infrastructure</li> </ul>   |

## EXTERNAL REVIEWS



### Second Party Opinion

Westpac has obtained a Second Party Opinion to confirm that this Framework aligns with the ICMA GBPs. If there are material updates to this Framework, Westpac will seek to obtain an updated Second Party Opinion.



### Post-issuance External Review

On an annual basis, an independent external reviewer will be engaged to provide verification on the tracking and allocation of the net proceeds raised under this Framework.

We recognise the importance of transparency of reporting and disclosure under this Framework. As such, Westpac will make this Framework, Impact Report, Second Party Opinion and external reviews available on our investor website for at least as long as a Green Bond issued under this Framework remains outstanding.





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## Disclosure regarding forward-looking statements

This document contains statements that constitute "forward-looking statements". Forward-looking statements are statements that are not historical facts.

Forward-looking statements appear in a number of places in this document and include statements regarding Westpac's current intent, belief or expectations with respect to its business and operations, macro and micro economic and market conditions, results of operations and financial condition, capital adequacy and liquidity and risk management, including, without limitation, future loan loss provisions and financial support to certain borrowers, forecasted economic indicators and performance metric outcomes, indicative drivers, climate- and other sustainability- related statements, commitments, targets, projections and metrics, and other estimated and proxy data.

Words such as 'will', 'may', 'expect', 'intend', 'seek', 'would', 'should', 'could', 'continue', 'plan', 'estimate', 'anticipate', 'believe', 'probability', 'indicative', 'risk', 'aim', 'outlook', 'forecast', 'f'cast', 'f', 'assumption', 'projection', 'target', 'goal', 'guidance', 'objective', 'ambition' or other similar words are used to identify forward-looking statements. These forward-looking statements reflect Westpac's current views on future events and are subject to change, certain known and unknown risks, uncertainties and assumptions and other factors which are, in many instances, beyond Westpac's control (and the control of Westpac's officers, employees, agents and advisors), and have been made based upon management's and/or the board's current expectations and beliefs concerning future developments and their potential effect upon us.

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There can be no assurance that future developments or performance will align with Westpac's expectations or that the effect of future developments on Westpac will be those anticipated. Actual results could differ materially from those Westpac expects or which are expressed or implied in forward-looking statements, depending on various factors including, but not limited to, those described in Westpac's most recent Annual Report and Interim Financial Results and document titled Risk Factors, available at [www.westpac.com.au](http://www.westpac.com.au). When relying on forward-looking statements to make decisions with respect to Westpac, investors and others should carefully consider such factors and other uncertainties and events.

Except as required by law, Westpac assumes no obligation to revise or update any forward-looking statements in this document, whether from new information, future events, conditions or otherwise, after the date of this document.

### **Further important information regarding climate change and sustainability-related statements**

This document contains forward-looking statements and other representations relating to environment, social and governance (ESG) topics, including but not limited to climate change, net-zero, climate resilience, natural capital, emissions intensity, human rights and other sustainability related statements, commitments, targets, projections, scenarios, risk and opportunity assessments, pathways, forecasts, estimated projections and other proxy data. These are subject to known and unknown risks, and there are significant uncertainties, limitations, risks and assumptions in the metrics and modelling on which these statements rely.

In particular, the metrics, methodologies and data relating to climate and sustainability are rapidly evolving and maturing, including variations in approaches and common standards in estimating and calculating emissions, and uncertainty around future climate and sustainability related policy and legislation. There are inherent limits in the current scientific understanding of climate change and its impacts. Some material contained in this document may include information including, without limitation, methodologies, modelling, scenarios, reports, benchmarks, tools and data, derived from publicly available or government or industry sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of such information. There is a risk that the estimates, judgements, assumptions, views, models, scenarios or projections used by Westpac may turn out to be incorrect. These risks may cause actual outcomes, including the ability to meet commitments and targets, to differ materially from those expressed or implied in this document. The climate and sustainability related forward-looking statements made in this document are not guarantees or predictions of future performance and Westpac gives no representation, warranty or assurance (including as to the quality, accuracy or completeness of these statements), nor guarantee that the occurrence of the events expressed or implied in any forward-looking statement will occur. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and these differences may be material. Westpac will continue to review and develop its approach to ESG as this subject area matures.



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