



***Independent reasonable assurance report to the Directors of Westpac Banking Corporation on the reporting under section 19 of the National Greenhouse and Energy Reporting Act 2007 for the reporting period 1 July 2017 to 30 June 2018***

***Part A—Auditor’s report***

We have conducted a reasonable assurance engagement over the Subject Matter contained in the energy and emissions report of Westpac Banking Corporation (**Westpac**) for the reporting period 1 July 2017 to 30 June 2018 (the **reporting period**). The energy and emissions report will be submitted to the Clean Energy Regulator (**CER**) of the Australian Government in order to comply with the requirements of section 19 of the *National Greenhouse and Energy Reporting Act 2007* (the **NGER Act**).

***The Subject Matter***

The Subject Matter for our assurance consists of the following items reported within the energy and emissions report of Westpac for the reporting period:

Table 1: Subject Matter	
Total Scope 1 & Scope 2 greenhouse gas emissions in aggregate (the <b>Total greenhouse gas emissions</b> )	121,270 tonnes CO <sub>2</sub> -e
Total energy consumed	584,572 GJ
Total energy produced (GJ)	NIL

***Details of audited body***

**Name of audited body:** Westpac Banking Corporation

**Address:** Level 20, 275 Kent Street, Sydney, NSW 2000

**ABN:** 33 007 457 141

***Management’s responsibility***

Management of Westpac (**Management**) is responsible for the preparation and presentation of the energy and emissions report and ensuring that Westpac complies with the requirements of section 19 of the NGER Act. This responsibility includes:

- designing, implementing and maintaining internal controls relevant to the preparation and presentation of the energy and emissions report to ensure that it is free from material misstatement, whether due to fraud or error;



- interpreting and applying the requirements of the NGER Act and the *National Greenhouse and Energy Reporting (Measurement) Determination 2008* (the **NGER Measurement Determination**) in determining operational control and quantifying greenhouse gas emissions, energy consumption and energy production reported within the energy and emissions report;
- making estimates that are reasonable in the circumstances; and
- ensuring that the energy and emissions report is reported to the CER as required under the NGER Act, using the CER's energy and emissions reporting system (EERS), by 31 October 2018.

Management has prepared a Basis of Preparation titled *Westpac Banking Corporation, Greenhouse Gas Reporting and Carbon Neutral Guidelines* dated 26 October 2018 (the **Basis of Preparation**), which describes how it has interpreted and applied the legislative requirements of the NGER Act in preparing the Subject Matter. For the purposes of our engagement this Basis of Preparation, which is available at:

[https://www.westpac.com.au/content/dam/public/wbc/documents/pdf/aw/sustainability/Greenhouse Gas and Carbon Neutral Reporting Guidelines.pdf](https://www.westpac.com.au/content/dam/public/wbc/documents/pdf/aw/sustainability/Greenhouse%20Gas%20and%20Carbon%20Neutral%20Reporting%20Guidelines.pdf),

forms part of the reporting criteria for our assurance.

### ***Our responsibility***

Our responsibility is to express an opinion on whether the Subject Matter included in Westpac's energy and emissions report is prepared in accordance with the NGER Act and the Basis of Preparation, based on our procedures as detailed within our engagement letter dated 27 August 2017 and our assurance engagement plan dated 24 September 2018, which serves as an addendum to the engagement letter.

We conducted our reasonable assurance engagement in accordance with the *National Greenhouse and Energy Reporting (Audit) Determination 2009* (the **Audit Determination**) and the following Australian standards on assurance engagements:

- Standard on Assurance Engagements ASAE 3000 *Assurance Engagements other than Audits or Reviews of Historical Financial Information*;
- Standard on Assurance Engagements ASAE 3410 *Assurance Engagements on Greenhouse Gas Statements*; and
- Other relevant assurance standards, as issued by the Auditing and Assurance Standards Board.

Our assurance engagement was undertaken during the period from 16 May 2018 to 26 October 2018.

A reasonable assurance engagement involves performing procedures to obtain assurance evidence about the compliance with the requirements of the NGER Legislation, as defined by the NGER Audit Determination, including application of operational control requirements and the quantification of energy and greenhouse gas emissions within the energy and emissions report.



The nature, timing and extent of procedures selected depend on auditor's judgement, including the assessment of risks of material misstatement of the energy and emissions report, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to management's preparation of the energy and emissions report, in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal controls.

An assurance engagement also includes evaluating the reasonableness of estimates and assumptions made by management, as well as evaluating the overall presentation of the energy and emissions report. We have no responsibility and accept no liability arising as a result of, or in connection with, the electronic submission of the Subject Matter reported within Management's energy and emissions report to the CER using EERS.

We believe that the assurance evidence, obtained through the assurance procedures set out below, is sufficient and appropriate to provide a basis for our assurance opinion.

### ***Our independence and quality control***

We have complied with the relevant ethical requirements relating to assurance engagements, which include independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence, due care, confidentiality and professional behaviour. This includes all of the requirements defined in the *National Greenhouse and Energy Reporting Regulations 2008* (the **NGER Regulations**) regarding the Code of Conduct, independence and quality control.

In accordance with Auditing Standard ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, Other Assurance Engagements and Related Services Engagements*, the firm maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### ***Use of our report***

This Report, including the opinion set out below, has been prepared for the Directors of Westpac for the purpose of assisting them in assessing the Subject Matter and is solely for their use and benefit. We assume no responsibility and accept no liability arising out of, or in connection with, any use of, or reliance upon this Report by any other party other than the Directors, or for any purpose other than that for which this Report was prepared.

### ***Matters relating to electronic presentation***

This assurance report relates to the Total Greenhouse Gas Emissions, Total Energy Consumed and Total Energy Produced reported by Westpac Banking Corporation under the NGER Act for the year ended 30 June 2018. It does not provide an opinion on any other information which may have been hyperlinked to/from this assurance report. The directors of the Westpac are responsible for the integrity of Westpac's web site. We have not been engaged to report on the integrity of this web site.



### ***Inherent limitations***

There are inherent limitations in performing assurance - for example, assurance engagements are based on selective testing of the information being examined - it is possible that fraud, error or non-compliance may occur and not be detected. An assurance engagement is not designed to detect all instances of non-compliance with the NGER Act, because such an engagement is not performed continuously throughout the period being examined, and because the procedures performed in respect of compliance with the NGER Act are undertaken on a test basis. The conclusion expressed in this report has been formed on the above basis.

Additionally, non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating and sampling or estimating such data. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgments. It is important to read the Subject Matter in the context of the energy and emissions report, the Basis of Preparation and the NGER Act. We specifically note that Westpac has used estimates or extrapolated information to calculate certain amounts included within the energy and emissions report.

### ***Summary of procedures undertaken***

The procedures conducted in our reasonable assurance engagement included:

- making enquiries of relevant management;
- assessing processes and procedures that management performed to determine facility boundaries, operational control of facilities and the completeness of facilities reported;
- assessing the appropriateness of estimates and assumptions applied by management;
- assessing processes and procedures that management performed to determine the completeness of emission sources and types of energy production and consumption;
- undertaking analytical procedures over the total greenhouse gas emissions and total energy consumption by facility type during the reporting period;
- making enquiries of relevant management regarding the design of processes and controls for measuring, collating and reporting of total greenhouse gas emissions, total energy consumption, and total energy production;
- validating the operation of selected controls regarding the measurement of activity data utilised in the preparation of the energy and emissions report;
- substantively testing a sample of activity data utilised in the preparation of the energy and emissions report to third party invoices and/or confirmations;
- re-performing the calculations of total greenhouse gas emissions, total energy consumption and total energy production for the reporting period;



- agreeing the calculated Total greenhouse gas emissions, Total energy consumed and Total energy produced for the reporting period to the energy and emissions report and checking that the measurement criteria disclosed within it are consistent with the methods observed from the assurance work performed; and
- assessing the preparation and measurement of the energy and emissions report against relevant requirements of the NGER legislation (as defined in Part 1 of the NGER Regulations).

### ***Our opinion***

In our opinion the Subject Matter, as set out in Table 1 above, for the period 1 July 2017 to 30 June 2018, has been prepared by management, in all material respects, in accordance with the NGER legislation (as defined within the Audit Determination) and the Basis of Preparation.

*PricewaterhouseCoopers*

PricewaterhouseCoopers

*Liza*

Liza Maimone  
Partner

Melbourne  
26 October 2018