

ASX Release

Level 18, 275 Kent Street
Sydney, NSW, 2000

6 November 2023

Westpac 2023 Presentation and Investor Discussion Pack

Westpac Banking Corporation ("Westpac") today provides the attached Westpac 2023 Presentation and Investor Discussion Pack.

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

2023 FULL YEAR FINANCIAL RESULTS
FOR THE 12 MONTHS ENDED
30 SEPTEMBER 2023

PRESENTATION AND INVESTOR DISCUSSION PACK

WESTPAC BANKING CORPORATION
ABN 33 007 457 141

WESTPAC 2023 FULL YEAR RESULTS INDEX

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PETER KING

Chief
Executive Officer



FY23 HIGHLIGHTS



**STRENGTHENED
CUSTOMER
FRANCHISE**



**IMPROVED
FINANCIAL
RESULT**



**BALANCE
SHEET
MOMENTUM**



**COMPLETED
PORTFOLIO
SIMPLIFICATION**



**ACCELERATING
TECHNOLOGY
SIMPLIFICATION**

FY23 IMPROVED FINANCIAL RESULT

	FY22	FY23	FY23 – FY22 Change
Net profit ¹	\$5,694m	\$7,195m	26%
Earnings per share	160 cents	205 cents	28%
Return on equity	8.1%	10.1%	199 bps
Dividends per share	125 cents	142 cents	14%
Notable Items (post tax)	(\$874m)	(\$173m)	(80%)
Net Profit excluding Notable Items	\$6,568m	\$7,368m	12%
Revenue	\$19,606m	\$21,645m	10%
Expenses	(\$10,802m)	(\$10,692m)	(1%)
Cost to income ratio	55%	49%	(6 ppts)
Impairment charges to average loans annualised	5 bps	9 bps	4 bps
CET1 capital ratio	11.3%	12.4%	109 bps

¹ Also referred to as net profit attributable to owners of WBC, net profit after tax or statutory profit.

HIGHER DIVIDEND AND SHARE BUYBACK

Capital \$4.0bn above top end of target operating range

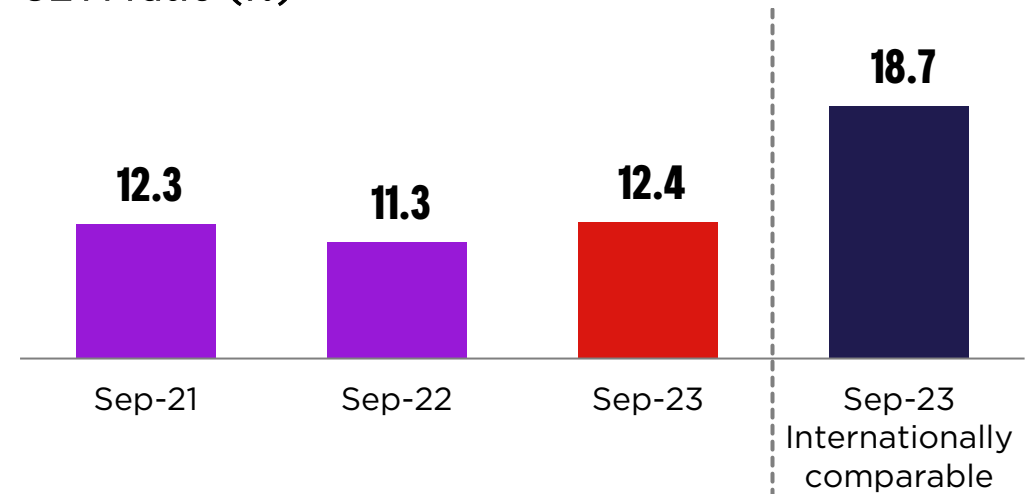
- \$1.5bn on-market share buyback¹, reflecting:
 - Completion of portfolio simplification
 - Outcome of APRA's revised capital standards
- Excess capital available to support growth and returns to shareholders

Strong dividend growth

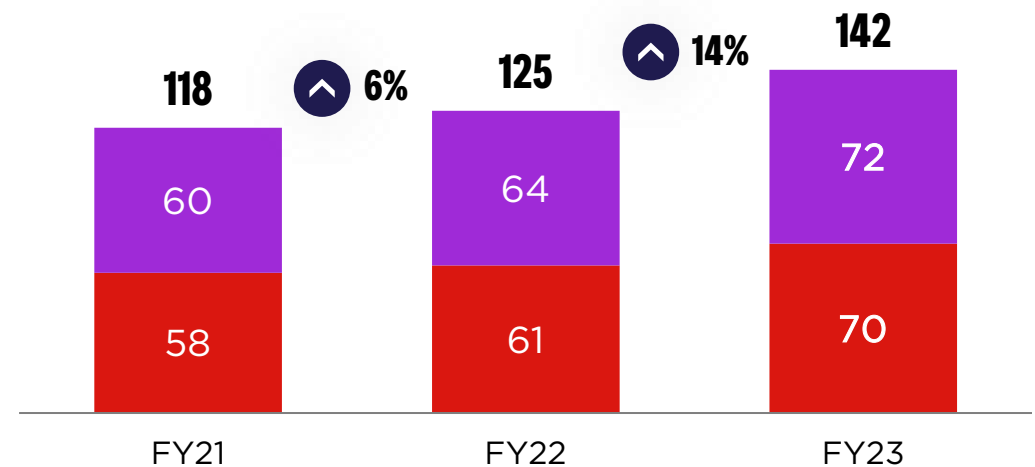
- FY23 payout ratio of 69%
- Sustainable payout ratio range 65 – 75%
- Dividend yield 6.7%², fully franked 9.6%²
- Neutralise DRP for final dividend

¹ Subject to market conditions. ² Based on 30-Sep-23 closing price of \$21.15.

CET1 ratio (%)



Dividends per ordinary share (cents)



FOCUSED ON BANKING IN AUSTRALIA AND NEW ZEALAND

Portfolio simplification complete

- 10 businesses exited¹, released 58bps of CET1 capital
- Retaining BT Platforms and Pacific Banking
- Focused on four segments - Consumer, Business & Wealth, WIB and New Zealand

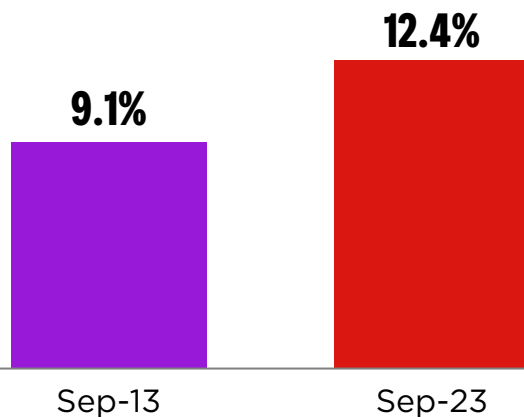
Business simplification

- Op model - FTE down 4% in FY23, 6% in 2H23
- More customer services via digital
- Products reduced by 37% over 3 years
- Technology infrastructure layer simplified

Balance sheet provides capacity to grow

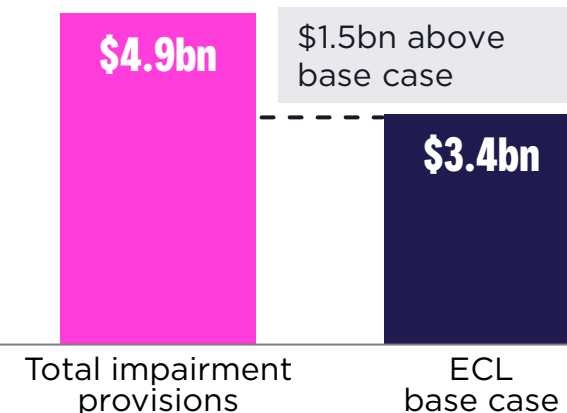
Capital²

CET1 capital ratio



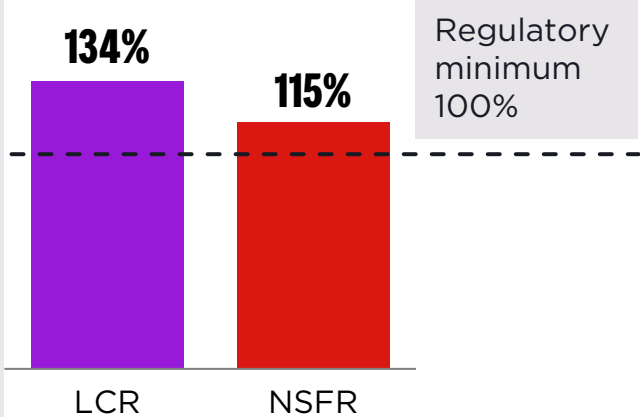
Provisions

Sep-23



Funding and liquidity

Sep-23 Quarter

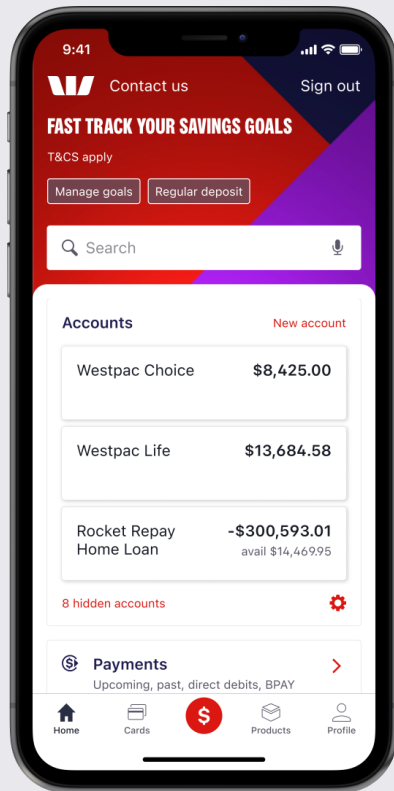


¹ BT Personal and Corporate Super, Advance Asset Management, General Insurance, Life Insurance, Lenders Mortgage Insurance, Motor Vehicle Dealer Finance and Novated Leasing, Strategic Alliances 'Vendor Finance', New Zealand Life Insurance, New Zealand Wealth Advisory, BT Private Portfolio Management. ² Sep-23 CET1 capital ratio was 12.05% on a proforma basis including announced on-market share buyback.

EASY AND INTUITIVE ONLINE BANKING DRIVING GROWTH

#1
Mobile
Banking App¹

#2
NPS
App²



Everyday banking

- Simple design with easy search
- Open a transaction account online within 3 minutes
- Best in class money movement
- Insightful money management
- Enhanced scam protection

Home lending

- One mortgage origination platform
- Fast and automated experience
- Consistent First Party TTR: 6 days³
- Third Party TTR improved: 7 days³
- Fixed rate mortgages retention rate increased to 90%⁴



Consumer MFI⁵ 18%



Transaction accounts up 11%⁶



Strong household deposit growth, 1.3x system^{6,7}



Mortgage growth, 0.8x system^{6,7}



#2 NPS mortgages²

1 The Forrester Digital Experience Review: Australian Mobile Banking Apps, Q4 2023. 2 For further details on metric see page 132. 3 Average for month of Sep-23. Time to Right (TTR) is the number of days from application to unconditional approval for a new loan. 4 Since improved process was implemented in May-23 portion of customers retained in three months post expiry. 5 Main Financial Institution, refer page 132 for definition. 6 Sep-23 compared to Sep-22. 7 Based on ADI System as published in the Monthly ADI statistics by APRA.

BUSINESS BANKING OPPORTUNITY



EFTPOS Air

- Businesses can accept payments on iPhone or Android
- Simple online application process, set-up within 15 minutes

Business One Account

- Competitive business transaction account
- Open online within 10 minutes

Business lending

- Streamlined application process, saves 2hrs per deal¹
- Time to decision improved 32% to 9.5 days¹



**Lending growth,
up 5% to \$88.9bn¹**



**Strong business deposit
base, deposit to loan
ratio 147%²**



**Transaction accounts,
up 4%¹**



**Awarded Canstar's 2023
Banker of the Year in
Agribusiness**

¹ Sep-23 compared to Sep-22. ² At Sep-23.

MOMENTUM IN INSTITUTIONAL BANK

Operating momentum with improved returns

- Deepened client relationships
- Simpler product and service offering
- 5 offshore locations, down from 8 in 2020
- Supported clients' transition journey – 58 transactions

Payments & deposits

- PayTo for payers launched
- Westpac Live FX upgrades
- WestpacOne - investing in corporate cash management platform

Financial Markets

- Sales and risk management revenue up 27%
- Streamlined deal process and enhanced risk management

Lending growth

- Banker productivity improved
- Customer advocacy increased
- Credit quality resilient



Loans up 9%¹



Deposit to loan ratio 124%²



Westpac Live foreign currency payment volumes up 10%¹



Leading across a range of key fixed income markets³

#2

\$A bond league table⁴



¹ Sep-23 compared to Sep-22. ² At Sep-23. ³ #1 market share in bonds and semis, #1 market share in OIS, #1 market share in asset-backed bonds, #2 market share in investment grade corporate bonds, #3 market share in interest rate swaps – 2022 Peter Lee Associates Fixed Income Survey, ranking against all banks. ⁴ Bloomberg Australia Bonds league table (excluding self-led deals), at 30 September 2023.

CONTINUING TO STRENGTHEN RISK MANAGEMENT

Risk and regulatory programs well progressed

- Customer Outcomes and Risk Excellence (CORE) strengthening risk management
- New Zealand RBNZ BS11 and s95 programs complete
- Enhancing financial crime capabilities
- Responding to scams
- Data Management Capability and Controls program

CORE plan



¹ Completed activities finalised by Westpac. ² At 30 Sep-23. ³ Completion of the Enforceable Undertaking requirements subject to APRA's approval.

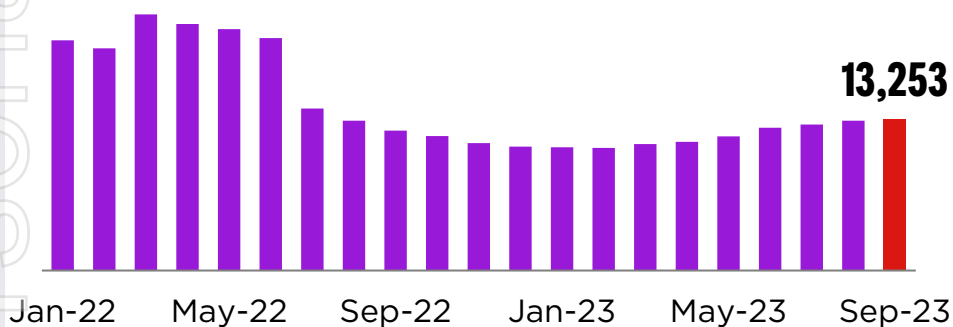
SUPPORTING CUSTOMERS AND CLIMATE TRANSITION



Supporting customers through uncertainty

- Cost of living pressures intensified
- Most have been able to adapt
- Proactively contacted over 300k customers rolling off fixed rate loans
- We are supporting customers – 13k accounts in hardship across portfolio of >3m

Accounts in hardship¹



¹ Includes accounts in hardship for Australian Consumer and Business segments. ² Refer to our 2023 Sustainability Index and Datasheet and Climate Report for definitions and further information.



Climate transition²

- 52% reduction in scope 1 and 2 emissions
- Sourced equivalent of 100% renewable energy for Australian operations from April 2023
- Emission targets set in eight of nine NZBA sectors
- Updated sector positions on fossil fuel lending
- Launched Sustainable Finance Framework, and set new targets:
 - \$55bn for finance
 - \$40bn for bond facilitation
- First Natural Capital Position Statement

MICHAEL ROWLAND

Chief
Financial Officer



2H23 FINANCIAL PERFORMANCE

	1H23	2H23	Change 2H23 – 1H23
Net profit	\$4,001m	\$3,194m	(20%)
Excluding Notable Items:			
Revenue	\$10,871m	\$10,671m	(2%)
Expenses	(\$4,988m)	(\$5,244m)	5%
Impairment charges to average loans annualised	10 bps	7 bps	(3 bps)
Net profit	\$3,823m	\$3,545m	(7%)
Cost to income ratio	46%	49%	3 ppts
CET1 capital ratio	12.3%	12.4%	10 bps
Return on tangible equity	12.2%	11.2%	(104 bps)

NOTABLE ITEMS AND BUSINESSES SOLD

Notable Items¹ (\$m after tax)

	2H22	1H23	2H23
Asset sales and revaluations	(1,089)	256	-
Provisions for remediation, litigation, fines and penalties	(68)	-	(176)
Restructuring costs	-	-	(140)
Assets write-downs	(129)	-	(87)
Hedging items	233	(78)	52
Total Notable Items	(1,053)	178	(351)

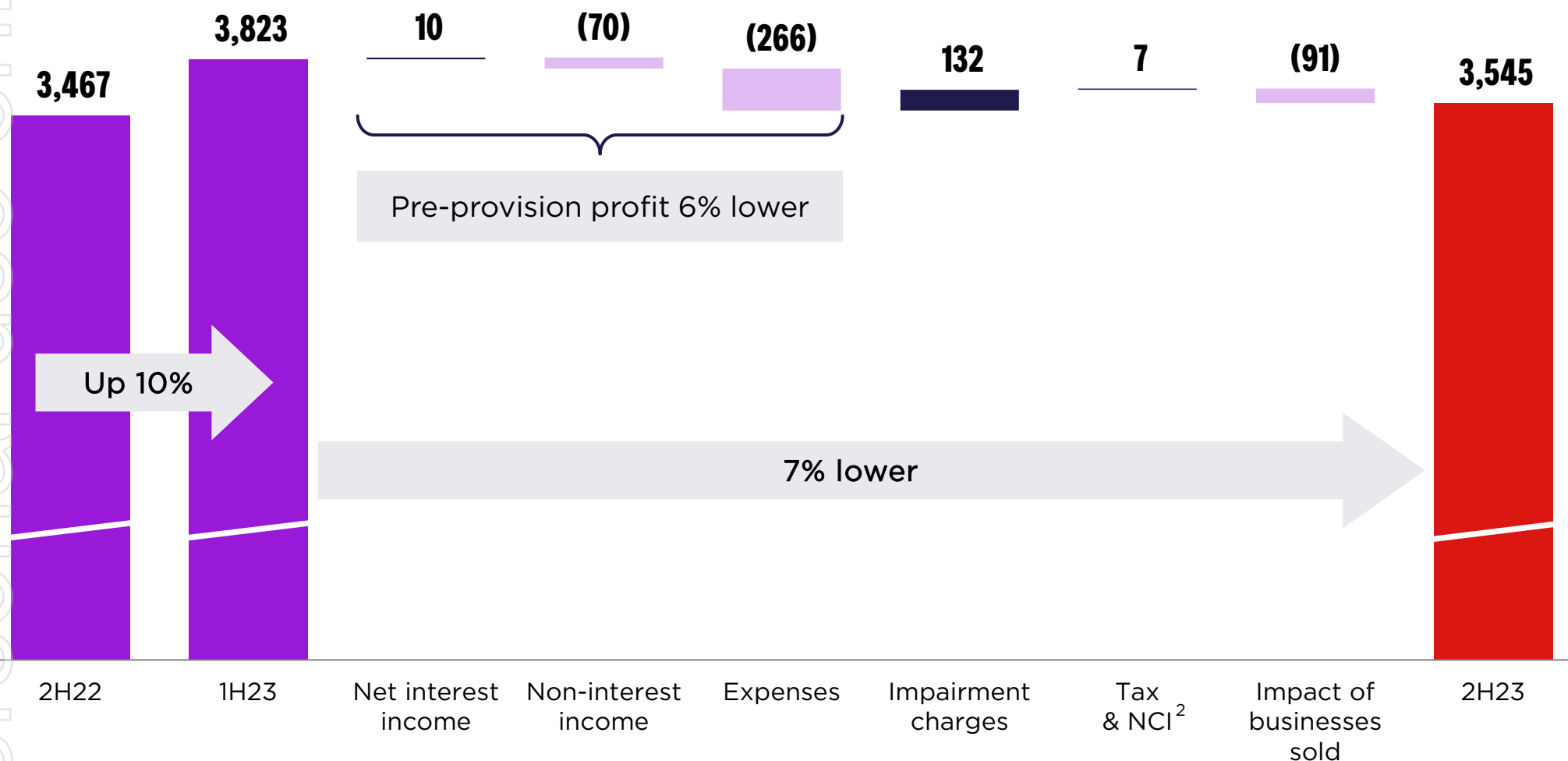
Businesses sold (\$m)

	2H22	1H23	2H23
Revenue	167	140	-
Expenses	(49)	18	28
Pre-provision profit	118	158	28
Impairment charges & tax	(44)	(47)	(8)
Total businesses sold impact, after tax	74	111	20

¹ For further details of Notable Items refer to page 39.

2H23-1H23 NET PROFIT REFLECTS OPERATING ENVIRONMENT

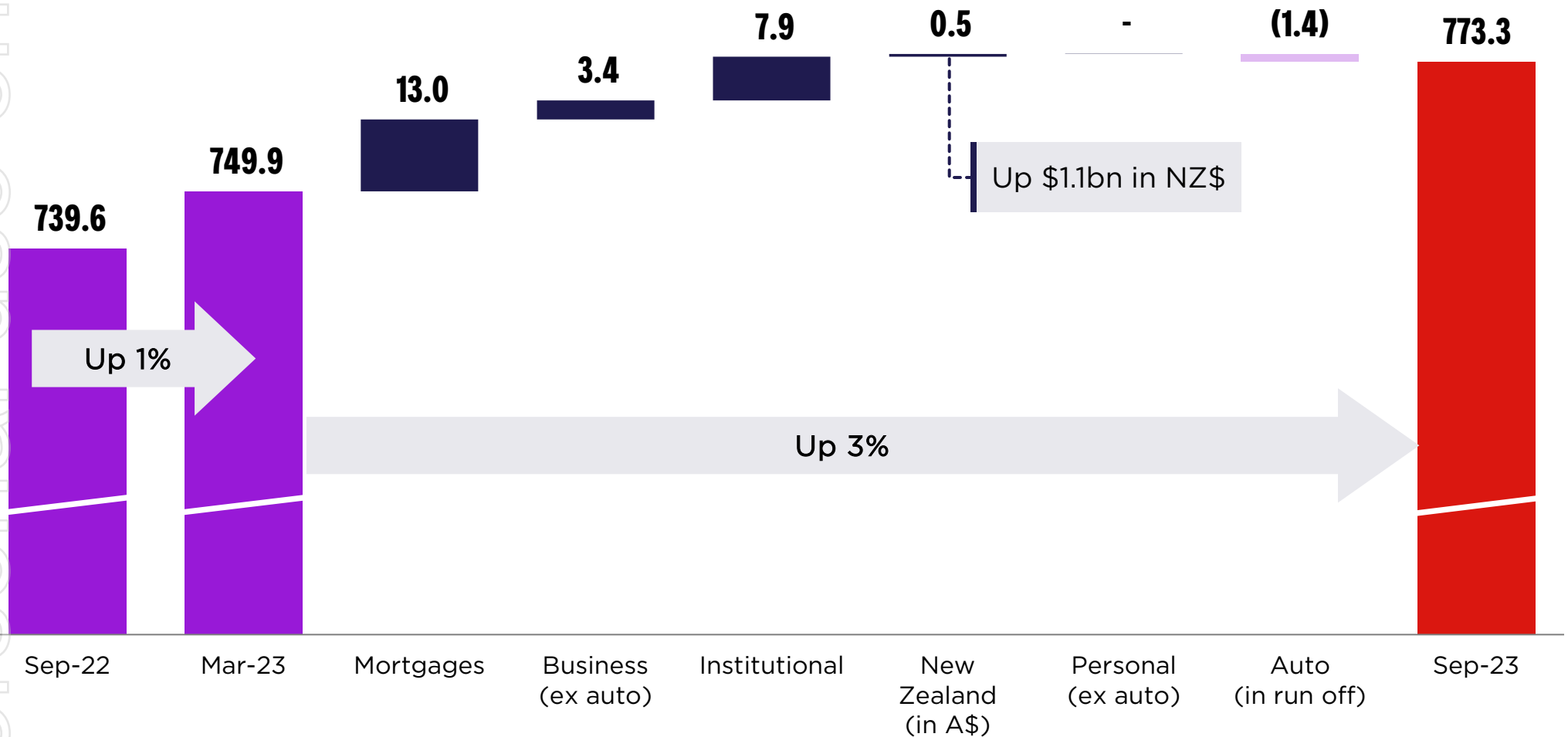
(\$m)¹



¹ Excludes the impact of Notable Items. ² Non-controlling interests.

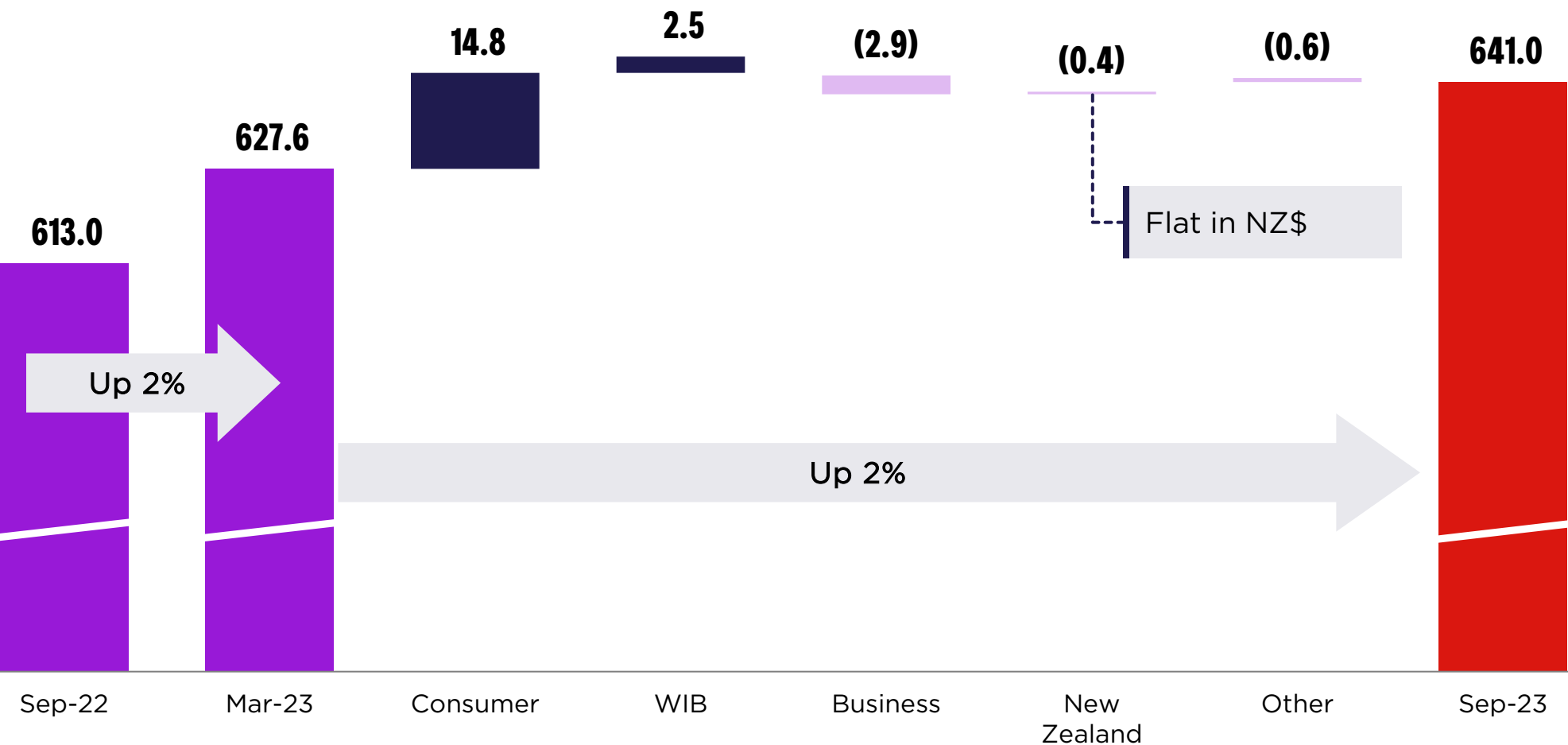
LENDING MOMENTUM

Net loans (\$bn)



DEPOSIT GROWTH

(\$bn)



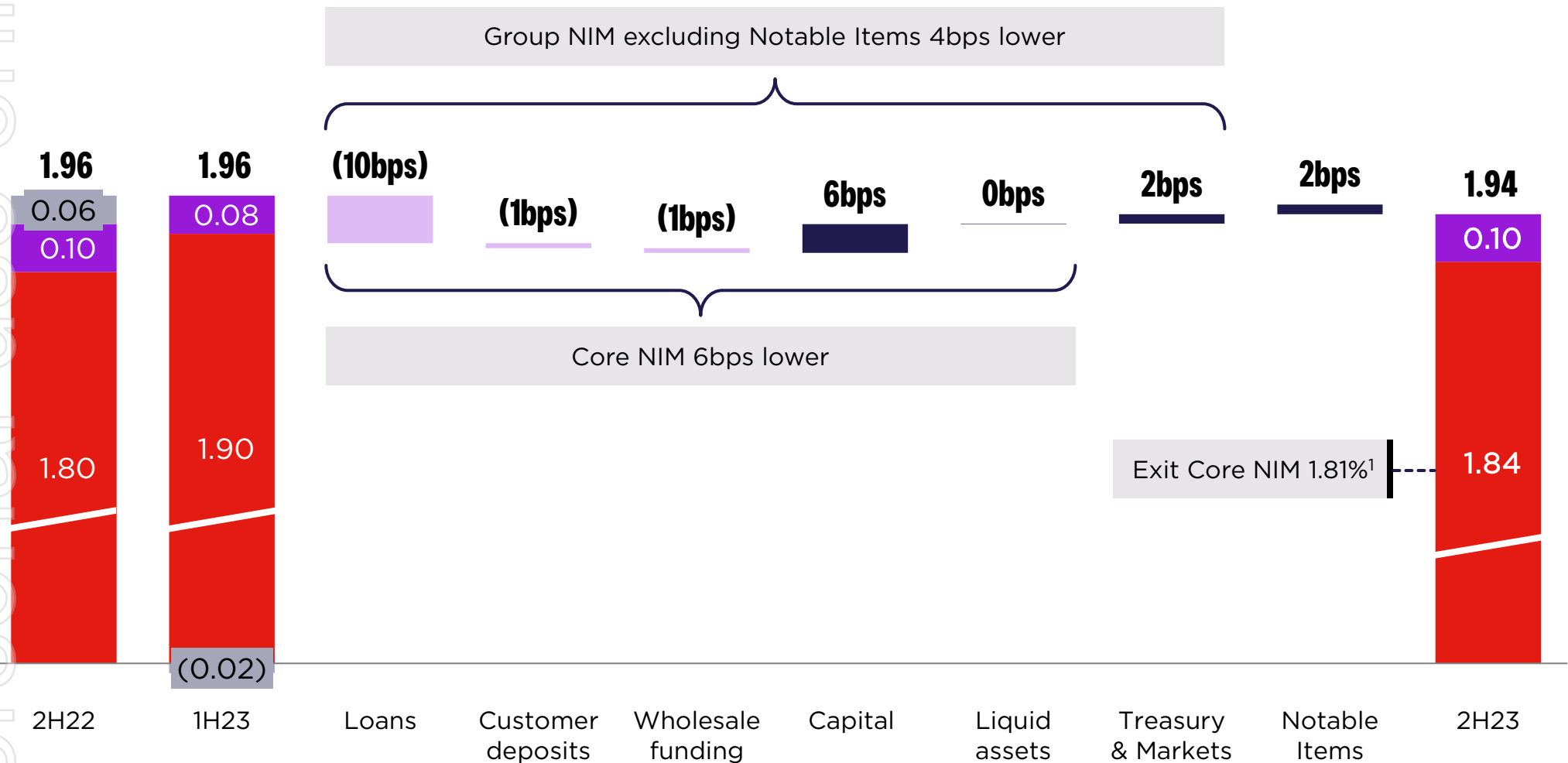
NET INTEREST MARGIN LOWER

(%)

● Core NIM¹

● Treasury & Markets

● Notable Items



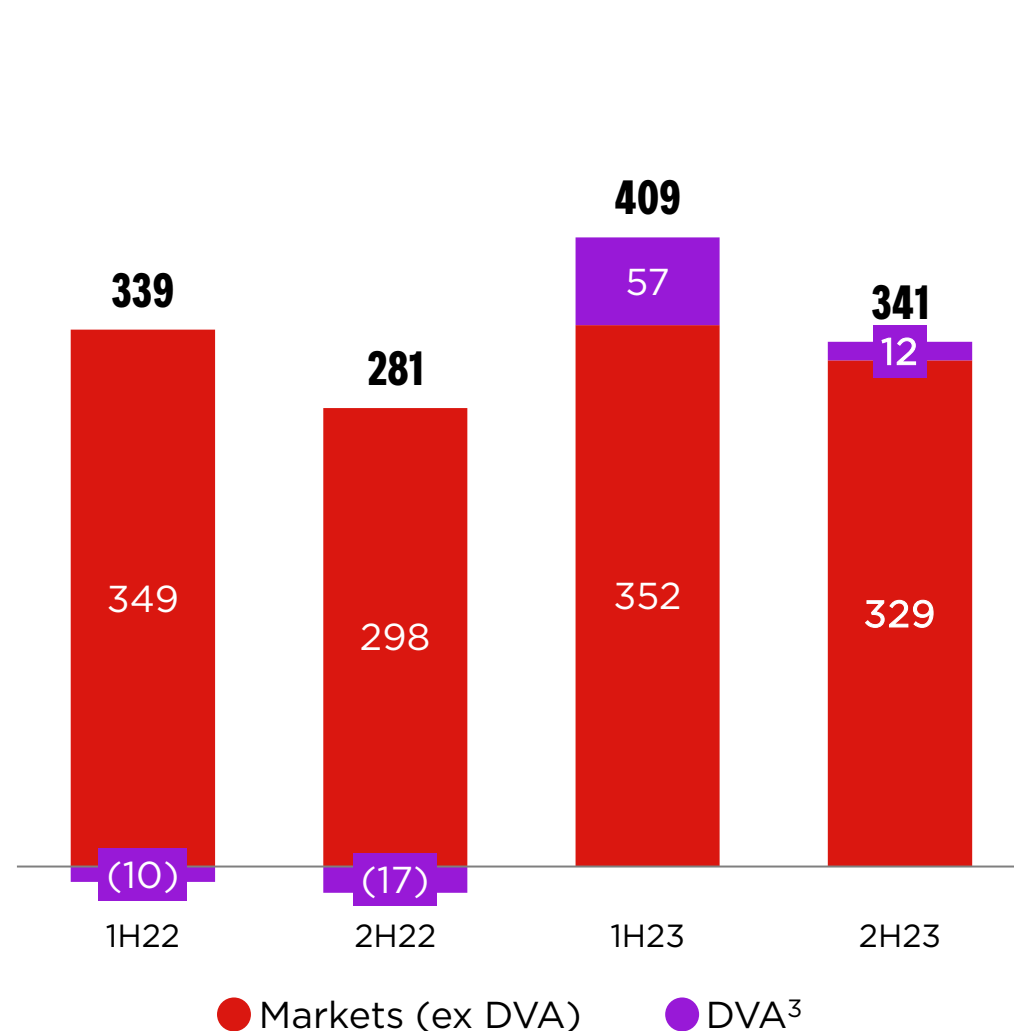
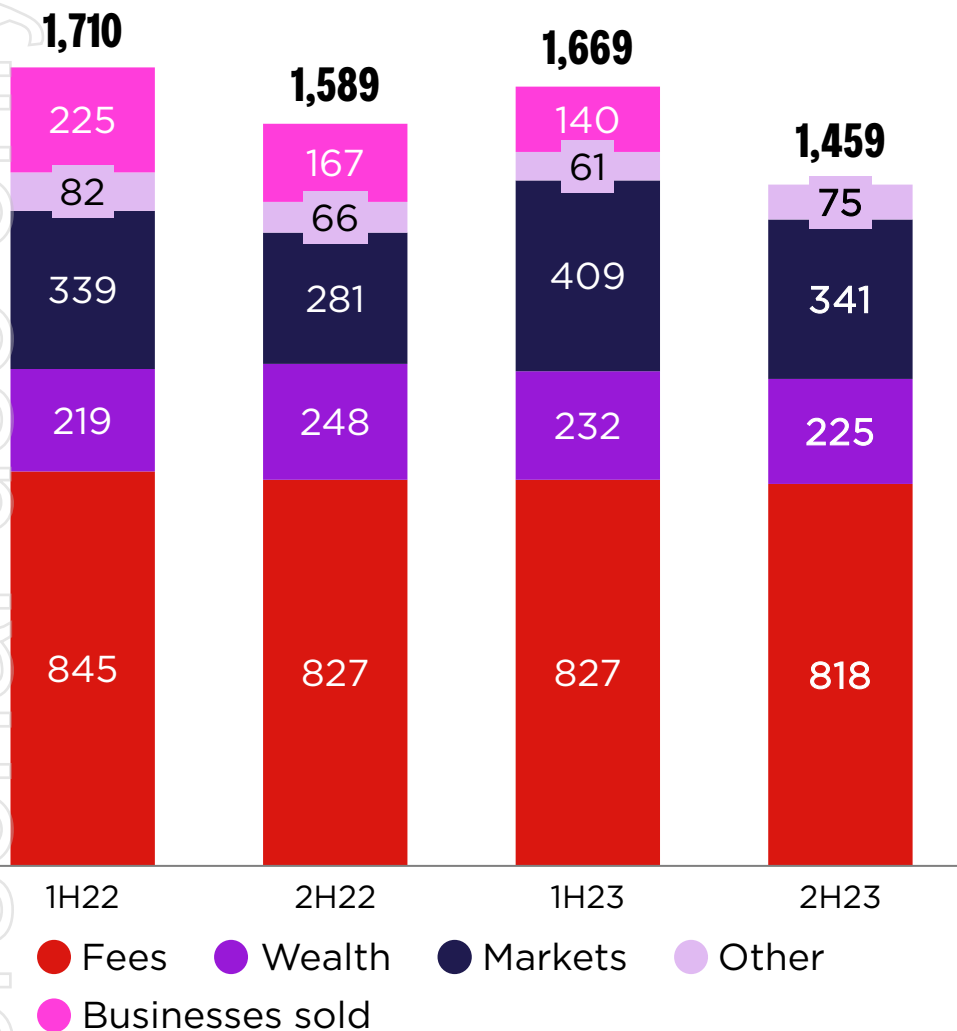
¹ Exit refers to Core NIM for the month of September 2023.

NON-INTEREST INCOME 5% LOWER¹

(\$m)

Non-interest income by type²

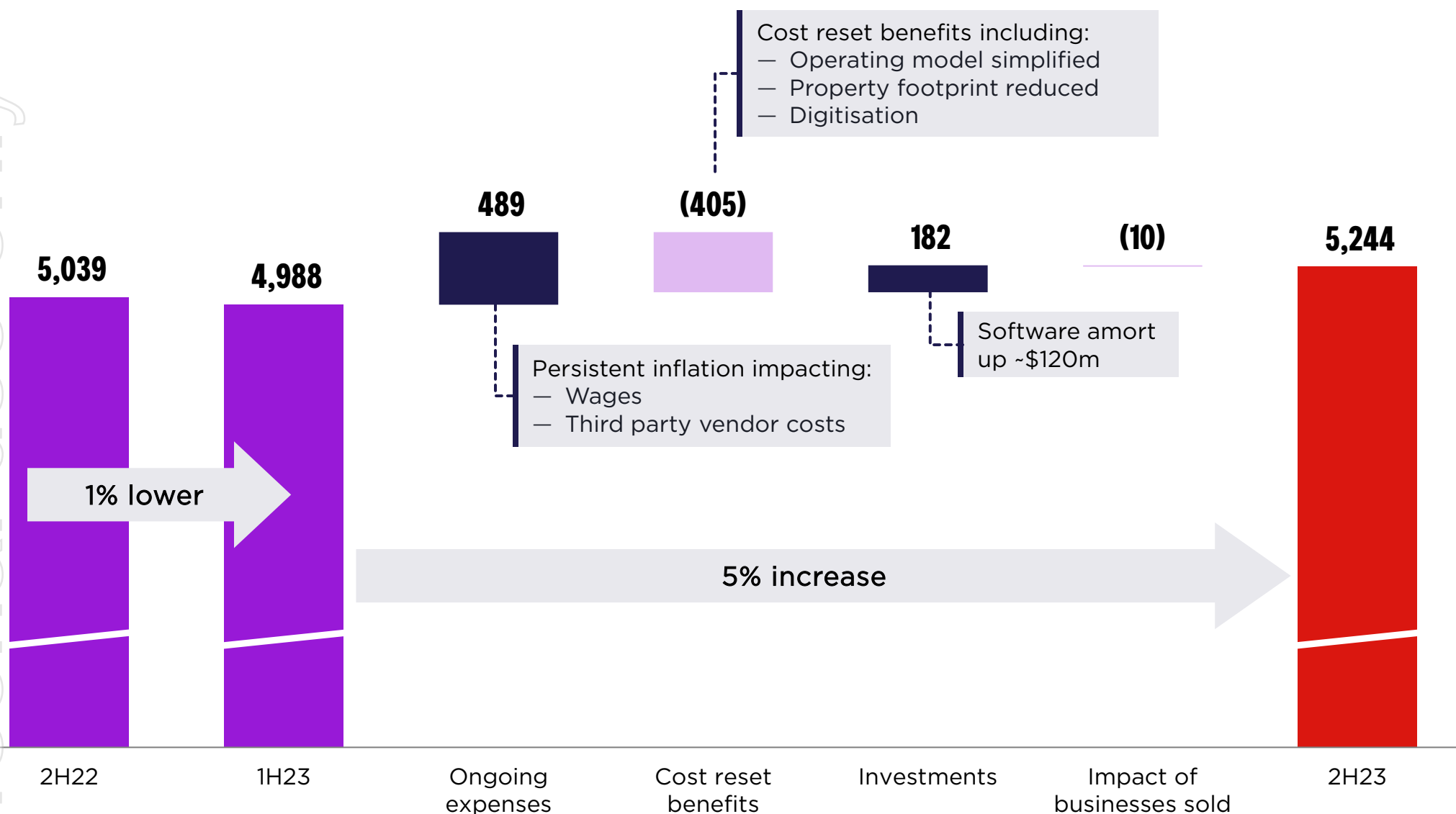
Markets income (\$m)²



¹ Excluding the impact of Notable Items and businesses sold. ² Excludes the impact of Notable Items. ³ Derivative valuation adjustment.

2H23 EXPENSES, INVESTMENT UP

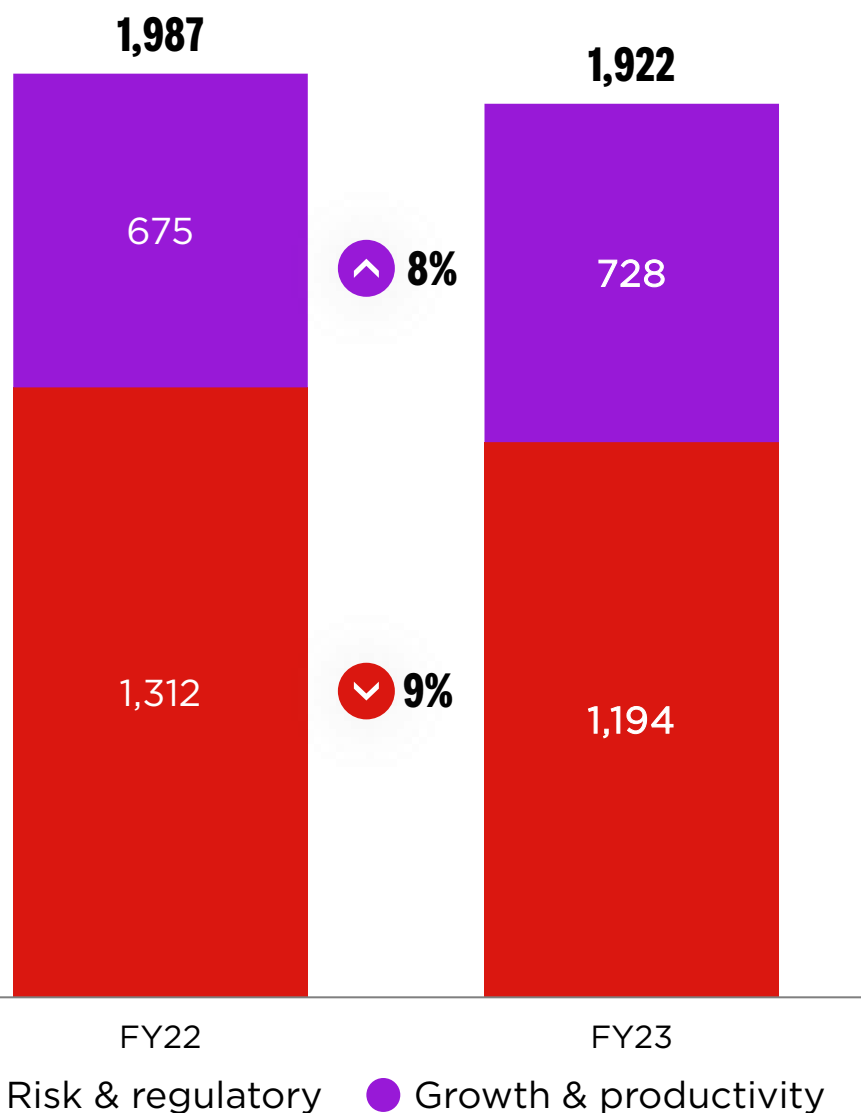
(\$m)¹



¹ Excludes the impact of Notable Items.

INVESTMENTS TILT TOWARD GROWTH & PRODUCTIVITY

(\$m)



¹ Includes capitalised software, fixed assets and prepayments.

Growth and productivity investment increased

- Mortgage origination platform
- Digital capability
- Corporate cash management platform
- Business process simplification

Investment in risk and regulatory

- CORE program
- APRA Basel III
- RBNZ BS11
- Payments
- APRA data collection
- Financial crime & cyber

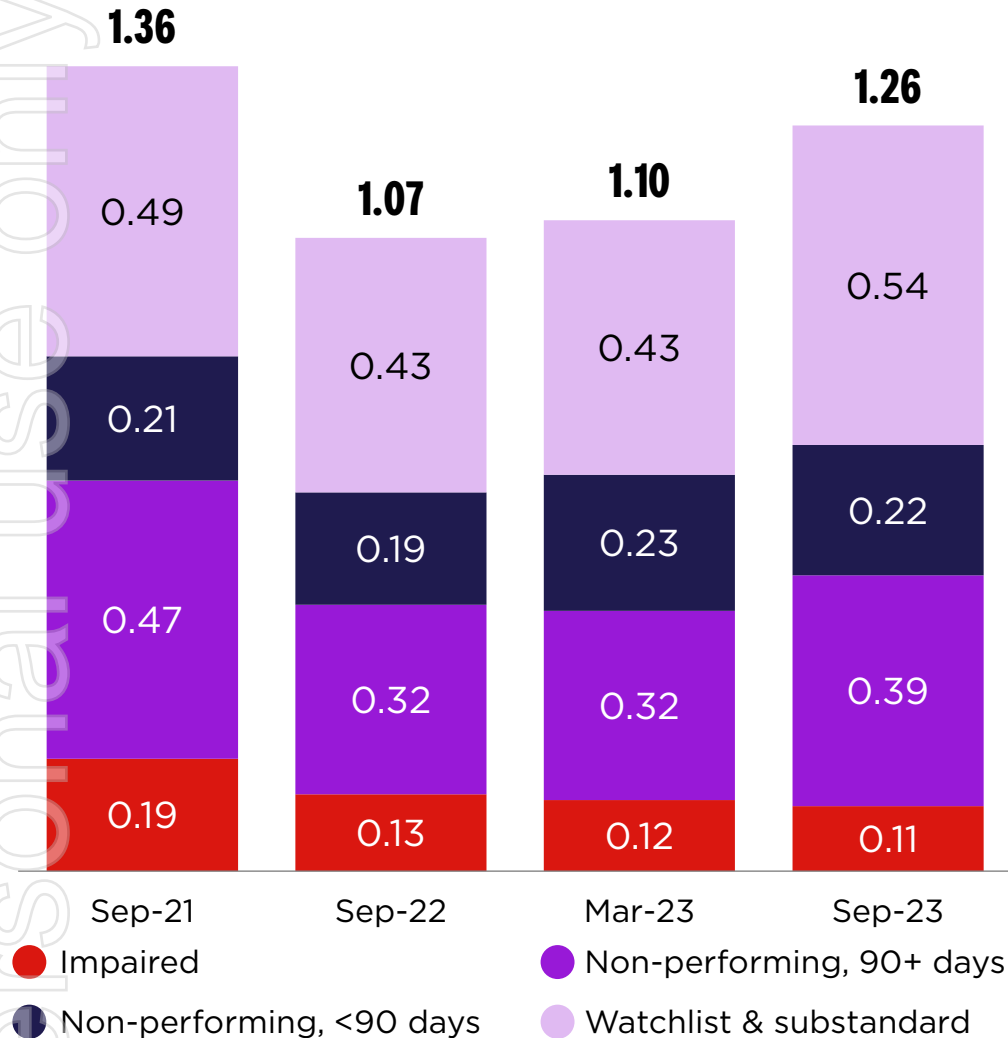
Investment spend (\$m)

	FY22	FY23
Expensed	883	816
Capitalised ¹	1,104	1,106
Total investment spend	1,987	1,922
Amortisation expense	621	545
Avg amortisation period (years)	3.2	3.6

Capitalisation of investment mainly reflects spend on strategic platforms and infrastructure

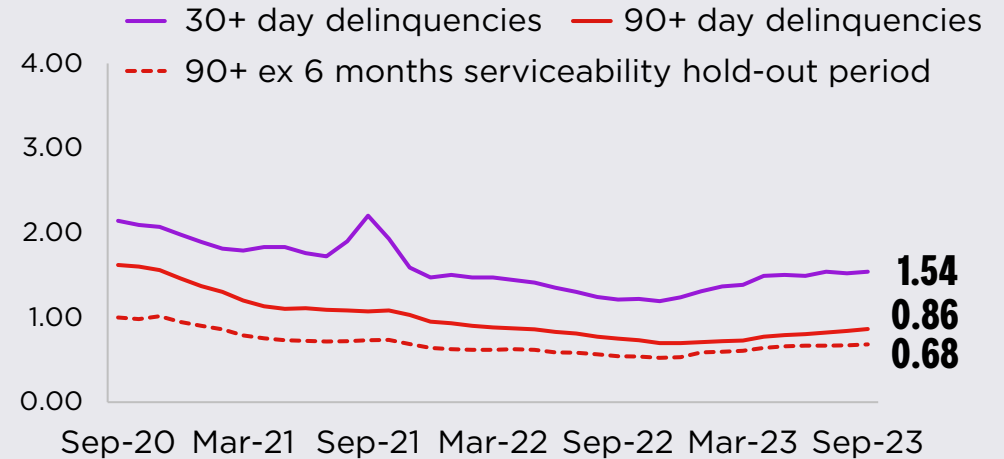
CREDIT QUALITY RESILIENT, SMALL LIFT IN ARREARS

Stressed exposures as a % of TCE¹

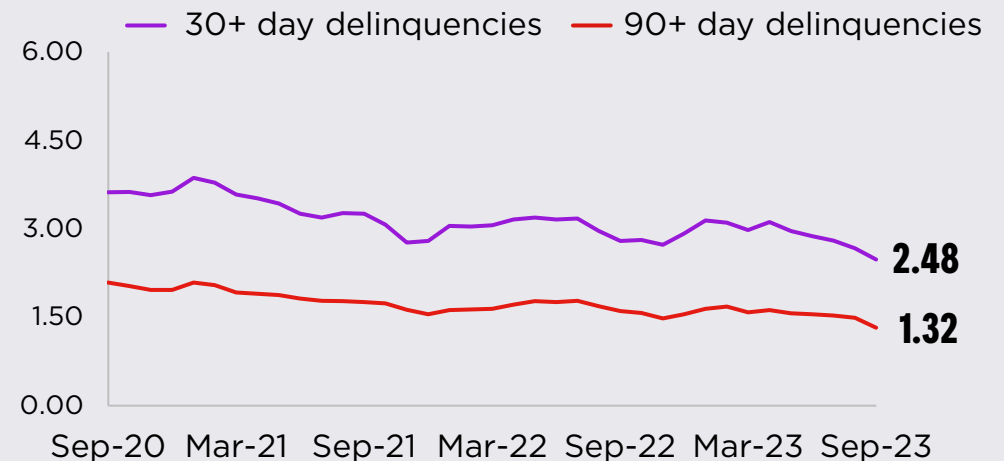


¹ TCE is total committed exposure.

Australian mortgage delinquencies (%)

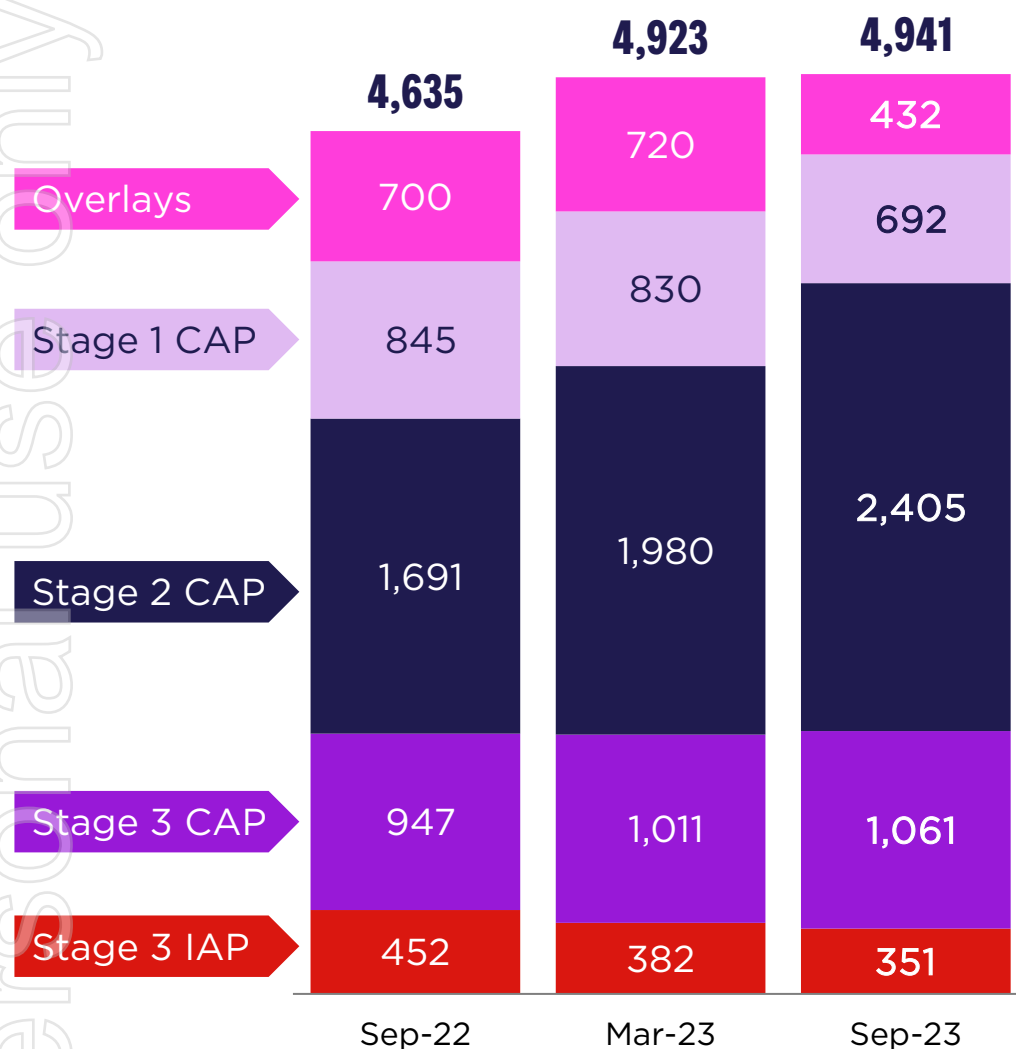


Australian unsecured delinquencies (%)



IMPAIRMENT PROVISIONS \$1.5BN ABOVE BASE CASE

(\$m)



CAP to credit RWA of 1.35%, up 2bps

Overlays reduced

- For mortgages, construction and NZ weather events

Stage 2 CAP higher

- Modest downgrades to watchlist & substandard
- Commercial property price forecast
- Interest rate forecast updates
- Increased mortgage early cycle mortgage delinquencies

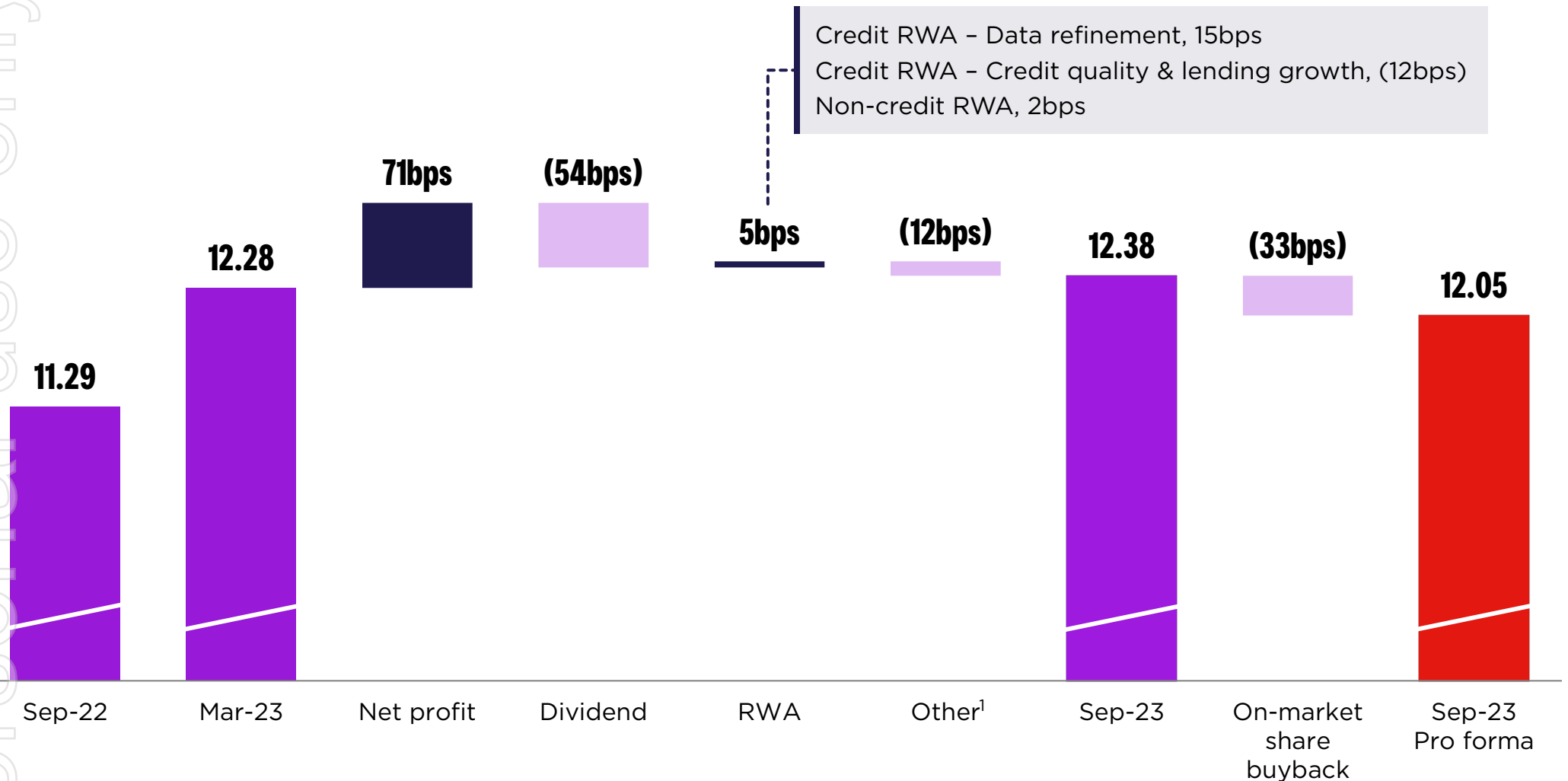
Forecasts for base case ECL ²	Base case		Downside
	2023	2024	Trough / peak ³
GDP growth	1.2%	1.6%	(6%)
Unemployment	3.9%	4.7%	11%
Residential property prices	5.8%	4.0%	(27%)
Commercial property prices	(15.0%)	(0.5%)	(32%)

(\$m)

25 Westpac Group 2023 Full Year Results Presentation & Investor Discussion Pack

CAPITAL ABOVE TOP END OF TARGET OPERATING RANGE

CET1 Capital ratio (%)



¹ Capital deduction and other movements including FX translation impacts.

1H24 CONSIDERATIONS¹



Revenue

- System credit growth steady
- 2H23 Core NIM 1.84%, Exit 1.81%²
 - Sensitive to interest rate moves
 - Lending remains competitive
 - Higher earnings on capital
 - Deposits competition, mix impact offset by hedged deposits
 - Small drag from higher funding costs



Reporting changes

- Retained specialist businesses included in Business & Wealth division



Expenses

- Persistent inflation
- Software amortisation headwind
- Risk & reg spend to remain elevated
- Focused on cost reset



Credit quality & balance sheet

- Credit quality resilient, expect some deterioration
- Retain strong balance sheet settings
- Ongoing opportunity for capital management³

¹ The information on this page contains 'forward-looking statements' and statements of expectation reflecting Westpac's current views on future events. They are subject to change without notice and certain risks, uncertainties and assumptions which are, in many instances, beyond its control. They have been based upon management's expectations and beliefs concerning future developments and their potential effect on Westpac. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may differ materially from those expressed or implied in such statements. Investors should not place undue reliance on forward-looking statements and statements of expectation. Except as required by law, Westpac is not responsible for updating, or obliged to update, any matter arising after the date of this presentation. The information in this page is subject to the information in Westpac's ASX filings, including in its 2023 Annual Report and elsewhere in this presentation. 2 Exit refers to Core NIM for the month of Sep-23.

³ Subject to market conditions and regulatory requirements.

PETER KING

Chief
Executive Officer



A STRATEGY FOR GROWTH AND RETURN

OUR PURPOSE

Creating better futures together

AMBITION

To be our customers' #1 bank and partner through life

PILLARS

Customer
care at
the heart

Easy
to do
business with

Expert
solutions
and tools

Advocate
for positive
change

FOUNDATIONS

Strong
balance
sheet

Proactive Risk
Management and
Risk Culture

Data-informed
insights and
decisioning

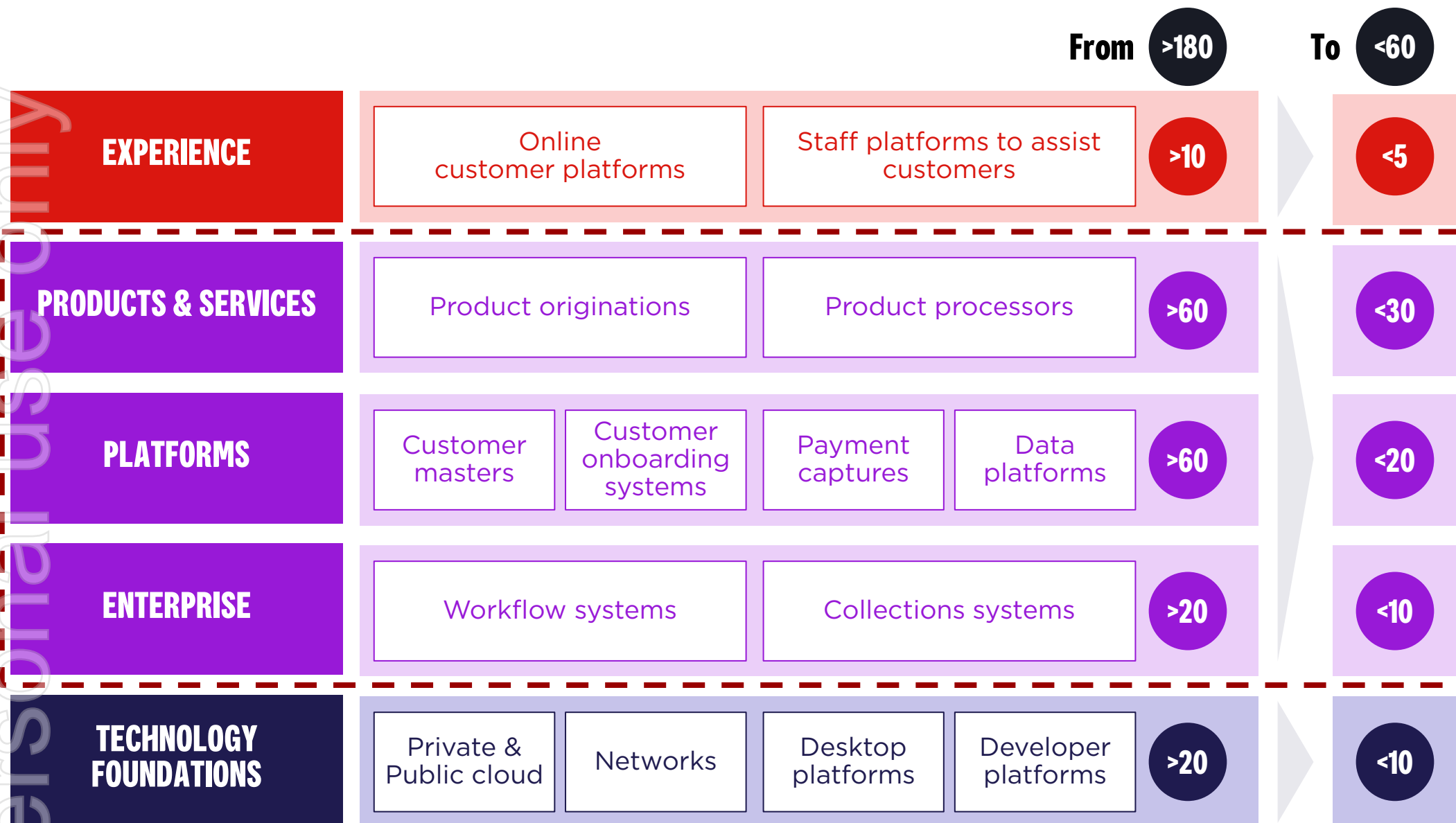
Passionate
people who
make a difference

MEASURES

Return on tangible equity

Market position

ACCELERATING TECHNOLOGY SIMPLIFICATION¹



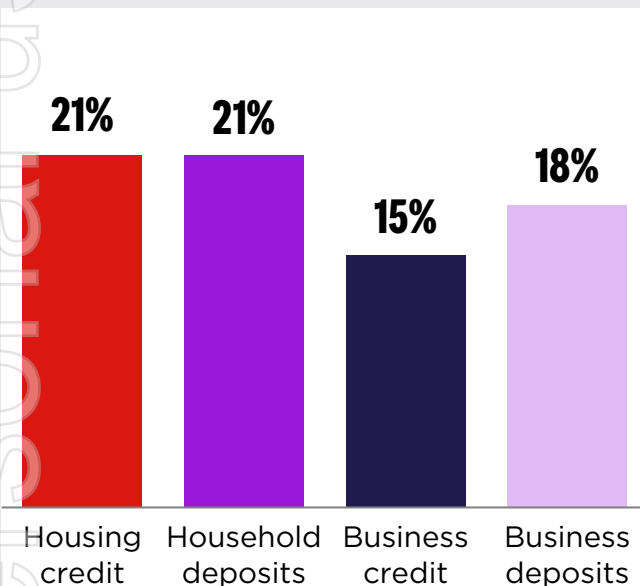
¹ Refers to Australian banking system simplification. This page contains 'forward looking statements' and statements of expectation. Please refer to the disclaimer on page 134.

INVESTMENT OUTCOMES¹

Target market growth

- Improve customer experience
 - NPS in scorecards
 - Simple digital processes
- Maintain market share in key lending and deposit segments

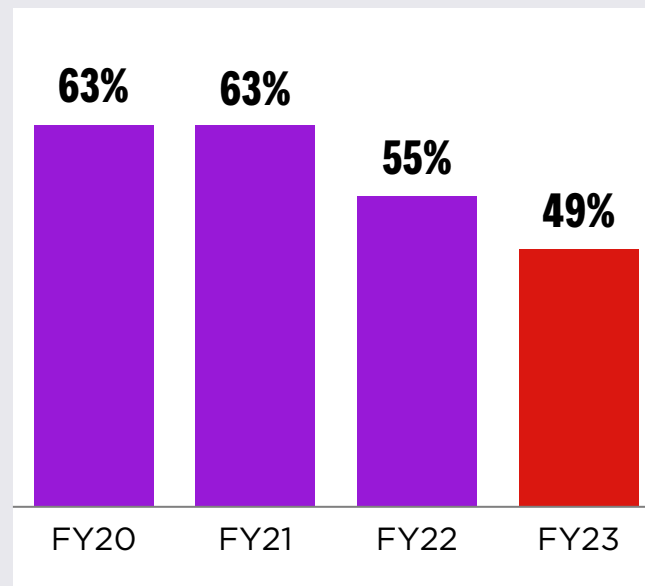
Market share Sep-23²



Increase return

- Close cost to income ratio gap to peers in medium term
 - Reduce cost of change
 - Reduce run costs
- Reduce operational risk

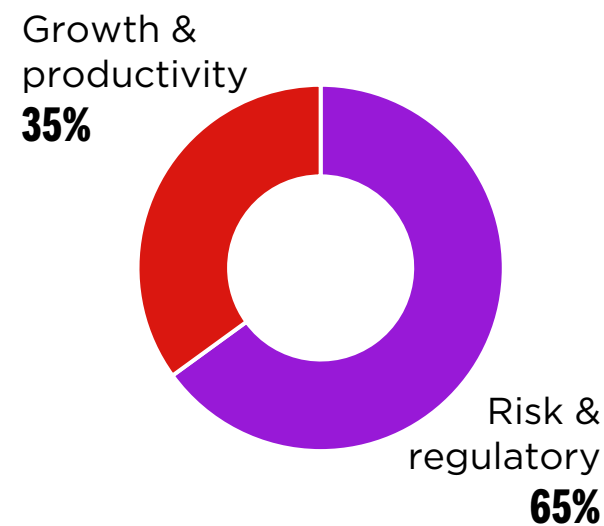
Cost to income ratio



Investment spend

- Shift towards growth and productivity
- Support strategy and technology simplification
- Expected investment ~\$2bn pa

Average FY20-FY23



¹ This page contains 'forward looking statements' and statements of expectation. Please refer to the disclaimer on page 134. ² Based on ADI System as published in the Monthly ADI statistics by APRA. Business includes WIB.

FY23 HIGHLIGHTS



**STRENGTHENED
CUSTOMER
FRANCHISE**



**IMPROVED
FINANCIAL
RESULT**



**BALANCE
SHEET
MOMENTUM**



**COMPLETED
PORTFOLIO
SIMPLIFICATION**



**ACCELERATING
TECHNOLOGY
SIMPLIFICATION**

INVESTOR DISCUSSION PACK



OVERVIEW

CREATING BETTER FUTURES IN FY23

OVERVIEW

Supporting our customers, shareholders, employees, community and environment

SHAREHOLDERS	CUSTOMERS	OUR PEOPLE	COMMUNITY	ENVIRONMENT
\$7,195m Net Profit, up 26%	13 million Customers across the Group	75 Organisational Health Index, above global median	\$3.4bn Taxes paid globally, including the bank levy	66% Reduction in scope 1 and 2 emissions from our 2021 baseline
\$6.5bn \$5bn dividends and returning \$1.5bn capital via on-market share buyback	#1 Mobile Banking App ¹	49% Women in senior leadership ²	50-year Westpac Lifesaver Rescue Helicopter Service partnership	12 Net-Zero Banking Alliance emission reduction targets
12.38% Common equity tier 1 capital ratio, comfortably above top of operating target range	\$34bn Net new loans	36,146 Employees ³	\$27.9m Spent with diverse suppliers ⁴	100% Sourcing equivalent of 100% of Australian direct electricity demand from renewable energy ⁶
9.0% Total shareholder return	\$28bn Net new customer deposits	\$6.1bn Paid to our people	\$171m In community investment ^{4,5}	7% Reduction in exposure to fossil fuel energy value chain over the year ⁷

1 The Forrester Digital Experience Review: Australian Mobile Banking Apps, Q4 2023. 2 Senior leadership includes executive team, general managers and their direct reports (excluding administrative or support roles). 3 Full time equivalent at 30 Sep-23. 4 Refer to the 2023 Sustainability Index and Datasheet for more information on the definitions. 5 Figure includes commercial sponsorships and foregone fee revenue. 6 From Apr-23. 7 Our fossil fuel energy value chain includes the following sectors: oil and gas (exploration; extraction and terminals, refining, distribution and retail); fuel retailing; thermal coal mining; coal ports; and electricity supply (generation from fossil fuels only: gas; black coal; brown coal; liquid fuel). Refer to the FY23 Sustainability Index and Datasheet for more information on the definitions of these sectors and additional metrics (including metallurgical coal mining).

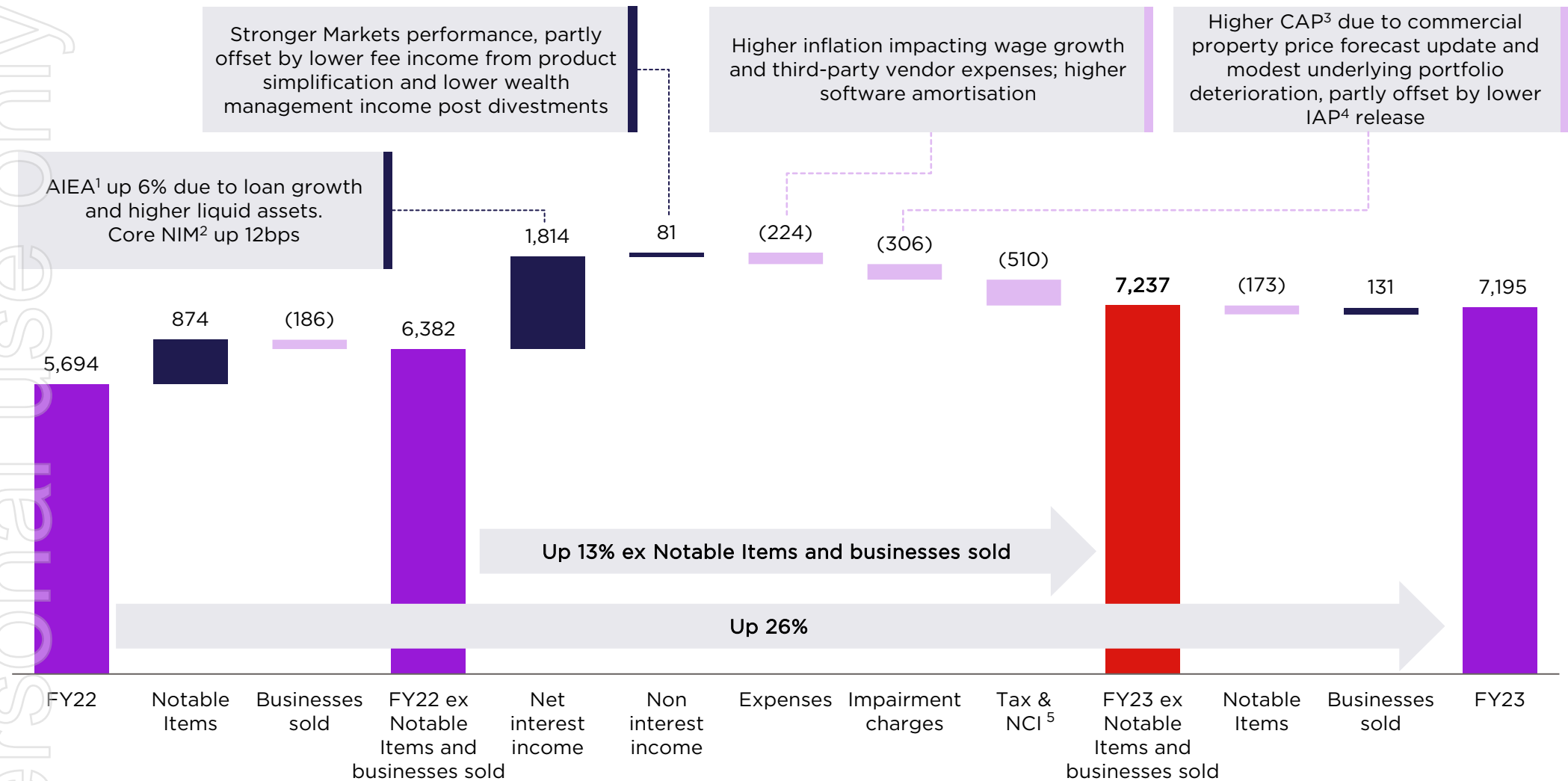
EARNINGS DRIVERS

2023 Full year financial results

FY23 NET PROFIT

EARNINGS

Net profit FY22 – FY23 (\$m)

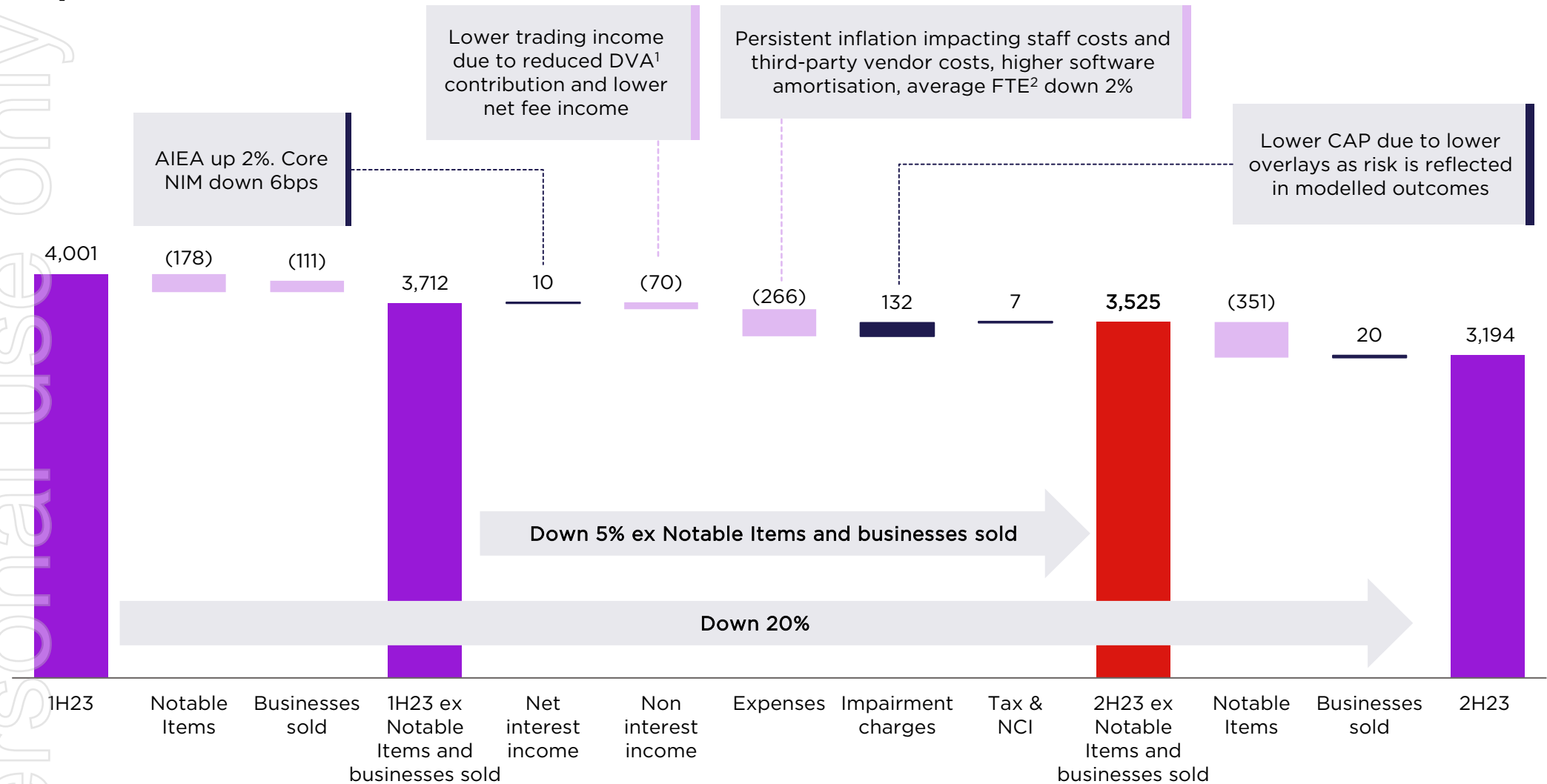


¹ Average interest-earning assets (AIEA). ² Net interest margin (NIM). ³ Collectively assessed provisions (CAP). ⁴ Individually assessed provisions (IAP). ⁵ Non-controlling interests (NCI).

2H23 NET PROFIT

EARNINGS

Net profit 1H23 – 2H23 (\$m)



¹ Derivative valuation adjustments (DVA). ² Full time equivalent (FTE).

SINGLE MEASURE OF PERFORMANCE – NET PROFIT AFTER TAX

EARNINGS

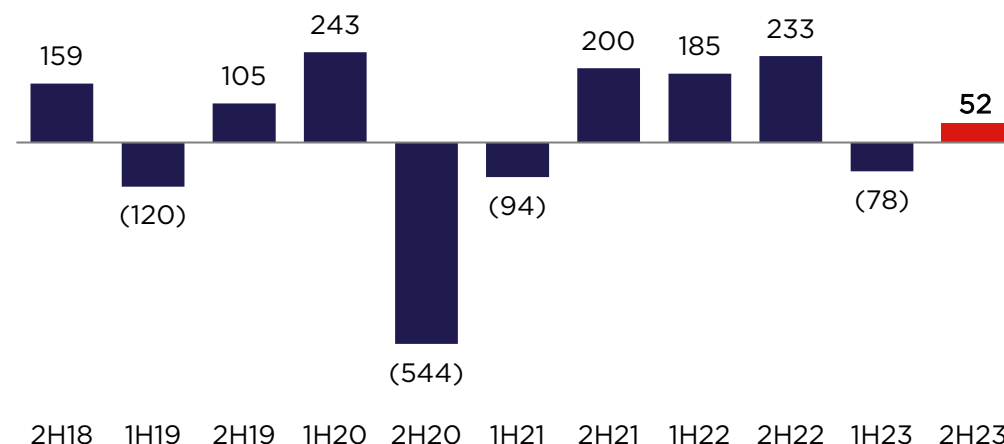
WESTPAC USES NET PROFIT AFTER TAX TO ASSESS FINANCIAL PERFORMANCE AT BOTH A GROUP AND SEGMENT LEVEL

Notable Items are shown separately to clarify underlying operating performance and fall into the following categories:

- Large items that are not reflective of the Group's ordinary operations which may include:
 - Provisions for remediation, litigation, fines and penalties
 - The impact of asset sales and revaluations
 - The write-down of assets (including goodwill and capitalised software)
 - Restructuring costs
- Hedging items:
 - Unrealised fair value gains and losses on economic hedges that do not qualify for hedge accounting
 - Net ineffectiveness on qualifying hedges

Notable Items (\$m after tax)	2H22	1H23	2H23	FY22	FY23
Asset sales and revaluations	(1,089)	256	-	(876)	256
Provisions for remediation, litigation, fines and penalties	(68)	-	(176)	(133)	(176)
Restructuring costs	-	-	(140)	-	(140)
Asset write-downs	(129)	-	(87)	(283)	(87)
Hedging items	233	(78)	52	418	(26)
Total Notable Items	(1,053)	178	(351)	(874)	(173)

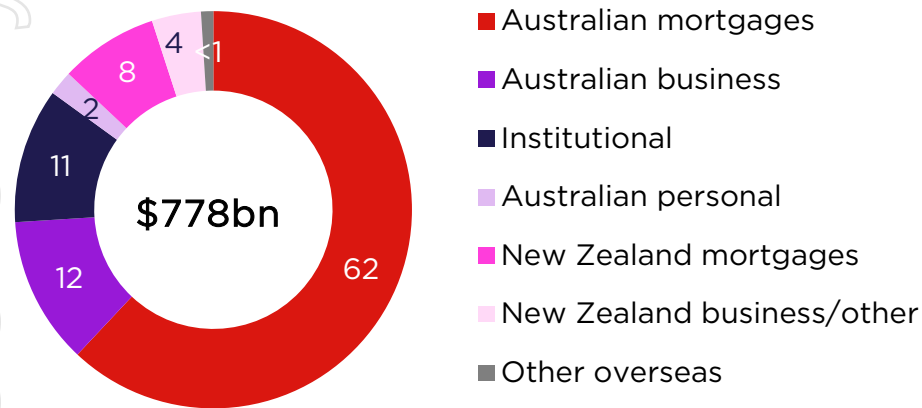
Hedging items (\$m)



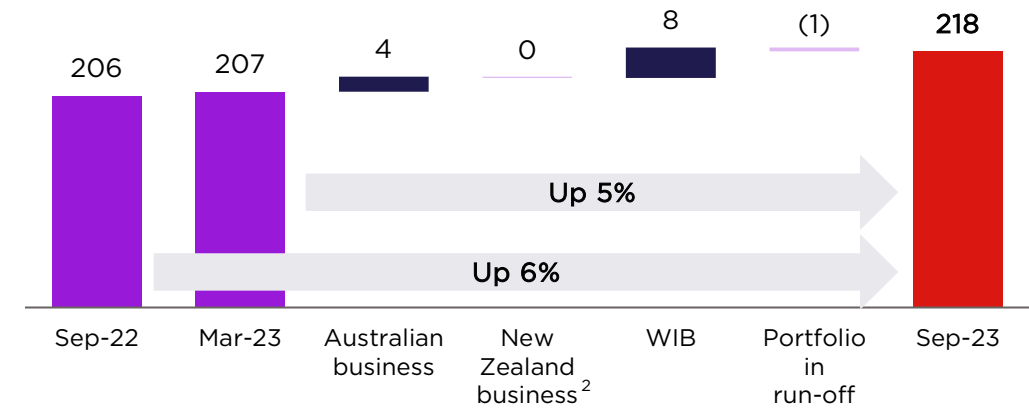
COMPOSITION AND MOVEMENT IN LENDING

REVENUE

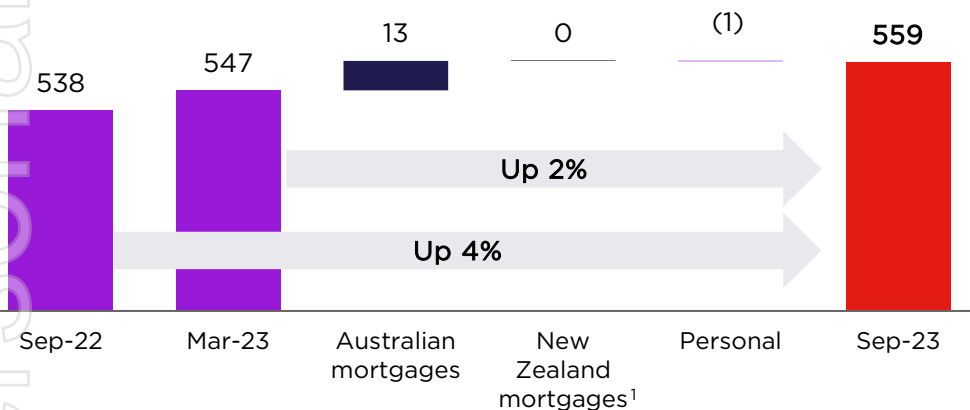
Composition of gross loans (% of total)



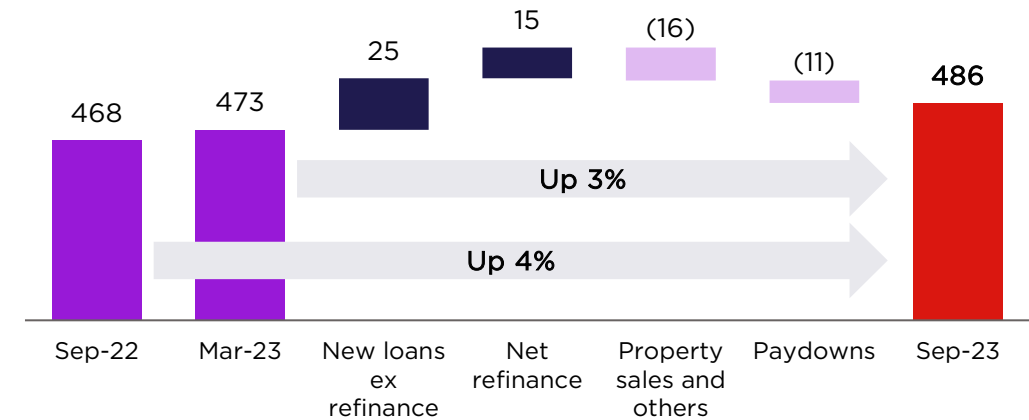
Business and institutional lending (\$bn)



Mortgages and personal lending (\$bn)



Australian mortgages (\$bn)



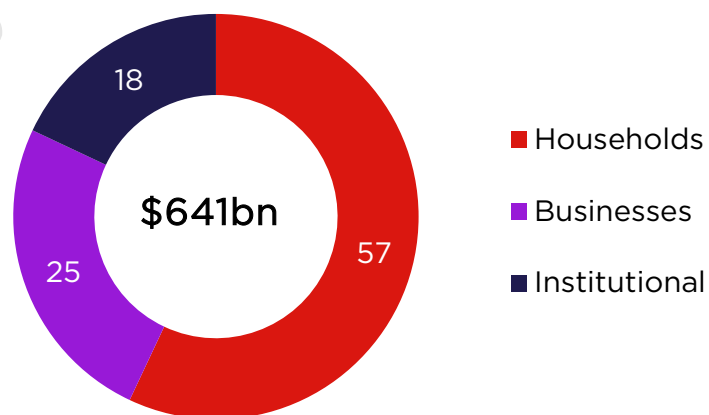
Charts may not add due to rounding

1 A\$. Increase in local currency was NZ\$0.5 billion. 2 A\$. Increase in local currency was NZ\$0.6 billion.

COMPOSITION AND MOVEMENT IN DEPOSITS

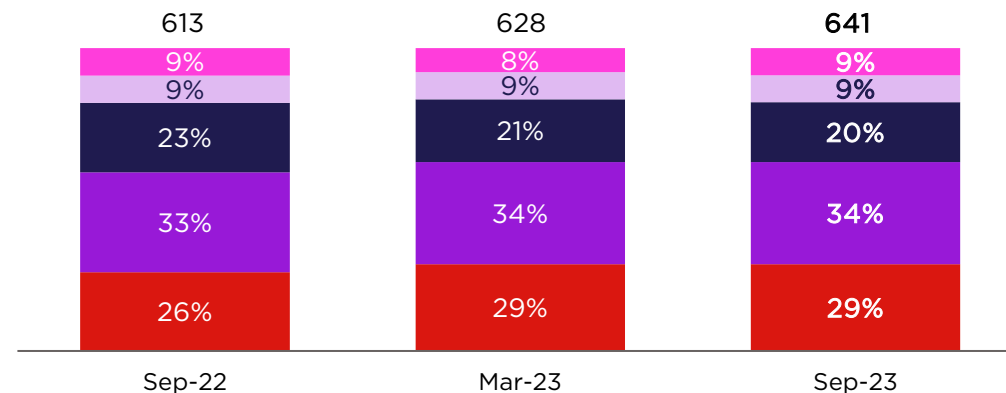
REVENUE

Composition of customer deposits (% of total)



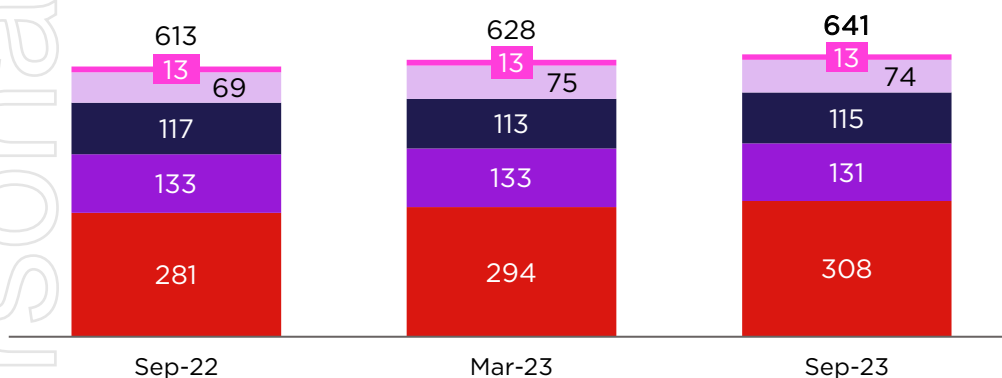
Customer deposits by type (%)

Term deposits Savings Transaction Mortgage offset¹ NIB deposits²



Customer deposits by segment (\$bn)

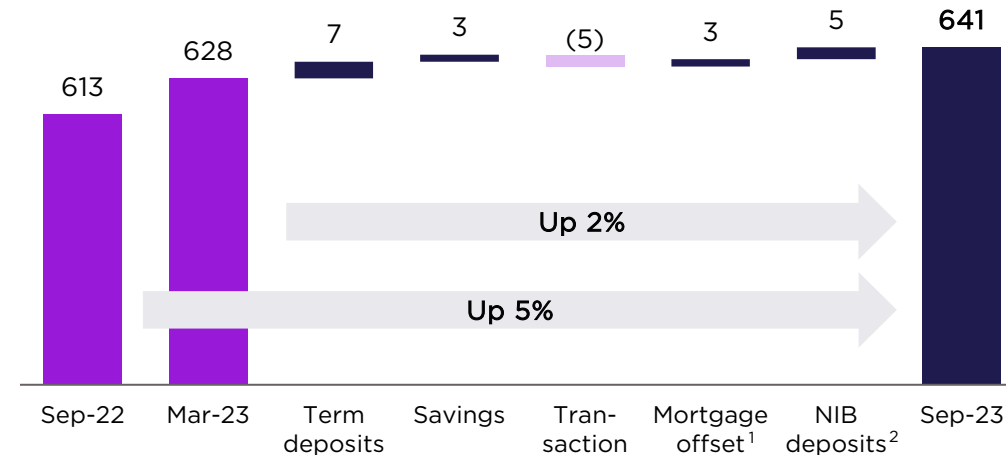
Consumer Business WIB New Zealand³ SB and other



Charts may not add due to rounding.

¹ Australian offset deposit balances only. ² Non-interest bearing (NIB). ³ A\$. Movement in local currency remained flat over the half.

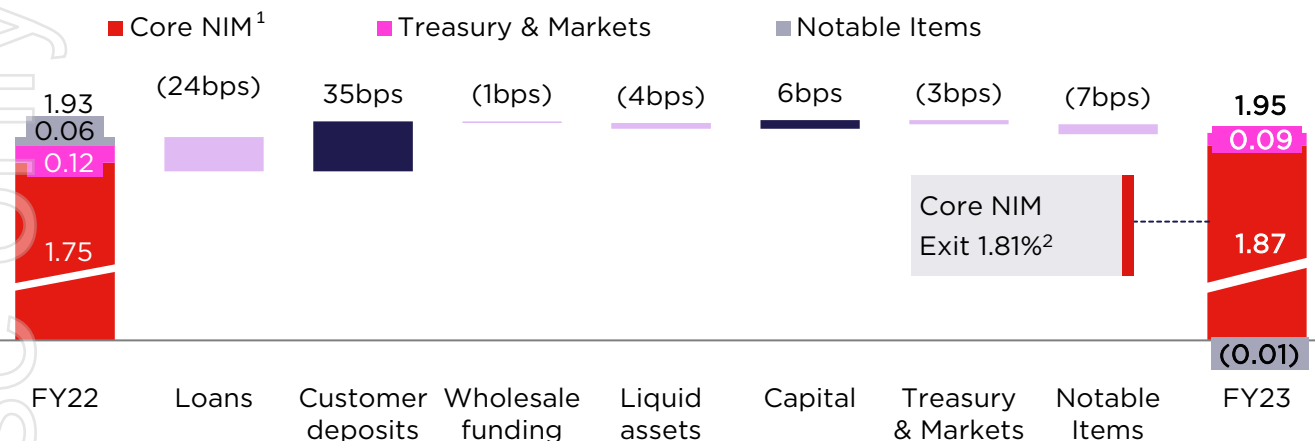
Customer deposit movements (\$bn)



NET INTEREST MARGIN

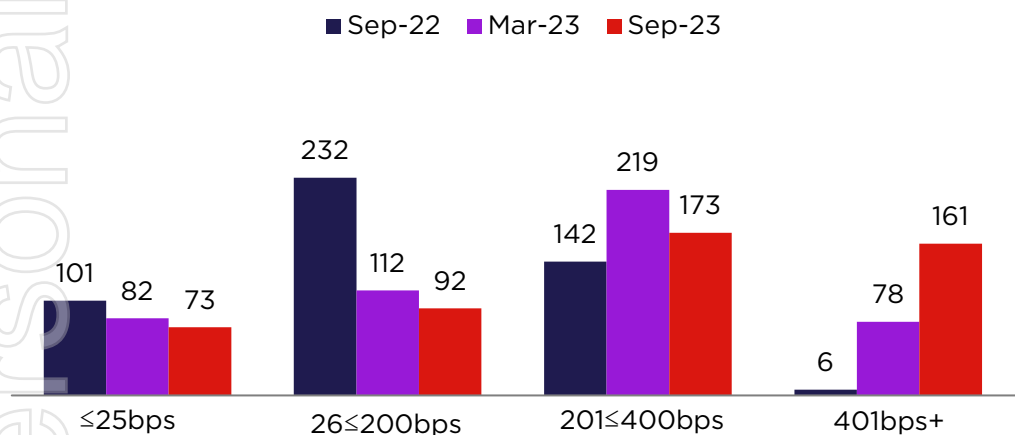
REVENUE

Net interest margin (% and bps)

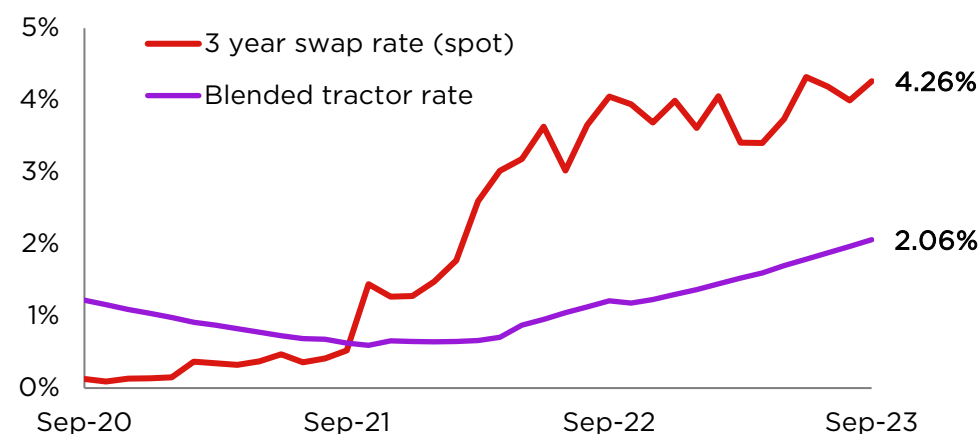


Composition of Group NIM (%)	1H23	2H23	FY23
Core NIM	1.90	1.84	1.87
Treasury & Markets	0.08	0.10	0.09
Core NIM, Treasury & Markets ³	1.98	1.94	1.96
Notable Items: Hedging	(0.02)	0.00	(0.01)
Group NIM	1.96	1.94	1.95

Australian deposit balances⁴ by interest rate bands (\$bn)



Tractor rate



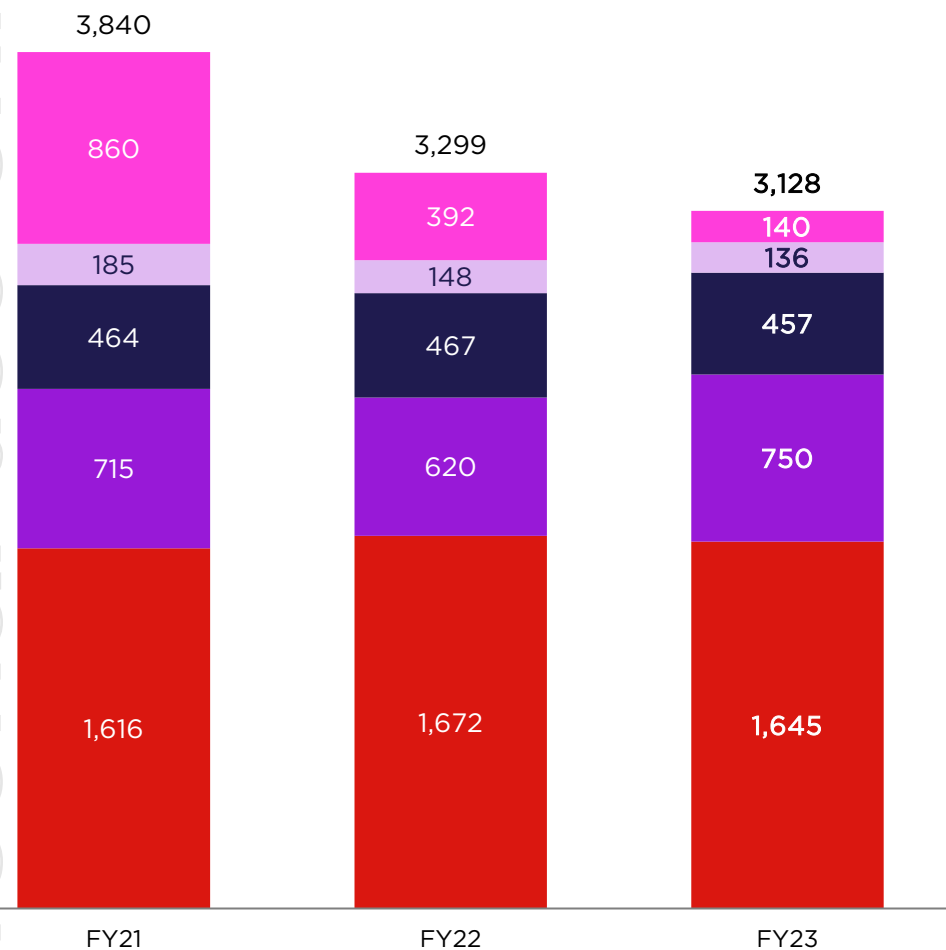
¹ Group net interest margin excluding Notable Items, Treasury & Markets. ² Exit refers to Core NIM for the month of Sep-23. ³ On statutory profit basis. ⁴ Excludes mortgage offset balances. Prior period numbers have been updated.

NON-INTEREST INCOME¹

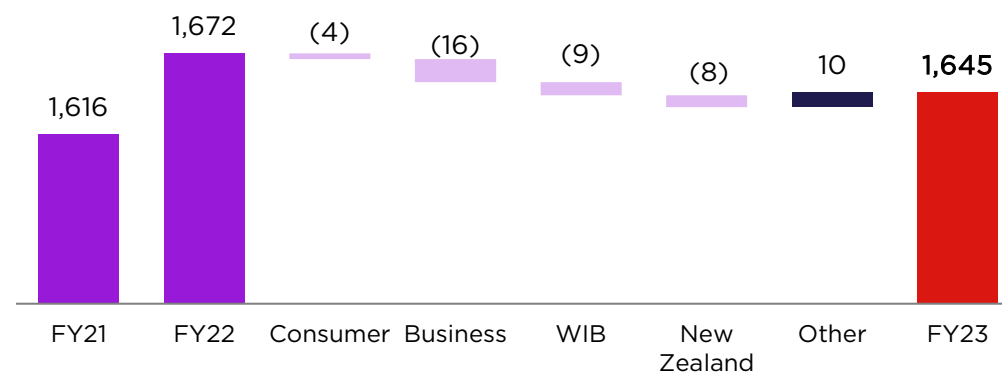
REVENUE

Non-interest income by type (\$m)

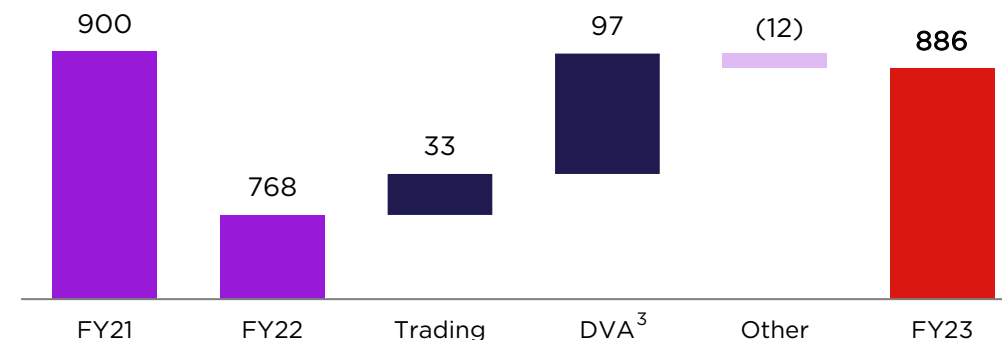
■ Fees ■ Trading ■ Wealth management ■ Other ■ Businesses sold



Net fee income (\$m)²



Trading and other (\$m)²

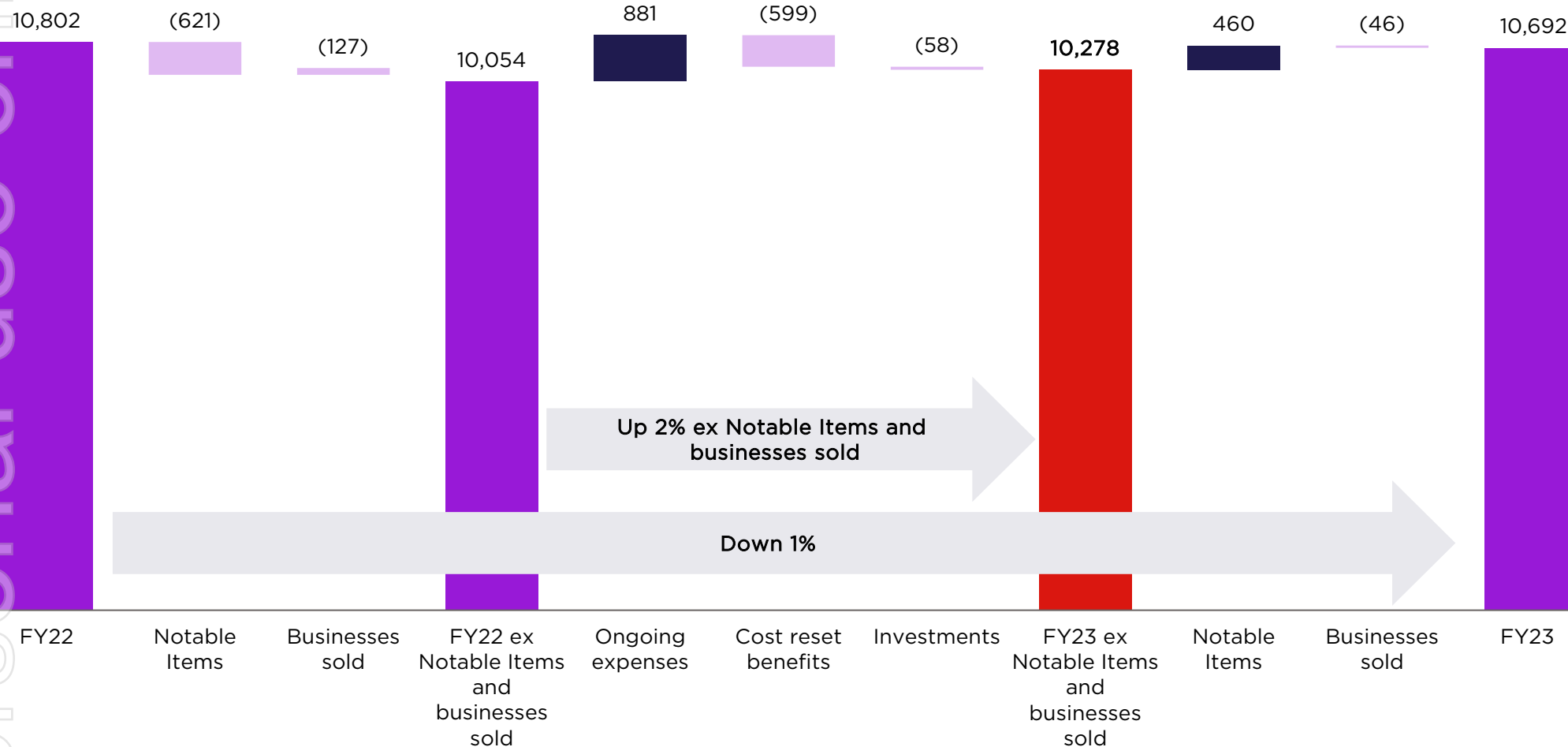


¹ Excluding Notable Items. ² Excluding businesses sold. ³ Derivative valuation adjustment (DVA) has been revised to include funding value adjustment and credit value adjustment (CVA). Previously DVA included only CVA.

EXPENSES

EXPENSES

Inflation across third-party vendor costs and salaries and wages, higher technology supplier costs



SELECT COST RESET INITIATIVES

EXPENSES

	Metric	FY20	FY22	FY23
PORTFOLIO SIMPLIFICATION	— Sale of non-core businesses	1 under sale agreement	7 completed	10 transactions completed ⁷
	— Completion of sales		2 under sale agreement	
BUSINESS SIMPLIFICATION	— Mortgages processed on digital origination platform ¹	32%	82%	87%
	— Consumer sales via digital ²	42%	43%	44%
	— Branch transactions	29 million	23 million	22 million
	— Number of products ³	1,191	808	747
ORGANISATIONAL SIMPLIFICATION	— Offshore locations ⁴	8	7	5
	— Corporate property ⁵	301k sqm	Flat sqm	(22%) sqm
	— Co-located branches	-	27	82
	— Reduce head office roles ~20% ⁶	-	(12%)	(16%)

1 Percentage of home loan applications through digital mortgage origination platform for 1st party lending (excl. RAMS). In 2H23: 95%. 2 Refer to page 132 for definition. 3 Includes products for sale and not for sale across Australia and New Zealand, except for institutional products which are for sale only. 4 Represents international locations excluding New Zealand and Westpac Pacific. 5 Reduction represents decrease on baseline. 6 Reduction represents decrease on baseline being FY21. 7 Cumulative. Three business sales completed in FY23. The transfer of BT Private Portfolio Management completed on 1 Oct-23.

FY23 SNAPSHOT OF TECHNOLOGY SIMPLIFICATIONS

EXPENSES

200

Applications
decommissioned

>500,000

Automated
customer
interactions

12 → 1

Consolidated
contact centre
platform

4 → 2

Reduction in
data centres

27%

Reduction in
printed
statements

~\$100M

Expense
savings

1,159

Components
removed¹

16 → 4

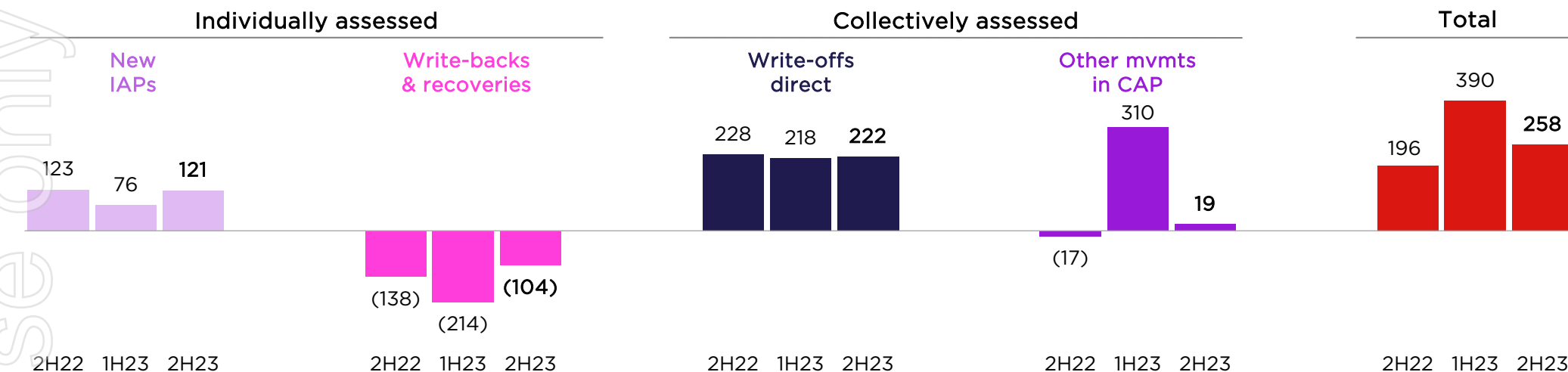
Consolidation of
backup systems
and processes

¹ An application has many components including database, servers, etc. When we decommission an application, we have to systematically remove all its components.

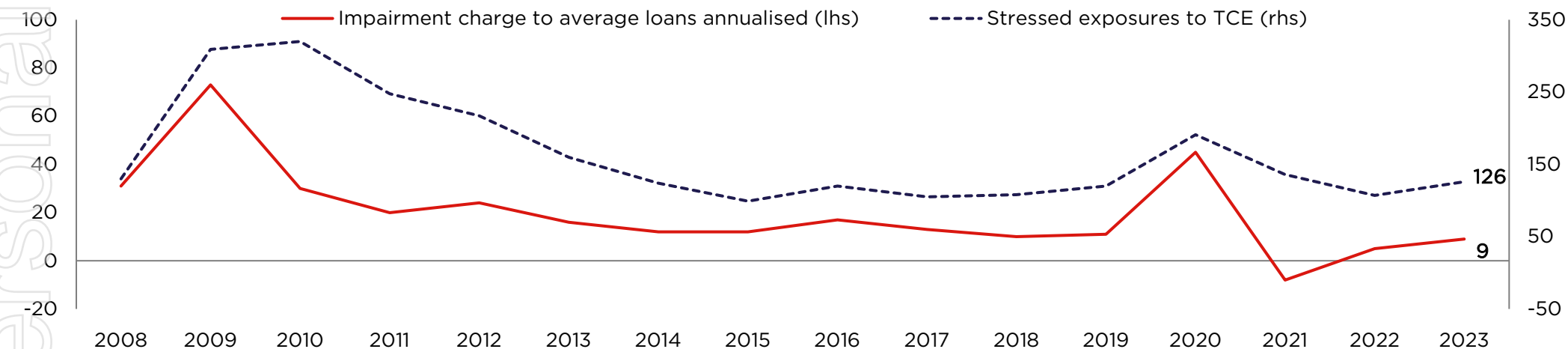
2H23 IMPAIRMENT CHARGE OF \$258M

IMPAIRMENT CHARGES

Impairment charges (\$m)



Impairment charges and stressed exposures (bps)



CREDIT QUALITY AND PROVISIONS

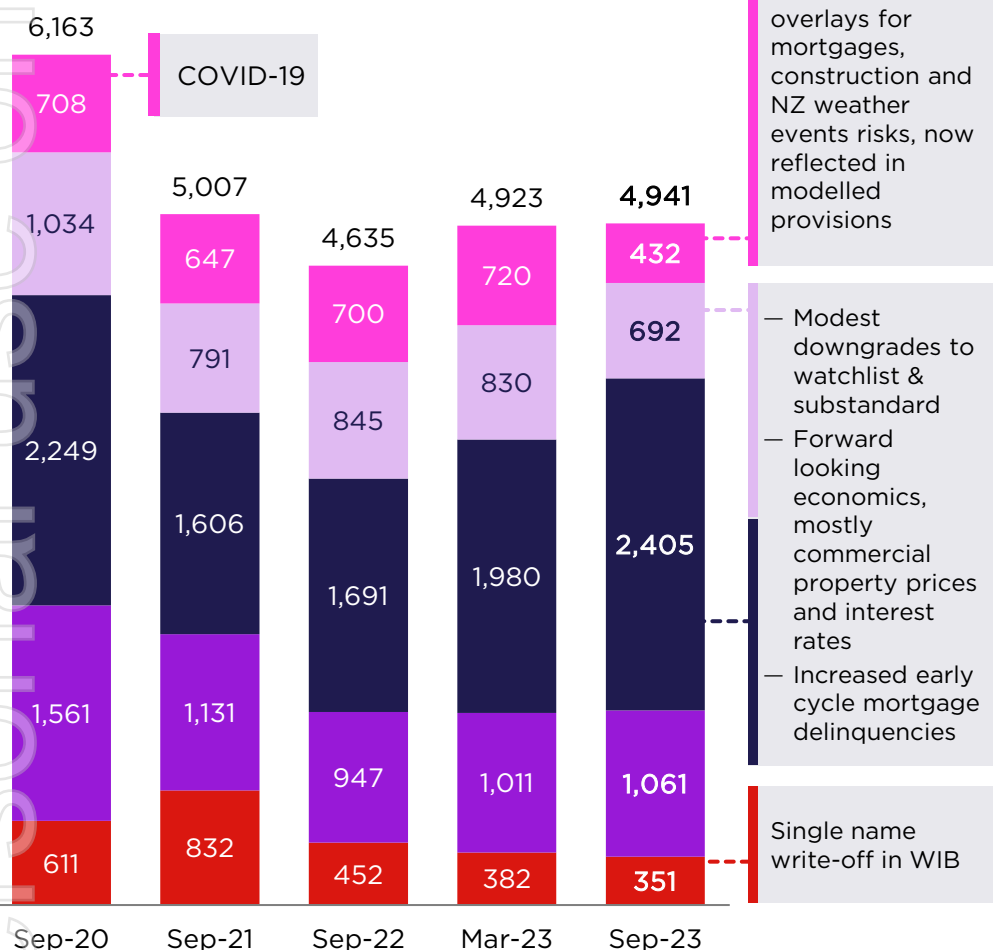
2023 Full year financial results

PROVISIONS FOR EXPECTED CREDIT LOSS

CREDIT QUALITY

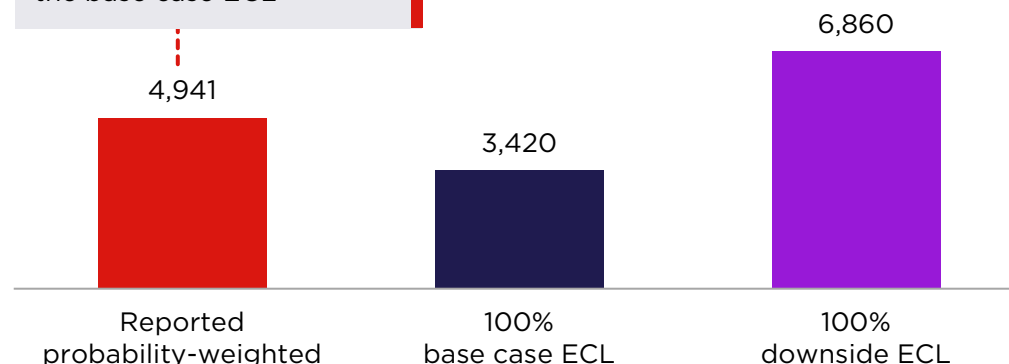
Total provisions for expected credit losses¹ (\$m)

Overlay Stage 1 CAP Stage 2 CAP
Stage 3 CAP Stage 3 IAP



Expected credit loss (ECL) (\$m)

\$1.5bn in provisions above the base case ECL



Forecasts for base case ECL ²	Base case		Downside
	2023	2024	Trough / peak ³
GDP growth	1.2%	1.6%	(6%)
Unemployment	3.9%	4.7%	11%
Residential property prices	5.8%	4.0%	(27%)
Commercial property prices	(15.0%)	(0.5%)	(32%)

¹ Includes provisions for debt securities. ² Forecast date is 18 September 2023. ³ These key economic indicators represent trough or peak values that characterise the scenarios considered in setting downside severity. Residential and commercial forecasts represent cumulative reduction over a two-year period.

PROVISION COVER

CREDIT QUALITY

Exposures as a % of TCE

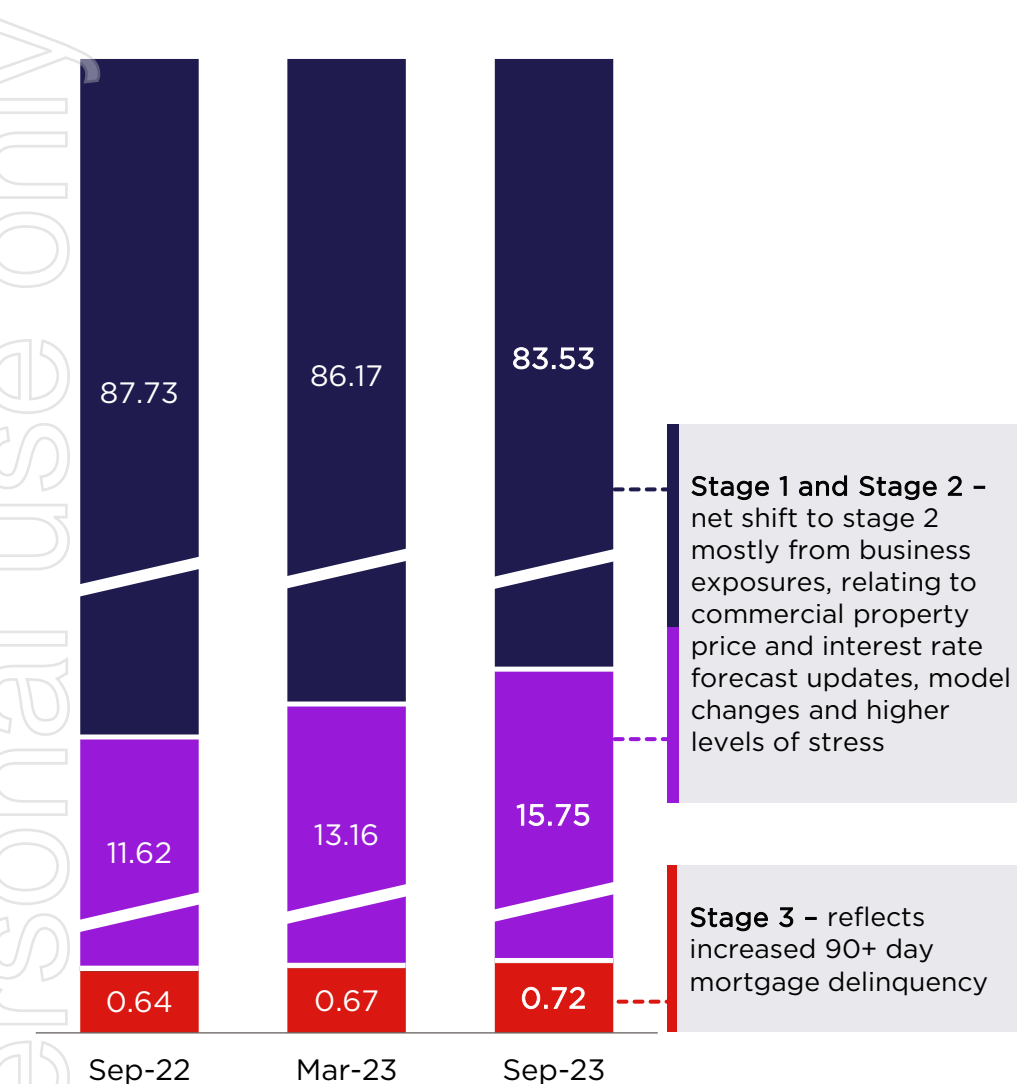


Chart does not add to 100 due to rounding.

Key ratios

	Sep-22	Mar-23	Sep-23
Provisions to gross loans (bps)	62	65	63
Impaired asset provisions to impaired assets (%)	48	43	43
Collectively assessed provisions to credit RWA (bps)	116	133	135

Provisioning to TCE (%)

	Sep-22	Mar-23	Sep-23
Stage 1	0.09	0.09	0.07
Stage 2			
Non-stressed	1.35	1.33	1.21
Stressed	11.05	10.93	8.74
Stage 3 (non-performing)			
Not impaired	11.07	11.06	11.48
Impaired	47.97	42.81	43.48
Total	0.39	0.40	0.41

PORTFOLIO COMPOSITION

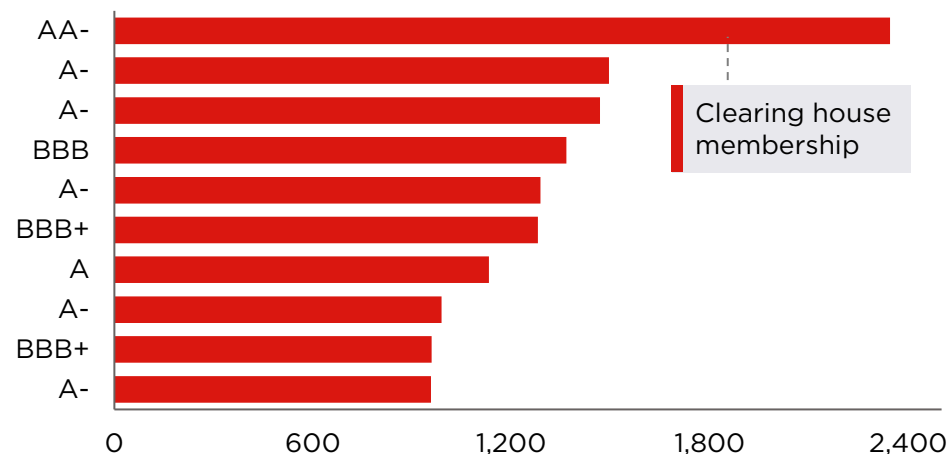
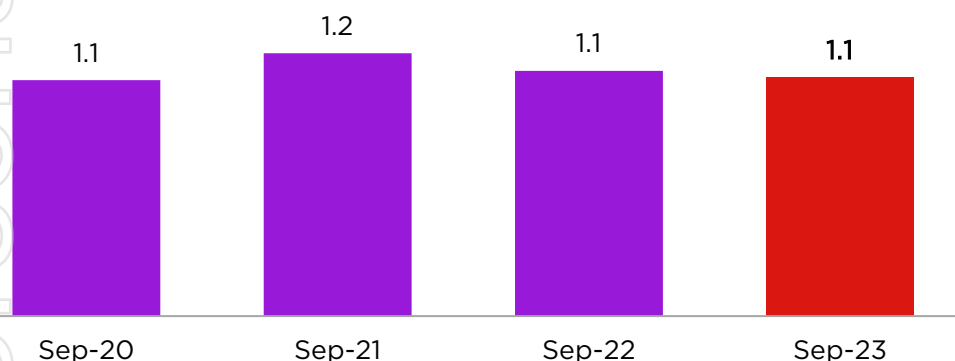
CREDIT QUALITY

Total committed exposure (TCE) by risk grade at 30 September 2023 (\$m)

Standard and Poor's risk grade ¹	Australia	NZ / Pacific	Other overseas	Group	% of total
AAA to AA-	208,217	24,581	14,158	246,956	20%
A+ to A-	38,948	6,195	10,313	55,456	4%
BBB+ to BBB-	75,487	11,022	8,012	94,521	8%
BB+ to BB	78,835	13,852	1,019	93,706	8%
BB- to B+	53,067	9,025	2	62,094	5%
<B+	7,193	2,613	37	9,843	1%
Mortgages	550,893	72,795	-	623,688	51%
Other consumer products	27,652	3,668	-	31,320	3%
TCE	1,040,292	143,751	33,541	1,217,584	
<i>TCE at 31 March 2023</i>	<i>1,038,042</i>	<i>144,132</i>	<i>38,116</i>	<i>1,220,290</i>	
Exposure by region² (%)	85%	12%	3%		100%

Top 10 institutional exposures to corporations and NBFIs³ (% of TCE)

Top 10 exposures to corporations & NBFIs at 30 September 2023 (\$m)⁴

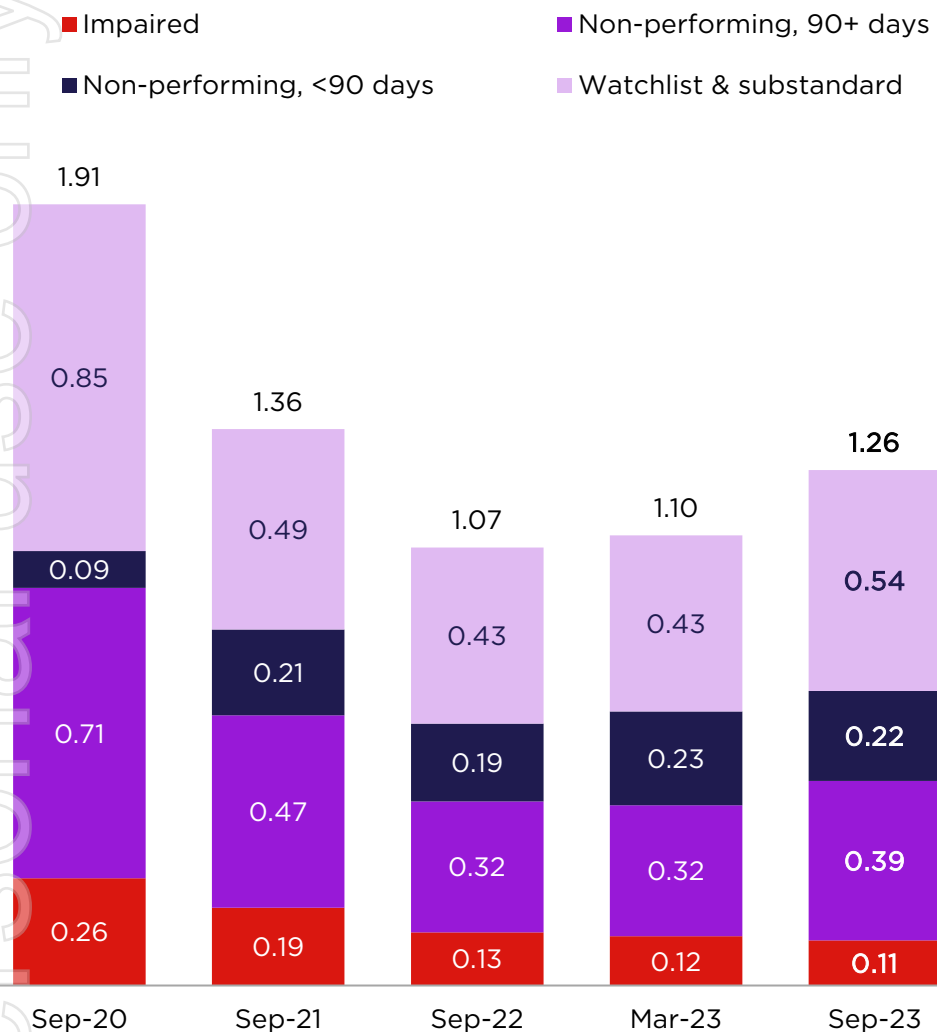


¹ Risk grade equivalent. ² Region is based on booking office. ³ NBFI is non-bank financial institutions. ⁴ Institutional counterparties; S&P rating or equivalent.

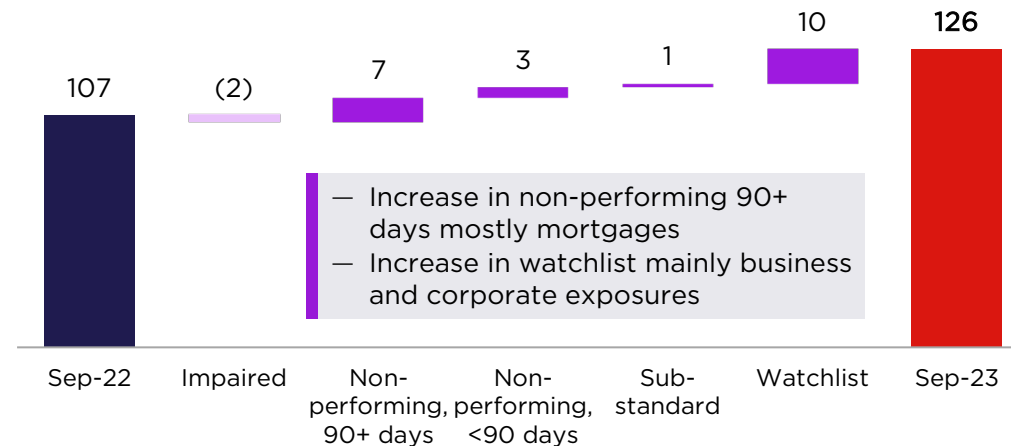
CREDIT QUALITY METRICS

CREDIT QUALITY

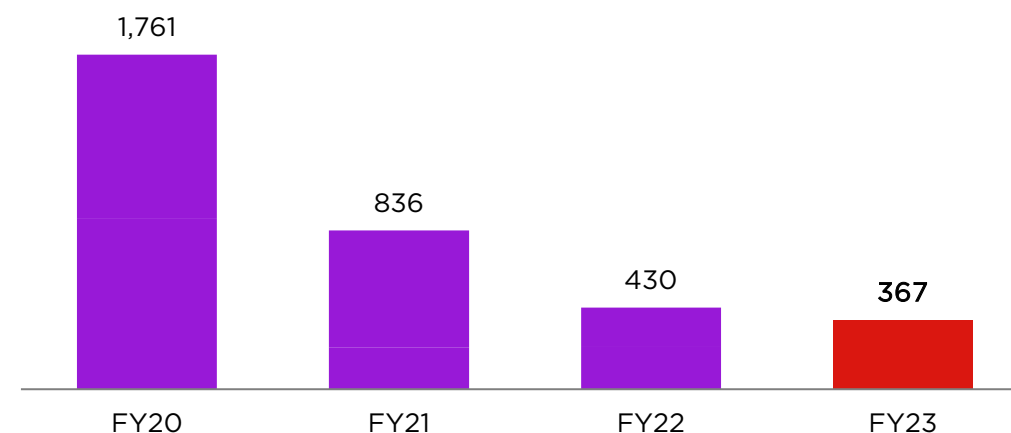
Stressed exposures as a % of TCE



Movement in stress categories (bps)



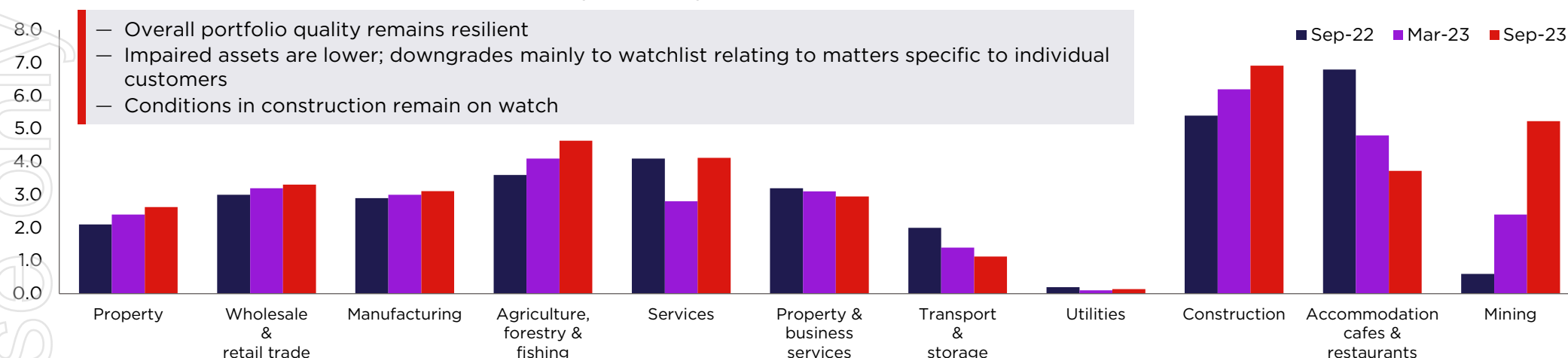
New and increased gross impaired assets (\$m)



CREDIT QUALITY ACROSS SECTORS

CREDIT QUALITY

Corporate and business stressed exposures by industry sector (%)



Exposure and credit quality by sector

Sector		Finance & Insurance ¹	Property ²	Wholesale & retail trade	Manufacturing	Agriculture, forestry & fishing	Services ³	Property & business services	Transport & storage	Utilities	Construction ⁴	Accomm, cafes & restaurants	Mining
TCE (\$bn)	Sep-23	188.2	80.1	30.4	24.6	24.0	26.1	22.4	17.1	17.2	12.7	10.7	7.8
	Mar-23	205.6	78.8	29.0	24.2	23.9	23.7	22.0	17.3	16.9	11.9	10.2	8.7
Stressed (%) ^{5,6}	Sep-23	0.1	2.6	3.3	3.1	4.6	4.1	3.0	1.1	0.1	6.9	3.7	5.2
	Mar-23	0.1	2.4	3.2	3.0	4.1	2.8	3.1	1.4	0.1	6.2	4.8	2.4
Impaired (%) ⁶	Sep-23	0.0	0.1	0.4	0.4	0.2	0.3	0.5	0.1	0.0	0.6	0.4	0.1
	Mar-23	0.0	0.1	0.6	0.5	0.3	0.4	0.6	0.2	0.0	0.8	0.6	0.1

¹ Finance and insurance includes banks, non-banks, insurance companies and other firms providing services to the finance and insurance sectors. Includes assets held for liquidity portfolio. ² Property includes both residential and non-residential property investors and developers and excludes real estate agents. ³ Services includes education, health & community services, cultural & recreational and personal & other services. ⁴ Construction includes building and non-building construction, and industries serving the construction sector. ⁵ Includes impaired exposures. ⁶ Percentage of portfolio TCE.

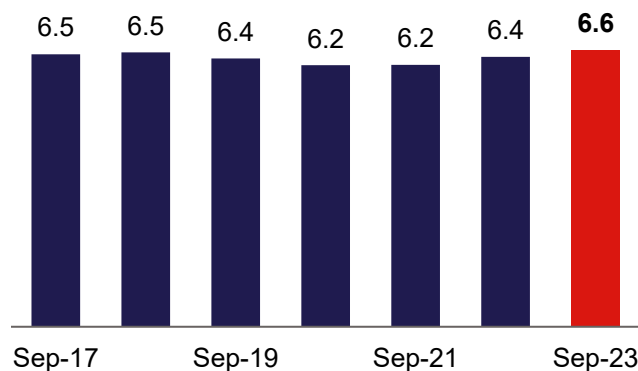
SECTORS IN FOCUS:

Commercial property

CREDIT QUALITY

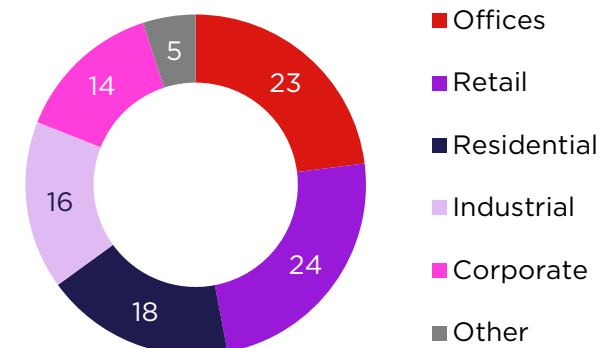
- Single credit policy, supported by industry sector concentration limits
- Maintained credit standards, with close oversight of portfolio
- Managed by specialist relationship teams, dedicated credit officers and subject matter experts
- Limited risk appetite for lower grade office buildings
- Weighted average LVR for the Australian secured portfolio <50%
- Credit policy maximum LVR at origination 65%¹
- 81% fully secured²

Commercial property exposures (% of TCE)



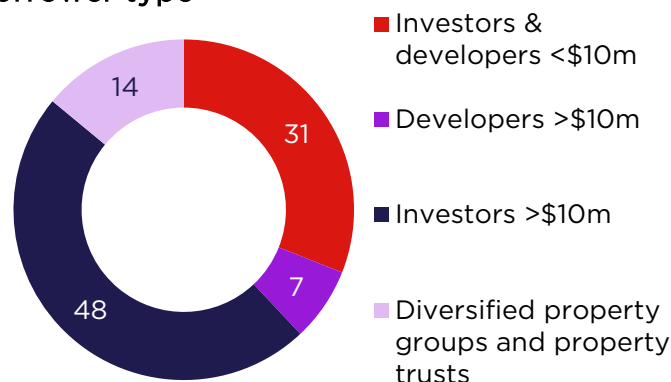
Commercial property portfolio composition (TCE) (%)

Sub-sector

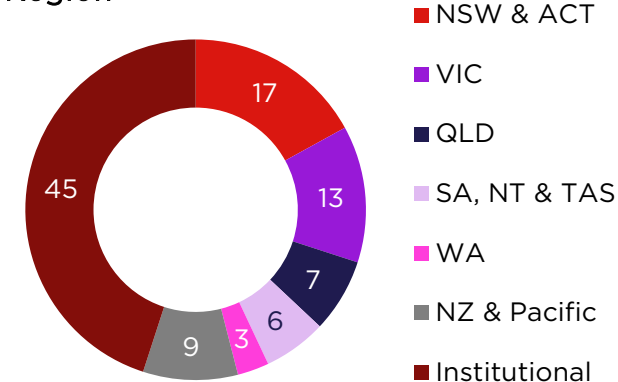


Commercial property portfolio composition (TCE) (%)

Borrower type



Region⁵



	Sep-22	Mar-23	Sep-23
TCE (\$bn)	76.1	78.8	80.1
% of Group TCE	6.42	6.46	6.58
Lending (\$bn)	60.0	61.0	63.0
Median risk grade (S&P equivalent)	BB	BB-	BB-
% of portfolio graded as stressed ^{3,4}	2.07	2.38	2.63
% of portfolio impaired ⁴	0.07	0.08	0.08

¹ Policy exception can be made under limited circumstances. ² Fully secured is where the exposure is less than 100% of the bank extended value of the security, which is a discount of the market value of the security. ³ Includes impaired exposures. ⁴ Percentage of commercial property portfolio TCE. ⁵ Region is based on booking office.

SECTORS IN FOCUS:

Commercial property – office; Construction

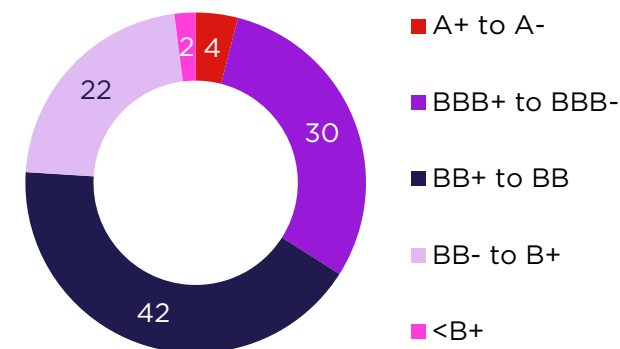
CREDIT QUALITY

Commercial property – office

	Sep-22	Mar-23	Sep-23
TCE (\$bn)	21.8	18.2	18.4
% of Group TCE	1.79	1.49	1.51
Lending (\$bn)	18.5	15.1	15.0
Median risk grade (S&P equivalent)	BB-	BB-	BB-
% of portfolio graded as stressed ^{1,2}	2.49	2.43	2.35
% of portfolio impaired ²	0.12	0.13	0.10

- Office exposure has reduced from 2.1% of Group TCE in Sep-20 to 1.5% in Sep-23
- Weighted towards premium, A & B grade office assets in major CBD locations
- Specialist property relationship teams manage all office exposures >TCE \$10m
- Tightened risk appetite settings for lower grade office assets since start of COVID-19

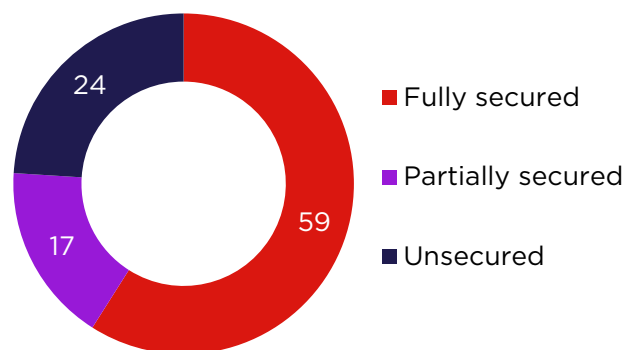
S&P equivalent risk grade



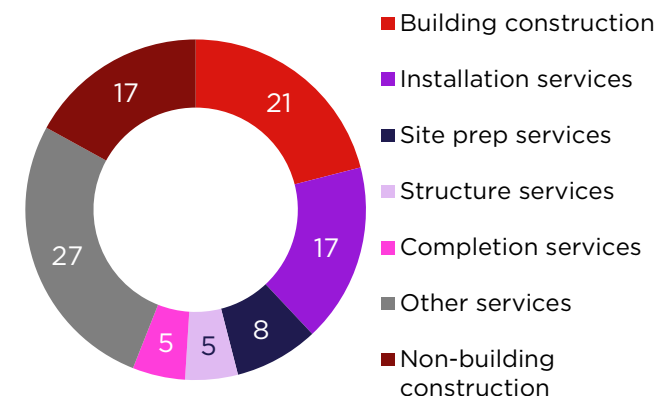
Construction

	Sep-22	Mar-23	Sep-23
TCE (\$bn)	11.5	11.9	12.7
% of Group TCE	0.97	0.97	1.05
Lending (\$bn)	7.1	7.3	7.5
% of portfolio graded as stressed ^{1,2}	5.37	6.24	6.91
% of portfolio impaired ²	0.78	0.81	0.59

Portfolio security composition (TCE) (%)



Portfolio by sub-sector (TCE) (%)



¹ Includes impaired exposures. ² Percentage of portfolio TCE.

SECTORS IN FOCUS:

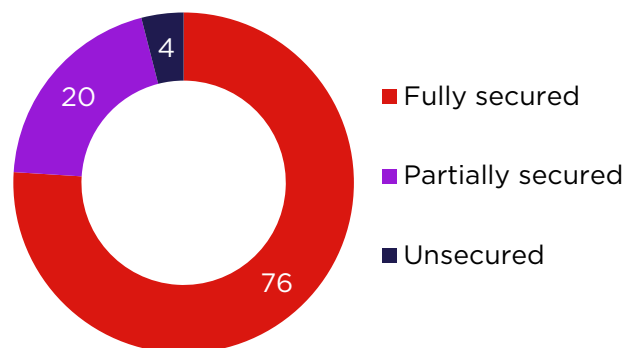
Accommodation, cafes and restaurants; Retail trade

CREDIT QUALITY

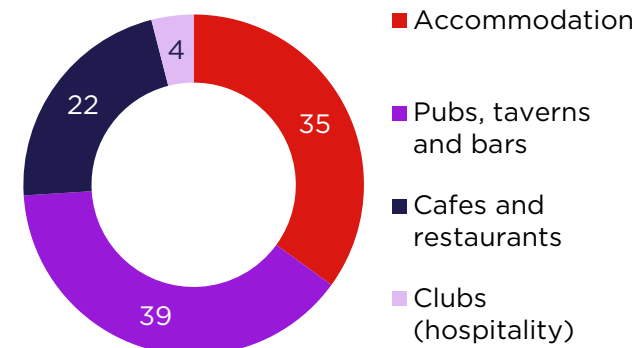
Accommodation, cafes and restaurants

	Sep-22	Mar-23	Sep-23
Total committed exposure (TCE) (\$bn)	10.2	10.2	10.7
% of Group TCE	0.86	0.84	0.88
Lending (\$bn)	8.4	8.8	9.2
% of portfolio graded as stressed ^{1,2}	6.76	4.76	3.73
% of portfolio impaired ²	0.56	0.60	0.37

Portfolio security composition (TCE) (%)



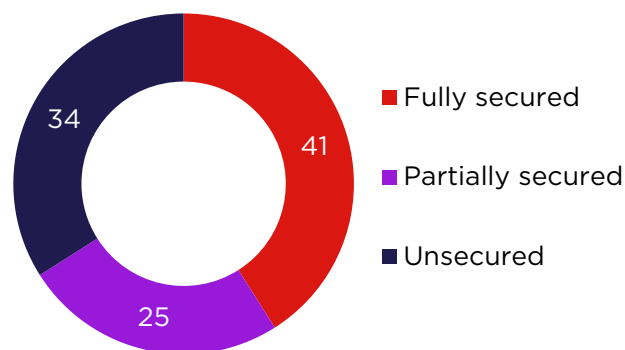
Portfolio by sub-sector (TCE) (%)



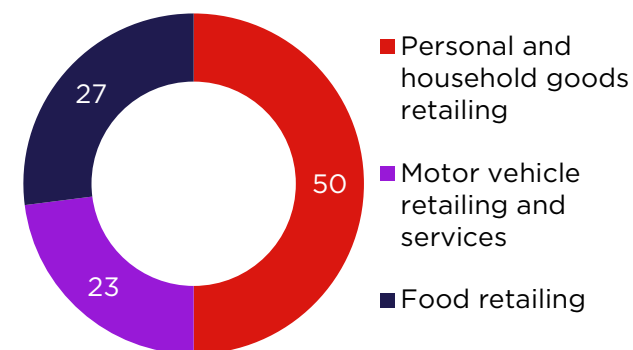
Retail trade

	Sep-22	Mar-23	Sep-23
TCE (\$bn)	11.9	12.4	12.8
% of Group TCE	1.00	1.01	1.05
Lending (\$bn)	8.6	7.8	8.5
% of portfolio graded as stressed ^{1,2}	3.79	3.46	3.59
% of portfolio impaired ²	0.84	0.78	0.59

Portfolio by security composition (TCE) (%)



Portfolio by sub-sector (TCE) (%)



1 Includes impaired exposures. 2 Percentage of portfolio TCE.

SECTORS IN FOCUS:

Agriculture; Mining

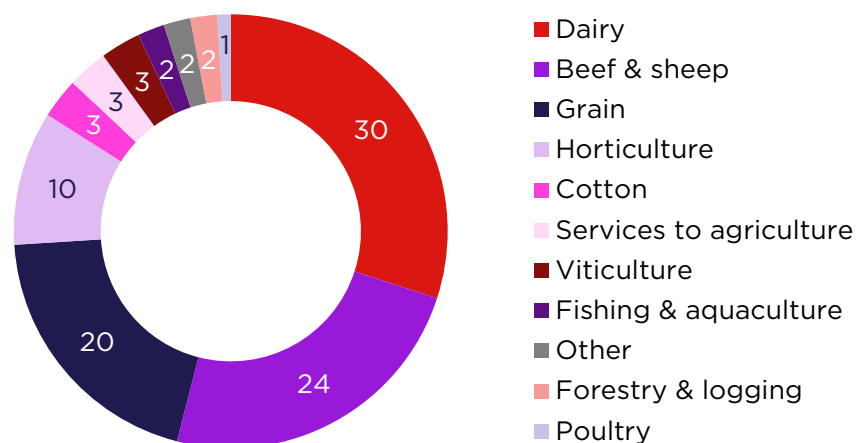
CREDIT QUALITY

Agriculture

	Sep-22	Mar-23	Sep-23
TCE (\$bn)	23.2	23.9	24.0
% of Group TCE	1.95	1.96	1.97
Lending (\$bn)	19.8	20.4	20.7
% of portfolio graded as stressed ^{1,2}	3.55	4.11	4.64
% of portfolio in impaired ²	0.24	0.25	0.18

— Increase in agriculture stress ratio mainly driven by exposures moved to watchlist in New Zealand sheep & beef and fruit growing sub-sectors, and Australian fruit growing sub-sectors

Agriculture portfolio by sub-sector (TCE) (%)



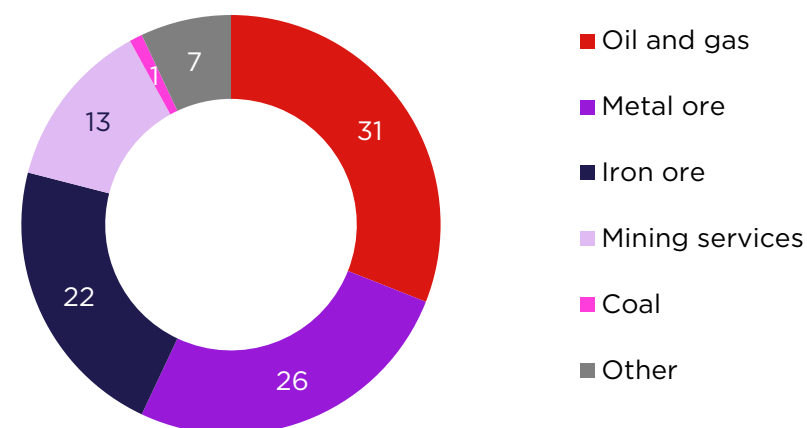
¹ Includes impaired exposures. ² Percentage of portfolio TCE.

Mining (incl. oil and gas)

	Sep-22	Mar-23	Sep-23
TCE (\$bn)	7.9	8.7	7.8
% of Group TCE	0.66	0.71	0.64
Lending (\$bn)	3.1	2.8	2.5
% of portfolio graded as stressed ^{1,2}	0.62	2.42	5.23
% of portfolio in impaired ²	0.11	0.09	0.07

— Increase in stressed exposure relates to one large customer

Mining portfolio by sub-sector (TCE) (%)



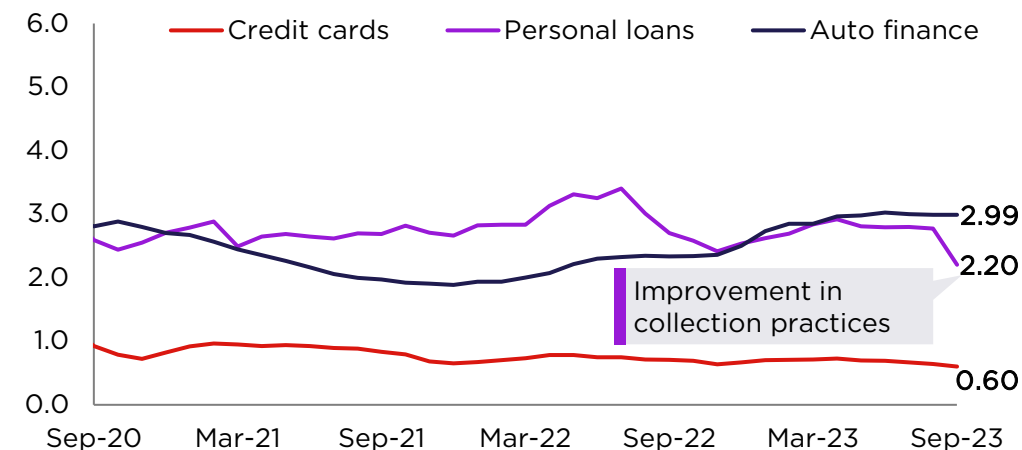
AUSTRALIAN CONSUMER FINANCE

CREDIT QUALITY

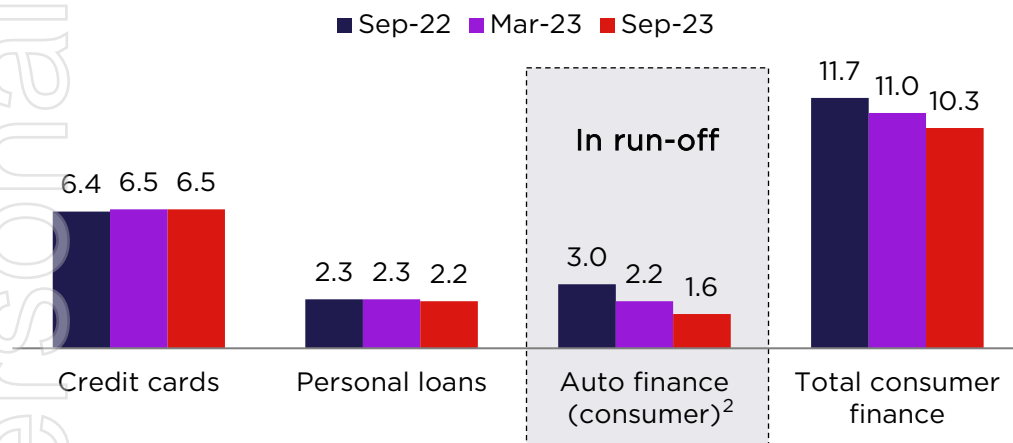
Australian consumer finance portfolio¹

	Sep-22	Mar-23	Sep-23
Lending (\$bn)	11.7	11.0	10.3
As a % of Group loans	1.6	1.5	1.3
30+ day delinquencies (%)	2.79	2.98	2.48
90+ day delinquencies (%)	1.60	1.58	1.32

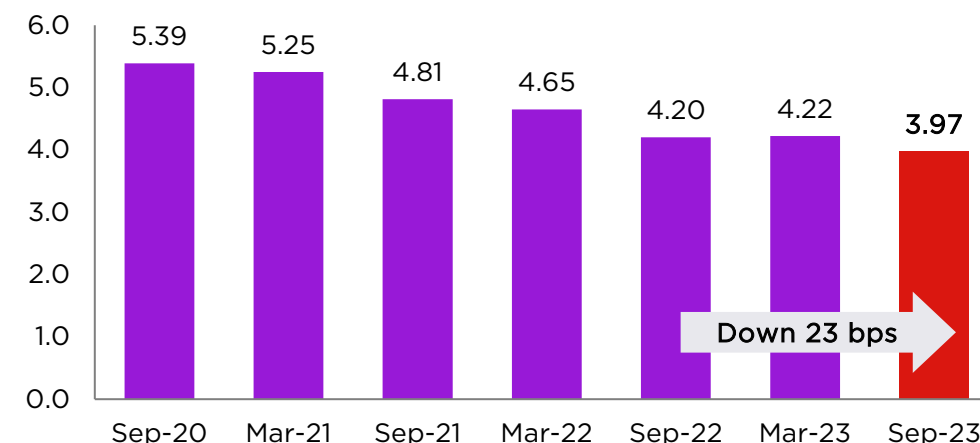
Australian consumer finance 90+ delinquencies (%)



Australian consumer finance portfolio (\$bn)



Credit card accounts paying minimum repayment (%)³



¹ Excludes margin lending. ² Loans to customers through dealers in Specialist Businesses. These loans will be run-down over their contractual term. ³ Minimum repayment over at least six consecutive months. Minimum repayment defined as ≤5% of each month's statement cycle balance.

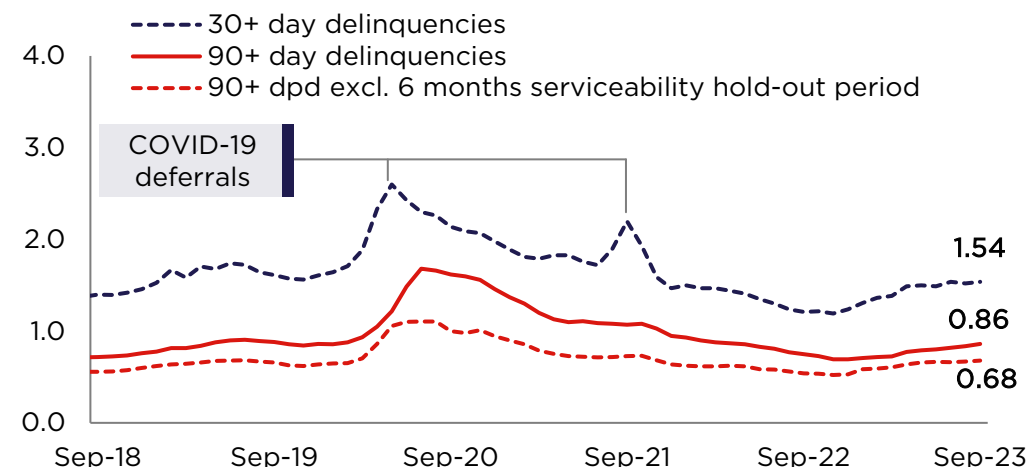
AUSTRALIAN MORTGAGE PORTFOLIO

MORTGAGE CREDIT QUALITY

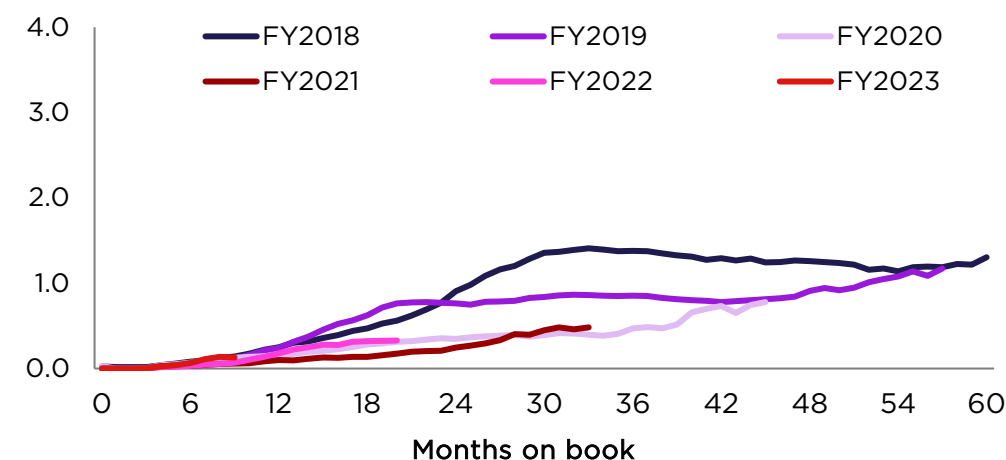
Australian mortgage portfolio	Sep-19 Pre COVID-19	Sep-22	Mar-23	Sep-23
90+ day delinquencies (bps):				
Total portfolio inc. impaired mortgages	88	75	73	86
Owner occupied loans	96	73	69	84
Investment property loans	73	75	75	85
Principal & interest loans	90	78	74	89
Interest only loans	77	48	47	54
30+ day delinquencies total portfolio (bps)	161	121	139	154
	Sep-19 Pre COVID-19	Sep-22	Mar-23	Sep-23
Customers in hardship ¹ including 6mth serviceability period (by balances, bps)	67	53	50	71
Consumer properties in possession (number)	558	224	227	210
Impaired mortgages (by balances, bps)	9	5	6	6
Mortgage losses net of insurance (\$m, for 6 months ending)	57	2	11	21
Annual mortgage loss rate ² (bps)	3	0.6	0.5	0.7

¹ Financial hardship assistance is available to customers experiencing temporary financial difficulty, including changes in income due to illness, a relationship breakdown or natural disasters. Hardship assistance often takes the form of a reduction or deferral of repayments for a short period. ² Mortgage loss rates for March balances are annualised, based on losses for the 6 months. Mortgage loss rates for September are actual losses for the 12 months ending.

30+ day and 90+ day delinquencies (%)



90+ day delinquencies by vintage (%)



AUSTRALIAN MORTGAGE PORTFOLIO COMPOSITION

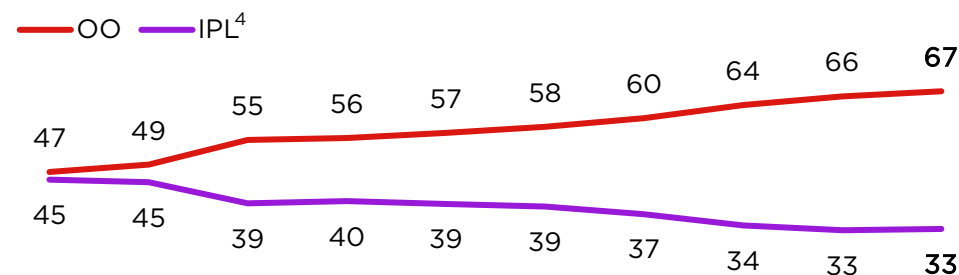
MORTGAGE CREDIT QUALITY

Australian mortgage portfolio	Sep-22 balance	Mar-23 balance	Sep-23 balance	2H23 flow ¹
Total portfolio (\$bn)	467.6	472.7	485.6	59.6
Owner occupied (OO) (%)	65.8	66.4	67.1	68.8
Investment property loans (IPL) (%)	32.6	32.2	31.6	31.1
Portfolio loan/line of credit (LOC) (%)	1.6	1.4	1.3	0.1
Variable rate / Fixed rate (%)	63/37	67/33	76/24	92/8
Interest only (I/O) (%)	13.5	13.3	12.8	14.1
Proprietary channel (%)	51.8	51.5	50.8	42.7
First home buyer ² (%)	10.9	10.8	10.8	8.4
Mortgage insured (%)	14.7	14.2	13.1	6.4

	Sep-22	Mar-23	Sep-23	2H23 flow ¹
Average loan size ³ (\$'000)	286	292	301	450
Customers ahead on repayments including offset account balances (%)				
By accounts	74	74	75	
By balances	68	69	71	

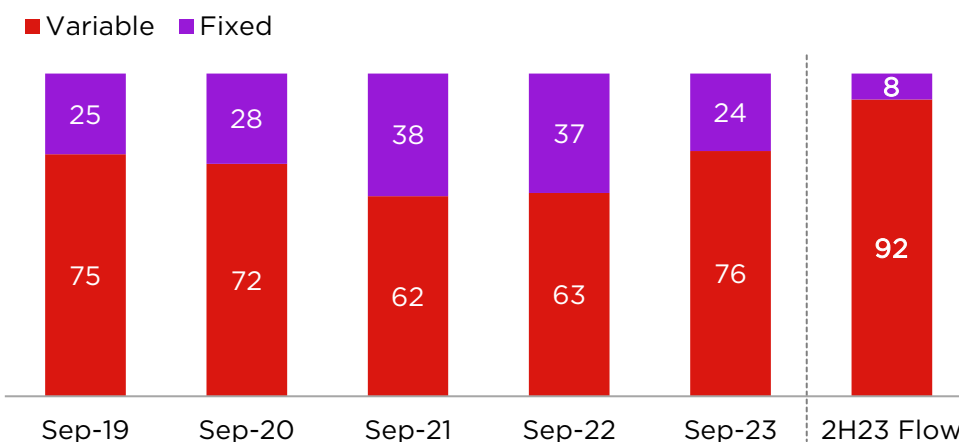
¹ Flow is new mortgages settled in the 6 months ended 30 September 2023. ² First Home Buyer % restated due to data reclassification. ³ Includes amortisation. Calculated at account level, where split loans represent more than one account. ⁴ IPL includes Line of Credit.

Owner occupied / Investment property loans as a % of the Australian mortgage portfolio



Sep-14 Sep-15 Sep-16 Sep-17 Sep-18 Sep-19 Sep-20 Sep-21 Sep-22 Sep-23

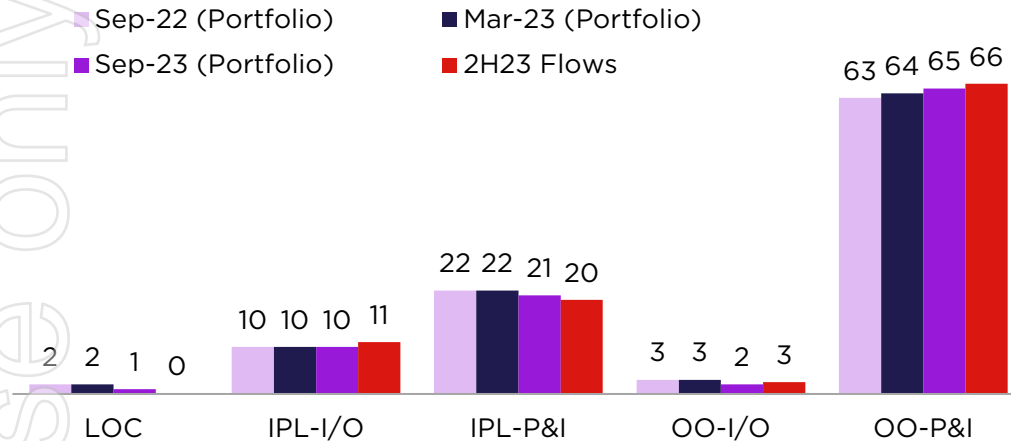
Portfolio by interest rate type (% by balances)



AUSTRALIAN MORTGAGE PORTFOLIO FUNDAMENTALS

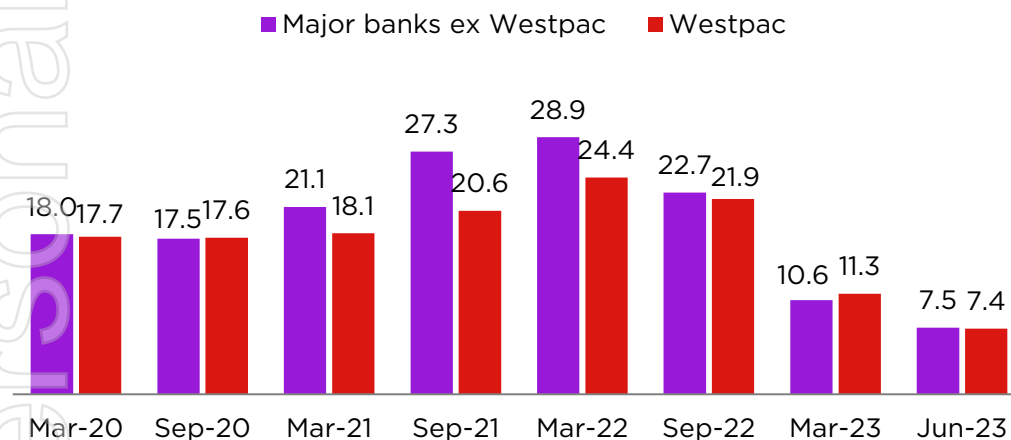
MORTGAGE CREDIT QUALITY

By product and repayment type (%)



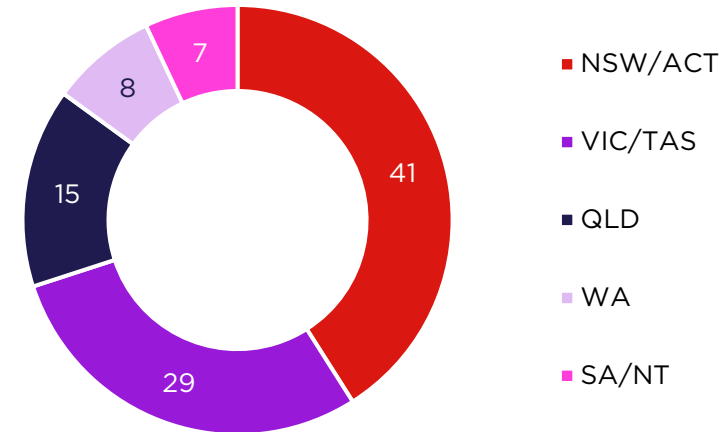
Charts may not add to 100 due to rounding

Debt-to-income $\geq 6x$ at origination (%)

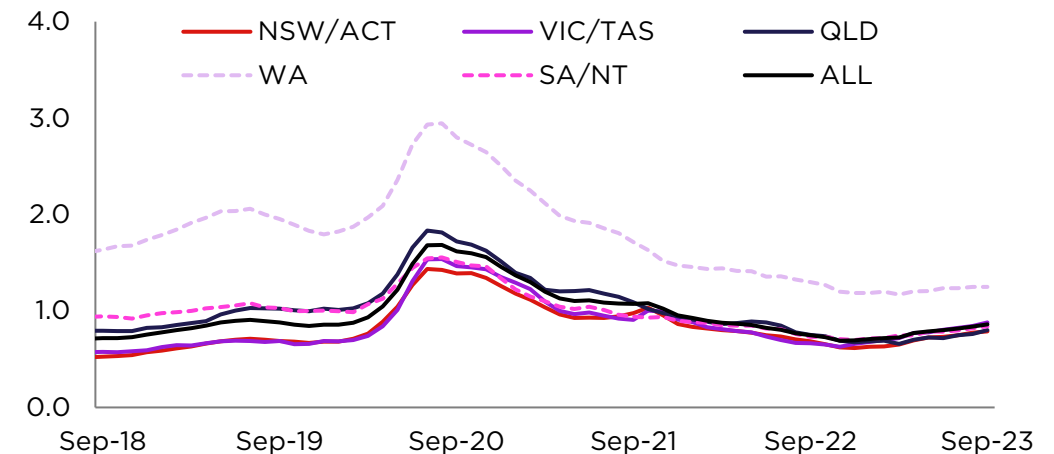


Source: APRA, Westpac.

By State (%)



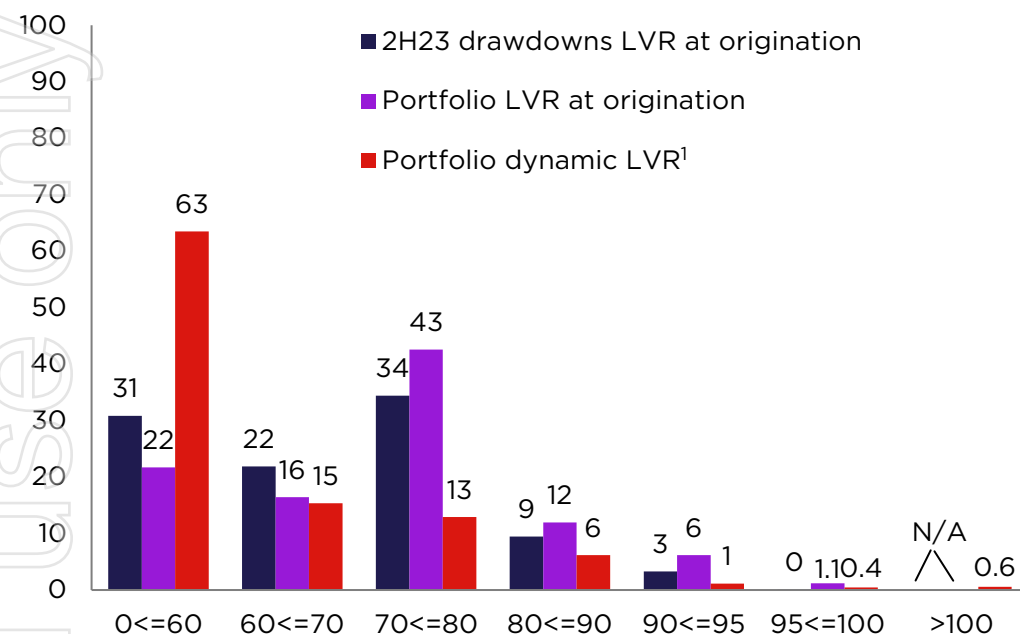
90+ day delinquencies by State (%)



AUSTRALIAN MORTGAGE PORTFOLIO LVRS

MORTGAGE CREDIT QUALITY

Loan-to-value ratios (LVRS) (%)



Australian mortgage portfolio LVRS		Sep-22 balance	Mar-23 balance	Sep-23 balance
Weighted averages ²	LVR at origination (%)	73	72	72
	Dynamic LVR ¹ (%)	49	51	50
	LVR of new loans ³ (%)	70	68	67

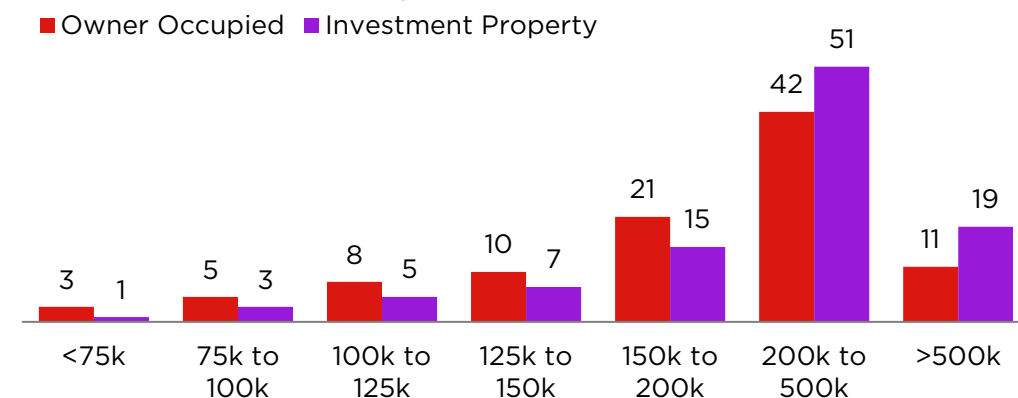
Charts may not add to 100 due to rounding

¹ Dynamic LVR is the loan-to-value ratio taking into account the current loan balance, changes in security value, offset account balances and other loan adjustments. Property valuation source CoreLogic. ² Weighted average LVR calculation considers size of outstanding balances. ³ Average LVR of new loans is on rolling 6 months.

Serviceability assessment creates a buffer for borrowers

- Loans are assessed at the higher of:
 - The customer rate, including any life-of-loan discounts, plus the serviceability buffer of 3.0%; or
 - The minimum assessment rate, called the “floor rate”, currently 5.05%
- A serviceability buffer of 1.0% may be applied on an exceptions basis for certain customers seeking to refinance their loan, subject to eligibility criteria including LVR, bureau score and repayment amounts
- Interest only (I/O) loans:** Assessed based on the residual principal and interest (P&I) term using the applicable P&I rate, plus a 3.0% buffer
- New fixed rate loans:** Assessed on the variable rate to which the loan will revert after the fixed period, plus a buffer

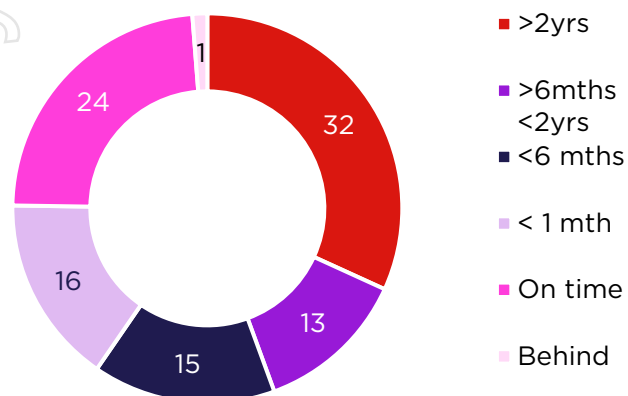
Applicant gross income band (2H23 drawdowns, % by approved limits)



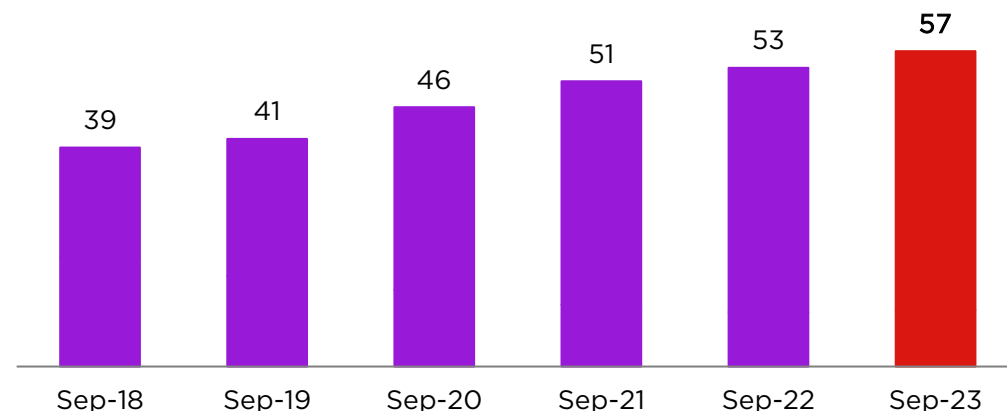
AUSTRALIAN MORTGAGE PORTFOLIO REPAYMENT BUFFERS

MORTGAGE CREDIT QUALITY

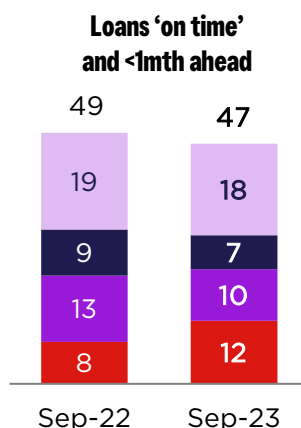
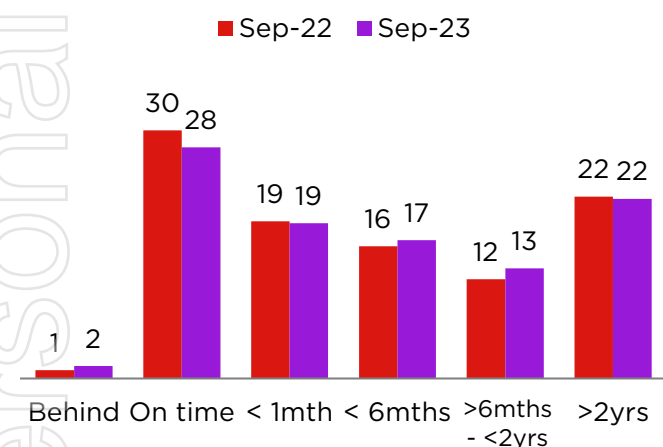
Customers ahead on repayments¹ (% by accounts)



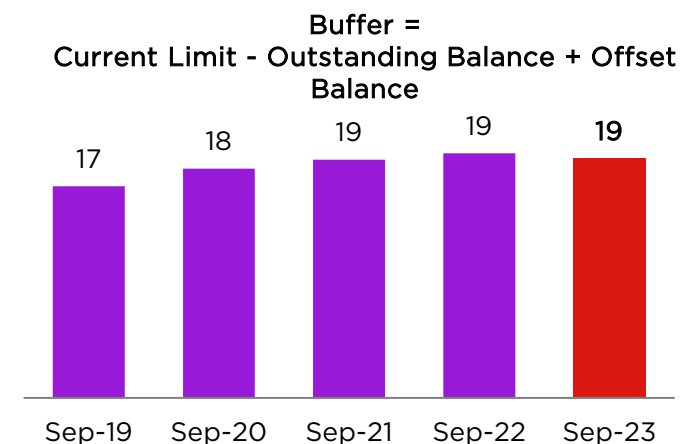
Offset account balances² (\$bn)



Customers ahead on repayments¹ (% by balances)



Buffer to balance ratio³ (%)



Charts may not add due to rounding

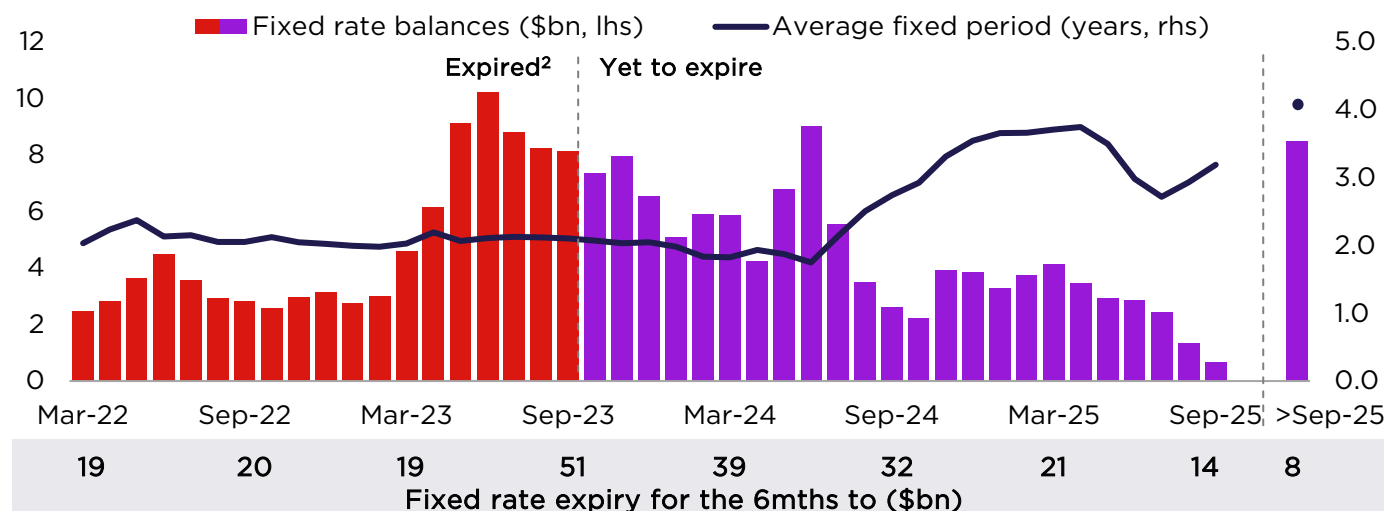
¹ Customer loans ahead on payments exclude equity/line of credit products as there are no scheduled principal payments. Includes mortgage offset accounts. 'Behind' is more than 30 days past due. 'On time' includes up to 30 days past due. ² Includes RAMS from Sep-20 onwards. ³ Excludes Line of Credit.

AUSTRALIAN MORTGAGE PORTFOLIO FIXED-RATE LOANS

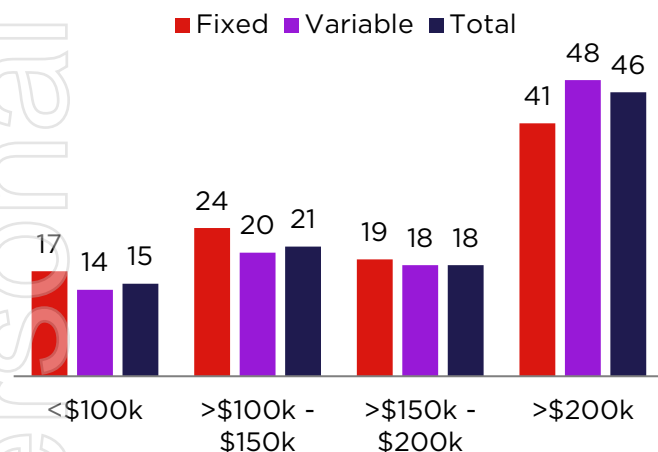
MORTGAGE CREDIT QUALITY

- Most fixed rate borrowers are well placed to manage higher repayments
 - Borrower characteristics similar to variable rate portfolio
 - Slightly more first home buyers and owner occupiers in the fixed rate portfolio versus variable rate portfolio, leading to moderately lower income and higher dynamic LVRs
 - 49% also have a variable rate loan
- Average fixed period for the remaining fixed-rate portfolio 2.6 years
- Average interest rate step up for fixed accounts expiring in 2H23 approx. 3.4%¹

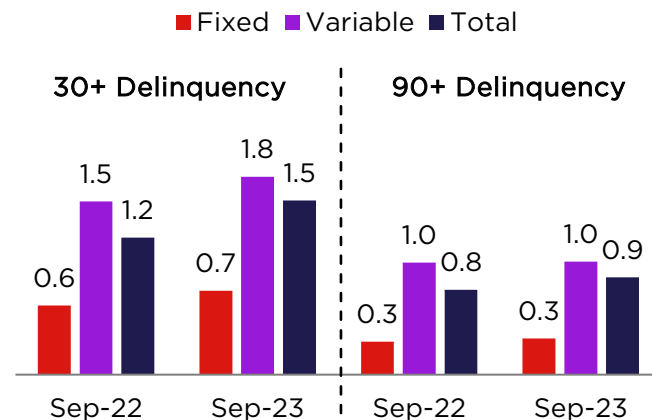
Fixed rate mortgage expiry schedule (\$bn per month)



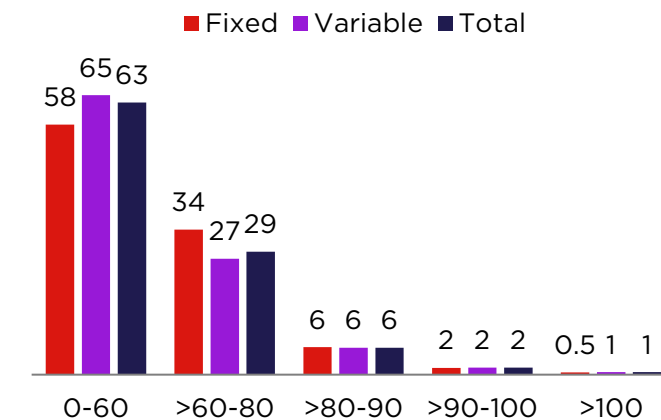
Portfolio by income band (%)



Portfolio arrears (%)



Portfolio by dynamic LVR³ (%)



Charts may not add due to rounding

¹ On a balance weighted basis. ² Scheduled expiry for 6 months to September 2023 was \$55bn. Actual expiry \$51bn. ³ Dynamic LVR is the loan-to-value ratio taking into account the current loan balance, changes in security value, offset account balances and other loan adjustments. Property valuation source CoreLogic.

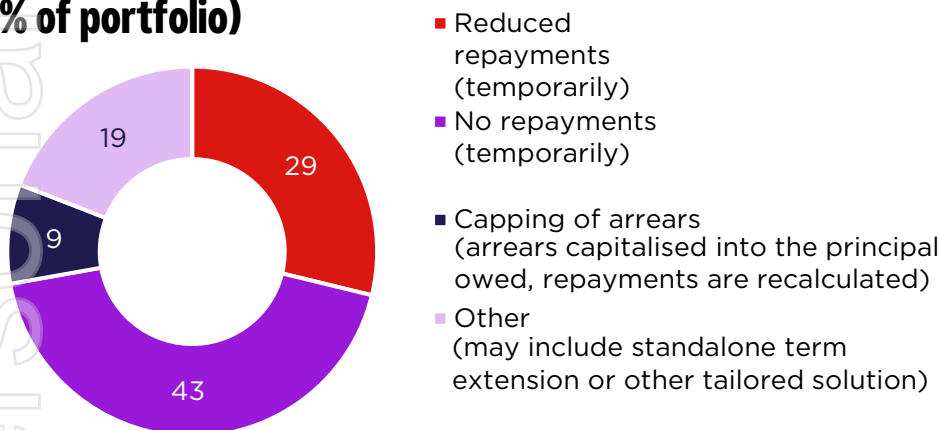
SUPPORTING AUSTRALIAN MORTGAGE CUSTOMERS

MORTGAGE CREDIT QUALITY

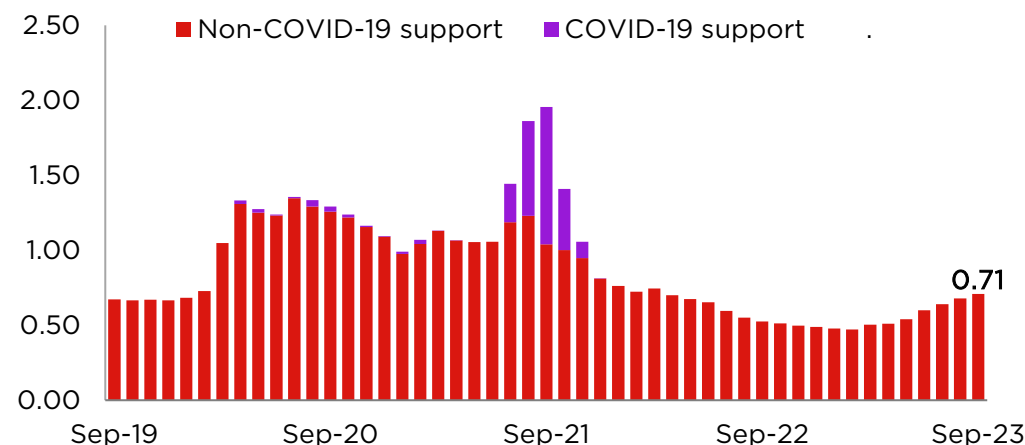
- Increase in repayments greatest for those loans originated between August 2019 and June 2022, during historically low interest rate period
- \$1.7bn in loans where repayment buffer is less than 3 months and dynamic LVR is above 90%
- Providing support to customers in difficulty
 - Currently 0.7% of total mortgage balances in hardship, with the increase reflecting more customers seeking assistance to manage repayments and higher living costs

Mortgages originated between Aug-19 and Jun-22 ¹ (36% of the portfolio)	Dynamic LVR with no LMI		
Analysis of minimum contractual repayment at September 2023	>80%	Of which >85%	Of which >90%
Repayment buffer <12months (Total: \$132bn)	\$7.7bn	\$3.8bn	\$1.9bn
Of which repayment buffer <3months (Total: \$112bn)	\$6.9bn	\$3.4bn	\$1.7bn

Hardship² balances by support solution (% of portfolio)



Hardship² balances (% of portfolio)



¹ Excludes equity/line of credit products as there are no scheduled principal payments. ² Financial hardship assistance is available to customers experiencing temporary financial difficulty, including changes in income due to illness, a relationship breakdown or natural disasters. Hardship assistance often takes the form of a reduction or deferral of repayments for a short period.

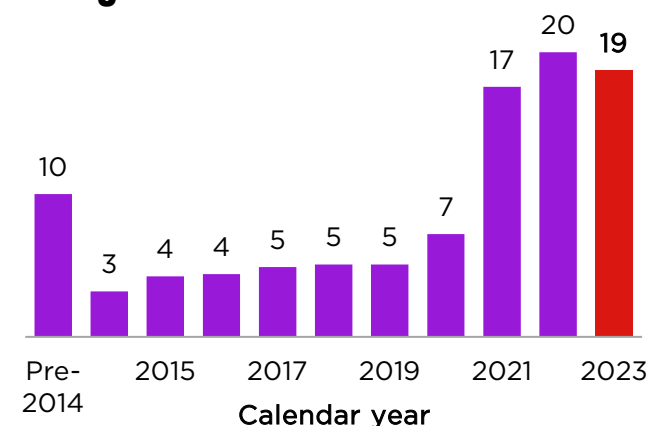
AUSTRALIAN MORTGAGE PORTFOLIO UNDERWRITING

MORTGAGE CREDIT QUALITY

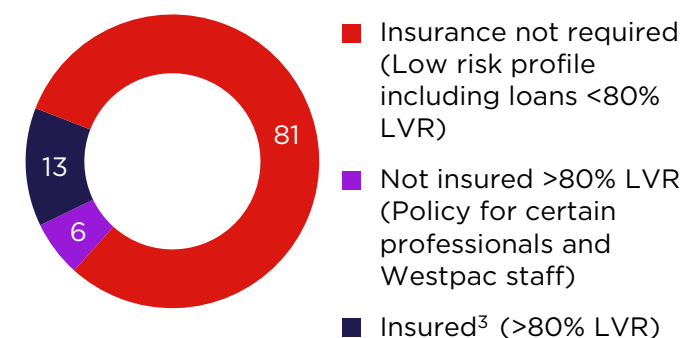
Credit policy at October 2023

Income	<ul style="list-style-type: none"> Verified via payslips, tax returns or salary credits, with other supporting documentation such as PAYG payment summaries or ATO Income Statements (minimum standards apply) Shading of at least 20% applies to less certain income sources i.e. overtime, bonuses
Credit Score & Credit Bureau	<ul style="list-style-type: none"> Bespoke application scorecards segmented by new and existing customers Credit and score override rates tracked and capped Credit bureau checks required
Expenses	<ul style="list-style-type: none"> Assessed as the higher of a borrower's HEM¹ comparable expenses or HEM plus any expenses that are not comparable to HEM (e.g. private school fees, life insurance) HEM is applied by income bands, post settlement postcode location, marital status and dependants 17 expense categories used, aligned with Melbourne Institute guidelines and LIXI standards
Serviceability assessment	<p>For serviceability assessment, loans are assessed at the higher of:</p> <ul style="list-style-type: none"> The customer rate, including any life-of-loan discounts, plus the serviceability buffer of 3.0%, or The minimum assessment rate, called the "floor rate", currently 5.05% <ul style="list-style-type: none"> A serviceability buffer of 1.0% may be applied on an exceptions basis for certain customers seeking to refinance their loan, subject to eligibility criteria For I/O loans, serviceability is assessed on a P&I basis over the residual term New fixed rate loans assessed on the variable rate to which the loan will revert after fixed period, plus a buffer All existing customer commitments are verified Review Westpac Group accounts and Comprehensive Credit Reporting (CCR) to identify customer commitments Limits apply to higher debt-to-income lending; >7x referred for manual credit assessment where LVR >80% Credit card repayments assessed at 3.8% of limit or balance whichever is higher
Genuine savings deposit requirements	<ul style="list-style-type: none"> Minimum 5% proof of genuine savings for higher LVR loans (typically LVR >90%). Any Home Owner Grants are not considered genuine savings
Security	<ul style="list-style-type: none"> LVR restrictions apply depending on location, property value and nature of security Restrictions on high-density apartments based in postcode defined areas, generally capital city CBD's and properties in towns heavily reliant on a single industry, e.g. mining, tourism
LMI	<ul style="list-style-type: none"> Mortgage insurance for higher risk loans, such as LVRs >80%. Special package policy waivers apply for certain professionals and Westpac Group staff

Australian mortgage portfolio by year of origination (% of total book)



Australian mortgage portfolio by insurance profile² (%)



Charts may not add due to rounding

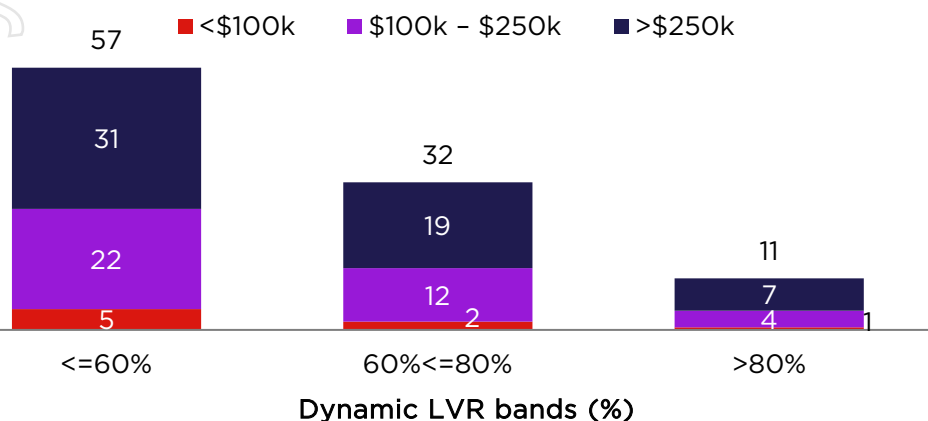
¹ HEM is the Household Expenditure Measure, produced by the Melbourne Institute. ² In 2H21 Westpac Lender's Mortgage Insurance Limited was sold to Arch Capital Group. Westpac has entered into a 10-year exclusive supply agreement for Arch to provide lenders mortgage insurance to the Group. ³ Includes loans where LMI applies to >70% LVR loans, for example, single industry towns.

AUSTRALIAN MORTGAGE PORTFOLIO INTEREST ONLY AND INVESTMENT PROPERTY LENDING

MORTGAGE CREDIT QUALITY

Interest only (I/O) lending by dynamic LVR¹ and income band (% of total I/O lending)

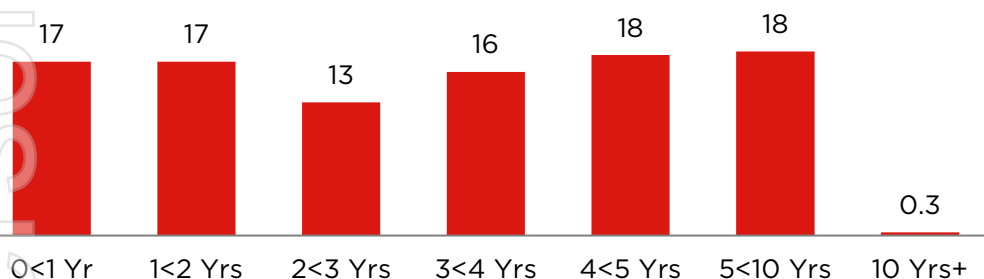
Applicant gross income bands



Charts may not add due to rounding

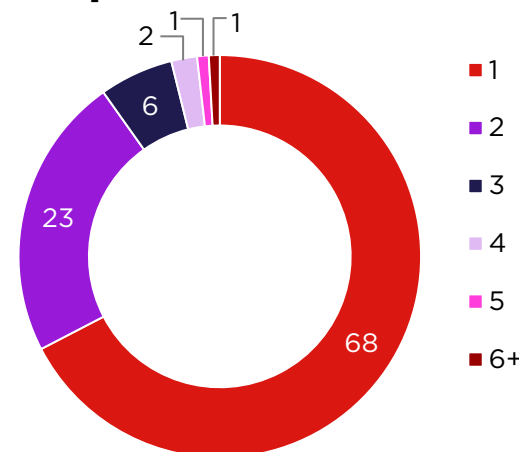
Scheduled I/O term expiry² (% of total I/O loans)

I/O portfolio \$62bn (13% of portfolio) at 30 September 2023



¹ Dynamic LVR is the loan-to-value ratio taking into account the current loan balance, changes in security value, offset account balances and other loan adjustments. Property valuation source CoreLogic. ² Based on outstanding balance. Excludes line of credit loans, I/O loans without date (including bridging loans and loans with construction purpose) and I/O loans that should have switched to P&I but for the previously announced mortgage processing error. ³ Includes amortisation. Calculated at account level where split loans represent more than one account. ⁴ Customer loans ahead on payments exclude equity/line of credit products as there are no scheduled principal payments.

Investment property portfolio by number of properties per customer (%)



Investment property lending (IPL) portfolio		Sep-22	Mar-23	Sep-23
Investment property loans (\$bn)		152	151	152.3
Weighted averages	LVR of IPL loans at origination (%)	71	71	70.4
	LVR of new IPL loans in the period (%)	70	69	67.8
	Dynamic LVR ¹ of IPL loans (%)	49	51	49.6
Average loan size ³ (\$'000)		326	330	337
Customers ahead on repayments including offset accounts ⁴ (%)		60	60	61.4
90+ day delinquencies (bps)		75	75	85
Annualised loss rate (net of insurance claims) (bps)		1	0.8	1.5

NEW ZEALAND MORTGAGE AND CONSUMER PORTFOLIOS

NEW ZEALAND CREDIT QUALITY

Mortgage portfolio	Sep-22	Sep-23
Total portfolio (NZ\$bn)	63.8	65.8
Owner occupied (%)	73.3	74.1
Investment property loans (IPL) (%)	26.7	25.9
Broker introduced (%)	50.1	51.9
Proprietary channel (%)	49.9	48.1
Fixed/ variable split (%)	90/10	91/9
Interest only (I/O) (%)	17.9	16.5
Origination LVR 80-90% (%)	8.6	9.0
Origination LVR >90% (%)	2.3	2.9
Mortgage 90+ day delinquencies (%)	0.22	0.33
Mortgage 30+ day delinquencies (%)	0.45	0.71
Unsecured consumer portfolio (NZ\$bn)	1.2	1.2

Mortgage 90+ day delinquencies¹ (%)

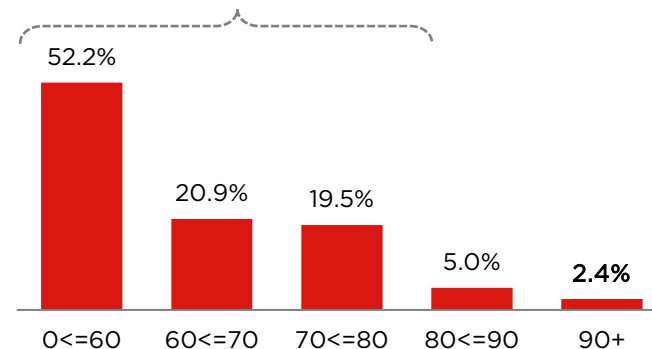


Unsecured consumer 90+ day delinquencies¹ (%)

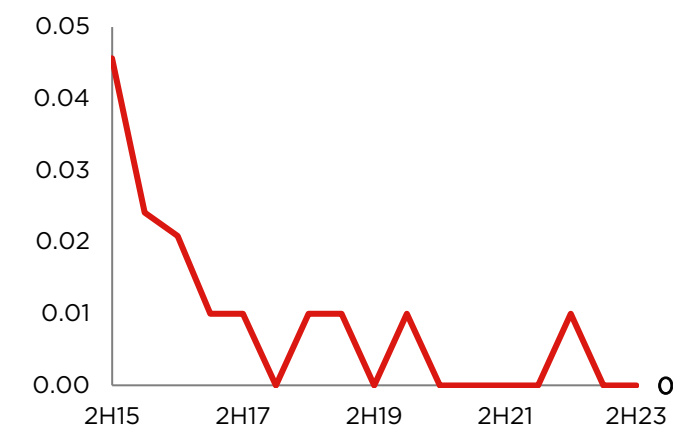


Mortgage portfolio LVR² (% of portfolio)

93% of mortgage portfolio has an LVR less than 80%



Mortgage loss rates (%)



¹ In May 2019 we made changes to the reporting of customers in hardship to align to the method used by APRA. ² LVR based on current loan property value at latest credit event.

NON-CREDIT RISK MANAGEMENT

2023 Full year financial results

CORE INTEGRATED PLAN

94% of activities complete¹

CORE

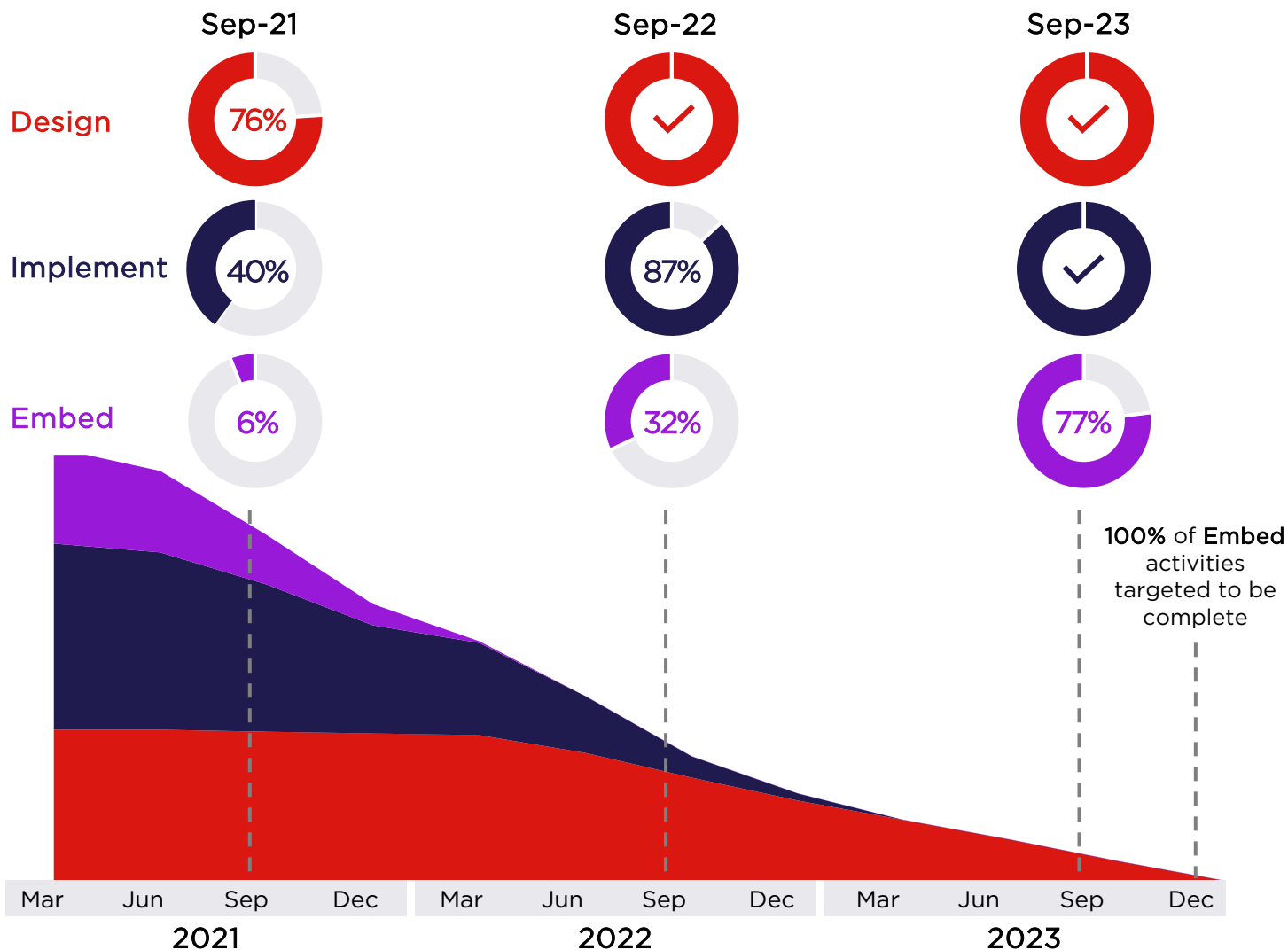
Current phase

- Customer Outcome Risk Excellence (CORE) integrated plan activities progressing and targeted to be complete by end of 2023²
- Designed to address issues raised by enforceable undertaking with APRA signed Dec-20
- Strengthening risk governance, improving accountability and enhancing risk culture across the Group
- 333 of 354³ activities complete
- Independent assurance by Promontory Australia, with quarterly reports
- Westpac program status Amber⁴ at Sep-23

Future phase

- Westpac will aim to continue the sustainability and effectiveness of what was delivered through CORE through a transition phase planned for calendar year 2024

CORE activities progress¹



¹ At 30 Sep-23. Completed activities finalised by Westpac. Activities may still be subject to Promontory Australia review. ² Westpac will continuously improve its risk governance, risk management practices and culture beyond the end of the CORE program. ³ Activities increased from 353 to 354 in 2H23. ⁴ Program status rating changes with the identification and resolution of issues, most recently: Amber - Mar-23; Red - Feb-23; Green - Sep-22; Amber - Mar-22.

CORE PROGRAM

CORE

Strengthening risk governance, accountability and risk culture

Target states

1
We are a well-run business where risk is actively managed

2
A simplified organisational construct with clear accountabilities

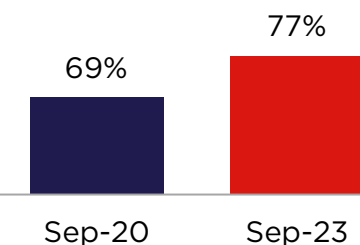
3
Three lines of defence is understood and embedded

4
Our people understand risks and proactively manage them

5
We're known for execution excellence and getting it done

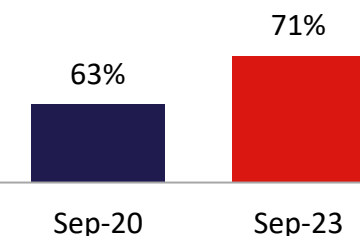
Measures of progress

"People constructively challenge..."¹

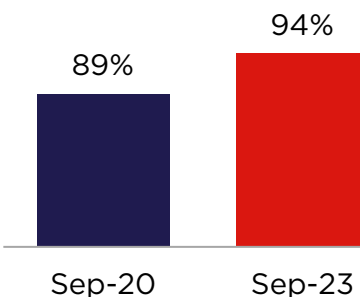


"Jobs...are designed to have clear objectives and accountabilities..."¹

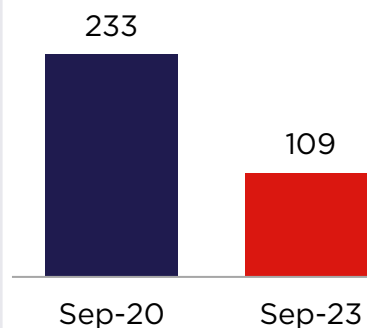
"...organisational structure helps create clear accountability"¹



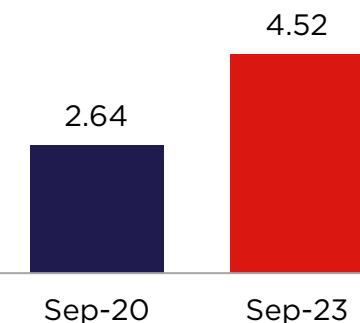
"Clear in how expected to manage risks"¹



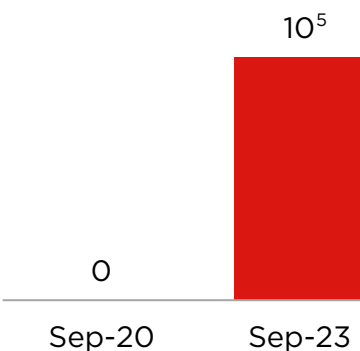
High-rated issues²



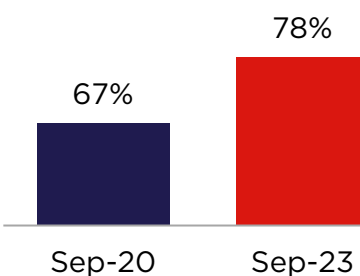
Improved data quality management³



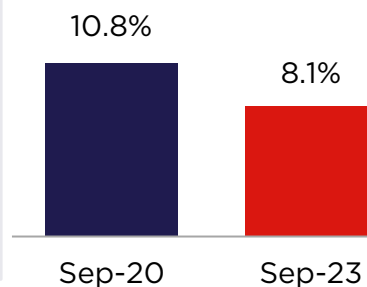
Progress of planned non-core business exits⁴



Issues raised by first line risk management⁶



Key controls requiring improvement

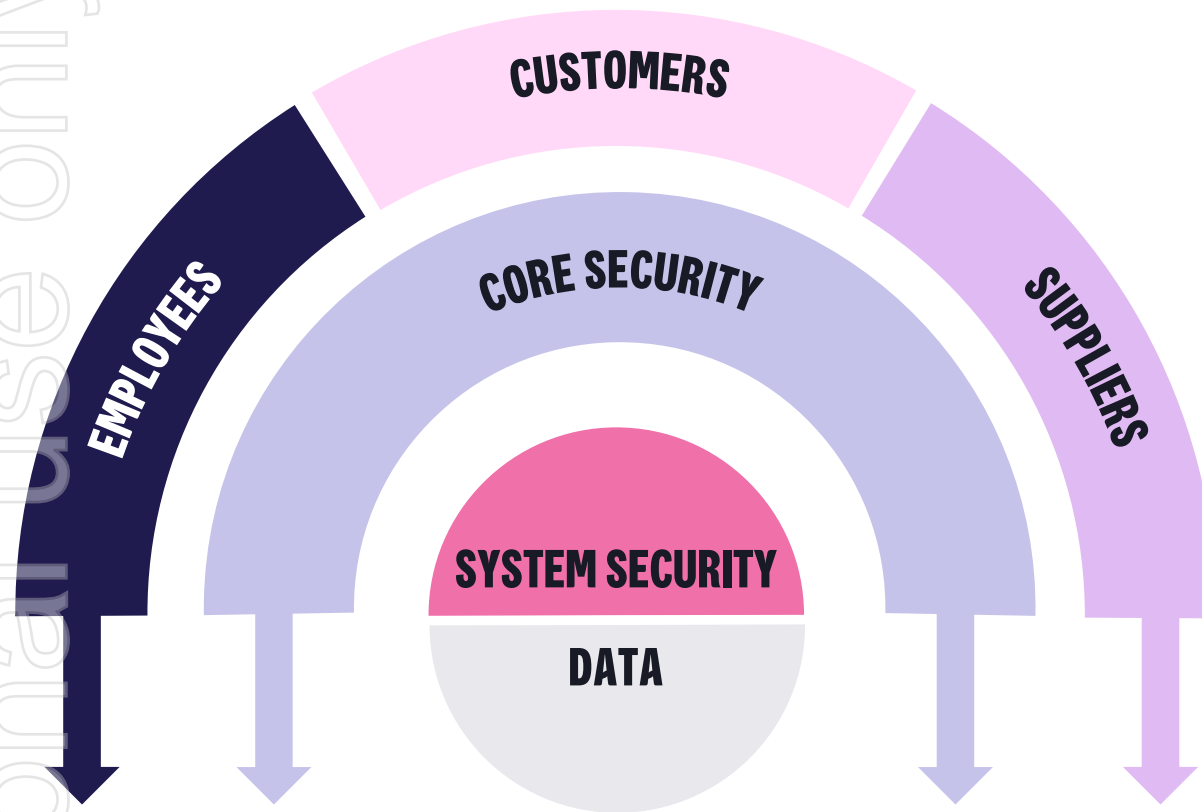


¹ Employee survey. ² Number of open issues. ³ Internal rating out of 5. ⁴ Number of transactions complete - number of business sales completed when legal ownership passes from Westpac to the buyer. ⁵ Includes Westpac NZ Wealth Advisory and the account transfer of BT Private Portfolio Management on 1 Oct-23. ⁶ Not 2nd or 3rd lines %.

OUR CYBER SECURITY PROTECTION¹

A layered defence

CYBER RISK



EMPLOYEES

We have **controls** around **who we hire**; **how their access** is granted; and **monitoring** of system use

CUSTOMERS

Dedicated **controls** that **seek** to protect customers from **fraud**, including multi-factor authentication

SUPPLIERS

Subject to **security reviews**, limited access to our systems and data, and continual **performance monitoring**

CORE SECURITY

Core **security capabilities** across all systems, e.g. malware prevention, firewalls, email security

SYSTEM SECURITY

Integrated **approach to security** of our systems, e.g. design reviews, patching and secure development

MONITORING, INTELLIGENCE AND NETWORKS

24/7 **monitoring** for indications of attacks and control weaknesses. **Threat detection** supported by cyber threat intelligence and information sharing partnerships

MONITORING, CYBER INTELLIGENCE & PEER NETWORKS

¹ No system can be 100% effective, systems are susceptible to human error and significant third-party risks. Cyber threats are continually evolving. Information should be read in conjunction with the Annual Report FY23 pages 27 and 47.

OUR CYBER SECURITY PROTECTION

Building awareness within and beyond Westpac

CYBER RISK



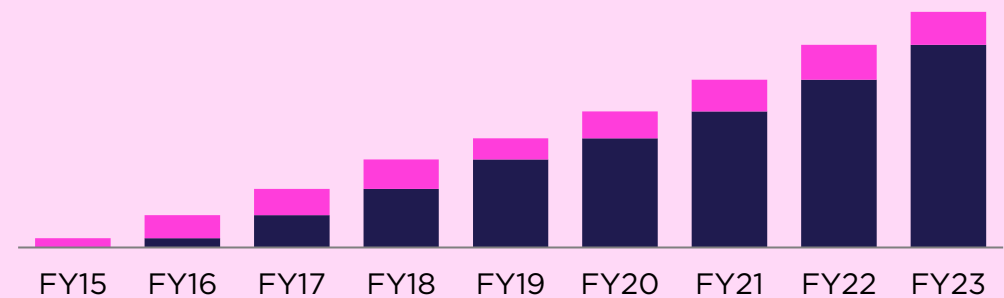
INTERNAL AWARENESS TRAINING

- Regular phishing simulations
- Mandatory training for staff and Board
- Annual cyber security simulations for Board and Executives
- Multi-channel education¹



CONTINUING INVESTMENTS

■ Cumulative prior investment ■ New investment in period



EXTERNAL COLLABORATION

- Regular CISO meetings with peers, private sector and government
- Closely working with regulators, law enforcement and peers internationally
- Emerging risk discussions and knowledge sharing
- Hosting and presenting at key industry events



BUILDING AUSTRALIA'S CYBER LITERACY

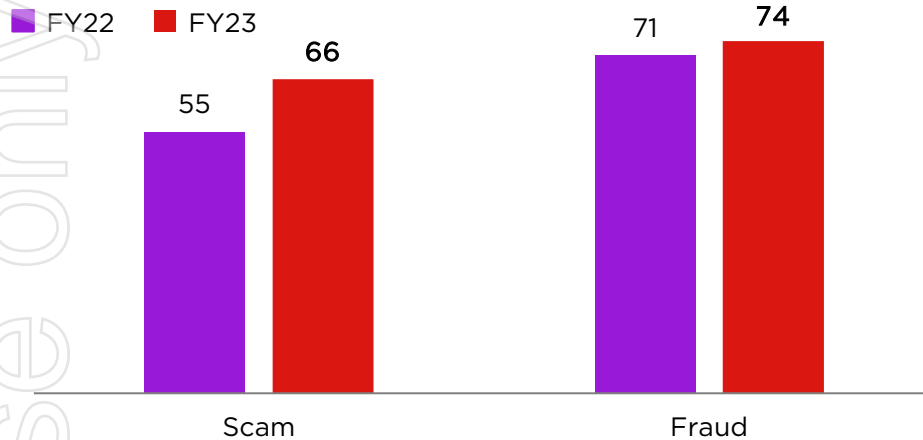
- Partnership with IDCARE's Cyber Resilience Outreach Clinics (CROC) to raise scam, cybercrime and identify theft awareness in remote and regional communities (2021-2023)
- Grok Academy's early childhood education on cyber security through partnership
- Cyber careers, preparing next generations for in-demand technology roles

¹ Awareness campaigns and resources: weekly newsletters, regular learning sessions, intranet toolkit and Champions Network.

FRAUD AND SCAM PROTECTION¹

FRAUD & SCAMS

Scam and digital fraud detection (%)²



Summary

Increased fraud and scam detection rate over the year

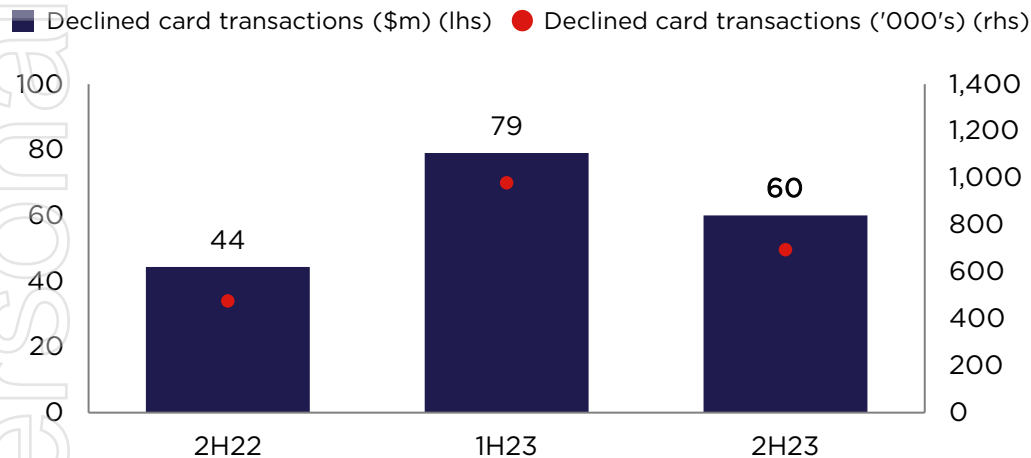
Provide safer payment options for customers

Continuing investments to protect our customers

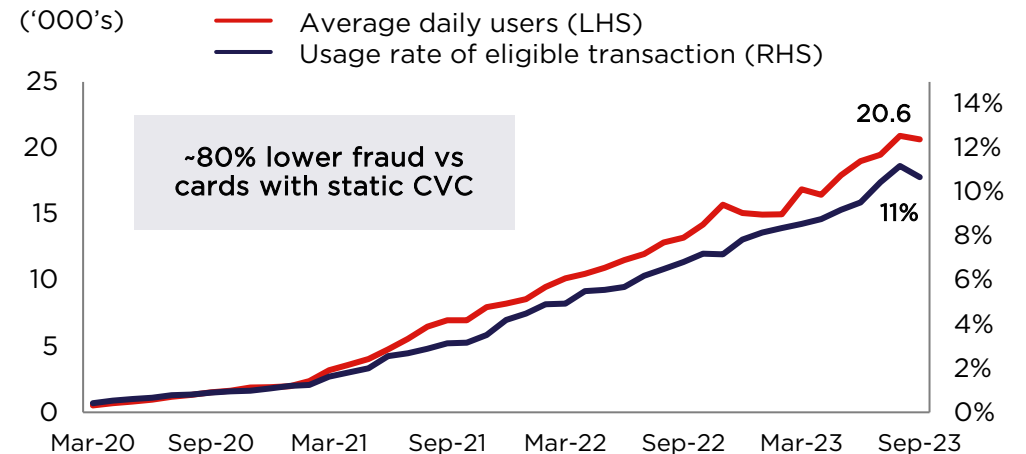
More staff deployed to support customers

Blocking is deterring attempted scams

Real-time blocking of potential online shopping scams³



Dynamic CVC users⁴



¹ Westpac's systems and processes may not always be 100% effective and are subject to risks and other factors including those described in the section titled 'Risk factors' in the FY23 Annual Report. ² Detection rate indicates the percentage of cases Westpac triggers alerts for. ³ Monthly card transactions blocked. These blocks represent merchants that have historically been shown to deceive customers with exceptionally poor quality or non-existent goods. Less than 1% of customers insist that transactions should be completed. The amount represents the \$-value of the transaction that customers did not lose through the scam. Each card declined is only counted once per day (i.e. if a card has multiple declines in the same day it is only counted once). ⁴ Monthly average.

DIGITAL BANKING SECURITY INITIATIVES

FRAUD & SCAMS

Helping protect customers and reducing fraud and scams



Westpac Verify is a risk rating security layer provided when adding new payees in digital banking, targeting business email compromise scams



Real-time blocking of potentially questionable online merchants

Saved \$139m for 1.67m customer incidences in FY23



Biometric onboarding experience reduces identity theft, fraud and promotes digital usage; **\$20.1m saved** in averted fraud losses



Dynamic CVC generates a new CVC every 24 hours; **~80% lower fraud** vs cards with static CVC



Advanced customer behavioural tools saved customers **\$23m** in FY23, combatting remote access scams, including Voice scam detection



Westpac Prompts will be presented to customers where systems detect potential scam; expected to be available in 1H24

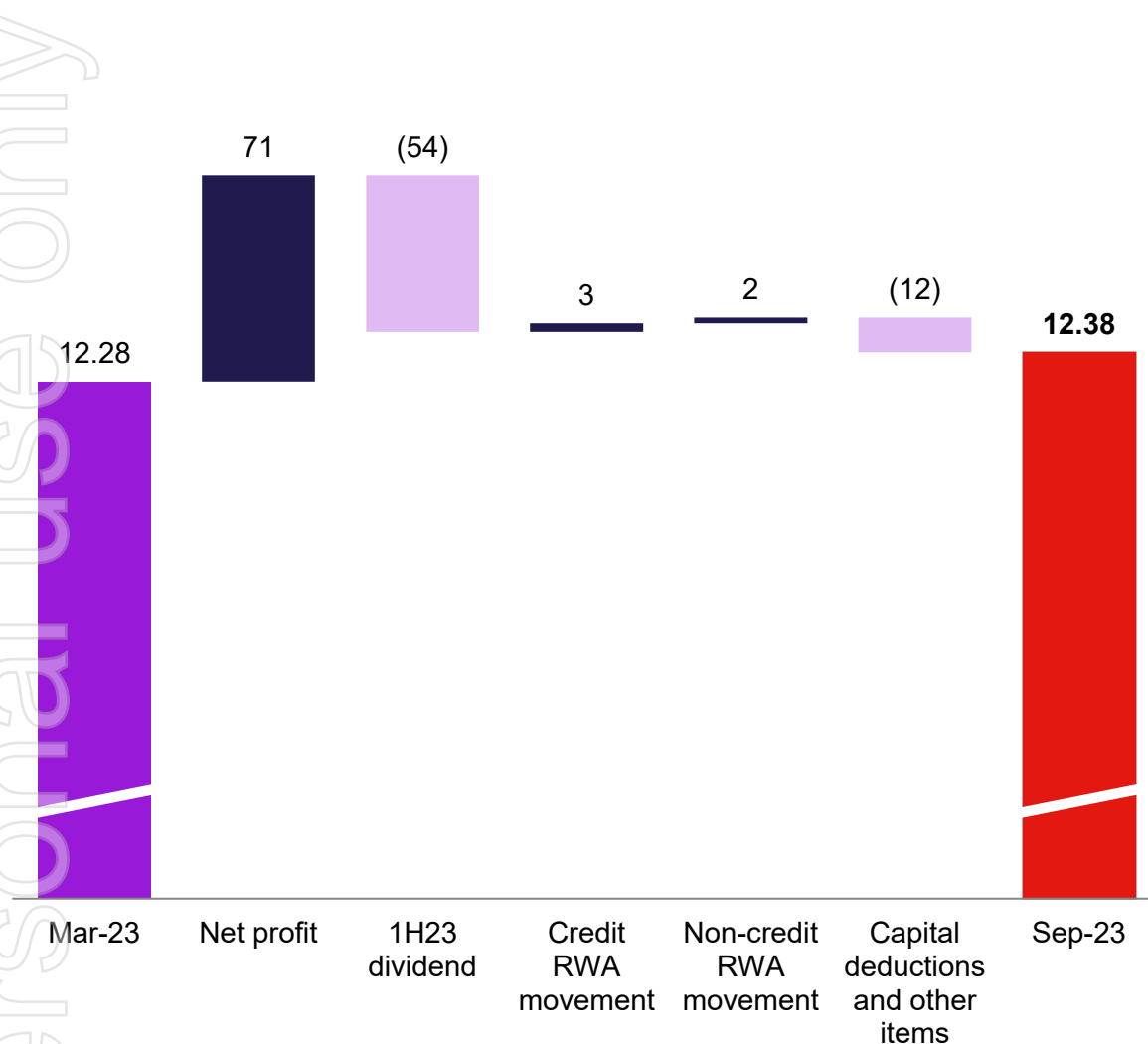
CAPITAL, FUNDING AND LIQUIDITY

2023 Full year financial results

CET1 CAPITAL RATIO 12.38%

CAPITAL, FUNDING AND LIQUIDITY

Level 2 CET1 capital ratio movements (% bps)



Key capital ratios (%)	Sep-22	Mar-23	Sep-23
Level 2 CET1 capital ratio	11.3	12.3	12.4
Additional Tier 1 capital ratio	2.1	2.2	2.2
Tier 1 capital ratio	13.4	14.5	14.6
Tier 2 capital ratio	5.0	5.3	5.9
Total regulatory capital ratio	18.4	19.8	20.5
Risk weighted assets (RWA) (\$bn)	478	453	451
Leverage ratio	5.6	5.5	5.5
Level 1 CET1 capital ratio	11.3	12.5	12.6

Internationally comparable ratios¹

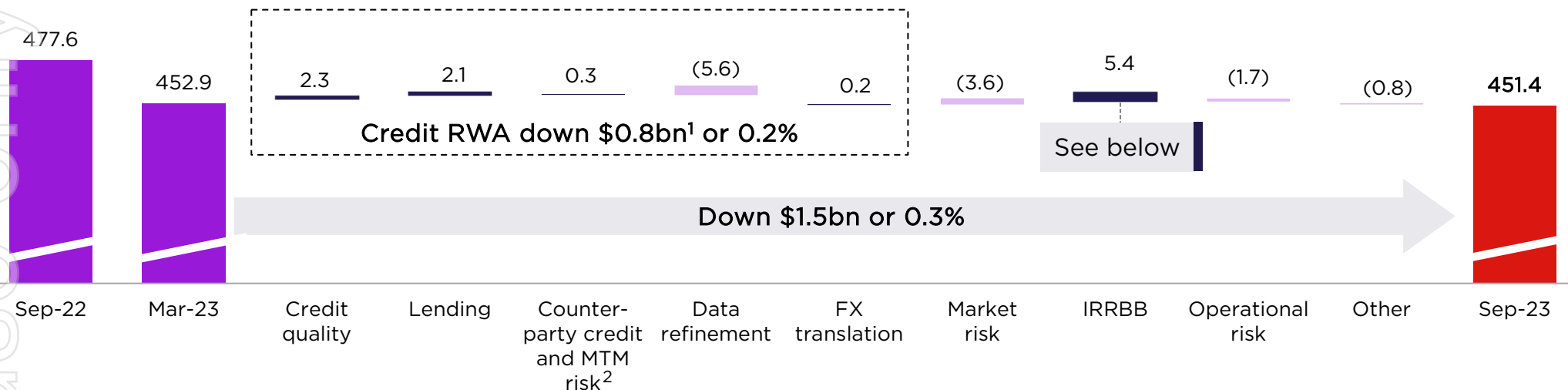
Leverage ratio (internationally comparable)	6.0	5.9	6.0
CET1 capital ratio (internationally comparable)	17.6	18.1	18.7

¹ Internationally comparable methodology references the Australian Banking Association (ABA) study on the comparability of APRA's new capital framework and finalised reform released on 10 March 2023.

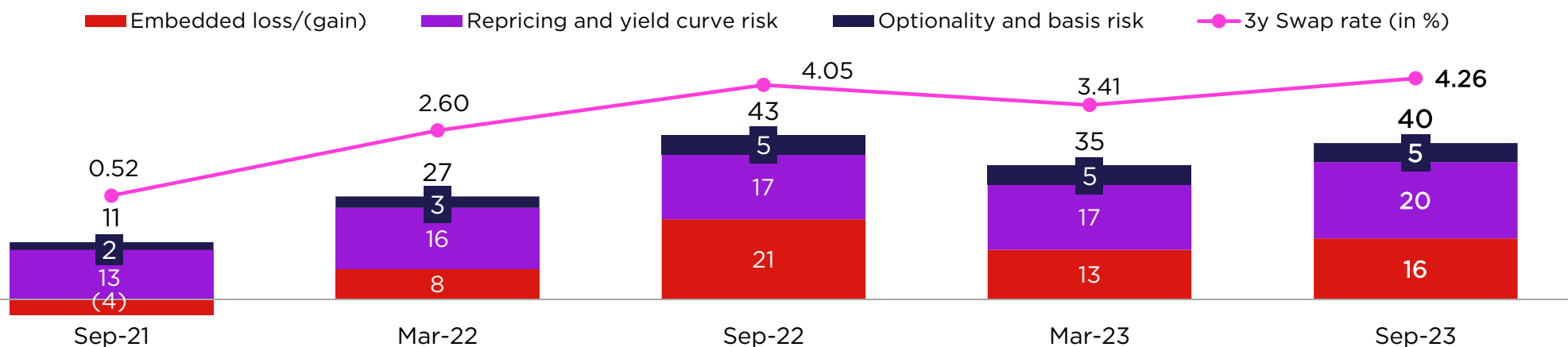
RISK WEIGHTED ASSETS

CAPITAL, FUNDING AND LIQUIDITY

Risk weighted assets¹ (RWA) (\$bn)








IRRBB RWA¹ (\$bn)



¹ Chart may not add due to rounding. ² Mark to market (MTM).

REGULATORY CAPITAL CHANGES

CAPITAL, FUNDING AND LIQUIDITY

Implementation	Change	Details	Expected impact on the Group's capital ratios
2024	Additional Tier 1 Capital	<ul style="list-style-type: none"> APRA has released a discussion paper to explore options for, and seek feedback from stakeholders on, improving the effectiveness of Additional Tier 1 capital in Australia ahead of potential consultation in 2024 	
1 Jan 2024	CPS 190 Financial Contingency Planning CPS 900 Resolution Planning	<ul style="list-style-type: none"> APRA has released final prudential standards for banks to: <ul style="list-style-type: none"> Develop plans to respond to financial stress Prepare for resolution with limited adverse impacts on the community and financial system, in the event of their failure 	 
2025	APS117 - IRRBB	<ul style="list-style-type: none"> Currently standardising aspects of the calculation of IRRBB capital to reduce volatility over time and variation between ADIs 	
1 Jan 2026	APS116 - Market Risk	<ul style="list-style-type: none"> APRA is yet to commence consultation on Fundamental Review of the Trading Book 	
1 Jan 2024 and 1 Jan 2026	Loss Absorbing Capacity (LAC)	<ul style="list-style-type: none"> APRA requires D-SIBs¹ to lift the total capital ratio by 4.5% of RWA by 1 January 2026: 3% to 16.75% by 1 January 2024 and a further 1.5% to 18.25% by 1 January 2026 	
Current and finalised by 1 Jul 2028	RBNZ Capital Review	<ul style="list-style-type: none"> D-SIBs total capital requirements increasing to 18% by 1 July 2028. Includes Tier 1 capital requirement of 16% of which 13.5% must be CET1 capital 	

¹ Domestically systemically important bank (D-SIB).

INTERNATIONALLY COMPARABLE CAPITAL RATIO RECONCILIATION¹

CAPITAL, FUNDING AND LIQUIDITY

APRA's capital requirements are more conservative than those of the Basel Committee on Banking Supervision (BCBS), leading to lower reported capital ratios by Australian banks. The following details the adjustments and how Westpac's APRA CET1 capital ratio aligns to an internationally comparable ratio:

Westpac's CET1 capital ratio (APRA basis)	12.4
--	-------------

Equity investments	Balances below prescribed threshold are risk weighted, compared to a 100% CET1 deduction under APRA's requirements	-0.0
---------------------------	--	------

Deferred tax assets	Balances below prescribed threshold are risk weighted, compared to a 100% CET1 deduction under APRA's requirements	0.6
----------------------------	--	-----

Capitalised expenses	APRA requires these items to be deducted from CET1. The BCBS only requires exposures classified as intangible assets under relevant accounting standards to be deducted from CET1	0.7
-----------------------------	---	-----

Interest rate risk in the banking book (IRRBB)	APRA requires capital to be held for IRRBB. The BCBS does not have a Pillar 1 capital requirement for IRRBB	1.6
---	---	-----

RWA scaling factor	APRA applies a scaling factor to all Advanced IRB ² credit RWAs. The BCBS does not apply this scalar	0.9
---------------------------	---	-----

Property finance	APRA applies an additional scaling factor to property finance RWA. The BCBS does not apply this scalar.	0.3
-------------------------	---	-----

Residential mortgages	APRA applies scaling factors to mortgage RWAs for higher risk segments such as interest only and investor mortgages and applies a standardised risk weight to certain mortgages. The BCBS does not apply this treatment.	1.9
------------------------------	--	-----

Non-retail Loss Given Default (LGD)	Non-retail LGD's under the Foundation IRB (F-IRB) and Advanced IRB approaches differ from the BCBS	(0.2)
--	--	-------

New Zealand	APRA requires New Zealand RWAs to be largely calculated in accordance with the RBNZ rules. The RBNZ rules are more conservative than BCBS.	0.5
--------------------	--	-----

Internationally comparable CET1 capital ratio	18.7
--	-------------

Internationally comparable Tier 1 capital ratio	21.8
--	-------------

Internationally comparable total regulatory capital ratio	29.9
--	-------------

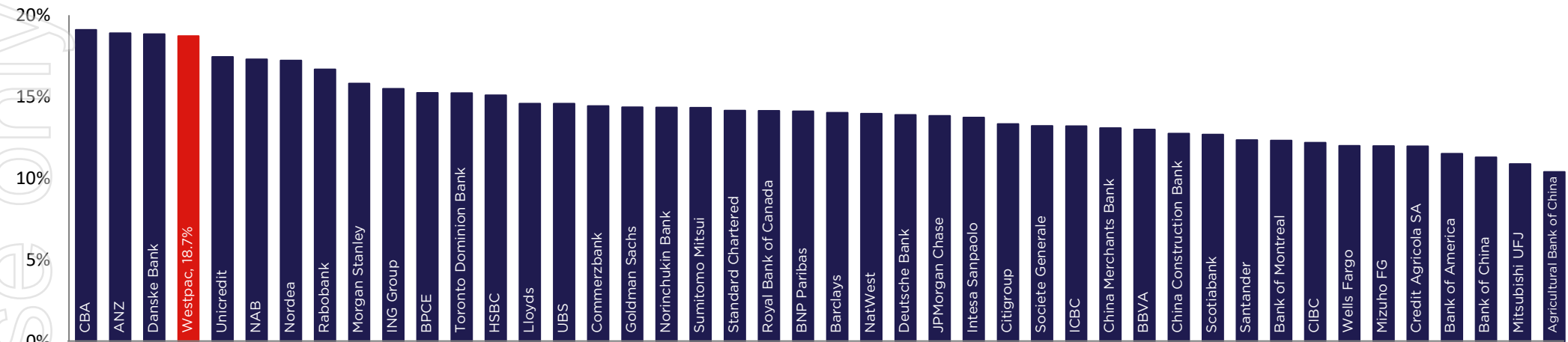
¹ Internationally comparable methodology references the ABA study on the comparability of APRA's new capital framework and finalised reform released on 10 March 2023.

² Internal ratings-based approach (IRB).

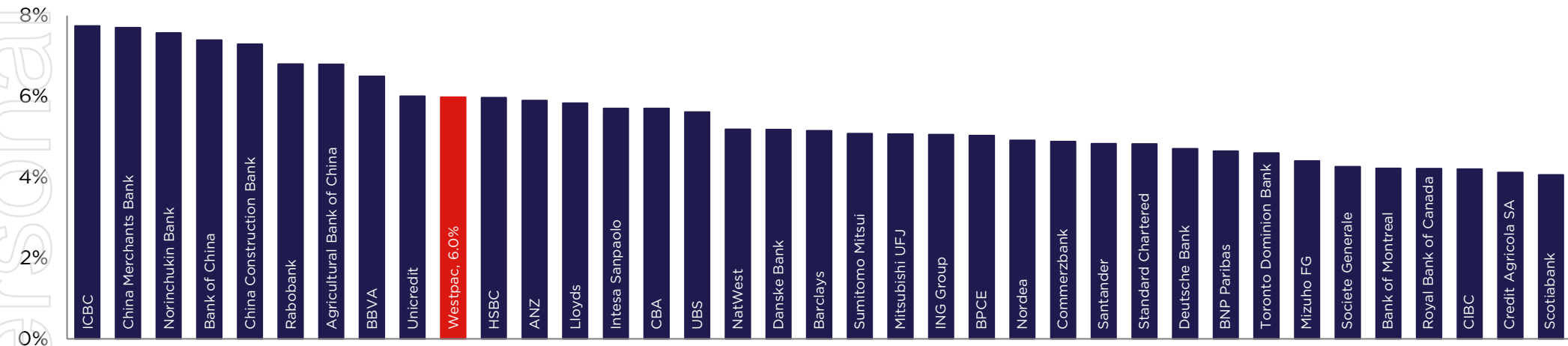
WELL PLACED ON INTERNATIONALLY COMPARABLE

CAPITAL, FUNDING AND LIQUIDITY

Common equity Tier 1 ratio¹ (%)



Leverage ratio (%)



¹ Comparison group comprises listed commercial banks with assets in excess of A\$700bn and which have disclosed fully implemented Basel III ratios or provided enough to estimate. Based on company reports/presentations. Ratios are at 30 June 2023, except for Bank of Montreal, Toronto Dominion Bank, Royal Bank of Canada, CIBC and Scotiabank which are at 31 July 2023, and Westpac which is at 30 September 2023. Where accrued expected dividends have been deducted and disclosed, these have been added back for comparability. US banks are excluded from leverage ratio analysis due to business model differences, for example from loans sold to US Government sponsored enterprises. NAB has not disclosed an internationally comparable leverage ratio since September 2017 and has therefore been excluded.

LOSS-ABSORBING CAPACITY AND TIER 2 CAPITAL

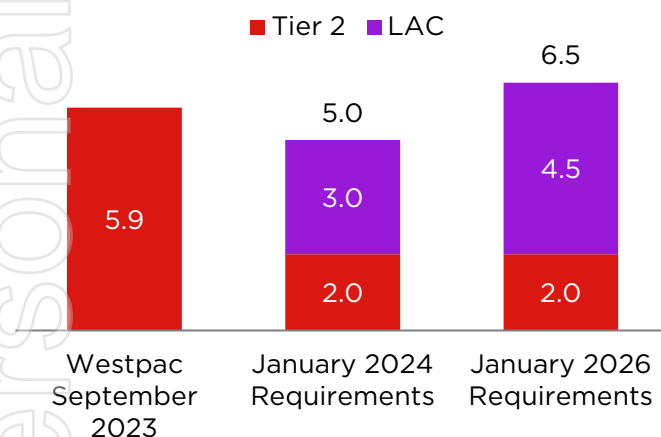
CAPITAL, FUNDING AND LIQUIDITY

Loss-absorbing capacity (LAC)

- Australian D-SIBs are required to increase Total Capital to meet APRA's LAC requirements
- This is expected to be met through Tier 2 Capital
- Westpac is well placed to meet future APRA requirements for LAC

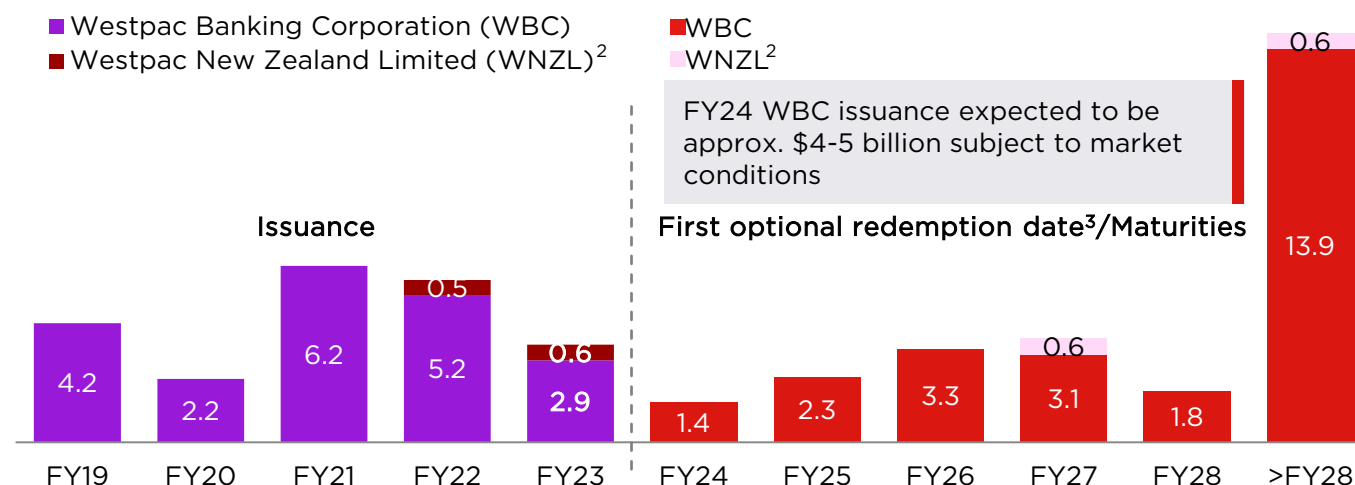
\$bn	@ 5.0% by 1 Jan 24	@ 6.5% by 1 Jan 26
Group RWA (at Sep-23)	451	451
Tier 2 requirement	22.6	29.3
Existing Tier 2 (Sep-23)	26.4	26.4
Current shortfall (excluding redemptions ³)	0	2.9

Tier 2 and LAC requirements (%)



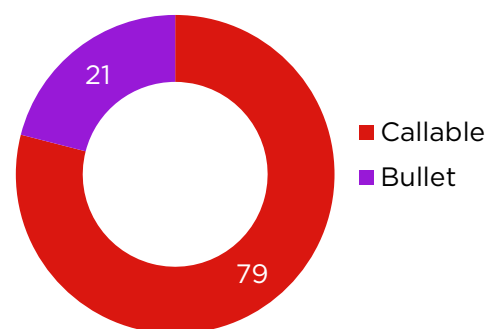
Tier 2 profile^{1,3} (notional amount, A\$bn)

- Westpac Banking Corporation (WBC)
- Westpac New Zealand Limited (WNZL)²

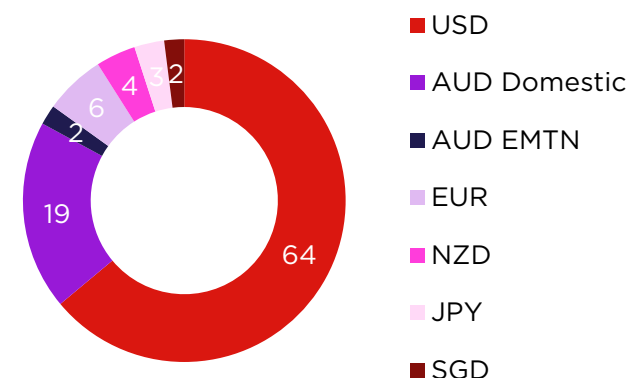


Tier 2 capital (%)

By format^{1,3} (notional amount)



By currency^{1,3} (notional amount)



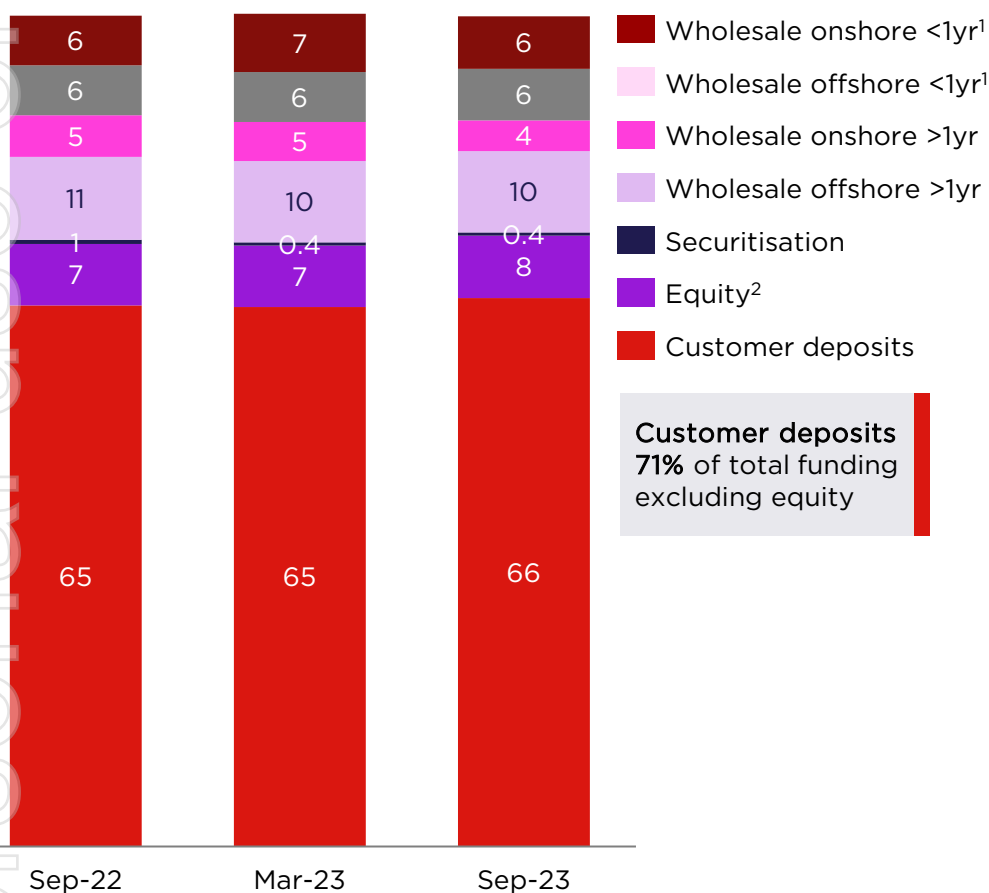
¹ Includes Westpac New Zealand Limited (WNZL). WNZL Tier 2 does not count for APRA LAC requirements. ² Represents A\$ equivalent notional amount using spot FX translation at date of issue for issuance and spot FX translation at 30-Sep-23 for maturities. Securities in callable format profiled to first call date. Securities in bullet format profiled to maturity date. ³ Any early redemption would be subject to prior written approval from APRA, which may or may not be provided.

FUNDING COMPOSITION

CAPITAL, FUNDING AND LIQUIDITY

Funding composition (%)

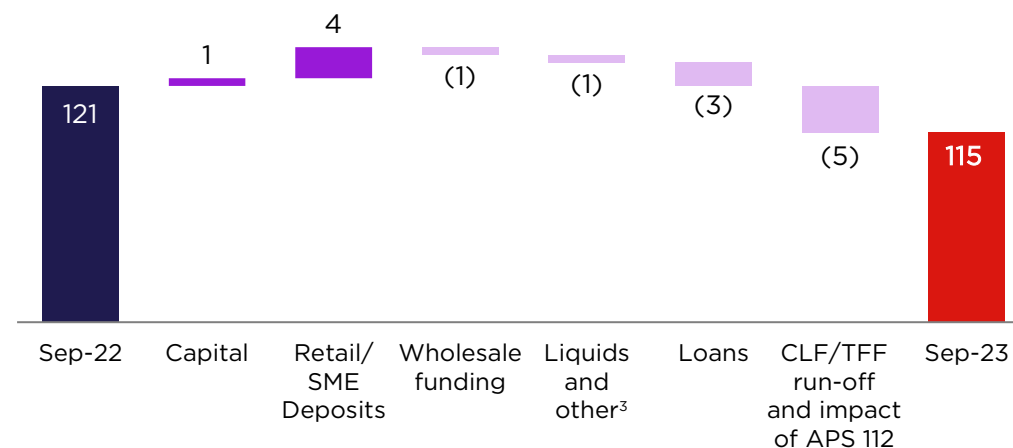
- Focus on stable funding sources
- Customer deposits provide 66% of total funding, or 71% excluding equity
- Additional 22% from stable sources of long-term wholesale and equity



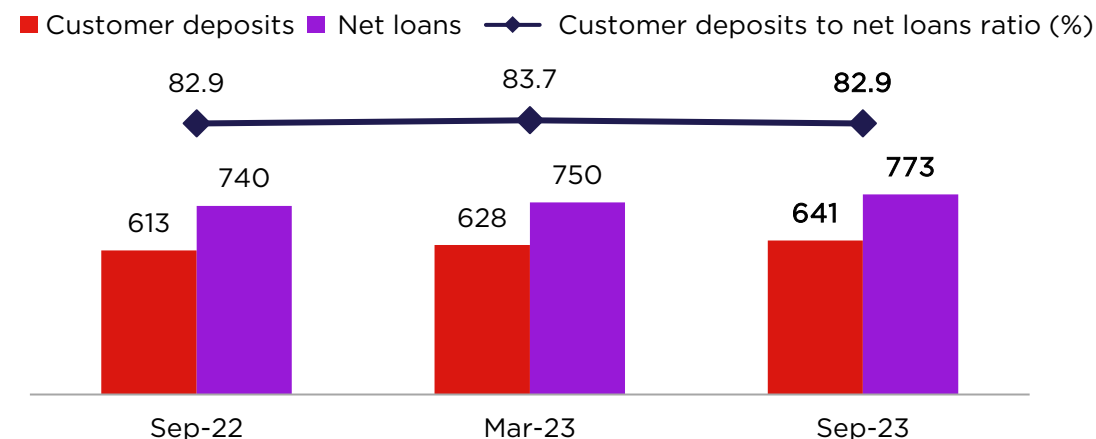
Charts may not add to 100 due to rounding

¹ Includes long term wholesale funding with a residual maturity less than or equal to 1 year. ² Equity excludes FX translation, available-for-sale securities and cash flow hedging reserves. ³ Other includes derivatives and other assets.

Net stable funding ratio (%)



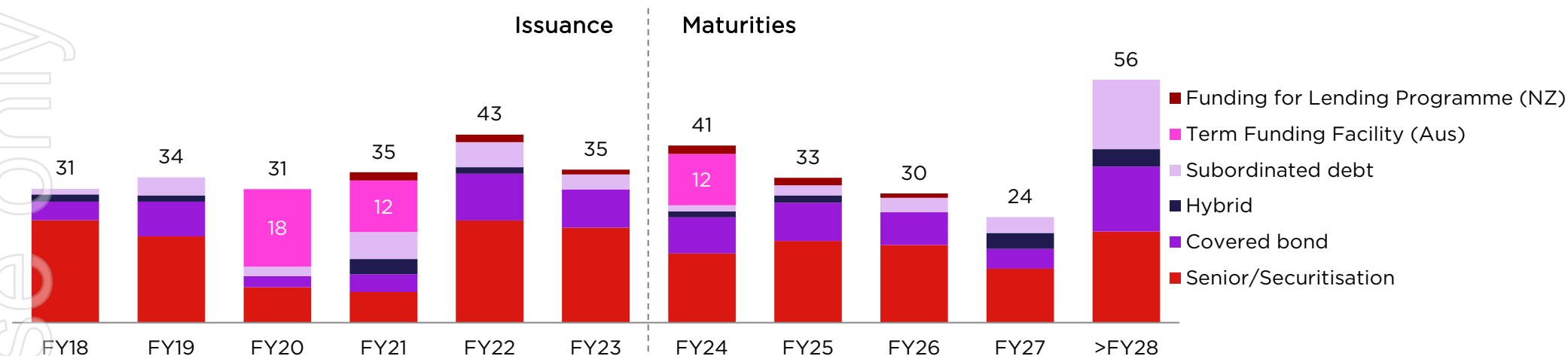
Customer deposits and net loans (\$bn)



LONG TERM WHOLESALE FUNDING PROFILE

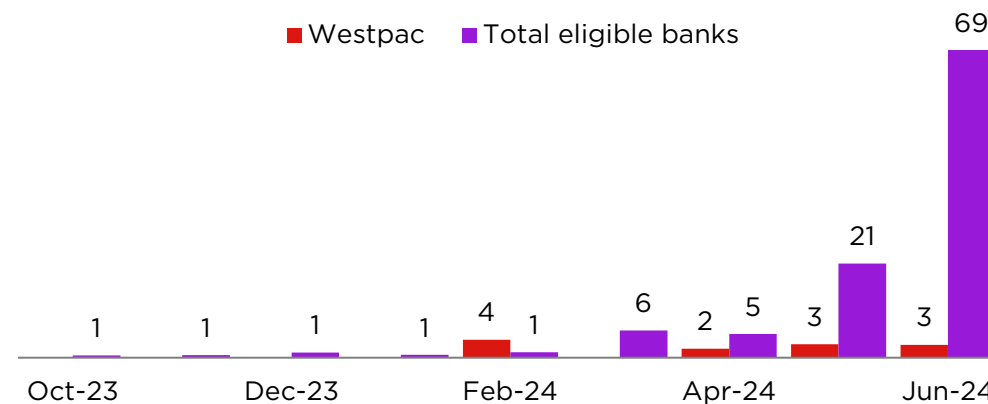
CAPITAL, FUNDING AND LIQUIDITY

Term debt issuance and maturity profile¹ (\$bn)



- \$35.2 billion in new term issuance in FY23
 - Well diversified across currencies, programs and tenors
 - SEC registration remains a key advantage in US\$ market access
 - Additional diversity from the re-establishment of Westpac New Zealand Limited's US MTN program and US\$750m issuance in February 2023
- Well managed Group maturity profile
 - Term Funding Facility drawdowns managed to support a smooth LCR profile
 - Remaining Term Funding Facility drawdowns expected to be refinanced within normal funding capacity

Term Funding Facility (TFF) maturities (\$bn)



Source: Westpac, RBA

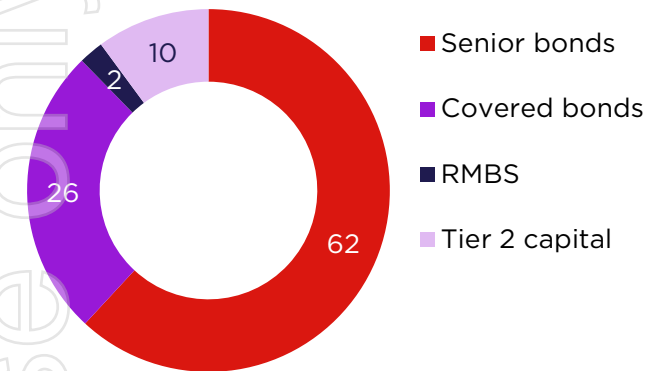
¹ Based on residual maturity and FX spot currency translation. Includes all debt issuance with contractual maturity greater than 13 months excluding US Commercial Paper and Yankee Certificates of Deposit. Contractual maturity date for hybrids and callable subordinated instruments is the first scheduled conversion date or call date for the purposes of this disclosure. Maturities exclude securitisation amortisation.

LONG TERM WHOLESALE FUNDING DIVERSIFICATION

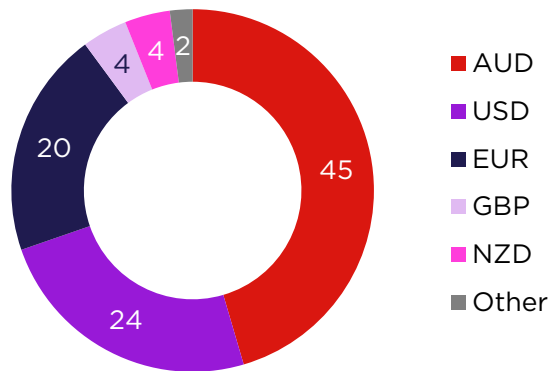
CAPITAL, FUNDING AND LIQUIDITY

FY23 term debt issuance¹ (%)

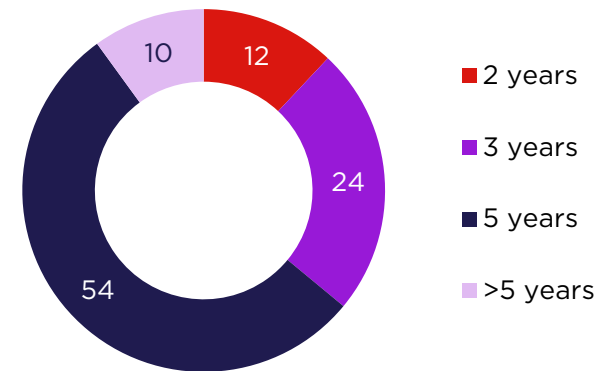
By program (%)



By currency (%)

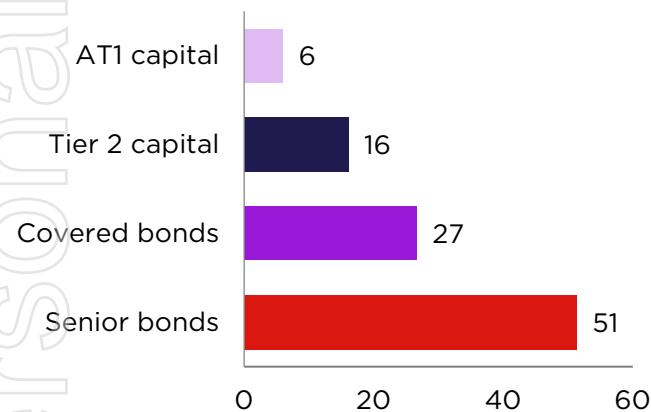


By tenor (%)

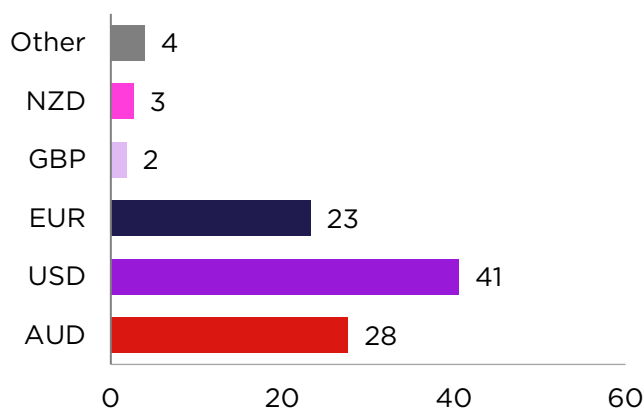


Long term wholesale funding back book^{1,2} (%)

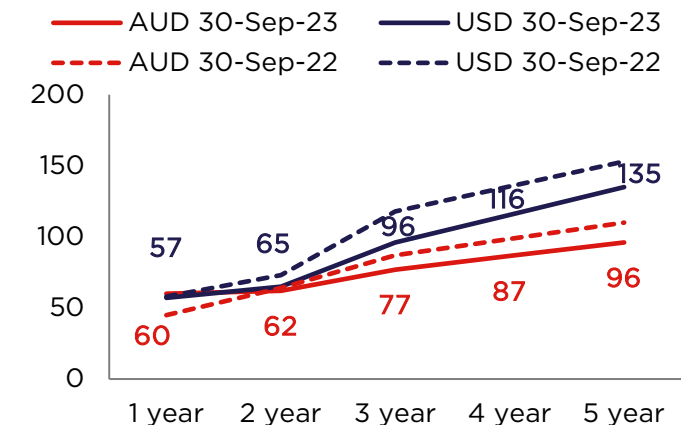
By program (%)



By currency (%)



Indicative wholesale funding costs (spread above 3mth BBSW)



Charts may not add due to rounding

¹ Data excludes Term Funding Facility and Funding for Lending Programme. ² Back book data excludes Securitisation.

LIQUIDITY RISK MANAGEMENT

Capital, funding and liquidity



LIQUIDITY COVERAGE RATIO (LCR)

- LCR requires banks to hold a sufficient reserve of HQLA to allow them to survive a period of significant liquidity stress lasting 30 calendar days
- Westpac is subject to LCR requirements under APS210

134%

September 2023 quarterly average



DEPOSITOR DIVERSIFICATION

- Westpac has a well diversified deposit portfolio

\$641bn

customer deposits



NET STABLE FUNDING RATIO (NSFR)

- NSFR requires banks to maintain a stable funding profile in relation to the composition of assets and off-balance sheet activities
- Westpac is subject to NSFR requirements under APS210

115%



HIGH QUALITY LIQUID ASSETS (HQLA)

- In Australia, cash, balances held with the Reserve Bank of Australia, and Australian Government and semi government securities qualify as HQLA. No Level 2 assets qualify as HQLA
- HQLA included at market value in the LCR
- Changes in the fair value of liquid assets are recognised either in Other Comprehensive Income through the relevant equity reserve or in the income statement

\$182bn¹ September 2023 quarterly average



INTEREST RATE RISK MANAGEMENT (LIQUIDS PORTFOLIO)

- Market interest rate risk arising in the banking book stems from the ordinary course of banking activities including loans, deposits, liquid assets and capital management
- Westpac's exposure to interest rate risk in the liquid asset portfolio is hedged using derivatives
- APRA requires ADIs to calculate a capital charge for the risk of loss in earnings or a fall in the value of banking book items due to adverse movements in interest rates (APS 117)

\$3.2bn in IRRBB capital

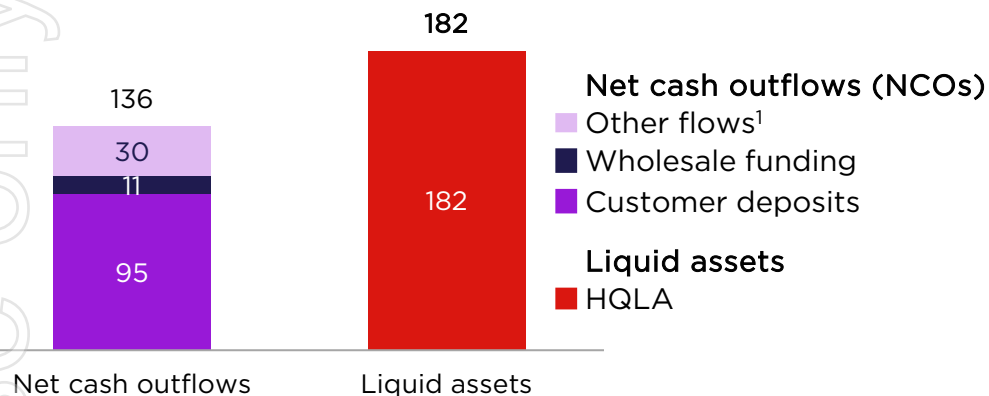
¹ HQLA includes securities issued by foreign sovereigns and repo-eligible qualifying assets in foreign jurisdictions, including RBNZ eligible securities.

LIQUIDITY COVERAGE RATIO (LCR)

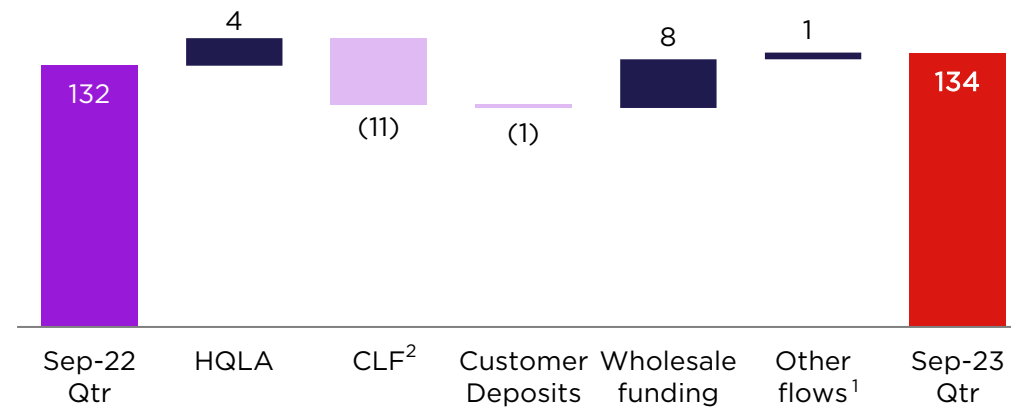
CAPITAL, FUNDING AND LIQUIDITY

LCR (\$bn)

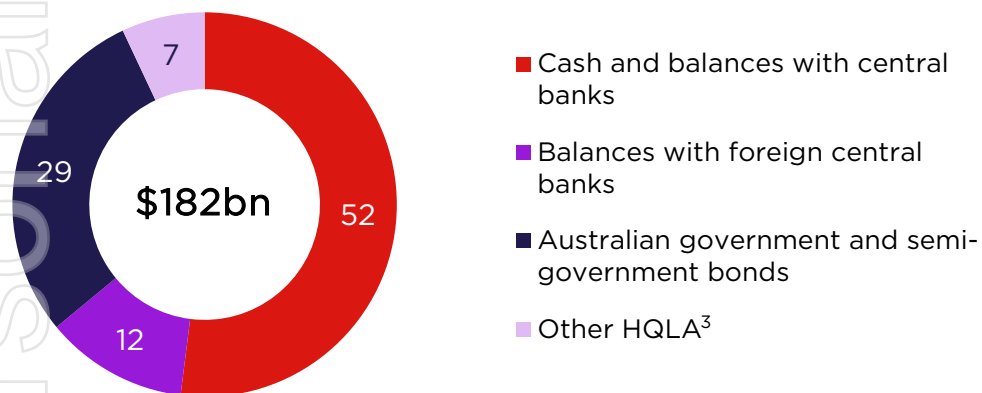
September 2023 quarterly average 134%



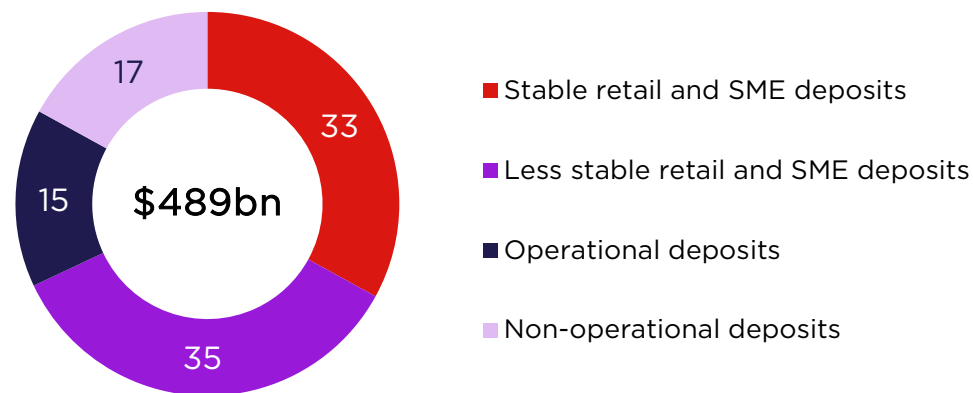
Movement in LCR (%)



High Quality Liquid Assets (HQLA) (%)



LCR deposit mix (%)



Charts may not add to 100 due to rounding

¹ Other flows include credit and liquidity facilities, collateral outflows, inflows from customers and TFF maturities. ² In line with APRA updated guidance, the CLF ceased to exist on 1 Jan-23. ³ Other HQLA includes securities issued by foreign sovereigns and repo-eligible qualifying assets in foreign jurisdictions, including RBNZ eligible securities.

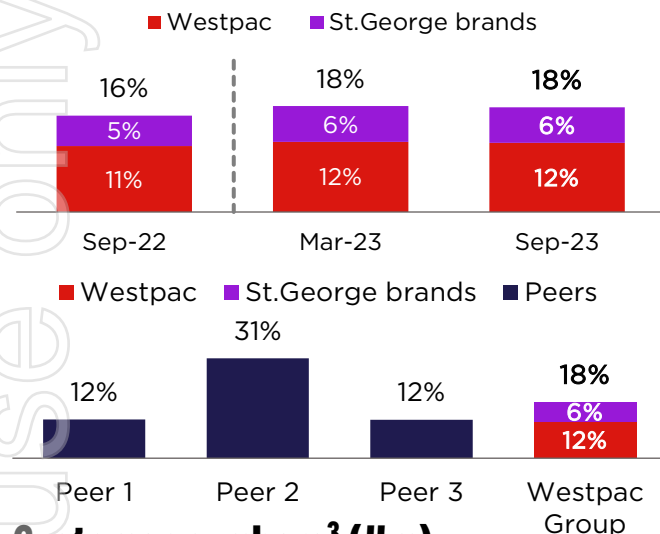
CUSTOMER FRANCHISE

2023 Full year financial results

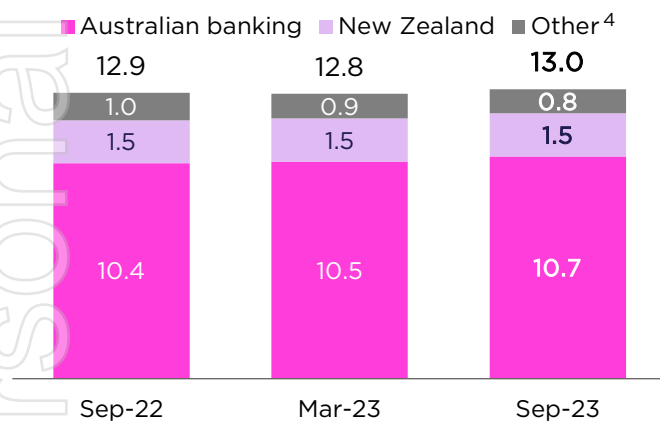
CUSTOMER FRANCHISE

CUSTOMER FRANCHISE

MFI share^{1,2}



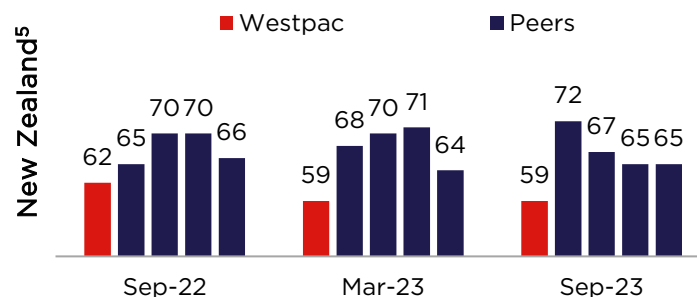
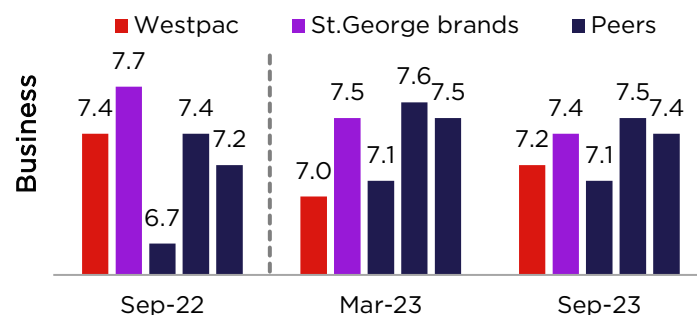
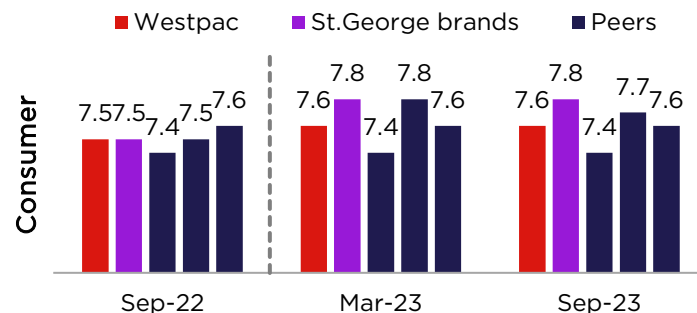
Customer numbers³ (#m)



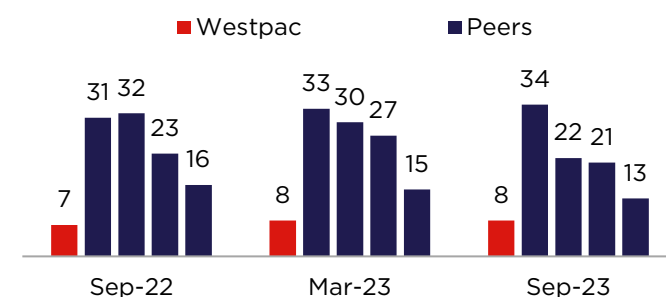
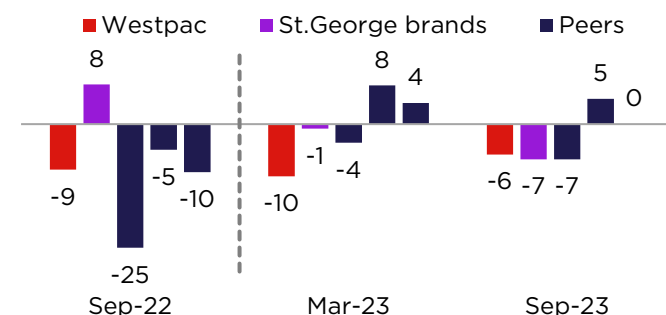
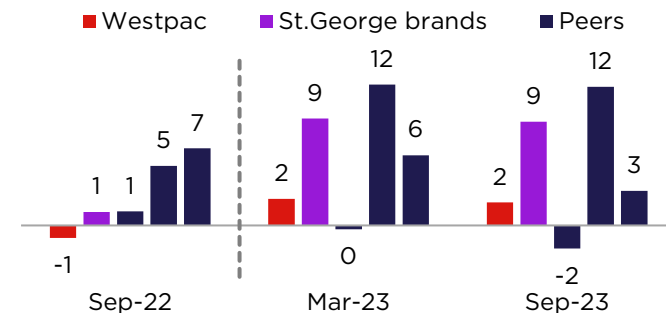
Charts may not add due to rounding

1 Main Financial Institution for Consumer customers. 2 Due to the change of Strategic NPS provider, historic data (Sep-22) and new data (Mar-23 and Sep-23) are not comparable. For further details on metric provider see page 132. 3 Customer numbers related to businesses sold, held for sale or in run-off at Mar-23 have been excluded from all periods. 4 Other includes WIB, Westpac Pacific and Platforms customers. 5 New Zealand Consumer. Refer to page 132.

Customer satisfaction (CSAT)²



Net Promoter Score (NPS)²



#1 MOBILE BANKING APP

CUSTOMER FRANCHISE

Continuing to support customers through our market leading app experience

#1 Mobile Banking App¹

#2 NPS App²

Best Major Digital Business Bank 2023³



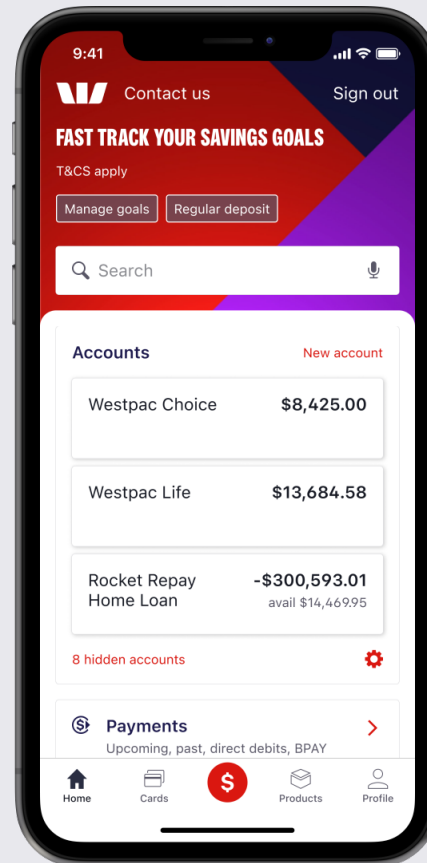
SEAMLESS USER EXPERIENCE

- Intuitive search and navigation
- Effortless self-service and secure chat
- Helpful messaging supporting error avoidance and recovery



COMPREHENSIVE FUNCTIONALITY

- Best in class Money Movement: Expense Splitter, Request a Payment and Scan a Bill¹
- Business to Personal profile switching
- Integrated reward & offers



SAFE & SECURE

- Proactive fraud and scam prevention
- Fraud alerts via push notifications
- Safer payments with Dynamic CVC



INSIGHTFUL MONEY MANAGEMENT

- Predictive analysis of upcoming payments with Bills Calendar and Savings Finder
- Spend analysis and cashflow
- Personalised categorisation with custom sub-categories and tagging

¹The Forrester Digital Experience Review: Australian Mobile Banking Apps, Q4 2023. ²Refer to page 132. ³Best Major Digital Business Bank for 2023 in the DBM Australian Financial Awards. Refer to page 132.

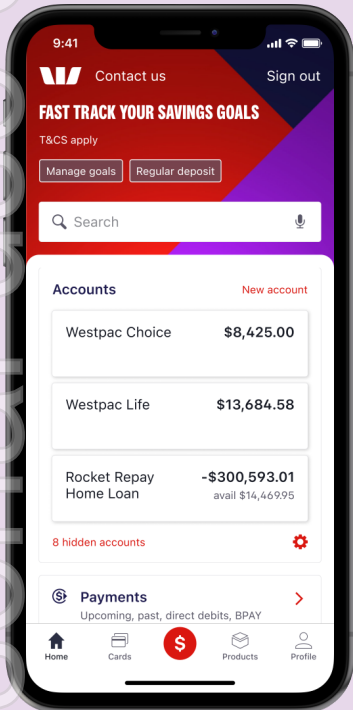
APP ENHANCEMENTS

CUSTOMER FRANCHISE

Supporting customers – bank in your pocket

#1 Mobile Banking App¹

#2 NPS App²



+ Instant Digital Card and Dynamic CVC

+ Apple Pay

+ Security Wellbeing Check

+ New Westpac iOS App

+ Strengthened safeguards against abusive messages

+ Real-time digital gambling block

+ Westpac Protect - Trusted Wi-Fi

+ New Westpac Android App

+ Personal Finance Management

+ New Business App

+ New self serve features

+ Digital Mortgage

+ Voice scam detection, Biometric fraud detection

+ Secure One Time Password, Actionable push for fraud

+ Facial Biometrics Identity Verification³

+ Expense Splitter, Scan a Bill, Scan a PayID, PartPay

+ EFTPOS Air on Android and iOS

+ ShopBack integration

+ Money Management Enhancements

+ Carbon footprint tracker

+ New Westpac iPad App⁴

2020

INNOVATION ACCELERATING

NOW

¹ The Forrester Digital Experience Review: Australian Mobile Banking Apps, Q4 2023. ² Refer to page 132. ³ Mortgages and Consumer Finance. ⁴ Providing a consistent experience across devices.

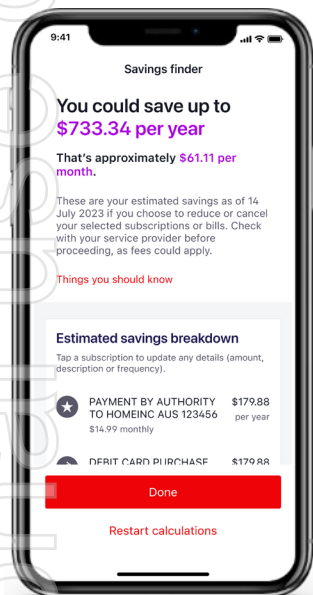
DIGITAL INITIATIVES IN 2H23

CUSTOMER FRANCHISE

Improving the digital banking experience for our customers

MONEY MANAGEMENT

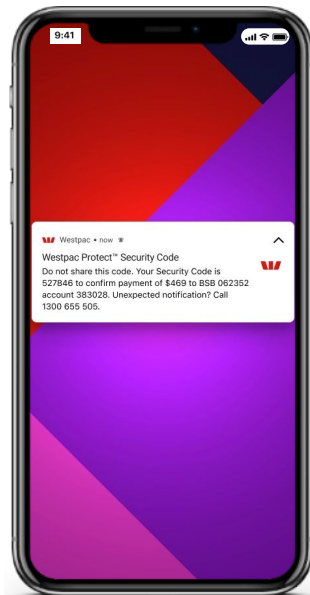
Savings Finder, Bills Calendar, custom categories



>2m customers used money management features²

FRAUD & SCAMS¹

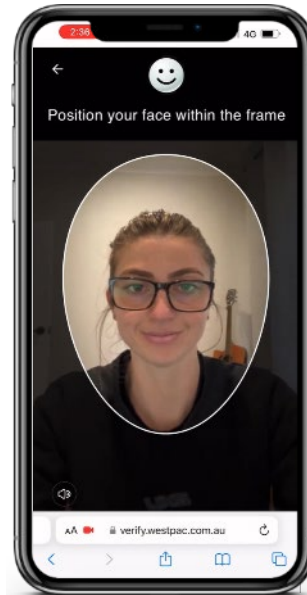
Secure one-time password notifications



Secure push notifications providing fraud protection

SERVICING & ONBOARDING

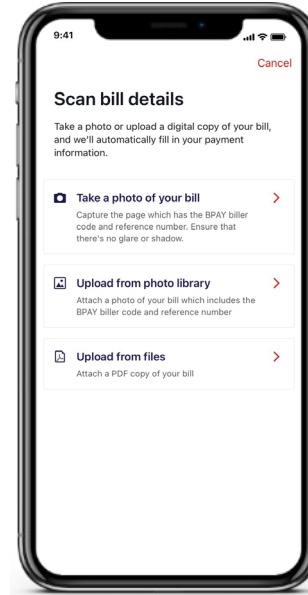
Facial biometric identify verification



ID verification³ through the App, reducing branch visits

PAYMENTS & TRANSACTIONS

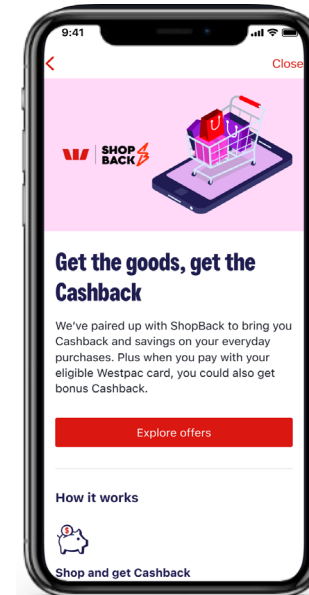
Scan a Bill, PartPay



Easy bills payment by scanning or uploading a bill

ECOSYSTEMS

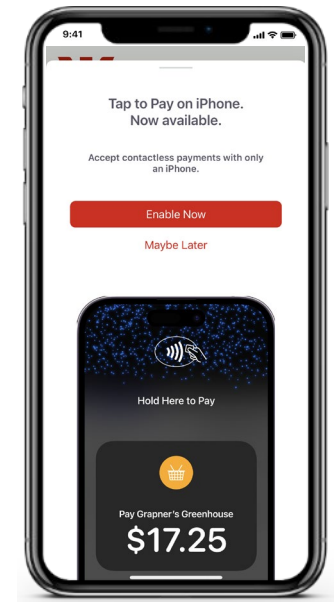
ShopBack integration in Westpac App



Rewarded >\$10m in cashbacks

BUSINESS OFFERING

Eftpos Air



Only major bank offering capability across iOS and Android devices

¹ Westpac's systems and processes may not always be 100% effective and are subject to risks and other factors including those described in the section titles 'Risk factors' in the FY23 Annual Report. ² Since launch in Sep-22. ³ Mortgages and Consumer Finance.

DIGITAL MORTGAGE

CUSTOMER FRANCHISE

Simplifying and improving the customer experience

Open Banking
data for income verification

Pre-populated liabilities from
Consumer Credit Report

Seamless digital experience
between digital & lender

Saving lenders 60-90 minutes
per application

More than 10,800 customers
used the digital mortgage

Volume settled
\$908m in FY23

One stop
digital consent

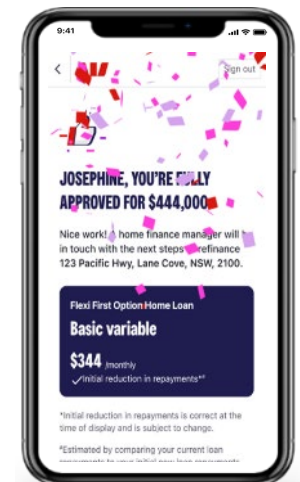
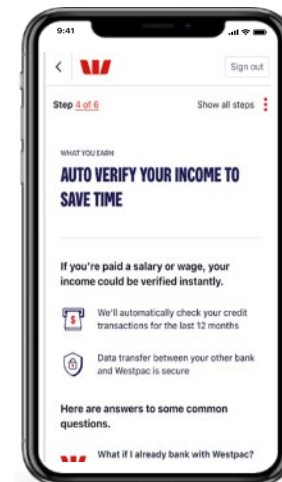
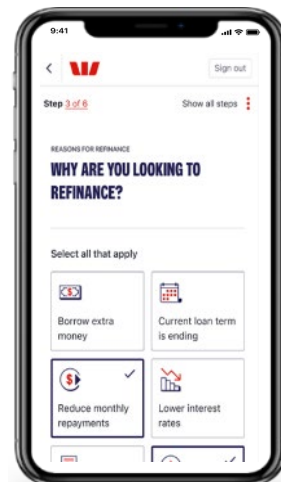
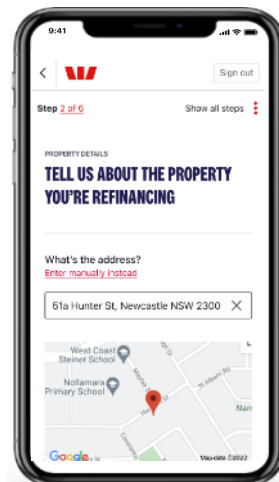
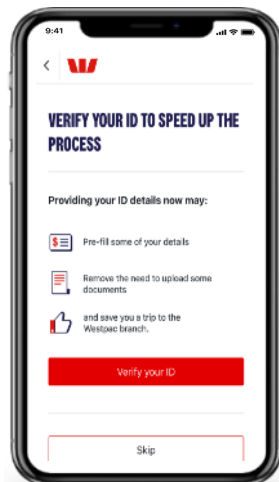
Electronic
verification &
verification
biometrics

Automated
title &
valuations

Digitised
requirements
& objectives

Automated
income and
liabilities
verification

Automated
decision
rules

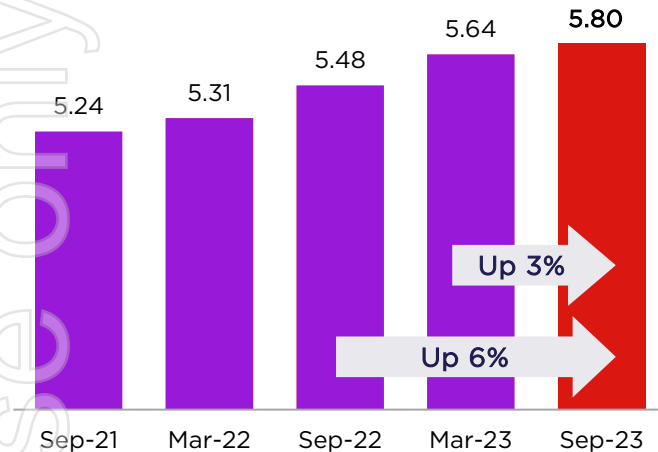


AUSTRALIAN BANKING DIGITAL METRICS

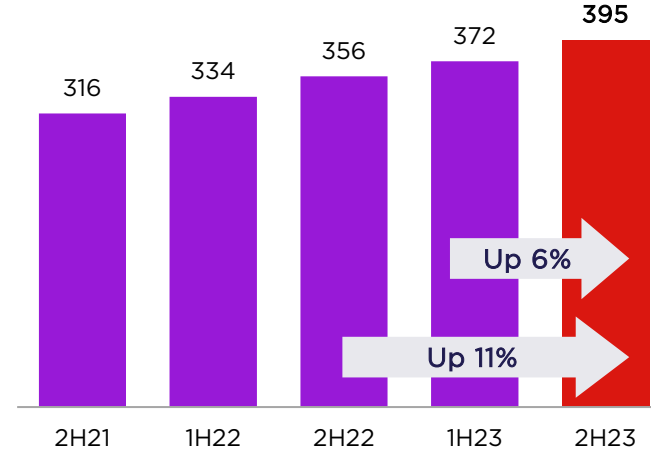
CUSTOMER FRANCHISE

Customers continue to migrate to digital

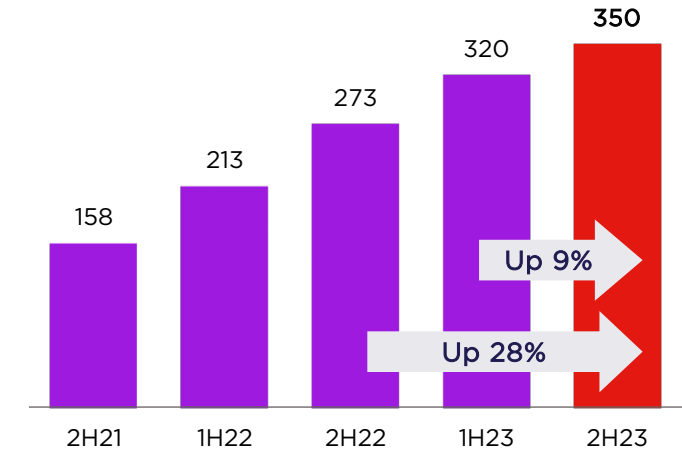
Digitally active customers¹ (#m)



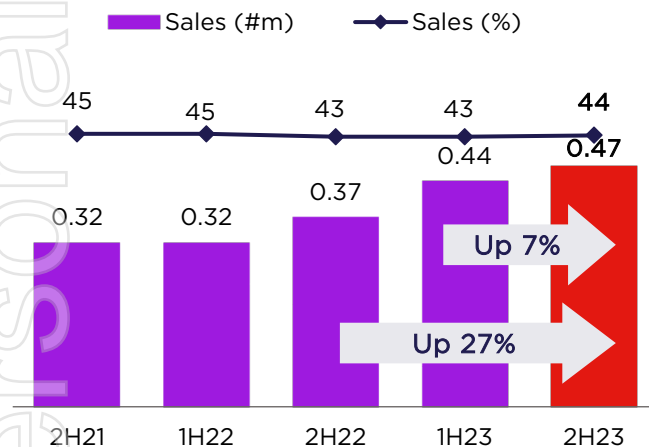
Digital transactions^{1,2} (#m)



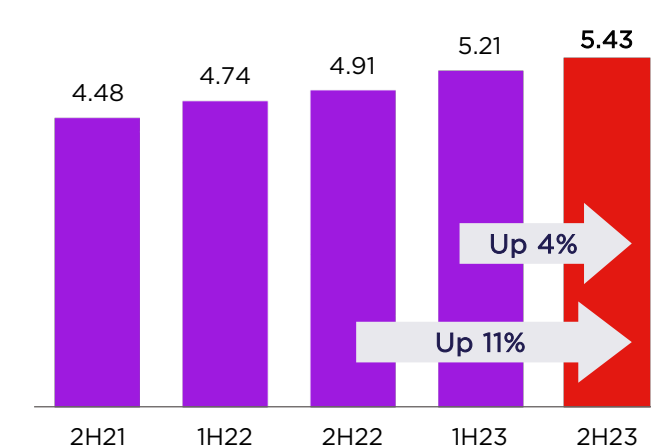
Mobile wallet payments¹ (#m)



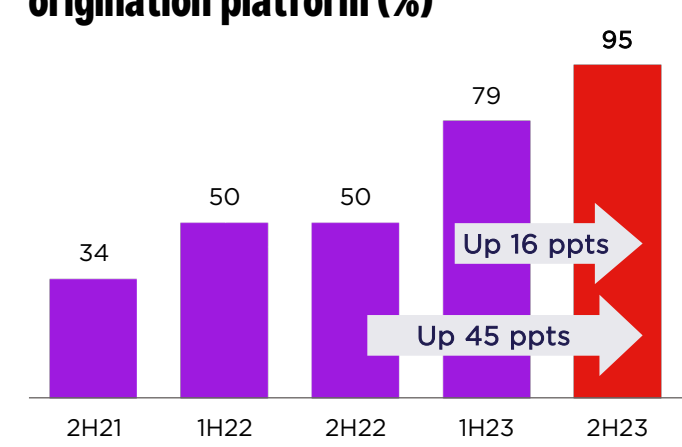
Digital sales^{1,3}



Average App sessions per day¹ (#m)



Mortgages processed on digital origination platform (%)



¹ Refer to page 132 for definition. ² Digital transactions include all payment transactions (transfer funds, Pay Anyone and BPAY) within Westpac Live and Compass, excluding Corporate Online and Business Banking online. ³ Consumer only.

SUSTAINABILITY

2023 Full year financial results

OUR COMMITMENT TO SUSTAINABILITY

SUSTAINABILITY

Progress against our sustainability strategy

HELPING WHEN IT MATTERS MOST



Supported **32,097** Australian customers with **financial hardship packages**¹

Committed **NZ\$3m in grants** to eligible business customers and **NZ\$1m to organisations** assisting with immediate **flood relief and recovery** in New Zealand

Specialist Vulnerability teams **supported 71,182** Australian **customers** in FY23

Assisted **4,551 unique customers**² in FY23, through our Indigenous Call Centre team

4,536 Australians participated in **financial education** events to build their financial confidence

BACKING A STRONGER AUSTRALIA AND NEW ZEALAND



First Climate Report released (detail on following page)

Spent **\$27.9m** with diverse suppliers in FY23, including **\$6.3m** with **Indigenous-owned businesses**³

Westpac Scholars Trust⁴ awarded **100 new scholarships** in FY23. **737 active scholars**⁵ supported since FY15

1,238 jobs created via Westpac Foundation⁶ supported social enterprises, 6 months to Jun 23 – **7,240 jobs created** since FY15

Lent **NZ\$810m** for healthy, affordable and social housing in New Zealand (target **NZ\$700m** by 2025)⁷

COLLABORATING FOR IMPACT



First Natural Capital Position Statement published

Human Rights Position Statement and Action Plan updated, incorporating our position on child safeguarding

Modern Slavery Statement published (Mar-23) – FY20 & FY21 reports **rated high** by Monash University and BankTrack⁸

Founding member and provided seed funding to establish the **Australian Child Safeguarding Business Coalition**

Provided **\$18.9m** to **Safer Children, Safer Communities program**⁹ in FY23 – \$61.4m provided since FY20

Note: See footnotes on page 126.

BECOMING A NET-ZERO, CLIMATE RESILIENT BANK

SUSTAINABILITY

Delivering on the three elements of our Climate Action Plan

1 NET-ZERO, CLIMATE RESILIENT OPERATIONS

- Reduced scope 1 and 2 emissions¹ by **52%** and our scope 3 upstream emissions^{1,2} by **4%** for the year Jun-23
- From Apr-23, **equivalent of 100%³** of our Australian electricity demand from renewables
- **Maintained certification⁴** for direct operations in Australia since 2012 and New Zealand since 2019

2 SUPPORTING CUSTOMERS' TRANSITION TO NET-ZERO AND TO BUILD THEIR CLIMATE RESILIENCE

- **7 new NZBA** targets, taking the total to 12 as a result we now have targets in **8 of 9 NZBA** sectors
- **58 Sustainable finance⁵** transactions in FY23 - total notional value of **\$83bn**
- Over **\$6.5bn in climate change solutions⁶** since 2020, exceeding our 2023 target of \$3.5bn
- Established **pilot framework** for assessing institutional customers' transition plans
- **New Sustainable Finance Framework** - established 2030 targets
 - o \$55bn lending
 - o \$40bn in bond facilitation
- **Climate-related products:** Enhanced EV loan in Australia, Carbon footprint tracker in Westpac app (400,000+ users), new Sustainable Farm Loan and Sustainable Business Loan in NZ, expanded *Greater Choices Home Loan* for EV purchases and energy-efficient upgrades

3 COLLABORATE FOR IMPACT ON INITIATIVES TOWARDS NET-ZERO AND CLIMATE RESILIENCE

- Participated in **ABA⁷** and **ASFI⁷** working groups on climate risk, disclosure, financed emissions, and their sustainable finance taxonomy
- Contributor to **Australian Industry ETI⁷**, incl February 2023 report on pathways for heavy industry decarbonisation
- Sponsored the **Australian Farm Institute's ESG Goals and Target Setting Conference 2023**

Note: See footnotes on page 126.

OUR FY23 CARBON FOOTPRINT

SUSTAINABILITY

Understanding our carbon footprint enables us to take meaningful action and create impact

Greenhouse gas (GHG) emissions by source	tCO ₂ -e	% of total
--	---------------------	------------

Scope 1: Direct impact i.e. fleet fuels, refrigerants, gas, diesel and LPG

6,559 <0.1

Scope 2: indirect impact (purchased electricity)

14,489 <0.1

Scope 3 upstream emissions:
Indirect impact from sources not owned or controlled

61,044 <0.5

Scope 3 financed emissions:
Indirect emissions related to our lending. Our share of customers' scope 1 & 2 emissions

26.1 MtCO₂-e >99

Estimated FY23 financed emissions¹ (% of total)

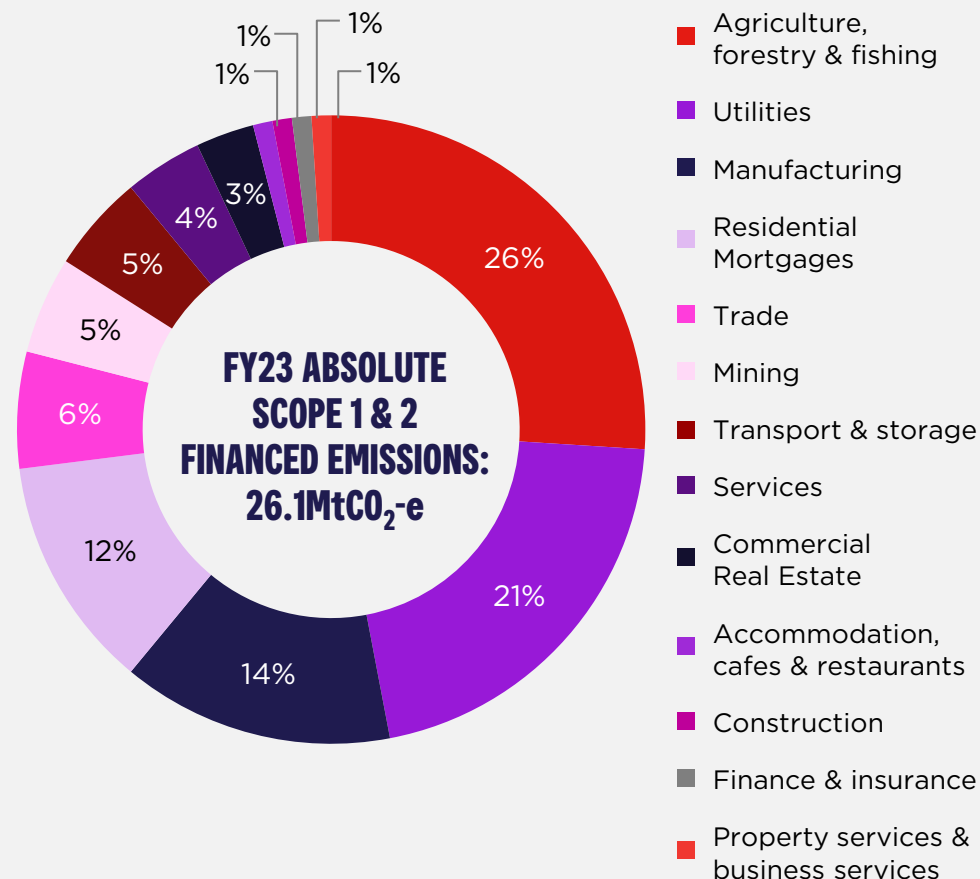


Chart does not add to 100% due to rounding

Refer to our "Scope 1 and 2 direct operational emissions and scope 3 upstream emissions" and "Scope 3 financed emissions estimation" methodology Appendices in our 2023 Climate Report for more information, including methodology and data sources.






Note: See footnotes on page 126.

SUMMARY OF OUR 2030 EMISSION REDUCTION TARGETS






SUSTAINABILITY

For full details refer to our 2023 Climate Report

2030 Targets set in FY22

 UPSTREAM OIL AND GAS^{1,2}	23% reduction in scope 1, 2 and 3 financed emissions FY22 Performance: 7.5MtCO₂-e (18% change since FY21 baseline (9.2MtCO ₂ -e))
 THERMAL COAL MINING^{2,3}	100% reduction of scope 1, 2 and 3 financed emissions to companies with >5% of their revenue ⁴ directly from thermal coal mining FY22 Performance: 1.9MtCO₂-e (23% change since FY21 baseline (2.46MtCO ₂ -e))
 POWER GENERATION	62% reduction in scope 1 and 2 emissions intensity ⁵ to 0.10tCO ₂ -e/MWh FY22 Performance: 0.23MtCO₂-e (12% change since FY21 baseline (0.26MtCO ₂ -e))
 CEMENT PRODUCTION	14% reduction in scope 1 and 2 emissions intensity to 0.57tCO ₂ -e/tonne of cement ⁶ FY22 Performance: 0.66tCO₂-e/tonne of cement (no change since FY21 baseline (0.66tCO ₂ -e/tonne of cement))
 *COMMERCIAL REAL ESTATE (OFFICES)²	59% reduction in scope 1 and 2 emissions intensity ⁷ for Australian and New Zealand office ⁸ (FY22 baseline: 60kgCO ₂ -e/m ² net lettable area ⁹)

New 2030 Targets established in FY23

 *STEEL PRODUCTION	Reduction in scope 1 and 2 emissions intensity to 1.42tCO ₂ -e/tonne of steel (FY21 baseline: Not disclosed ¹⁰)
 AVIATION (PASSENGER AIRCRAFT OPERATORS)^{11,12}	60% reduction in scope 1 emissions intensity to 76.4gCO ₂ -e/passenger km ¹³ FY22 Performance: 156.0gCO ₂ -e/passenger km) (18% change since FY21 baseline (190.6gCO ₂ -e/passenger km))
 *AGRICULTURE: DAIRY^{14,15}	Australia: 10% reduction in scope 1 land management ¹⁶ emissions intensity (FY21 baseline: 1.04tCO ₂ -e/tonne of FPCM ¹⁷) New Zealand: 10% reduction in scope 1 land management ¹⁶ emissions intensity (FY21 baseline: 0.83tCO ₂ -e/tonne of FPCM ¹⁷)
 *AGRICULTURE: BEEF AND SHEEP^{14,15}	Australia: 9% reduction in scope 1 land management ¹⁶ emissions intensity (FY21 baseline: 21.73tCO ₂ -e/tonne of FW ¹⁸) New Zealand: 9% reduction in scope 1 land management ¹⁶ emissions intensity (FY21 baseline: 19.4tCO ₂ -e/tonne of FW ¹⁸)
 *AUSTRALIAN RESIDENTIAL MORTGAGES¹⁹	56% reduction in scope 1 and 2 emissions intensity ²⁰ (FY22 (year to Aug) baseline: 35kgCO ₂ -e/m ²)

Note: See footnotes on pages 126 and 127. *Performance to be disclosed in FY24.

The information on this page contains 'forward-looking statements' and statements of expectation reflecting Westpac's current views on future events. They are subject to change without notice and certain risks, uncertainties and assumptions which are, in many instances, beyond its control. Please refer to the disclaimer on page 134.

ASSESSING CLIMATE-RELATED RISKS ON OUR FINANCIAL POSITION

SUSTAINABILITY

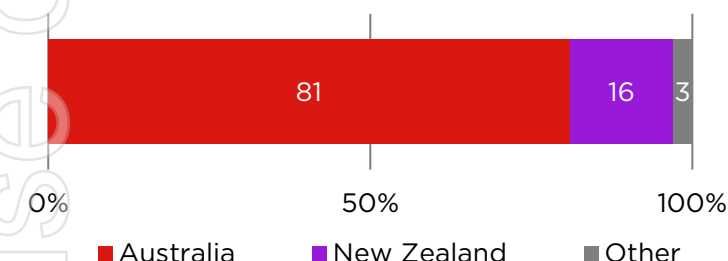
Physical and transition impacts on our portfolio are not considered financially material

Transition Risk in institutional and business lending

At Sep-23, Group total committed exposure¹ (TCE) was \$1,218bn

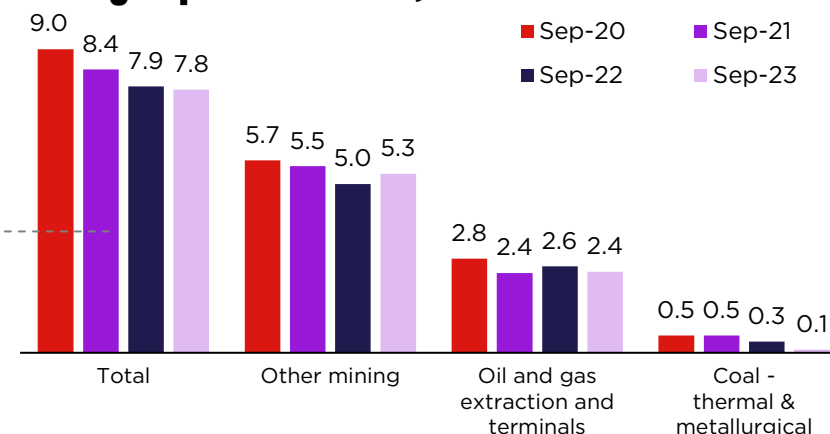
Of this, \$127bn (10.4%) was in industries that may be exposed to higher climate change risk

Where the \$127bn is located (% of total)



Set 12 (2030) emission reduction targets in 8 NZBA sectors (*full details are in our 2023 Climate Report*)

Mining exposure^{3,4} (\$bn, TCE)



Movements mostly due to lower exposure to coal and oil & gas extraction

Physical Risk in our lending

- ~3.5% and 3.9% of our Australian mortgage portfolio is exposed to higher physical risks under RCP2.6 and RCP8.5 scenarios by 2050 respectively²
- ~2.1% (mortgages), 3.4% (commercial property lending), and 3.5% (agricultural lending) of our New Zealand portfolio is exposed to heightened risks from sea level rise under a RCP8.5 scenario by 2050

Note: See footnotes on page 127.

Physical Risk in our operations

- In FY23, we analysed the Group's property footprint against a range of physical climate risks under several IPCC scenarios
- In FY24, we plan to build on this to manage risks in site selection, leasing and construction

CLIMATE-RELATED OPPORTUNITIES

SUSTAINABILITY

Becoming the transition partner of choice

BUILDING CAPABILITY

In FY22 over 3,000+ employees completed ESG fundamentals training. This year, we built on that:

- **>470** Aust employees completed sustainability training
- **>1,090** NZ employees completed ESG training
- **>450** WIB employees completed ESG and NZBA lunch and learn sessions

ENGAGING CUSTOMERS

- Engaged with top 100 emitting institutional customers on their emissions reduction initiatives and challenges faced
- 20 institutional customers assessed under new pilot framework for transition plans
- For **SME customers**, engagement continued with industry bodies

CARBON TRADING

- Dedicated carbon trading desks in Australia and New Zealand
- Increased share in ACCU secondary market from **2.2%** in 1H22 to **6.3%** in 1H23⁵

GREEN TAILORED DEPOSITS

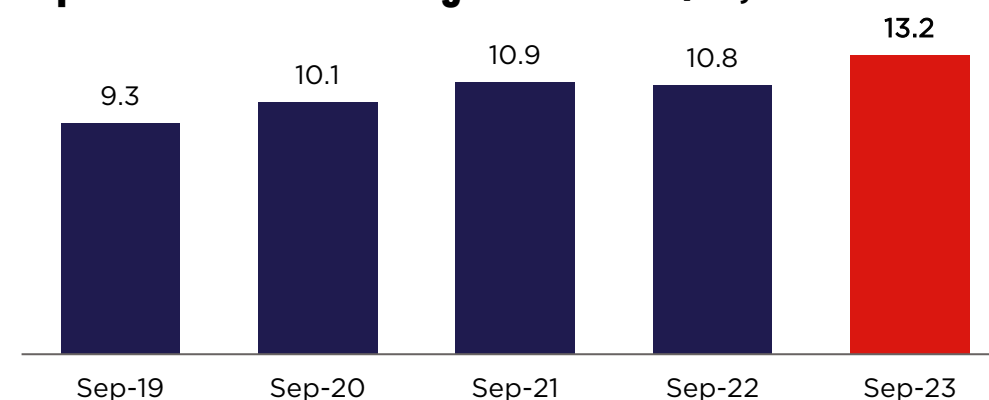
- Balances down **\$0.8bn** from **\$2.1bn** at Sep-22
- Decline due to customers seeking higher returns early in the year
- Deposits up since Mar-23

SUSTAINABLE FINANCE

- Supported **40 loan and 18 bond** transactions¹ in FY23
- **\$4.7bn** of direct lending, joint lead manager on **\$14.1bn** of bonds
- New Sustainable Finance Framework and set 2030 targets (**\$55bn** in lending and **\$40bn** in bond facilitation from FY22 baseline), replacing our climate change solutions target from FY24
- Largest bank lender to greenfield renewable energy projects in Australia over the past five years²

Note: See footnotes on page 127.

Exposure to climate change solutions³ (\$bn, TCE)⁴



Movement mostly due to renewable energy and green buildings

NEW SUSTAINABLE FINANCE FRAMEWORK

SUSTAINABILITY

OUR SUSTAINABLE FINANCE FRAMEWORK

Assess ESG risks for customer/transaction, including against our Position Statements

Assess a Sustainable Finance transaction

Labelled lending or bond facilitation

Unlabelled lending

Qualifies if aligns with industry standards, principles & guidance, and/or third-party assured/verified

Qualifies if eligible based on Westpac's **Sustainable Finance Taxonomy**



GREEN



TRANSITION



SOCIAL



SUSTAINABILITY

Determine the amount to be included in the targets

Sustainable finance targets by 2030

\$55bn

Lending

\$40bn

Bond Facilitation

Defines how we assess, monitor, measure and report sustainable finance

Supports product development, and gives customers and our people clarity on definitions

Developed after considering other international taxonomies, industry standards and science and principles-based thresholds

- Confirm that company and/or transaction does not have unacceptable ESG risks or negative ESG impacts
- Apply alongside our various Position Statements

- Assess labelled transactions against industry standards, principles and guidance
- Assess unlabelled transactions against the Taxonomy
- Determine if Green, Transition, Social or Sustainability

SELECTED ESG CUSTOMER CASE STUDIES

SUSTAINABILITY

AUSTRALIAN UNITY

Sustainability Linked Loan

Supported Australian Unity as Sole Sustainability Coordinator for their \$50m sustainability-linked loan and Sustainability-Linked Financing Framework. This market-leading deal differs from most deals in the ESG space, focusing on the 'S' for social. It is tied to increasing Australian Unity's community and social value (with its FY23 social impact worth \$1.76bn). Australian Unity is expected to deliver improved wellbeing outcomes for its members, customers and broader community as measured against its Community and Social Values framework. The framework prioritises three areas: lifelong wellness, economic empowerment, and strong communities

KAMBITSIS

Business Loan

Assisted Kambitsis to retrofit and transform two existing office buildings in South Australia, into a premium Property Council Australia A-Grade commercial space

The project, due for completion in 2024, is expected to be all electric and carbon neutral certified in both construction and operation. This includes a high-performance façade, and energy efficient air conditioning to reduce emissions and operating costs. The building is targeting a number of energy and sustainability ratings

MACQUARIE/SHELL BATTERY ENERGY STORAGE SYSTEM

Project Financing

Westpac provided financing support for the new Rangebank Battery Energy Storage System to be built in Cranbourne, Victoria. This greenfield project is being developed by Eku Energy and Shell Energy Operations, and once fully operational will have the storage capacity to power ~80,000 homes for an hour during peak periods. The project is expected to be completed in late 2024, increasing Victoria's renewable energy hosting capacity by 200MW / 400MWh

QUEENSTOWN AIRPORT

Sustainability Linked Loan

WNZL supported Queenstown Airport as Joint Sustainability Coordinator to convert \$100m of existing lending into its first Sustainability-Linked Loans (SLLs), which includes ambitious targets to address some of the environmental challenges facing airports globally. Under the SLL structure, the airport's pricing is tied to achieving its targets (including Level 4 Airport Carbon Accreditation; reducing its scope 1 and 2 GHG emissions; installing infrastructure that supports reductions in its scope 3 GHG emissions; and reducing specific waste streams sent to landfill across the terminal precinct)

COMPREHENSIVE SUSTAINABILITY REPORTING

SUSTAINABILITY

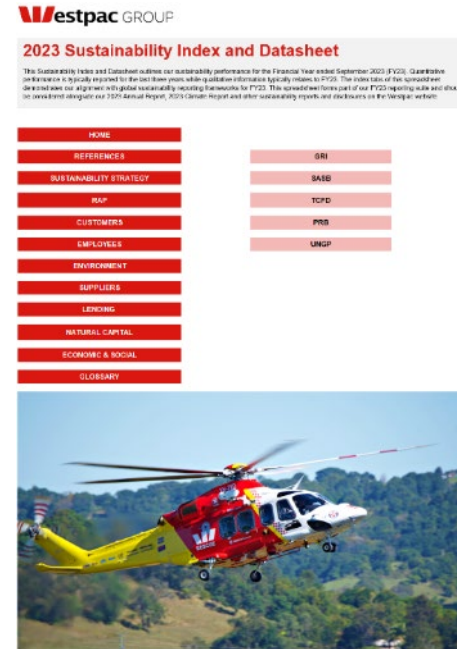
2023 Annual Report



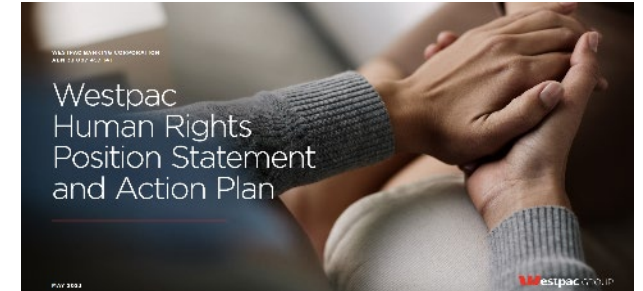
2023 Climate Report, includes Climate Change Position Statement and Action Plan



2023 Sustainability Index and Datasheet



Human Rights Position Statement and Action Plan



Child Safeguarding Supplement



Sustainable Finance Framework



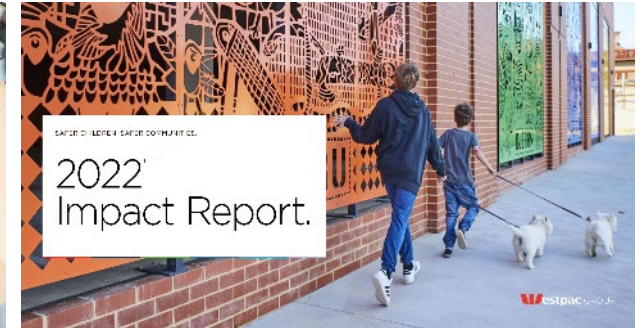
Natural Capital Position Statement



Modern Slavery Statement FY22



Safer Children, Safer Communities 2022 Impact Report



A suite of disclosures for more information and depth.

Available at westpac.com.au/sustainability

OUR PEOPLE

PEOPLE

Building capability, strengthening inclusion and diversity

STRENGTHENING GENDER DIVERSITY

- Female to male pay gap is 5% or less for 8 of 9 levels¹ below Group Executive

FEMALES %	SEP-23	TARGET	PROGRESS
Westpac Board	40	40:40:20 ²	✓
Executive Team	50	40:40:20 ²	✓
General Managers	40	40 +/-2%	✓
Senior Leadership	49	50 +/-2% ³	✓
Westpac workforce	54	50	✓

MEASURING ORGANISATIONAL HEALTH

- Organisational Health Index score⁴

75

in line with FY22

- Top of second Global quartile
- 3 points above Global Banking median

BUILDING SKILLS AND CAPABILITIES

- Risk management** – ~33,800 employees completed foundational training
- Digital and data** – ~5,000 employees engaged with the program
- Environmental, Social, Governance** – online learning delivered to ~470 employees
- Leadership capabilities** – development programs for 1,100 leaders in FY23
- People Leaders** Culture Day setting expectations for ~4,500 leaders driving positive risk culture

GROWING OUR INDIGENOUS WORKFORCE

- Increasing representation of employees who identify as Aboriginal and/or Torres Strait Islander:
 - Currently **0.96% of Australian workforce** (target 0.75% by Sep-23)
 - Target 1.5% by Sep-25
- Elder in Residence** appointed
- Mandatory **Cultural Learning** for Australian-based employees, Executive Team and Board in FY23
- Celebrated **1,000th Jawun** Indigenous Community Secondment in FY23

UPDATE POLICIES AND INITIATIVES

- Introduced **paid leave** for: **fertility treatment** one week; **domestic and family violence** uncapped; **gender affirmation** up to six weeks; **career break** including provision for Indigenous employees to take a community break to work in community-based organisations
- Expanded **international remote working** options
- Upstander** initiative launched – encouraging employees to speak up and act against racism and discrimination

PROMOTING WELLBEING

- Chief Mental Health Officer** in place since 2018 to oversee Group mental health strategy
- Assistance services** for employees and their families
- 10 Employee Advocacy Groups** in place, supporting our diverse and inclusive workplace

¹ 6% at Level 3; measured on base salary by organisational job level. ² 40% women, 40% men and 20% of any gender. Westpac Board includes CEO. Executive team excludes CEO. ³ Senior leadership includes executive team, general managers and their direct reports (excluding administrative or support roles). ⁴ Our Voice+ survey includes McKinsey's Organisational Health Index – benchmarking Westpac's organisational health relative to global standards.

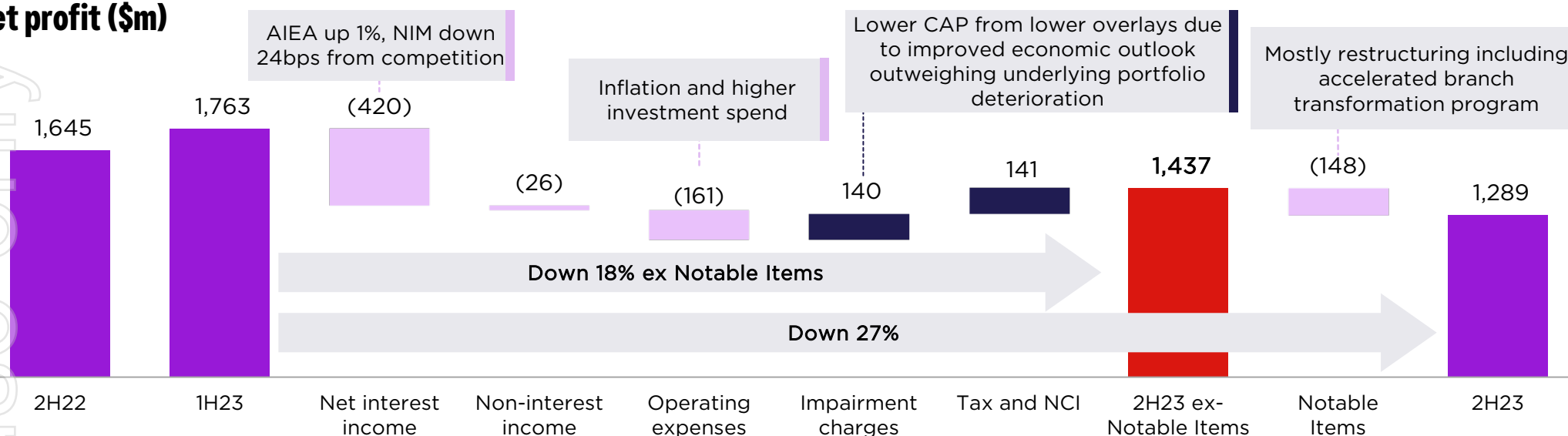
SEGMENT RESULTS

2023 Full year financial results

CONSUMER 2H23 PERFORMANCE

CONSUMER

Net profit (\$m)



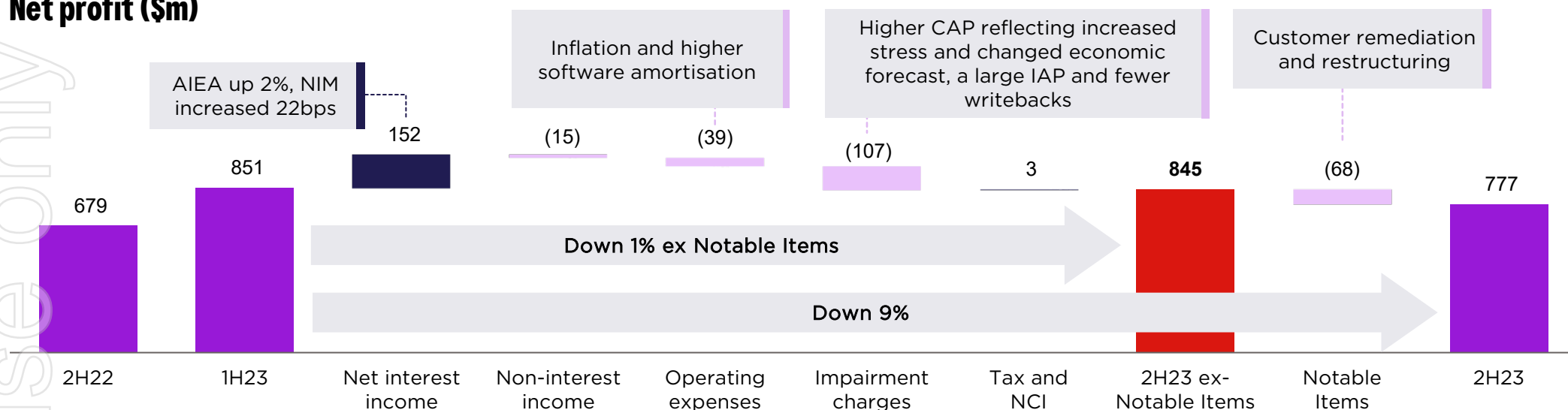
Key financial metrics ex Notable Items	2H22	1H23	2H23	Change on 1H23	Key operating metrics	2H22	1H23	2H23	Change on 1H23
Pre-provision profit (\$m)	2,642	2,689	2,082	(23%)	Active digital banking customers ¹ (#m)	5.48	5.64	5.80	3%
Average interest-earning assets (\$bn)	425	432	438	1%	MyEDB customers (#m)	4.41	4.51	4.63	3%
Net interest margin (%)	2.16	2.18	1.94	(24bps)	Branches ² (#)	732	666	644	(22)
Expense to income (%)	46.0	46.1	54.2	Large	Bank@Post locations (#)	3,522	3,506	3,479	(27)
Customer deposit to loan ratio (%)	59.1	61.2	62.6	140bps	Co-located branches	27	46	82	36
Mortgage 90+ day delinquencies (%)	0.75	0.73	0.86	13bps	ATMs ³ (#)	1,071	965	879	(86)

¹ Refer page 132 for definitions. ² Includes all points of presence including Advisory, Community Banking Centres and Kiosks. Kiosks have been restated in comparatives. Co-located branches are considered two points of presence. ³ Only includes Westpac-owned ATMs.

BUSINESS 2H23 PERFORMANCE

BUSINESS

Net profit (\$m)



Key financial metrics ex Notable Items	2H22	1H23	2H23	Change on 1H23
Pre-provision profit (\$m)	956	1,294	1,392	8%
Average interest-earning assets (\$bn)	83.5	85.8	87.6	2%
Net interest margin (%)	4.07	4.78	5.00	22bps
Expense to income (%)	48.9	41.4	40.6	(75bps)
Customer deposit to loan ratio (%)	157.1	156.0	147.0	(Large)
Stressed exposures to TCE (%)	5.05	4.85	4.98	13bps

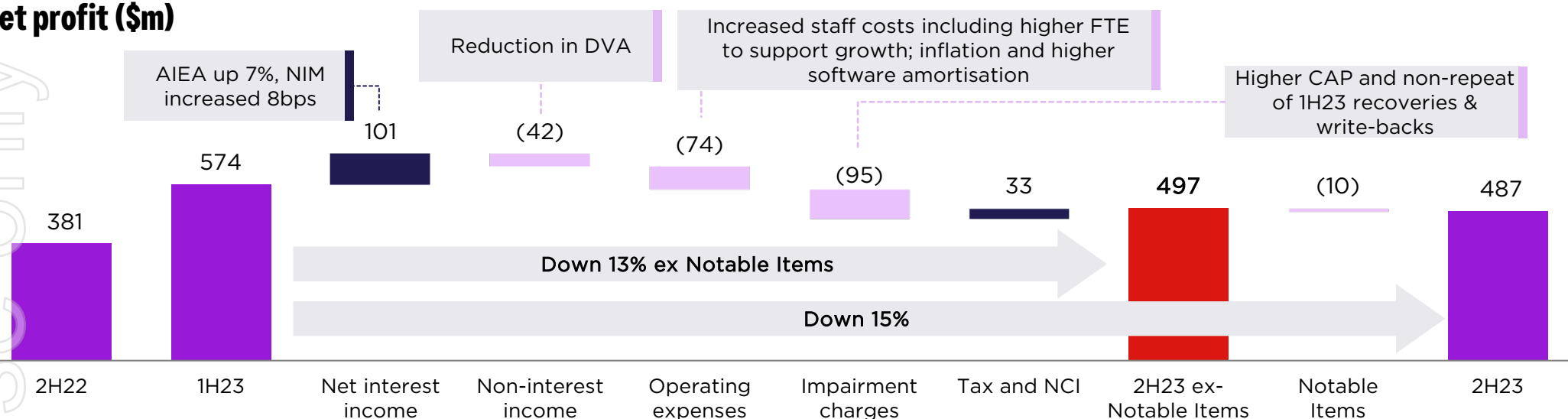
1 Refer page 132 for definitions.

Key operating metrics	2H22	1H23	2H23	Change on 1H23
Digital sales ¹ (%)	29	24	35	11ppts
Next Generation EFTPOS terminal uptake ('000)	9.5	28.0	34.2	22%
Business lending time to decision (days)	14.0	12.1	9.5	(21%)
Net business loans (\$bn)	84.9	85.6	88.9	4%
Business deposits (\$bn)	133.3	133.4	130.6	(2%)

WIB 2H23 PERFORMANCE

WESTPAC INSTITUTIONAL BANK

Net profit (\$m)



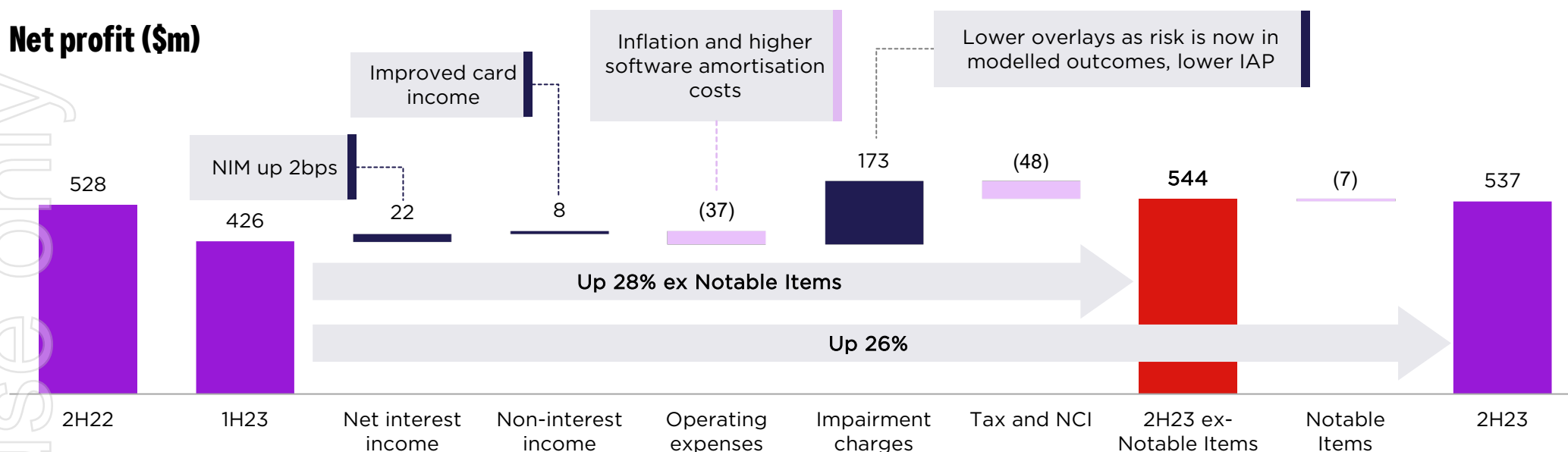
Key financial metrics ex Notable Items	2H22	1H23	2H23	Change on 1H23
Pre-provision profit (\$m)	576	799	784	(2%)
Average interest-earning assets (\$bn)	93.7	98.0	105.3	7%
Net interest margin (%)	1.34	1.46	1.54	8bps
Expense to income ratio (%)	51.3	43.6	46.8	328bps
Net loans (\$bn)	85.2	84.7	92.6	9%
Customer deposit to loan ratio (%)	136.8	133.0	124.4	Large
Stressed exposures to TCE (%)	0.35	0.28	0.58	30bps

Key operating metrics	2H22	1H23	2H23	Change on 1H23
Lending and deposit revenue (\$m)	913	970	1,036	7%
Sales and risk management income (\$m)	348	435	452	4%
Derivative valuation adjustment (DVA) (\$m)	(20)	52	4	(92%)
Revenue per average FTE (\$'000)	456	541	549	1%

NEW ZEALAND 2H23 PERFORMANCE¹

NEW ZEALAND

Net profit (\$m)



Key financial metrics ex Notable Items	2H22	1H23	2H23	Change on 1H23
Pre-provision profit (NZ\$m)	736	748	741	(1%)
Average interest-earning assets (\$bn)	116	119	119	Flat
Net interest margin (%)	2.04	2.10	2.12	2bps
Expense to income (%)	44.7	45.5	47.1	167bps
Customer deposit to loan ratio (%)	80.5	81.3	80.4	(90bps)
Stressed exposures to TCE (%)	0.97	1.33	1.49	16bps
Mortgage 90+ day delinquencies (%)	0.22	0.29	0.33	4bps

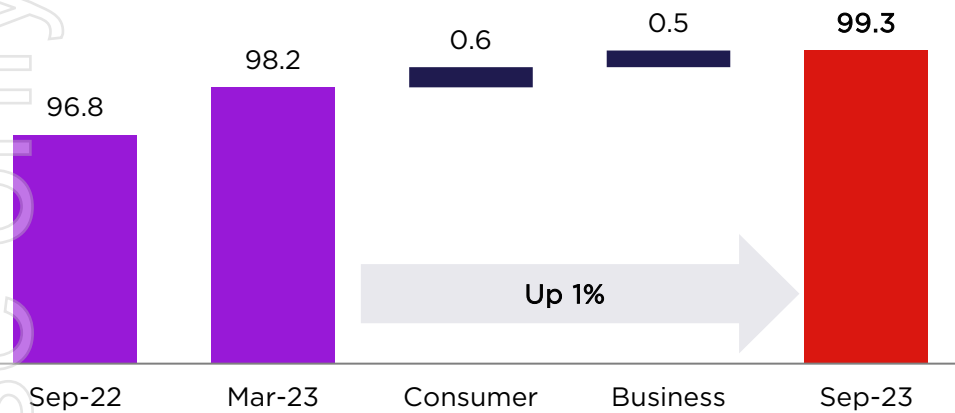
¹ In NZ\$ unless otherwise noted.

Key operating metrics	Sep-22	Mar-23	Sep-23	Change Mar-23
Customers (#m)	1.49	1.50	1.51	1%
Digital active customers (#m)	0.96	0.98	0.99	1%
Branches (#)	115	114	112	(2)
ATMs (#)	439	427	413	(14)
Funds (NZ\$bn) (spot)	10.9	11.5	11.4	(1%)

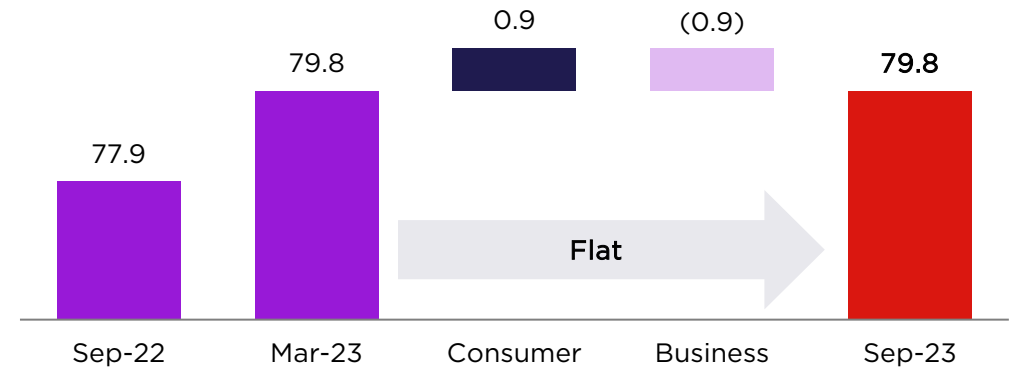
NEW ZEALAND BALANCE SHEET

NEW ZEALAND

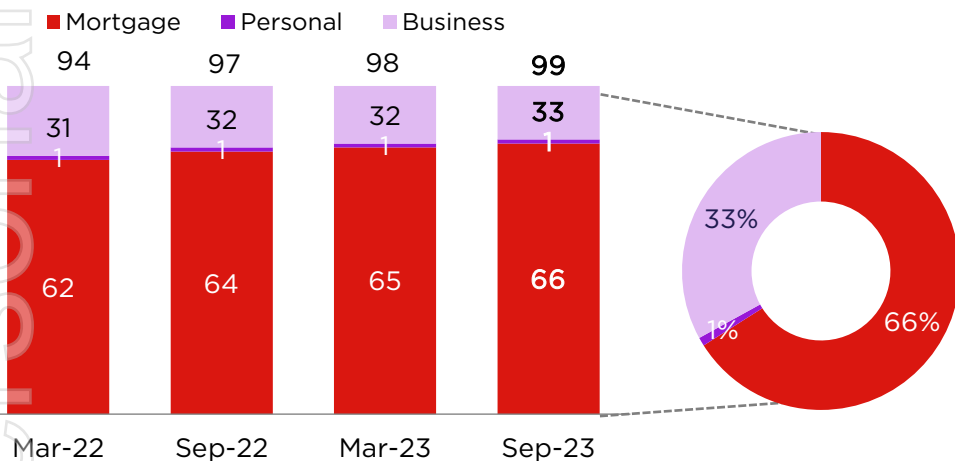
Net loans (NZ\$bn)



Customer deposits (NZ\$bn)

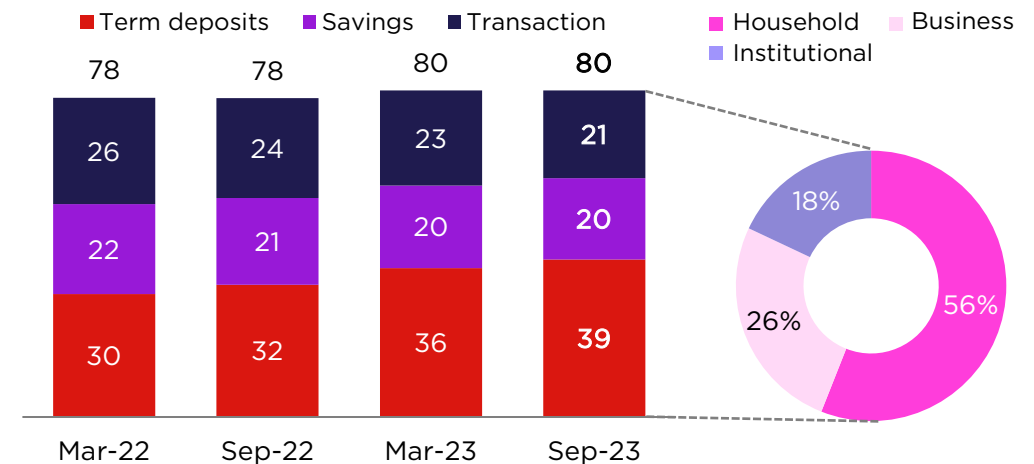


Loans (NZ\$bn, % of total)¹



¹ Chart may not add due to rounding.

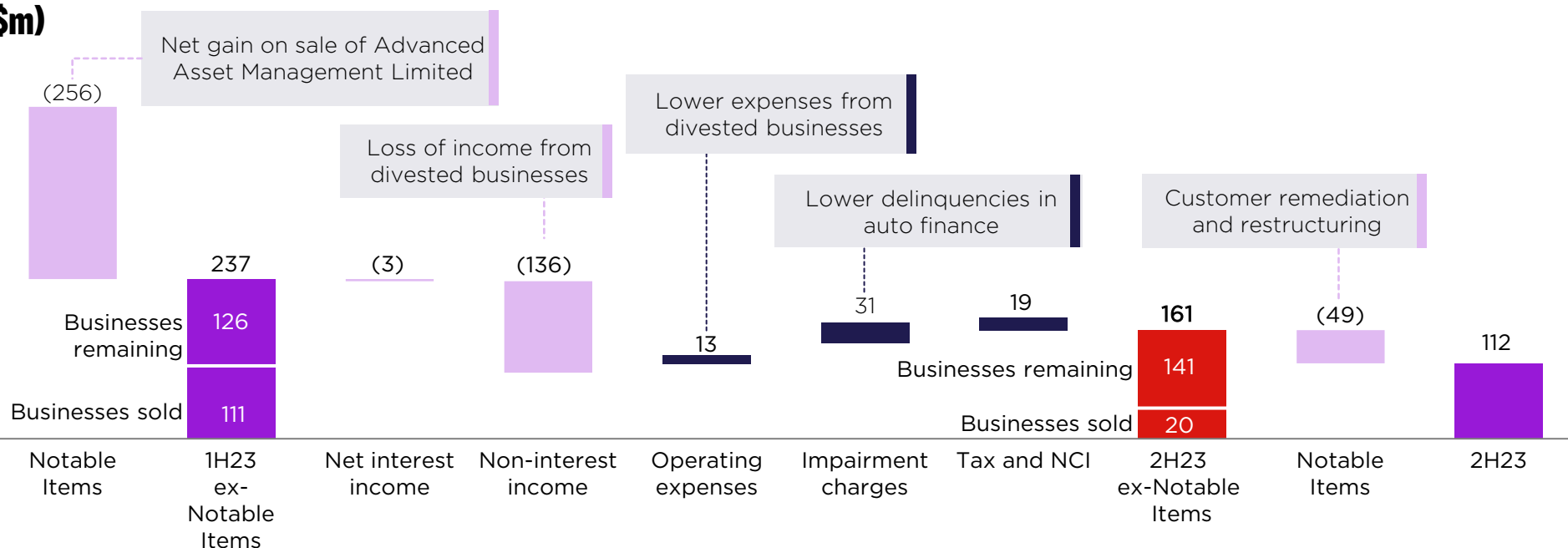
Customer deposits (NZ\$bn, % of total)¹



SPECIALIST BUSINESSES 2H23 PERFORMANCE

SPECIALIST BUSINESSES

Net profit (\$m)



Contribution from businesses sold (\$m)

2H22 1H23 2H23

Operating income	167	140	0
Operating expenses	(49)	18	28
Pre-provision profit	118	158	28
Net profit	74	111	20

Included in businesses sold¹

2H22 1H23 2H23

Westpac Life Insurance Services	✓	✓	✓
Advance Asset Management Limited	✓	✓	-
BT Super SFT ²	✓	✓	-

¹ Tick indicates if business is included in businesses sold for the period. Businesses sold includes one-off costs to prepare businesses for sale. ² On 1 April 2023, the successor funds transfer (SFT) of the unitised superannuation business was completed.

SPECIALIST BUSINESSES PORTFOLIO

SPECIALIST BUSINESSES

Remaining businesses

Platforms¹

- Average Funds Under Administration (FUA) balance of \$132.6bn increased by 1.4% over the half supported by positive market movements, partly offset by net fund outflows
- Deposits of \$8.1bn increased by 9.5% over the half reflecting higher interest rates

Margin lending

- Loan balances of \$1.2bn remained stable compared to Mar-23, with customers paying down balances reflecting rising interest rates and market volatility

Auto finance

- Loan balances of \$4.0bn decreased by 25.9% in 2H23 reflecting continued portfolio run-off

Westpac Pacific

- Loan balances of \$1.5bn increased by 7.1% over the half achieved by growth in both Fiji and in PNG

Financials excluding Notable Items and businesses sold (\$m) ²	2H22	1H23	2H23	Change on 1H23 ⁴
Operating income	483	469	470	0.2%
Operating expenses	(264)	(298)	(295)	(1.0%)
Pre-provision profit	219	171	175	2.3%
Net profit	183	126	141	11.9%

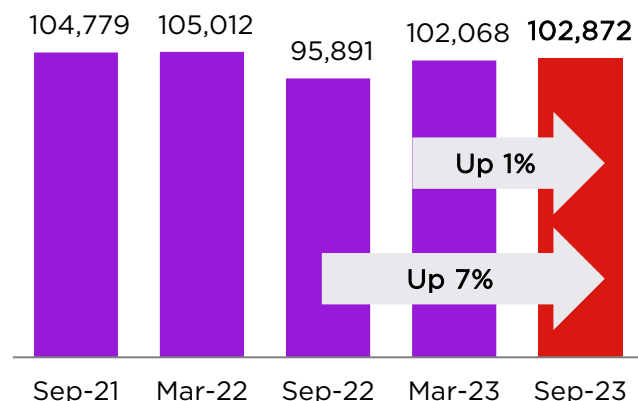
Key financial metrics	2H22	1H23	2H23	Change on 1H23 ⁴
Platforms average FUA (\$bn) ¹	127.2	130.8	132.6	1.4%
Platforms spot FUA (\$bn) ¹	121.4	131.0	129.9	(0.8%)
Platforms deposits (\$bn)	6.8	7.4	8.1	9.5%
Platform FUA share (excl Corp Superannuation) ³ (%)	17.8	17.1	15.8	(130bps)
Margin lending (\$bn)	1.3	1.2	1.2	Flat
Auto finance loans (\$bn)	7.1	5.4	4.0	(25.9%)
Westpac Pacific loans (\$bn)	1.4	1.4	1.5	7.1%

¹ Also includes residual investments businesses (packaged funds, equities). ² Restated for the sale of AAML and the successor fund transfer (SFT) of unitised super. ³ Plan For Life, 30 Jun 2023. ⁴ Change on 1H23 based on rounded numbers.

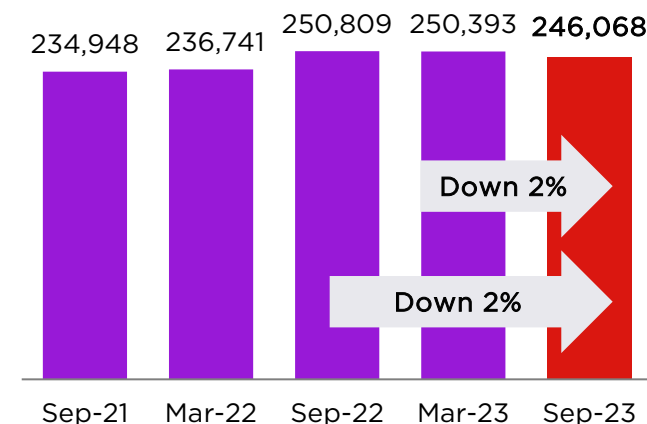
Panorama Platform

- Awarded Highest Quality Platform rating – Chant West 2023¹
- Awarded Best Mobile Platform and Best Client Portal for five consecutive years²
- Continued investment in BT Panorama including the introduction of the service request tracker and bulk reporting feature which address advisers' need to be more efficient while also improving services
- BT's managed accounts capability is a significant driver of growth on the platform³, with FUA reaching \$15.5bn – a 37% increase in FY23
- Panorama FUA was \$102.9bn with net flows excluding pension payments⁴ of \$3.0bn. Market and other movements contributed to favourable \$7.9bn impact on FUA

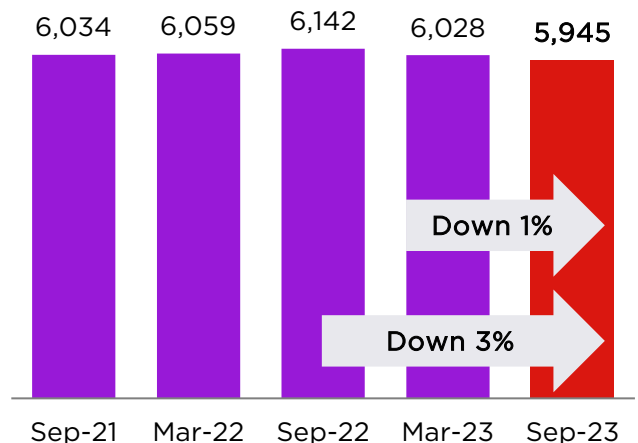
FUA on BT Panorama (\$m)



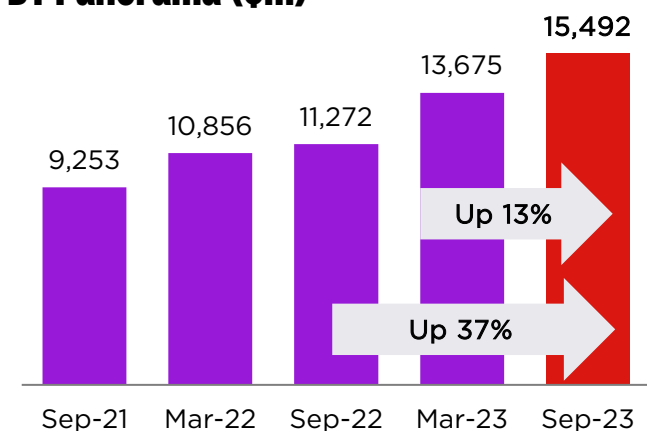
Investors on BT Panorama (#)



Active advisers on BT Panorama (#)



Managed accounts FUA on BT Panorama (\$m)



¹ For details <https://www.bt.com.au/about-bt/bt-financial-group/overview/awards.html>. ² Investment Trends Competitive Analysis & Benchmarking Report, December 2018 – 2022.

³ Excluding Adviser Portfolios. ⁴ Including pension payments BT Panorama net flows were (\$0.9bn) in FY23.

ECONOMICS

2023 Full year financial results

AUSTRALIAN AND NEW ZEALAND ECONOMIC FORECASTS

ECONOMICS

(%) At 31 Oct 2023

Key economic indicators

		2022			2023				Calendar Years			
		Q2	Q3	Q4	Q1	Q2	Q3E	Q4F	2021	2022	2023F	2024F
World	GDP ¹	-	-	-	-	-	-	-	6.3	3.4	3.0	3.1
Australia	GDP ²	3.1	6.0	2.7	2.4	2.1	1.7	1.2	4.6	2.7	1.2	1.6
	Unemployment – end period	3.8	3.5	3.5	3.6	3.6	3.7	3.8	4.7	3.5	3.8	4.7
	CPI headline – year end	6.1	7.3	7.8	7.0	6.0	5.4	4.6	3.5	7.8	4.6	3.4
	Interest rates – cash rate	0.85	2.35	3.10	3.60	4.10	4.10	4.35	0.10	3.10	4.35	3.85
New Zealand	GDP ²	0.7	6.6	2.4	2.2	1.8	0.2	0.8	3.2	2.3	0.8	1.1
	Unemployment – end period	3.3	3.3	3.4	3.4	3.6	3.9	4.3	3.2	3.4	4.3	5.2
	Consumer prices	7.3	7.2	7.2	6.7	6.0	5.6	5.1	5.9	7.2	5.1	3.2
	Interest rates – official cash rate	2.00	3.00	4.25	4.75	5.50	5.50	5.50	0.75	4.25	5.50	5.75

Sources: IMF, RBA, Statistics NZ, Westpac Economics

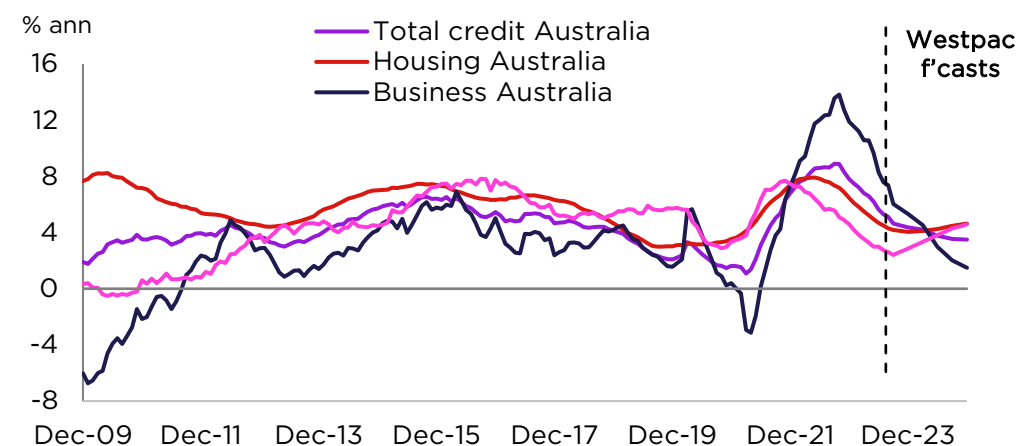
Key economic indicators

		2021	2022	2023F	2024F
Australia	Credit growth				
	Total – year end	6.8	7.8	4.4	3.5
	Housing – year end	7.4	6.5	4.1	4.6
	Business – year end	7.3	11.9	5.3	1.5
New Zealand	Credit growth				
	Total – year end	7.5	4.6	2.5	4.2
	Housing – year end	10.5	4.4	2.9	4.5
	Business – year end	3.6	5.4	1.9	3.8

Sources: RBA, Statistics NZ, Westpac Economics

1 Year average growth rates. 2 Through the year growth rates.

Private sector credit growth (% Ann)



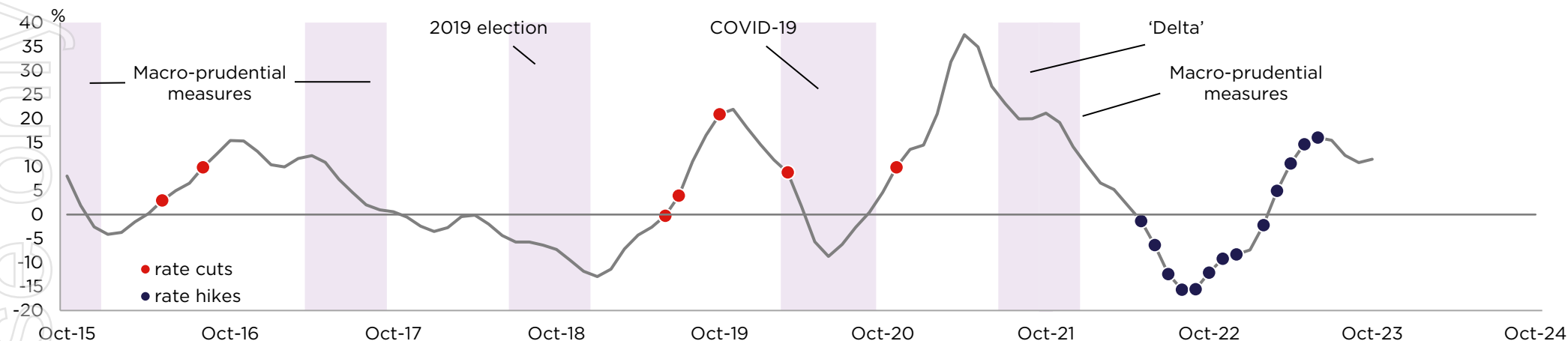
Sources: RBA, Westpac Economics

AUSTRALIAN HOUSING MARKET

ECONOMICS

Prices showing broad-based lift

Australian dwelling prices (% 3 month annualised)



Sources: CoreLogic, Westpac Economics

Dwelling prices (% change over period) - (to Oct-23)

Capital city	Pop'n	Last 3 mths	Last 12 mths	Last 5 years
Sydney	5.3m	Up 2.5%	Up 8.9%	Up 35.1%
Melbourne	5.0m	Up 1.5%	Up 2.7%	Up 19.0%
Brisbane	2.6m	Up 4.0%	Up 7.9%	Up 50.0%
Perth	2.2m	Up 4.3%	Up 10.5%	Up 51.0%

Sources: CoreLogic, Westpac Economics

Westpac economics dwelling price forecasts (annual %)

Capital city	Pop'n	avg*	2020	2021	2022	2023F	2024F
Sydney	5.3m	6.3	2.7	25.3	-12.1	10	6
Melbourne	5.0m	5.0	-1.3	15.1	-8.1	4	3
Brisbane	2.6m	4.9	3.6	27.4	-1.1	6	4
Perth	2.2m	1.1	7.3	13.1	3.6	8	8
Australia	26m	5.1	1.8	20.9	-7.1	7	4

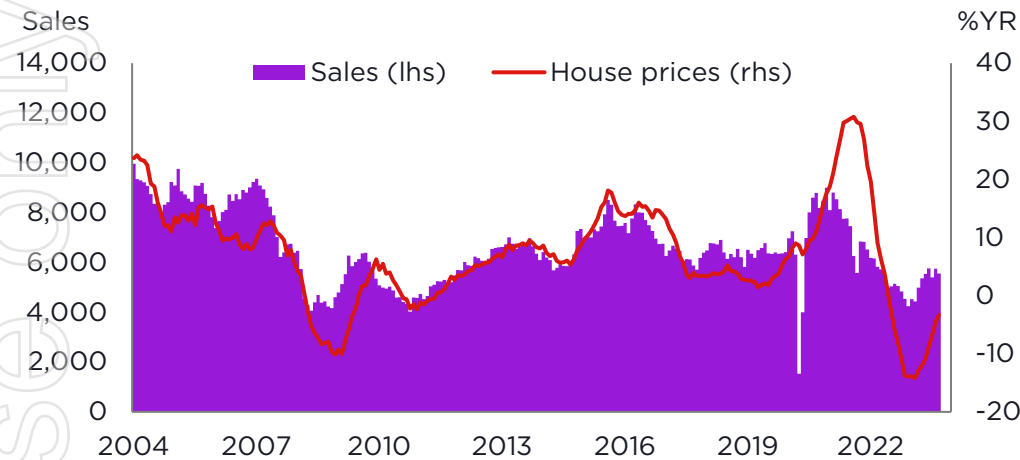
* average last 10yrs. Sources: CoreLogic, Westpac Economics

NEW ZEALAND HOUSING MARKET

ECONOMICS

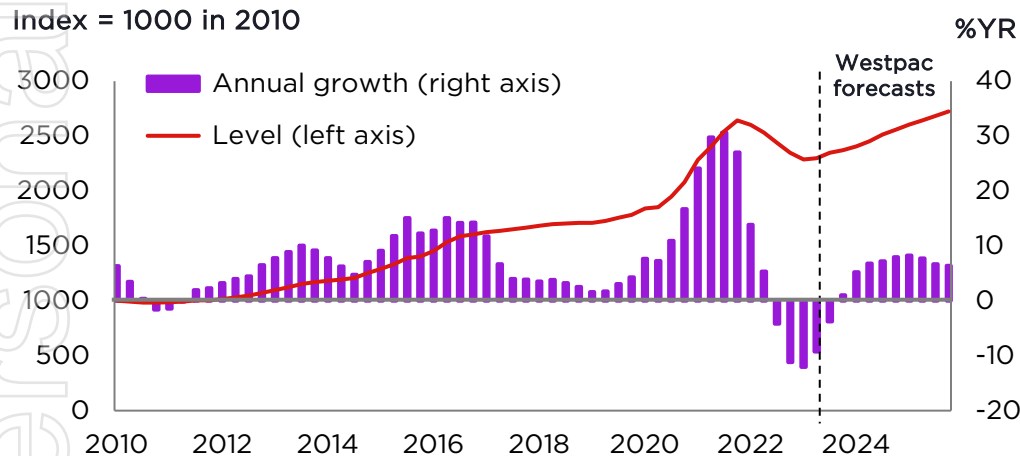
Sharp downturn as interest rates have increased

Monthly house sales and prices (% Yr)



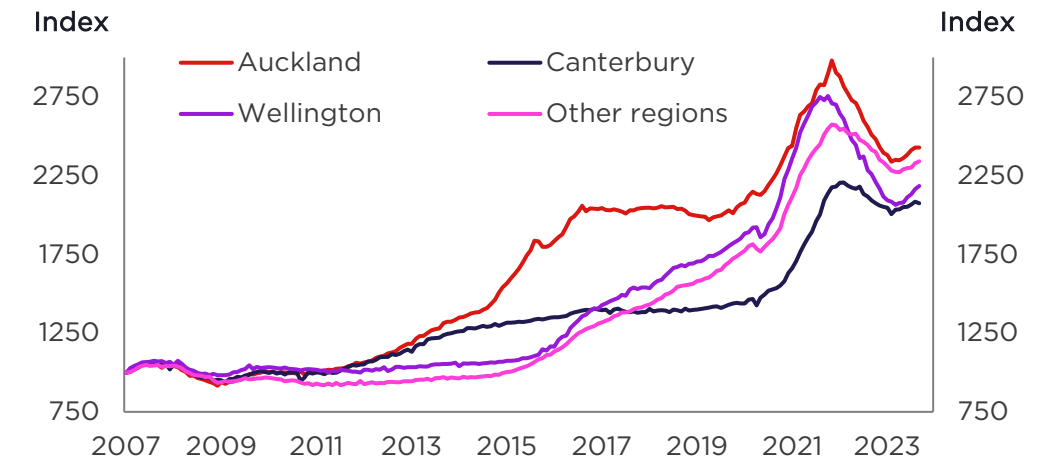
Source: REINZ

House price forecast



Sources: CoreLogic, Westpac Economics

New Zealand dwelling prices (index)



Sources: REINZ, Westpac Economics

Dwelling prices (% change over period) – (to Oct-23)

Capital city	Pop'n	Last 3 mths	Last 12 mths	Last 5 years
Auckland	1.7m	Up 2%	Down 3%	Up 19%
Wellington	0.5m	Up 3%	Down 3%	Up 30%
Canterbury	0.7m	Up 1%	Down 1%	Up 50%
Nationwide	5.1m	Up 2%	Down 3%	Up 32%

Forecast (Annual %)	Ave. past 10 years	2020	2021	2022f	2023f	2024f
Nationwide	8%	+17%	+27%	-11%	+1%	+8%

Sources: CoreLogic, REINZ, Westpac Economics

APPENDIX

2023 Full year financial results

APPENDIX 1: NET PROFIT EX NOTABLE ITEMS¹

APPENDIX

\$m	1H23	2H23	FY22	FY23	Change 2H23 - 1H23 (%)	Change FY23 - FY22 (%)
Net interest income	9,202	9,212	16,606	18,414	Flat	11
Non-interest income	1,669	1,459	3,299	3,128	(13)	(5)
Net operating income	10,871	10,671	19,905	21,542	(2)	8
Expenses	(4,988)	(5,244)	(10,181)	(10,232)	5	1
Pre-provision profit	5,883	5,427	9,724	11,310	(8)	16
Impairment charges	(390)	(258)	(335)	(648)	(34)	93
Tax and non-controlling interests (NCI)	(1,670)	(1,624)	(2,821)	(3,294)	(3)	17
Net profit	3,823	3,545	6,568	7,368	(7)	12

¹ For further information refer to Westpac's 2023 Full Year Results Announcement.

APPENDIX 2: FY23 NOTABLE ITEMS AND IMPACT OF BUSINESSES SOLD¹

APPENDIX

(\$m)	Net profit after tax	Hedging Notable Items ²	Net profit excluding hedging Notable Items ³	Other Notable Items ⁴	Net profit excluding Notable Items ⁵	Impact of businesses sold	FY23 Net profit excluding Notable Items & impact of business sold	FY22 Net profit excluding Notable Items & impact of business sold	% change FY23-FY22
Net interest income	18,317	(19)	18,336	(78)	18,414	-	18,414	16,600	11
Non-interest income	3,328	(18)	3,346	218	3,128	140	2,988	2,907	3
Net operating income	21,645	(37)	21,682	140	21,542	140	21,402	19,507	10
Expenses	(10,692)	-	(10,692)	(460)	(10,232)	46	(10,278)	(10,054)	2
Pre-provision profit	10,953	(37)	10,990	(320)	11,310	186	11,124	9,453	18
Impairment charges	(648)	-	(648)	-	(648)	-	(648)	(342)	89
Tax and non-controlling interests (NCI)	(3,110)	11	(3,121)	173	(3,294)	(55)	(3,239)	(2,729)	19
Net profit	7,195	(26)	7,221	(147)	7,368	131	7,237	6,382	13

¹ For further information refer to Westpac's 2023 Full Year Results Announcement. ² Economic hedges and hedge ineffectiveness, included in cash earnings adjustments in previous periods.

³ Referred to as Cash earnings in previous periods. ⁴ Other Notable Items include provisions for remediation, litigation, fines and penalties; impact from asset sales and revaluations; asset write-downs and restructuring costs. ⁵ Referred to as Cash earnings excluding Notable Items in previous periods.

APPENDIX 3: 2H23 NOTABLE ITEMS AND IMPACT OF BUSINESSES SOLD¹

APPENDIX

(\$m)	Net profit after tax	Hedging Notable Items ²	Net profit excluding hedging Notable Items ³	Other Notable Items ⁴	Net profit excluding Notable Items ⁵	Impact of businesses sold	2H23 Net profit excluding Notable Items & impact of business sold	1H23 Net profit excluding Notable Items & impact of business sold	% change 2H23-1H23
Net interest income	9,204	70	9,134	(78)	9,212	-	9,212	9,202	Flat
Non-interest income	1,438	4	1,434	(25)	1,459	-	1,459	1,529	(5)
Net operating income	10,642	74	10,568	(103)	10,671	-	10,671	10,731	(1)
Expenses	(5,704)	-	(5,704)	(460)	(5,244)	28	(5,272)	(5,006)	5
Pre-provision profit	4,938	74	4,864	(563)	5,427	28	5,399	5,725	(6)
Impairment charges	(258)	-	(258)	-	(258)	-	(258)	(390)	(34)
Tax and non-controlling interests (NCI)	(1,486)	(22)	(1,464)	160	(1,624)	(8)	(1,616)	(1,623)	Flat
Net profit	3,194	52	3,142	(403)	3,545	20	3,525	3,712	(5)

¹ For further information refer to Westpac's 2023 Full Year Results Announcement. ² Economic hedges and hedge ineffectiveness, included in cash earnings adjustments in previous periods.

³ Referred to as Cash earnings in previous periods. ⁴ Other Notable Items include provisions for remediation, litigation, fines and penalties; impact from asset sales and revaluations; asset write-downs and restructuring costs. ⁵ Referred to as Cash earnings excluding Notable Items in previous periods.

APPENDIX 4: MAJOR CUSTOMER REMEDIATION

APPENDIX





Milestones in FY23

Paid \$194.8 million to more than 867,000 customers in FY23

Five major remediation programs were closed in FY23 including Advice-related program

One new major remediation program commenced in FY23

Provisions for customer refunds, payments and associated costs¹ (\$m)

	FY17	FY18	FY19	FY20	FY21	FY22	FY23	Total
 Banking	94	122	362	144	(135)	2	88	677
 Wealth	75	146	802	208	251	51	-	1,533
 Implementation costs	-	62	232	196	195	32	15	732
 Net profit impact of above	118	231	977	384	218	60	72	2,060

¹ Excludes provisions and costs associated with litigation. Notable Items only. These provisions were raised in the individual years. The data is not net of utilisation.

APPENDIX 5: BUSINESSES EXITED

APPENDIX

Transactions completed	Completed	Divestment CET1 benefit (bps, \$m ¹)
Westpac NZ Wealth Advisory	Dec 2020	-
Westpac General Insurance	Jul 2021	12bps, ~\$500m
Vendor Finance	Aug 2021	1bp, ~40m
Westpac LMI	Aug 2021	7bps, ~\$300m
Westpac Life-NZ- Limited	Feb 2022	7bps, ~\$300m
Motor Vehicle Finance	Dec 2021	8bps, ~\$350m
Westpac Life Insurance Services	Aug 2022	13bps, ~\$500m
Advance Asset Management Limited	Mar 2023	} 10bps, ~\$450m
Successor funds transfer (SFT) of Superannuation ²	Apr 2023	
BT Private Portfolio Management	1 Oct 2023	
Divestment benefits		58bps, ~\$2,440m

¹ The value of capital released also includes the benefit of lower RWA. ² BT personal and corporate superannuation funds.

APPENDIX 6: REINVENTURE

Investing in fintech businesses

APPENDIX

Westpac has committed \$150m in fintech venture capital funds, managed by reinventure

- Reinventure enables Westpac to access insights and adjacent business opportunities, both in Australia and offshore
- The model also helps Westpac to source commercial partnerships that create value for customers

NEW BUSINESS MODELS

MONEYME

Digital financial service company offering credit products to tech-savvy Australian consumers and businesses



Helps home sellers make decisions about who they choose to sell their property



Full stack payments platform



Uses data to shed light on high volume crimes, improving prevention and detection



A leading digital credit platform in Indonesia



Business loan marketplace that matches SMEs to the best lender based on their characteristics and needs



Empowering banks to connect seamlessly with merchants and their customers



Logistics and hospitality software providing ordering, delivery and payment functionality



A consumer digital lending platform



Providing digital mortgage broking

NEW TECHNOLOGY CAPABILITIES



Enterprise cyber security company that protects businesses from malicious bot attacks



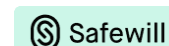
A fund of funds for cryptocurrency and blockchain technology



Smart receipts that automatically link purchase receipts to customers' bank accounts



Creating real-game assets for developers, using blockchain technology



Helping Australians create their wills online



Enabling software development teams to scale processes and improve code quality



Digitised debt collection, leveraging modern communications, automation and machine learning



Pioneering a new asset class called Tradeable Income Based Securities (TIBS)



Helps banks and fintechs make better decisions using a single API and dashboard to manage KYC/AML and fraud



A one-click checkout platform transforming online transactions

DATA, AI AND ANALYTICS



AI company that integrates neuroscience into their platform creating capability that not only manages complex problems but is able to form intrinsic relationships with humans



Data-science-as-a-service AI-powered donor scoring software for the NFP sector



AI-powered, context-as-a-service platform, to deliver personalised experiences to customers



B2B platform for physical retail stores that provides insights through their AI engine and in-store sensors



Conversational voice-based AI for digital interviewing, powered by machine learning

Logos are of the respective companies.

APPENDIX 7: SUSTAINABILITY – FOOTNOTES

APPENDIX

Our commitment to sustainability

1. Customers experiencing financial hardship who accessed a financial assistance package is defined in the Glossary section in our 2023 Sustainability Index and Datasheet
2. A unique customer is a customer that has called through to the Indigenous call centre at least once during the reportable period 01/04/2022 - 30/09/2025
3. Spend with diverse and Indigenous suppliers are defined in the Glossary section in our 2023 Sustainability Index and Datasheet
4. Westpac Scholars Trust (ABN 35 600 251 071) is administered by Westpac Scholars Limited (ABN 72 168 847 041) as trustee for the Westpac Scholars Trust. Westpac Scholars Trust is a private charitable trust and neither the Trust nor the Trustee are part of the Westpac Group. Westpac provides administrative support, skilled volunteering, and funding for operational costs of Westpac Scholars Trust.
5. Active scholars refers to the total number of individuals who have been awarded a scholarship by Westpac Scholars Trust and have completed or are in the process of completing their degree or fellowship.
6. Westpac Foundation is administered by Westpac Community Limited (ABN 34 086 862 795) as trustee for Westpac Community Trust (ABN 53 265 036 982). The Westpac Community Trust is a Public Ancillary Fund, endorsed by the ATO as a Deductible Gift Recipient. None of Westpac Foundation, Westpac Community Limited nor the Westpac Community Trust are part of Westpac Group. Westpac provides administrative support, skilled volunteering, donations and funding for operational costs of Westpac Foundation.
7. This is a cumulative target which comprises (a) \$5b for lending to climate change solutions, \$700m for lending for healthy, affordable and social housing, and other sustainable lending, and (b) facilitation of sustainable bonds by Westpac Banking Corporation - New Zealand Branch from 1 October 2020 to 30 September 2025. The sustainable finance target includes finance for social and non-climate sustainability initiatives which may not reduce climate change risk. All sustainable finance reported is informed by global sustainable finance market standards, principles and guidance that are commonly used to label or categorise loans and bonds as sustainable. In mid-2023, the Westpac Warm up loan was renamed the Westpac Greater Choices home loan and extended to include lending that is aligned specifically to climate change solutions (e.g. EV loans), not solely healthy homes. Therefore, our cumulative reporting for 2023 does not include new lending since 2022. From 2024, Westpac intends to include Greater Choices home loan lending as part of the overall sustainable lending target.
8. Rated 'A' by Monash University in their Modern Slavery Disclosure Quality Ratings – ASX 100 Companies Update 2022 report for our FY20 and FY21 modern slavery disclosures; and recognised as one of three 'front runners' in BankTrack's Global Human Rights Benchmark Report 2022 for our FY21 modern slavery disclosures
9. The SCSC program exists to help protect and seeks to create safer communities for children across Australia and APAC, through a series of actions, investments and collaborations with industry experts and partners

Becoming a net-zero, climate resilient bank

1. 2021 baselines for scope 1, 2 and scope 3 upstream emissions targets adjusted for COVID-19 pandemic and other impacts. Refer to our 2023 Sustainability Index and Datasheet.
2. Refer to our 2023 Sustainability Index and Datasheet for details of included Scope 3 upstream emissions sources.
3. On track to achieve 100% renewables outcome for our direct operations. 95% of this supply is expected to be sourced from within the markets the electricity is consumed. We will continue to identify opportunities to lift local sourcing to 100%, to include for our Fiji and PNG businesses, as required to achieve 100% under the RE100/CDP Standard.
4. Certification is obtained for Westpac's Australian and New Zealand operations (excludes financed emissions) under the Australian Government's Climate Active Carbon Neutral Standard for Organisations and the New Zealand Toitū net carbonzero certification respectively. Further information can be found on the Sustainability Performance Reports page on our website.
5. These include green, social, sustainability-linked and re-linked loans and bonds and have not been assessed under our new Sustainable Finance Framework.
6. Climate change solutions activities are defined in the Glossary section in our 2023 Sustainability Index and Datasheet. New lending represents the total of new and increases in lending commitments, excluding refinances
7. Australian Banking Association, Australian Sustainable Finance Institute, and Australian Industry Energy Transitions Initiative

Our FY23 carbon footprint

1. Sectors in our financed emissions analysis are based on ANZSIC codes. These sector definitions differ from those used for our 2030 emission reduction targets and Group Exposure by Sector – includes breakdown of sectors that may be exposed to higher climate change risk reporting.

Summary of our 2030 emission reduction targets

1. Includes exploration, extraction and drilling companies, all activities integrated oil and gas companies (IOCs), tolling and stand-alone refineries and LNG producers. Does not include downstream retail and distribution, pipeline infrastructure, storage and transport, nor trading entities.
2. Updated existing targets for NZBA sectors (thermal coal mining, upstream oil and gas, and commercial real estate (offices)). Refer to our 2023 Climate Report for more information.
3. Covers the production and sale of thermal coal, with adjacent sectors (including mining service providers) to be covered in other targets as appropriate. Transactional banking and rehabilitation bonds are excluded.
4. Annually, we calculate the percentage of revenue coming directly from thermal coal mining by assessing customers' full-year audited financial reports, based on a rolling average of the prior three years of revenues.
5. Refers to scope 1 and 2 emissions of power generators, i.e. customers with >10% revenue coming from power generation or >5% revenues from thermal coal electricity generation. In Australia, this applies to customers under ANZSIC (1993) code 3610 with National Greenhouse and Energy Reporting Scheme designated generation facilities and have >10% revenue coming from power generation

The information on this page contains 'forward-looking statements' and statements of expectation reflecting Westpac's current views on future events. They are subject to change without notice and certain risks, uncertainties and assumptions which are, in many instances, beyond its control. Please refer to the disclaimer on page 134.

APPENDIX 7: SUSTAINABILITY – FOOTNOTES

Summary of our 2030 emission reduction targets

6. This target covers customers that produce clinker in-house. The target has been set for customers' scope 1 and 2 emissions in relation to the production of cement. It covers emissions generated from calcination in clinker production as well as fuel combustion and electricity consumption associated with the cement production process
7. Base building operational scope 1 and 2 emissions. Target excludes all scope 3 emissions (e.g. tenant emissions from electricity and appliance use, construction, embodied emissions and corporate activities)
8. Our target applies to facilities that are assigned office related ANZSIC codes, and with a TCE greater than or equal to \$5 million A\$ for Australian facilities or \$5 million NZ\$ for New Zealand facilities. This excludes exposures associated with site finance, construction and renovation of commercial real estate assets
9. Floor space is defined as net-lettable area (NLA). In Australia, the standard used for determining the NLA is set out in the Property Council of Australia (PCA) March 1997 Method of Measurement. In New Zealand, this is Rentable Area as set out in The Guide for the Measurement of Rentable Areas NZ
10. Steel represents a very small percentage of Westpac's lending portfolio and a small number of customers. To protect our customers confidentiality, we have adopted a 'traffic light' system to disclose our performance against the target. Unlike other targets, we will not be disclosing our baseline or progress
11. Covers customers that operate scheduled air transport for passengers, including freight operations undertaken by passenger airline operators
12. The aviation sector was highly impacted by the effects of the COVID-19 pandemic resulting in emissions intensities higher than the IEA NZE 2050 pathway (less people flying). Increased activity (more people flying) will improve efficiency and result in some reduction in emissions intensity
13. Passenger kilometres (pkm) is a measure of activity for passenger airline operators
14. Applies to institutional and commercial relationship-managed agribusiness customers with total committed exposures (TCE) \geq \$1.5 million who are captured by dairy, beef, sheep and mixed farming ANZSICs
15. Applies to relationship-managed agribusiness customers with TCE equal to or greater than \$NZ1.0 million who are captured by dairy and sheep and beef farming ANZSICs
16. Land management emissions refers to operational emissions resulting from how land is managed rather than emissions resulting from land-use change or on-farm carbon removals. Land management emissions arise from processes such as enteric fermentation, fertiliser use and manure management
17. Fat Protein Corrected Milk is a commonly used measure of dairy farm outputs. FPCM is milk corrected for its fat and protein content to a regional standard. In SBTi FLAG (reference scenario we used for setting Agriculture targets), dairy production is expressed in tonnes of fat and protein corrected milk
18. In SBTi FLAG animal commodities production is expressed in tonnes of fresh weight of carcass where carcass is defined as animal meat, fresh, chilled or frozen, with bone in
19. Excludes mortgages on vacant land as well as construction and renovation loans given there are no in-use operational emissions associated with these
20. Scope 1 and 2 emissions refer to in-use operational emissions from energy associated with the operation of the building, consisting of purchased electricity and natural gas consumption

Assessing climate-related risks on our financial position

1. Represents the sum of the committed portion of direct lending (including funds placement overall and deposits placed), contingent and pre-settlement risk plus the committed portion of secondary market trading and underwriting risk
2. Every six months we update the physical risk analysis of our Australian residential mortgage portfolio. The analysis estimates the portion of our mortgages exposed to higher physical risks under climate scenarios developed by the Intergovernmental Panel on Climate Change (IPCC). The analysis uses a generalised model of how extreme natural disasters and climate change may impact individual properties. Australian locations that may experience higher physical risk by 2050 is defined in the Glossary section in our 2023 Sustainability Index and Datasheet
3. Other mining includes iron ore, metal ore, construction material, exploration and services. Exposure values reflect TCE for the mining sector across Westpac Group at Sep-23. The mining population is defined by relevant ANZSIC codes
4. Coal - thermal & metallurgical includes thermal and metallurgical coal mining. It excludes metallurgical coal mining in diversified miners

Climate-related opportunities

1. These include green, social, sustainability, sustainability-linked and re-linked loans and bonds and have not been assessed under our new Sustainable Finance Framework
2. Based on IJGlobal and Westpac Research Data for the period 1 October 2018 to 30 September 2023
3. Climate change solutions activities are defined in the Glossary section in our 2023 Sustainability Index and Datasheet
4. TCE represents the maximum amount of credit exposure that Westpac has committed to provide to a customer, both on- and off-balance sheet, including those that arise from transactional banking
5. Due to data availability, the market share value has calculated based on Jan-Jun 2022 and Jan-Jun 2023

The information on this page contains 'forward-looking statements' and statements of expectation reflecting Westpac's current views on future events. They are subject to change without notice and certain risks, uncertainties and assumptions which are, in many instances, beyond its control. Please refer to the disclaimer on page 134.

APPENDIX 7: SUSTAINABILITY

APPENDIX

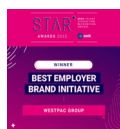
INDUSTRY RECOGNITION



Achieved highest ISS QualityScore for Social dimension



Rated Prime status of "C" by ISS ESG



Winners for the second year running in the SEEK Star Awards for Best Employer Brand initiative for our Graduate 'Uncommon minds' campaign

SUSTAINABILITY INDEXES



At Dec 22, Westpac has received an S&P DJI ESG score of 68. We have been a member of the DJI Indices since 2002



At Sep 23, Westpac has received an ESG Risk Rating of 21.1 from Sustainalytics and was assessed to be at Medium risk of experiencing material financial impacts from ESG factors¹

Member of the FTSE4Good Index Series, of which Westpac has been a member since 2001



At Aug 23, Westpac has received an MSCI ESG Rating of A (score of 5.2 which is above Industry Average)²

INCLUSION AND DIVERSITY RECOGNITION



Recognised in the Bloomberg Gender Equality Index for the 7th consecutive year



Accredited as Level 1 Activate as a Carer Friendly Employer under the CarersNSW Carers + Employers Program



Named within Top 10 Employer for gender equality through Equileap



First Australian financial institution to be Disability Recruiter Accredited



Bronze Accreditation for Australian Workplace Quality Index

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APPENDIX 7: SUSTAINABILITY

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MAJOR COMMITMENTS, PARTNERSHIPS AND ASSOCIATIONS



Principles for Responsible Banking Signatory (2019)



Toitū net carbonzero certified (New Zealand) Since 2019



UN Sustainable Development Goals CEO Statement of Commitment (2016)



Paris Climate Agreement Supporter (2015)



The Valuable 500 Signatory (2021)



The Equator Principles Founding Adopter, First Australian Bank (2003)



UN Environment Programme Finance Initiative Founding Member (1991) Banking Board Co-Chair (since 2020)



Financial Stability Board's Task Force on Climate-related Financial Disclosures Align with and support



Taskforce on Nature-related Financial Disclosures Forum member (2021)



UN Women Partner (2021)



Electric Vehicle Council of Australia Member (2022)



RE100, an initiative of The Climate Group in partnership with CDP Member (since 2019)



Commitment to United Nations Global Compact Signatory (2002), Global Compact Network Australia Founding Member (2009)



WeConnect International (for women owned businesses) Member (2020)



Global Reporting Initiative Align with



Industry-led UN-convened Net-Zero Banking Alliance Member, principals and steering groups (NZBA governance bodies) (from 2023)



Climate Bonds Initiative Partner



Carbon Markets Institute Corporate Member



Australian Industry Energy Transitions Initiative Partner (2022)



Australian Sustainable Finance Institute Founding Member



Sustainability Accounting Standards Board Align with



Climate Active Certification (Australia) Since 2012 (previously NCOS)



Supply Nation (for Indigenous owned businesses) Founding Member (2010)



Social Traders (for certified social enterprises) Member (2016)

United Nations Tobacco-Free Finance pledge Founding Signatory (2018)



Green Building Council of Australia Member (since 2011)

APPENDIX 8: DEFINITIONS

Credit quality

>90 days past due	Includes facilities less than 90 days past due and those credit exposures, that are in default, but where it is expected that the full value of principal and accrued interest can be collected, generally by reference to the value of security held
90+ days past due	Includes facilities 90 days or more past due, and those credit exposures that are in default, but where it is expected that the full value of principal and accrued interest can be collected, generally by reference to the value of security held
Provision for expected credit losses	Expected credit losses (ECL) are a probability-weighted estimate of the cash shortfalls expected to result from defaults over the relevant timeframe. They are determined by evaluating a range of possible outcomes and taking into account the time value of money, past events, current conditions and forecasts of future economic conditions
Collectively assessed provisions (CAP)	CAP for ECL under AASB 9 represent the ECL which is collectively assessed in pools of similar assets with similar risk characteristics. This incorporates forward looking information and does not require an actual loss event to have occurred for an impairment provision to be recognised
Individually assessed provisions (IAP)	Provisions raised for losses on loans that are known to be impaired and are assessed on an individual basis. The estimated losses on these impaired loans is based on expected future cash flows discounted to their present value and, as this discount unwinds, interest will be recognised in the income statement
Stage 1: 12 months ECL – performing	For financial assets where there has been no significant increase in credit risk since origination a provision for 12 months ECL is recognised. Interest revenue is calculated on the gross carrying amount of the financial asset
Stage 2: Lifetime ECL – performing	For financial assets where there has been a significant increase in credit risk since origination but where the asset is still performing a provision for lifetime ECL is recognised. Interest revenue is calculated on the gross carrying amount of the financial asset
Stage 3 Lifetime ECL – non-performing	For financial assets that are non-performing a provision for lifetime ECL is recognised. Interest revenue is calculated on the carrying amount net of the provision for ECL rather than the gross carrying amount

Impaired	Includes exposures that have deteriorated to the point where full collection of interest and principal is in doubt, based on an assessment of the customer's outlook, cash flow, and the net realisation of value of assets to which recourse is held: <ul style="list-style-type: none"> Facilities 90 days or more past due, and full recovery is in doubt: exposures where contractual payments are 90 or more days in arrears and the net realisable value of assets to which recourse is held may not be sufficient to allow full collection of interest and principal, including overdrafts or other revolving facilities that remain continuously outside approved limits by material amounts for 90 or more calendar days; Non-accrual facilities: exposures with individually assessed impairment provisions held against them, excluding restructured loans; Restructured facilities: exposures where the original contractual terms have been formally modified to provide for concessions of interest or principal for reasons related to the financial difficulties of the customer; Other assets acquired through security enforcement (includes other real estate owned): includes the value of any other assets acquired as full or partial settlement of outstanding obligations through the enforcement of security arrangements; and Any other facility where the full collection of interest and principal is in doubt
Stressed exposures	Watchlist and substandard, non-performing not impaired, and impaired exposures
Total committed exposures (TCE)	Represents the sum of the committed portion of direct lending (including funds placement overall and deposits placed), contingent and pre-settlement risk plus the committed portion of secondary market trading and underwriting risk
Watchlist and substandard	Loan facilities where customers are experiencing operating weakness and financial difficulty but are not expected to incur loss of interest or principal

APPENDIX 8: DEFINITIONS

Segments, earnings drivers, capital and liquidity

Segments

Consumer	Consumer provides banking products and services, including mortgages, credit cards, personal loans, and savings and deposit products to Australian retail customers
Business	Business serves the banking needs of Australian small business, Agribusiness and Commercial customers
WIB	Westpac Institutional Bank (WIB) provides a broad range of financial products and services to corporate, institutional and government customers
Westpac NZ	Westpac New Zealand provides banking, wealth and insurance products and services for consumer, business and institutional customers in New Zealand
Specialist Businesses	Specialist Businesses was established in May 2020 by combining the operations that Westpac identified to be exited as part of its simplification agenda. Since its formation, ten business divestments have been completed. The remaining operations include Platforms, Westpac Pacific, margin lending and auto finance business which is in run-off. These businesses will be retained and transferred to the management of the Business & Wealth segment from Full Year 2024

Earnings drivers

Average interest-earning assets (AIEA)	The average balance of assets held by the Group that generate interest income. Where possible, daily balances are used to calculate the average balance
Group net interest margin	Calculated by dividing net interest income by average interest-earning assets (annualised where applicable)
Core net interest margin	Calculated by dividing net interest income excluding Notable Items and Treasury & Markets by average interest-earning assets (annualised where applicable)
Pre-provision profit	Net operating income less operating expenses
Full-time equivalent employees (FTE)	A calculation based on the number of hours worked by full and part-time employees as part of their normal duties. For example, the full-time equivalent of one FTE is 76 hours paid work per fortnight

Capital and liquidity

Capital ratios	As defined by APRA (unless stated otherwise)
Committed liquidity facility (CLF)	The RBA makes available to Australian Authorised Deposit-taking Institutions (ADIs) a CLF that, subject to qualifying conditions, can be accessed to meet LCR requirements under APS210 Liquidity. APRA announced in September 2021 that ADIs subject to the LCR should reduce their CLF usage to zero by 1 January 2023
High quality liquid assets (HQLA)	Assets which meet APRA's criteria for inclusion as HQLA in the numerator of the LCR
Internationally comparable ratios	Internationally comparable regulatory capital ratios are Westpac's estimated ratios after adjusting the capital ratios determined under APRA Basel III regulations for various items. Analysis aligns with the APRA study titled "International capital comparison study" dated 13 July 2015
Leverage ratio	As defined by APRA (unless stated otherwise). Tier 1 capital divided by 'exposure measure' and expressed as a percentage. 'Exposure measure' is the sum of on-balance sheet exposures, derivative exposures, securities financing transaction exposures and other off-balance sheet exposures
Liquidity coverage ratio (LCR)	An APRA requirement to maintain an adequate level of unencumbered high quality liquid assets, to meet liquidity needs for a 30 calendar day period under an APRA-defined severe stress scenario. Absent a situation of financial stress, the value of the LCR must not be less than 100%. LCR is calculated as the percentage ratio of stock of HQLA and CLF over the total net cash out-flows in a modelled 30 day defined stressed scenario
Net stable funding ratio (NSFR)	The NSFR is defined as the ratio of the amount of available stable funding (ASF) to the amount of required stable funding (RSF) defined by APRA. The amount of ASF is the portion of an ADI's capital and liabilities expected to be a reliable source of funds over a one year time horizon. The amount of RSF is a function of the liquidity characteristics and residual maturities of an ADI's assets and off-balance sheet activities. ADI's must maintain an NSFR of at least 100%
Risk weighted assets or RWA	Assets (both on and off-balance sheet) are risk weighted according to each asset's inherent potential for default and what the likely losses would be in case of default. In the case of non-asset-backed risks (ie. market and operational risk), RWA is determined by multiplying the capital requirements for those risks by 12.5

APPENDIX 8: DEFINITIONS

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Other

Branch transactions	Branch transactions are typically withdrawals, deposits, transfers and payments
Customer satisfaction or CSAT	The Customer Satisfaction score is an average of customer satisfaction ratings of the customer's main financial institution for consumer or business banking on a scale of 0 to 10 (0 means 'extremely dissatisfied' and 10 means 'extremely satisfied')
CSAT (Main Bank Service Satisfaction) (Westpac NZ)	Source: 3 month rolling Retail Market Monitor data (survey conducted by Camorra Research). Respondents are asked to rate the overall level of service they receive from their main bank (self-selected which ONE bank is their main provider of financial services) on a scale of 1 (Poor) to 5 (Excellent). The rating represents % of respondents who scored 4 (Very Good) or 5 (Excellent)
CSAT – overall consumer	Source: Fifth Dimension (5D) for March 2023 (1H23) and September 2023 (2H23); DBM Consultants Consumer Atlas for September 2022 (2H22), 6MR. MFI customers
CSAT – overall business	Source: Fifth Dimension (5D) for March 2023 (1H23) and September 2023 (2H23); DBM Consultants Business Atlas for September 2022 (2H22), 6MR. MFI businesses
DBM Australian Financial Awards	Award is based on information collected from the DBM Atlas research program – feedback from over 80,000 business owners or retail customers from January 2022 through December 2022. Award results are based on experiences and perceptions of customers surveyed in this period. For DBM Atlas and DBM Australian Financial Awards information visit www.dbmconsultants.com.au
Digitally active	Australian consumer and business customers who have had an authenticated session (including Quickzone) on Westpac Group digital banking platforms in the prior 90 days
Digital sales	The percentage of quality sales in a 12-week period that were digitally initiated (percentage against the count of all quality sales in that 12-week period)
Digital transactions	Digital transactions including all payment transactions (Transfer Funds, Pay Anyone and BPAY) within Westpac Live and Compass, excl. Corporate Online and Business Banking online
Mobile wallet payments	Count of transactions that use a digital card via apple pay, fitbit pay, garmin pay, google pay and samsung pay products

Average App sessions per day	Total number of sessions on Westpac Live & Compass initiated using an app over total number of days within a half year period
MFI share	MFI share results are based on the number of customers who have a Main Financial Institution (MFI) relationship with an institution, as a proportion of the number of customers that have a MFI relationship with any institution
Consumer MFI share	Source: Fifth Dimension (5D) for March 2023 (1H23) and September 2023 (2H23); DBM Consultants Consumer Atlas for September 2022 (2H22), 6MR. MFI customers
Net Promoter Score or NPS	Net Promoter Score measures the net likelihood of recommendation to others of the customer's main financial institution for retail or business banking. Net Promoter Score SM is a trademark of Bain & Co Inc., Satmetrix Systems, Inc., and Mr Frederick Reichheld. Using a 11 point numerical scale where 10 is 'Extremely likely' and 0 is 'Not at all unlikely', Net Promoter Score is calculated by subtracting the percentage of Detractors (0-6) from the percentage of Promoters (9-10)
NPS – Mobile App	Source: Fifth Dimension (5D) for September 2023 (2H23), 6MR. MFI customers. Mobile App NPS measures the likelihood to recommend the customer's MFI Mobile App used in the last 4 weeks for retail banking
NPS Consumer (Westpac NZ)	Source: 3 month rolling Retail Market Monitor data (survey conducted by Camorra Research). Respondents are asked about likelihood to recommend their main bank to family and friends on a scale of 1 (extremely unlikely) to 10 (extremely likely). Net Promoter Score is represents % of Promoters (recommend score of 9 or 10) minus % of Detractors (recommend score of 1 to 6)
NPS – overall consumer	Source: Fifth Dimension (5D) for March 2023 (1H23) and September 2023 (2H23); DBM Consultants Consumer Atlas for September 2022 (2H22), 6MR. MFI customers
NPS – overall business	Source: Fifth Dimension (5D) for March 2023 (1H23) and September 2023 (2H23); DBM Consultants Business Atlas for September 2022 (2H22), 6MR. MFI businesses
NPS – Mortgages	Source: Fifth Dimension (5D) for September 2023 (2H23), 6MR, AFI customers. Mortgage NPS measures the likelihood to recommend the Mortgage they hold with their financial institution
St.George (SGB) brands	SGB brands (Consumer): St.George Bank, Bank of Melbourne, BankSA; for DBM also includes RAMS, Dragondirect SGB brands (Business): St.George Bank, Bank of Melbourne and BankSA

INVESTOR RELATIONS TEAM

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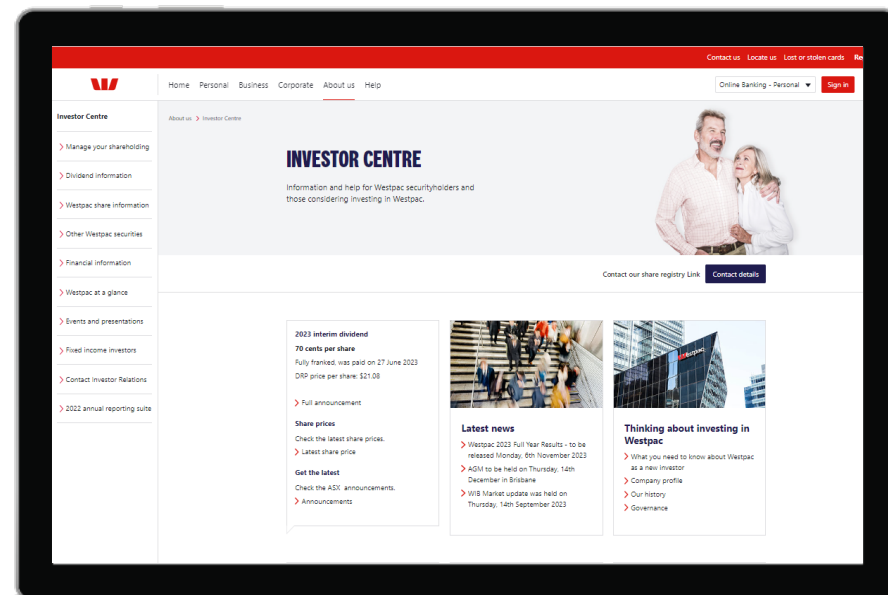
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The material contained in this presentation is intended to be general background information on Westpac Banking Corporation (Westpac) and its activities.

The information is supplied in summary form and is therefore not necessarily complete. It is not intended that it be relied upon as advice to investors or potential investors, who should consider seeking independent professional advice depending upon their specific investment objectives, financial situation or particular needs. The material contained in this presentation may include information derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information. This presentation should be read in conjunction with our 2023 Annual Report. This includes references to our systems and processes, which may not always be 100% effective and are subject to risks and other factors, including those described in the section titled 'Risk factors' in our 2023 Annual Report.

All amounts are in Australian dollars unless otherwise indicated.

The financial information in this presentation is presented in accordance Australian Accounting Standards (AAS) and is also compliant with International Financial Reporting Standards. In 2022 and earlier reporting periods, Westpac reported a non-AAS financial measure of profit referred to as "cash earnings" as well as reporting "Notable Items" and a further non-AAS profit measure excluding these Notable Items in both external and internal reporting. In First Half 2023, Westpac ceased reporting cash earnings and cash earnings excluding Notable Items and will use net profit attributable to owners of Westpac (net profit) as Westpac's key measure of financial performance. To assist in explaining our financial performance, Westpac will continue to report Notable Items which represent certain items that management believe are not reflective of the Group's ongoing business performance. Refer to page 104 for details of the Notable Items impacting Westpac's 2023 Annual Report.

In assessing Westpac's performance and that of our operating segments we use a number of financial measures, including amounts, measures and ratios that are presented on a non-AAS basis. Non-AAS financial measures and ratios do not have standardised meanings under AAS. As such they are unlikely to be directly comparable to similar measures presented by other companies and should not be viewed in isolation from, or as a substitute for, the AAS results.

Refer to Westpac's 2023 Annual Report for the twelve months ended 30 September 2023 available at www.westpac.com.au in the section "Results Announcement to the market - Introduction" for details of the presentation changes and non-AAS financial measures.

This presentation contains statements that constitute "forward-looking statements" within the meaning of Section 21E of the US Securities Exchange Act of 1934. Forward looking statements are statements that are not historical facts. Forward-looking statements appear in a number of places in this presentation and include statements regarding our intent, belief or current expectations with respect to our business and operations, macro and micro economic and market conditions, results of operations and financial condition, capital adequacy and risk management, including, without limitation, future loan loss provisions and financial support to certain borrowers, forecasted economic indicators and performance metric outcomes, indicative drivers, climate- and other sustainability-related statements, commitments, targets, projections and metrics, and other estimated and proxy data.

We use words such as 'will', 'may', 'expect', 'intend', 'seek', 'would', 'should', 'could', 'continue', 'plan', 'estimate', 'anticipate', 'believe', 'probability', 'indicative', 'risk', 'aim', 'outlook', 'forecast', 'f'cast', 'f', 'assumption', 'projection', 'target', 'goal', 'guidance', 'ambition', or other similar words to identify forward-looking statements, or otherwise identify forward-looking statements. These forward-looking statements reflect our current views on future events and are subject to change, certain known and unknown risks, uncertainties and assumptions and other factors which are, in many instances, beyond our control (and the control of our officers, employees, agents and advisors), and have been made based on management's expectations or beliefs concerning future developments and their potential effect upon Westpac. Forward-looking statements may also be made, verbally or in writing, by members of Westpac's management or Board in connection with this presentation. Such statements are subject to the same limitations, uncertainties, assumptions and disclaimers set out in this presentation. There can be no assurance that future developments or performance will align with our expectations or that the effect of future developments on us will be those anticipated. Actual results could differ materially from those we expect or which are expressed or implied in forward-looking statements, depending on various factors including, but not limited to, those described in the section titled 'Risk factors' in our 2023 Annual Report for the twelve months ended 30 September 2023 available at www.westpac.com.au. When relying on forward-looking statements to make decisions with respect to Westpac, investors and others relying on information in this presentation should carefully consider such factors and other uncertainties and events. Except as required by law, we assume no obligation to revise or update any forward-looking statements contained in this presentation, whether from new information, future events, conditions or otherwise, after the date of this presentation.

Further important information regarding climate change and sustainability-related statements

This presentation contains forward-looking statements and other representations relating to environment, social and governance (ESG) topics, including but not limited to climate change, net-zero, climate resilience, natural capital, emissions intensity, human rights and other sustainability related statements, commitments, targets, projections, scenarios, risk and opportunity assessments, pathways, forecasts, estimated projections and other proxy data. These are subject to known and unknown risks, and there are significant uncertainties, limitations, risks and assumptions in the metrics and modelling on which these statements rely.

In particular, the metrics, methodologies and data relating to climate and sustainability are rapidly evolving and maturing, including variations in approaches and common standards in estimating and calculating emissions, and uncertainty around future climate and sustainability related policy and legislation. There are inherent limits in the current scientific understanding of climate change and its impacts. Some material contained in this presentation may include information including, without limitation, methodologies, modelling, scenarios, reports, benchmarks, tools and data, derived from publicly available or government or industry sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of such information. There is a risk that the estimates, judgements, assumptions, views, models, scenarios or projections used by Westpac may turn out to be incorrect. These risks may cause actual outcomes, including the ability to meet commitments and targets, to differ materially from those expressed or implied in this presentation. The climate and sustainability related forward-looking statements made in this presentation are not guarantees or predictions of future performance and Westpac gives no representation, warranty or assurance (including as to the quality, accuracy or completeness of these statements), nor guarantee that the occurrence of the events expressed or implied in any forward-looking statement will occur. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and these differences may be material. Westpac will continue to review and develop its approach to ESG as this subject area matures.