

# Westpac Banking Corporation

**Type of Engagement:** Annual Review

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## Introduction

From March 2025, Westpac Banking Corporation (“Westpac”) raised funds through its social deposits product to finance or refinance assets intended to deliver positive social outcomes. In January 2026, Westpac engaged Sustainalytics to review the assets financed with proceeds from the Social Tailored Deposits (the “Eligible Asset Portfolio”) and provide an assessment as to whether they meet the use of proceeds criteria and whether Westpac complied with the reporting commitments in the Westpac Social Tailored Deposit Framework (the “Framework”).<sup>1</sup> Sustainalytics provided a Second-Party Opinion on the Framework in January 2025.<sup>2</sup>

## Evaluation Criteria

Sustainalytics evaluated the Eligible Asset Portfolio and Westpac’s reporting based on whether they:

1. Meet the use of proceeds and eligibility criteria defined in the Framework; and
2. Reported on at least one key performance indicator (KPI) for each use of proceeds category defined in the Framework.<sup>3</sup>

**Table 1: Use of Proceeds Categories and its Eligibility Criteria**

Use of Proceeds Category	Eligibility Criteria
<b>Access to essential services</b>	Healthcare: <ul style="list-style-type: none"> <li>• Public and/or free healthcare, including hospitals, aged care, medical centres, biotechnology, services under National Disability Insurance Scheme and pharmaceutical wholesalers and/or manufacturers.</li> <li>• Construction and/or upgrades to facilities or infrastructure which enable provision of public and/or free healthcare as above.</li> <li>• R&amp;D activities to improve quality access to medicine, treatments and equipment in relation to vulnerable or at-risk groups, disadvantaged Local Government Areas, outer-regional, remote and very remote communities, and low and-middle income countries.</li> <li>• Retirement villages where the majority of retirees receive rental assistance.</li> </ul>
	Education:

<sup>1</sup> Westpac, “Social Tailored Deposit Framework”, (2025), at: <https://www.westpac.com.au/content/dam/public/wbc/documents/pdf/cb/wib/westpac-social-tailored-deposit-framework.pdf>

<sup>2</sup> Sustainalytics, “Second-Party Opinion, Westpac Social Tailored Deposit Framework”, (2025), at:

<https://www.westpac.com.au/content/dam/public/wbc/documents/pdf/cb/wib/westpac-social-tailored-deposit-framework-second-party-opinion.pdf>

<sup>3</sup> The Framework does not specify requirements relating to impact reporting or KPI disclosure. Instead, Westpac intends to assess the social impact of the Social Tailored Deposits in the context of its broader, group-level sustainability objectives.

	<ul style="list-style-type: none"> <li>• Public and/or free education services.</li> <li>• Improved access to, and quality of basic and specialised education services for children in vulnerable or at-risk groups, persons with disabilities, disadvantaged Local Government Areas, outer-regional, remote and very-remote communities and low-and-middle income countries.</li> <li>• Resiliency plans for learning continuity between school and home environments.</li> <li>• Activities to increase recruitment, development and retention of the education workforce.</li> </ul>
<b>Affordable housing</b>	<p>Commercial Real Estate:</p> <ul style="list-style-type: none"> <li>• Funding activities which promote improved accessibility and flexibility in design to meet the needs of vulnerable or at-risk groups, disadvantaged Local Government Areas, outer-regional, remote and very-remote communities, low and-middle income countries such as education facilities, transport and medical assistance.</li> <li>• Retirement villages where the majority of retirees receive rental assistance.</li> <li>• Construction of and/or investment in housing, which is offered at a significantly lower cost than the market, aligned with one of the following initiatives: (a) first home guarantee or first homeowner grant (b) registered social and/or affordable housing, accredited as such in the jurisdiction in which they operate.</li> </ul>
<b>Socioeconomic advancement and empowerment</b>	<ul style="list-style-type: none"> <li>• As per Education section above</li> </ul>

## Issuer's Responsibility

Westpac is responsible for providing accurate information and documentation relating to the details of the projects, including descriptions, amounts allocated and impact.

## Independence and Quality Control

Sustainalytics, a leading provider of ESG research and ratings, conducted the verification of the use of proceeds from Social Tailored Deposits. The work undertaken as part of this engagement included collection of documentation from Westpac and review of said documentation to assess conformance with the Framework.

Sustainalytics relied on the information and the facts presented by Westpac. Sustainalytics is not responsible nor shall it be held liable for any inaccuracies in the opinions, findings or conclusions herein due to incorrect or incomplete data provided by Westpac.

Sustainalytics made all efforts to ensure the highest quality and rigor during its assessment process and enlisted its Sustainability Bonds Review Committee to provide oversight of the review.

## Conclusion

Based on the limited assurance procedures conducted,<sup>4</sup> nothing has come to Sustainalytics' attention that causes us to believe that, in all material respects, the Eligible Asset Portfolio do not conform with the use of proceeds criteria and reporting commitments in the Framework. Westpac has disclosed to Sustainalytics that the proceeds from the Social Tailored Deposits were fully allocated on a notional basis within a month of deposits raised.

## Detailed Findings

**Table 2: Detailed Findings**

<b>Framework Requirements</b>	<b>Procedure Performed</b>	<b>Factual Findings</b>	<b>Error, Exceptions Identified</b>
<b>Use of Proceeds Criteria</b>	Verification of assets to determine alignment with the use of proceeds criteria outlined in the Framework.	The Eligible Asset Portfolio complies with the use of proceeds criteria.	None
<b>Reporting Criteria</b>	Verification of assets to determine if impact was reported in line with the Framework.	The Framework does not specify requirements relating to impact reporting or KPI disclosure. Instead, Westpac intends to assess the social impact of the Social Tailored Deposits in the context of its broader, group-level sustainability objectives.	None

<sup>4</sup> Sustainalytics' limited assurance process includes reviewing documentation relating to details of projects, as provided by the issuing entity, which is responsible for providing accurate information. These may include descriptions of projects, estimated and realized costs, and reported impact. Sustainalytics has not conducted on-site visits to projects.

## Appendix

### Appendix 1: Allocation of Proceeds

Use of Proceeds Category	Sector	Eligible Assets <sup>5</sup>	Eligible Asset Value (AUD million)	Total Eligible Asset Value Financed through Social Deposits (AUD million)
Access to essential services	Healthcare & Education <sup>6</sup>	Asset 1	220.63	980.32
		Asset 2	158.27	
		Asset 3	118.40	
		Asset 4	116.52	
		Asset 5	106.26	
		Asset 6	91.67	
		Asset 7	80.00	
		Asset 8	45.12	
		Asset 9	43.45	
Affordable housing	Commercial Real Estate <sup>7</sup>	Asset 1	11.25	11.25
Socioeconomic advancement and empowerment	Education <sup>8</sup>	Asset 1	140.30	723.78
		Asset 2	86.31	
		Asset 3	81.75	
		Asset 4	70.00	
		Asset 5	66.72	
		Asset 6	58.01	
		Asset 7	56.75	
		Asset 8	46.21	
		Asset 9	45.64	
		Asset 10	45.64	
		Asset 11	15.17	
		Asset 12	11.28	
<b>Total Eligible Assets Portfolio Value (AUD millions)</b>				<b>1,715.35</b>
<b>Total Amount Raised through Social Deposits (AUD millions)</b>				<b>708.00<sup>9</sup></b>

<sup>5</sup> Asset- and customer-specific names and description have been excluded for confidentiality and data privacy reasons.

<sup>6</sup> The investment includes financing for public hospital infrastructure, affordable medical healthcare services through government subsidies, and public school infrastructure.

<sup>7</sup> Westpac has confirmed to Sustainalytics that financing is limited to affordable housing where rents for accommodation are capped below market rate.

<sup>8</sup> Westpac has confirmed to Sustainalytics that the financing under this category is limited to public education services.

<sup>9</sup> The asset's underlying total amount exceeds the net proceeds from social deposits.

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<b>Total Social Deposit Proceeds Allocated to Eligible Assets (AUD millions)</b>	<b>708.00</b>
<b>Balance of Social Deposit Proceeds (AUD millions)</b>	<b>0</b>

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