

A photograph of a wind farm with several white wind turbines on a grassy hill. The sky is a mix of orange, pink, and blue, suggesting a sunset or sunrise. The foreground is dark and silhouetted.

2024 Green Tailored Deposit Update Report

 **W** GROUP

Disclaimer.

Westpac Banking Corporation.

The material contained in this report is intended to be general background information on Westpac Banking Corporation ("Westpac") (ABN 33 007 457 141) and its Green Tailored Deposit product. It has been prepared by Westpac to provide general information on Westpac's activities in relation to the Green Tailored Deposit product and for the purposes of the Climate Bonds Standard. The information is current as at 30 September 2024.

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DNV's assessment relies on the premise that the data and information provided by the client to it as part of its review procedures have been provided in good faith. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected. Limited depth of evidence gathering including inquiry and analytical procedures and limited sampling at lower levels in the organisation were applied as per scope of work. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this statement.

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1. DNV Code of Conduct is available from DNV website [dnv.com](https://www.dnv.com)

Accessibility support.

At any time, you can inform us how you would prefer to be contacted. If you are deaf and/or find it hard hearing or speaking with people who use a phone, you can reach us through the National Relay Service (NRS). To use the NRS you can register by visiting infrastructure.gov.au/national-relay-service

Visit westpac.com.au/web-accessibility for further information on our accessible products and services for people with disability.

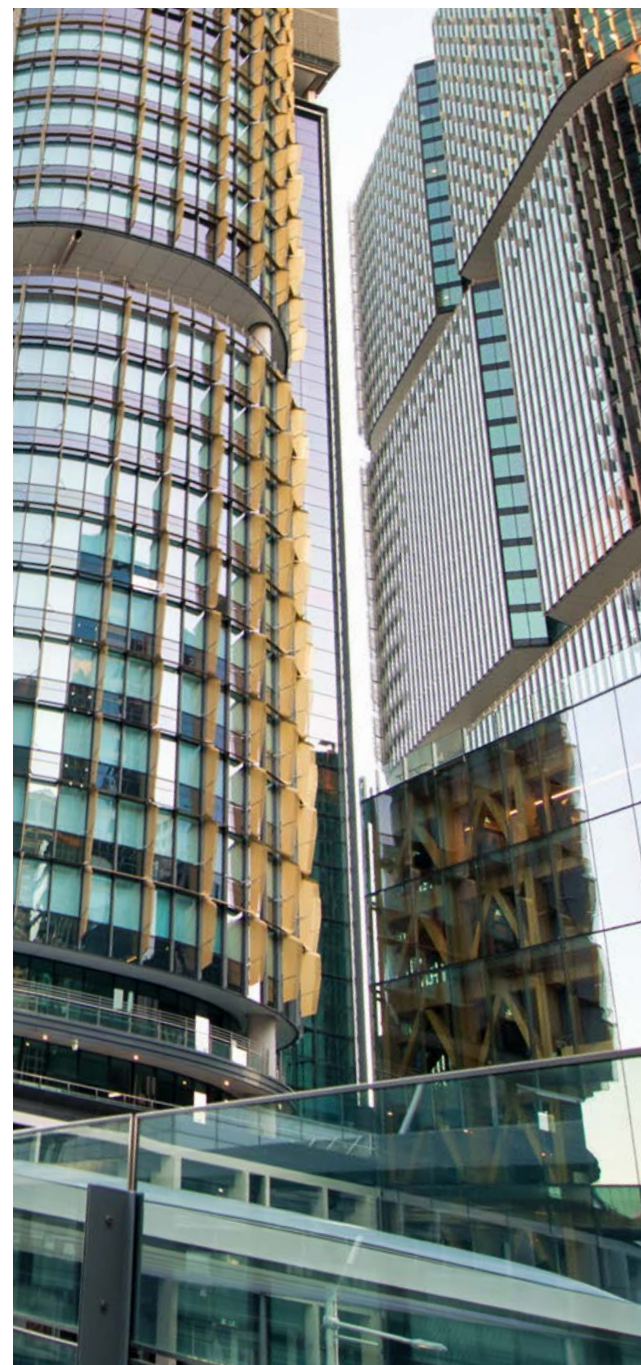
Westpac Climate Solutions.

Westpac recognises that climate change is a significant issue impacting the long-term prosperity of the global economy and our way of life. Westpac is committed to managing its business in alignment with the goals of the Paris Agreement, the Net-Zero Banking Alliance (NZBA) and the need to transition to a net-zero emissions economy by 2050. This includes how the bank provides financial services, supports communities, operates facilities, engages on matters of policy, and contributes to industry initiatives.

Westpac acknowledges that its commitments to operate its business in line with the goals of the Paris Agreement and NZBA mean that the bank must clearly set out expectations for its customers, recognising that Westpac's financing activity must align with activities that support efforts to keep a global temperature rise this century to well below 2 degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5 degrees Celsius.

Westpac recognises the important role it can play by supporting and participating in industry-based initiatives to progress collective action on climate change. Westpac was one of the core group of 30 'Founding Banks' that developed The Principles for Responsible Banking in 2019. These principles align the purpose of banking with society's goals as expressed in the United Nations (UN) Sustainable Development Goals (SDGs) and the Paris Agreement as part of a United Nations Environment Programme Finance Initiative (UNEP FI).

More information can be found in Westpac's Climate Change Position Statement and Action Plan available at [**westpac.com.au/sustainability**](https://westpac.com.au/sustainability)



Green Tailored Deposit & Use of Proceeds.

In November 2018, Westpac launched the world's first Climate Bonds Initiative-certified deposit product: The Westpac Green Tailored Deposit. The Westpac Green Tailored Deposit is a term deposit product that provides flexibility on a number of product variables, with investment proceeds being allocated to the financing or refinancing of eligible projects and assets conforming to the Climate Bonds Standard. Further information regarding how the balances of Green Tailored Deposits are associated with eligible assets and projects is set out in the product information document which is available directly from Westpac Financial Markets.

The Green Tailored Deposit Framework outlines Westpac's approach, in respect of the Green Tailored Deposit product, to use of proceeds, process for selection of assets/projects, management of proceeds and reporting. The Framework can be found online [here](#).

As at 30 September 2024, there were \$1.966bn in customer deposits in the Green Tailored Deposit product, against a total green asset pool of \$3.166bn. The assets in the pool qualified under the Climate Bonds Initiatives' (CBI) criteria for the following taxonomies:

- Low carbon buildings – commercial
- Low carbon transport – public passenger transport
- Energy – wind
- Energy – solar

Eligibility methodologies utilised by Westpac for the selection of assets and the attribution to the Green Tailored Deposit product balances are verified by an independent and CBI-approved verifier, DNV Business Assurance Australia Pty Ltd ("DNV"). Westpac's annual verification of the Green Tailored Deposit for 2024 – also verified by DNV – is available on the Westpac website and confirms the Green Tailored Deposit complies with version 3.0 of the Climate Bonds Standard.

This information and more can be found here:

[**westpac.com.au/corporate-banking/financial-markets/green-tailored-deposit/**](https://westpac.com.au/corporate-banking/financial-markets/green-tailored-deposit/)

Due to the sensitivity of information related to the assets and customers – and to protect privacy – general descriptions have been applied in lieu of specific or identifiable names.

Impact Reporting (as defined in version 3.0 of the Climate Bonds Standard) at the individual asset level has not been prepared and is not available for Westpac's Green Tailored Deposit.

More information on Westpac Group's approach to sustainability can be found here:

[**westpac.com.au/about-westpac/sustainability/**](https://westpac.com.au/about-westpac/sustainability/)

Full Asset Summary.

	30 Sep 2024
Deposits on Issue	\$1.966bn
Nominated Assets/Projects Exposure	\$3.166bn

Low carbon buildings – commercial.

Background.

The built environment is responsible for approximately 42% of annual CO₂ emissions, of which building operations are responsible for approximately 27% annually.² For the global economy to be successful in limiting global warming to 2 degrees Celsius, early and rapid investment in the building sector to reduce greenhouse gas emissions is critical.

Eligibility.

The commercial property assets detailed below remain compliant with the technical criteria for low carbon buildings. Eligibility is assessed in accordance with CBI sector-specific technical criteria for low carbon buildings. Each low carbon building is assessed for its greenhouse gas emissions intensity against the applicable region-specific Low Carbon Trajectory threshold. For portfolios of buildings, a weighted average of buildings that better this threshold (weighted by net lettable area) is applied to the total asset value to arrive at the compliant asset value. All buildings are located within Australia.

	Geographic Location	Remaining Weighted Average Portfolio Lifetime (Months)*	Assessed CBI Compliant Asset Value (\$M)
Asset 1 – Commercial property portfolio	ACT, NSW, QLD, VIC, WA	35.50	523.66
Asset 2 – Commercial property portfolio	ACT, NSW, QLD, VIC, WA	16.00	299.50
Asset 3 – Commercial property portfolio	WA	26.00	182.81
Asset 4 – Commercial property portfolio	NSW, QLD, VIC	51.00	173.58
Asset 5 – Commercial property portfolio	NSW, QLD, VIC, WA	49.80	133.59
Asset 6 – Commercial property portfolio	ACT, NSW, QLD, SA, VIC, WA	32.43	114.16
Asset 7 – Commercial property portfolio	NSW, VIC	11.00	104.05
Asset 8 – Commercial property portfolio	ACT, NSW, QLD, SA, VIC, WA	26.70	89.72

2. architecture2030.org/why-the-building-sector/



	Geographic Location	Remaining Weighted Average Portfolio Lifetime (Months)*	Assessed CBI Compliant Asset Value (\$M)
Asset 9 – Commercial property portfolio	NSW, QLD, VIC	14.00	87.91
Asset 10 – Commercial property portfolio	NSW, VIC	30.00	78.01
Asset 11 – Commercial property portfolio	ACT, NSW, QLD, VIC, WA	23.00	74.43
Asset 12 – Commercial property portfolio	NSW, VIC	34.00	63.24
Asset 13 – Commercial property portfolio	NSW, VIC, ACT	27.96	49.56
Asset 14 – Commercial property portfolio	NSW	5.00	32.07
Asset 15 – Commercial property portfolio	NSW, VIC	28.32	21.20
Asset 16 – Commercial property portfolio	QLD	32.00	12.47
Total			2,039.96

* Most projects are refinanced on a 5 yearly cycle, regardless of project lifetime. The Low Carbon Buildings portfolio has 29.83 months weighted average lifetime as at FY2024.

Low carbon transport – public passenger transport.

Background.

Motorised transport on land, sea and air remains dependent on internal combustion engines that generally run on fossil fuels. Transport generates more than one third of CO₂ emissions from all end-use sectors. Transport is one of the fastest growing end-use sectors in the world, growing at an annual average rate of 1.7% from 1990 to 2022. Rapid electrification of road vehicles and policies to encourage modal shift to lower carbon-intensive travel options are critical to limiting warming to 2 degrees Celsius.³

Eligibility.

Automatic eligibility under the CBI Low Carbon Transport Criteria financing a fully electrified metropolitan train fleet.

	Geographic Location	Remaining Weighted Average Portfolio Lifetime (Months)*	Assessed CBI Compliant Asset Value (\$M)
Asset 1 – Fully electrified rail fleet	NSW	59.99	225.27
Asset 2 – Fully electrified rail fleet	NSW	221.94	115.15
Total			340.42

* Most projects are refinanced on a 5 yearly cycle, regardless of project lifetime. The Low Carbon Transport portfolio has 114.77 months weighted average lifetime as at FY2024.

3. [iea.org/topics/transport](https://www.iea.org/topics/transport)



Energy – wind.

Background.

Wind electricity generation has experienced the second highest growth among all renewable power technologies, behind Solar Photovoltaic (solar PV). Investment in wind generation is the second largest among all power generation technologies (behind solar PV), and this is expected to grow further in the coming years thanks to ambitious government targets, policy support and high competitiveness. Wind power technology development continues to focus on increasing productivity and lowering costs.⁴ Continued uptake and development is crucial to limiting warming to 2 degrees Celsius.

Eligibility.

The wind generation assets below remain compliant with the CBI Wind Sector Eligibility Criteria, specifically related to onshore wind energy generation facilities and dedicated transmission infrastructure and support facilities.

	Geographic Location	Remaining Weighted Average Portfolio Lifetime (Months)*	Assessed CBI Compliant Asset Value (\$M)
Asset 1 – Wind energy generation facilities	AUS	43.69	425.74
Asset 2 – Wind energy generation facilities	AUS	11.99	52.67
Asset 3 – Wind energy transmission infrastructure	VIC	14.72	28.37
Total			506.78

* Most projects are refinanced on a 5 yearly cycle, regardless of project lifetime. The Energy – wind portfolio has 38.78 months weighted average lifetime as at FY2024.



4. <https://www.iea.org/energy-system/renewables/wind>

Energy – solar.

Background.

In 2022, Solar Photovoltaic (Solar PV) energy generation demonstrated the largest generation growth of all renewable technologies worldwide, surpassing wind for the first time in history. Growth in the economic attractiveness of PV, development in the supply chain and policy support worldwide, are expected to further accelerate capacity growth in the coming years.⁵ Continued acceleration in solar PV uptake and development is crucial to limiting global warming to 2 degrees Celsius.

Eligibility.

Eligibility is assessed under the CBI Sector Criteria for Solar, specifically related to onshore solar electricity generation facilities.

	Geographic Location	Remaining Weighted Average Portfolio Lifetime (Months)*	Assessed CBI Compliant Asset Value (\$M)
Asset 1 – Solar energy generation facilities	AUS	14.55	67.85
Total			67.85

* Most projects are refinanced on a 5 yearly cycle, regardless of project lifetime. The Energy – solar portfolio has 14.55 months weighted average lifetime as at FY2024.



5. [iea.org/reports/solar-pv](https://www.iea.org/reports/solar-pv)

Energy – wind and solar.

Background and Eligibility as per *Energy – wind* and *Energy – solar* pages.

	Geographic Location	Remaining Weighted Average Portfolio Lifetime (Months)*	Assessed CBI Compliant Asset Value (\$M)
Asset 1 – Solar energy generation facilities & Wind energy generation facilities	AUS	45.73	210.96
Total			210.96

* Most projects are refinanced on a 5 yearly cycle, regardless of project lifetime. The Energy – wind and solar portfolio has 45.73 months weighted average lifetime as at FY2024.



Westpac acknowledges the Traditional Owners as the custodians of this land, recognising their connection to land, waters and community. We pay our respects to Australia's First Peoples, and to their Elders, past and present.

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