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Westpac GROUP

ASX Release

Level 18, 275 Kent Street
Sydney, NSW, 2000

1 November 2021

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Westpac announces $3.5 billion off-market share buy-back

Westpac Banking Corporation (Westpac) today announced its intention to conduct an off-market buy-back (Buy-Back) of up to $3.5 billion of Westpac ordinary shares (Shares).

Westpac Chairman, John McFarlane said: "Our improved operating performance and positive progress on our strategic priorities, including the completion of a number of divestments, have strengthened capital and allowed us to announce this Buy-Back. The Board carefully evaluated several options and believes this is the most value-enhancing option to distribute part of the Group's capital and franking credits."

The Buy-Back will be conducted by an off-market tender process which will open on Wednesday, 17 November 2021 and close at 7:00pm (Sydney time) on Friday, 17 December 2021. The Buy-Back will be open to eligible shareholders who are registered holders of Shares on the Buy-Back Record Date (Monday, 8 November 2021) and who have a registered address in Australia or New Zealand.

Details of the Buy-Back are in the information booklet attached (Booklet). It is important that shareholders read the Booklet in full before deciding whether to participate. Shareholder participation in the Buy-Back is voluntary.

An information flyer, explaining how shareholders can participate and how to obtain the Booklet, will be sent to eligible shareholders by Wednesday, 17 November 2021.

For more information about the Buy-Back:

- Buy-Back website at westpac.com.au/buyback.
- Westpac Buy-Back Information Line on 1800 804 255 (free call in Australia) or +61 1800 804 255 (outside Australia) (Monday to Friday, 8:30am to 7:30pm, Sydney time) or 0800 002 727 (free call in New Zealand) (Monday to Friday, 9:00am to 5:30pm, New Zealand time).
- Seek advice from your financial, taxation or other professional advisor

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This document has been authorised for release by Tim Hartin, General Manager & Company Secretary.

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Important information

This document does not constitute, or form part of, any offer or invitation to sell, or any solicitation of any offer to purchase any securities in any jurisdiction, nor shall it or the fact of its distribution be relied on in connection with any contract thereof. No indications of interest in the Buy-Back are sought by this document. Shareholders who are (or nominees or trustees who hold Shares on behalf of or for the account or benefit of persons who are) located in the United States or US Persons (within the meaning of Regulation S under the United States Securities Act of 1933, as amended), residents of Canada or who are otherwise excluded foreign persons will not be eligible to participate in the Buy-Back described in this document. Buy-Back documents, including the Booklet describing the terms of the Buy-Back and application forms, when issued, will not be distributed or released in or into the United States or Canada. This document is not to be distributed in or into, the United States or Canada.

Off-market buy-back booklet

1 November 2021

Westpac Banking Corporation
ABN 33 007 457 141

THIS IS AN IMPORTANT DOCUMENT

If you have any questions, please contact your financial, taxation or other professional adviser.

This Buy-Back is not available to persons located or resident in, and this booklet is not to be distributed into, the United States or Canada.

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Important notices

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Buy-Back booklet and other available information

This is an important booklet that invites you to make an offer to sell your Shares to Westpac Banking Corporation ABN 33 007 457 141 (**Westpac**) under an off-market buy-back tender process (**Buy-Back**). It contains information to assist you to make a decision as to whether to participate in the Buy-Back.

In reviewing this booklet, you should consider other information available about Westpac, including the following documents:

- Westpac's financial results announcement for the full year ended 30 September 2021 and 2021 Annual Report lodged with the ASX on 1 November 2021; and
- Westpac's other market announcements lodged with the ASX.

These documents can be obtained from Westpac's Investor Centre at westpac.com.au/investorcentre or on the ASX website at asx.com.au (under the code, "WBC").

Capitalised words and expressions in this booklet have defined meanings. The glossary in Section 6 "Glossary" defines these words and expressions.

Buy-Back Invitation

Please note that the Buy-Back Invitation does not constitute or give rise to a legally binding offer capable of acceptance by you. If you apply to have your Shares bought back by Westpac by submitting an Application, you will be making a formal offer to sell those Shares on the terms and conditions set out in the Buy-Back Documents. If Westpac accepts your Application, a binding Buy-Back Contract will be formed and, subject to any scale back, your tendered Shares will be sold to Westpac on those terms and conditions.

Booklet does not provide investment advice

This booklet does not provide financial product, tax or investment advice and has been prepared without taking into account your particular objectives, financial situation, taxation circumstances or needs. You should consider the appropriateness of participating in the Buy-Back, having regard to these factors, and read this booklet in full. If you have any questions, you should seek advice from your financial, taxation or other professional adviser before deciding whether to participate in the Buy-Back.

Restrictions on foreign jurisdictions

The Buy-Back Invitation is not being made to any Excluded Foreign Person. The distribution of this booklet in some jurisdictions outside Australia and New Zealand may be restricted by law and does not constitute a Buy-Back Invitation to participate in any place where, or to any person to whom, it would be unlawful or impractical for Westpac to do so. Persons who come into possession of this booklet should seek advice on it and observe any restrictions on distribution.

Copies of the Buy-Back Documents must not be sent, directly or indirectly, by mail or any means or instrumentality (including, without limitation, facsimile transmission, telephone and internet) of interstate or foreign commerce of, or through any facility of a national securities exchange of, the United States, or otherwise distributed or sent outside of Australia and New Zealand (including into the United States or Canada).

Any person receiving any of the Buy-Back Documents must not, directly or indirectly, distribute or send them into the United States or Canada, or make them available to any Excluded Foreign Person.

Rounding

Any discrepancies between the sums of components and totals in tables contained in this booklet are due to rounding.

Interpretation

In the Buy-Back Documents, unless the context otherwise requires:

- a reference to currency (including dollars, $, A$ or cents) is a reference to Australian currency, unless otherwise stated;
- a reference to time is a reference to Sydney, New South Wales, Australia time unless otherwise stated;
- the singular includes the plural, and vice versa;
- other parts of speech and grammatical forms of a word or phrase defined in this booklet have a corresponding meaning; and
- terms used in the Buy-Back Documents and defined in the Corporations Act have the meanings ascribed to them in the Corporations Act.

If you have any questions about the Buy-Back, you should seek advice from your financial, taxation or other professional adviser. You can also visit the Buy-Back website at westpac.com.au/buyback or contact the Westpac Buy-Back Information Line on 1800 804 255 (free call in Australia) or +61 1800 804 255 (outside Australia) (Monday to Friday, 8:30am to 7:30pm, Sydney time) and 0800 002 727 (free call in New Zealand) (Monday to Friday, 9:00am to 5:30pm, New Zealand time).

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Chairman's letter



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Dear fellow Shareholder,

On behalf of the Westpac Board, I am pleased to offer you the opportunity to participate in the off-market buy-back of Westpac's Shares.

Westpac's improved operating performance and positive progress on our strategic priorities, including the completion of a number of divestments, have contributed to a strong capital position, allowing us to announce this Buy-Back.

We are aiming to buy back up to $3.5 billion worth of Shares returning a portion of capital to Shareholders. Post the Buy-Back, Westpac will still have a strong capital position to respond to uncertainties, and support growth and our customers. This Buy-Back should not diminish Westpac's ability to fully frank future ordinary dividends.

Westpac evaluated several options for returning capital to Shareholders. We believe that this Buy-Back will benefit all Westpac Shareholders.

An off-market buy-back is considered an effective method to return capital and franking credits and optimise our capital structure at this time. It enables a higher number of Shares to be bought back in a shorter timeframe and it reduces our Share count faster than an on-market buy-back of Shares. In turn, a lower capital base and Share count supports Westpac's future Return on Equity, Earnings per Share and Dividend per Share, all things being equal.

For Australian tax purposes, the Buy-Back Price will comprise a Capital Component[1] of $11.34 per Share, with the remainder deemed to be a fully franked dividend. We expect a Class Ruling to be issued by the ATO after completion of the Buy-Back confirming this position.

If you decide to participate in the Buy-Back, you can either offer to sell your Shares:

- at specified Discounts to the Market Price of between 8% to 14% inclusive (at 1% intervals); and/or
- as a Final Price Application, where you elect to receive the Buy-Back Price determined through the tender process.

The Buy-Back Price will be the lowest price at which we can buy back our target amount of capital.

This booklet contains important information about the Buy-Back and Shareholders should read it in full before deciding whether to participate or not. Participation in the Buy-Back is voluntary and you should seek advice from your financial, taxation or other professional adviser before participating. If after reading this booklet you do not wish to participate, there is nothing more you need to do.

If you have any additional questions on the Buy-Back or how to participate, please visit westpac.com.au/buyback or contact the Westpac Buy-Back Information Line on 1800 804 255 (free call in Australia) or +61 1800 804 255 (outside Australia) (Monday to Friday, 8:30am to 7:30pm, Sydney time) and 0800 002 727 (free call in New Zealand) (Monday to Friday, 9:00am to 5:30pm, New Zealand time).

On behalf of the Board, thank you for your continued support.

Yours sincerely



John McFarlane

Chairman

1. Capital Component remains subject to ATO approval.

Key dates

Buy-Back

Announcement of the Buy-Back	1 November 2021
Last day that Shares can be acquired on-market to be eligible to participate in the Buy-Back and to qualify for franking credit entitlements[1]	4 November 2021
Buy-Back Ex-entitlement Date Shares acquired on-market on or after this date will not be eligible for the Buy-Back	5 November 2021
Buy-Back Record Date The date that determines the Eligible Shareholders entitled to participate in the Buy-Back	7:00pm (Sydney time) on 8 November 2021
Buy-Back Period opens Eligible Shareholders may submit, withdraw or amend an Application from this date	17 November 2021
Buy-Back Period closes Applications must be submitted online or received by the Registrar no later than this time *If you are a CHESS Holder, Westpac strongly recommends that you submit your Application online or instruct your controlling participant (as applicable) no later than 5:00pm (Sydney time) on 16 December 2021*	7:00pm (Sydney time) on 17 December 2021
Buy-Back Date The Buy-Back Price and scale back (if any) are announced, and Buy-Back Contracts are entered into	20 December 2021
Buy-Back proceeds paid to successful Shareholders	23 December 2021

Full Year Dividend

Announcement date	1 November 2021
Ex-dividend date	5 November 2021
Record date	8 November 2021
Payment date The date Westpac will pay the Full Year Dividend and allocate Shares under the DRP	21 December 2021

Dates may change

While Westpac does not anticipate changes to these dates and times, it reserves the right to change them without notice, subject to laws and ASX requirements. If any dates are changed, subsequent dates may also change. Westpac also reserves the right to terminate the Buy-Back at any time, which would be announced to the ASX.

1. See Section 2.2.3 "Franking credit entitlements" for details of the 45-day rule and specific concessions which may apply.

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Key features of the Buy-Back

Topic	Summary
The Buy-Back in summary	The Buy-Back provides Eligible Shareholders the opportunity to sell some or all of their Shares to Westpac. Participation is voluntary. Westpac is seeking to buy back up to $3.5 billion worth of Shares by way of an off-market tender. The size of the Buy-Back may vary depending on a number of factors, including Shareholder demand, market conditions and future capital requirements. Shares bought back will be cancelled, reducing the number of Shares on issue.
How does the Buy-Back work?	If you are an Eligible Shareholder, you can offer to sell some or all of your Shares to Westpac: • at a Discount to the Market Price nominated by you of between 8% and 14% inclusive (at 1% intervals); and/or • at the final Buy-Back Price (as a Final Price Application). You can also select a Minimum Price. If the Buy-Back Price is below your Minimum Price, none of your Shares will be bought back.
Can I offer to sell my Shares at multiple discounts?	If you are an Eligible Shareholder and wish to participate in the Buy-Back, and: • hold 380 Shares or less, you must offer to sell all your Shares at the same Discount or as a Final Price Application; or • hold more than 380 Shares, you may offer to sell some or all of your Shares at one or more Discounts and/or as a Final Price Application.
Why you might choose to participate in the Buy-Back?	For Eligible Shareholders, the key benefits of participating in the Buy-Back include: • you can elect to participate in a manner that suits your circumstances; • no brokerage is payable to participate; and • selling your Shares under the Buy-Back could result in a higher after-tax return than selling your Shares on-market (depending on your personal tax situation).
Why you might choose not to participate in the Buy-Back?	Reasons not to participate in the Buy-Back include: • you may not wish to reduce your Shareholding; or • you may achieve a greater after-tax return by selling your Shares on-market than through the Buy-Back (depending on your personal tax situation).
What is the Buy-Back Price?	The Buy-Back Price is the lowest price at which Westpac can buy back the targeted amount of capital, based on Applications received from all participating Eligible Shareholders. The Buy-Back Price is calculated by applying the Buy-Back Discount to the Market Price as follows: Buy-Back Price = Market Price x (1 – Buy-Back Discount). Where: **Market Price** is the VWAP of Shares on the ASX over the five trading days up to and including the Closing Date, calculated to four decimal places, as determined by Westpac; and **Buy-Back Discount** is the Discount to be set by Westpac, being the largest Discount to the Market Price within the range of 8% to 14% inclusive (at 1% intervals), which enables Westpac to buy back the amount of capital that it determines to buy back. The Buy-Back Price is expected to be announced on the Buy-Back Date (Monday, 20 December 2021). It will be available on the ASX website at asx.com.au (under the code, "WBC") and on the Buy-Back website at westpac.com.au/buyback. Westpac will not buy back any Shares for an amount in excess of the Tax Value. The method for determining the Tax Value is explained in more detail in Section 2.3 "Australian Capital Gains Tax (CGT) – Treatment of Capital Component in disposal of Shares (acquired after 19 September 1985)".

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Key features of the Buy-Back

Topic	Summary
What is the Capital Component of the Buy-Back Price?	The Capital Component will be $11.34, subject to ATO approval.
What is the Dividend Component of the Buy-Back Price?	The Dividend Component will be the Buy-Back Price less the Capital Component of $11.34. The Dividend Component is expected to be fully franked.
What are the tax consequences of a successful Application?	Tax consequences will depend on your particular circumstances. A summary of the general tax consequences is in Section 2 "Tax consequences for Shareholders". To help calculate the potential Australian income tax consequences for you, a tax calculator is available on the Buy-Back website at westpac.com.au/buyback.
Am I an Eligible Shareholder?	You are eligible to participate if Shares are registered in your name at 7:00pm (Sydney time) on the Buy-Back Record Date (Monday, 8 November 2021), you are shown on the Register as having an address in Australia or New Zealand, and you are not an Excluded Foreign Person. Westpac American Depository Receipts (**ADRs**), as well as Shares and Share Rights held by employees under any Employee Share Scheme (unless vested and freely tradeable) are not eligible to participate in the Buy-Back.
Seek advice	If you are an Eligible Shareholder, you can choose whether or not to participate in the Buy-Back. To ensure that you make an informed decision, we encourage you to read this booklet carefully and seek advice from your financial, taxation or other professional adviser.

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Key steps for Eligible Shareholders

What if I choose to participate?

For Eligible Shareholders, the following is a summary of the steps you need to complete if you choose to participate in the Buy-Back, after having read this booklet and obtained any relevant professional advice.

Please refer to Section 4 "How do I participate in the Buy-Back?" for further details on each of the steps.

Step 1	**Decide the number of Shares you wish to sell** Decide how many Shares you wish to offer to sell to Westpac (subject to a minimum of either 380 Shares or, if you hold less than 380 Shares, all of your Shares).
Step 2	**Select your Discount(s) and/or tender your Shares as a Final Price Application** You can select the Discount(s) between 8% and 14% inclusive (at 1% intervals) at which you are willing to sell some or all of your Shares (your **Application Price**). Subject to any Minimum Price selected (see Step 3 below): • if your nominated Discount is greater than or equal to the Buy-Back Discount, you will receive the Buy-Back Price for each of your Shares that are bought back; or • if your nominated Discount is less than the Buy-Back Discount, your Shares will not be bought back. Under no circumstances will your Shares be bought back at a price lower than your Application Price. Alternatively, you can choose to tender some or all of your Shares as a Final Price Application. This means you are willing to sell your Shares at the Buy-Back Price determined by Westpac following the tender process. What Discount(s) to select or whether to submit a Final Price Application will depend on your particular circumstances, including your personal tax situation.
Step 3	**Select your Minimum Price (optional)** Determine whether you wish to make your Application conditional on one of the specified Minimum Prices listed on your Application Form. This means your Application will not be accepted if the Buy-Back Price is less than the Minimum Price you select.
Step 4	**Submit your Application(s)** You can submit your Application to participate either by applying online at westpac.com.au/buyback, or by completing and returning a personalised Application Form to the Registrar. Applications must be received by the Registrar by no later than 7:00pm (Sydney time) on the Closing Date (Friday, 17 December 2021).

What if I choose not to participate?

If, after reading this booklet, you choose not to participate (or are ineligible to participate), no further action is required. The number of Shares you hold will not change, however the proportion of Shares you hold will increase slightly if other Shareholders successfully participate in the Buy-Back.

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Overview of the Buy-Back and tender process

SECTION 1

This Section sets out an overview of the Buy-Back and other important information to assist you in deciding whether or not to participate in the Buy-Back.

SECTION 1 Overview of the Buy-Back and tender process

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This booklet sets out the terms of the Buy-Back and other information to assist you in deciding whether or not to participate in the Buy-Back.

This booklet does not constitute or give rise to a legally binding offer capable of acceptance by you. If you apply to have your Shares bought back by Westpac by submitting an Application, you will be making a formal offer to sell those Shares to Westpac on the terms and conditions set out in the Buy-Back Documents. If Westpac accepts your Application, a Buy-Back Contract will be formed and, subject to any scale back, your tendered Shares will be sold to Westpac on those terms and conditions.

1.1 What is an off-market buy-back tender?

An invitation by a company to eligible shareholders to offer to sell some or all of their shares to the company by way of a tender process. Shares bought back are cancelled, reducing the number of shares on issue.

In this case, Westpac currently intends to buy back up to $3.5 billion worth of Shares equivalent to approximately 4.2% of Shares on issue based on an illustrative Market Price of $25.00 and an illustrative Buy-Back Discount of 10%. However, Westpac may, in its complete discretion, choose to buy back a different amount of Shares or no Shares at all, depending on a number of factors including Shareholder demand, market conditions and future capital requirements.

1.2 How will the Buy-Back be conducted?

Eligible Shareholders may offer to sell their Shares at any of the specified Discounts to the Market Price in the Discount range of between 8% and 14% inclusive (at 1% intervals) or as a Final Price Application.

At the end of the Buy-Back Period, Westpac will consider the Applications and determine the Buy-Back Price. All successful Applications will receive the Buy-Back Price for each Share bought back, even if Shares were tendered at a Discount higher than the Buy-Back Discount. Any Shares tendered at a Discount less than the Buy-Back Discount will not be accepted. If the number of Shares tendered at or above the Buy-Back Discount (including Final Price Applications) would result in Westpac buying back a greater amount of capital than Westpac determines to buy back, a scale back will operate on the basis set out in Section 1.16 “How would a scale back affect my Application?”.

1.3 Why is Westpac conducting the Buy-Back?

Westpac considered a number of alternatives for returning capital to Shareholders, including off-market buy-backs, on-market buy-backs, special dividends and share capital reductions, and determined that undertaking the Buy-Back, conducted as an off-market tender, was the most efficient and value-enhancing strategy to return capital and franking credits to its Shareholders because:

- all Eligible Shareholders have an equal opportunity to participate;
- the Buy-Back will benefit all Shareholders, irrespective of participation, as the Share count and capital base will reduce, which should support Return on Equity, Earnings per Share and Dividend per Share, all things being equal;
- for some Shareholders, depending on their personal tax situation, the after-tax return from participating in the Buy-Back may be greater than the sale of their Shares on-market;
- it helps optimise Westpac’s capital position while still holding capital above APRA’s ‘unquestionably strong’ CET1 Capital Ratio requirement of 10.5%, and to respond to uncertainties, support growth and customers; and
- an off-market buy-back enables a higher number of Shares to be bought back in a shorter timeframe than an on-market buy-back.

Due to Westpac’s strong franking credit position, we do not expect the Buy-Back will impact our ability to fully frank ordinary dividends in the future.

Westpac cannot guarantee any improvement in financial performance or Shareholder returns in the future, as this will depend on a number of factors, including business performance, economic conditions and competitive pressures, some of which are outside Westpac’s control.

1.4 Why you might choose to participate in the Buy-Back?

Depending on your personal tax situation, selling your Shares through the Buy-Back could result in a higher after-tax return than selling Shares on-market. For Eligible Shareholders who successfully participate in the Buy-Back, the ATO has provided preliminary confirmation that the Capital Component of the Buy-Back Price, for Australian tax purposes, will be $11.34. Accordingly, the Dividend Component for Australian tax purposes will be the amount by which the Buy-Back Price exceeds the Capital Component, and is expected to be fully franked.

Unlike selling Shares on-market, Eligible Shareholders who participate in the Buy-Back will not have to pay brokerage.

Participating Eligible Shareholders can tailor their participation to suit their circumstances and may choose:

- whether to tender Shares into the Buy-Back;
- how many Shares to tender (if less than 380 Shares are owned, all Shares must be tendered); and
- the basis on which to tender Shares (for example, at what Discount(s) and/or as a Final Price Application, with the option to make your tender conditional on a Minimum Price).

SECTION 1 Overview of the Buy-Back and tender process

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1.5 Why you might choose not to participate in the Buy-Back?

Reasons not to participate in the Buy-Back include:

- you may not wish to reduce your Shareholding; or
- you may achieve a greater after-tax return by selling your Shares on-market than through the Buy-Back (depending on your personal tax situation).

1.6 How does the Buy-Back compare to selling my Shares on-market?

Depending on your individual circumstances, if you sell your Shares on-market, the Australian income taxation implications may be different from selling your Shares in the Buy-Back (see Section 2 "Tax consequences for Shareholders").

In addition, to sell Shares on-market, you may need to pay brokerage. No brokerage is payable to participate in the Buy-Back.

However, if you were to sell your Shares on-market, it is likely that you could sell your Shares for a higher price than the Buy-Back Price. This is because the prices Shareholders can tender Shares into the Buy-Back are at Discounts to the Market Price of between 8% and 14% inclusive (at 1% intervals). That said, the after-tax return may be lower if you sell your Shares on-market depending on your personal tax situation, noting that the Buy-Back Price includes a franked Dividend Component and Capital Component.

To provide Eligible Shareholders with an indication of the possible after-tax proceeds from selling their Shares in the Buy-Back or on-market, a tax calculator is available at westpac.com.au/buyback. Please note that Westpac is not making any recommendation to you as to whether to participate in the Buy-Back, or giving any advice on the value of your Shares.

Before you decide whether to participate in the Buy-Back, we recommend you seek advice from your financial, taxation or other professional adviser.

1.7 How have Westpac Shares performed over recent times?

The closing price of Shares on the ASX on Monday, 25 October 2021 was $25.71.

A graph indicating the share price performance of Westpac over the period from 29 October 2019 to 25 October 2021 is below.

Westpac Share price performance over the last two years



The Share prices in this section are for information purposes only and are not a forecast of future Share prices. Past performance should not be relied upon as being indicative of future trends.

1.8 What happens if I do not participate in the Buy-Back?

The number of Shares you hold will not change although the proportion of Shares you hold will increase slightly if the Buy-Back proceeds, as there will be fewer Shares on issue (shown in Section 3 "Financial impact of the Buy-Back on Westpac"). You will also benefit from any improvement in Return on Equity, Earnings per Share and Dividend per Share, all things being equal. You will continue to be subject to the normal investment risks associated with Share ownership in Westpac.

1.9 What is a Final Price Application?

A Final Price Application is an offer to sell your Shares to Westpac at the Buy-Back Price determined under the tender process. The Buy-Back Price will be calculated by applying the Buy-Back Discount to the Market Price (see Section 1.12 "At what price will my Shares be bought back?"). The Buy-Back Discount is the largest Discount to the Market Price in the Discount range of 8% to 14% inclusive (at 1% intervals) that will allow Westpac to buy back the amount of capital it determines to buy back. The maximum Discount is 14%, as this is the maximum permitted by the ATO.

Final Price Applications are designed to make it easier for Eligible Shareholders to participate successfully in the Buy-Back as you do not have to nominate a

SECTION 1 Overview of the Buy-Back and tender process

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Discount and it increases the likelihood that some or all of your Shares will be bought back.

Submitting a Final Price Application means, provided the Buy-Back Price is higher than any Minimum Price you may select, you will more likely sell some or all of your Shares at a price per Share that could be anywhere in the range from 8% to 14% less than the Market Price. If a large number of Final Price Applications are submitted, it is more likely that the Buy-Back Price will be at a larger Discount to the Market Price, up to the maximum of 14%.

Final Price Applications will only be scaled back if the Buy-Back Price is set at a 14% Discount to the Market Price and the total number of Shares tendered at that Discount and as Final Price Applications is more than Westpac determines to buy back (see Section 1.16 "How would a scale back affect my Application?"). Final Price Applications will not be scaled back if the Buy-Back Price is set at a Discount less than 14%. Therefore, if you wish to increase the likelihood that your Shares will be bought back, you may consider submitting a Final Price Application.

1.10 What is the Priority Allocation?

The Priority Allocation is designed to ensure that Eligible Shareholders with a small number of Shares are not disadvantaged by any scale back. In the event of a scale back, Westpac will buy back the first 380 Shares successfully tendered by each Eligible Shareholder, or such lesser number of Shares determined by Westpac to be the Priority Allocation. The scale back will only apply to the tendered Shares remaining after the Priority Allocation has been acquired.

If your Application was for less than the Priority Allocation, all of your tendered Shares would be bought back without any scale back.

1.11 What is a Minimum Price?

A Minimum Price is the price below which you are not prepared to sell your Shares for whatever reason. If the Buy-Back Price is below your Minimum Price, then your Application will not be accepted and your Shares will not be bought back.

If you select one of the specified Minimum Prices on the Application Form, you must ensure that you still nominate to tender your Shares at one or more Discounts and/or as a Final Price Application. If you fail to nominate to tender your Shares at a Discount or as a Final Price Application, and only make your Application conditional on a specified Minimum Price, your Application will be invalid and will not be accepted by Westpac.

If you do not wish to specify a Minimum Price, leave the Minimum Price section of the Application Form blank.

1.12 At what price will my Shares be bought back?

All Shares successfully tendered will be bought back at the Buy-Back Price, even if your nominated Discount is larger than the Buy-Back Discount. The Buy-Back Price will be calculated by applying the Buy-Back Discount to the Market Price in accordance with the formula below. For each Share purchased under the Buy-Back, you will receive the Buy-Back Price rounded to the nearest cent, except for circumstances where the Buy-Back Discount is equal to 14%, in which case the Buy-Back Price will be rounded up to the nearest cent.

Buy-Back Price = **Market Price** × **(1 – Buy-Back Discount)**

Where:

Market Price is the VWAP of Shares traded on the ASX over the five trading days up to and including the Closing Date, calculated to four decimal places, as determined by Westpac. Westpac plans to announce the Market Price as soon as practicable after 4:30pm (Sydney time) on Friday, 17 December 2021. It will be available on the ASX website at asx.com.au (under the code, "WBC") and on the Buy-Back website at westpac.com.au/buyback.

Buy-Back Discount is the Discount to be set by Westpac, being the largest Discount to the Market Price within the range of 8% to 14% inclusive (at 1% intervals), which enables Westpac to buy back the amount of capital that it determines to buy back. This may be lower than the Discount nominated in your Application.

For example, if the relevant Market Price is $25.00 and the Buy-Back Discount is 10%, then the Buy-Back Price would be $22.50 (i.e. $25.00 x (1 – 10%)).

The Buy-Back Price will not exceed the Tax Value. The Tax Value is the price used by the ATO to determine, for Australian tax purposes, the market value of the Shares when the Buy-Back occurs. The method for determining the Tax Value is explained in more detail in Section 2.3 "Australian Capital Gains Tax (CGT) – Treatment of Capital Component in disposal of Shares (acquired after 19 September 1985)".

The Buy-Back Price is expected to be announced on Monday, 20 December 2021. It will be available on the ASX website at asx.com.au (under the code, "WBC") and on the Buy-Back website at westpac.com.au/buyback.

SECTION 1 Overview of the Buy-Back and tender process

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1.13 How will Westpac determine which Applications will be successful?

If Westpac proceeds with the Buy-Back and the Discount you have nominated in your Application is equal to or larger than the Buy-Back Discount, and/or you submitted a Final Price Application, your Application will be successful and your Shares will be bought back, subject to any scale back and, if applicable, any Minimum Price condition.

If, however, the Discount you have nominated in your Application is less than the Buy-Back Discount, your Application will not be accepted and your Shares will not be bought back.

Notwithstanding any of the above, if you have selected a Minimum Price and the Buy-Back Price is below that price, your Application will not be accepted and your Shares will not be bought back.

The success of your Application will depend on:

i) your choice of Discount(s) and/or Final Price Application and, any Minimum Price selected;

ii) the Applications submitted by other Eligible Shareholders; and

iii) the total number of Shares offered for sale that Westpac accepts.

There is no guarantee that some, or all, of your Applications will be accepted. Westpac is currently seeking to buy back up to $3.5 billion worth of Shares under the Buy-Back. However, Westpac may at its sole discretion increase or decrease the size of the Buy-Back or not buy back any Shares at all, subject to a number of factors such as Shareholder demand, market conditions and future capital requirements.

1.14 How will I know how many of my Shares have been bought back?

On or around Thursday, 23 December 2021, Westpac will send all Eligible Shareholders who have successfully sold their Shares into the Buy-Back a statement notifying them of the number of their Shares (if any) that have been bought back and the price paid for those Shares. Eligible Shareholders can also find out on or after Thursday, 23 December 2021 by calling the Westpac Buy-Back Information Line on 1800 804 255 (free call in Australia) or +61 1800 804 255 (outside Australia) (Monday to Friday, 8:30am to 7:30pm, Sydney time) and 0800 002 727 (free call in New Zealand) (Monday to Friday, 9:00am to 5:30pm, New Zealand time).

If you are a CHESS Holder, you will receive written confirmation from CHESS that an Application was successfully made on your holding by your controlling participant, which is usually your broker.

Shareholders may also access the Buy-Back confirmation statement via the Buy-Back website at westpac.com.au/buyback or through the Link Investor Centre (linkmarketservices.com.au) on or after Thursday, 23 December 2021. You will need your Holder Identification Number (**HIN**), or Securityholder Reference Number (**SRN**) and the postcode of the relevant holding.

1.15 What is a Small Residual Application?

A Small Residual Application is an Application submitted by an Eligible Shareholder who has tendered all of their Shares at one of the Discounts greater than or equal to the Buy-Back Discount and/or as a Final Price Application and who would otherwise be left with a Small Residual Holding (75 Shares or less) as a result of the Priority Allocation and/or any scale back. No scale back will apply to Small Residual Applications. Westpac will automatically buy back the Small Residual Holding, such that all Shares tendered by the Eligible Shareholder are acquired. To avoid doubt, Eligible Shareholders do not need to submit another Application in respect of a Small Residual Holding as this is automatically determined depending on your Application and any scale back.

If you do not tender all of your Shares, your Application will not be considered a Small Residual Application and any Small Residual Holding created (as a result of the application of the Priority Allocation and any scale back) will not be bought back.

If you tender all of your Shares and become the registered holder of a greater number of Shares at the Closing Date than you held on the Buy-Back Record Date, then your Application will not be a Small Residual Application. In this case, any scale back will apply to your Application as it would to any other Application, notwithstanding that the total number of Shares you can tender into the Buy-Back cannot exceed the number of Shares you held as at the Buy-Back Record Date (as set out in the Application Form).

See Section 1.16 “How would a scale back affect my Application?” for illustrative examples of how a Small Residual Application works.

SECTION 1 Overview of the Buy-Back and tender process

1.16 How would a scale back affect my Application?

There is no assurance that any Application will be successful in the Buy-Back, or that successful Applications will be accepted in full. Westpac will need to apply a scale back if the number of Shares tendered at a Discount which is greater than or equal to the Buy-Back Discount, and as Final Price Applications, would result in Westpac buying back a greater amount of capital than Westpac determines to buy back. The scale back will be undertaken on a pro-rata basis after taking into account Priority Allocations and Small Residual Applications. When the scale back is calculated, any fraction of a Share to be bought back (at an aggregate level) will be rounded down to the nearest Share.

Details of any scale back will be announced on the ASX as soon as practicable after the Closing Date. Westpac expects to make this announcement on Monday, 20 December 2021. The announcement will be available on the ASX website at asx.com.au (under the code, "WBC") and on the Buy-Back website at westpac.com.au/buyback.

To help understand how a scale back may affect your Application, two illustrative examples are below.

The examples assume that five Eligible Shareholders each holds a different number of Shares and submits an Application into the Buy-Back.

Illustrative example 1: 10% Buy-Back Discount and 25% scale back

If a 25% scale back applies and the Buy-Back Discount is 10%:

Applications at a Discount greater than 10% and Final Price Applications	Accepted in full at the Buy-Back Price.
Applications at a 10% Discount	**Priority Allocations:** Westpac will buy back the first 380 Shares. If the Eligible Shareholder offered to sell a number of Shares equal to or less than 380, then all of those Shares will be bought back.
	Other Applications: Applications for more than 380 Shares will be accepted but the excess above 380 may be scaled back on a pro-rata basis (other than Small Residual Applications).
	Small Residual Applications: All Small Residual Applications will be accepted in full.
Applications at a Discount less than 10%	Applications will be unsuccessful.
Applications conditional on a Minimum Price that is higher than the Buy-Back Price	Applications will be unsuccessful.

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SECTION 1 Overview of the Buy-Back and tender process

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In this first example, the illustrative Market Price is $25.00[1] and the Buy-Back Discount is 10%, resulting in a Buy-Back Price of $22.50. It is also assumed that the Priority Allocation is 380 Shares, the Small Residual Holding is 75 Shares and that there is a 25% scale back and that the Eligible Shareholders have not selected a Minimum Price condition. The outcome of each Application would be as follows:

Shareholder	Total holding	Shares tendered	Discount	Price represented by Discount and/or Final Price Application	Outcome
A	5,000	2,500	-	Final Price Application	Successful, all 2,500 Shares bought back
		2,500	11%	$22.25	Successful, all 2,500 Shares bought back
B	2,500	2,500	10%	$22.50	Partially successful, 1,970 Shares bought back
C	500	500	10%	$22.50	Successful, all 500 Shares bought back
D	400	350	10%	$22.50	Successful, all 350 Shares bought back
		50	9%	$22.75	Not successful, no Shares bought back
E	800	400	8%	$23.00	Not successful, no Shares bought back

Applications at a Discount of 10% (equal to the illustrative Buy-Back Discount of 10%) were scaled back. The scale back is undertaken on a pro-rata basis after taking into account Priority Allocations and Small Residual Applications. However, Applications at a Discount greater than 10% and Final Price Applications were not scaled back. Therefore, if a Shareholder wished to increase the likelihood of their Shares being bought back, they should have submitted a Final Price Application.

Shareholder A offered to sell 2,500 Shares as a Final Price Application and 2,500 Shares at an 11% Discount. The Final Price Application would be successful and all 2,500 Shares would be bought back. The Application submitted at an 11% Discount would be successful and as the nominated Discount is greater than the Buy-Back Discount, no scale back will be applied meaning all 2,500 Shares would be bought back. Following the Buy-Back, Shareholder A would be left with no Shares.

Shareholder B offered to sell 2,500 Shares at a 10% Discount. The Application would be successful but only 1,970 of the 2,500 Shares would be bought back as a result of the Priority Allocation of 380 Shares first being bought back and the 25% scale back applying to the balance of 2,120 Shares. Following the Buy-Back, Shareholder B would be left with 530 Shares.

Shareholder C offered to sell 500 Shares at a 10% Discount. Shareholder C would have the entire Application accepted in full as 470 Shares would be bought back as a result of the Priority Allocation of 380 Shares first being bought back and the 25% scale back applying to the balance of 120 Shares. The residual 30 Shares will also be bought back under the Small Residual Application. Following the Buy-Back, Shareholder C would be left with no Shares.

Shareholder D offered to sell 350 Shares at a 10% Discount and 50 Shares at a 9% Discount. Shareholder D would only have the 350 Shares at the Buy-Back Discount bought back under the Priority Allocation. Even though Shareholder D is left with a Small Residual Holding of 50 Shares after the 350 Shares are bought back, the Small Residual Holding would not be bought back because Shareholder D submitted the Application at a Discount less than the Buy-Back Discount. Following the Buy-Back, Shareholder D would be left with 50 Shares.

Shareholder E offered to sell 400 Shares at a 8% Discount, which is less than the Buy-Back Discount. Shareholder E would not have any Shares bought back. Following the Buy-Back, Shareholder E would be left with 800 Shares.

1. Please be aware that this is an example only. The Market Price and Buy-Back Price may vary. You should not rely on $25.00 being the actual Market Price, nor $22.50 being the actual Buy-Back Price.

SECTION 1 Overview of the Buy-Back and tender process

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Scale back table

Shareholder	Shares tendered at a 10% Discount (or higher Discount) or Final Price Application	Shares subject to scale back[1]	Scale back[2]	Allocation post scale back and Priority Allocation[3]	Shares remaining[4]	Small Residual Applications[5]	Shares bought back[6]
A	5,000	-	-	5,000	-	No	5,000
B	2,500	2,120	25%	1,970	530	No	1,970
C	500	120	25%	470	30	Yes	500
D	350	-	-	350	-	No	350
E	-	-	-	-	-	-	-

1. Under the Priority Allocation, the first 380 Shares are bought back from each Shareholder who sells Shares at the Buy-Back Discount, before the scale back applies. There will not be any scale back where the Application Discount is greater than the Buy-Back Discount, or for Final Price Applications.
2. A scale back of 25% means 75% of the Shares subject to scale back would be bought back (not including Priority Allocations and Small Residual Applications).
3. When the scale back is calculated, fractions will be rounded down to the nearest Share.
4. Shares remaining refers only to Shares remaining from those Shares which were tendered at a 10% Discount (or higher Discount) or as a Final Price Application.
5. Shareholder C tendered all of their Shares at a Discount equal to the Buy-Back Discount. As a result of the Priority Allocation and scale back, Shareholder C would be left with a Small Residual Holding (i.e. 75 Shares or less), meaning the Application is a Small Residual Application and these Shares will also be bought back.
6. Shares that are bought back refers only to Shares that are bought back from those Shares which are tendered at a 10% Discount (or higher Discount) or as Final Price Applications.

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Illustrative example 2: The maximum 14% Buy-Back Discount and 50% scale back

If a 50% scale back applies and the Buy-Back Discount is 14%:

Applications at a 14% Discount and Final Price Applications	**Priority Allocations:** Westpac will buy back the first 380 Shares. If the Eligible Shareholder offered to sell a number of Shares equal to or less than 380, then all of those Shares will be bought back.
	Other Applications: Applications for more than 380 Shares will be accepted but the excess above 380 may be scaled back on a pro-rata basis (other than Small Residual Applications).
	Small Residual Applications: All Small Residual Applications will be accepted in full.
Applications at a Discount less than 14%	Applications will be unsuccessful.
Applications conditional on a Minimum Price that is higher than the Buy-Back Price	Applications will be unsuccessful.

In this second example, the illustrative Market Price is $25.00[2] and the Buy-Back Discount is 14%, resulting in a Buy-Back Price of $21.50. It is also assumed that the Priority Allocation is 380 Shares, the Small Residual Holding is 75 Shares and that there is a 50% scale back and that the Eligible Shareholders have not selected a Minimum Price condition. The outcome of each Application would be as follows:

Shareholder	Total holding	Shares tendered	Discount	Price represented by Discount and/or Final Price Application	Outcome
A	5,000	2,500	-	Final Price Application	Partially successful, 1,440 Shares bought back
		2,500	13%	$21.75	Not successful, no Shares bought back
B	2,500	2,500	14%	$21.50	Partially successful, 1,440 Shares bought back
C	500	500	-	Final Price Application	Successful, all 500 Shares bought back
D	400	350	14%	$21.50	Successful, all 350 Shares bought back
		50	13%	$21.75	Not successful, no Shares bought back
E	800	400	12%	$22.00	Not successful, no Shares bought back

Shareholder A offered to sell 2,500 Shares as a Final Price Application and 2,500 Shares at a 13% Discount. The Final Price Application would be successful, but only 1,440 of the 2,500 Shares would be bought back as a result of the Priority Allocation of 380 Shares first being bought back and the 50% scale back applying to the balance of 2,120 Shares. The Application submitted at a 13% Discount would be unsuccessful as the nominated Discount is lower than the Buy-Back Discount. Following the Buy-Back, Shareholder A would be left with 3,560 Shares.

Shareholder B offered to sell 2,500 Shares at a 14% Discount. The Application would be successful but only 1,440 of the 2,500 Shares would be bought back as a result of the Priority Allocation of 380 Shares first being bought back and the 50% scale back applying to the balance of 2,120 Shares. Following the Buy-Back, Shareholder B would be left with 1,060 Shares.

Shareholder C offered to sell 500 Shares as a Final Price Application. Shareholder C would have the entire Application accepted in full as 380 Shares would be bought back following the Priority Allocation and 50% scale

2. Please be aware that this is an example only. The Market Price and Buy-Back Price may vary. You should not rely on $25.00 being the actual Market Price.

SECTION 1 Overview of the Buy-Back and tender process

back applying to the balance of 120 Shares, with the Small Residual Holding of 60 Shares bought back under the Small Residual Application. Following the Buy-Back, Shareholder C would be left with no Shares.

Shareholder D offered to sell 350 Shares at a 14% Discount and 50 Shares at a 13% Discount. Shareholder D would only have the 350 Shares at the Buy-Back Discount bought back under the Priority Allocation. The Application submitted at a 13% Discount would be unsuccessful as the nominated Discount is lower than the Buy-Back Discount. Even though Shareholder D is left with a Small Residual Holding of 50 Shares after the 350 Shares are bought back, the Small Residual Holding would not be bought back because Shareholder D submitted the Application for 50 Shares at a Discount less than the Buy-Back Discount. Following the Buy-Back, Shareholder D would be left with 50 Shares.

Shareholder E offered to sell 400 Shares at a 12% Discount, which is less than the Buy-Back Discount. Shareholder E would not have any Shares bought back. Following the Buy-Back, Shareholder E would be left with 800 Shares.

Scale back table

Shareholder	Shares tendered at a 14% Discount or Final Price Application	Shares subject to scale back[1]	Scale back[2]	Allocation post scale back and Priority Allocation[3]	Shares remaining[4]	Small Residual Applications[5]	Shares bought back[6]
A	2,500	2,120	50%	1,440	1,060	No	1,440
B	2,500	2,120	50%	1,440	1,060	No	1,440
C	500	120	50%	440	60	Yes	500
D	350	-	-	350	-	No	350
E	-	-	-	-	-	-	-

1. Under the Priority Allocation, the first 380 Shares are bought back from each Shareholder who sells Shares at the Buy-Back Discount (including Shares tendered as a Final Price Application under this example), before the scale back applies.
2. A scale back of 50% means 50% of the Shares subject to scale back would be bought back (not including Priority Allocations and Small Residual Applications).
3. When the scale back is calculated, fractions will be rounded down to the nearest Share.
4. Shares remaining refers only to Shares remaining from those Shares which were tendered at a 14% Discount or as a Final Price Application.
5. Shareholder C tendered all of their Shares as a Final Price Application. As a result of the Priority Allocation and scale back, Shareholder C would be left with a Small Residual Holding (i.e. 75 Shares or less).
6. Shares that are bought back refers only to Shares that are bought back from those Shares which are tendered at a 14% Discount or as Final Price Applications.

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SECTION 1 Overview of the Buy-Back and tender process

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1.17 Am I eligible to participate in the Buy-Back?

If you are an Eligible Shareholder, you are entitled to tender up to 100% of the Shares which are registered in your name on the Register on the Buy-Back Record Date (7:00pm (Sydney time) on Monday, 8 November 2021). Shares acquired under the DRP for the Full Year Dividend or on-market on or after the Buy-Back Ex-entitlement Date (Friday, 5 November 2021) will not be registered in your name by the Buy-Back Record Date and therefore will not carry an entitlement to participate in the Buy-Back.

The maximum number of Shares you are entitled to sell into the Buy-Back is available when you log on to the Buy-Back website, or alternatively, on your personalised Application Form enclosed with a printed copy of this booklet.

The Buy-Back Invitation is not being made to any Excluded Foreign Person. In particular, the Buy-Back Invitation is not being made to i) any person located or resident in the United States or any US Person, ii) to any resident of Canada, iii) directly or indirectly, by mail or any means or instrumentality (including, without limitation, facsimile transmission, telephone and internet) of interstate or foreign commerce of, or through any facility of a national securities exchange of, the United States, or iv) otherwise to any person who resides, or who is acting on behalf or for the account of a person who resides, outside of Australia and New Zealand. ADRs may not be tendered into the Buy-Back.

Eligibility for employee Shareholders is explained below.

1.18 Can Shares held by employees under an Employee Share Scheme be sold into the Buy-Back?

Shares and Share Rights held by employees under any Employee Share Scheme are not eligible to participate in the Buy-Back. Shares that were awarded under an Employee Share Scheme and have since vested, and are free to be traded, are eligible to participate in the Buy-Back and will be included on your Application Form.

The Board has determined that Westpac Directors and Group Executives as well as certain other management involved in the implementation of the Buy-Back may not participate in the Buy-Back in respect of any Shares held legally or beneficially by them.

1.19 Can I trade my Shares after submitting an Application?

Once you have tendered Shares into the Buy-Back, you must not sell or offer to sell those Shares before the Buy-Back Date unless you first withdraw or amend your Application. In addition, you must not convert the Shares you tender from an Issuer Sponsored Holding to a CHESS Holding or vice versa or move them between CHESS Holdings (i.e. you may not change your controlling participant).

Any Shares which you have not tendered into the Buy-Back may be sold or otherwise dealt with in the ordinary manner subject to any other restrictions applicable to those Shares.

Once you have submitted an Application, the number of Shares you have tendered will be removed from your holding and placed in a 'sub-position' in the Register. You will not be able to deal with those Shares unless those Shares have been released from the sub-position. For the Shares to be released from that sub-position before the end of the Buy-Back Period, you must withdraw or amend your Application in accordance with the procedures set out in Section 4.3 "Can I withdraw or amend my Application?" of this booklet.

Withdrawals or amendments made in accordance with these procedures may not take immediate effect. You should take this into consideration if you wish to sell any of the Shares which you have tendered. If, at the Buy-Back Date, you do not hold at least the number of Shares you successfully tendered, Westpac may, in its absolute discretion, reject your Application(s) or treat the Application(s) as if you had tendered the number of Shares held by you at the Closing Date (see Sections 5.10 "Westpac's right to accept or reject Applications and Application Forms" and 5.12 "Westpac's right to adjust Applications" for further details).

1.20 If I purchase other Shares during the Buy-Back Period, will my tendered Shares be affected?

Eligible Shareholders who tender their Shares into the Buy-Back should be able to purchase additional Shares on or after Friday, 5 November 2021 without impacting their entitlement for claiming related franking credits on Shares sold into the Buy-Back. This is because:

- those additional Shares will not carry an entitlement to participate in the Buy-Back; and
- the ATO has indicated that such additional Shares acquired on an ex-entitlement basis on or after Friday, 5 November 2021 will be excluded from the last-in first-out principle of the 45-day rule (see Section 2 "Tax consequences for Shareholders" for further details).

General information on the tax consequences for Eligible Shareholders participating in the Buy-Back is included in Section 2 "Tax consequences for Shareholders".

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1.21 Can I still vote at Westpac Shareholder meetings if I offer to sell my Shares into the Buy-Back?

Yes. Shareholders who tender their Shares into the Buy-Back will still be entitled to vote (in accordance with the voting rights attached to their Shares) at any general meeting of Westpac held during the Buy-Back Period. After the Buy-Back Date, you can vote at meetings if you continue to hold at least one Share.

1.22 Will I still receive the Full Year Dividend if my Shares are bought back?

Yes. Registered holders of Shares on the Buy-Back Record Date will receive the Full Year Dividend.

If you elect to participate in the DRP for the Full Year Dividend, any Shares allocated to you under the DRP will not be eligible to participate in the Buy-Back as the dividend payment date is after the Buy-Back Record Date.

1.23 How do I withdraw or amend my Application?

Once you have submitted an Application, it can be withdrawn or amended by following the steps set out in Section 4.3 “Can I withdraw or amend my Application?”. How you submit your Withdrawal or Amendment Form will depend on the type of holding you have. The most efficient way to ensure your withdrawal or amendment is received by the Closing Date, is to submit it online, via the Buy-Back website at westpac.com.au/buyback.

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Tax consequences for Shareholders

SECTION 2

This Section is intended to be a general summary of the tax consequences of participating in the Buy-Back.

SECTION 2 Tax consequences for Shareholders

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If you decide to participate in the Buy-Back, your actual tax consequences will depend on your individual circumstances. **It is therefore recommended that you seek professional tax advice to take into account your particular circumstances.**

To provide you with an indication of the possible Australian income tax consequences for you if you choose to participate in the Buy-Back, a tax calculator is available on the Buy-Back website at westpac.com.au/buyback.

2.1 Introduction

Unless otherwise specified, this summary is based on the Australian income tax legislation and administrative practice of the Australian Taxation Office (**ATO**) as at Monday, 1 November 2021. These laws, the interpretation of them by the courts and administrative practice may change at any time (sometimes with retrospective effect).

This summary is not exhaustive and is not intended to be tax advice for any Westpac Shareholder.

This summary is relevant to Shareholders who hold their Shares as capital assets such that the capital gains tax (**CGT**) provisions apply. Accordingly, the summary will not be relevant for all Shareholders. In particular, Shareholders who:

- carry on a business of dealing in shares or otherwise hold shares as revenue assets;
- are subject to the taxation of financial arrangements regime that affects the recognition of gains and losses in respect of their Shares; or
- acquired their Shares under an Employee Share Scheme,

may be assessed on their dealings in Shares under different tax provisions. The tax consequences for those Shareholders may differ significantly from those outlined below.

Eligible Shareholders resident in New Zealand should also note the summary of New Zealand tax implications set out at Section 2.5 "New Zealand tax implications for Shareholders".

Has the ATO issued a class ruling about the Buy-Back?

Westpac has received a draft Class Ruling from the ATO for Shareholders who participate in the Buy-Back, which provides preliminary confirmation of a number of the statements contained in this summary. The ATO will not issue the final binding Class Ruling until after the Buy-Back is completed. Once issued, the binding Class Ruling will be available on the ATO website at ato.gov.au. A link will also be posted on the Westpac Investor Centre at westpac.com.au/investorcentre. Although it is not anticipated to be the case, it is possible that the binding Class Ruling issued by the ATO may express a view contrary to that set out below.

Tax allocation

The Buy-Back is an 'off-market' buy-back for Australian income tax purposes. This means that the amount a Westpac Shareholder receives from participating in the Buy-Back will comprise:

- the Capital Component[1] (see Section 2.3 "Australian Capital Gains Tax (CGT) – Treatment of Capital Component in disposal of Shares (acquired after 19 September 1985)" below); and
- the Dividend Component – which is the Buy-Back Price less the Capital Component (see Section 2.2 "Australian income tax – Treatment of Dividend Component" below).

The Capital Component is not likely to be the capital proceeds for tax purposes. The capital proceeds for capital gains tax purposes are described in further detail in Section 2.3 "Australian Capital Gains Tax (CGT) – Treatment of Capital Component in disposal of Shares (acquired after 19 September 1985)" below.

Illustrative examples of how each of these components impact the potential Australian income tax and CGT consequences for Australian resident individuals and Australian complying superannuation funds without current pension liabilities participating in the Buy-Back are set out in Section 2.4 "Worked examples of potential Australian income tax consequences for Australian resident individuals and Australian complying superannuation funds" below.

2.2 Australian income tax – Treatment of Dividend Component

2.2.1 Australian resident Shareholders

How much dividend income must I include in my assessable income?

The Dividend Component will be a frankable distribution and is expected to be fully franked.

You must include in your assessable income, for each Share disposed of under the Buy-Back:

- a deemed dividend equal to the Dividend Component; and
- if you are entitled to the benefit of a tax offset, the franking credits attached to the Dividend Component.

The Dividend Component of Shares held by an Australian complying superannuation fund to meet current pension liabilities will be tax exempt. To that extent, a complying superannuation fund Westpac Shareholder need not include either the Dividend Component or the attached franking credit in its assessable income.

Will I be entitled to a tax offset?

If you are entitled to the benefit of franking credits on the Dividend Component (see Section 2.2.3 "Franking credit entitlements"), you should be entitled to a tax offset equal to the amount of the franking credits. The tax offset may reduce the total tax payable on your taxable income.

If you are an individual or a complying superannuation fund and your total tax offsets exceed the total tax

1. Capital Component remains subject to ATO approval.

SECTION 2 Tax consequences for Shareholders

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payable on your taxable income, you may be entitled to a cash refund of that excess.

Generally, no tax refunds will be available to companies. However, companies may be able to carry forward any losses converted from excess tax offsets to reduce tax payable in future income years.

Will an Australian resident company be entitled to a credit in its own franking account?

Yes. If the company is entitled to the benefit of franking credits on the Dividend Component (see Section 2.2.3 "Franking credit entitlements"), the company should recognise the franking credits in its franking account which can be used to frank dividends that the company pays.

2.2.2 Non-resident Shareholders

What is the tax treatment if I am not a resident of Australia?

Non-resident Shareholders should check their eligibility criteria to participate in the Buy-Back (refer to the definition of an Excluded Foreign Person in Section 6 "Glossary").

If you are a non-resident Shareholder who does not carry on business through a permanent establishment in Australia, the Dividend Component should not be subject to Australian income tax or Australian withholding tax as it is expected to be fully franked. The franking credits which are attached to the Dividend Component will generally have no further relevance for you and no part of those franking credits will be refundable by the ATO to you.

Westpac recommends that you consult your financial, taxation or other professional adviser in considering whether to participate in the Buy-Back. In considering whether to participate, you should bear in mind that any Shares bought back under the Buy-Back will be purchased at a specified discount to the Market Price.

Different consequences may arise if you hold Shares as part of a business conducted through a permanent establishment in Australia. In that case, you should obtain your own Australian tax advice before making a decision to participate in the Buy-Back.

The treatment of the Dividend Component as a deemed dividend is a function of Australian tax law and does not alter the fact that the Buy-Back Price represents the proceeds from selling Shares back to Westpac. Therefore, it cannot be assumed that the tax laws of the jurisdiction in which you reside will treat any part of the Buy-Back Price as a dividend.

The New Zealand tax implications of participating in the Buy-Back for Eligible Shareholders who are tax resident in New Zealand are discussed in Section 2.5 "New Zealand tax implications for Shareholders".

2.2.3 Franking credit entitlements

Are there any rules which might deny me the benefit of the franking credits?

The Australian tax legislation includes a number of rules which may prevent you from claiming the benefit of franking credits on the Dividend Component of the Buy-Back Price.

Where a Shareholder does not qualify for the benefit of the franking credits attached to a frankable distribution paid on the Shares, then the franking credits are not included in the assessable income of the Shareholder.

How long do I have to hold the Shares to be entitled to the franking credits?

To be entitled to franking credits on the Dividend Component you must be a 'qualified person'. You will be a qualified person if you satisfy:

- one of the specific concessions in the legislation (for example, you are an individual whose total franking credit entitlement for the income year does not exceed $5,000); and/or
- the 45-day rule.

The 45-day rule requires that if you are an Australian resident Shareholder you must have held your Shares 'at risk' for a period of at least 45 days, excluding the days of acquisition and disposal.

The 45-day rule is complex. You should obtain your own Australian taxation advice to understand how these provisions apply to you. Generally, if you are subject to the rule and you acquired all of your Shares on or before Thursday, 4 November 2021 you will have held your Shares for 45 clear days in respect of the Dividend Component.

This is on the assumption that the determination of the Buy-Back allocations occurs on Monday, 20 December 2021. As noted above, you must also hold your Shares 'at risk' in this period.

Are my Shares held 'at risk' over the 45 day period?

To be held 'at risk' you must retain more than 30% of the risks and benefits associated with holding the Shares which depends on your own particular circumstances. For example, if you undertake risk management strategies in relation to the Shares (e.g. by entering into an option or derivative in relation to the Shares) then your ability to satisfy the 'at risk' requirements may be affected.

If I acquire Shares after the Buy-Back Ex-entitlement Date, will this impact Shares tendered into the Buy-Back?

The 45-day rule operates on a last-in-first-out principle so you will be deemed, for the purpose of applying the 45-day rule, to have disposed of your most recently acquired Shares under the Buy-Back.

The ATO generally accepts that Shares purchased on or after the ex-entitlement date for an off-market buy-back (in this case, Shares purchased on or after Friday, 5 November 2021) will be excluded from the last-in-first-out rule. The acquisition of Shares on an ex-entitlement basis will therefore not affect your ability to receive franking credits on Shares acquired on or before Thursday, 4 November 2021 which are tendered into the Buy-Back. If the determination of the Buy-Back allocations occurs on a day other than Monday, 20 December 2021, these dates may alter.

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Will the anti-streaming rules deny me the benefit of franking credits?

Westpac has received a draft Class Ruling from the ATO setting out the ATO's preliminary yet considered view which confirms that the ATO will generally not make a determination to deny Shareholders the benefit of franking credits on the Dividend Component of the Buy-Back Price.

However, the particular circumstances of each participating Westpac Shareholder (including, for instance, the period the Shares are held and any arrangements in relation to the Shares) will also be relevant in determining whether the rules may deny the benefit of the tax offset and franking credits.

2.3 Australian Capital Gains Tax (CGT) – Treatment of Capital Component in disposal of Shares (acquired after 19 September 1985[2])

2.3.1 Treatment of Capital Component for Australian resident Shareholders

Shareholders participating in the Buy-Back will be deemed, for CGT purposes, to have disposed of each Share for the Capital Component[3] of $11.34 plus the amount (if any) by which the Tax Value exceeds the Buy-Back Price (**Capital Proceeds**). The date of disposal will be taken, for CGT purposes, to be the date on which Westpac accepts the Application. This is anticipated to be on Monday, 20 December 2021.

What is the Tax Value of the Shares?

The ATO's view in relation to determining the Tax Value of shares bought back off-market is set out in Taxation Determination TD 2004/22 (**TD 2004/22**). TD 2004/22 provides that the Tax Value should be determined as the volume weighted average price of the shares over the last five trading days before the first announcement of the buy-back, adjusted for the movement in the S&P/ASX 200 Index from the opening of trading on the announcement date to the close of trading on the day the buy-back closes.

TD 2004/22 also acknowledges the possibility that a company's share price will be affected by matters other than the off-market buy-back. For example, where a company's shares commence trading ex-dividend during the buy-back period, the ATO will generally allow an adjustment to the market value calculation to exclude the effect of the shares commencing to trade ex-dividend during the buy-back period on a pro-rata basis (see the adjustment in the ATO issued Practice Statement, PS LA 2007/9).

Consistent with that ATO view, the Tax Value will be determined in accordance with the following formula:

$$A \times \frac{\text{Closing level of S\&P/ASX 200 Index on the Closing Date}}{B}$$

Where:

A means the VWAP of Shares over the last five trading days before the announcement of the Buy-Back on Monday, 1 November 2021, adjusted (in accordance with the ATO issued Practice Statement, PS LA 2007/9) to take account of the Full Year Dividend that Westpac will pay.

B means the opening level of the S&P/ASX 200 Index on Monday, 1 November 2021.

If the movement in the S&P/ASX 200 Index differs significantly from the movement in Westpac's Share price on the ASX over the relevant period, Westpac may seek ATO approval to vary the methodology used to determine the Tax Value.

Westpac will not buy back any Shares for an amount in excess of the Tax Value. If the Buy-Back Price were higher than the Tax Value, a portion of the Dividend Component equal to the difference between the Buy-Back Price and the Tax Value would be deemed to be unfrankable.

Why are the Tax Value or Capital Proceeds amounts not in this booklet?

The Tax Value and Capital Proceeds both depend in part on the movement of the S&P/ASX 200 Index up to the Closing Date and so they cannot be determined until the Closing Date.

Will I have to calculate the Tax Value or the Capital Proceeds?

No. The Tax Value and Capital Proceeds will be determined by Westpac and confirmed by the ATO in the Class Ruling. Once issued, the Class Ruling will be available on the ATO website at ato.gov.au. A link will also be posted on the Westpac Investor Centre at westpac.com.au/investorcentre.

Will I make a capital gain or a capital loss on sale of Shares into the Buy-Back?

You will generally make a capital gain on a Share disposed of under the Buy-Back if the Capital Proceeds exceed the CGT cost base of your Share. Alternatively, you will generally make a capital loss for a Share disposed of under the Buy-Back if the CGT cost base of your Share exceeds the Capital Proceeds.

A capital loss that arises from the Buy-Back can only be used to offset capital gains. Capital losses not used in an income year may be carried forward to be used in a later income year.

2. Shares acquired by individuals (not acting as a trustee of a superannuation fund) on or before 19 September 1985 should not be subject to CGT in Australia. For most other Shareholders, Shares acquired on or before 19 September 1985 should generally not be subject to CGT in Australia (although for some Shareholders, including companies, there are further detailed rules which must be satisfied). If you are the trustee of a superannuation fund, Shares acquired on or before 19 September 1985 will be subject to CGT in Australia. For all Australian resident Shareholders, the Dividend Component for such Shares will still be relevant for Australian income tax purposes.
3. Capital Component remains subject to ATO approval.

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The capital loss which arises under the Buy-Back may be greater than the capital loss which may have arisen under an equivalent sale of the Shares on-market. This is because the Capital Proceeds under the Buy-Back are limited to the Capital Component[4] plus the amount (if any) by which the Tax Value exceeds the Buy-Back Price (rather than the price at which the Shareholder would have sold their Shares on-market). The lower Capital Proceeds may also mean that any capital gain which may otherwise have arisen on disposal of the Shares under the Buy-Back is reduced or eliminated.

Section 2.4 "Worked examples of potential Australian income tax consequences for Australian resident individuals and Australian complying superannuation funds" provides illustrative examples of the potential Australian income tax consequences for Australian resident individuals and Australian complying superannuation funds without current pension liabilities participating in the Buy-Back and also provides a comparison of the potential after-tax proceeds of a sale of the Shares on-market.

If I am an Australian company, will I make a capital gain or a capital loss on a sale of Shares into the Buy-Back?

If you are an Australian company, or normally taxed as an Australian company, you will generally make a capital gain on a Share disposed of under the Buy-Back if the Capital Proceeds exceed the CGT cost base of your Share.

Alternatively, you will make a capital loss for a Share disposed of under the Buy-Back if the CGT cost base of your Share exceeds the Capital Proceeds. Special rules apply to Australian companies when determining whether a capital loss arises on a Share disposed of under the Buy-Back. The capital loss is reduced (but not below nil) by the lesser of:

- the fully franked Dividend Component; and
- the amount of the capital loss that would otherwise arise.

A capital loss that arises from the Buy-Back can only be used to offset capital gains. Net capital losses not used in an income year may be carried forward to be used in a later income year.

What will be my CGT cost base?

Generally, the CGT cost base for a Share will be the amount that you paid to acquire the Share together with certain incidental costs of acquisition, for example stamp duty and brokerage, and certain incidental costs of disposal.

At what time will a capital gain or capital loss arise?

For CGT purposes, any capital gain or loss will occur on completion of the Buy-Back, which is anticipated to occur on Monday, 20 December 2021.

Will I receive a CGT discount?

Generally, if you are an Australian individual or a Australian complying superannuation fund without current pension liabilities, you make a capital gain on disposal of your Shares and you have held your Shares for more than 12 months prior to the date of disposal (anticipated to be Monday, 20 December 2021), you should be eligible for the CGT discount and need only include in your assessable income one-half (for individuals) and two-thirds (for complying superannuation funds) of any net capital gain. If you are a company you are not entitled to any CGT discount.

For the purposes of determining your net capital gain, you must take into account all capital gains and capital losses arising in the income year.

2.4 Worked examples of potential Australian income tax consequences for Australian resident individuals and Australian complying superannuation funds

The following table provides an illustrative example of the potential Australian tax consequences for Australian resident individuals and Australian complying superannuation funds without current pension liabilities from disposing of their Shares in the Buy-Back as compared to a sale of Shares on-market.

The table is an example only and is based on the following illustrative assumptions:

- a Buy-Back Price of $22.50;
- a Tax Value of $25.00;
- on-market sale at the Market Price of $25.00; and
- a cost base of $22.00 for CGT purposes.

You should not rely on $25.00 being the actual Market Price, nor $25.00 being the actual Tax Value nor $22.50 being the actual Buy-Back Price; see Section 1.12 "At what price will my Shares be bought back?" for an explanation of how the Buy-Back Price will be determined.

The table also sets out the potential after-tax proceeds of a sale of the Shares on-market. This assumes the Shares will trade on-market for an amount that is equal to the Tax Value and excludes any transaction or other incidental costs (for example brokerage).

In any event, the tax consequences for an Australian resident individual or an Australian complying superannuation fund may be different from the illustrative example because of their particular circumstances. The amounts calculated under the illustrative example will not necessarily reflect the actual tax consequences for you if you choose to participate in the Buy-Back.

Tax calculator

To provide you with an indication of the possible Australian income tax consequences for you if you choose to participate in the Buy-Back, Westpac has provided access to a tax calculator on the Buy-Back website at westpac.com.au/buyback.

4. Capital Component remains subject to ATO approval.

SECTION 2 Tax consequences for Shareholders

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		Complying superannuation funds
	Taxable income	
Per Share ($)	**Methodology**	**15.0% tax rate**
Basic illustrative assumptions[1]		
Market Price		25.00
Less: Buy-Back Discount (%)		10%
(1) Tax Value[2]		25.00
(2) Buy-Back Price		22.50
(3) Cost base		22.00
(4) Capital Component		11.34
(5) Marginal tax rate (%)[3]		15.0%
(6) CGT discount (%)		33 1/3%
Australian tax implications of sale of Shares into the Buy-Back		
Income tax consequences (Dividend Component)		
(7) Fully franked Dividend Component	*= (2) - (4)*	11.16
(8) Add: Gross up for franking credit[4]	*= (7) x 0.3/0.7*	4.78
(9) Assessable income	*= (7) + (8)*	**15.94**
(10) Tax on assessable income[3]	*= (9) x (5)*	(2.39)
(11) Tax offset for franking credits[4]	*= (8)*	4.78
(12) Net tax benefit / (cost)	*= (10) + (11)*	**2.39**
(13) After-tax proceeds of Dividend Component	***= (7) + (12)***	13.55
Capital gains tax consequences		
(14) Excess of Tax Value[2] over Buy-Back Price	*= (1) – (2)*	2.50
(15) Add: Capital Component	*= (4)*	11.34
(16) Sale consideration	***= (14) + (15)***	**13.84**
(17) Less: illustrative cost base	*= (3)*	22.00
(18) Nominal capital gain / (loss) on disposal	***= (16) - (17)***	**(8.16)**
(19) Discounted capital gain / (loss)[5]	= (18) x (100% - (6))	(5.44)
(20) Tax impact of loss / (gain)	*= (19) x (5)*	0.82
(21) Add: Capital Component	*= (4)*	11.34
(22) After-tax proceeds of Capital Component	***= (20) + (21)***	**12.16**
(23) Total after-tax proceeds	***= (13) + (22)***	**25.71**
Australian tax implications of sale of Shares on-market		
(24) Illustrative sale proceeds		25.00
(25) Less: illustrative cost base	*= (3)*	22.00
(26) Nominal capital gain / (loss) on disposal[6]	*= (24) - (25)*	3.00
(27) Discounted capital gain / (loss)[5]	= (26) x (100% - (6))	2.00
(28) Tax impact of loss / (gain)	*= (27) x (5)*	(0.30)
(29) Total after-tax proceeds	***= (24) + (28)***	**24.70**

1. Minor differences in the addition of components in this calculation are due to rounding.
2. Tax Value of the Shares is $25.00. The Tax Value will change depending on the movement of the S&P/ASX 200 Index up to the close of the Buy-Back (see Section 2.3 "Australian Capital Gains Tax (CGT) – Treatment of Capital Component in disposal of Shares (acquired after 19 September 1985)").
3. Medicare Levy (currently at the rate of 2%) applies to individuals who at any time during the income year were Australian residents. The marginal tax rate includes the Medicare Levy at a rate of 2% and does not include the Medicare Levy Surcharge which may be applicable. The liability of an individual to pay the Medicare Levy or Medicare Levy Surcharge depends on the individual's personal tax situation.

SECTION 2 Tax consequences for Shareholders

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	Australian resident individuals				
	$0-$18,200	**$18,201-$45,000**	**$45,001- $120,000**	**$120,001- $180,000**	**$180,001 +**
	0.0% tax rate	**21.0% tax rate**	**34.5% tax rate**	**39.0% tax rate**	**47.0% tax rate**
	25.00	25.00	25.00	25.00	25.00
	10%	10%	10%	10%	10%
	25.00	25.00	25.00	25.00	25.00
	22.50	22.50	22.50	22.50	22.50
	22.00	22.00	22.00	22.00	22.00
	11.34	11.34	11.34	11.34	11.34
	0.0%	21.0%	34.5%	39.0%	47.0%
	50.0%	50.0%	50.0%	50.0%	50.0%
	11.16	11.16	11.16	11.16	11.16
	4.78	4.78	4.78	4.78	4.78
	15.94	**15.94**	**15.94**	**15.94**	**15.94**
	0.00	(3.35)	(5.50)	(6.22)	(7.49)
	4.78	4.78	4.78	4.78	4.78
	4.78	**1.43**	**(0.72)**	**(1.43)**	**(2.71)**
	15.94	**12.59**	**10.44**	**9.72**	**8.45**
	2.50	2.50	2.50	2.50	2.50
	11.34	11.34	11.34	11.34	11.34
	13.84	**13.84**	**13.84**	**13.84**	**13.84**
	22.00	22.00	22.00	22.00	22.00
	(8.16)	**(8.16)**	**(8.16)**	**(8.16)**	**(8.16)**
	(4.08)	(4.08)	(4.08)	(4.08)	(4.08)
	0.00	0.86	1.41	1.59	1.92
	11.34	11.34	11.34	11.34	11.34
	11.34	**12.20**	**12.75**	**12.93**	**13.26**
	27.28	**24.79**	**23.19**	**22.66**	**21.71**
	25.00	25.00	25.00	25.00	25.00
	22.00	22.00	22.00	22.00	22.00
	3.00	3.00	3.00	3.00	3.00
	1.50	1.50	1.50	1.50	1.50
	0.00	(0.32)	(0.52)	(0.59)	(0.71)
	25.00	**24.69**	**24.48**	**24.42**	**24.30**

4. This assumes the Shareholder is fully entitled to the franking credits associated with the Dividend Component.
5. Any capital loss made should be able to be applied to offset capital gains made in the 2022 income year or later years. For the purpose of this example, we have assumed that the capital loss will be applied against capital gains arising in the same income year as the Buy-Back to which the CGT discount applies. The table also assumes that capital gains are subject to CGT discount and are not subject to indexation.
6. No transaction or other incidental costs, such as brokerage fees, have been included when selling on-market.

SECTION 2 Tax consequences for Shareholders

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2.5 New Zealand tax implications for Shareholders

The following discussion is intended only as a general summary of the New Zealand income tax implications of participating in the Buy-Back for Eligible Shareholders who are tax resident in New Zealand.

If you decide to participate in the Buy-Back, your particular tax treatment will depend on your personal tax situation. It is therefore important that you seek professional tax advice to take into account your particular situation.

For New Zealand income tax purposes, the Buy-Back Price (both the Capital Component and the Dividend Component) will be treated as a dividend for an Eligible Shareholder where the voting interest of that Eligible Shareholder in Westpac is not reduced by 15% or more (that percentage determined by reference to the voting interest held immediately prior to the Buy-Back and immediately subsequent to the Buy-Back, such voting interest to be measured by including voting interests held by certain associates). Eligible Shareholders who are tax resident in New Zealand will need to include that dividend in their assessable income and will be subject to tax in New Zealand. No tax credit is available in New Zealand for franking credits attached to the Dividend Component.

Where the voting interest of an Eligible Shareholder is reduced by 15% or more (that percentage determined by reference to the voting interest held immediately prior to the Buy-Back and immediately subsequent to the Buy-Back, such voting interest to be measured by including voting interests held by certain associates) the Buy-Back Price should not be treated as a dividend for New Zealand income tax purposes.

For those Eligible Shareholders who are tax resident in New Zealand and hold their Shares on revenue account for New Zealand income tax purposes, the Buy-Back is also treated as consideration received for the disposal of those Shares. In order to ensure there is no double taxation, for the purposes of certain provisions which apply to treat the Buy-Back Price as consideration for the disposal of the Shares, the amount treated as having been received for the disposal for the purposes of those provisions is reduced by the assessable dividend which is also treated as arising from the Buy-Back for New Zealand income tax purposes.

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Financial impact of the Buy-Back on Westpac

SECTION 3

This Section provides information on the financial impact of the Buy-Back on Westpac.

SECTION 3 Financial impact of the Buy-Back on Westpac

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3.1 Financial results

On Monday, 1 November 2021, Westpac announced its financial results for the full year ended 30 September 2021 and released its 2021 Annual Report. The announcements can be found on the Westpac Investor Centre at westpac.com.au/investorcentre or on the ASX website at asx.com.au (under the code, "WBC"). You should read the financial results so that you understand Westpac's current financial position and the information set out in Section 3.5 "What effect will the Buy-Back have on Westpac's balance sheet?" prior to making a decision on whether to participate in the Buy-Back.

3.2 Material developments

Shareholders should be aware that from time to time, Westpac may be involved in strategic initiatives and potential corporate transactions as well as settlement discussions for various litigation and regulatory investigation matters. In addition, Westpac has a number of contingent liabilities as set out in *Note 26 Provisions, contingent liabilities, contingent assets and credit commitments* to its 2021 financial statements. If there are material developments in any of these matters, or if there is a new material matter, Westpac may make an announcement to the ASX. However, where it is not appropriate to immediately disclose the matter, it may become necessary to terminate or extend the Buy-Back to ensure that the Buy-Back only proceeds in circumstances where Shareholders are fully informed of all material information. Any decision to terminate or extend the Buy-Back will be made after due consideration of the best interests of Westpac's Shareholders and would be announced to the ASX.

The COVID-19 pandemic and the measures undertaken to contain it continue to impact the global economic outlook. The impact of COVID-19 continues to evolve and remains a source of uncertainty. Further information on the impact of COVID-19 and other matters that could have a material impact on Westpac can be found in Westpac's 2021 Annual Report, which is available on the Westpac Investor Centre at westpac.com.au/investorcentre.

Announcements made by Westpac in relation to any material developments in its business are released to the ASX (under the code, "WBC") and can also be found on the Westpac Investor Centre at westpac.com.au/investorcentre.

3.3 Forward-looking statements

This booklet contains "forward-looking statements" within the meaning of the securities laws of applicable jurisdictions. Forward-looking statements include, but are not limited to, statements regarding the implementation of the Buy-Back and its effect on Westpac's business and securities. The forward-looking statements are based on views and beliefs as at the date of this booklet. They involve known and unknown assumptions, factors and risks, many of which are beyond the control of Westpac. Westpac's actual results, performance or achievements could differ materially from the results expressed in, or implied by, these forward-looking statements. Factors that could cause or contribute to such differences include the number of Shares bought back, the Buy-Back Price and general trading and economic conditions affecting Westpac.

To the maximum extent permitted by law, Westpac disclaims any responsibility for the accuracy or completeness of any forward-looking statements. Westpac will not update or revise any forward-looking statement to reflect any change in Westpac's financial position, business or status, or any change in events, conditions or circumstances on which a statement is based, except as required by law.

3.4 How will the Buy-Back be funded?

The Buy-Back is expected to be funded from Westpac's current surplus cash and liquid asset position.

Given Westpac's strong financial position, it is expected to remain well capitalised after the completion of the Buy-Back. See Sections 3.5 "What effect will the Buy-Back have on Westpac's balance sheet?" and 3.6 "What effect will the Buy-Back have on Westpac's regulatory capital position?" for the pro forma impact of the Buy-Back on Westpac's balance sheet and capital position as at 30 September 2021.

3.5 What effect will the Buy-Back have on Westpac's balance sheet?

Financial results

The financial information presented in this section is based on Westpac's financial results for the full year ended 30 September 2021 (released on Monday, 1 November 2021). Those results are available on the Westpac Investor Centre at westpac.com.au/investorcentre.

Basis of presentation of financial information

The following table sets out Westpac's Consolidated Balance Sheet as at 30 September 2021 and a Consolidated Pro Forma Balance Sheet post the Buy-Back. The Consolidated Balance Sheet presented in this section has been audited in accordance with Australian Auditing Standards.

The pro forma adjustments show the changes that would be made to Westpac's Consolidated Balance Sheet as at 30 September 2021 assuming the Buy-Back was completed and $3.5 billion worth of Shares were bought back. The total value of Shares bought back is partially reflected in a reduction in ordinary share capital ($1,764 million, as determined by the Capital Component), and the remainder is reflected in a reduction in retained profits ($1,736 million, as determined by the Dividend Component).

The financial information presented in this section has been determined in accordance with the recognition and measurement requirements of Australian Accounting Standards.

SECTION 3 Financial impact of the Buy-Back on Westpac

Consolidated Balance Sheet and Consolidated Pro Forma Balance Sheet as at 30 September 2021[1,2,3,4,5]

$m	As reported	Adjustments for Buy-Back	Pro forma
Assets			
Cash and balances with central banks	71,353	(3,500)	67,853
Collateral paid	4,232		4,232
Trading securities and financial assets measured at fair value through income statement (FVIS)	21,101		21,101
Derivative financial instruments	19,353		19,353
Investment securities	83,417		83,417
Loans	709,784		709,784
Other financial assets	6,394		6,394
Current tax assets	31		31
Life insurance assets	-		-
Investment in associates	58		58
Property and equipment	2,853		2,853
Deferred tax assets	2,437		2,437
Intangible assets	10,109		10,109
Other assets	567		567
Assets held for sale	4,188		4,188
Total assets	935,877	(3,500)	932,377
Liabilities			
Collateral received	2,368		2,368
Deposits and other borrowings	626,955		626,955
Other financial liabilities	50,309		50,309
Derivative financial instruments	18,059		18,059
Debt issues	128,779		128,779
Current tax liabilities	71		71
Life insurance liabilities	-		-
Provisions	3,571		3,571
Deferred tax liabilities	90		90
Other liabilities	3,679		3,679
Liabilities held for sale	837		837
Total liabilities excluding loan capital	834,718		834,718
Loan capital	29,067		29,067
Total liabilities	863,785		863,785
Net assets	72,092	(3,500)	68,592
Shareholders' equity			
Share capital:			
Ordinary share capital	41,601	(1,764)	39,837
Treasury shares and Restricted Share Plan (RSP) treasury shares	(606)		(606)
Reserves	2,227		2,227
Retained profits	28,813	(1,736)	27,077
Total equity attributable to owners of WBC	72,035	(3,500)	68,535
Non-controlling interests	57		57
Total shareholders' equity and Non-controlling interests	72,092	(3,500)	68,592

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SECTION 3 Financial impact of the Buy-Back on Westpac

Assumptions and basis of preparation:

1. The pro forma adjustments do not include the announcement and payment of the Full Year Dividend amounting to $2,201 million, which is scheduled to be paid on 21 December 2021. Any Shares allocated under the DRP for the Full Year Dividend are expected to be satisfied by the purchase of Shares in the market.
2. Pro forma calculations assume the Buy-Back Price is $22.50, and the number of Shares bought back is 156 million, such that $3.5 billion worth of Shares are bought back. This Buy-Back Price is an example only. You should not rely on this price as being the actual Buy-Back Price. See Section 1.12 "At what price will my Shares be bought back?" for an explanation on how the Buy-Back Price will be determined.
3. Assuming a Buy-Back Price of $22.50 per Share, $11.34 of the Buy-Back Price per Share will be debited to ordinary share capital (i.e. the Capital Component) and the assumed balance of $11.16 per Share will be debited to retained profits (i.e. the Dividend Component).
4. Incidental costs of the Buy-Back have been excluded as they are not significant to the pro forma calculation.
5. The pro forma adjustments do not include the post year-end financial impacts of the previously announced divestments expected to settle in financial year ending 30 September 2022. Westpac has announced that agreements are in place for the sale of the motor vehicle and novated leasing business, Westpac Life-NZ- Limited and the Australian life insurance businesses. Refer to *Note 37 Held for Sale* in the 2021 Annual Report for further details.

3.6 What effect will the Buy-Back have on Westpac's regulatory capital position?

Under APRA's Prudential Standards, Australian Authorised Deposit-Taking Institutions (**ADIs**), including Westpac, are required to maintain a minimum level of regulatory capital relative to risk-weighted assets (**RWA**) to meet prudential capital requirements (**PCR**).

APRA applies a tiered approach to measuring Westpac's capital adequacy[1] by assessing financial strength at three levels:

- Level 1, comprising Westpac and its subsidiary entities that have been approved by APRA as being part of a single 'Extended Licensed Entity' for the purposes of measuring capital adequacy;
- Level 2, the consolidation of Westpac and all its subsidiary entities except those entities specifically excluded by APRA regulations. The head of the Level 2 group is Westpac; and
- Level 3, the consolidation of Westpac and all its subsidiary entities.

CET1 Capital comprises the highest quality components of capital that consists of paid-up share capital, retained profits and certain reserves, less certain intangible assets, capitalised expenses and software, and investments and retained profits in insurance and funds management subsidiaries that are not consolidated for capital adequacy purposes. The ratio of CET1 Capital to RWA is called the common equity Tier 1 capital ratio or CET1 Capital Ratio.

Tier 1 Capital is the sum of CET1 Capital and Additional Tier 1 Capital. Additional Tier 1 Capital comprises high quality components of capital that consist of certain securities not included in CET1 Capital, but include loss absorbing characteristics. The ratio of Tier 1 Capital to RWA is called the Tier 1 Capital Ratio.

Total Capital is the sum of Tier 1 Capital and Tier 2 Capital. Tier 2 Capital includes subordinated instruments and other components of capital that, to varying degrees, do not meet the criteria for Tier 1 Capital, but nonetheless contribute to the overall strength of an ADI and its capacity to absorb losses. The ratio of Total Capital to RWA is called the Total Capital Ratio.

APRA's regulatory capital framework developments

APRA is proposing changes to embed the 'unquestionably strong' CET1 Capital Ratio requirement of 10.5% in the capital framework including implementation of Basel III reforms. On 21 July 2021 APRA released further guidance on capital buffers and the calculation of risk-weighted assets including for specific asset classes. As part of the proposal, APRA is intending to increase the capital conservation buffer from 2.5% to 4.0% and introduce a base level for the countercyclical capital buffer of 1.0%. As a result, the CET1 Capital Ratio requirement for the major banks is proposed to increase from 8% to 10.5% from 1 January 2023. We expect further clarity on the changes ahead of 1 January 2023.

In addition, since 31 March 2021 APRA has made the following announcements in relation to its capital framework reforms:

- APRA has released the final revised standard for *APS 111 Capital Adequacy: Measurement of Capital* effective from 1 January 2022. The final standard includes changes to the parent ADI's (Level 1) treatment of equity investments in banking and insurance subsidiaries including:
  - equity investments in subsidiaries (including any Additional Tier 1 capital and Tier 2 capital investments in subsidiaries) will be risk weighted at 250%, up to a limit of 10% of Level 1 CET1 Capital per investment; and
  - any equity investments in excess of the 10% limit will be fully deducted from Level 1 CET1 Capital in determining the Level 1 CET1 Capital Ratio.

1. Prudential Standard *APS 110 Capital Adequacy* outlines the overall framework adopted by APRA for the purpose of assessing the capital adequacy of an ADI.

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SECTION 3 Financial impact of the Buy-Back on Westpac

- The impact of this proposal on Westpac's Level 1 CET1 Capital Ratio is a decrease of approximately 0.18% on a pro forma 30 September 2021 basis. There is no impact of this proposal on Westpac's reported Level 2 CET1 Capital Ratio.
- On 10 September 2021, APRA announced it expects ADIs to reduce their Committed Liquidity Facility (**CLF**) usage to zero by 31 December 2022. Westpac's current CLF allocation is $37 billion. Westpac expects to reduce its allocation in line with APRA's announcement, and to meet its liquidity requirements by increasing its holdings of High Quality Liquid Assets.

Further details of our reported capital ratios and regulatory capital developments are set out in section 2.5 of the 2021 Full Year Financial Results announcement which can be found on the Westpac Investor Centre at westpac.com.au/investorcentre.

Westpac's capital position

As at 30 September 2021, Westpac's Level 2 CET1 Capital Ratio was 12.32% on an APRA basis.

The following table sets out Westpac's Level 2 Regulatory Capital Ratios as at 30 September 2021 and Pro Forma Regulatory Capital Ratios post the Buy-Back, assuming $3.5 billion worth of Shares are bought back. Following the Buy-Back, Westpac's capital ratios will reduce, however Westpac is expected to remain well capitalised and above APRA's 'unquestionably strong' CET1 Capital Ratio requirement of 10.5%.

Westpac's Level 2 Regulatory Capital Ratios and Pro Forma Regulatory Capital Ratios[1]

	As reported	Adjustments for Buy-Back[2,3]	Pro forma[4]
CET1 Capital Ratio	12.32%	(0.80%)	11.52%
Tier 1 Capital Ratio	14.65%	(0.80%)	13.85%
Total Capital Ratio	18.86%	(0.80%)	18.06%

Assumptions and basis of preparation:

1. Capital information and calculations are based on the existing APRA prudential capital framework, see "APRA's regulatory capital framework developments" in this Section for details on proposed changes to the APRA prudential capital framework.
2. The pro forma adjustments do not include the announcement and payment of the Full Year Dividend amounting to $2,201 million, which is scheduled to be paid on Tuesday, 21 December 2021. Any Shares allocated under the DRP for the Full Year Dividend are expected to be satisfied by the purchase of Shares in the market. The pro forma Level 2 CET1 Capital Ratio does not include the impacts of previously announced divestments expected to settle in financial year ending 30 September 2022. Westpac has announced that agreements are in place for the sale of the motor vehicle and novated leasing business, Westpac Life-NZ- Limited and the Australian life insurance businesses. The total unrealised expected Level 2 CET1 Capital Ratio benefit of the business sales that Westpac has announced and not included in the pro forma Level 2 CET1 Capital Ratio as at 30 September 2021 above is 0.29%. Refer to Westpac's FY21 Investor Discussion Pack released on 1 November 2021 which can be found on the Westpac Investor Centre at westpac.com.au/investorcentre for further details.
3. Incidental costs of the Buy-Back have been excluded as they are not significant to the pro forma calculations.
4. Rounded to the nearest hundredth of a per cent.

3.7 Impact on Westpac's franking account

The amount of franking credits that will be utilised under the Buy-Back will not be known until the Buy-Back Price and the total size of the Buy-Back are determined. By way of illustration, if it is assumed that $3.5 billion worth of Shares are bought back under the Buy-Back at a Buy-Back Price of $22.50, approximately $817 million of franking credits would be utilised. However, due to Westpac's strong franking credit position, we do not expect the Buy-Back will impact our ability to fully frank ordinary dividends in the future.

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3.8 What effect will the Buy-Back have on Westpac's issued shares?

As at 1 November 2021, Westpac had 3,669 million fully paid ordinary shares on issue.

Assuming that $3.5 billion worth of Shares are bought back, the following table sets out the number of Shares and the percentage of total issued Shares of Westpac which would be bought back assuming different Buy-Back Prices. The table is an example only and you should not rely on it as being the actual percentages of Shares which will be bought back under the Buy-Back. All Shares that Westpac buys back will be cancelled.

Discount	Buy-Back Price based on an illustrative Market Price of $25.00	Number of Shares bought back (million)	Percentage of total issued Shares of Westpac
14%	$21.50	162.8	4.4%
13%	$21.75	160.9	4.4%
12%	$22.00	159.1	4.3%
11%	$22.25	157.3	4.3%
10%	$22.50	155.6	4.2%
9%	$22.75	153.8	4.2%
8%	$23.00	152.2	4.1%

The Buy-Back is expected to help optimise Westpac's capital position while remaining above APRA's 'unquestionably strong' CET1 Capital Ratio requirement of 10.5%, and allows Westpac to maintain sufficient capital to support customers and growth. Following completion of the Buy-Back, there will be fewer Shares on issue, which will help support Return on Equity, Earnings per Share and Dividend per Share, all things being equal.

Westpac cannot guarantee any improvement in financial performance or Shareholder returns in the future, as this will depend on a number of factors, including underlying business performance, macroeconomic conditions and competitive pressures, some of which are outside Westpac's control.

3.9 What effect will the Buy-Back have on the control of Westpac?

Westpac has a diverse Shareholder base. Given the amount of Shares Westpac expects to buy back under the Buy-Back, the Buy-Back is not expected to have any control implications for Westpac.

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How do I participate in the Buy-Back?

SECTION 4

This Section provides details on the steps you need to follow if you choose to participate in the Buy-Back after having read this booklet and obtained any relevant professional advice.

SECTION 4 How do I participate in the Buy-Back?

4.1 Overview – how to participate in the Buy-Back

Eligible Shareholders can participate in the Buy-Back by either applying online or completing a personalised Application Form.

Shares are listed on both the ASX and the NZX. Please note that the processes involved in applying, including the Application Forms and how to submit an Application Form, are different and will depend on where your Shares are listed and whether your registered address is in Australia or New Zealand.

Applying online at westpac.com.au/buyback (Shares listed on the ASX)

This is the most efficient way of ensuring that your Application is received by 7:00pm (Sydney time) on the Closing Date (Friday, 17 December 2021).

Step 1. Go to the Buy-Back website at westpac.com.au/buyback and follow the instructions.

Step 2. On the Buy-Back home webpage, select "Online Application".

Step 3. You will be directed to the Registrar's website to login. Follow the instructions to complete and lodge your Application Form.

Eligible Shareholders will require their SRN/HIN and the postcode of their relevant holding. Your SRN/HIN can be found on certain Shareholder forms or statements previously provided to you.

Eligible Employees will require their Employee ID and PIN. Your PIN will be sent to you by email or, by mail on a Buy-Back information flyer, if you do not have a valid email address attached to your relevant holding.

If you are unable to locate your SRN/HIN or Employee ID and/or PIN, you can contact the Westpac Buy-Back Information Line on 1800 804 255 (free call in Australia) or +61 1800 804 255 (outside Australia) (Monday to Friday, 8:30am to 7:30pm, Sydney time) and 0800 002 727 (free call in New Zealand) (Monday to Friday, 9:00am to 5:30pm, New Zealand time).

Applying by completing a printed personalised Application Form (Shares listed on the ASX)

If you received a printed copy of this booklet, you will have also received a personalised Application Form specific to Shares listed on the ASX.

Please complete your personalised Application Form and return it to the Registrar ensuring that it is received by 7:00pm (Sydney time) on the Closing Date, Friday, 17 December 2021. Please allow sufficient time for your Application Form to be returned given the longer than usual delivery times due to COVID-19.

For more information on dealing with your Application: Issuer Sponsored Shares, refer to Section 4.2.1 "Applications for Issuer Sponsored Holdings (Shares listed on the ASX)"; and CHESS Sponsored Shares, refer to Section 4.2.2 "Applications for CHESS Holdings (Shares listed on the ASX)".

If you would like a personalised Application Form, or you have any questions in relation to the processing of your Application Form, please contact the Westpac Buy-Back Information Line on 1800 804 255 (free call in Australia) or +61 1800 804 255 (outside Australia) (Monday to Friday, 8:30am to 7:30pm, Sydney time) and 0800 002 727 (free call in New Zealand) (Monday to Friday, 9:00am to 5:30pm, New Zealand time).

Applying by completing a printed personalised Application Form (Shares listed on the NZX)

To apply you must request a printed copy of this booklet and a personalised Application Form specific to Shares listed on the NZX using the contact details below. An online Application Form is not available for Shares listed on the NZX.

Please complete your personalised Application Form and return it to the Registrar ensuring that it is received by 7:00pm (Sydney time) on the Closing Date, Friday, 17 December 2021. Please allow sufficient time for your Application Form to be returned given the longer than usual delivery times due to COVID-19.

For more information on dealing with your Application refer to Section 4.2.3 "Applications for New Zealand Holdings (Shares listed on the NZX with a Common Shareholder Number (CSN) or Holder Number)".

If you would like a personalised Application Form, or you have any questions in relation to the processing of your Application Form, please contact the Westpac Buy-Back Information Line on 1800 804 255 (free call in Australia) or +61 1800 804 255 (outside Australia) (Monday to Friday, 8:30am to 7:30pm, Sydney time) and 0800 002 727 (free call in New Zealand) (Monday to Friday, 9:00am to 5:30pm, New Zealand time).

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SECTION 4 How do I participate in the Buy-Back?

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Please complete the following steps to participate in the Buy-Back. See Section 7 "Sample completed Application Forms" for illustrative examples of completed Application Forms.

Step 1

Decide the number of Shares you wish to sell

If you decide to participate in the Buy-Back, you will need to decide how many Shares you wish to sell.

If you hold more than 380 Shares (as at the Buy-Back Record Date), you may tender any number of your Shares into the Buy-Back (up to your maximum as stated on your Application Form, but not less than 380 Shares).

If you hold 380 Shares or less (as at the Buy-Back Record Date) and you wish to participate in the Buy-Back, you may only tender all of your Shares into the Buy-Back.

You must not, before the Buy-Back Date, sell or offer to sell to anyone else the Shares you have tendered in the Buy-Back, unless you first withdraw or amend your Application (see Section 1.19 "Can I trade my Shares after submitting an Application?").

Step 2

Select your Discount(s) and/or tender your Shares as a Final Price Application

Once you have determined the number of Shares you wish to sell, you need to select the Discount(s) to the Market Price at which you are willing to sell those Shares.

You may tender your Shares at any of the specified Discounts to the Market Price in the Discount range of 8% to 14% inclusive (at 1% intervals), and/or as a Final Price Application. The Discount at which you tender your Shares will represent the lowest price (i.e. the largest Discount to the Market Price) at which Westpac will buy back your Shares if your Application is successful.

Therefore, you will have a greater chance of having your Shares bought back in the Buy-Back if you tender your Shares at a 14% Discount or as a Final Price Application. See Section 1.9 "What is a Final Price Application?" for more detail on a Final Price Application.

If you hold more than 380 Shares, you may tender different parcels of your Shares at different Discounts and/or as a Final Price Application. However, you must tender a minimum of 380 Shares in aggregate. Further, you may not tender the same Shares at different Discounts (or at both a Discount and as a Final Price Application). Each parcel of Shares tendered at a different Discount or as a Final Price Application is a separate Application. The total number of Shares you tender into the Buy-Back must not exceed the number of Shares you held as at the Buy-Back Record Date (as set out on your Application Form).

If you hold 380 Shares or less, you may only submit one Application in respect of all of your Shares and it must be at one of the Discounts or as a Final Price Application. Your Application will only be successful if it is at a Discount greater than or equal to the Buy-Back Discount or is a Final Price Application.

Step 3

Select your Minimum Price (optional)

In addition to choosing to tender your Shares at one or more Discounts and/or as a Final Price Application, you may also select one of the four Minimum Prices listed on the Application Form.

If you select a Minimum Price and the Buy-Back Price is lower than your Minimum Price, your Shares will not be bought back.

See Section 1.11 "What is a Minimum Price?" for more detail on a Minimum Price.

Step 4

Submit your Application(s)

Once you have determined:

- the number of Shares you wish to sell;
- your Discount(s) and/or to tender any of your Shares as a Final Price Application; and
- if you so choose, your Minimum Price,

you should submit your Application if you wish to participate. The way you complete Step 4 and submit your Application Form will depend on the type of holding you have. This will be specified on your Application Form.

Applications must be received no later than 7:00pm (Sydney time) on the Closing Date (Friday, 17 December 2021). Hand delivery in Auckland, New Zealand must be received by 5:00pm (New Zealand time) on the Closing Date.

SECTION 4 How do I participate in the Buy-Back?

4.2 Specific instructions by type of Shareholding

4.2.1 Applications for Issuer Sponsored Holdings (Shares listed on the ASX)

You have an Issuer Sponsored Holding if the registered title of your holding of Shares is maintained on the issuer sponsored subregister administered by the Registrar. If you have an Issuer Sponsored Holding then you will have a SRN which starts with the letter "I". On the issuer sponsored subregister, you will have one SRN for each holding and if you have a portfolio of shares, then you may have more than one SRN.

If you would like a personalised Application Form, or you have any questions in relation to the processing of your Application Form, please contact the Westpac Buy-Back Information Line on 1800 804 255 (free call in Australia) or +61 1800 804 255 (outside Australia) (Monday to Friday, 8:30am to 7:30pm, Sydney time) and 0800 002 727 (free call in New Zealand) (Monday to Friday, 9:00am to 5:30pm, New Zealand time).

Submit online (Shares listed on the ASX)

Visit the Buy-Back website at westpac.com.au/buyback, select "Online Application", and follow the instructions to submit your Application. You will receive confirmation that your Application has been submitted.

Submit by mail (Shares listed on the ASX)

Complete and sign your personalised Application Form and return it to the Registrar as set out below.

Australian residents

Mail to:

Westpac Buy-Back Offer
C/- Link Market Services Limited
PO Box 1512
Sydney South NSW 1234

New Zealand residents

Mail to:

Westpac Buy-Back Offer
C/- Link Market Services Limited
PO Box 91976
Victoria Street West
Auckland 1142

Hand deliver, during office hours to:

Westpac Buy-Back Offer
C/- Link Market Services Limited
Level 30, PwC Tower
15 Customs Street West
Auckland 1010

(Monday to Friday, 9:00am to 5:00pm, New Zealand time)

You can use the applicable reply-paid envelope and personalised Application Form supplied with the booklet if you are posting your Application Form in Australia or New Zealand.

Your completed Application Form (personalised Application Form or online Application) must be received by the Registrar by no later than 7:00pm (Sydney time) on the Closing Date (Friday, 17 December 2021). Hand delivery in Auckland, New Zealand must be received by 5:00pm (New Zealand time) on the Closing Date.

You should allow sufficient time if you are submitting your personalised Application Form by mail.

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SECTION 4 How do I participate in the Buy-Back?

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4.2.2 Applications for CHESS Holdings (Shares listed on the ASX)

You have a CHESS Holding if the registered title of your holding of Shares is maintained on the CHESS subregister administered by ASX Settlement. If you have a CHESS Holding then you will have a HIN which starts with the letter "X".

You can choose to submit your Application online or by contacting your controlling participant (usually your broker). If you choose not to submit an Application Form online, please see the instructions below on how to instruct your controlling participant. You may request a printed Application Form to provide those instructions.

Submit online (Shares listed on the ASX)

Visit the Buy-Back website at westpac.com.au/buyback, select "Online Application", and follow the instructions to submit your Application. You will receive confirmation that your Application has been submitted.

If you are a CHESS Holder, Westpac strongly recommends that you submit your Application online by no later than 5:00pm on Thursday, 16 December 2021. This is because the Registrar will need to confirm with your controlling participant (usually your broker) any online Application submission before it can be taken as valid. There may not be sufficient time to do so for any online Applications submitted by CHESS Holders after 5:00pm on Thursday, 16 December 2021.

Neither Westpac nor the Registrar will be responsible should your controlling participant not acknowledge and confirm your Application in sufficient time.

Instruct your controlling participant (Shares listed on the ASX)

You will need to instruct your controlling participant (usually your broker) in sufficient time for them to process your Application by 7:00pm (Sydney time) on the Closing Date (Friday, 17 December 2021).

Westpac strongly recommends that you instruct your controlling participant by no later than 5:00pm on Thursday, 16 December 2021. The name of the controlling participant who manages your CHESS Holding as at the Record Date is shown on your Application Form.

You will receive written confirmation from CHESS of your Applications that were successfully made on your holding by your controlling participant. You should be aware that, irrespective of its wording, this confirmation from CHESS is not an acceptance by Westpac of any Application.

If you have a CHESS Holding, do NOT send your personalised Application Form to the Registrar.

If you do return your completed Application Form to the Registrar instead of your controlling participant, the Registrar will endeavour to contact your controlling participant on your behalf and relay your instructions but makes no guarantee that it will do so. It is your controlling participant's responsibility to acknowledge and accept these instructions so please ensure you allow sufficient time to do so. Neither Westpac nor the Registrar will be responsible should your controlling participant not acknowledge and accept your instructions. If you are in doubt, you should submit your Application Form online at westpac.com.au/buyback.

If you would like a personalised Application Form, or you have any questions in relation to the processing of your Application Form, please contact the Westpac Buy-Back Information Line on 1800 804 255 (free call in Australia) or +61 1800 804 255 (outside Australia) (Monday to Friday, 8:30am to 7:30pm, Sydney time) and 0800 002 727 (free call in New Zealand) (Monday to Friday, 9:00am to 5:30pm, New Zealand time).

SECTION 4 How do I participate in the Buy-Back?

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4.2.3 Applications for New Zealand Holdings (Shares listed on the NZX with a Common Shareholder Number (CSN) or Holder Number)

You have NZX listed Shares if the registered title of your holding is held on the New Zealand register. If your Shares are listed on the NZX, you will have either a CSN, which is a 9-digit number, or a Holder Number which starts with the letter "R" followed by your number. On the New Zealand register, you will have either one CSN for your portfolio of shares or an individual Holder Number for each holding.

Submit by mail (Shares listed on the NZX)

Complete and sign your personalised Application Form and return it to the Registrar as set out below.

New Zealand residents

Mail to:

Westpac Buy-Back Offer
C/- Link Market Services Limited
PO Box 91976
Victoria Street West
Auckland 1142

Hand deliver, during office hours to:

Westpac Buy-Back Offer
C/- Link Market Services Limited
Level 30, PwC Tower
15 Customs Street West
Auckland 1010

(Monday to Friday, 9:00am to 5:00pm, New Zealand time)

Australian residents

Mail to:

Westpac Buy-Back Offer
C/- Link Market Services Limited
PO Box 1512
Sydney South NSW 1234

You can use the applicable reply-paid envelope and personalised Application Form supplied with the booklet if you are posting your Application Form in Australia or New Zealand.

If you would like a personalised Application Form, or you have any questions in relation to the processing of your Application Form, please contact the Westpac Buy-Back Information Line on 1800 804 255 (free call in Australia) or +61 1800 804 255 (outside Australia) (Monday to Friday, 8:30am to 7:30pm, Sydney time) and 0800 002 727 (free call in New Zealand) (Monday to Friday, 9:00am to 5:30pm).

Your completed personalised Application Form must be received by the Registrar by no later than 7:00pm (Sydney time) on the Closing Date (Friday, 17 December 2021). Hand delivery in Auckland, New Zealand must be received by 5:00pm (New Zealand time) on the Closing Date.

You should allow sufficient time if you are submitting your personalised Application Form by mail.

4.3 Can I withdraw or amend my Application?

Once you have submitted an Application, it can be withdrawn or amended by following the steps set out below. How you submit your Withdrawal/Amendment Form will depend on the type of holding you have. The most efficient way to ensure your Withdrawal/Amendment Form is received by the Closing Date, is to submit it online, via the Buy-Back website at westpac.com.au/buyback.

4.3.1 Withdrawal or amendment for Issuer Sponsored Holdings (Shares listed on the ASX)

To withdraw or amend an Application that has been received by the Registrar, you will need to submit an online or printed Withdrawal/Amendment Form.

You may submit a withdrawal or amendment request online irrespective of how you lodged your original Application.

Your Withdrawal/Amendment Form must be received by 7:00pm (Sydney time) on the Closing Date (Friday, 17 December 2021). Hand delivery in Auckland, New Zealand must be received by 5:00pm (New Zealand time) on the Closing Date.

SECTION 4 How do I participate in the Buy-Back?

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If the Registrar does not receive your Withdrawal/Amendment Form by these times (online, by mail or hand delivery), your withdrawal or amendment will not be effective. You may not withdraw or amend any of your Applications after these times.

Submit online (Shares listed on the ASX)

Step 1. Go to the Buy-Back website at westpac.com.au/buyback and follow the instructions.

Step 2. On the Buy-Back home webpage, select "Online Application".

Step 3. You will be directed to the Registrar's website to login. Once logged in your current Application details will be displayed. Follow the instructions to complete and lodge your Withdrawal/Amendment Form.

You will receive confirmation that your withdrawal or amendment has been submitted.

Eligible Shareholders will need their SRN and the postcode of their relevant holding, and Eligible Employees will need their Employee ID and PIN.

Submit by mail (Shares listed on the ASX)

If you choose not to submit a withdrawal or amendment request online, you can obtain a printed Withdrawal/Amendment Form by contacting the Westpac Buy-Back Information Line on 1800 804 255 (free call in Australia) or +61 1800 804 255 (outside Australia) (Monday to Friday, 8:30am to 7:30pm, Sydney time) and 0800 002 727 (free call in New Zealand) (Monday to Friday, 9:00am to 5:30pm, New Zealand time).

Complete and send the Withdrawal/Amendment Form as per the instructions below:

Withdrawal of Applications – To withdraw all of your Application(s) you must tick the 'Withdrawal' box on the Withdrawal/Amendment Form, sign the form and send it to the Registrar.

Amendment of Applications – If you wish to change the terms of some or all of your Applications or you wish to withdraw some (but not all) of your Applications, you must tick the 'Amendment' box on the Withdrawal/Amendment Form, complete the details of all of your Applications on that form in accordance with the instructions shown on it (as if you had not previously submitted any), sign the form and send it to the Registrar.

If your Withdrawal/Amendment Form is incomplete or incorrect, the Registrar will attempt to contact you before the Closing Date. Where there is insufficient time or you cannot be contacted, your Withdrawal/Amendment Form will not be accepted and your existing Application may be accepted by Westpac under the Buy-Back.

Withdrawal/Amendment Forms:

Australian residents

Mail to:

Westpac Buy-Back Offer
C/- Link Market Services Limited
PO Box 1512
Sydney South NSW 1234

New Zealand residents

Mail to:

Westpac Buy-Back Offer
C/- Link Market Services Limited
PO Box 91976
Victoria Street West
Auckland 1142

Hand deliver, during office hours to:

Westpac Buy-Back Offer
C/- Link Market Services Limited
Level 30, PwC Tower
15 Customs Street West
Auckland 1010

(Monday to Friday, 9:00am to 5:00pm, New Zealand time)

You can use the applicable reply-paid envelope supplied if you are posting your Withdrawal/Amendment Form in Australia or New Zealand.

You should allow sufficient time for your Withdrawal/Amendment Form to be received by the Registrar prior to the Closing Date. If you have any doubt that your printed Withdrawal/Amendment Form will be received by the Registrar in time, we recommend that you withdraw or amend your Application online via the Buy-Back website at westpac.com.au/buyback.

SECTION 4 How do I participate in the Buy-Back?

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4.3.2 Withdrawal or amendment for CHESS Holdings (Shares listed on the ASX)

If you have a CHESS Holding and you wish to withdraw or amend an Application, you can submit your instructions online or instruct your controlling participant. You may submit a withdrawal or amendment request online irrespective of how you lodged your original Application. If you choose not to submit a Withdrawal/Amendment Form online, please see the instructions below on how to instruct your controlling participant (usually your broker). You may request a printed Withdrawal/Amendment Form to provide those instructions.

Your instructions must be received in sufficient time for your controlling participant to process your withdrawal or amendment by no later than 7:00pm (Sydney time) on the Closing Date (Friday, 17 December 2021). If the instructions are not received and processed by this time, your withdrawal or amendment will not be effective. You may not withdraw or amend any of your Applications after this time.

Westpac strongly recommends that you instruct your controlling participant by no later than 5:00pm on Thursday, 16 December 2021.

Submit online (Shares listed on the ASX)

Step 1. Go to the Buy-Back website at westpac.com.au/buyback and follow the instructions.

Step 2. On the Buy-Back home webpage, select "Online Application".

Step 3. You will be directed to the Registrar's website to login. Once logged in your current Application details will be displayed. Follow the instructions to complete and lodge your Withdrawal/Amendment Form.

You will receive a confirmation of submission of your withdrawal or amendment.

Eligible Shareholders will need their HIN and the postcode of their relevant holding.

Instruct your controlling participant (Shares listed on the ASX)

If you choose not to submit a withdrawal or amendment request online, you need to contact your controlling participant (usually your broker) and provide relevant instructions.

You can obtain a printed Withdrawal/Amendment Form, which can be used to instruct your controlling participant by contacting the Westpac Buy-Back Information Line on 1800 804 255 (free call in Australia) or +61 1800 804 255 (outside Australia) (Monday to Friday, 8:30am to 7:30pm, Sydney time) and 0800 002 727 (free call in New Zealand) (Monday to Friday, 9:00am to 5:30pm, New Zealand time).

The effect of your controlling participant withdrawing or amending one or more of your Applications will be to withdraw your original Application(s), and in the case of an amendment, to replace your previous Applications with new Applications.

You will receive written confirmation from CHESS of your withdrawals or amendments made in relation to your holding by your controlling participant. Irrespective of its wording, this confirmation from CHESS is not an acceptance by Westpac of your withdrawal or amendment of any Application.

If you have a CHESS Holding, do NOT send a Withdrawal/Amendment Form to the Registrar.

If you do return your completed Withdrawal/Amendment Form to the Registrar instead of your controlling participant, the Registrar will endeavour to contact your controlling participant on your behalf and relay your instructions but makes no guarantee that it will do so. It is your controlling participant's responsibility to acknowledge and accept these instructions so please ensure you allow sufficient time to do so. Neither Westpac nor the Registrar will be responsible should your controlling participant not acknowledge and accept your instructions. If you are in doubt, you should submit your Withdrawal/Amendment Form online at westpac.com.au/buyback.

SECTION 4 How do I participate in the Buy-Back?

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4.3.3 Withdrawal or amendment for New Zealand Holdings (Shares listed on the NZX with a Common Shareholder Number or Holder Number)

To withdraw or amend an Application that has been received by the Registrar, you will need to submit a printed Withdrawal/Amendment Form. An online Withdrawal/Amendment Form is not available for Shares listed on the NZX.

You can obtain a printed Withdrawal/Amendment Form by contacting the Westpac Buy-Back Information Line on 1800 804 255 (free call in Australia) or +61 1800 804 255 (outside Australia) (Monday to Friday, 8:30am to 7:30pm, Sydney time) and 0800 002 727 (free call in New Zealand) (Monday to Friday, 9:00am to 5:30pm, New Zealand time).

Your Withdrawal/Amendment Form must be received by 7:00pm (Sydney time) on the Closing Date (Friday, 17 December 2021). Hand delivery in Auckland, New Zealand must be received by 5:00pm (New Zealand time) on the Closing Date.

If the Registrar does not receive your Withdrawal/Amendment Form by these times (by mail or hand delivery), your withdrawal or amendment will not be effective. You may not withdraw or amend any of your Applications after these times.

Submit by mail (Shares listed on the NZX)

Complete and send the Withdrawal/Amendment Form as per the instructions below:

Withdrawal of Applications – To withdraw all of your Application(s) you must tick the 'Withdrawal' box on the Withdrawal/Amendment Form, sign the form and send it to the Registrar.

Amendment of Applications – If you wish to change the terms of some or all of your Applications or you wish to withdraw some (but not all) of your Applications, you must tick the 'Amendment' box on the Withdrawal/Amendment Form, complete the details of all of your Applications on that form in accordance with the instructions shown on it (as if you had not previously submitted any), sign the form and send it to the Registrar.

If your Withdrawal/Amendment Form is incomplete or incorrect, the Registrar will attempt to contact you before the Closing Date. Where there is insufficient time or you cannot be contacted, your Withdrawal/Amendment Form will not be accepted and your existing Application may be accepted by Westpac under the Buy-Back.

Withdrawal/Amendment Forms:

New Zealand residents

Mail to:

Westpac Buy-Back Offer
C/- Link Market Services Limited
PO Box 91976
Victoria Street West
Auckland 1142

Hand deliver, during office hours to:

Westpac Buy-Back Offer
C/- Link Market Services Limited
Level 30, PwC Tower
15 Customs Street West
Auckland 1010

(Monday to Friday, 9:00am to 5:00pm, New Zealand time)

Australian residents

Mail to:

Westpac Buy-Back Offer
C/- Link Market Services Limited
PO Box 1512
Sydney South NSW 1234

You can use the applicable reply-paid envelope supplied if you are posting your Withdrawal/Amendment Form in Australia or New Zealand.

You should allow sufficient time for your Withdrawal/Amendment Form to be received by the Registrar prior to the Closing Date.

SECTION 4 How do I participate in the Buy-Back?

4.4 How will I receive payment for Shares bought back?

If you have an existing direct credit instruction to an Australian or New Zealand bank account for the payment of dividends on your Shares recorded on the Register at 7:00pm (Sydney time) on the Closing Date (Friday, 17 December 2021), all proceeds due to you under the Buy-Back will be credited to your nominated bank account. Payment will be made by direct credit only. No cheques will be issued.

To receive your Buy-Back proceeds in an account that is different from your current direct credit instructions, or if you do not have any payment instructions lodged with the Registrar, you can update or provide your payment instructions online during the Application process or by mail with a personalised Application Form. Please note that if you alter your nominated bank account details or provide new details, this will be taken to be your nominated bank account for future dividend payments.

Buy-Back statements will be made available online or mailed to you at your address on Thursday, 23 December 2021, in accordance with your communication preferences as shown on the Register as at 7:00pm (Sydney time) on the Closing Date (Friday, 17 December 2021).

Payments to bank accounts are expected to be completed on Thursday, 23 December 2021, which will satisfy Westpac's obligation to pay you for any Shares bought back.

To avoid having Buy-Back proceeds withheld, Eligible Shareholders who choose to participate in the Buy-Back must ensure they have up-to-date direct credit instructions in the Share Register. This may be particularly relevant for full participants in Westpac's Dividend Reinvestment Plan (DRP).

Instructions need to be updated by 7:00pm (Sydney time) on the Closing Date (Friday, 17 December 2021), to avoid any Buy-Back proceeds being withheld.

Banking instructions can also be updated by logging into the Link Investor Centre, Australia (Shares listed on the ASX) at linkmarketservices.com.au or Link Market Services, New Zealand (Shares listed on the NZX) at linkmarketservices.co.nz or by returning a completed direct credit of payment form to the respective Registrars before 7:00pm (Sydney time) on the Closing Date (Friday, 17 December 2021).

On or after Thursday, 23 December 2021, Westpac will send a notice to all Eligible Shareholders who have had their payments withheld. Eligible Shareholders who provide their bank account details to the Registrar after this time will be paid the proceeds due to them under the Buy-Back as soon as reasonably practicable after receipt of the new bank account instructions.

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Additional information

SECTION 5

This Section sets out further details of the Buy-Back, including the Buy-Back Terms and Conditions, and important information for joint Shareholders, trustees and nominees.

SECTION 5 Additional information

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5.1 Excluded Foreign Persons and persons not entitled to participate in the Buy-Back

Certain Shareholders are not eligible to participate in the Buy-Back. In particular, the Buy-Back Invitation is not made to any Excluded Foreign Person (refer to the definition of an Excluded Foreign Person in Section 6 "Glossary").

An Excluded Foreign Person is a person who resides, or who is acting on behalf or for the account of a person who resides, outside of Australia and New Zealand, including any person who is (or who is acting for the account or benefit of a person who is) located or resident in the United States, a US Person or a resident of Canada. Copies of the Buy-Back Documents must not be sent, directly or indirectly, by mail or any means or instrumentality (including, without limitation, facsimile transmission, telephone and internet) of interstate or foreign commerce of, or through any facility of a national securities exchange of, the United States, or otherwise distributed or sent outside of Australia and New Zealand (including into the United States or Canada).

Any person receiving any of the Buy-Back Documents must not, directly or indirectly, distribute or send them into any jurisdiction, or otherwise make them available to any person in any jurisdictions, where to do so would breach the laws of that jurisdiction. For the avoidance of doubt, any person receiving any of the Buy-Back Documents must not, directly or indirectly, distribute or send them into the United States or Canada, or make them available to any Excluded Foreign Person.

Without limiting the rights that Westpac otherwise has in relation to Applications, an Application submitted by an Excluded Foreign Person will not be accepted. By submitting an Application Form, you warrant that you are not an Excluded Foreign Person. Westpac will not accept Application Forms from any person who does not represent that they are not an Excluded Foreign Person.

5.2 Shares held by trustees, nominees or other intermediaries

Trustees, nominees and other intermediaries who hold Shares should inform the beneficial owners of the Shares about the Buy-Back, subject to any legal restrictions in the countries where such beneficial owners are resident and provided such persons are not Excluded Foreign Persons, and then aggregate all Applications received from beneficial owners who are not Excluded Foreign Persons. It is the responsibility of the trustee or nominee to complete one aggregated Application Form on behalf of all beneficial owners.

Trustees, nominees or other intermediaries who hold Shares on behalf of, or for the account of, a US Person or a resident of Canada or a person located or resident in the United States must not inform any such person of the Buy-Back and may not forward materials relating to the Buy-Back to such person. It is the responsibility of the trustee, nominee or other intermediary to ensure that, when completing an aggregated Application Form, it does not include any tender on behalf of such persons.

For Issuer Sponsored Holdings, the trustee or nominee must ensure that an aggregated Application Form is received by the Registrar by 7:00pm (Sydney time) on the Closing Date (Friday, 17 December 2021). For CHESS Holdings, the trustee or the nominee will need to aggregate all Applications received from beneficial owners and provide instructions to its controlling participant in time for the aggregated Application to be processed by 7:00pm (Sydney time) on the Closing Date (Friday, 17 December 2021). Westpac strongly recommends that you submit your CHESS Holding Applications online by no later than 5:00pm on Thursday, 16 December 2021. This is because the Registrar will need to confirm with your controlling participant any online submission of your Application before it can be taken as validly submitted. There may not be sufficient time to do so for any online Applications submitted by CHESS Holders after 5:00pm on Thursday, 16 December 2021. Neither Westpac nor the Registrar will be responsible should your controlling participant not acknowledge and confirm your Application in sufficient time.

Please note any scale back that applies to Shares tendered by trustees and nominees will be applied on a registered Shareholder basis.

5.3 Shares held under an Employee Share Scheme

Shares and Share Rights held by employees under any Employee Share Scheme are not eligible to participate in the Buy-Back. Shares that were awarded under an Employee Share Scheme which have since vested, and are free to be traded, are eligible to participate in the Buy-Back and will be included on your Application Form.

5.4 Margin lending and other arrangements

If you hold Shares under margin lending arrangements or if they are held as security for a loan or as ASX Clear Pty Limited collateral, you should ensure that your participation in the Buy-Back is permitted by those margin lending arrangements, the terms and conditions of that particular loan or by ASX Clear Pty Limited.

5.5 Eligible Shareholders with more than one holding of Shares

You will receive the Buy-Back information flyer or an email notification for each separate registered holding of Shares. For example, if you hold some Shares in your name and some Shares jointly, you will receive two Buy-Back information flyers or email notifications. You may tender Shares into the Buy-Back from any or all of your separate registered holdings, provided

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that you complete the Application Form (personalised Application Form or online Application) and follow the instructions for each holding you wish to tender. Any scale back that applies to Shares tendered into the Buy-Back will be applied to each of those registered holdings as if they were held by different persons.

5.6 Joint Shareholders

If you hold your Shares jointly with another Eligible Shareholder (for example, your spouse) and you have an Issuer Sponsored Holding, you must complete and return the Application Form in accordance with the instructions for joint Shareholders on the Application Form.

All joint Shareholders must be Eligible Shareholders to be able to participate in the Buy-Back.

5.7 Restrictions on Application acceptances

Westpac will not accept any Application that it may not lawfully accept or which, if accepted, would give rise to an illegal or unenforceable Buy-Back Contract or a Buy-Back Contract that Westpac cannot otherwise perform.

5.8 Restrictions on the payment of Buy-Back proceeds

Westpac will pay the Buy-Back Price for each Share bought back, unless it is prohibited from doing so by law or the terms of the Buy-Back as set out in this booklet.

5.9 Rights under the Buy-Back Invitation cannot be transferred

The Buy-Back Invitation is personal to you. You cannot transfer your rights under the Buy-Back Invitation.

5.10 Westpac's rights to accept or reject Applications and Application Forms

At any time, Westpac may (at its sole discretion):

- accept or reject any Application or Application Form; or
- accept or reject an Application not made on the terms and conditions set out in the Buy-Back Documents, or an Application Form not submitted in accordance with the procedures set out in the Buy-Back Documents.

Westpac will not accept any Application or Application Form: i) from a holder of Shares that is located or resident in the United States; ii) that has been postmarked in the United States (including by any agent, fiduciary or other intermediary) or Canada; iii) that otherwise appears to Westpac or its agents to have been sent or submitted from the United States or Canada or by an Excluded Foreign Person; or iv) that has been or appears to have utilised, directly or indirectly, mail or any means or instrumentality (including without limitation, facsimile transmission, telephone and internet) of interstate or foreign commerce of, or any facility of a national securities exchange of, the United States.

Westpac may do each of these things in relation to some or all of the Applications or the Application Forms it receives, in its absolute discretion.

5.11 Westpac's right to vary dates and times or to terminate the Buy-Back

Westpac reserves the right to change any of the dates and times set out in the Buy-Back Documents (including, without limitation, the Closing Date and the Buy-Back Date) by announcement to the ASX and without any other notice. Such an announcement will be taken to amend this booklet (and the other Buy-Back Documents) accordingly.

Without limitation, Westpac reserves the right to terminate the Buy-Back at any time prior to the date on which Westpac enters into Buy-Back Contracts by making an announcement to the ASX to that effect.

5.12 Westpac's right to adjust Applications

Westpac may, in its absolute discretion and at any time, deem any Application it receives to be a valid Application or disregard any Application it believes should be disregarded and may waive any or all of the requirements for making, amending or withdrawing an Application. It may do each of these things in relation to some or all of the Applications it receives, in its absolute discretion.

If you are an Eligible Shareholder, you are entitled to tender in the Buy-Back, the lesser of:

- the number of Shares registered in your name on the Buy-Back Record Date (Monday, 8 November 2021); and
- the number of Shares you hold on the Closing Date (your **Entitled Shares**).

If you submit one Application of more than your Entitled Shares and Westpac accepts your Application, Westpac may, in addition to any other remedies that it might have, buy back only the number of your Entitled Shares.

If you submit more than one Application and, in aggregate, you have tendered more than your Entitled Shares, Westpac may, in addition to any other remedies that it might have, buy back only the number of your Entitled Shares in the following order of priority:

- first, buy back that number of Entitled Shares as forms part of your Application with the largest Discount, which is equal to or greater than the Buy-Back Discount, and/or submitted as a Final Price Application (and, if you have chosen one, where your Minimum Price condition is satisfied); and

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- if, after the application of the above, you have Entitled Shares remaining, buy back the remaining number of your Entitled Shares from your Application with the second highest Discount, which is equal to or greater than the Buy-Back Discount (and, if you have chosen one, where your Minimum Price condition is satisfied) and repeating this process until all of your Entitled Shares successfully tendered are bought back.

The above provisions are subject to any scale back and any other applicable provisions in the Buy-Back Documents.

If you select more than one Minimum Price, your Application will be deemed conditional on the highest Minimum Price you have specified.

5.13 Unsuccessful Applications

Shares that have been tendered in the Buy-Back but are not bought back will be released to Shareholders' holdings as soon as practicable after processing of the Buy-Back has been completed following the Closing Date (Friday, 17 December 2021).

5.14 Duty

You will not be liable for any stamp, transaction or other duty on your cancelled Shares following acceptance of your Application(s).

5.15 Directors' and Westpac management entitlements

The Board has determined that Westpac Directors and Group Executives as well as certain other management involved in the implementation of the Buy-Back may not participate in the Buy-Back in respect of any Shares held legally or beneficially by them.

5.16 Regulatory relief

5.16.1 ASIC relief

ASIC has granted Westpac an exemption under subsection 257D(4) of the Corporations Act. This exemption essentially permits Westpac (without the requirement for Shareholder approval):

- to conduct the Buy-Back in substantially the same manner as an equal access buy-back, in accordance with Division 2 of Part 2J.1 of the Corporations Act. The number of voting shares bought back in the Buy-Back and in any other buy-back conducted in the 12 months preceding the Buy-Back Date will not exceed 10% of the smallest number of votes attaching to Westpac's voting shares at any time during the 12 months preceding the Buy-Back Date;
- to use the scale back mechanism described in Section 1.16 "How would a scale back affect my Application?";
- to invite all Shareholders (other than Excluded Foreign Persons) to offer for sale Shares in accordance with the terms and conditions of the Buy-Back Invitation;
- to invite Shareholders with 380 Shares or less to offer to sell Shares only if they submit one Application for all their Shares at the same Discount or as a Final Price Application; and
- not to accept any Application received from an Excluded Foreign Person,

provided certain conditions are met, including that the Buy-Back Price is calculated by applying the Discount to the Market Price and that Eligible Shareholders are permitted to lodge an Application conditional on a Minimum Price.

5.16.2 ASX relief

ASX has granted Westpac a waiver from Listing Rule 7.40 to permit Westpac to despatch the Buy-Back information flyer (which will provide instructions for Eligible Shareholders to either access the Buy-Back Documents online or request they be physically mailed out) to Shareholders no later than seven business days after the Buy-Back Record Date.

ASX has also confirmed that it will treat the Buy-Back as an equal access buy-back but will not require daily buy-back notifications to the ASX during the Buy-Back Period.

5.17 Privacy

Westpac is carrying out the Buy-Back in accordance with the Corporations Act and is permitted to collect personal information about you under that Act as part of the Buy-Back. This involves the collection of personal information contained in Application Forms (which includes your name, address, telephone number, email address, bank account details, details of your Shareholding, including any joint Shareholders, and your request in relation to the Buy-Back) to enable Westpac to process your Application and to pay any future dividends and payments in connection with the Buy-Back by direct credit. If you do not provide this information, Westpac and its agents may be hindered in, or prevented from, processing your Application.

The personal information collected by Westpac will only be disclosed to Link Market Services Limited (**Registrar**), in their capacity as share registrar of Westpac, to a print and mail service provider, to Westpac's advisers and other third party service providers in relation to the Buy-Back and to financial institutions in respect of payments to you in connection with the Buy-Back or as required or authorised by law. Some of the personal information that Westpac receives about you may be collected by Westpac from the Registrar.

The personal information you provide will ordinarily be held and used by Westpac within Australia and New Zealand and disclosed to third parties who are located in Australia. In some instances, personal information may be accessed and used by the personnel of Westpac or its third party service providers while located overseas, including while travelling or working remotely. As a result, it is not practicable to specify all of the countries that your personal information may be disclosed to or accessed from. Westpac's Privacy Policy contains more information on the circumstances

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in which personal information may be disclosed overseas.

Westpac's Privacy Policy is available at westpac.com.au/privacy and provides more information on:

- how Westpac stores and uses, and how you may access and correct, your personal information;
- how you can lodge a complaint regarding Westpac's handling of your personal information; and
- how Westpac will handle any complaint.

If you would like any further information about Westpac's privacy practices or access to the personal information collected by Westpac in relation to your Shareholding please call the Westpac Buy-Back Information Line on 1800 804 255 (free call in Australia) or +61 1800 804 255 (outside Australia) (Monday to Friday, 8:30am to 7:30pm, Sydney time) and 0800 002 727 (free call in New Zealand) (Monday to Friday, 9:00am to 5:30pm, New Zealand time).

5.18 The effect of submitting an Application

An Application constitutes an offer to sell the tendered Shares to Westpac on the terms and conditions set out in the Buy-Back Documents. An Application does not, of itself, constitute a binding contract for the sale of the tendered Shares and cannot be enforced against Westpac. Westpac retains the discretion to accept or reject any Application, and may choose to reject all Applications.

If Westpac accepts your Application, a binding Buy-Back Contract is formed between you and Westpac, and you must sell the tendered Shares to Westpac on the terms and conditions set out in the Buy-Back Documents (**Buy-Back Terms and Conditions**), including as set out below. By submitting an Application Form, you:

- agree to the Buy-Back Terms and Conditions, including any scale back determined by Westpac;
- offer to sell to Westpac on the Buy-Back Date the number of Shares nominated for sale on your Application Form (adjusted in accordance with the Buy-Back Terms and Conditions) at your Discount(s) and/or as a Final Price Application, subject to any Minimum Price you may have chosen;
- agree that Westpac's announcement to the ASX on the Buy-Back Date in relation to the Buy-Back Price is:
  - effective notice or communication of Westpac's acceptance of your Application(s), provided it is made in accordance with the Buy-Back Terms and Conditions; or
  - effective notice of Westpac's decision not to accept any Application(s) submitted at a Discount less than the Buy-Back Discount or where your Minimum Price (if you have chosen one) is greater than the Buy-Back Price;
- agree that a Buy-Back Contract for the purchase of relevant Shares will be formed, and the purchase of the relevant Shares by Westpac will occur, on the Buy-Back Date upon Westpac having i) accepted your Application in accordance with the Buy-Back Terms and Conditions (or treated by Westpac as being submitted) and ii) posted an announcement to the ASX on the Buy-Back Date in relation to the Buy-Back Price (as described above);
- waive any requirement to receive further notice or communication from Westpac of its acceptance or non-acceptance of any Application submitted by you and agree that the postal acceptance rule does not apply to Applications (as you may amend or withdraw your Application up until 7:00pm (Sydney time) on the Closing Date (Friday, 17 December 2021) and Buy-Back Contracts will only be formed on acceptance by Westpac of your Application);
- warrant to Westpac that:
  - at all times after you tender your Shares for sale into the Buy-Back, and on the Buy-Back Date, you are the registered holder of the Shares that you have tendered and that they are free from any mortgage, charge, lien or other encumbrance or security interest (whether legal or equitable) and from any third party rights and are otherwise able to be sold freely by you;
  - you are not an Excluded Foreign Person; and
  - authorise Westpac (and its officers, agents, contractors or advisers) to correct any error in or omission from your Application Form or Withdrawal/Amendment Form, and to insert any missing details;
- undertake not to sell or offer to sell Shares to any other person if, as a result, you will at any time after you submit your Application until the Buy-Back Date hold fewer Shares than the number of Shares you have tendered;
- authorise and agree to having a holding lock placed on those Shares you have tendered, pending completion of the Buy-Back or any withdrawal or amendment of your Application;
- acknowledge that neither Westpac nor any other party involved in the Buy-Back has provided you with financial product or investment advice, or any securities recommendation, or has any obligation to provide this advice or recommendation, concerning your decision to participate in the Buy-Back or the manner of any such participation;
- authorise Westpac to make payment by direct credit to your nominated account as recorded on the Register at 7:00pm (Sydney time) on the Closing Date (Friday, 17 December 2021) and you acknowledge that payments made in accordance with such instructions will satisfy Westpac's obligations to you for any Shares bought back;
- acknowledge that Westpac will withhold the proceeds due to an Eligible Shareholder under the Buy-Back for any Shareholder who has not provided their Australian or New Zealand bank account details by 7:00pm (Sydney time) on the Closing Date (Friday, 17 December 2021). Eligible Shareholders who provide their bank account details to the Registrar after this time will be paid the proceeds due to them under the Buy-Back as soon as reasonably practicable;
- agree that damages are not an adequate remedy for breach of these covenants, undertakings,

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agreements and warranties. If you sell Shares in breach of these terms, you will be deemed to have appointed Westpac or its agent as your attorney to purchase Shares in your name and at your expense to satisfy your obligations under the Buy-Back and you will indemnify Westpac for all costs incurred by it in connection with such purchase;

- warrant that you are not (nor are you acting on behalf of or for the account of) a US Person or a person located or resident in the United States;
- warrant that you have not utilised in connection with the Buy-Back, directly or indirectly, mail or any means or instrumentality (including without limitation, facsimile transmission, telephone and internet) of interstate or foreign commerce of, or any facility of a national securities exchange of, the United States;
- undertake that if you breach any of these covenants, undertakings, agreements or warranties you will indemnify Westpac for all its costs arising from the breach; and
- agree that any obligation of Westpac to buy back Shares tendered by you is conditional on your compliance with the covenants, undertakings, agreements and warranties listed above.

You will be taken to have submitted an Application when the Registrar receives your signed and validly completed Application Form (including any Application Form validly completed and submitted online) or, if you have a CHESS Holding, your Application from your controlling participant through CHESS.

5.19 Governing law

The Buy-Back Invitation, your Application, any Buy-Back Contract and the Buy-Back generally are governed by the laws applicable in New South Wales, Australia. Each applicant submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

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Glossary

SECTION 6

This Section sets out a glossary of defined terms that are used throughout this booklet.

SECTION 6 Glossary

6.1 Glossary

In the Buy-Back Documents, unless the context requires otherwise:

Term	Means
Additional Tier 1 Capital	High quality components of capital that consist of certain securities not included in CET1, but which include loss absorbing characteristics.
ADI	An Authorised Deposit-taking Institution under the *Banking Act 1959* (Cth).
ADRs	American Depository Receipts representing Shares.
Announcement Date	The date on which Westpac announces the Buy-Back to the ASX.
Application	An Eligible Shareholder's offer to sell nominated Shares to Westpac at one or more Discounts and/or as a Final Price Application and on the terms and conditions set out in the Buy-Back Documents (as amended in accordance with the procedures set out in this booklet).
Application Form	The form (and its online equivalent) by which an Eligible Shareholder offers to sell their nominated Shares to Westpac under the Buy-Back, which is enclosed with this booklet and available online (and includes an Application Form amended in accordance with the procedures set out in the Buy-Back Documents).
Application Price	The price at which an Eligible Shareholder is willing to sell some or all of their Shares to Westpac.
APRA	Australian Prudential Regulation Authority.
ASIC	Australian Securities and Investments Commission.
ASX	ASX Limited (ABN 98 008 624 691) or the market that it operates, as the context requires.
ASX Settlement	ASX Settlement Pty Ltd (ABN 49 008 504 532).
ATO	Australian Taxation Office.
Australian Accounting Standards	The Australian Accounting Standards issued by the Australian Accounting Standards Board, as may be amended from time to time.
Board	The board of Directors.
Buy-Back	The buy-back of Shares by way of a tender process as set out in the Buy-Back Documents and is a reference to the 'Off-Market Buy-Back' as announced by Westpac on Monday, 1 November 2021.
Buy-Back Contract	The contract formed on the Buy-Back Date between you and Westpac if Westpac accepts your Application.
Buy-Back Date	The date and time Westpac announces to the ASX the Buy-Back Price, the total number of Shares to be bought back and the details of any scale back.
Buy-Back Discount	The discount to be set by Westpac, being the largest Discount to the Market Price within the range of 8% to 14% inclusive (at 1% intervals), which enables Westpac to buy back the amount of capital that it determines to buy back.
Buy-Back Documents	This booklet, the Buy-Back information flyer, the Application Forms and the Withdrawal/Amendment Forms.
Buy-Back Ex-entitlement Date	Friday, 5 November 2021 being the date on which Shares commence trading on the ASX on an ex-Buy-Back basis. Shares acquired on-market on or after this date (including any Shares allocated to you under the DRP for the Full Year Dividend) will not have an entitlement to participate in the Buy-Back.
Buy-Back Invitation	The invitation by Westpac to Eligible Shareholders to offer to sell Shares to Westpac as set out in the Buy-Back Documents.
Buy-Back Period	The period within which Eligible Shareholders may submit, withdraw or amend an Application in accordance with the Buy-Back Documents, expected to be 17 November 2021 to 17 December 2021.
Buy-Back Price	The price at which Westpac will buy back Shares from Applications it accepts in the Buy-Back. This price is determined by applying the Buy-Back Discount selected by Westpac to the Market Price. For each Share purchased under the Buy-Back, Shareholders will receive the Buy-Back Price rounded to the nearest cent, except for circumstances where the Buy-Back Discount is equal to 14%, in which case the Buy-Back Price will be rounded up to the nearest cent.

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SECTION 6 Glossary

Term	Means
Buy-Back Record Date	Monday, 8 November 2021 being the date for determining which Shareholders are entitled to participate in, and the number of Shares entitled to be tendered into, the Buy-Back.
Buy-Back Terms and Conditions	The terms and conditions set out in the Buy-Back Documents.
Capital Component	The capital component of the Buy-Back Price of $11.34, which remains subject to ATO approval.
Capital Proceeds	The total of the Capital Component plus the amount (if any) by which the Tax Value exceeds the Buy-Back Price.
CET1 Capital	Ordinary share capital, retained earnings and certain other items recognised as capital under APRA's prudential standards (as amended from time to time).
CET1 Capital Ratio	The ratio of the CET1 Capital to risk-weighted assets, calculated in accordance with APRA's prudential standards (as amended from time to time).
CGT	Capital gains tax, for Australian tax purposes.
CHESS	The Clearing House Electronic Subregister System.
CHESS Holder	A holder of Shares on the CHESS subregister of Westpac.
CHESS Holding	A holding of Shares on the CHESS subregister of Westpac.
Class Ruling	The ruling to be issued by the ATO on the Australian tax implications of the Buy-Back for Eligible Shareholders who participate in the Buy-Back.
Closing Date	Friday, 17 December 2021, unless Westpac announces another date.
Committed Liquidity Facility	The Reserve Bank of Australia makes available to ADIs a Committed Liquidity Facility that, subject to qualifying conditions, can be accessed to meet liquidity coverage ratio requirements under Prudential Standard *APS 210 Liquidity*.
Corporations Act	The Corporations Act 2001 (Cth), as modified by the relief described in Section 5.16 "Regulatory relief".
CSN	Common Shareholder Number.
Directors or Westpac Directors	The board of directors of Westpac.
Discount	One of the specified discounts to the Market Price (from 8% to 14% inclusive, at 1% intervals) as set out on the Application Form.
Dividend Component	The dividend component of the Buy-Back Price, which is the Buy-Back Price less the Capital Component.
Dividend per Share	The dollar amount of any dividend paid to Shareholders, divided by the number of Shares on issue.
DRP	The Westpac Dividend Reinvestment Plan.
Earnings per Share	The net profit attributable to the owners of Westpac, divided by the weighted average number of Shares on issue during the period (as required by relevant accounting standards).
Eligible Employee	An employee whose Shares were awarded under an Employee Share Scheme and have since vested and are free to be traded.
Eligible Shareholder	A Shareholder with a registered address in Australia or New Zealand that has Shares registered in their name on the Buy-Back Record Date who is not an Excluded Foreign Person.
Employee ID	A Westpac employee identification number.
Employee Share Scheme	Each of Westpac's Employee Share Scheme, Restricted Share Plan, Westpac Performance Plan and Long Term Variable Reward Plan.
Entitled Shares	The number of Shares you hold on the Closing Date.

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SECTION 6 Glossary

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Term	Means
Excluded Foreign Person	Any person holding Shares: • who Westpac would otherwise be prohibited, pursuant to any act, rule or regulation in any jurisdiction, from making payments, including any person who is (or who is acting on behalf of or for the account of a person who is) located in the United States, a US Person (including any agent, fiduciary or other intermediary acting on such person's behalf), or a resident of Canada; or • who resides, or who is acting on behalf or for the account of a person who resides, in a jurisdiction other than Australia or New Zealand.
Final Price Application	An Application in which an Eligible Shareholder elects to receive the Buy-Back Price, whatever Westpac determines it to be.
Full Year Dividend	Westpac's final dividend for the year ended 30 September 2021 of 60 cents per Share.
Group Executives	Members of Westpac's executive leadership team as described on Westpac's website at westpac.com.au/about-westpac.
High Quality Liquidity Assets	Assets which meet APRA's criteria for inclusion as High Quality Liquid Assets in the numerator of the liquidity coverage ratio.
HIN	Holder Identification Number.
Holder Number	A Holder Number for NZX listed Shares.
Issuer Sponsored Holding	A holding of Shares on the issuer sponsored subregister of Westpac.
Market Price	The VWAP of Shares over the five trading days up to and including the Closing Date, calculated to four decimal places, as determined by Westpac.
Minimum Price	One of the four specified minimum prices on the Application Form, which an Eligible Shareholder may select in order for their Application to be conditional upon the Buy-Back Price being equal to or greater than that amount.
NZX	NZX Limited or its predecessors, successors and assigns and, as the context permits, includes any authorised delegate of NZX (including the Tribunal), or the market it operates, as the context requires.
Priority Allocation	380 Shares or such lesser number of Shares as determined by Westpac.
Prudential Standards	The Prudential Standards and guidelines published by APRA and applicable to Westpac or the Westpac Group from time to time.
Register	The official register of Shares and includes any subregister established and maintained under CHESS.
Registrar	Link Market Services Limited (ABN 54 083 214 537) or Link Market Services Limited (NZBN 9429035050315), or any other registrar that Westpac appoints to maintain a register of its Shares.
Return on Equity	A performance metric that represents the net profit generated by Westpac as a percentage of the equity Shareholders have invested. It is calculated as net profit attributable to the owners of Westpac divided by average Shareholders' equity, excluding non-controlling interests and other equity instruments.
RWA	Risk-weighted assets.
Settlement Rules	The operating rules of ASX Settlement or of the settlement rules of the relevant stock exchange on which your Shares were acquired, as amended from time to time.
Share Rights	A right to receive a Share (or equivalent cash payment) granted under an Employee Share Scheme.
Shareholding	A holding of Shares.
Shares	Fully paid ordinary shares in the capital of Westpac. For the avoidance of doubt, Shares do not include ADRs.
Small Residual Application	Has the meaning given to that term in Section 1.15 "What is a Small Residual Application?".

SECTION 6 Glossary

Term	Means
Small Residual Holding	A holding of 75 Shares or less, except that it will not be a Small Residual Holding where the Shareholder has become the registered holder of a greater number of Shares as at the Closing Date than were held by the holder as at the Buy-Back Record Date.
SRN	Securityholder Reference Number.
Tax Value	For the purposes of the Buy-Back means: $A \times \frac{\text{Closing level of S\&P/ASX 200 Index on the Closing Date}}{B}$ Where: **A** means the VWAP of Shares over the last five trading days before the announcement of the Buy-Back on Monday, 1 November 2021, adjusted in accordance with the ATO issued Practice Statement PS LA 2007/9 to take account of the Full Year Dividend that Westpac will pay. **B** means the opening level of the S&P/ASX 200 Index on Monday, 1 November 2021. If the movement in the S&P/ASX 200 Index is significantly different from the movement in Westpac's Share price on the ASX over the relevant period, Westpac may approach the ATO to seek to vary the methodology used to determine the Tax Value.
Tier 1 Capital	CET1 Capital and certain securities recognised as Tier 1 Capital under APRA's prudential standards (as amended from time to time).
Tier 1 Capital Ratio	The ratio of the Tier 1 Capital to risk-weighted assets, calculated in accordance with APRA's prudential standards (as amended from time to time).
Tier 2 Capital	Certain securities recognised as Tier 2 Capital under APRA's prudential standards (as amended from time to time).
Total Capital	The sum of Tier 1 Capital (including CET1 Capital) and Tier 2 Capital.
Total Capital Ratio	The ratio of the Total Capital to risk-weighted assets, calculated in accordance with APRA's prudential standards (as amended from time to time).
United States	United States of America, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any State of the United States and the District of Columbia.
US Person	Has the meaning given by Regulation S under the United States Securities Act of 1933, as amended from time to time.
VWAP	The volume weighted average price including all trades on the ASX including the closing single price auction, but excluding all off-market trades including but not limited to transactions defined in the operating rules of the ASX as special crossings, crossings prior to the commencement of the open session state, crossings during overnight trading, overseas trades, trades pursuant to the exercise of options over Shares, and any other trades that Westpac determines to exclude on the basis that the trades are not fairly reflective of supply and demand.
Westpac	Westpac Banking Corporation (ABN 33 007 457 141).
Withdrawal/ Amendment Form	The form entitled 'Withdrawal/Amendment Form' (and its online equivalent).
You or Shareholder	A holder of Shares.

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Sample completed Application Forms

SECTION 7

The following examples of completed Application Forms are provided for illustrative purposes only. Westpac is not providing any advice as to whether you should offer to sell your Shares, or at what Discount(s) you should tender your Shares into the Buy-Back. Participation in the Buy-Back is voluntary and entirely at your discretion. If you choose not to participate, you do not have to do anything and the number of Shares you hold will not change as a result of the Buy-Back. If, after reading this booklet, you decide to participate in the Buy-Back, please refer to the instructions on the back of your personalised Application Form or follow the online Application instructions at westpac.com.au/buyback.

SECTION 7 Sample completed Application Forms

7.1 Issuer Sponsored Holder with more than 380 Shares, offering to sell only as a Final Price Application (example only)

In the example below, an Issuer Sponsored Holder has elected to tender part of their holding (500 Shares) as a Final Price Application. The steps taken in completing the Application Form were as follows:

Shareholder with more than 380 Shares

STEP 1

A: This is the maximum number of Shares you can tender.

STEP 2

B & C: As the number of Shares you hold is more than 380, you may tender some, or all, of your Shares, subject to a minimum of 380 Shares:

- as a Final Price Application; and/or
- at one, or more, Discounts selected by you.

In this example, 500 Shares were tendered as a Final Price Application and this total is reflected in Section C.

STEP 3

D: Selecting a Minimum Price is optional. Only one Minimum Price may be selected. In this example, no Minimum price was selected.

STEP 4

E: If you receive your dividend payment(s) by direct credit, your bank account details will appear in Section E. If required, you can update your account details via the Link Investor Centre at linkmarketservices.com.au.

STEP 5

F & G: Complete your contact details and sign your Application Form here.

The completed and signed Application Form should then be mailed to the Registrar.

Westpac GROUP

Westpac Banking Corporation
ABN 33 007 457 141

APPLICATION FORM
ISSUER SPONSORED HOLDERS

This Application Form relates to the Westpac Buy-Back booklet dated 1 November 2021 (Buy-Back Booklet) and should be read in conjunction with the Buy-Back Booklet. The terms and conditions of the Buy-Back, and the effect of submitting an Application, are set out in the Buy- Back Documents.

Your completed Application Form must be received by the Registrar by 7.00pm (Sydney time) on Friday, 17 December 2021. The most efficient way to ensure your Application is received by this time, is to submit your Application online at westpac.com.au/buyback.

Read the instructions on the back of this form before you complete and sign this form.

Mr John Doe
Unit 123
SAMPLE STREET
SAMPLE TOWN NSW 2000

Securityholder Reference Number (SRN):
I123456789

A **Number of Shares as at 7:00pm (Sydney time) on Monday, 8 November 2021:**

This is the maximum number of Shares you are entitled to offer for sale through the Buy-Back. 1000

B **Decide whether to make a Final Price Application and/or specify a Discount(s)**

I/we offer to sell my/our Shares to Westpac Banking Corporation (Westpac) at the Discount(s) specified and/or as a Final Price Application and on the terms and conditions set out in the Buy-Back Documents:

Insert the **number** of Shares (if any) you wish to offer as a **Final Price Application** 500

AND/OR

Insert the **number** of Shares (if any) you wish to offer next to the Discount(s) at which you wish to offer those Shares.

at an 8% Discount	at an 11% Discount	at a 14% Discount
at a 9% Discount	at a 12% Discount	
at a 10% Discount	at a 13% Discount	

C **Total number of Shares offered (add up rows in Section B)** 500

The number of Shares in Section C must not exceed the number in Section A, but must be a minimum of 380 Shares in total unless you hold less than 380 Shares in which case it must equal the number of Shares in Section A.

D **Optional – Select a Minimum Price (leave it blank or tick one box)**

Select a Minimum Price if you wish to make your offer conditional on the Buy-Back Price being no less than one of the following prices. You will not receive less than the Minimum Price you select for your Shares. However, your Shares will not be bought back if the Minimum Price you select is higher than the Buy-Back Price.

☐ A$19.50 ☐ A$20.50 ☐ A$21.50 ☐ A$22.50

E **Bank account details – currently recorded on your shareholding**

PAYMENT OF BUY-BACK PROCEEDS WILL BE MADE BY DIRECT CREDIT ONLY. NO CHEQUES WILL BE ISSUED.

Bank: SAMPLE BANK

Account Name: SAMPLE NAME

BSB: 123-123

Account Number: ****123456

Payment will be made by direct credit only. You can update your payment instructions online via the Link Investor Centre at linkmarketservices.com.au or by returning a completed direct credit of payments form. If you require further assistance, please call the Westpac Buy-Back Information Line on 1800 804 255 (free call in Australia) or +61 1800 804 255 (outside Australia) (Monday to Friday, 8:30am to 7:30pm, Sydney time) and 0800 002 727 (free call in New Zealand) (Monday to Friday, 9:00am to 5:30pm, New Zealand time).

F **Contact details**

Provide a daytime telephone number and email address where we can contact you if we have any questions about this form.

(02) 9999 9999 — Daytime telephone number
JOHN DOE — Contact name (print)
john.doe@sample.com — Email address (print): Elect to receive all future Westpac Group shareholder communications electronically. ☐

G **Shareholder signature(s)**

JohnDoe — Individual OR joint shareholder 1 OR sole director and sole company secretary
Joint shareholder 2 OR director/company secretary
Joint shareholder 3 OR director/company secretary

WBC BBT002

This is an example only.

SECTION 7 Sample completed Application Forms

7.2 Issuer Sponsored Holder with less than 380 Shares, offering to sell at a 10% Discount and with a Minimum Price condition (example only)

In the example below, an Issuer Sponsored Holder has elected to tender their entire holding (50 Shares) at a 10% Discount and with a Minimum Price condition. The steps taken in completing the Application were as follows:

Shareholder with less than 380 Shares

STEP 1

A: This is the maximum number of Shares you can tender.

STEP 2

B & C: As the number of Shares you hold is less than 380, all of your Shares must be tendered:

- as a Final Price Application; or
- at one Discount selected by you.

In this example, a Discount of 10% has been selected.

You cannot select more than one Discount as you hold less than 380 Shares.

STEP 3

D: Selecting a Minimum Price is optional. Only one Minimum Price may be selected. In this example, a Minimum Price of $21.50 was selected.

STEP 4

E: If you do not receive your dividend payment(s) by direct credit, complete Section E of the Application Form or provide your bank account details via the Link Investor Centre at linkmarketservices.com.au.

STEP 5

F & G: Complete your contact details and sign your Application Form here.

The completed and signed Application Form should then be mailed to the Registrar.

Westpac GROUP

Westpac Banking Corporation
ABN 33 007 457 141

APPLICATION FORM
ISSUER SPONSORED HOLDERS

This Application Form relates to the Westpac Buy-Back booklet dated 1 November 2021 (Buy-Back Booklet) and should be read in conjunction with the Buy-Back Booklet. The terms and conditions of the Buy-Back, and the effect of submitting an Application, are set out in the Buy-Back Documents.

Your completed Application Form must be received by the Registrar by 7.00pm (Sydney time) on Friday, 17 December 2021. The most efficient way to ensure your Application is received by this time, is to submit your Application online at westpac.com.au/buyback.

Read the instructions on the back of this form before you complete and sign this form.

Mr John Smith
Unit 123
SAMPLE STREET
SAMPLE TOWN QLD 4000

Securityholder Reference Number (SRN):
I987654321

A **Number of Shares as at 7:00pm (Sydney time) on Monday, 8 November 2021:**

This is the maximum number of Shares you are entitled to offer for sale through the Buy-Back. 50

B **Decide whether to make a Final Price Application and/or specify a Discount(s)**

I/we offer to sell my/our Shares to Westpac Banking Corporation (Westpac) at the Discount(s) specified and/or as a Final Price Application and on the terms and conditions set out in the Buy-Back Documents:

Insert the **number** of Shares (if any) you wish to offer as a **Final Price Application**

AND/OR

Insert the **number** of Shares (if any) you wish to offer next to the Discount(s) at which you wish to offer those Shares.

at an 8% Discount	at an 11% Discount	at a 14% Discount
at a 9% Discount	at a 12% Discount	
50 at a 10% Discount	at a 13% Discount	

C **Total number of Shares offered (add up rows in Section B)** 50

The number of Shares in Section C must not exceed the number in Section A, but must be a minimum of 380 Shares in total unless you hold less than 380 Shares in which case it must equal the number of Shares in Section A.

D **Optional – Select a Minimum Price (leave it blank or tick one box)**

Select a Minimum Price if you wish to make your offer conditional on the Buy-Back Price being no less than one of the following prices. You will not receive less than the Minimum Price you select for your Shares. However, your Shares will not be bought back if the Minimum Price you select is higher than the Buy-Back Price.

☐ A$19.50 ☐ A$20.50 ☑ A$21.50 ☐ A$22.50

E **Bank account details**

PAYMENT OF BUY-BACK PROCEEDS WILL BE MADE BY DIRECT CREDIT ONLY. NO CHEQUES WILL BE ISSUED.
If you do not receive your dividend payment(s) by direct credit, complete the section below or provide your bank account details online via the Link Investor Centre at linkmarketservices.com.au to receive your Buy-Back proceeds.

John Smith
Name(s) in which your account is held

654 321 — BSB number *(must be 6 digits)*
876 543 21 — Account number *(For NZ accounts, 7 digits only)*
Suffix *(NZ only)*

Sample Bank
Name of financial institution

Sample Branch Town
Branch suburb/town

F **Contact details**

Provide a daytime telephone number and email address where we can contact you if we have any questions about this form.

(07) 9999 9999 — Daytime telephone number
JOHN SMITH — Contact name (print)

john.smith@sample.com
Email address (print): Elect to receive all future Westpac Group shareholder communications electronically. ☐

G **Shareholder signature(s)**

JohnSmith
Individual OR joint shareholder 1 OR sole director and sole company secretary

Joint shareholder 2 OR director/company secretary

Joint shareholder 3 OR director/company secretary

WBC BBT002

This is an example only.

SECTION 7 Sample completed Application Forms

7.3 CHESS Holder with over 380 Shares, offering to sell at two specified Discounts and as a Final Price Application (example only)

In the example below, a CHESS Holder has elected to tender their entire holding (1,000 Shares) at two Discounts and as a Final Price Application. The steps taken in completing the Application were as follows:

Shareholder with more than 380 Shares

STEP 1

A: This is the maximum number of Shares you can tender.

STEP 2

B: As the number of Shares you hold is more than 380, you may tender some, or all, of your Shares, subject to a minimum of 380 Shares:

- as a Final Price Application; and/or
- at one, or more, Discounts selected by you.

In this example, Shares were tendered at two Discounts and as a Final Price Application.

STEP 3

C: The total number of Shares tendered (200 + 500 + 300 = 1,000) is entered into Section C. The total Shares tendered cannot be greater than the number stated in Section A.

STEP 4

D: Selecting a Minimum Price is optional. Only one Minimum Price may be selected. In this example, no Minimum Price was selected.

STEP 5

E: If you receive your dividend payment(s) by direct credit, your bank account details will appear in Section E. If required, you can update your account details via the Link Investor Centre at linkmarketservices.com.au.

STEP 6

F & G: Complete your contact details and sign your Application Form here.

Westpac GROUP

Westpac Banking Corporation
ABN 33 007 457 141

APPLICATION FORM
CHESS SPONSORED HOLDERS

This Application Form relates to the Westpac Buy-Back booklet dated 1 November 2021 (Buy-Back Booklet) and should be read in conjunction with the Buy-Back Booklet. The terms and conditions of the Buy-Back, and the effect of submitting an Application, are set out in the Buy-Back Documents.

Your completed Application Form must be sent to your controlling participant (usually your broker) in sufficient time for them to process your instructions no later than 7.00pm (Sydney time) on Friday, 17 December 2021.

If you choose to submit your Application online at westpac.com.au/buyback, Westpac strongly recommends you submit your Application by no later than 5.00pm (Sydney time) on Thursday, 16 December 2021.

Read the instructions on the back of this form before you complete and sign this form.

Your controlling participant as at Monday, 8 November 2021 is Sample Broker

Holder Identification Number (HIN):
X0001234567

Ms Jane Doe
Unit 123
SAMPLE STREET
SAMPLE TOWN VIC 3000

A **Number of Shares as at 7:00pm (Sydney time) on Monday, 8 November 2021:**

This is the maximum number of Shares you are entitled to offer for sale through the Buy-Back. 1000

B **Decide whether to make a Final Price Application and/or specify a Discount(s)**

I/we offer to sell my/our Shares to Westpac Banking Corporation (Westpac) at the Discount(s) specified and/or as a Final Price Application and on the terms and conditions set out in the Buy-Back Documents:

Insert the **number** of Shares (if any) you wish to offer as a **Final Price Application** 200

AND/OR

Insert the **number** of Shares (if any) you wish to offer next to the Discount(s) at which you wish to offer those Shares.

at an 8% Discount	at an 11% Discount	at a 14% Discount
500 at a 9% Discount	at a 12% Discount	
300 at a 10% Discount	at a 13% Discount	

C **Total number of Shares offered (add up rows in Section B)** 1000

The number of Shares in Section C must not exceed the number in Section A, but must be a minimum of 380 Shares in total unless you hold less than 380 Shares in which case it must equal the number of Shares in Section A.

D **Optional – Select a Minimum Price (leave it blank or tick one box)**

Select a Minimum Price if you wish to make your offer conditional on the Buy-Back Price being no less than one of the following prices. You will not receive less than the Minimum Price you select for your Shares. However, your Shares will not be bought back if the Minimum Price you select is higher than the Buy-Back Price.

☐ A$19.50 ☐ A$20.50 ☐ A$21.50 ☐ A$22.50

E **Bank account details – currently recorded on your shareholding**

PAYMENT OF BUY-BACK PROCEEDS WILL BE MADE BY DIRECT CREDIT ONLY. NO CHEQUES WILL BE ISSUED.

Bank: SAMPLE BANK

Account Name: SAMPLE NAME

BSB: 123-123

Account Number: ****123456

Payment will be made by direct credit only. You can update your payment instructions online via the Link Investor Centre at linkmarketservices.com.au or by returning a completed direct credit of payments form. If you require further assistance, please call the Westpac Buy-Back Information Line on 1800 804 255 (free call in Australia) or +61 1800 804 255 (outside Australia) (Monday to Friday, 8:30am to 7:30pm, Sydney time) and 0800 002 727 (free call in New Zealand) (Monday to Friday, 9:00am to 5:30pm, New Zealand time).

F **Contact details**

Provide a daytime telephone number and email address where we can contact you if we have any questions about this form.

(03) 9999 9999 — Daytime telephone number
JANE DOE — Contact name (print)
jane.doe@sample.com — Email address (print): Elect to receive all future Westpac Group shareholder communications electronically. ☐

G **Shareholder signature(s)**

JaneDoe — Individual OR joint shareholder 1 OR sole director and sole company secretary
Joint shareholder 2 OR director/company secretary
Joint shareholder 3 OR director/company secretary

WBC BBT004

This is an example only.

The instructions need to be communicated to your controlling participant (normally your broker). Do NOT send your CHESS Holder Application Form to the Registrar.

Corporate directory

Registered office of Westpac

Westpac Banking Corporation
Westpac Group Secretariat
Level 18, Westpac Place
275 Kent Street
Sydney NSW 2000
Australia

Arranger

Barrenjoey Advisory Pty Limited
Level 41, Liberty Place
161 Castlereagh Street
Sydney NSW 2000
Australia

Legal advisers

Allens
Level 28, Deutsche Bank Place
126 Phillip Street
Sydney NSW 2000
Australia

Russell McVeagh
Level 30, Vero Centre
48 Shortland Street
Auckland 1010
New Zealand

Tax advisers

Greenwoods & Herbert Smith Freehills
Level 34, ANZ Tower
161 Castlereagh Street
Sydney NSW 2000
Australia

Russell McVeagh
Level 30, Vero Centre
48 Shortland Street
Auckland 1010
New Zealand

Accounting adviser

PricewaterhouseCoopers Securities Ltd
One International Towers Sydney
Watermans Quay
Barangaroo NSW 2000
Australia

Westpac Share Registrar

Link Market Services Limited
Level 12, 680 George Street
Sydney NSW 2000
Australia

Contact us

Buy-Back website
westpac.com.au/buyback

Westpac Buy-Back Information Line

Australia

1800 804 255

Monday to Friday, 8:30am to 7:30pm,
Sydney time (free call in Australia)

New Zealand

0800 002 727

Monday to Friday, 9:00am to 5:30pm,
New Zealand time (free call in New Zealand)

Outside Australia and New Zealand

+61 1800 804 255

Monday to Friday, 8:30am to 7:30pm,
Sydney time (free call in Australia)

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