Ahead of the introduction of the Australian Emissions Trading Scheme, Westpac and AGL have joined forces for Australia’s first carbon trade.

Westpac announced another first for the bank, and for Australia recently, by taking part in a carbon trade with energy company AGL. The trade is the first to be conducted under the forthcoming Australian Emissions Trading Scheme (AETS), which for the first time establishes a price for carbon allowances to be traded.

Under the deal, Westpac purchased 10,000 tonnes of Carbon Dioxide equivalent (CO2-e) from AGL for delivery in February 2012 at a price of $19 per tonne.

Emissions trading schemes operate by issuing companies with a limited number of permits, which allow them to generate greenhouse gas emissions, where each permit equates to 1 tonne of CO2 equivalent. At the end of a year, companies that have generated more emissions than their permits allow will have to enter the market and buy additional permits to match their emissions, or face stiff financial penalties. Companies which have generated fewer emissions can sell their remaining permits to generate additional revenue.

In 2007, the global carbon market was worth about US$64bn. Analysts have predicted that once the US comes online, the global carbon market should be worth more than US$1 trillion by 2020. The first, and still the largest, emissions trading scheme in operation today is the European Union Emissions Trading Scheme (EU ETS).

Westpac well placed

According to Emma Herd, Director for Environment and Emissions at Westpac, the Westpac/AGL trade demonstrates that Westpac is well placed to assist customers’ transition to a carbon-constrained economy.

“This deal represents the next evolution in Westpac’s sector-leading position in providing carbon products and services,” Emma said. “Westpac is actively pre-positioning for the establishment of emission trading in Australia. This is based on our experience from participating in existing carbon markets in Australia and overseas for a number of years.”

Previous track record

Westpac has significant experience in Europe, having already traded around one million tonnes of CO2-e under the EU ETS.

The AETS is set to officially start in 2010. While the details of the Australian scheme are yet to be fully finalised by the Federal Government’s Department of Climate Change (DCC), the Westpac/AGL trade has provided a prototype that aims to kick-start the process of price discovery and raising corporate awareness.
First for Women’s Markets

Westpac has launched a new website called The Ruby Connection, which provides knowledge and networking opportunities for time-poor businesswomen.

As part of Westpac’s ongoing commitment to understanding and servicing the needs of women in business, it has launched an online resource providing knowledge and networking support to Australian businesswomen.

The new website, called The Ruby Connection, is the latest initiative in Westpac’s ongoing commitment to recognise and respond to the needs of women in business. Westpac is the only Australian bank with a dedicated Women’s Markets team, charged with supporting businesswomen and helping them to achieve their financial goals.

Round-the-clock support

According to Larke Riemer, Head of Women’s Markets at Westpac, the introduction of The Ruby Connection means the bank can support all businesswomen, wherever they’re based.

“The site gives Australian businesswomen a space of their own, and a place to share information and be inspired. It’s a connection to other women in business and all the unique experiences, insights and knowledge they have to share,” Larke said.

Users have the opportunity to learn from internal and external case studies, reports and articles.

“They can gain access to exclusive events, and arrange peer functions, all in a forum designed to address the issues time-poor businesswomen face,” Larke said.

New insights into women in business

A recent TNS research report, commissioned by Westpac’s Women’s Markets team, ‘Australian Women in Business – New Insights’ showed women are hungry for information, education and opportunities to network.

The Ruby Connection aims to address these issues by providing interactive forums and blogs, e-newsletters and a calendar of upcoming events and workshops.

Establishing connections...

The launch of The Ruby Connection gives time-poor businesswomen access to information, events and networking opportunities.

The research by TNS also highlighted that women in business want advice from other like-minded women about business issues and about how they maintain a healthy work/life balance.

“The great thing about this site is that it supports businesswomen in managing one of the biggest challenges they face, which is time,” Larke said. “Whether it’s late at night or early in the morning, businesswomen can access ideas, feedback, tools, forum details and articles.”

To find out more, please visit www.therubyconnection.com.au

Bank backs Appeal

To support the millions of earthquake victims in China, Westpac donated $100,000 to the Oxfam China Earthquake Appeal to assist with the distribution of much-needed medicine, tents, clean water and food.

CEO Gail Kelly presented the cheque to His Excellency Zhang Junsai, Chinese Ambassador to Australia on 22 May.

“Our thoughts are with everyone affected by the disastrous earthquake in China,” Gail said.

“We’re pleased to assist Oxfam with their important fundraising appeal. This donation will go towards relief, rehabilitation and restoration of livelihoods in China.”

Westpac is also encouraging its employees and the public to contribute to Oxfam’s appeal. Donations to the appeal can be made at any Westpac branch and all employee donations are matched dollar-for-dollar by the bank through its Matching Gifts program.

The Westpac Shanghai branch donated $7500 to Red Cross China.

Leadership in sustainability earns awards

Westpac’s leadership in sustainability has been recognised with a number of awards in Australia and globally.

For the second consecutive year, the bank was announced as ‘Sustainable Bank of the Year’ in the 18th Australian Banking and Finance Magazine awards. Westpac received the award in 2007 as the inaugural winner in the new category.

Range of rewards

Westpac has also been named ‘Socially Responsible Bank of the Year’ in the 2008 Australian Money Magazine Awards.

This Award recognised in particular the continuing progress of the Indigenous Capital Assistance Scheme; the launch of the Principles for Responsible Lending; and the introduction of the Westpac Assist initiative to support customers who may be facing financial difficulties.

In addition, the bank was named one of the ‘2008 Worlds Most Ethical Companies’ by Ethisphere Magazine at the Ethical Leadership Forum in New York. Each year, Ethisphere examines more than 5000 companies across 30 separate industries, looking for “true ethical and influential leadership that moved others to change or follow”.

Indigenous initiative recognised

Westpac was also recognised with the ‘2008 Established Business Award’ at the Queensland Reconciliation Business Awards in Brisbane. This Award highlights Westpac’s ongoing Cape York Partnership with Indigenous Enterprise Partnerships to improve the lives of the Indigenous Communities in the Cape York Peninsula. Now in its eighth year, more than 400 Westpac employees have participated in secondments and fellowships.

Graham Paterson, Head of Group Sustainability at Westpac, said the Award demonstrates what a strong partnership can achieve.

“This Award is wonderful recognition for all of the effort and contributions by our employees in partnership with the leaders and communities in Cape York.”

For more information please visit: www.westpac.com.au/corporateresponsibility

For details on Westpac’s Cape York program go to: www.westpac.com.au/community
pact:

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Send us your feedback: corporateresponsibility@westpac.com.au
For more information: www.westpac.com.au/corporateresponsibility
+61 2 8253 0769

**Support for Salvos’ Red Shield Appeal**

This year marked the 36th year of Westpac’s support for the Salvation Army’s Red Shield Appeal. Once again, thousands of employees jumped on board to lend a hand.

Thousands of Westpac employees have given their support to the Salvation Army’s 2008 Red Shield Appeal. The Appeal is vital in helping the Salvos to maintain and develop services, which support more than 1.5 million Australians each year.

Over 127 years, Westpac’s relationship with the Salvos has developed strong levels of trust and loyalty, driven by shared social and community concerns.

**Active involvement**

This year marked the 36th year of Westpac’s support for the Salvos’ Red Shield Appeal. More than 110 branches and around 700 branch employees donated their time to count and bank funds generated by the annual Red Shield Appeal Doorknock weekend.

Employees from branches and corporate offices also donated hundreds of cans of non-perishable food, as well as clothing and toiletries.

During April and May all Westpac branches promoted the appeal to encourage customer donations, and all year round accept over-the-counter donations.

Westpac’s strategic approach to investing in and supporting community involvement is based on three key areas: making it easy for employees to get involved and support the community group of their choice; collaborating with key community partners to help address community concerns; and helping community groups improve their operational effectiveness through training, and access to business and finance tools.

**Passionate employees**

Westpac’s Head of Community Involvement, Samantha Brown said: “It’s great to see that so many passionate Westpac employees are continually willing to lend a hand. All employees involved deserve special thanks as their support is critical to the success of the Appeal”.

The Salvation Army’s Eastern Territory Appeal Director, Major Gary Masters, also paid tribute to employees.

“One again the team at Westpac has provided much needed support to the Salvos and we thank them for their generous efforts,” Gary said. “We’re particularly grateful to branch employees for their work with the Doorknock and for the hundreds of donations, which will go a long way in making the lives of many Australians that little bit better.”

The Doorknock weekend of 24-25 May raised nearly $6.2 million across Australia, up by approximately 12 per cent compared to last year’s interim total. The 2008 national fundraising target for the overall Appeal is $68 million, and there’s still time to make donations up until 30 June.

- For more information on the Salvation Army, go to: www.salvationarmy.org.au

**Help at hand...** Westpac has a 36-year long involvement in the Red Shield Appeal.

**Accessible learning available for all employees**

Westpac’s innovative approach to providing employees with accessible learning opportunities has been recognised at the LearnX elearning and training conference.

The awards highlight cutting-edge organisational learning and training techniques. ‘Destination Westpac’, an interactive orientation module for new employees, won the ‘Best Blended Learning Solution’ award. Blended learning combines audio, video, animations, downloads and web-links, so employees can choose how they want to interact and learn about a new subject, and do it at their own pace.

Destination Westpac complements existing, compulsory compliance training on issues such occupational health and safety, harassment and discrimination and physical-security issues, by providing a user-friendly, accessible introduction to Westpac’s culture, structure, history and generic systems.

**Interactive orientation**

Craig Liddy, Acting Chief Learning Officer, Enterprise Learning at Westpac, said thanks to the interactive and engaging online module, Destination Westpac offers all employees a consistent induction to the bank. “It’s great to be recognised in the training industry as providing something that really works for our new employees,” Craig said.

**Smother start for new employees**

Craig said that in the past it was a challenge to provide a consistent induction and orientation experience across such a large organisation.

“Destination Westpac has changed all that,” Craig said. “Now, no matter where our people are physically located in the organisation, they can find out all they need to know as an employee.”

The module will soon also be available over the internet, so new employees can learn more about the bank before they arrive.

Information current as at 24 June 2008. The information in this newsletter is factual only and has been prepared without taking into account your objectives, financial situation and needs. It does not constitute financial product advice. Before acting on this information you should seek independent financial and taxation advice to determine its appropriateness to your objectives, financial situation and needs. Westpac Banking Corporation, ABN 33 007 457 141. © Westpac Banking Corporation.