

Secretariat,
UN Global Compact

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Westpac Place
Level 19, 275 Kent Street
Sydney NSW 2000
T. +61 2 9155 7713
sustainability@westpac.com.au

To accompany Westpac Group's Communication on Progress on the UN Global Compact

This Communication on Progress (COP) outlines how Westpac has continued to implement the UN Global Compact (UNGC) Principles during 2019, reflecting our continued support for the Compact. The key elements of our COP are included across our 2019 reporting suite, specifically in Westpac's [2019 Sustainability Performance Report](#), [2019 Annual Report](#) and [2019 Annual Review and Sustainability Report](#). Our sustainability reporting has been prepared and independently assessed in line with the Global Reporting Initiatives' GRI Standards (2016) and the AA1000 AccountAbility Principles of Inclusivity, Materiality and Responsiveness, as in previous years.

In 2019, we reached the two-year mark in our [2018-2020 Sustainability Strategy](#), making good progress on our commitments. These reflect our focus on service and how we believe we can best support our customers and contribute more broadly to the growth and prosperity of the economy and the community.

Highlights of our performance in the financial year ending 30 September 2019 that support our 2020 Sustainability Strategy and the UNGC principles include:

- working to better support customers in vulnerable circumstances. In 2018, we introduced a Customer Vulnerability Action Plan and since then have put in place new policies, training and a 1800 Priority Assist number to support customers in complex vulnerable situations such as family violence, elder or financial abuse;
- committing to source 100% of our global electricity consumption through renewable sources by 2025;
- innovations in sustainable finance helped customers on their pathway towards a net zero emissions economy, such as the introduction of our first sustainability-linked loans, through which borrowers are rewarded for meeting pre-determined sustainability targets;
- becoming a founding bank and signatory to the Principles of Responsible Banking announced at the United Nations General Assembly in September. We were one of 130 banks globally, representing one third of the global banking sector, to commit to strategically align its business with the goals of the Paris Agreement on Climate Change and the UN Sustainability Development Goals;
- joining other Australian banks, insurers, super funds, investors and industry groups to form the Australian Sustainable Finance Initiative. Westpac is also a member of the newly established Corporate Sustainability Working Group of the Australian Banking Association (ABA) that will be working on initiatives in areas such as climate change, modern slavery and the development of a set of common sustainability reporting metrics; and
- Westpac Foundation marking its 140th anniversary this year. The Foundation has an ambitious goal to help change 100,000 lives for the better and help create 10,000 jobs for people that need it most by 2030. Working with social enterprises that are creating jobs and training opportunities for people facing barriers to mainstream employment for over a decade, the Foundation announced the first five social enterprises to receive funding through its new collaborative funding approach in partnership with ten other organisations.

Over the course of the year, we also made important changes that allow us to drive further progress against the UNGC principles, including:

- a review of our [Sustainability Risk Management Framework](#);
- enhancements to our materiality process with the adoption of data-driven analytics;
- mapping our material topics to relevant Sustainability Accounting Standards Board (SASB) standards (2018) such as the Commercial Banks (FN0101) Standard;
- mapping the Sustainable Development Goals (SDGs) to the issues that we have identified as material to our business and highlighting how specific initiatives contribute to the goals; and
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- continued evolution of our sustainability reporting, including a greater focus on governance and reporting in line with the recommendations of the Taskforce on Climate-related Disclosures.

In November 2019, the Australian Transaction Reports and Analysis Centre (AUSTRAC) launched civil proceedings against Westpac in relation to alleged contraventions of its obligations under the Anti-Money Laundering and Counter-Terrorism Financing Act. Our [Board](#) and [Acting CEO](#) have publicly apologised and we are making good progress on our [Response Plan](#). We would like to assure you that we understand the seriousness of these issues and will continue to work constructively with AUSTRAC.

With the unprecedented bushfire crisis in Australia, we are committed to supporting affected communities. We have announced a [Bushfire Recovery Support Package](#) designed to provide fast, practical, on-the-ground financial support to help our customers recover and rebuild. The Package provides support for individuals, small business owners, farming businesses, and our employees, as well as initiatives for the broader community.

We take seriously our commitment to running our business in a sustainable way - supporting the communities we operate in, behaving ethically, meeting our regulatory requirements, and contributing more broadly to important issues such as climate change and human rights.

We will continue to be actively involved within the UN Global Compact Network Australia and explore opportunities for collaboration with the business community, civil society and government towards more sustainable outcomes.

For further information regarding this assessment, please email sustainability@westpac.com.au.

Yours sincerely,



Siobhan Toohill
Group Head of Sustainability
Westpac Group