

Westpac Industry Association Review

Westpac is a member of, and participates in, a number of industry associations. Participating in these associations provides the Group with opportunities to engage with other businesses and organisations, share insights, support advocacy, and consider and discuss potential industry standards.

Introduction

As a member of different industry associations, we see value in the diversity of membership, sharing of ideas and positions and engagement on complex issues. We recognise that perspectives may differ and we expect that there will be some matters where other members, or an industry association overall, may not share our view. Where there is a significant difference in position, we're committed to engaging directly with the leadership of that association to make our views known.

Westpac has undertaken a review of its membership of industry associations, in line with our Industry Association Principles, with a focus on climate change and energy policy, lobbying and advocacy.

The review focussed on:

- Identifying both alignment and differences between the position Westpac holds on climate and energy policy (as set out in our [Climate Change Position Statement and 2020 Action Plan](#)) and the advocacy positions on climate and energy policy taken by key industry associations to which we belong; and
- Assessing the principles by which Westpac engages with industry associations.

The review assessed seven memberships, with a particular focus on the Australian Banking Association (ABA) and Business Council of Australia (BCA), and sought to identify alignment and differences across a range of climate and energy-related issues over the past five years.

Industry Association	Involvement	Core activity	Contribution
Australian Banking Association	Member Member of governing body, ABA Council Regular contributor to working groups	Consider public policy on banking and other financial services	Membership fee Contributions to projects of strategic relevance
Business Council of Australia	Member Participation in some working groups, including the Indigenous Engagement Task Force	Consider public policy in relation to economy-wide issues impacting the nation and businesses	Membership fee Contributions to projects of strategic relevance

Industry Association Principles

The review affirmed Westpac's principles for engagement with key industry associations (Industry Association Principles):

- We generally seek broad alignment with the policy positions of, and any advocacy/lobbying by, the key industry associations;
- Membership does not preclude Westpac from taking different policy positions to those associations, particularly where we believe that our position is in the best interests of our customers, shareholders, employees and the economy more broadly;
- When our position varies significantly to an industry association, we engage directly with the leadership of that association; and
- We regularly review our memberships of industry associations to ensure our participation meets the expectations of our broader stakeholders.

Australian Banking Association

- The review did not identify significant differences between the position Westpac holds on climate and energy policy and that of the ABA, recognising that on many aspects of climate and energy policy the ABA does not presently have a formal position.

Business Council of Australia

- The review identified both alignment and differences between Westpac's Climate Change Position Statement and the BCA's advocacy.
- The areas of climate and energy policy and advocacy alignment included:
 - Acceptance of climate science and the Paris Agreement;
 - Support for a price on carbon; and
 - Climate change resilience and adaptation measures.
- The areas of climate and energy policy and advocacy variance included:
 - Aspects of international and domestic climate policy; and
 - Aspects of domestic energy policy.
- We recognise other areas of alignment, such as:
 - Supporting national economic growth;
 - Supporting the economic empowerment of Indigenous Australians including BCA's Raising the Bar Indigenous procurement target setting framework;
 - Advocating for the introduction of a Modern Slavery Act in Australia; and
 - Supporting the Australian Supplier Payment Code.

- We acknowledge the BCA's membership of the Australian Climate Roundtable (along with other industry and member-based organisations, including the Australian Conservation Foundation and WWF - Australia) and commend the Roundtable members' shared agreement to finding a fair, just, effective and efficient response to climate change – and the importance of finding common ground.
- Westpac will remain a member of the BCA. In line with our Industry Association Principles, we have and will continue to engage directly on climate change and energy policy, lobbying and advocacy.

More broadly we will:

- Continue to monitor our memberships for future evidence of significant differences on policy and advocacy;
- Regularly assess our membership in relation to our Industry Association Principles, and outcomes arising from our engagement; and
- Disclose our approach to industry associations and alignment on climate change as part of our annual sustainability reporting.