

**ASX**

# Release

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**6 May 2024**

## **Westpac 1H24 Presentation and Investor Discussion Pack**

Westpac Banking Corporation (“Westpac”) today provides the attached Westpac 1H24 Presentation and Investor Discussion Pack.

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

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# INTERIM FINANCIAL RESULTS

FOR THE SIX MONTHS ENDED 31 MARCH 2024

Incorporating the requirements of Appendix 4D

Westpac Banking Corporation ABN 33 007 457 141

# WESTPAC 2024 INTERIM RESULTS INDEX

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**PETER KING**  
**CHIEF EXECUTIVE OFFICER**

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# 1H24 HIGHLIGHTS

**DISCIPLINED  
PERFORMANCE**

**ENHANCED  
CUSTOMER FOCUS**

**RETURNING  
SURPLUS CAPITAL**

**STRENGTHENED  
RISK MANAGEMENT**

**COMMENCED  
UNITE**

# 1H24 FINANCIAL PERFORMANCE

	1H24	2H23 Change	1H23 Change
Net profit <sup>1</sup>	\$3,342m	5%	(16%)
Return on tangible equity <sup>2</sup>	10.5%	44 bps	(228 bps)
<b>Excluding Notable Items</b>			
Revenue	\$10,816m	1%	(1%)
Expenses	(\$5,395m)	3%	8%
Pre-provision profit	\$5,421m	-	(8%)
Impairment charges to average loans annualised	9 bps	2 bps	(1 bp)
Net Profit	\$3,506m	(1%)	(8%)

<sup>1</sup> Also referred to as net profit attributable to owners of WBC, net profit after tax or statutory profit. <sup>2</sup> The return on tangible equity calculation is described further in the 2024 Interim Financial Results Announcement.

# SURPLUS CAPITAL RETURNED TO SHAREHOLDERS

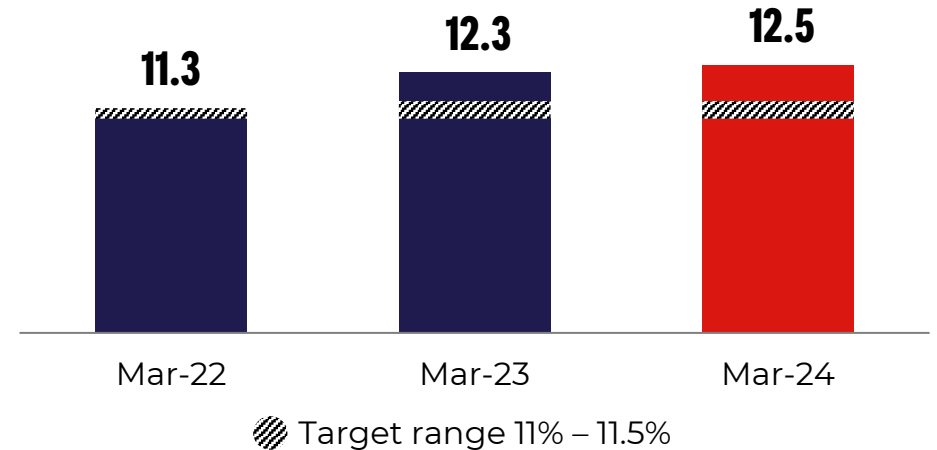
- **Increased share buyback** program up to \$2.5bn<sup>1</sup>
  - Buyback announced Nov-23: \$1.5bn, 59% complete<sup>2</sup>
  - Buyback extension: \$1bn<sup>1</sup>
- **Special dividend** \$0.5bn, 15cps<sup>3</sup> fully franked
- Pro forma CET1 capital ratio 12.06%<sup>4</sup>

## ORDINARY DIVIDEND

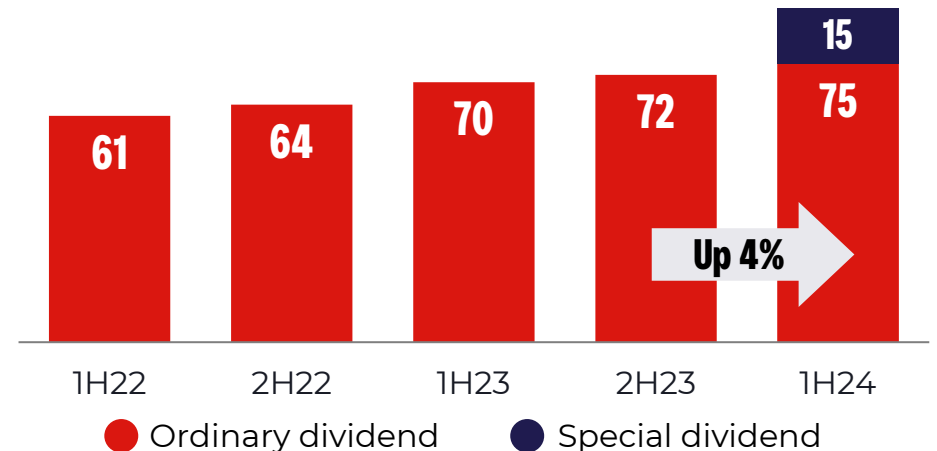
- **1H24 ordinary dividend 75cps<sup>3</sup> fully franked**
  - 1H24 payout ratio of 74%<sup>5</sup>
  - Payout ratio range 65 – 75%
- Dividend yield 5.7%<sup>6</sup>, fully franked 8.2%<sup>6</sup>
- Neutralise DRP for interim and special dividends

<sup>1</sup> Subject to market conditions. <sup>2</sup> As at 6-May-24. <sup>3</sup> Cents per share. <sup>4</sup> After buyback and special dividend. <sup>5</sup> Excluding Notable Items. <sup>6</sup> Based on 28-Mar-24 closing price of \$26.10

## CET1 CAPITAL RATIO (%)



## DIVIDENDS PER SHARE (CENTS)



# 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



# CUSTOMER SERVICE

## IMPROVING SERVICE

**NPS<sup>1</sup>**

in employee  
scorecards

Mortgage time to decision  
**down 4 days**  
to 6.0 days<sup>2</sup>

Business time to decision  
**down 2 days**  
to 7.7 days<sup>3</sup>

**#1**

Bond House  
in Australia<sup>4</sup>

## ENHANCING SAFETY

**Agreed**

**Scam-Safe Accord**

with other Australian banks

**Launched**

**Westpac SaferPay**

**\$120m**

stopped or recovered in  
customer scam losses  
in 1H24

**32% lower**

customer scam  
losses compared to 1H23

## PROVIDING SUPPORT

**5<sup>th</sup> largest taxpayer  
in Australia<sup>5</sup>**

\$1.7bn income tax expense  
and bank levy in 1H24

Increased  
lending to **\$785bn**

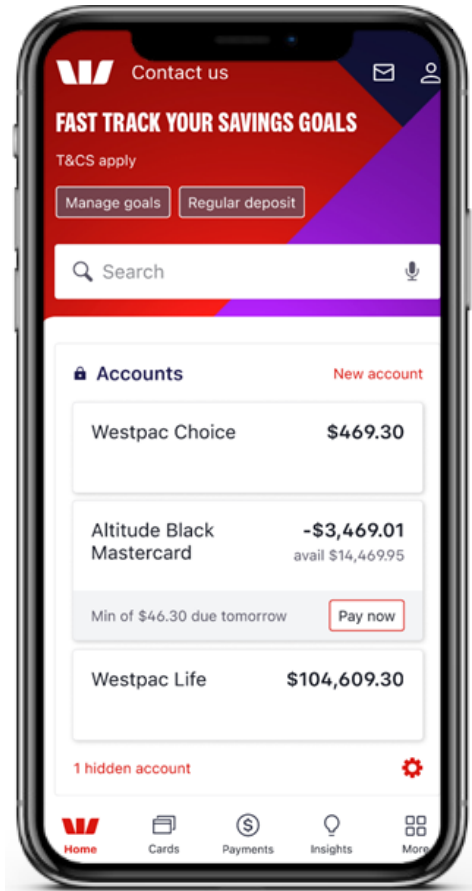
**~18k**  
customer hardship  
packages<sup>6</sup>

**33**

sustainable finance  
transactions in 1H24<sup>7</sup>

<sup>1</sup> Refer to page 118 for definition. <sup>2</sup> 3<sup>rd</sup> party channel median (50th percentile) time to unconditional approval; 1H24 compared to 2H23. <sup>3</sup> Mar-24 compared to Sep-23. <sup>4</sup> Winner of 9 KangaNews Awards. <sup>5</sup> Westpac Tax Transparency Report 2023. <sup>6</sup> Includes accounts in hardship for Australian Consumer and Business segments. <sup>7</sup> Includes 23 labelled sustainable finance loans and 10 bond issuances. Excludes NZ sustainable finance loans.

# CONSUMER: IMPROVING SERVICE



**CONSUMER RATE 9%**

## FOCUS ON CUSTOMER ENGAGEMENT

- #1 Leading mobile banking app<sup>1</sup>
- Consumer NPS up 2 points to 4<sup>2,3</sup>
- 100 co-located branches<sup>4</sup>

## GROWING QUALITY DEPOSITS

- Household deposit growth, 1.1x system<sup>5</sup>
- Enhanced proposition and loyalty rewards
- Consistent positioning in market

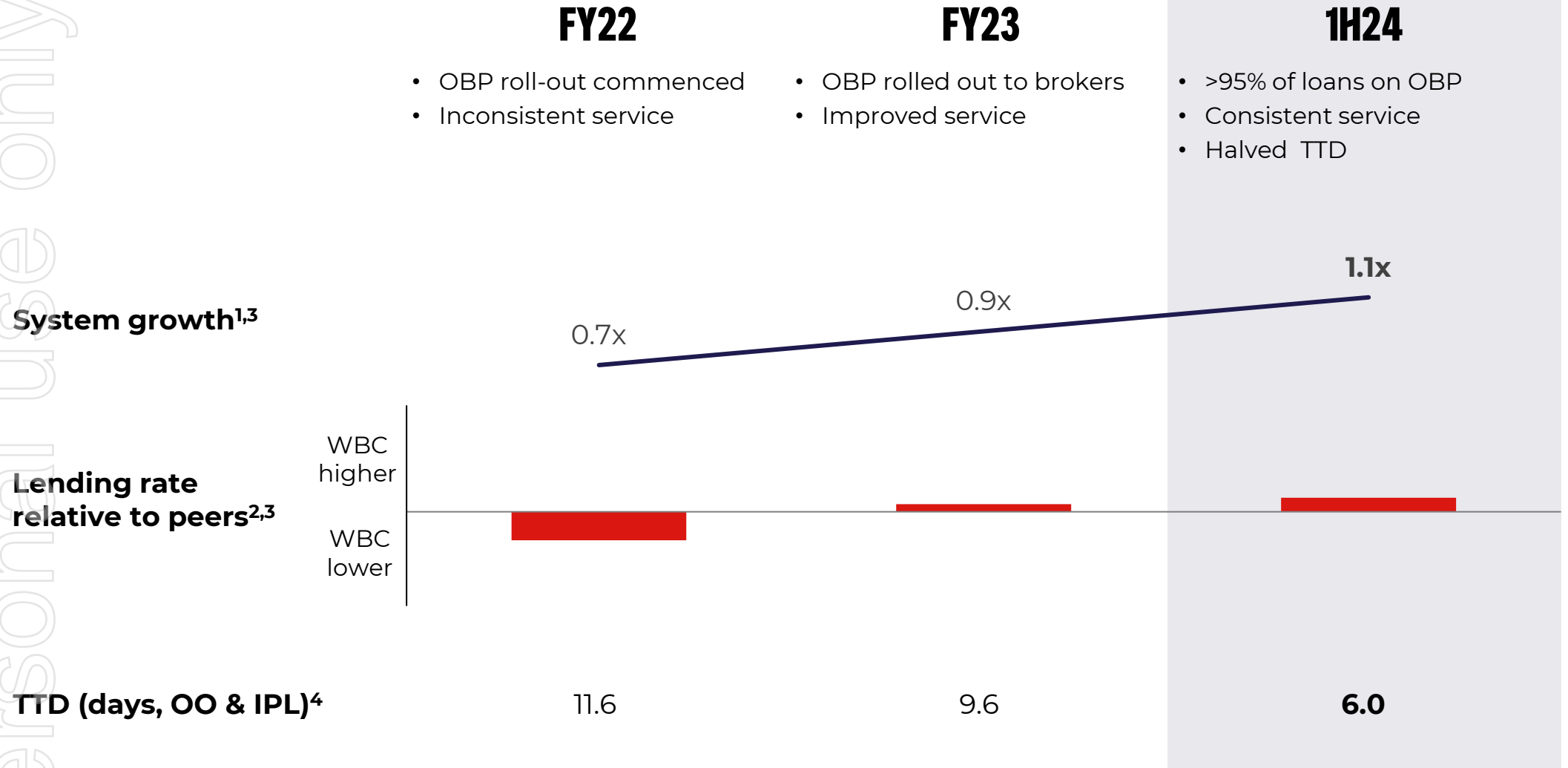
## SUSTAINABLE GROWTH IN MORTGAGES

- Mortgage growth at 1.0x system<sup>5</sup>
- Mortgage NPS equal first<sup>2</sup>
- Cashbacks removed by 30-Jun-24

<sup>1</sup> The Forrester Digital Experience Review: Australian Mobile Banking Apps, Q4 2023. <sup>2</sup> Refer to page 118 for definition. <sup>3</sup> Compared to Sep-23. <sup>4</sup> At 6-May-24. <sup>5</sup> 1H24, based on ADI System as published in the Monthly ADI statistics by APRA.

# MORTGAGES: GROWTH IN LINE WITH SYSTEM

## NEW OWNER OCCUPIED LENDING



### FY22

- OBP roll-out commenced
- Inconsistent service

### FY23

- OBP rolled out to brokers
- Improved service

### 1H24

- >95% of loans on OBP
- Consistent service
- Halved TTD

<sup>1</sup> Based on ADI System as published in the Monthly ADI statistics by APRA – owner occupied housing loans to households. <sup>2</sup> Comparison between RBA Statistical Table F6, Lending rates; Housing credit; New loans funded in the month; Owner-occupied; Variable-rate; Large institutions, and Westpac's submission to the RBA under the same criteria. <sup>3</sup> 1H24 is average Oct-23 to Feb-24; FY23 is average Oct-22 to Sep-23; and FY22 is average Oct-21 to Sep-22. <sup>4</sup> 3<sup>rd</sup> party channel median (50th percentile) time to unconditional approval for the reporting period.

# BUSINESS: SUSTAINABLE GROWTH



## BUSINESS & WEALTH RATE 20%

<sup>1</sup> Mar-24 compared to Sep-23.

### BUSINESS LENDING

- Lending up 3% in 1H24<sup>1</sup>
- Simplified application process for SME customers
- TTD down 2 days to 7.7 in Mar-24<sup>1</sup>

### DEPOSITS

- Leading deposit franchise
- Deposits balances maintained in competitive market

### PAYMENTS

- Launched EFTPOS Flex
- New terminal points of presence up 5%<sup>1</sup>
- HealthPoint acquisition

# INSTITUTIONAL: STRONGER CLIENT RELATIONSHIPS



**WIB ROTE 14%**

## CORPORATE & INSTITUTIONAL BANKING

- Loan growth of 10%<sup>1</sup>
- Supported 33 sustainable finance transactions<sup>2</sup>
- Credit quality resilient

## TRANSACTION BANKING

- PayTo launched for institutional and business customers
- WestpacOne – foundational milestone for new cash management digital platform

## FINANCIAL MARKETS

- Leading fixed income franchise – Australian and NZ Bond House of the Year<sup>3</sup>
- #1 in \$A and \$NZ bond league tables<sup>4</sup>
- Westpac Live FX – volumes up 12%<sup>5</sup>

<sup>1</sup> Compared to Mar-23. <sup>2</sup> Includes 23 labelled sustainable finance loans and 10 bond issuances. Excludes NZ sustainable finance loans. <sup>3</sup> Australia and New Zealand Bond House of the Year; Westpac's best results in the Kanga News Awards, winning 4 of 7 Australian house awards and 5 out of 7 NZ house awards. <sup>4</sup> Bloomberg – excluded self-led deals as 31 Mar-24. <sup>5</sup> Compared to 2H23.

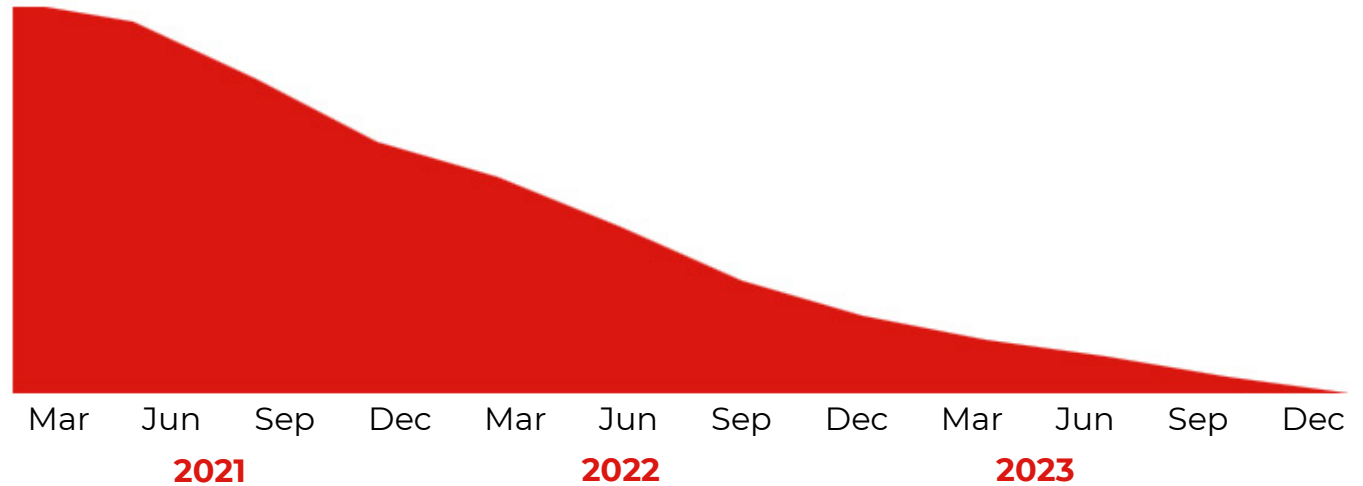
# CORE: INTEGRATED PLAN COMPLETE<sup>1</sup>

- Strengthening risk governance, accountability and risk culture
- Integrated Plan deemed complete by Promontory

**“The depth of change of the organisation, both structurally and culturally, means Westpac is now a simpler, stronger bank.”**

*Promontory Report, 30-Apr-24<sup>2</sup>*

## CORE: 354 ACTIVITIES DELIVERED



## KEY STAGES

**2021 – 2023**

### INTEGRATED PLAN

Strengthening risk governance, improved accountability and risk culture

**2024**

### TRANSITION PHASE

Demonstrating sustainability and effectiveness of changes

**2025+**

### CONTINUOUS UPLIFT

Evolution of risk management practices and risk culture

<sup>1</sup> APRA Integrated Plan commitments delivered through Customer Outcomes and Risk Excellence (CORE) program. <sup>2</sup> Independent Review of Westpac Banking Corporation's Integrated Plan to Remediate Risk Governance Deficiencies, Twelfth Report.

# UNITE – TECHNOLOGY SIMPLIFICATION: BUSINESS LED, TECHNOLOGY ENABLED

## PROGRAM OBJECTIVES

**1**  
**BETTER  
CUSTOMER EXPERIENCE**

**2**  
**IMPROVED  
EMPLOYEE EXPERIENCE**

**3**  
**INCREASED  
SHAREHOLDER RETURN**

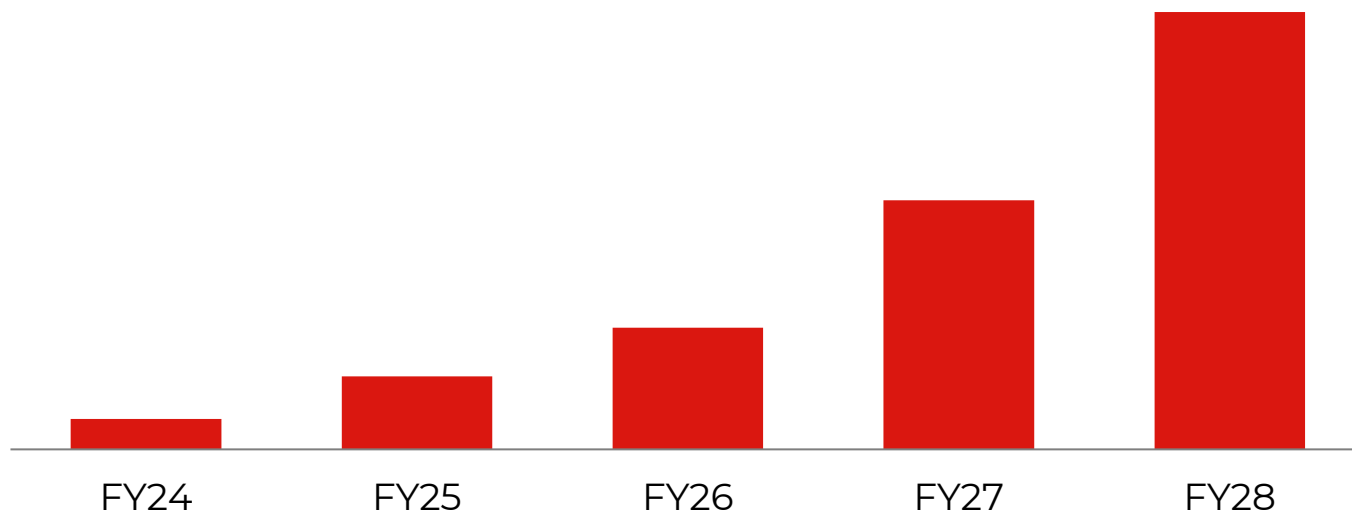
## FOCUS ON PLANNING IN FY24

Governance  
model established

External assurance  
and advice

14 initiatives  
have commenced

## CUMULATIVE INITIATIVES COMPLETION TIMELINE



For further details see the Technology Simplification Update held on 27-Mar-24 available under Events and Presentations at [westpac.com.au/investorcentre](https://westpac.com.au/investorcentre)

These objectives are 'forward-looking statements' and are subject to assumptions, risks and other important information in the Disclaimer on page 120.

# MICHAEL ROWLAND

CHIEF FINANCIAL OFFICER

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# 1H24 FINANCIAL PERFORMANCE

	2H23	1H24	Change
Net profit	\$3,194m	\$3,342m	5%
<b>Excluding Notable Items:</b>			
Revenue	\$10,671m	\$10,816m	1%
Expenses	(\$5,244m)	(\$5,395m)	3%
Impairment charges to average loans annualised	7 bps	9 bps	2 bps
Net profit	\$3,545m	\$3,506m	(1%)
Cost to income ratio	49%	50%	74 bps
CET1 capital ratio	12.4%	12.5%	17 bps
Return on tangible equity	11.2%	11.0%	(16 bps)

# NOTABLE ITEMS AND BUSINESSES SOLD

## Notable Items<sup>1</sup> (\$m after tax)

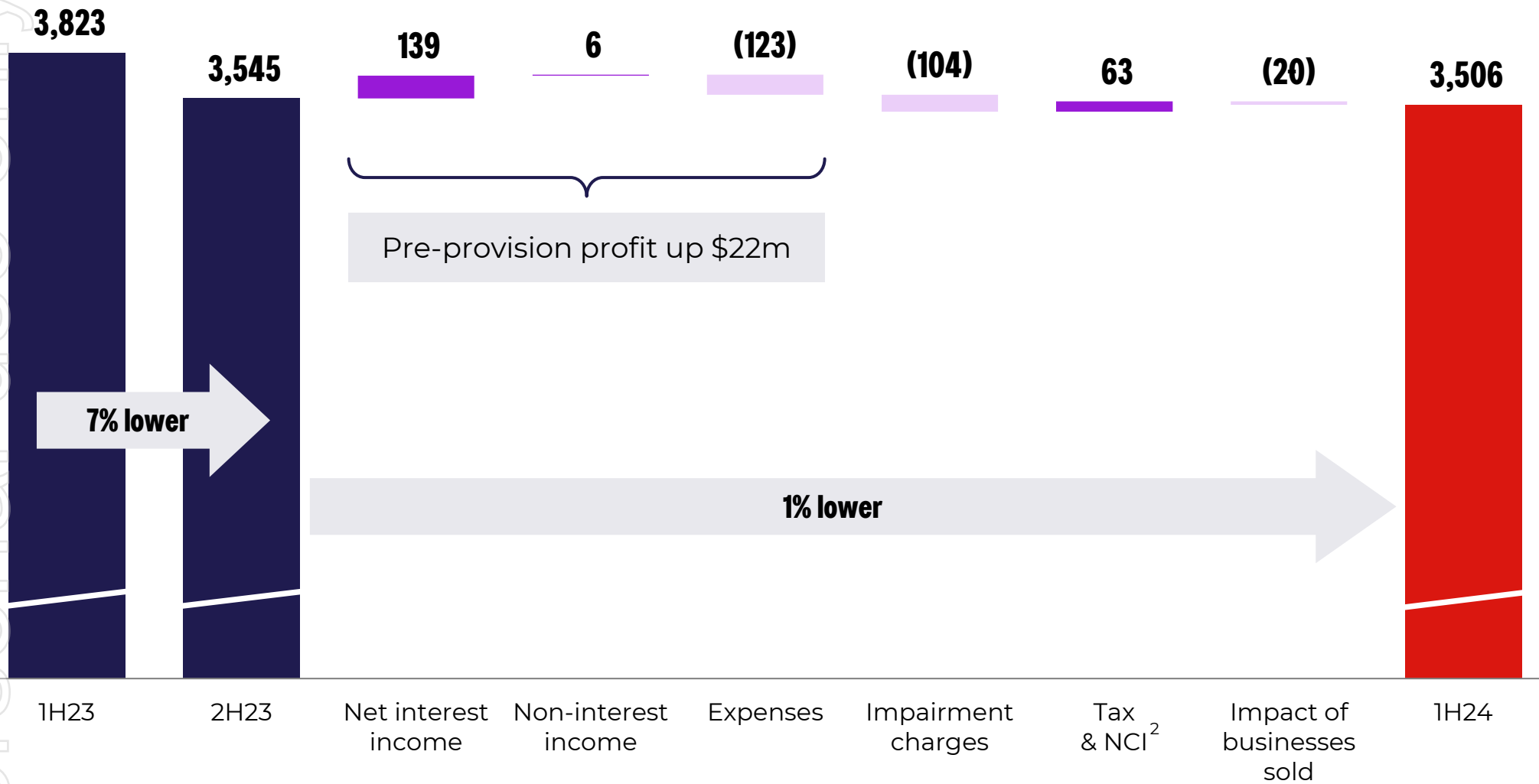
	2H23	1H24
Asset sales and revaluations	-	-
Provisions for remediation, litigation, fines and penalties	(176)	-
Restructuring costs	(140)	-
Assets write-downs	(87)	-
Hedging items	52	(164)
<b>Total Notable Items</b>	<b>(351)</b>	<b>(164)</b>

## Businesses sold (\$m)

	2H23	1H24
Revenue	-	-
Expenses	28	-
<b>Pre-provision profit</b>	<b>28</b>	<b>-</b>
Impairment charges & tax	(8)	-
<b>Total businesses sold impact, after tax</b>	<b>20</b>	<b>-</b>

<sup>1</sup> For further details of Notable Items refer to page 38.

# 1H24-2H23 NET PROFIT (\$M)<sup>1</sup>



<sup>1</sup> Excludes the impact of Notable Items. <sup>2</sup> Non-controlling interests.

# NET LOANS (\$BN)

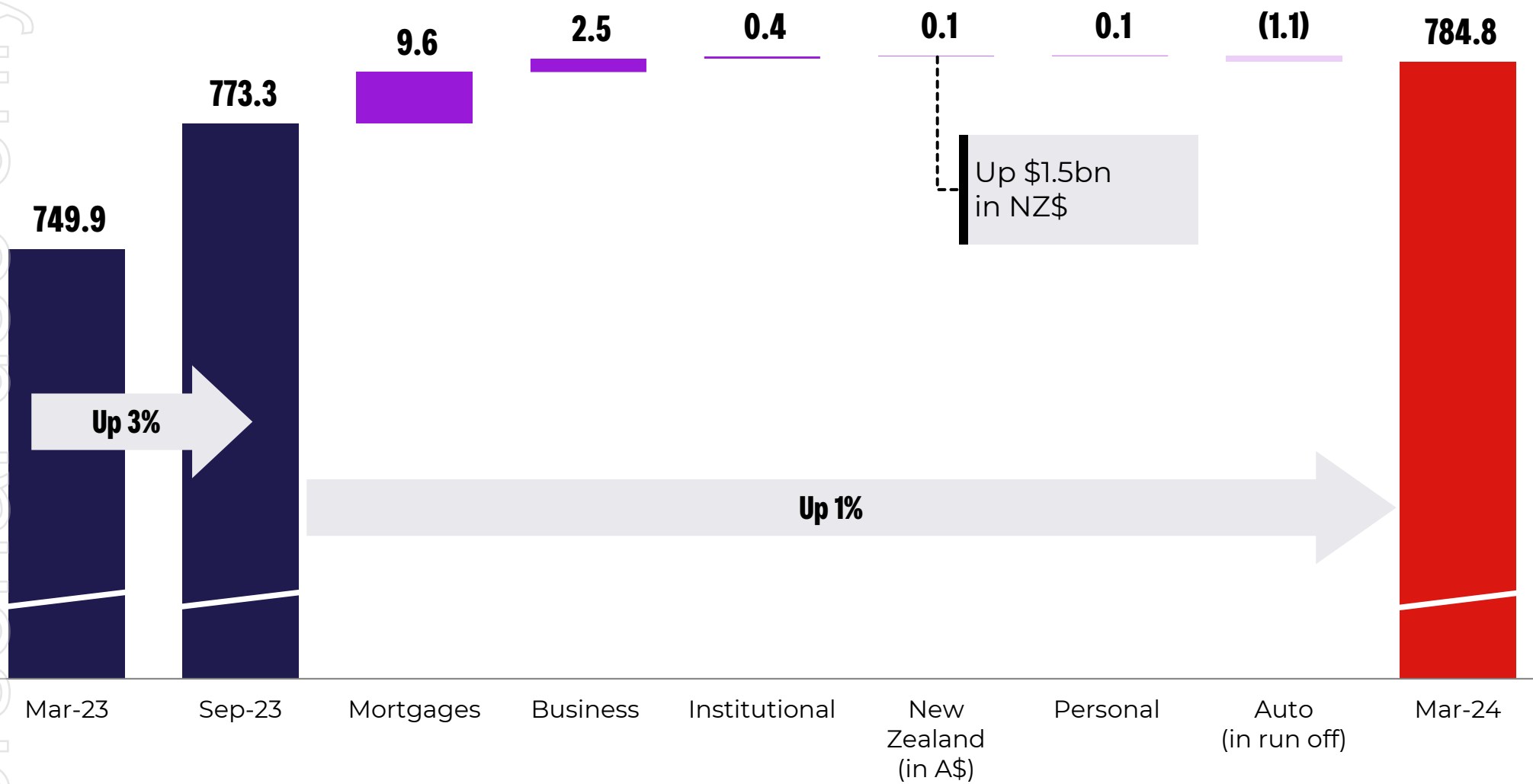
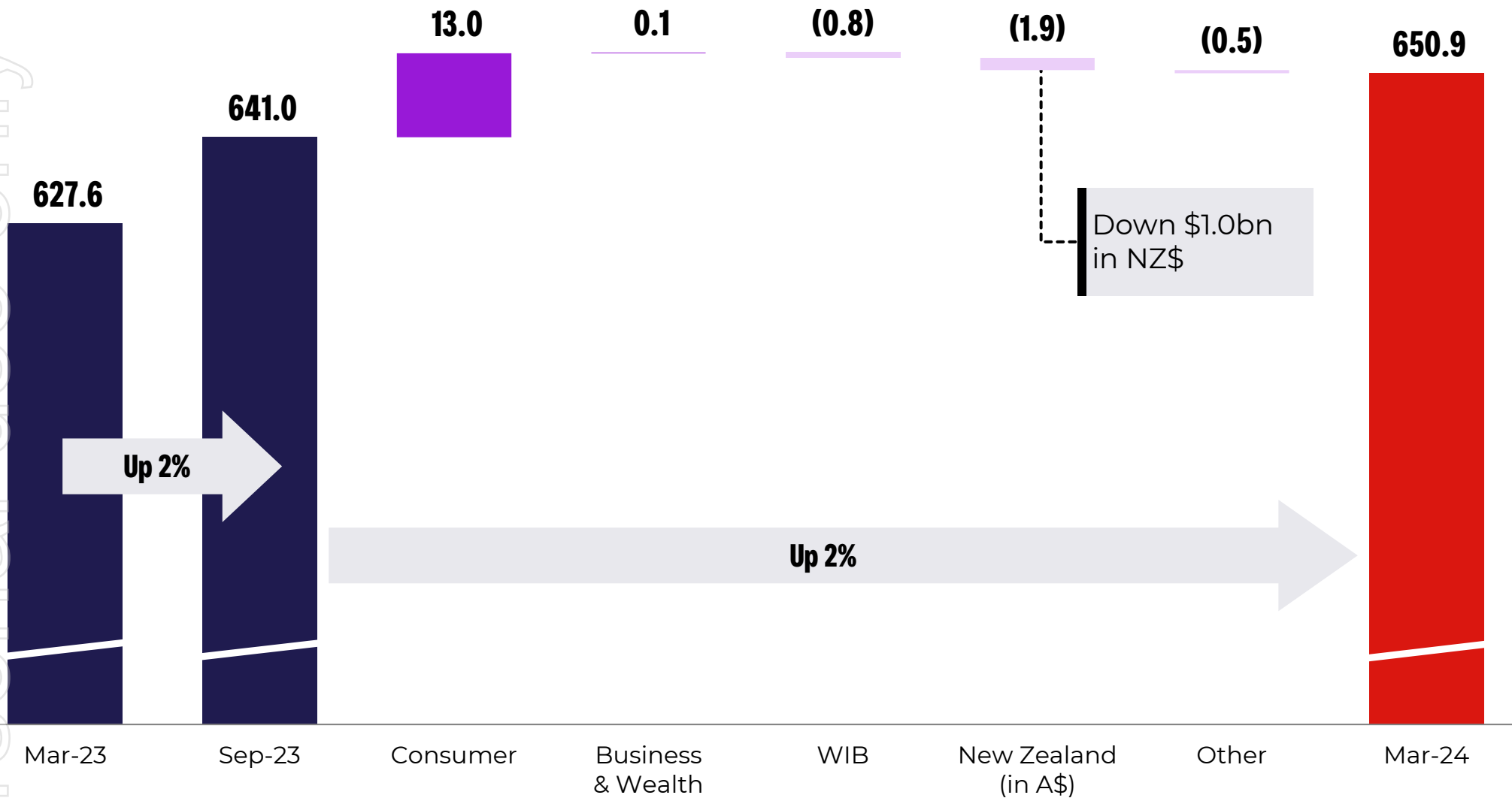
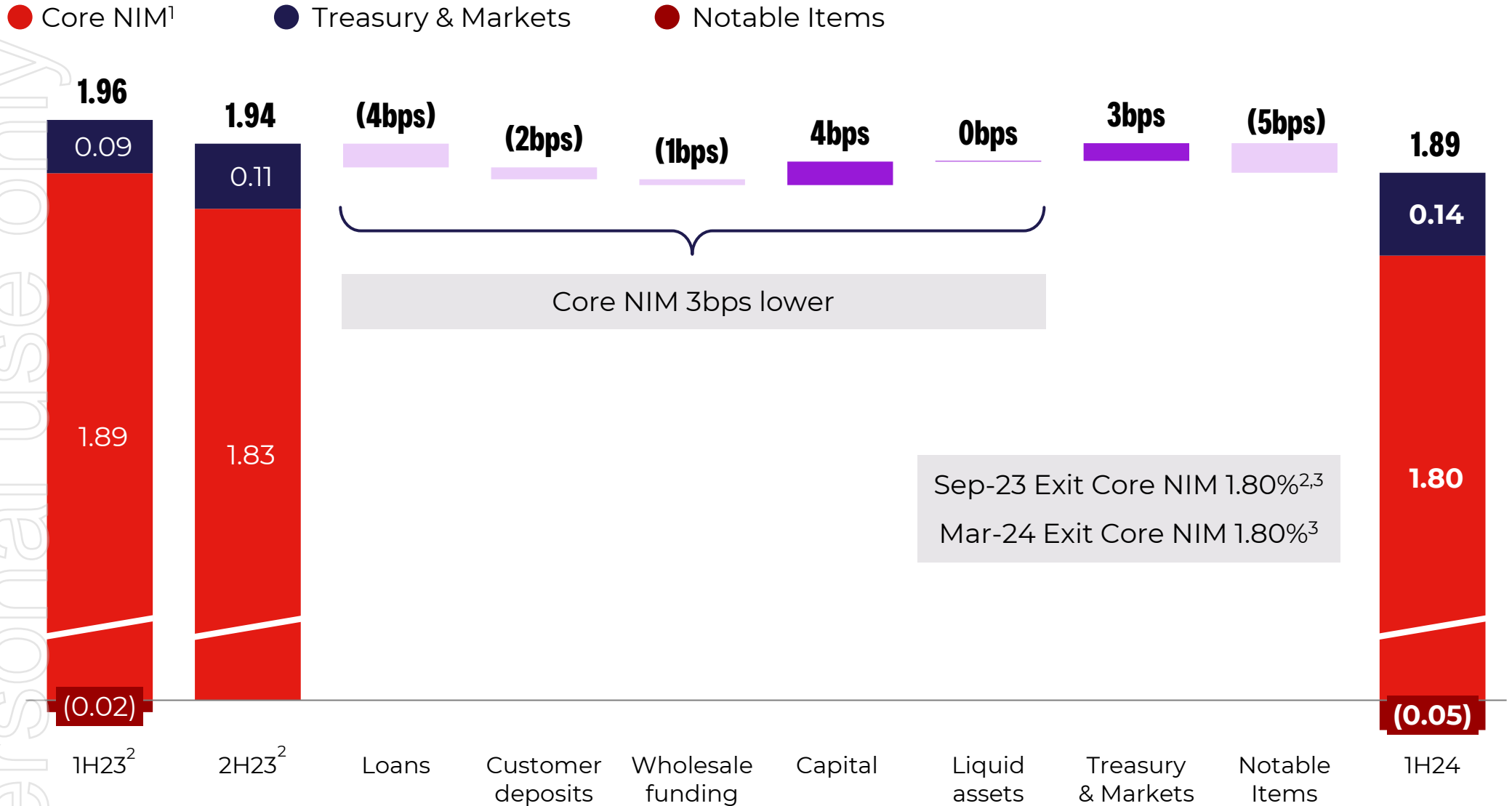


Chart may not add due to rounding.

# DEPOSIT GROWTH (\$BN)



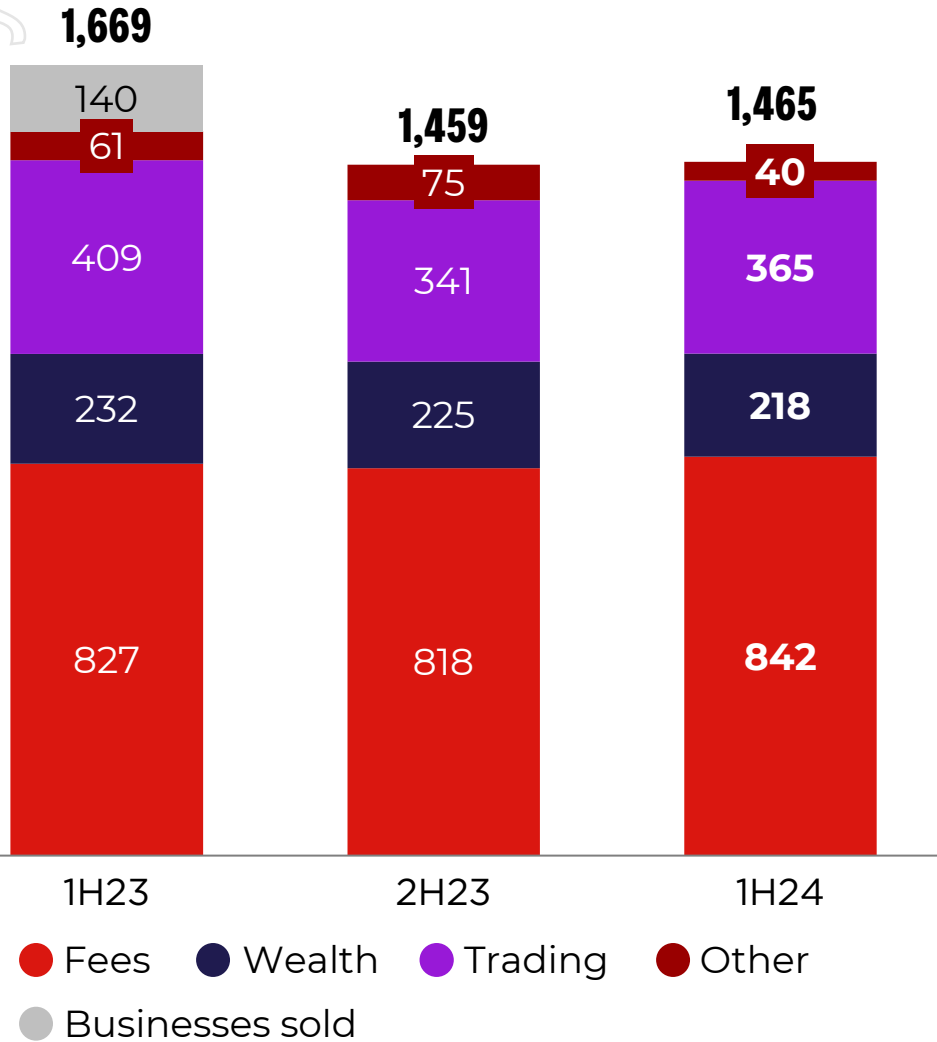
# NET INTEREST MARGIN (%)



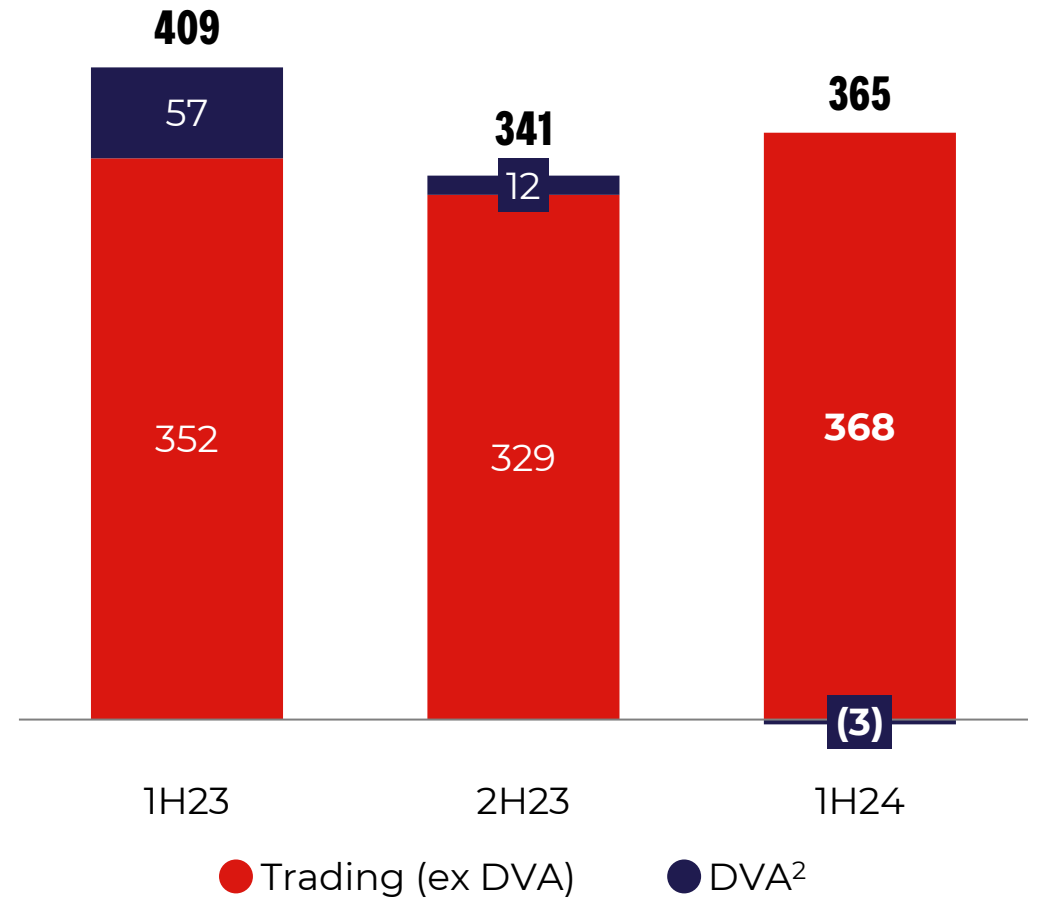
<sup>1</sup> Net interest margin excluding Notable Items, Treasury & Markets. <sup>2</sup> Core NIM and Treasury & Markets comparatives have been revised. <sup>3</sup> Exit refers to Core NIM for the month ended.

# NON-INTEREST INCOME

## NON-INTEREST INCOME BY TYPE (\$M)<sup>1</sup>

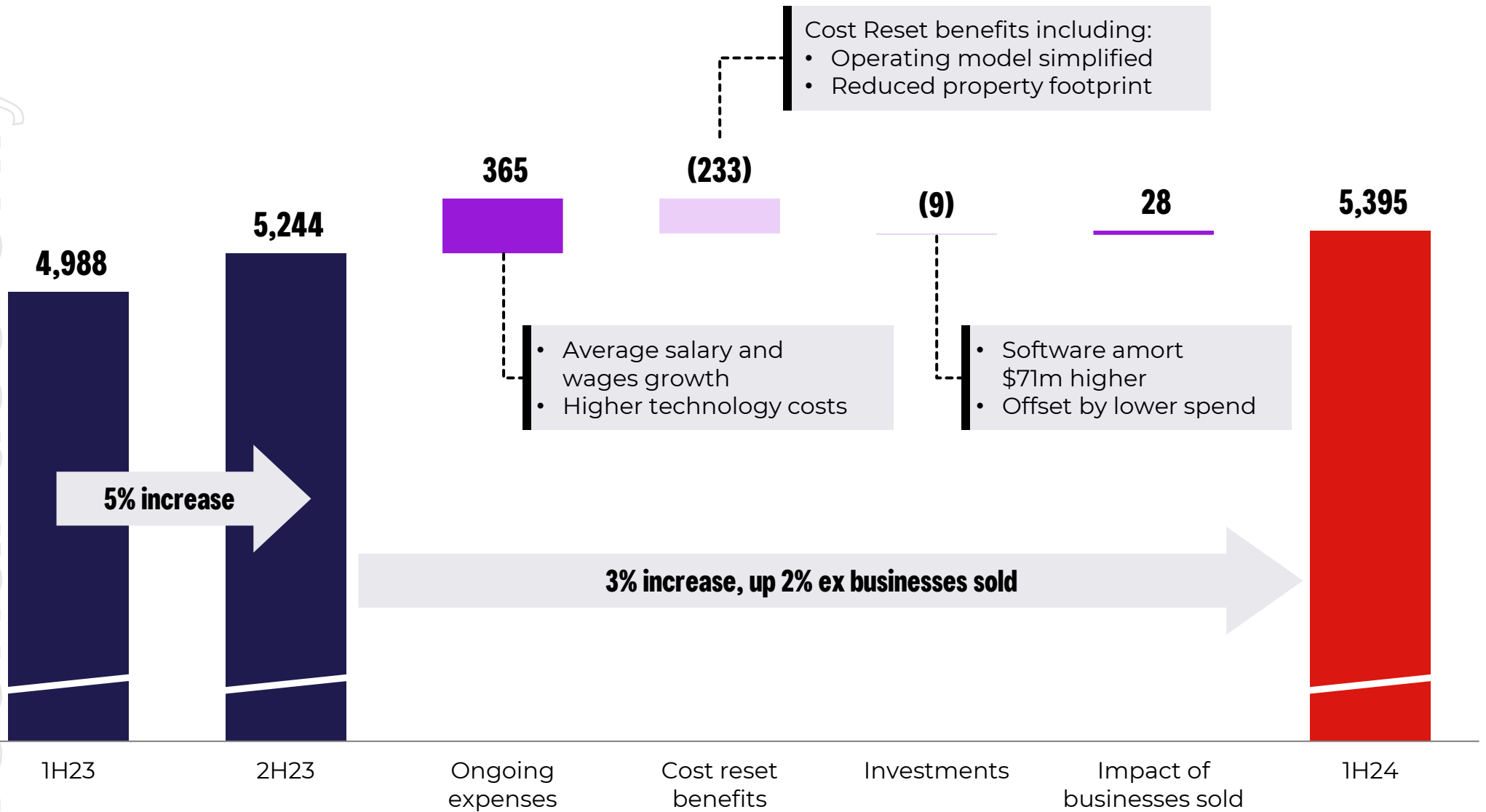


## TRADING INCOME (\$M)<sup>1</sup>



<sup>1</sup> Excludes the impact of Notable Items. <sup>2</sup> Derivative valuation adjustment.

# 1H24 EXPENSES (\$M)<sup>1</sup>



<sup>1</sup> Excludes the impact of Notable Items.



# INVESTMENT SPEND

Investment spend lower due to completion of large programs in 2023

## Growth and productivity investment

- Digital enhancements
- Development of the corporate cash management platform
- Commencement of UNITE

## Risk & regulatory

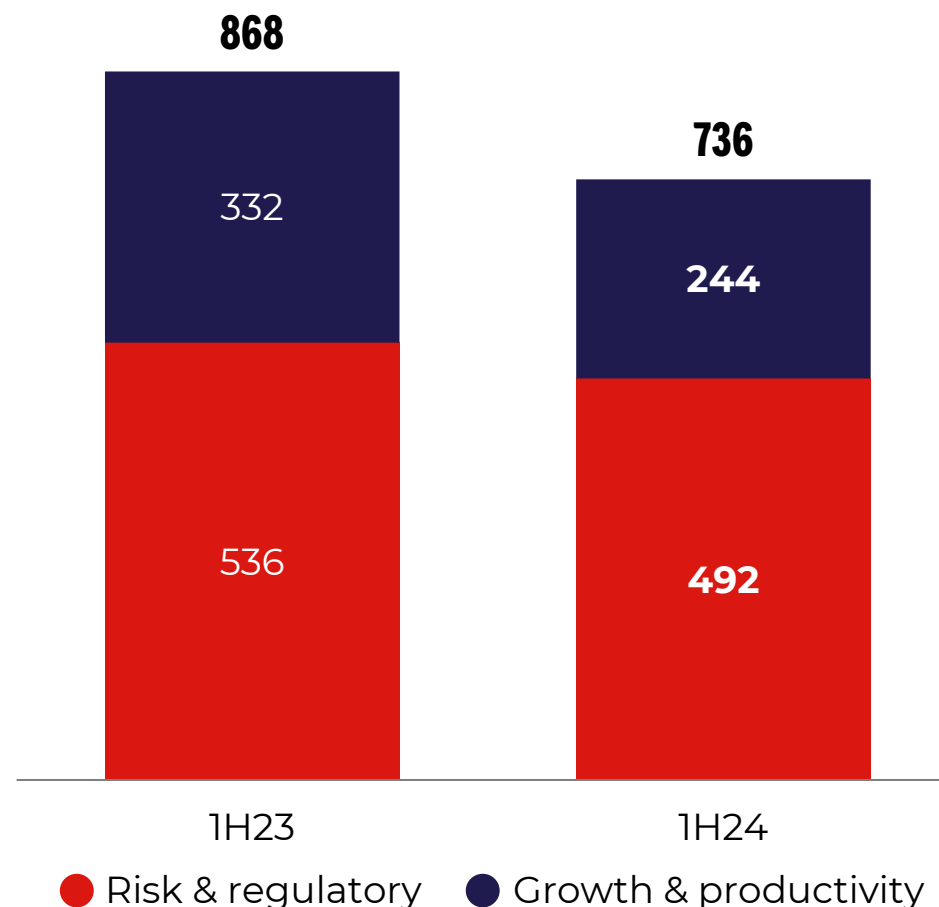
- Expansion of scam protection
- Data environment simplification

Investment spend	1H23	2H23	1H24
Expensed	33%	50%	<b>56%</b>
Capitalised <sup>1</sup>	67%	50%	<b>44%</b>
Amortisation expense (\$m)	250	371	<b>442</b>
Avg amortisation period (years)	4.5	3.5	<b>3.2</b>

Capitalisation of investment mainly reflects spend on strategic platforms and infrastructure

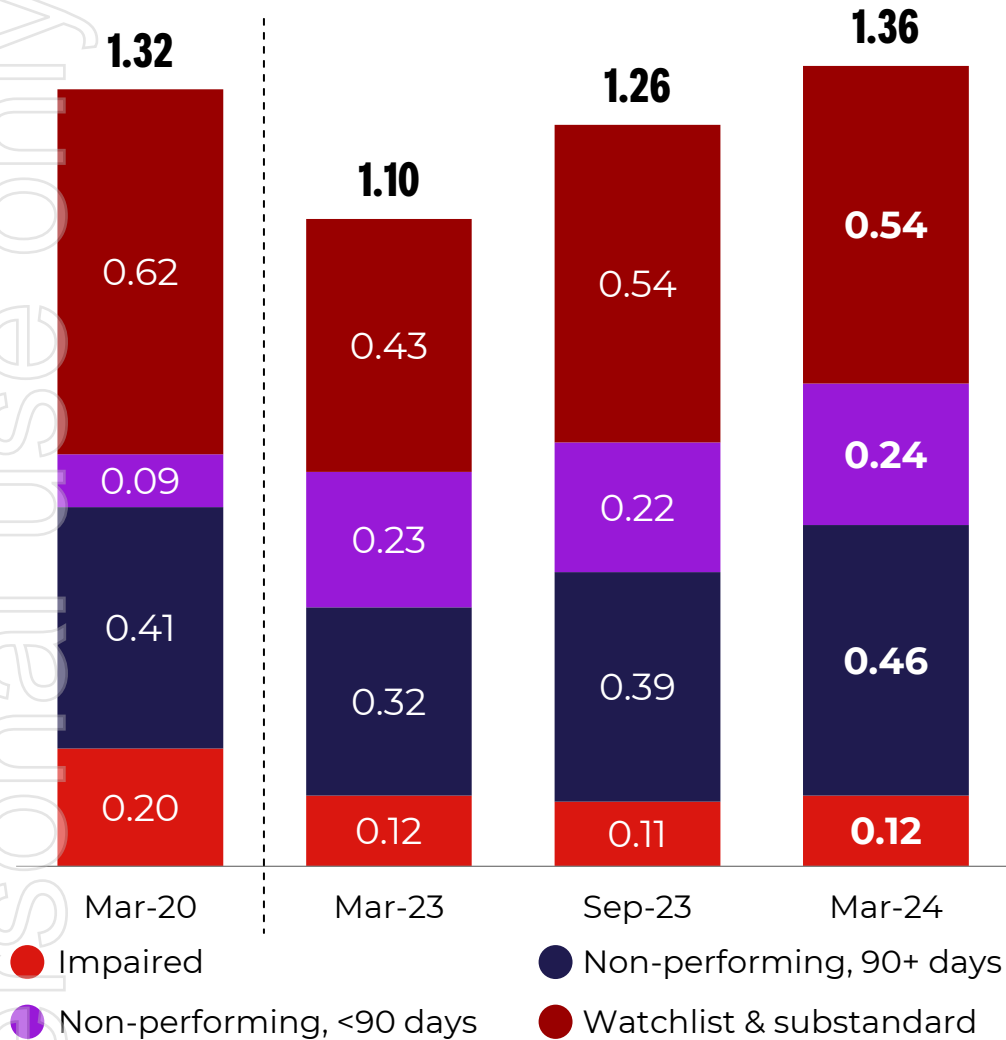
<sup>1</sup> Includes capitalised software, fixed assets and prepayments.

## INVESTMENT SPEND (\$M)

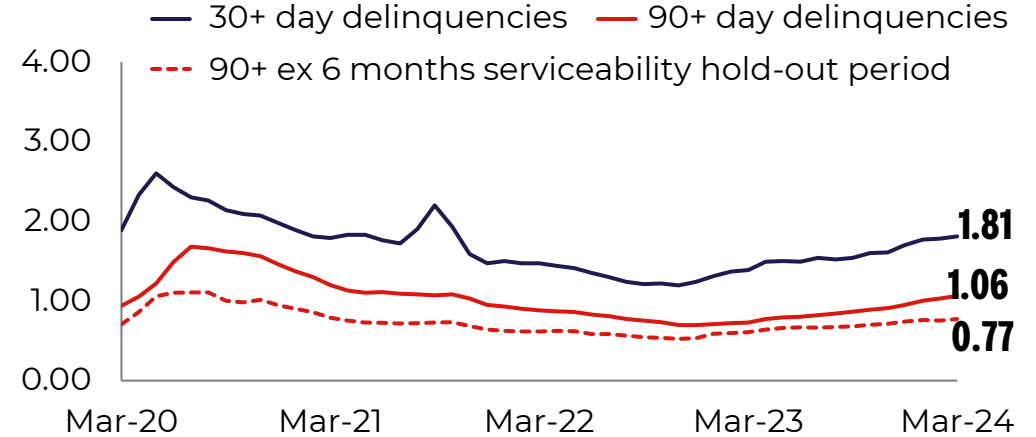


# CREDIT QUALITY

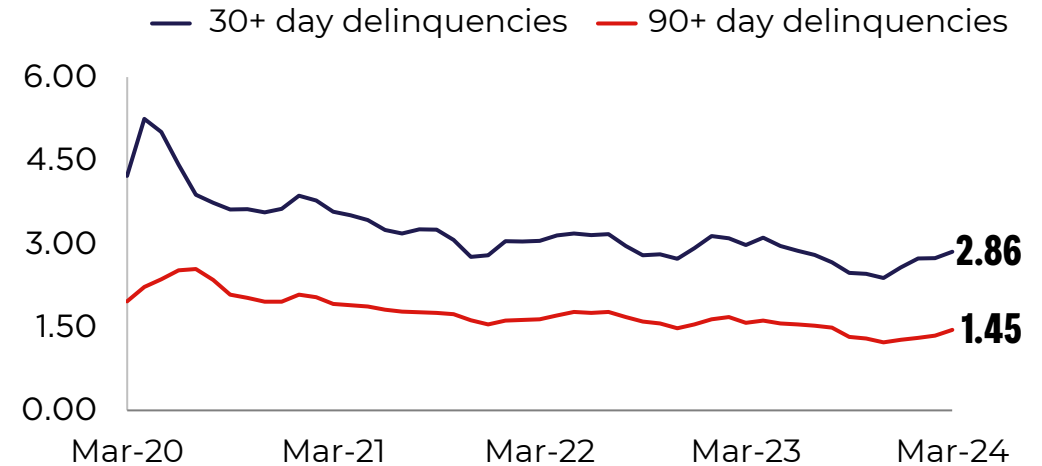
## STRESSED EXPOSURES AS A % OF TCE



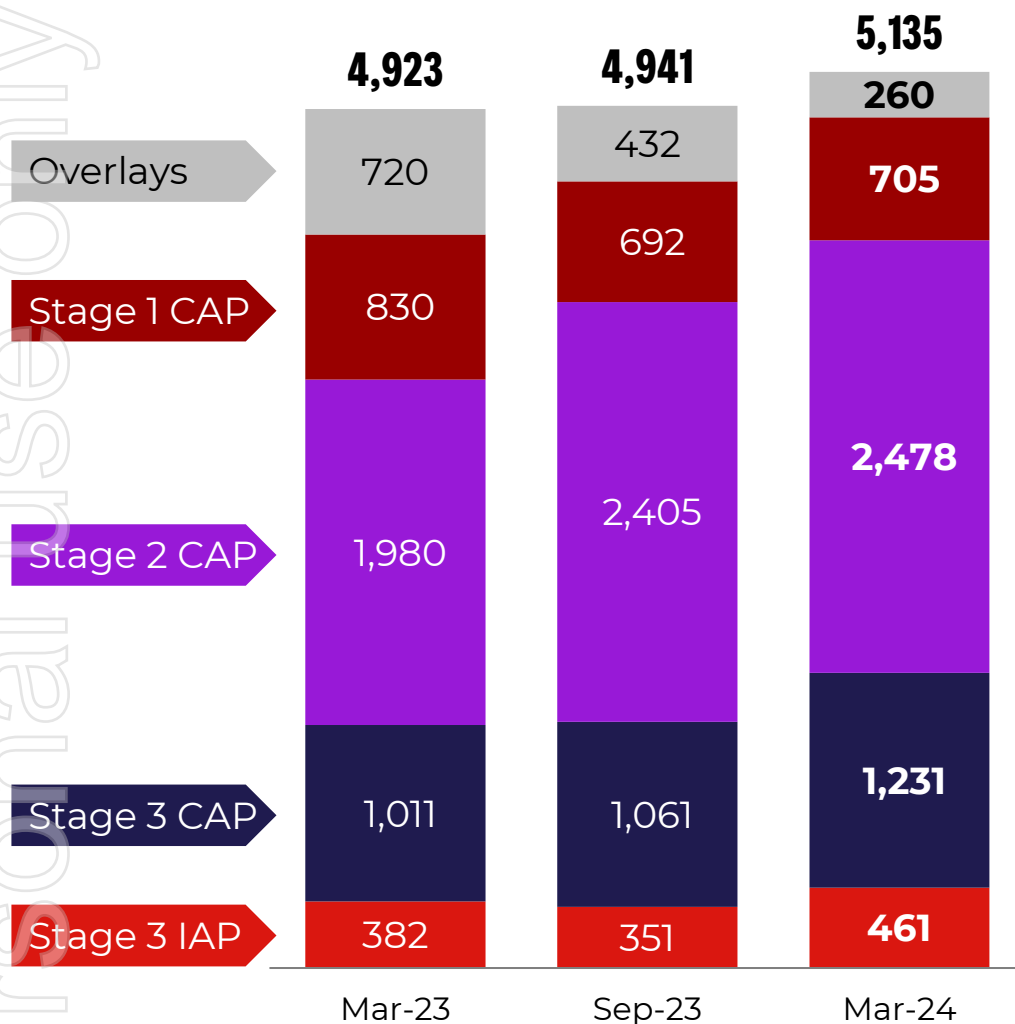
## AUSTRALIAN MORTGAGE DELINQUENCIES (%)



## AUSTRALIAN UNSECURED DELINQUENCIES (%)



# IMPAIRMENT PROVISIONS \$1.4BN ABOVE BASE CASE (\$M)



**CAP to credit RWA** of 1.38%, up 3bps

**Mortgage overlays** reduced

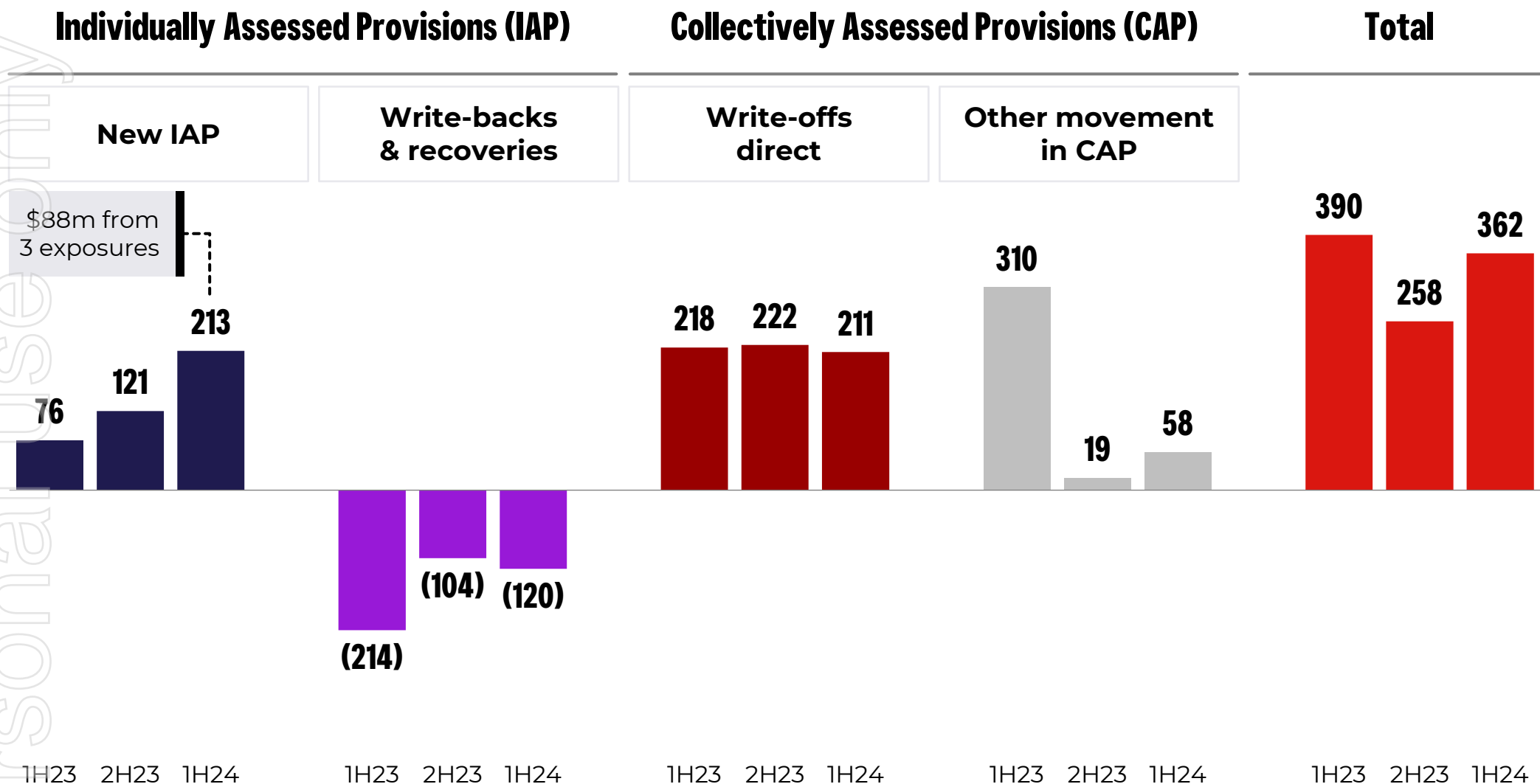
**CAP** higher

- Increased mortgage and consumer finance delinquencies
- Less favourable outlook for commercial property prices and interest rates

**IAP** increase included a large single name in the wholesale trade sector

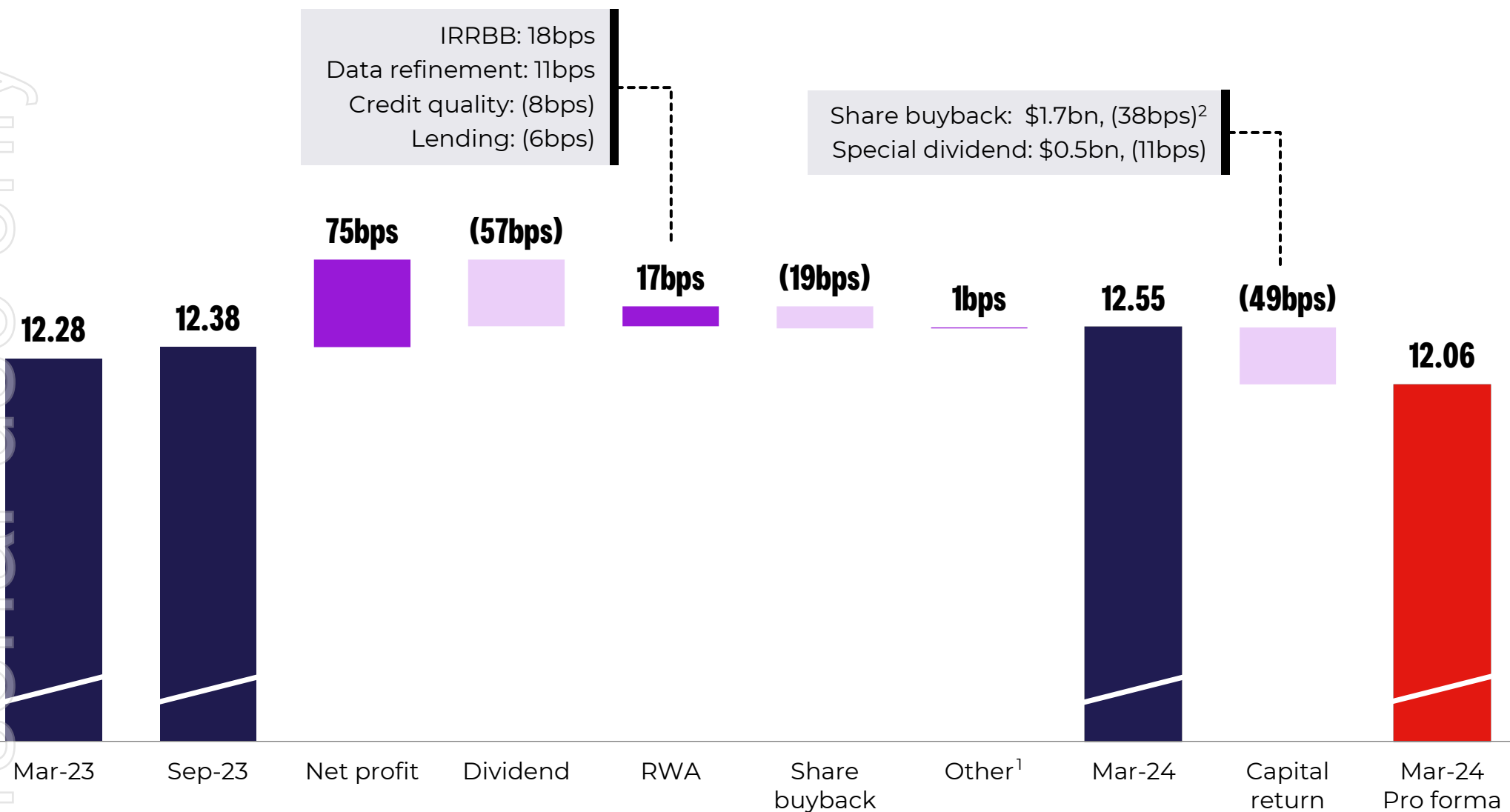
Forecasts for base case ECL	Base case		Downside
	2024	2025	Trough/peak <sup>3</sup>
GDP growth	1.6%	2.5%	(6%)
Unemployment	4.5%	4.6%	11%
Residential property prices	6.0%	4.0%	(27%)
Commercial property prices	(8.0%)	1.4%	(32%)

# CREDIT IMPAIRMENT CHARGE COMPOSITION (\$M)



# CAPITAL ABOVE TOP END OF TARGET OPERATING RANGE

(CET1 Capital ratio %)



<sup>1</sup> Capital deduction and other movements including FX translation impacts. <sup>2</sup> Includes on market share buyback extension of up to \$1.0bn and remaining on market share buyback announced in Nov-23.

# 2H24 CONSIDERATIONS

## REVENUE

- System credit growth steady
- 1H24 Core NIM 1.80%, Exit 1.80%<sup>1</sup>
- Mortgage competition continuing, but moderating
- Deposits mix impact stabilising, competition risks remain
- Higher earnings on capital and hedged deposits

## EXPENSES

- Increased investment in UNITE from 2H24
- Lower software capitalisation rate
- Inflation impacts moderating
- Cost reset to continue

## CREDIT QUALITY & BALANCE SHEET

- Credit quality sound, expect some deterioration
- Retain strong balance sheet settings

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 2024 Interim Report and elsewhere in this presentation.

<sup>1</sup>Exit refers to Core NIM for the month of Mar-24.

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**CHIEF EXECUTIVE OFFICER**

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# AUSTRALIAN ECONOMY: OUTLOOK IMPROVING

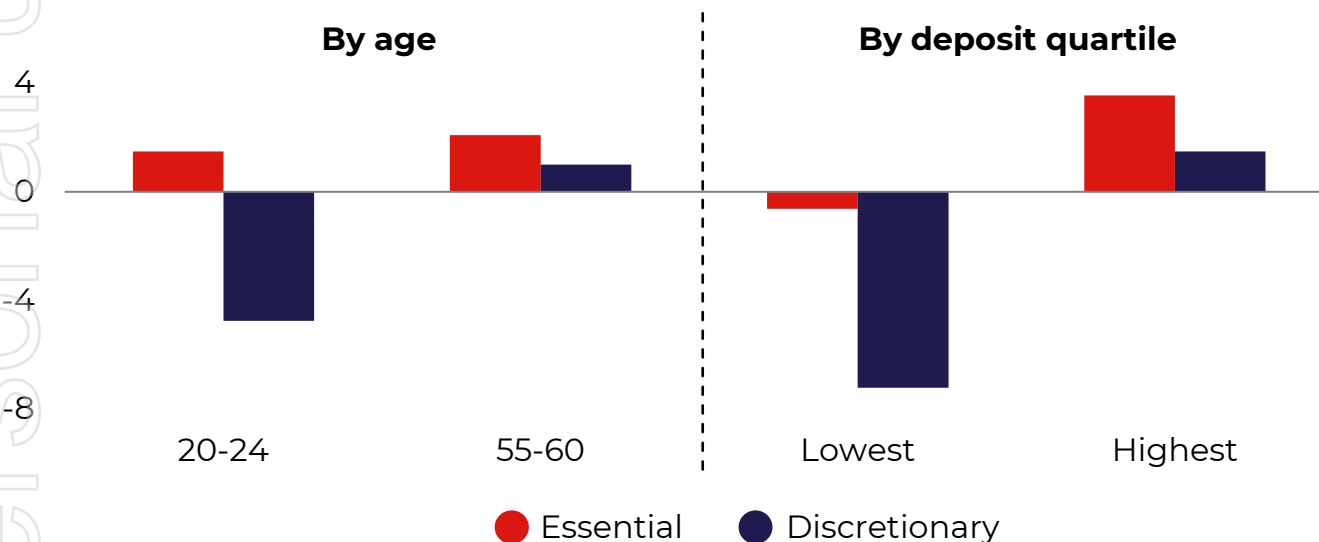
## AUSTRALIAN ECONOMICS<sup>1</sup>

	H2 2023	2024F	2025F
GDP <sup>2</sup>	1.0	1.6	2.5
CPI <sup>2</sup>	3.6	3.0	2.7
Unemployment rate <sup>3</sup>	3.9	4.5	4.6

## SOFT LANDING WITH ACTIVITY EXPECTED TO RECOVER

- Real household incomes rising
- Tax relief from mid 2024
- Modest rise in unemployment expected

## CONSUMER SPEND 12 MONTHS TO MAR-24 (%)<sup>4</sup>



## UNEVEN IMPACTS FROM SLOWDOWN

- Disproportionate affects depending on:
  - Age
  - Income
  - Wealth
- Targeted budget relief appropriate

This page contains 'forward-looking statements' and statements of expectation. Please refer to the disclaimer on page 120.

<sup>1</sup> Source: Westpac Economics. <sup>2</sup> H2 2023: Jul-23 to Dec-23 change annualised; 2024F and 2025F: Forecast annual change. <sup>3</sup> End of period. <sup>4</sup> Source: Westpac DataX, Westpac Card Activity. 12 month rolling average, percentage change.



# 1H24 HIGHLIGHTS

**DISCIPLINED  
PERFORMANCE**

**ENHANCED  
CUSTOMER FOCUS**

**RETURNING  
SURPLUS CAPITAL**

**STRENGTHENED  
RISK MANAGEMENT**

**COMMENCED  
UNITE**

HALF YEAR FINANCIAL RESULTS  
FOR THE 6 MONTHS ENDED 31 MARCH 2024

**INVESTOR  
PRESENTATION AND  
DISCUSSION PACK**

# CREATING BETTER FUTURES IN 1H24 – SUPPORTING OUR CUSTOMERS, SHAREHOLDERS, EMPLOYEES, COMMUNITY AND ENVIRONMENT

OVERVIEW

SHAREHOLDERS	CUSTOMERS	OUR PEOPLE	COMMUNITY	ENVIRONMENT
<p><b>\$3,342m</b></p> <p>Net Profit, up 5% on 2H23</p>	<p><b>13 million</b></p> <p>Customers across the Group</p>	<p><b>75</b></p> <p>Organisational Health Index, above global median</p>	<p><b>\$1.7bn</b></p> <p>Income tax expense, including the bank levy in 1H24</p>	<p><b>83%</b></p> <p>Reduction in scope 1 and 2 emissions from our 2021 baseline<sup>6</sup></p>
<p><b>\$5.6bn</b></p> <p>\$3.1bn dividends and returning \$2.5bn capital via on-market share buyback<sup>1</sup></p>	<p><b>#1</b></p> <p>Mobile Banking App<sup>2</sup></p>	<p><b>49%</b></p> <p>Women in senior leadership<sup>3</sup></p>	<p><b>50-year</b></p> <p>Westpac Lifesaver Rescue Helicopter Service partnership</p>	<p><b>\$2.5bn</b></p> <p>Contributed in lending to 23 labelled sustainable finance loans<sup>7</sup></p>
<p><b>12.5%</b></p> <p>Common equity tier 1 capital ratio, comfortably above top of operating target range</p>	<p><b>\$12bn</b></p> <p>in new loans</p>	<p><b>35,348</b></p> <p>Employees<sup>4</sup></p>	<p><b>\$120m</b></p> <p>Stopped or recovered in customer scam losses in 1H24</p>	<p><b>100%</b></p> <p>Sourcing equivalent of 100% of Australian direct electricity demand from renewable energy<sup>7</sup></p>
<p><b>10.5%</b></p> <p>Return on tangible equity, up 44 bps</p>	<p><b>\$10bn</b></p> <p>in new customer deposits</p>	<p><b>\$2.9bn</b></p> <p>Paid to our people</p>	<p><b>100</b></p> <p>New scholarships awarded in 1H24, 830+ active scholars<sup>5</sup></p>	<p><b>Net-Zero</b></p> <p>Banking Alliance emission Agriculture 2030 targets set<sup>7</sup></p>

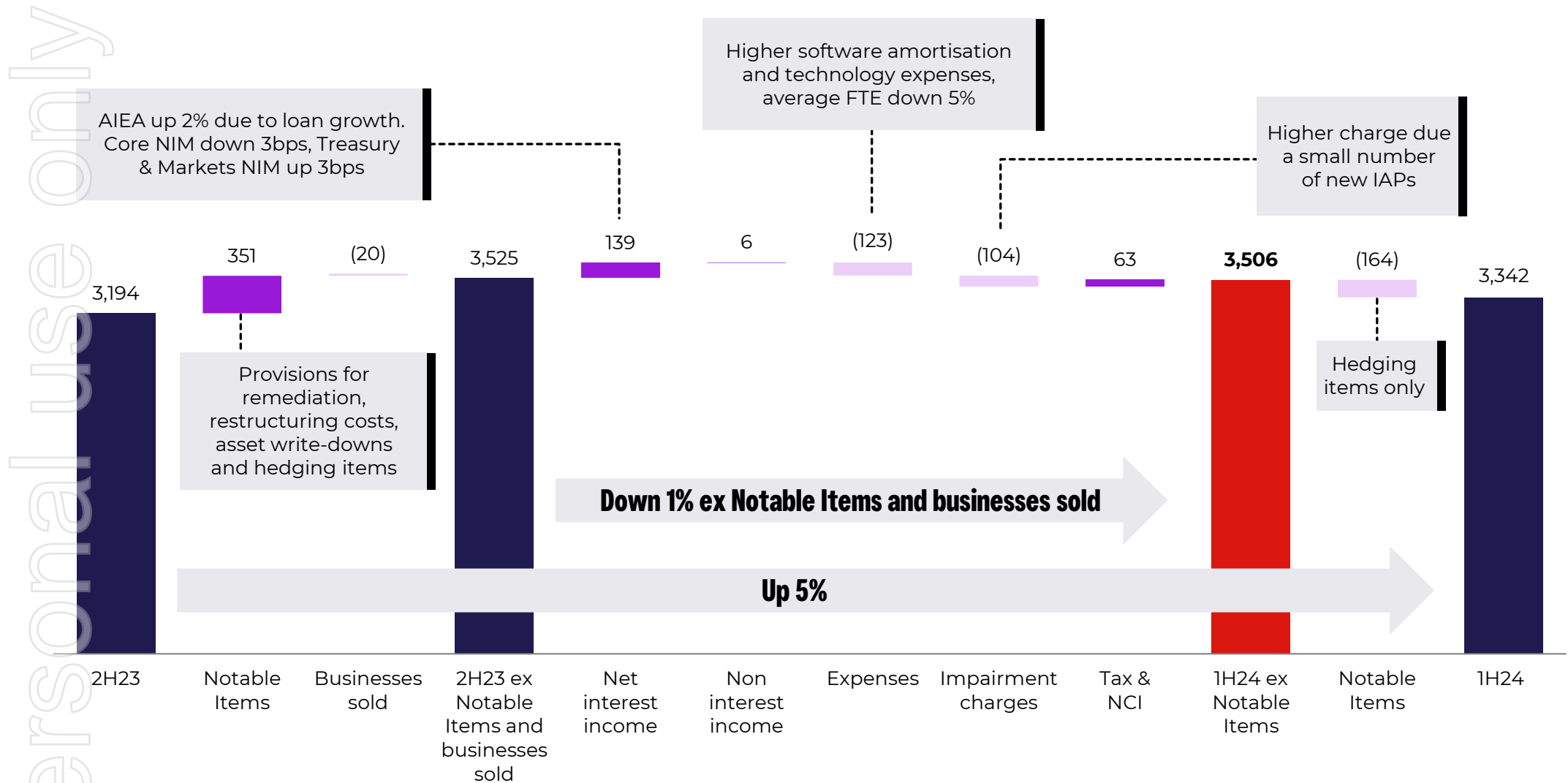
<sup>1</sup> Includes on market share buyback extension of up to \$1.0bn and the \$1.5bn on market share buyback announced in Nov-23. <sup>2</sup> The Forrester Digital Experience Review: Australian Mobile Banking Apps, Q4 2023. <sup>3</sup> Senior leadership includes executive team, general managers and their direct reports (excluding administrative or support roles). <sup>4</sup> Full time equivalent at 31 Mar-24. <sup>5</sup> Scholarships awarded by Westpac Scholars Trust, a private charitable trust. Neither the Trust nor the Trustee are part of Westpac Group. Westpac provides administrative support, skilled volunteering and funding for the operational costs of Westpac Scholars Trust. <sup>6</sup> Estimated from Mar-24. <sup>7</sup> Refer to the FY23 Sustainability Index and Datasheet for more information on the definitions of these sectors and additional metrics.

# EARNINGS DRIVERS

personal use only

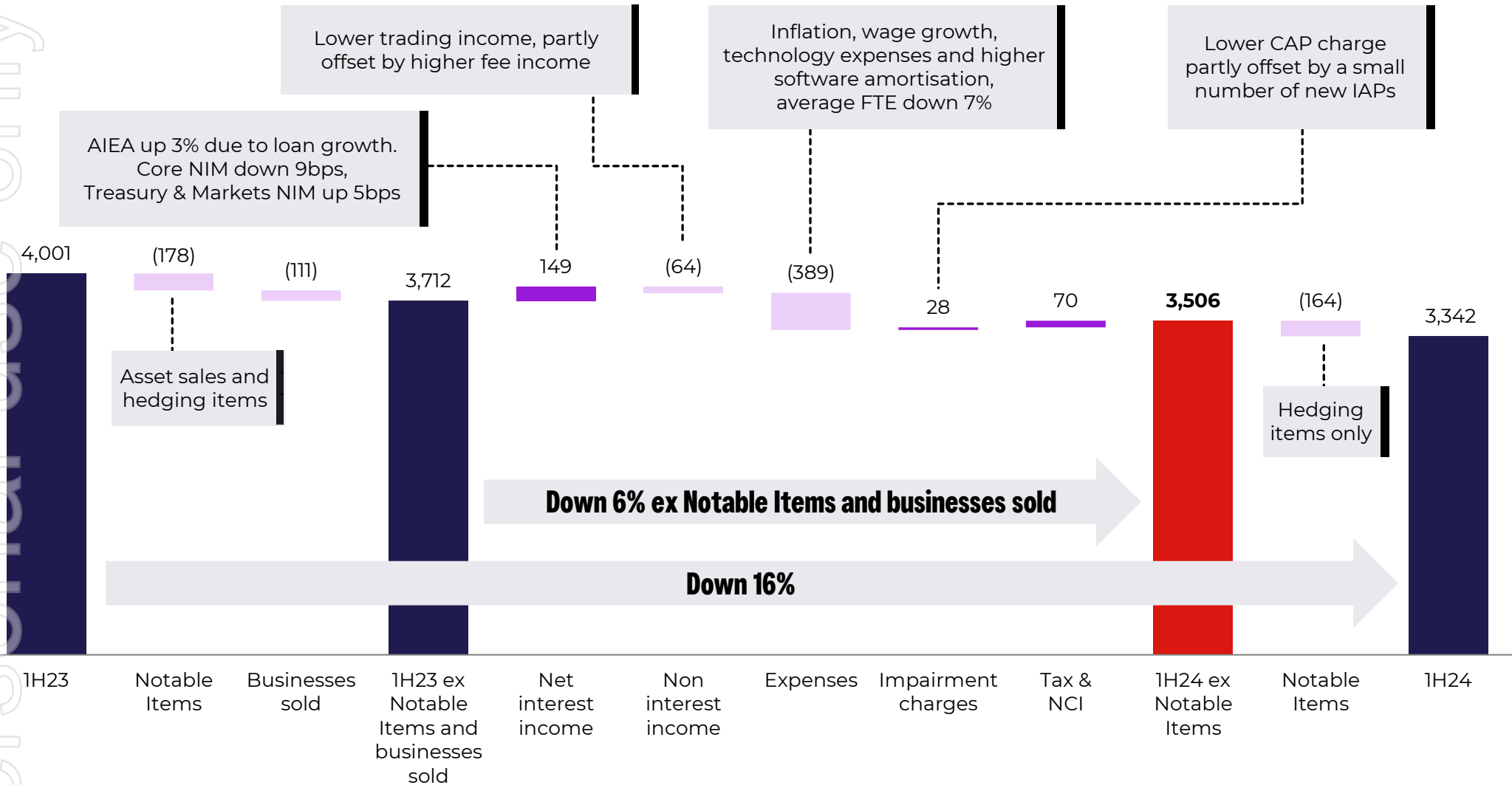
# 1H24 NET PROFIT

## NET PROFIT 2H23 – 1H24 (\$M)



# 1H24 NET PROFIT

## NET PROFIT 1H23 – 1H24 (\$M)



# SINGLE MEASURE OF PERFORMANCE – NET PROFIT AFTER TAX

## 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 allocated to the following categories:

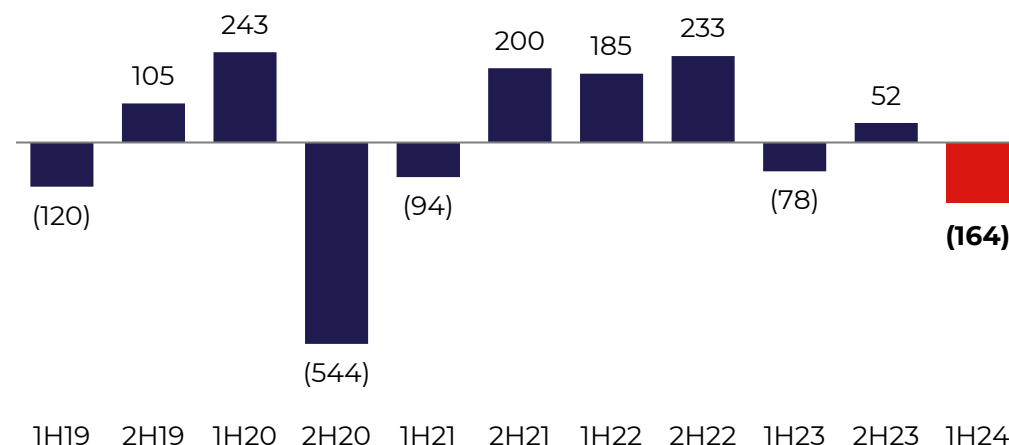
- Large items that are not reflective of the Group’s ordinary operations which may include:
  - Provisions for remediation, litigation, fines and penalties
  - The impact of asset sales and revaluations
  - The write-down of assets (including goodwill and capitalised software)
  - Restructuring costs
- Hedging items<sup>1,2</sup>:
  - 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)

	1H23	2H23	1H24
Asset sales and revaluations	256	-	-
Provisions for remediation, litigation, fines and penalties	-	(176)	-
Restructuring costs	-	(140)	-
Asset write-downs	-	(87)	-
Hedging items	(78)	52	(164)
<b>Total Notable Items</b>	<b>178</b>	<b>(351)</b>	<b>(164)</b>

<sup>1</sup> Peers disclose these items as 'cash earnings adjustments'. <sup>2</sup> Items unwind to zero over time.

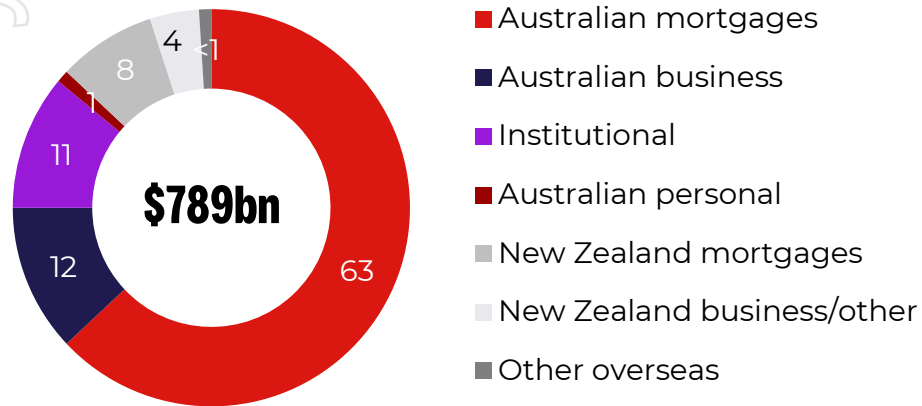
### HEDGING ITEMS (\$M)



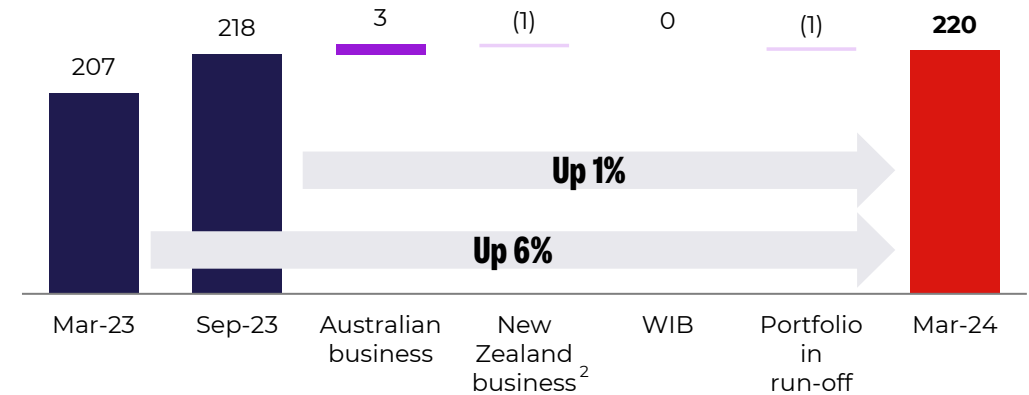
# COMPOSITION AND MOVEMENT IN LENDING

REVENUE

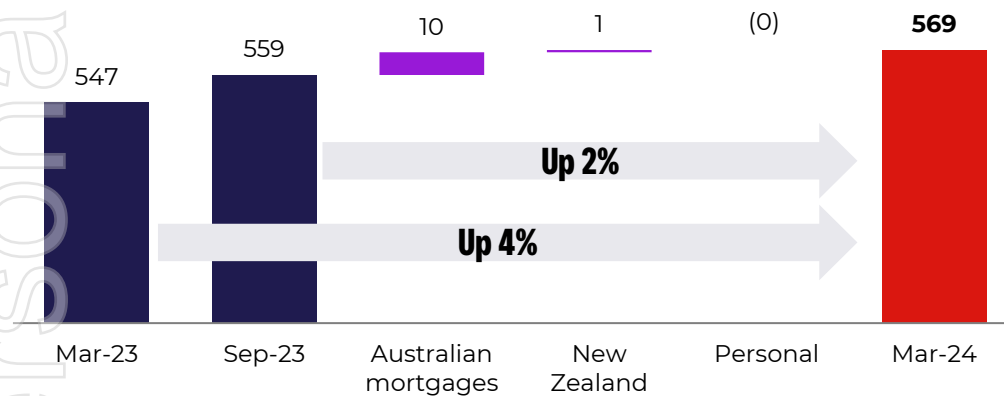
## COMPOSITION OF GROSS LOANS (% OF TOTAL)



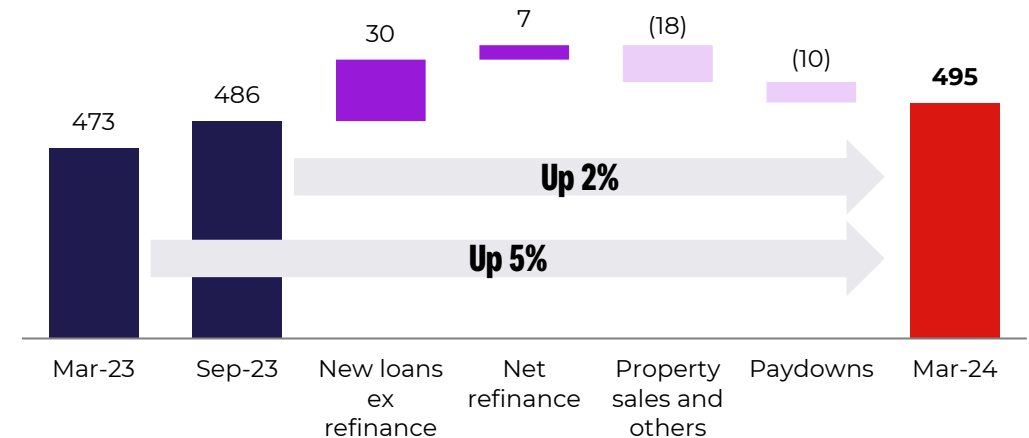
## BUSINESS AND INSTITUTIONAL LENDING (\$BN)



## MORTGAGES AND PERSONAL LENDING (\$BN)



## AUSTRALIAN MORTGAGES (\$BN)



Charts may not add due to rounding

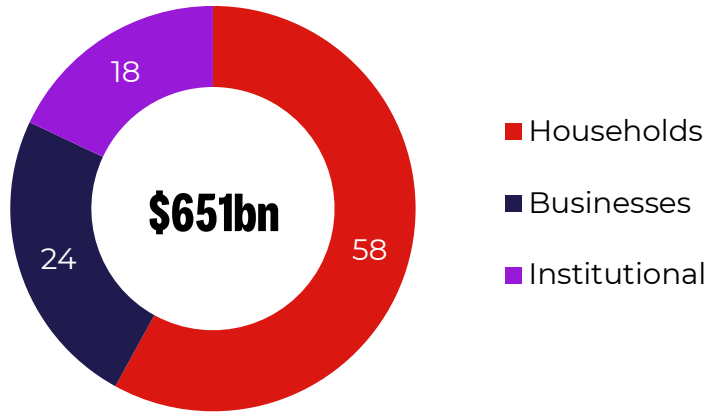
1 A\$. Increase in local currency was NZ\$1.6 billion. 2 A\$. Decrease in local currency was NZ\$0.2 billion.



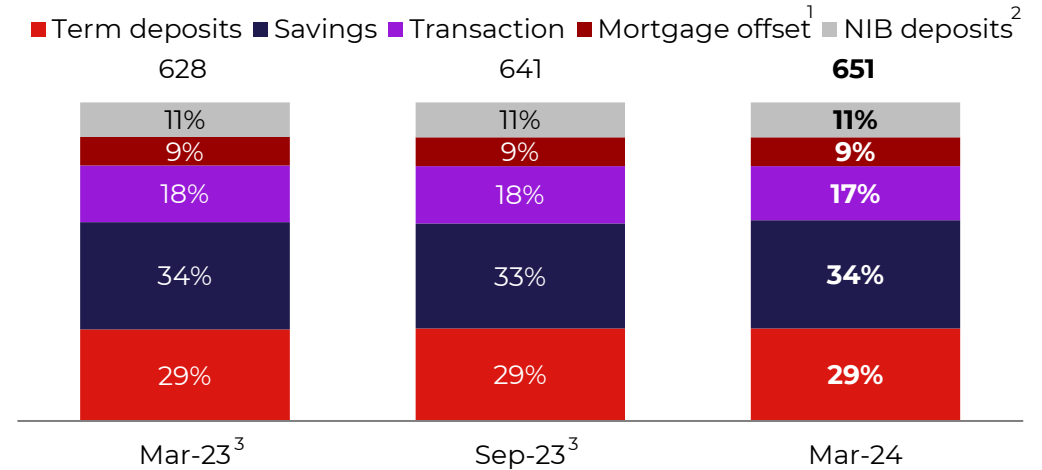
# COMPOSITION AND MOVEMENT IN DEPOSITS

REVENUE

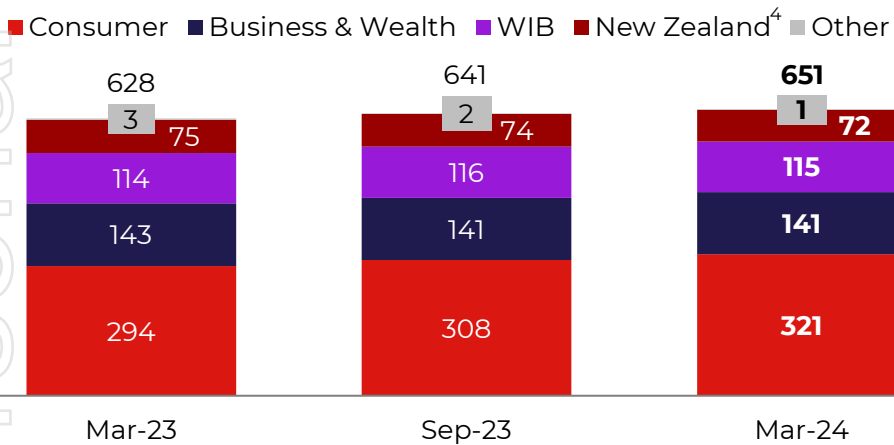
## COMPOSITION OF CUSTOMER DEPOSITS (% OF TOTAL)



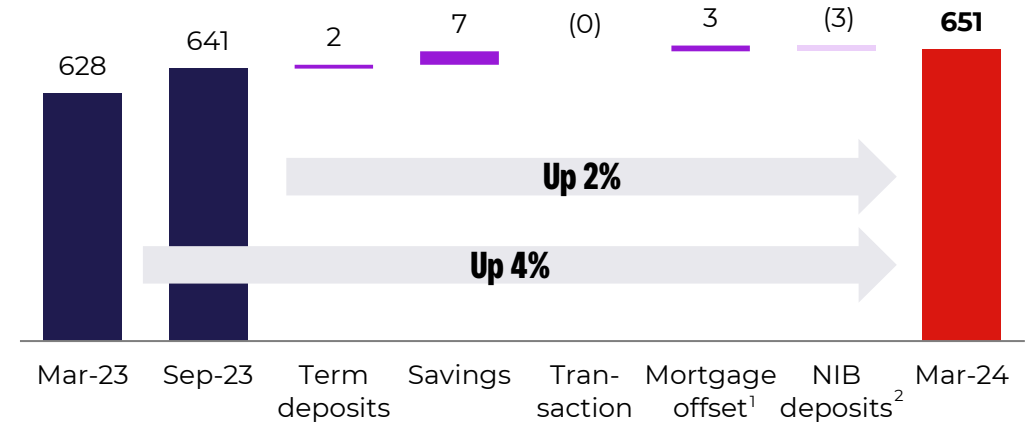
## CUSTOMER DEPOSITS BY TYPE (%)



## CUSTOMER DEPOSITS BY SEGMENT (\$BN)



## CUSTOMER DEPOSIT MOVEMENTS (\$BN)



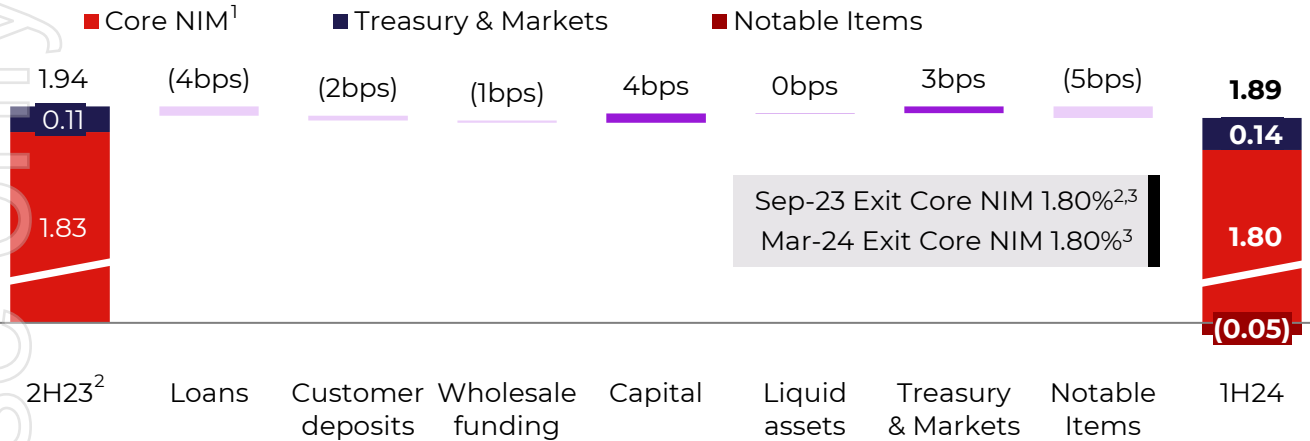
Charts may not add due to rounding.

<sup>1</sup> Australian offset deposit balances only. <sup>2</sup> Non-interest bearing (NIB). <sup>3</sup> Comparatives have been restated to reflect a reclassification of some transaction and savings deposits into non-interest bearing deposits. <sup>4</sup> A\$. Decrease in local currency was NZ \$1.0 billion.

# NET INTEREST MARGIN

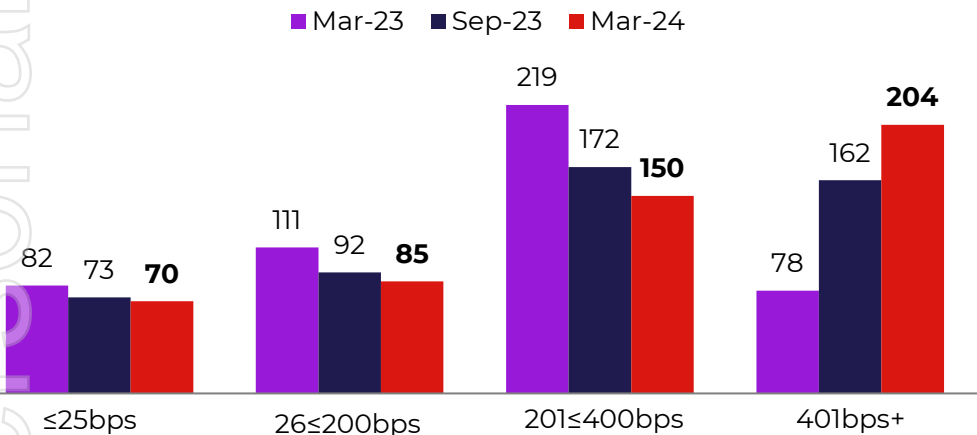
REVENUE

## NET INTEREST MARGIN (%)

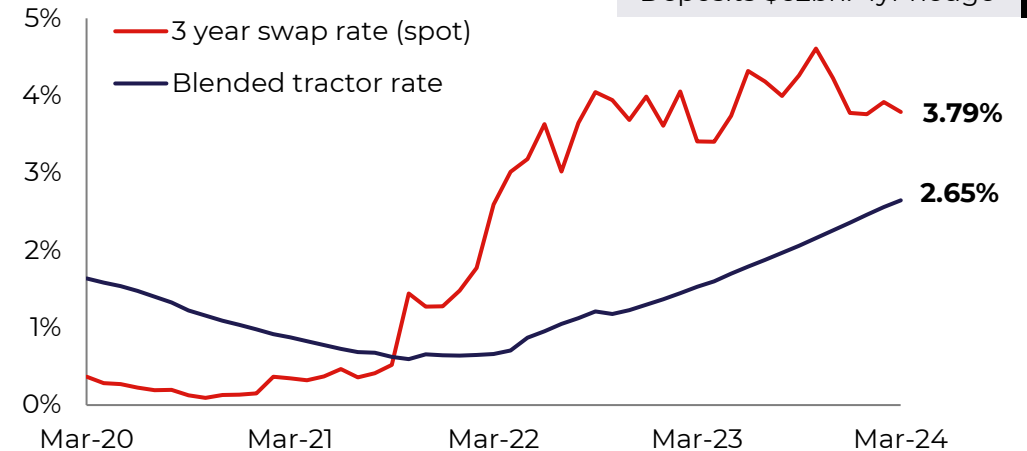


Composition of NIM (%)	1H23	2H23	1H24
Core NIM <sup>2</sup>	1.89	1.83	<b>1.80</b>
Treasury & Markets <sup>2</sup>	0.09	0.11	<b>0.14</b>
Core NIM, Treasury & Markets	1.98	1.94	<b>1.94</b>
Notable Items: Hedging	(0.02)	0.00	<b>(0.05)</b>
NIM	1.96	1.94	<b>1.89</b>

## AUSTRALIAN DEPOSIT BALANCES<sup>4</sup> BY INTEREST RATE BANDS (\$BN)



## TRACTOR RATE



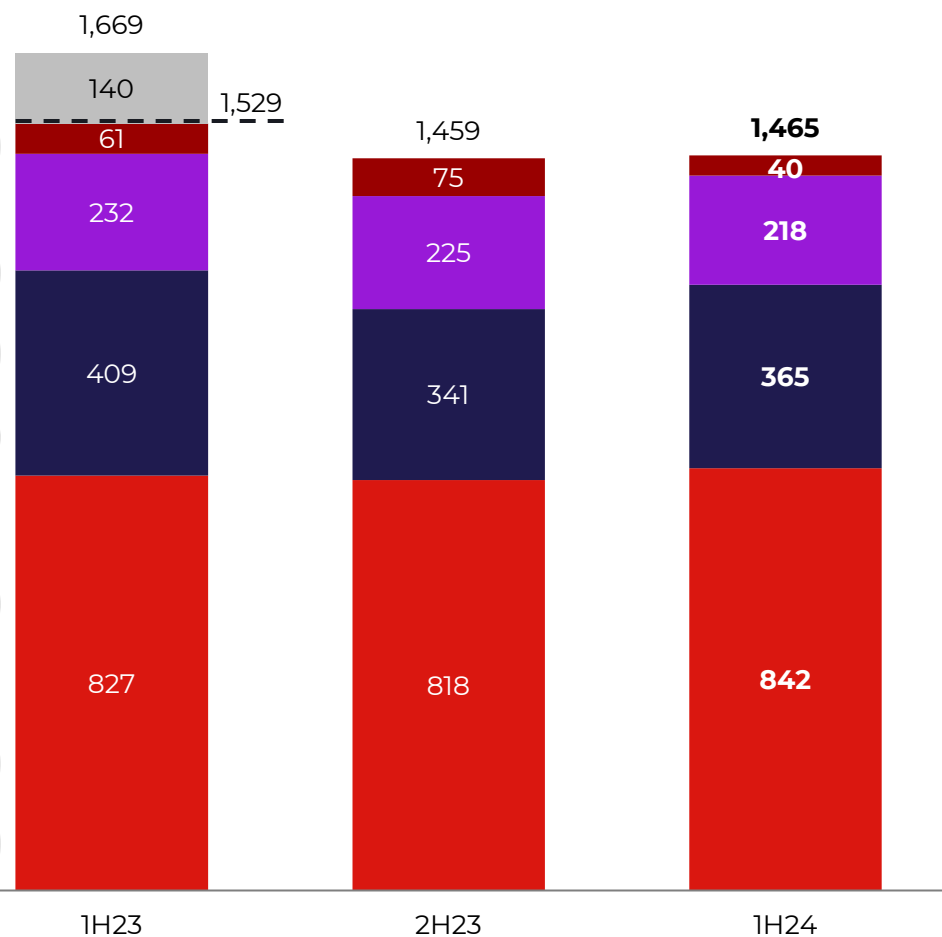
<sup>1</sup> Net interest margin excluding Notable Items, Treasury & Markets. <sup>2</sup> Core NIM and Treasury & Markets comparatives have been revised. <sup>3</sup> Exit refers to Core NIM for the month ended. <sup>4</sup> Excludes mortgage offset balances. Prior period numbers have been updated.

# NON-INTEREST INCOME<sup>1</sup>

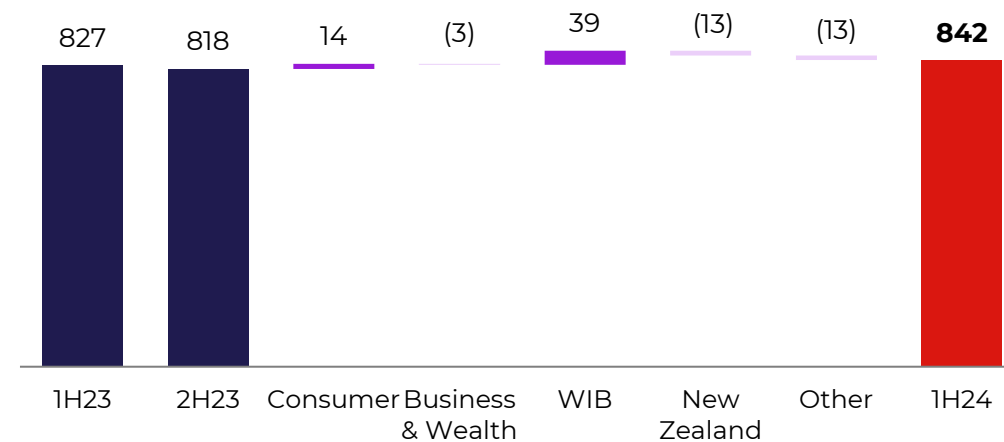
REVENUE

## NON-INTEREST INCOME BY TYPE (\$M)

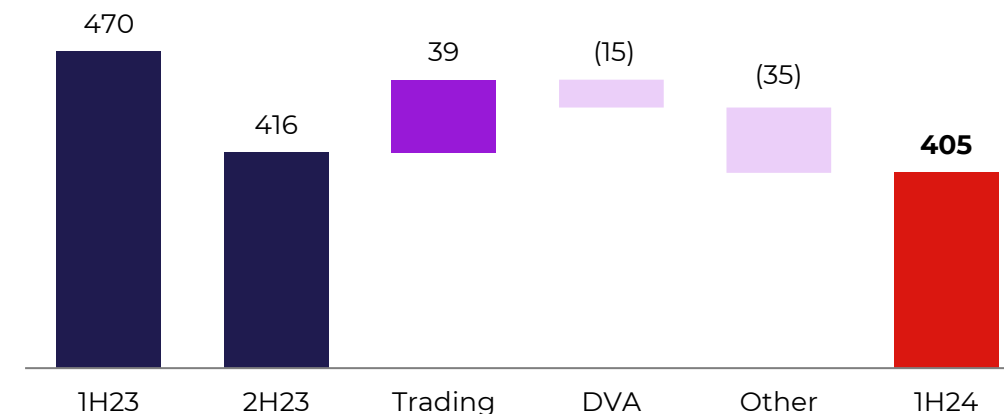
■ Fees ■ Trading ■ Wealth management ■ Other ■ Businesses sold



## NET FEE INCOME BY SEGMENT (\$M)



## TRADING AND OTHER (\$M)<sup>2</sup>

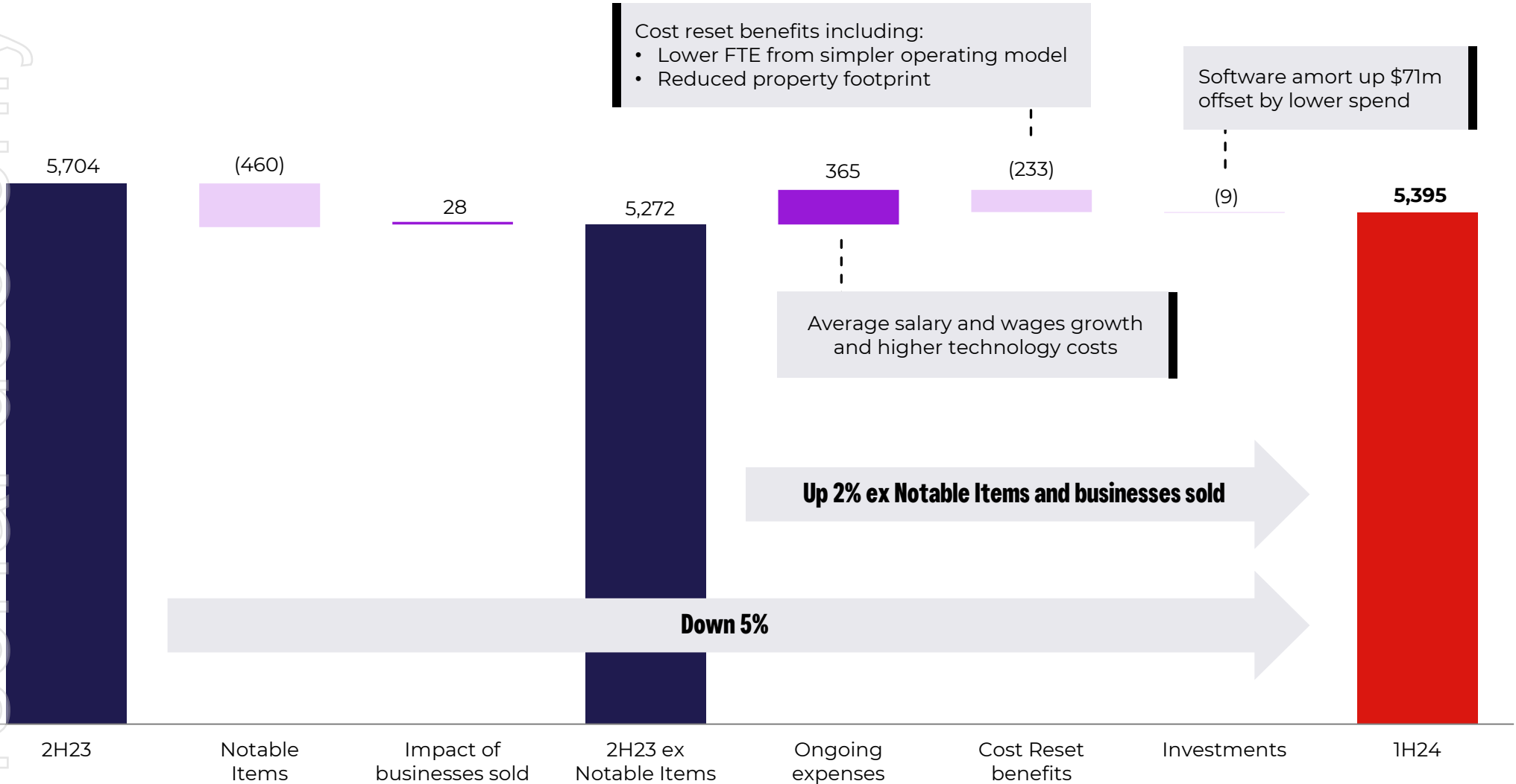


<sup>1</sup> Excluding Notable Items. <sup>2</sup> Excluding businesses sold.

# EXPENSES

EXPENSES

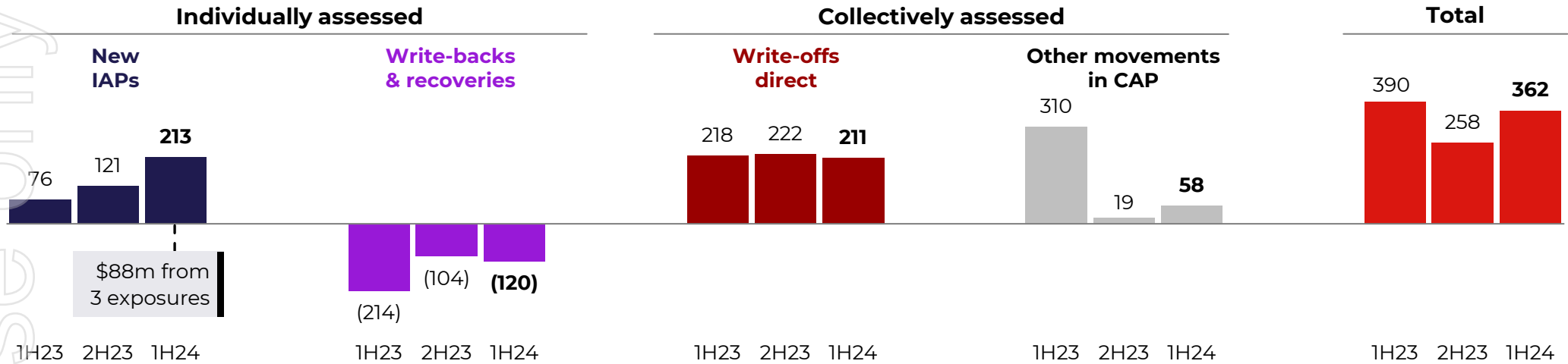
## EXPENSES 2H23 – 1H24 (\$M)



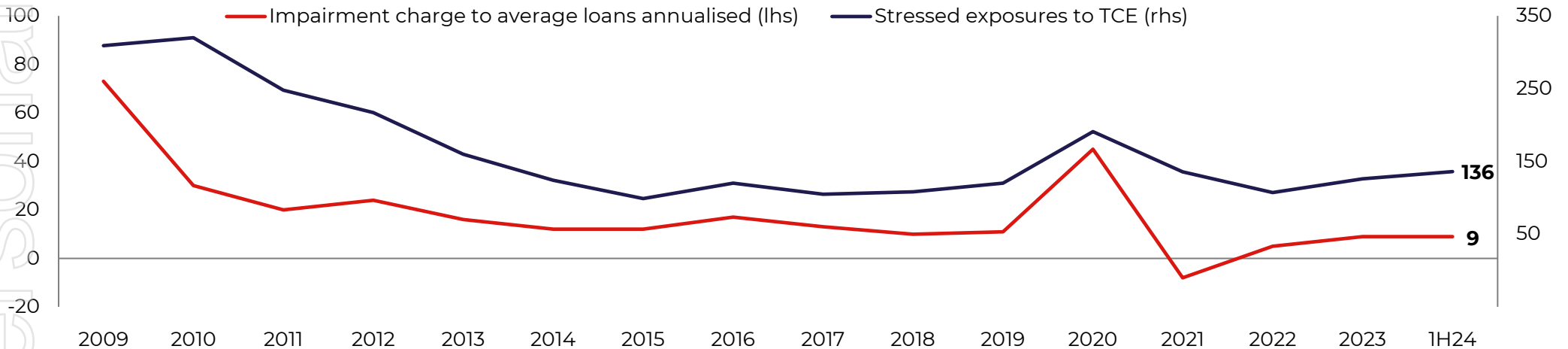
# 1H24 IMPAIRMENT CHARGE OF \$362M

IMPAIRMENT CHARGES

## IMPAIRMENT CHARGES (\$M)



## IMPAIRMENT CHARGES AND STRESSED EXPOSURES (BPS)

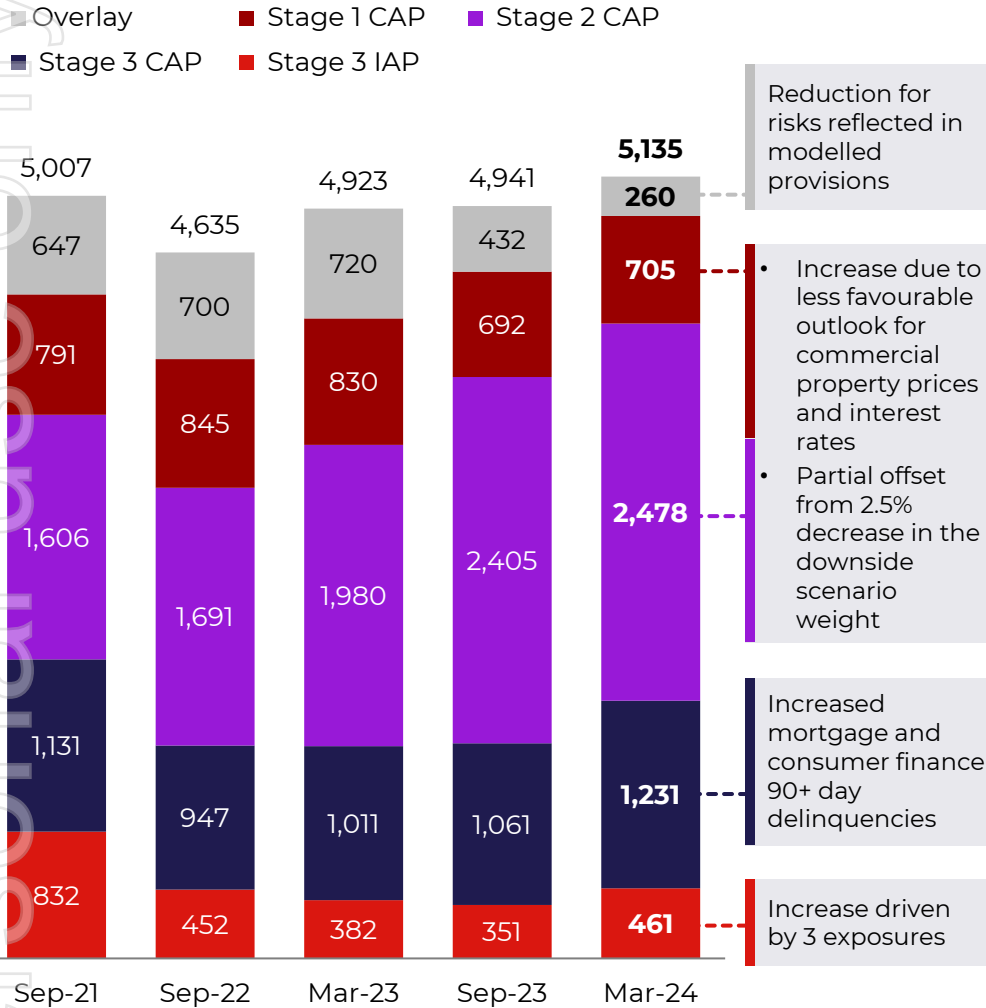


# **CREDIT QUALITY AND PROVISIONS**

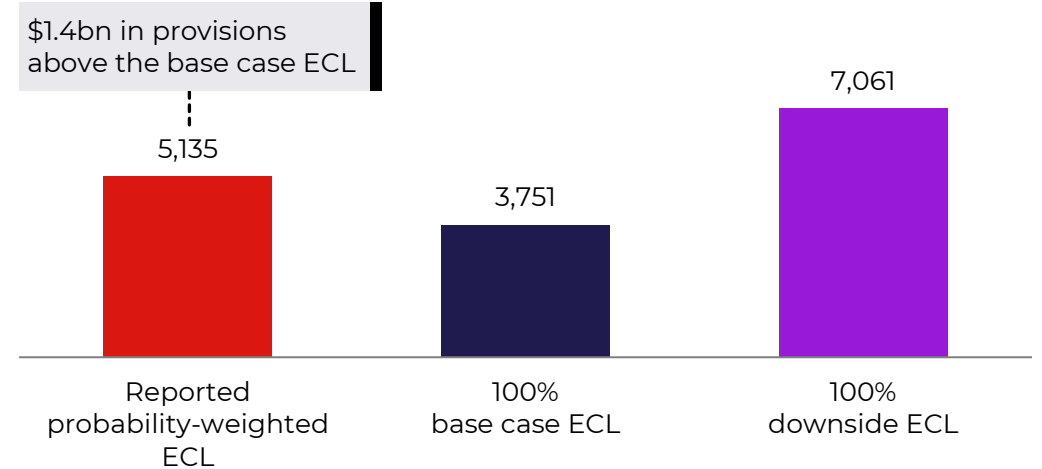
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# PROVISIONS FOR EXPECTED CREDIT LOSS

## TOTAL PROVISIONS FOR EXPECTED CREDIT LOSSES<sup>1</sup> (\$M)



## EXPECTED CREDIT LOSS (ECL) (\$M)



Forecasts for base case ECL <sup>2</sup>	Base case		Downside
	2024	2025	Trough / peak <sup>3</sup>
GDP growth	1.6%	2.5%	(6%)
Unemployment	4.5%	4.6%	11%
Residential property prices	6.0%	4.0%	(27%)
Commercial property prices	(8.0%)	1.4%	(32%)

<sup>1</sup> Includes provisions for debt securities. <sup>2</sup> Forecast date is 22 February 2024. <sup>3</sup> 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

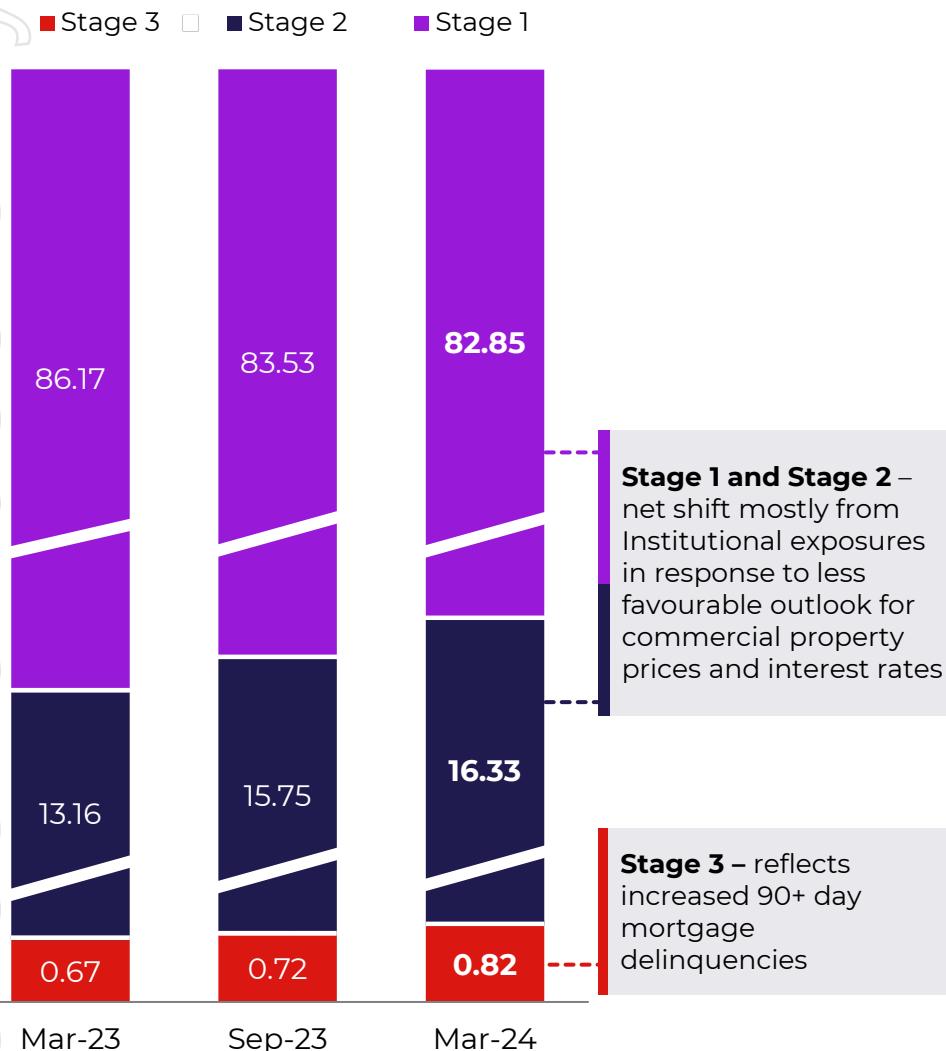


Chart does not add due to rounding.

## KEY RATIOS

	Mar-23	Sep-23	Mar-24
Provisions to gross loans (bps)	65	63	<b>65</b>
Impaired asset provisions to impaired assets (%)	43	43	<b>47</b>
Collectively assessed provisions to credit RWA (bps)	133	135	<b>138</b>

## PROVISIONING TO TCE (%)

	Mar-23	Sep-23	Mar-24
<b>Stage 1</b>	0.09	0.07	<b>0.07</b>
<b>Stage 2</b>			
Non-stressed	1.33	1.21	<b>1.09</b>
Stressed	10.93	8.74	<b>8.84</b>
<b>Stage 3 (non-performing)</b>			
Not impaired	11.06	11.48	<b>11.44</b>
Impaired	42.81	43.48	<b>46.60</b>
<b>Total</b>	0.40	0.41	<b>0.41</b>



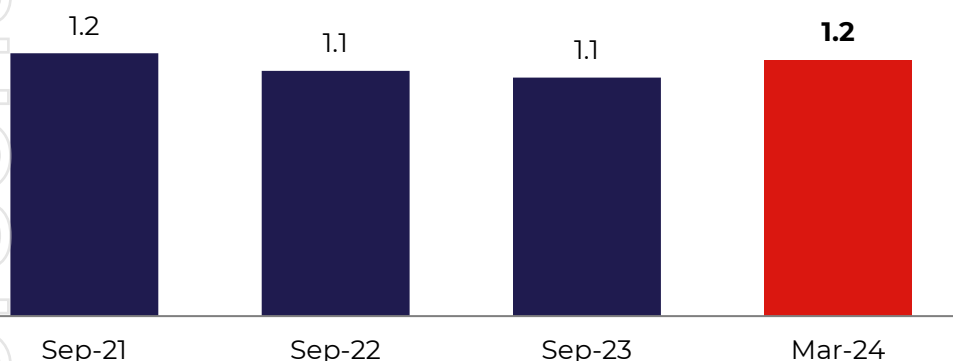
# PORTFOLIO COMPOSITION

CREDIT QUALITY

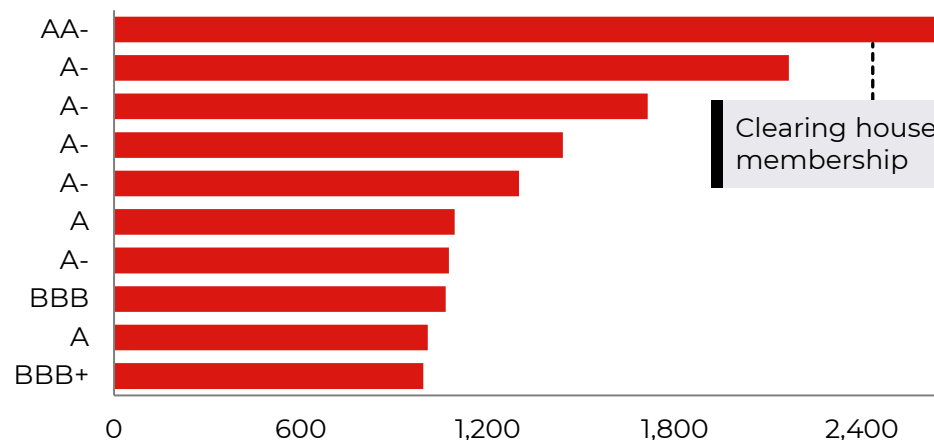
## TOTAL COMMITTED EXPOSURE (TCE) BY RISK GRADE AT 31 MARCH 2024 (\$M)

Standard and Poor's risk grade <sup>1</sup>	Australia	NZ / Pacific	Other overseas	Group	% of total
AAA to AA-	207,397	24,379	21,051	<b>252,827</b>	<b>20%</b>
A+ to A-	42,417	5,760	10,625	<b>58,802</b>	<b>5%</b>
BBB+ to BBB-	76,922	10,694	8,847	<b>96,463</b>	<b>8%</b>
BB+ to BB	82,293	13,893	902	<b>97,088</b>	<b>8%</b>
BB- to B+	51,966	8,752	3	<b>60,721</b>	<b>5%</b>
<B+	7,627	2,554	4	<b>10,185</b>	<b>1%</b>
Mortgages	559,719	73,332	-	<b>633,051</b>	<b>51%</b>
Other consumer products	26,939	3,576	-	<b>30,515</b>	<b>2%</b>
<b>TCE</b>	<b>1,055,280</b>	<b>142,940</b>	<b>41,432</b>	<b>1,239,652</b>	
<i>TCE at 30 September 2023</i>	<i>1,040,292</i>	<i>143,751</i>	<i>33,541</i>	<i>1,217,584</i>	
<b>Exposure by region<sup>2</sup> (%)</b>	<b>85%</b>	<b>12%</b>	<b>3%</b>		<b>100%</b>

## TOP 10 INSTITUTIONAL EXPOSURES TO CORPORATIONS AND NBFIS<sup>3</sup> (% OF TCE)



## TOP 10 EXPOSURES TO CORPORATIONS & NBFIS AT 31 MARCH 2024 (\$M)<sup>4</sup>

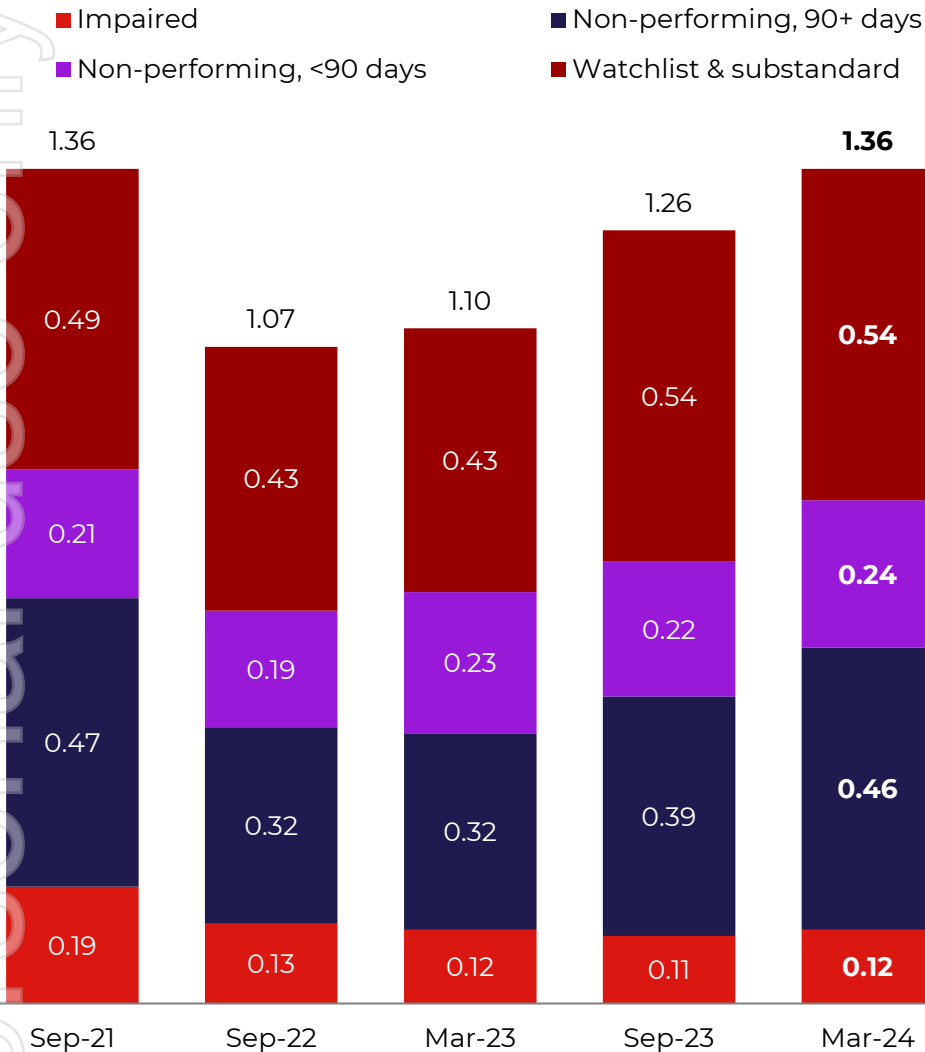


<sup>1</sup> Risk grade equivalent. <sup>2</sup> Region is based on booking office. <sup>3</sup> NBFIs are non-bank financial institutions. <sup>4</sup> Institutional counterparties; S&P rating or equivalent.

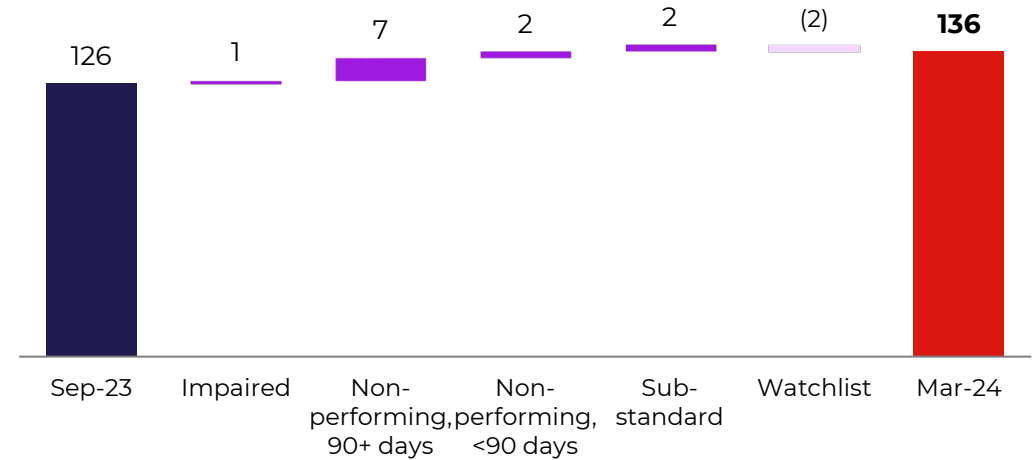
# CREDIT QUALITY METRICS

CREDIT QUALITY

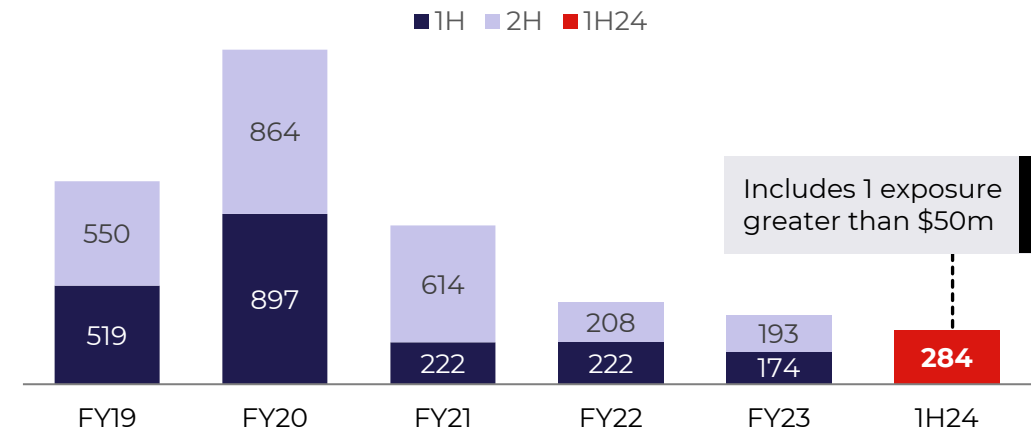
## STRESSED EXPOSURES AS A % OF TCE



## MOVEMENT IN STRESS CATEGORIES (BPS)



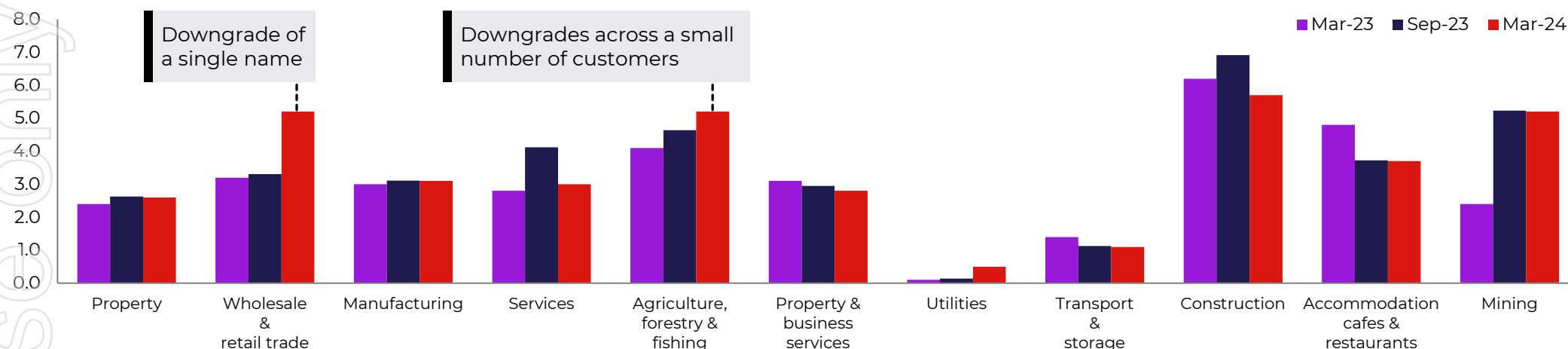
## NEW AND INCREASED GROSS IMPAIRED ASSETS (\$M)



# CREDIT QUALITY ACROSS SECTORS

CREDIT QUALITY

## CORPORATE AND BUSINESS STRESSED EXPOSURES BY INDUSTRY SECTOR (%)



## EXPOSURE AND CREDIT QUALITY BY SECTOR

Sector	Finance & Insurance <sup>1</sup>	Property <sup>2</sup>	Wholesale & retail trade	Manufacturing	Services <sup>3</sup>	Agriculture, forestry & fishing	Property & business services	Utilities	Transport & storage	Construction <sup>4</sup>	Accomm, cafes & restaurants	Mining
<b>TCE (\$bn)</b>												
<b>Mar-24</b>	195.4	82.2	31.1	25.4	24.6	24.3	24.0	20.6	20.5	13.1	11.5	7.6
Sep-23 <sup>7</sup>	202.1	80.7	31.0	24.7	26.4	24.1	23.0	18.9	18.3	12.9	10.8	8.1
<b>Stressed (%)<sup>5,6</sup></b>												
<b>Mar-24</b>	0.1	2.6	5.2	3.1	3.0	5.2	2.8	0.5	1.1	5.7	3.7	5.2
Sep-23 <sup>7</sup>	0.1	2.6	3.3	3.1	4.1	4.6	2.9	0.1	1.1	6.9	3.7	5.2
<b>Impaired (%)<sup>6</sup></b>												
<b>Mar-24</b>	0.0	0.1	0.7	0.6	0.4	0.3	0.5	0.0	0.1	0.6	0.3	0.1
Sep-23 <sup>7</sup>	0.0	0.1	0.4	0.4	0.4	0.2	0.5	0.0	0.1	0.6	0.4	0.2

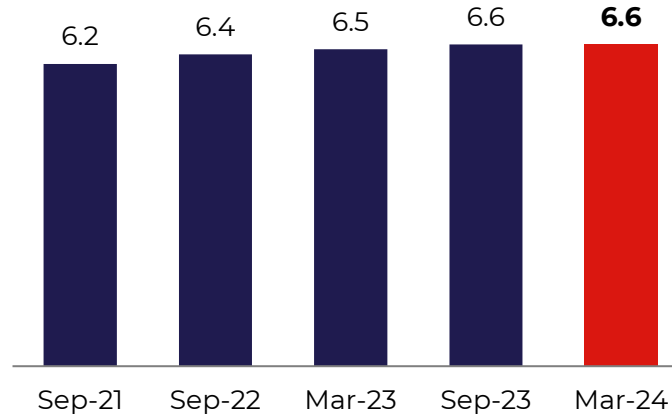
<sup>1</sup> Finance and insurance includes banks, non-banks, insurance companies and other firms providing services to the finance and insurance sectors. Includes assets held for liquidity portfolio. <sup>2</sup> Property includes both residential and non-residential property investors and developers and excludes real estate agents. <sup>3</sup> Services includes education, health & community services, cultural & recreational and personal & other services. <sup>4</sup> Construction includes building and non-building construction, and industries serving the construction sector. <sup>5</sup> Includes impaired exposures. <sup>6</sup> Percentage of portfolio TCE. <sup>7</sup> Prior periods have been restated.

# SECTORS IN FOCUS: COMMERCIAL PROPERTY

CREDIT QUALITY

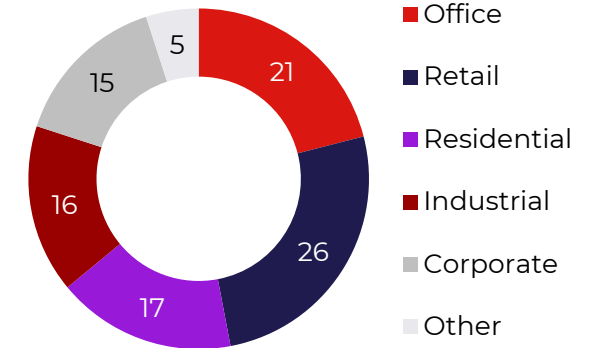
- Single credit policy, supported by industry sector concentration limits
- Maintained credit standards, with close oversight of portfolio
- Managed by specialist relationship teams, dedicated credit officers and subject matter experts
- Limited risk appetite for lower grade office buildings
- Weighted average LVR for the Australian secured portfolio <50%
- Credit policy maximum LVR at origination 65%<sup>1</sup>
- 81% fully secured<sup>2</sup>

## COMMERCIAL PROPERTY EXPOSURES (% OF TCE)



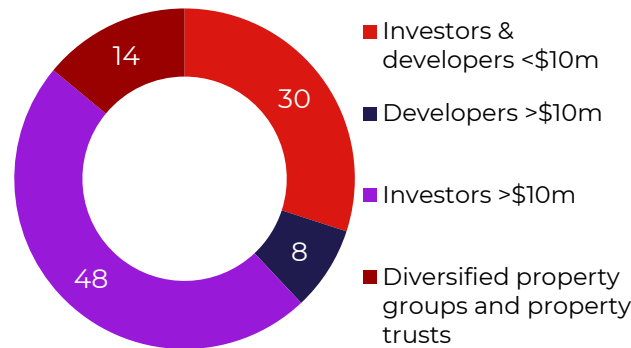
## COMMERCIAL PROPERTY PORTFOLIO COMPOSITION (TCE) (%)

Sub-sector

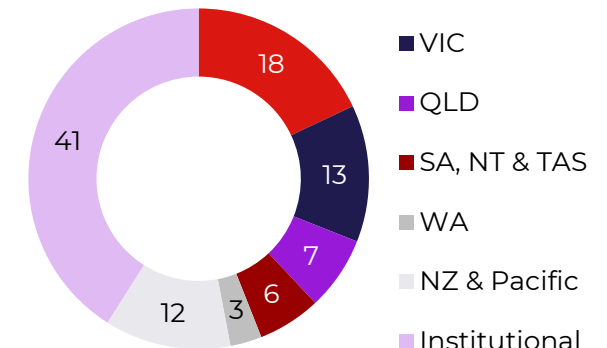


## COMMERCIAL PROPERTY PORTFOLIO COMPOSITION (TCE) (%)

Borrower type



Region<sup>6</sup>



	Mar-23 <sup>5</sup>	Sep-23 <sup>5</sup>	Mar-24
TCE (\$bn)	79.8	80.7	<b>82.2</b>
% of Group TCE	6.54	6.63	<b>6.63</b>
Lending (\$bn)	61.9	63.4	<b>65.2</b>
Median risk grade (S&P equivalent)	BB-	BB-	<b>BB-</b>
% of portfolio graded as stressed <sup>3,4</sup>	2.36	2.62	<b>2.57</b>
% of portfolio impaired <sup>4</sup>	0.08	0.08	<b>0.07</b>

<sup>1</sup> Policy exception can be made under limited circumstances. <sup>2</sup> 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. <sup>3</sup> Includes impaired exposures. <sup>4</sup> Percentage of commercial property portfolio TCE. <sup>5</sup> Prior periods have been restated. <sup>6</sup> Region is based on booking office.

# SECTORS IN FOCUS: COMMERCIAL PROPERTY – OFFICE

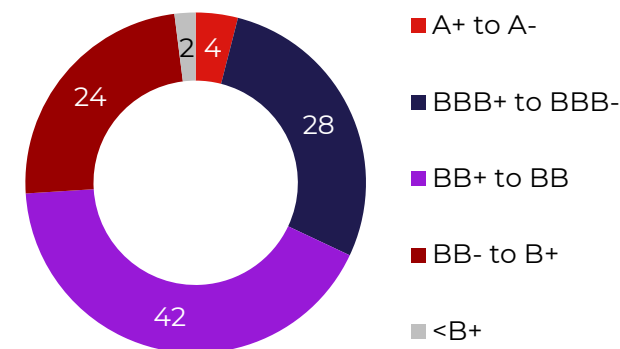
CREDIT QUALITY

## COMMERCIAL PROPERTY – OFFICE

	Mar-23 <sup>3</sup>	Sep-23 <sup>3</sup>	Mar-24
TCE (\$bn)	17.8	17.7	<b>17.0</b>
% of Group TCE	1.46	1.45	<b>1.37</b>
Lending (\$bn)	15.0	14.9	<b>14.9</b>
Median risk grade (S&P equivalent)	BB-	BB-	<b>BB-</b>
% of portfolio graded as stressed <sup>1,2</sup>	2.41	2.35	<b>2.38</b>
% of portfolio impaired <sup>2</sup>	0.12	0.10	<b>0.14</b>

- Office exposure has reduced to 1.4% of Group TCE in Mar-24 from 2.1% in Sep-20
- 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

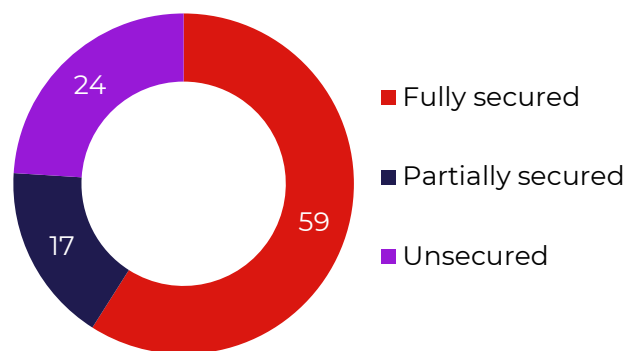
## S&P EQUIVALENT RISK GRADE



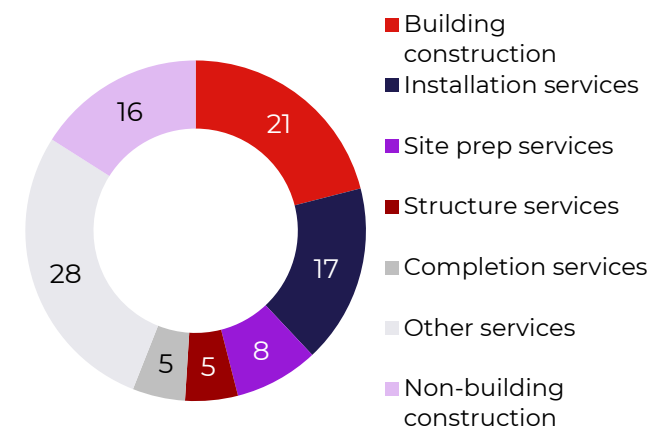
## CONSTRUCTION

	Mar-23 <sup>3</sup>	Sep-23 <sup>3</sup>	Mar-24
TCE (\$bn)	12.2	12.9	<b>13.1</b>
% of Group TCE	1.00	1.06	<b>1.05</b>
Lending (\$bn)	7.5	7.6	<b>7.6</b>
% of portfolio graded as stressed <sup>1,2</sup>	6.14	6.85	<b>5.75</b>
% of portfolio impaired <sup>2</sup>	0.81	0.61	<b>0.62</b>

## PORTFOLIO SECURITY COMPOSITION (TCE) (%)



## PORTFOLIO BY SUB-SECTOR (TCE) (%)



<sup>1</sup> Includes impaired exposures. <sup>2</sup> Percentage of portfolio TCE. <sup>3</sup> Prior periods have been restated.

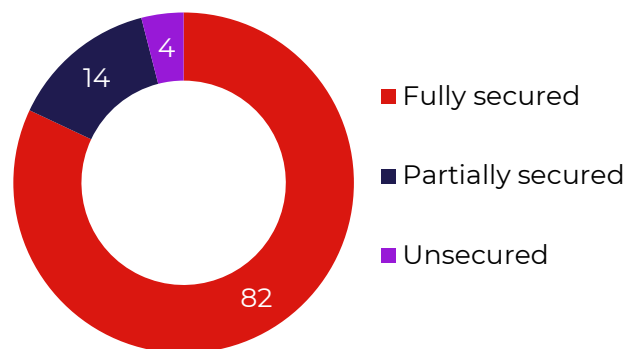
# SECTORS IN FOCUS: ACCOMMODATION, CAFES AND RESTAURANTS; RETAIL TRADE

CREDIT QUALITY

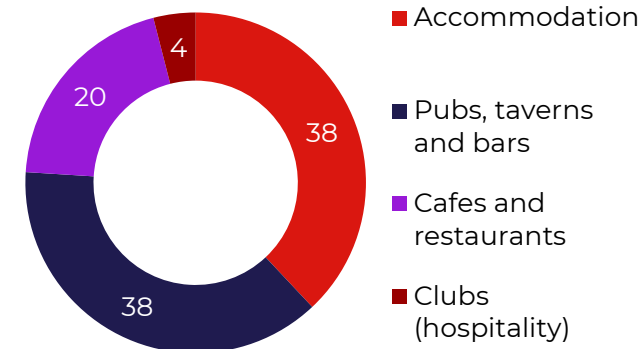
## ACCOMMODATION, CAFES AND RESTAURANTS

	Mar-23 <sup>3</sup>	Sep-23 <sup>3</sup>	Mar-24
TCE (\$bn)	10.3	10.8	<b>11.5</b>
% of Group TCE	0.84	0.89	<b>0.93</b>
Lending (\$bn)	8.9	9.2	<b>9.8</b>
% of portfolio graded as stressed <sup>1,2</sup>	4.73	3.70	<b>3.75</b>
% of portfolio impaired <sup>2</sup>	0.60	0.37	<b>0.34</b>

## PORTFOLIO SECURITY COMPOSITION (TCE) (%)



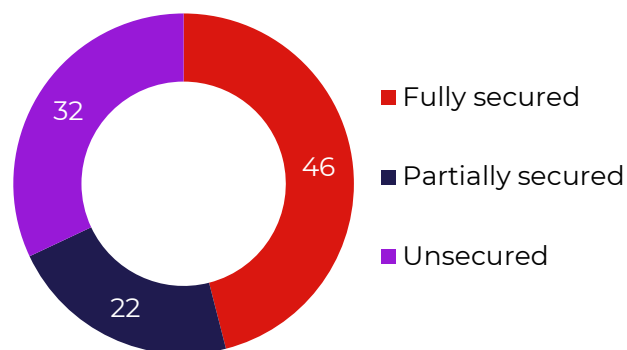
## PORTFOLIO BY SUB-SECTOR (TCE) (%)



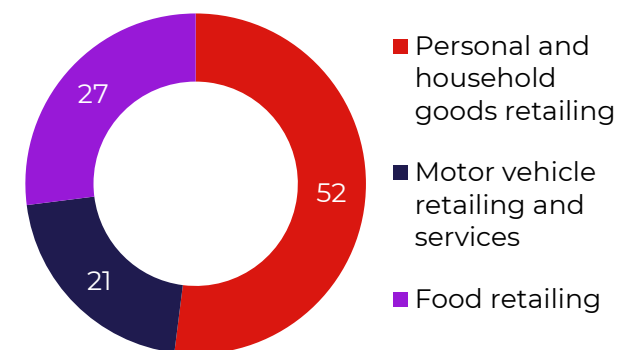
## RETAIL TRADE

	Mar-23 <sup>3</sup>	Sep-23 <sup>3</sup>	Mar-24
TCE (\$bn)	12.4	12.8	<b>12.0</b>
% of Group TCE	1.02	1.05	<b>0.97</b>
Lending (\$bn)	7.8	8.4	<b>7.6</b>
% of portfolio graded as stressed <sup>1,2</sup>	3.87	3.65	<b>4.71</b>
% of portfolio impaired <sup>2</sup>	0.82	0.59	<b>1.22</b>

## PORTFOLIO SECURITY COMPOSITION (TCE) (%)



## PORTFOLIO BY SUB-SECTOR (TCE) (%)



<sup>1</sup> Includes impaired exposures. <sup>2</sup> Percentage of portfolio TCE. <sup>3</sup> Prior periods have been restated.

# SECTORS IN FOCUS: AGRICULTURE; MINING

CREDIT QUALITY

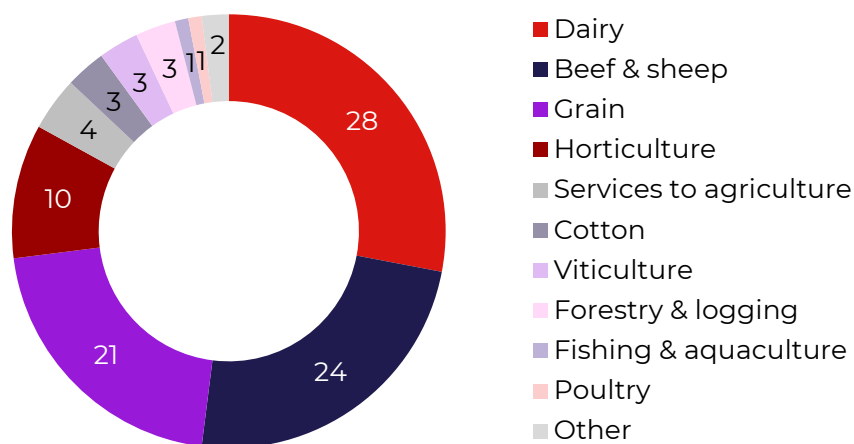
## AGRICULTURE

	Mar-23 <sup>3</sup>	Sep-23 <sup>3</sup>	Mar-24
TCE (\$bn)	24.1	24.1	<b>24.3</b>
% of Group TCE	1.97	1.98	<b>1.96</b>
Lending (\$bn)	20.4	20.7	<b>20.7</b>
% of portfolio graded as stressed <sup>1,2</sup>	4.10	4.62	<b>5.18</b>
% of portfolio in impaired <sup>2</sup>	0.25	0.18	<b>0.26</b>

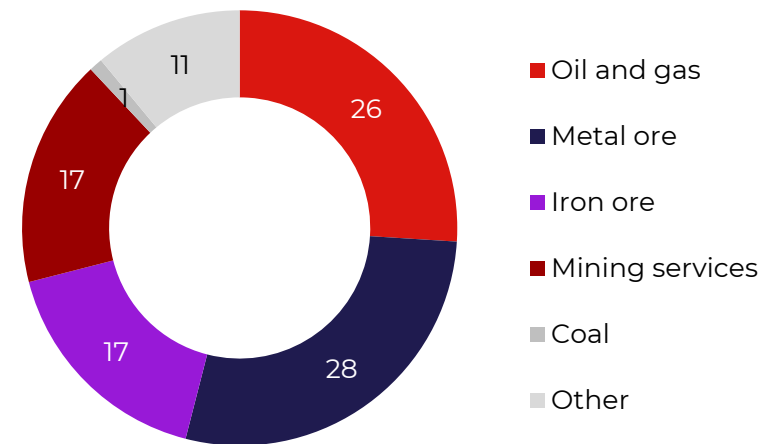
## MINING (INCL. OIL AND GAS)

	Mar-23 <sup>3</sup>	Sep-23 <sup>3</sup>	Mar-24
TCE (\$bn)	8.9	8.1	<b>7.6</b>
% of Group TCE	0.73	0.66	<b>0.61</b>
Lending (\$bn)	2.9	2.7	<b>2.7</b>
% of portfolio graded as stressed <sup>1,2</sup>	2.43	5.20	<b>5.18</b>
% of portfolio in impaired <sup>2</sup>	0.11	0.16	<b>0.12</b>

## AGRICULTURE PORTFOLIO BY SUB-SECTOR (TCE) (%)



## MINING PORTFOLIO BY SUB-SECTOR (TCE) (%)



<sup>1</sup> Includes impaired exposures. <sup>2</sup> Percentage of portfolio TCE. <sup>3</sup> Prior periods have been restated.

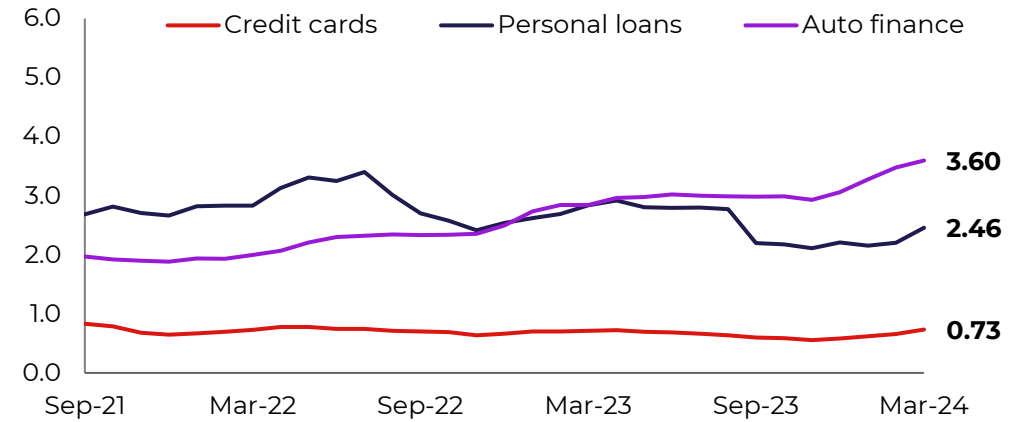
# AUSTRALIAN CONSUMER FINANCE

CREDIT QUALITY

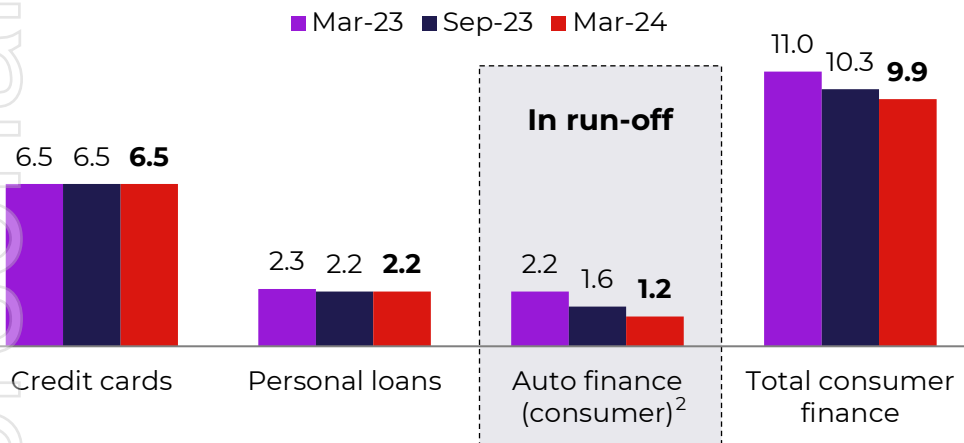
## AUSTRALIAN CONSUMER FINANCE PORTFOLIO<sup>1</sup>

	Mar-23	Sep-23	Mar-24
Lending (\$bn)	11.0	10.3	<b>9.9</b>
As a % of Group loans	1.5	1.3	<b>1.3</b>
30+ day delinquencies (%)	2.98	2.48	<b>2.86</b>
90+ day delinquencies (%)	1.58	1.32	<b>1.45</b>

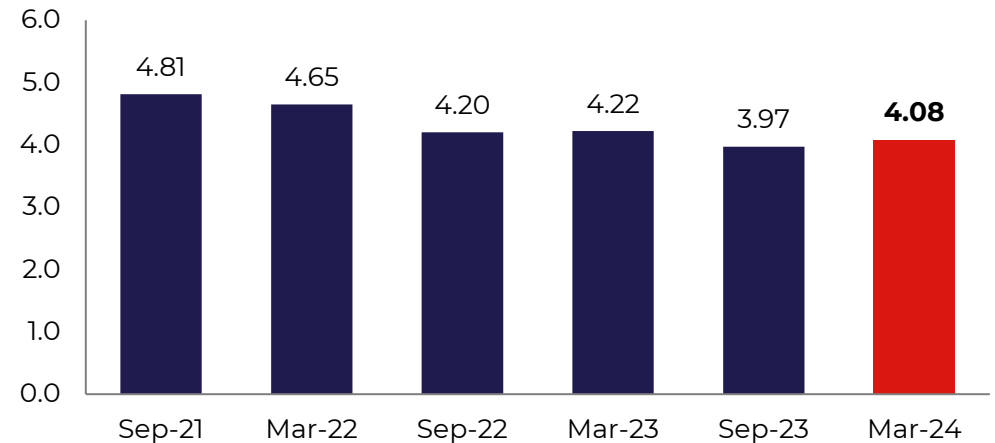
## AUSTRALIAN CONSUMER FINANCE 90+ DELINQUENCIES (%)



## AUSTRALIAN CONSUMER FINANCE PORTFOLIO (\$BN)<sup>1</sup>



## CREDIT CARD ACCOUNTS PAYING MINIMUM REPAYMENT (%)<sup>2</sup>



<sup>1</sup> Excludes margin lending. <sup>2</sup> Minimum repayment over at least six consecutive months. Minimum repayment defined as <=5% of each month's statement cycle balance.

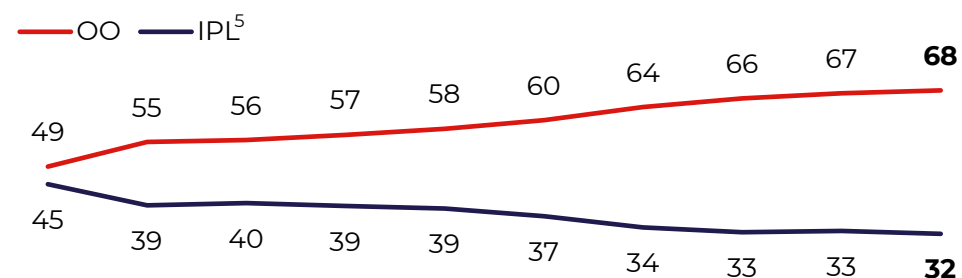


# AUSTRALIAN MORTGAGE PORTFOLIO COMPOSITION

MORTGAGE CREDIT QUALITY

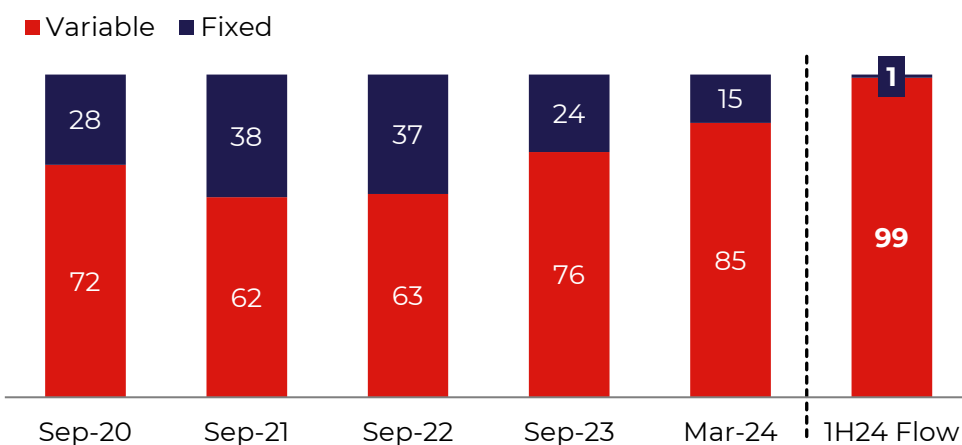
Australian mortgage portfolio	Mar-23 balance	Sep-23 balance	Mar-24 balance	1H24 flow <sup>1</sup>
Total portfolio (\$bn)	472.7	485.6	495.2	<b>51.0</b>
Owner occupied (OO) (%)	66.4	67.1	67.8	<b>67.8</b>
Investment property loans (IPL) (%)	32.2	31.6	31.0	<b>32.1</b>
Portfolio loan/line of credit (LOC) (%)	1.4	1.3	1.2	<b>0.0</b>
Variable rate / Fixed rate (%)	67/33	76/24	85/15	<b>99/1</b>
Interest only (I/O) (%)	13.3	12.8	12.3	<b>15.8</b>
Proprietary channel (%)	51.5	50.8	49.7	<b>38.6</b>
First home buyer <sup>2</sup> (%)	10.8	10.8	11.3	<b>13.7</b>
Mortgage insured (%)	14.2	13.1	12.6	<b>6.5</b>
	Mar-23	Sep-23	Mar-24	1H24 flow <sup>1</sup>
Average loan size <sup>3</sup> (\$'000)	292	301	309	<b>495</b>
Customers ahead on repayments including offset account balances (%)				
By accounts <sup>4</sup>	79	79	80	
By balances <sup>4</sup>	73	75	77	

## OWNER OCCUPIED / INVESTMENT PROPERTY LOANS AS A % OF THE AUSTRALIAN MORTGAGE PORTFOLIO



Sep-15 Sep-16 Sep-17 Sep-18 Sep-19 Sep-20 Sep-21 Sep-22 Sep-23 Mar-24

## PORTFOLIO BY INTEREST RATE TYPE (% BY BALANCES)

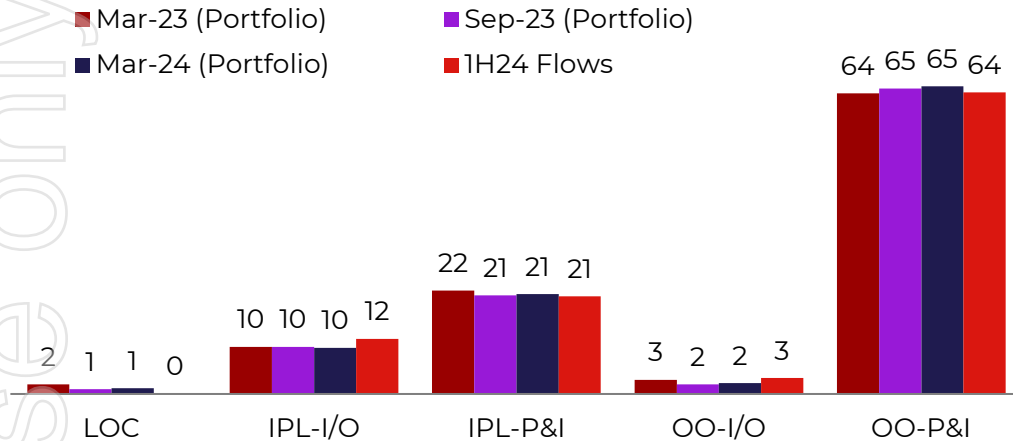


<sup>1</sup> Flow is new mortgages settled in the 6 months ended 31 March 2024. <sup>2</sup> First Home Buyer % restated due to data reclassification. <sup>3</sup> Includes amortisation. Calculated at account level, where split loans represent more than one account. <sup>4</sup> Customers ahead on repayments have been restated to reflect changes in determining account limits when calculating prepayment amounts. <sup>5</sup> IPL includes Line of Credit.

# AUSTRALIAN MORTGAGE PORTFOLIO COMPOSITION

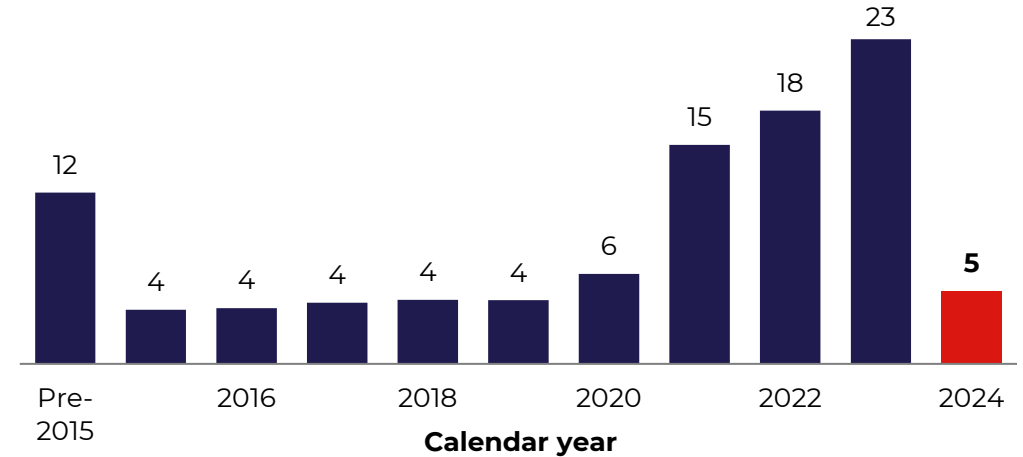
MORTGAGE CREDIT QUALITY

## BY PRODUCT AND REPAYMENT TYPE (%)

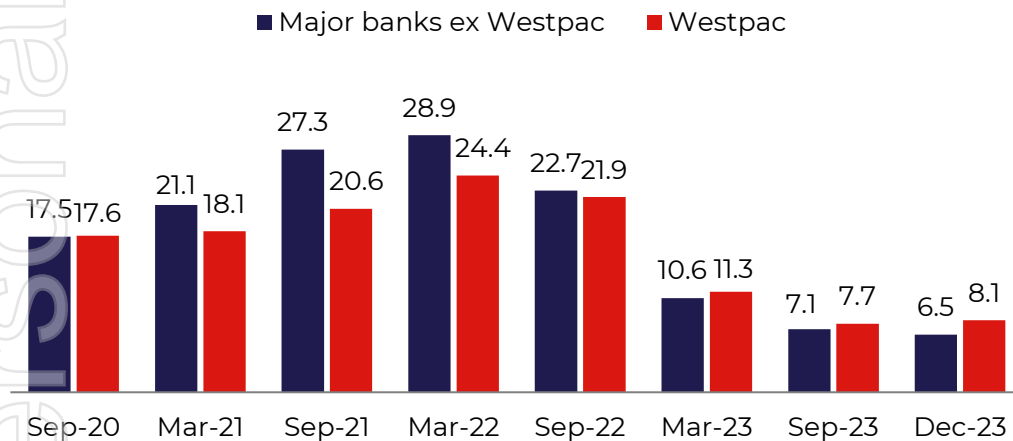


Charts may not add to 100 due to rounding

## BY YEAR OF ORIGINATION (% OF TOTAL BOOK)

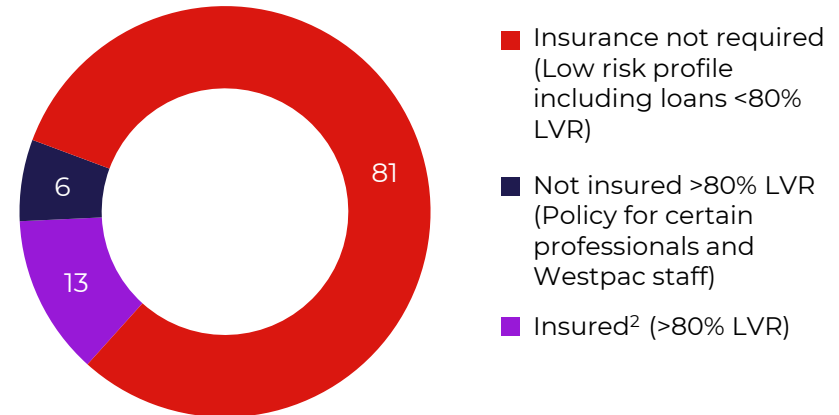


## DEBT-TO-INCOME >=6X AT ORIGINATION (%)



Source: APRA, Westpac.

## BY INSURANCE PROFILE<sup>1</sup> (%)

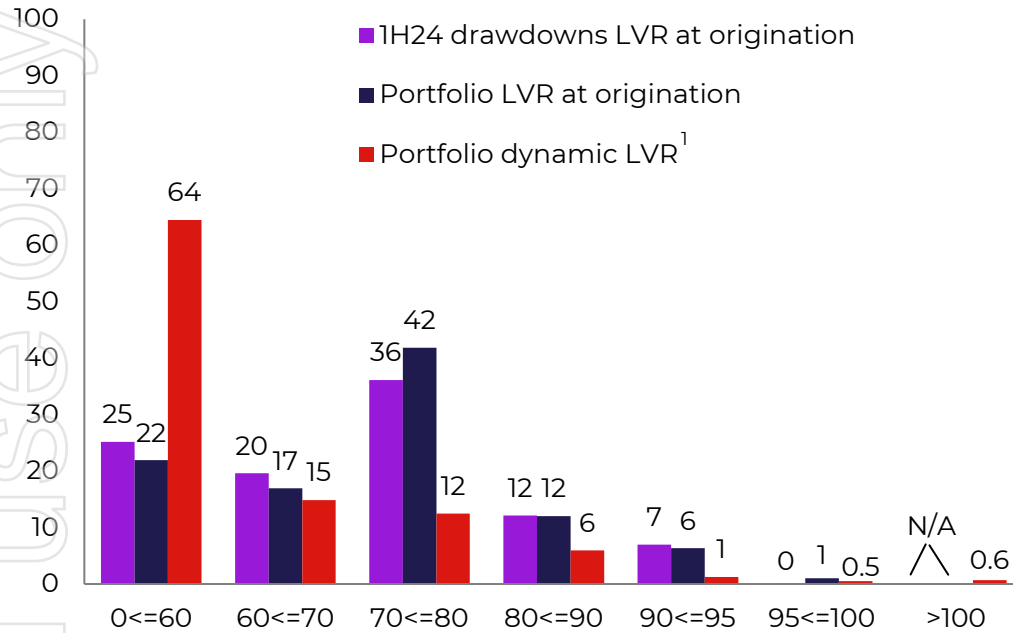


<sup>1</sup> In 2H21 Westpac Lender's Mortgage Insurance Limited was sold to Arch Capital Group. Westpac has entered into a 10-year exclusive supply agreement for Arch to provide lenders mortgage insurance to the Group. <sup>2</sup> Includes loans where LMI applies to >70% LVR loans, for example, single industry towns.

# AUSTRALIAN MORTGAGE PORTFOLIO LOAN-TO-VALUE RATIOS (LVRS)

MORTGAGE CREDIT QUALITY

## LOAN-TO-VALUE RATIOS (%)



Australian mortgage portfolio LVRS		Mar-23 balance	Sep-23 balance	Mar-24 balance
Weighted averages <sup>2</sup>	LVR at origination (%)	72	72	<b>71</b>
	Dynamic LVR <sup>1</sup> (%)	51	50	<b>49</b>
	LVR of new loans <sup>3</sup> (%)	68	67	<b>70</b>

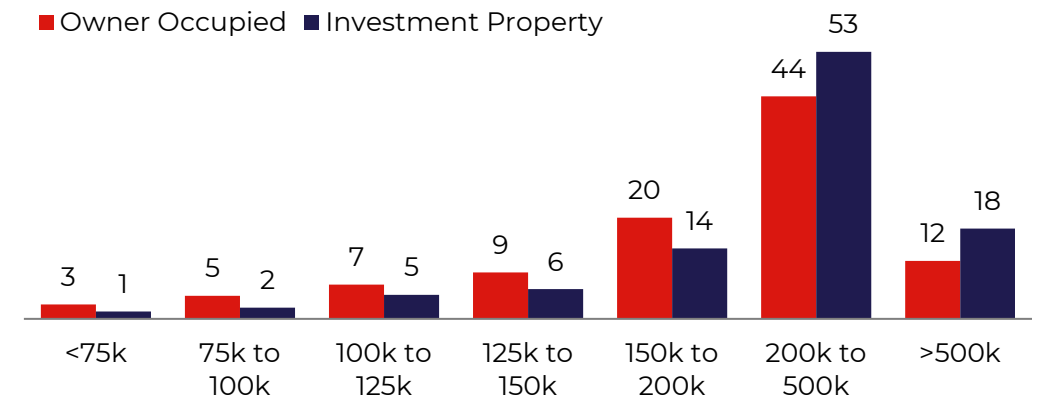
Charts may not add to 100 due to rounding

<sup>1</sup> 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. <sup>2</sup> Weighted average LVR calculation considers size of outstanding balances. <sup>3</sup> 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

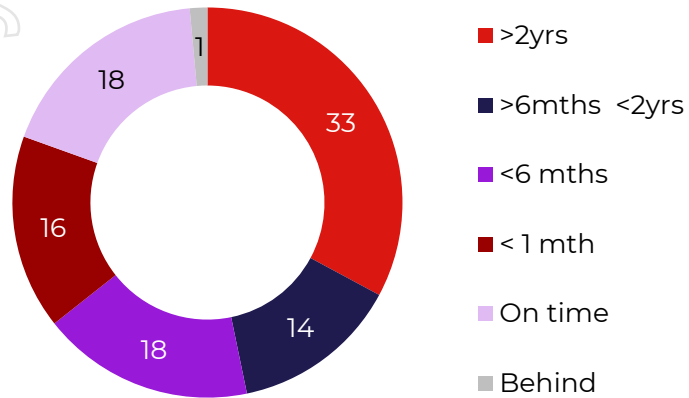
## APPLICANT GROSS INCOME BAND (1H24 DRAWDOWNS, % BY APPROVED LIMITS)



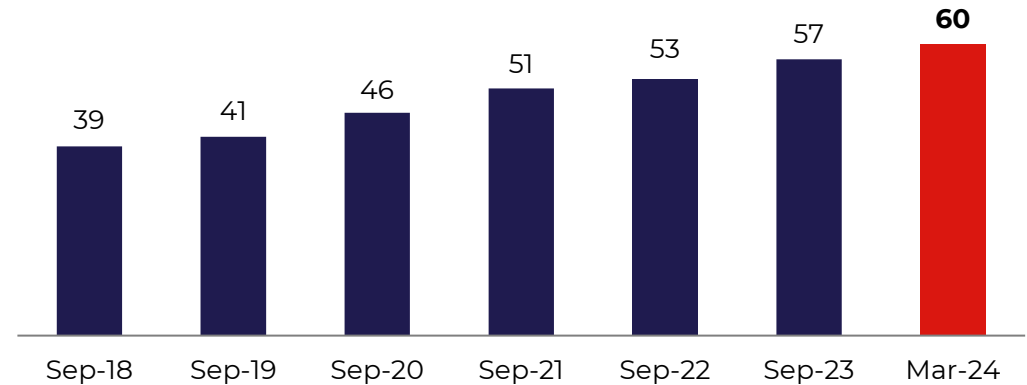
# AUSTRALIAN MORTGAGE PORTFOLIO REPAYMENT BUFFERS

MORTGAGE CREDIT QUALITY

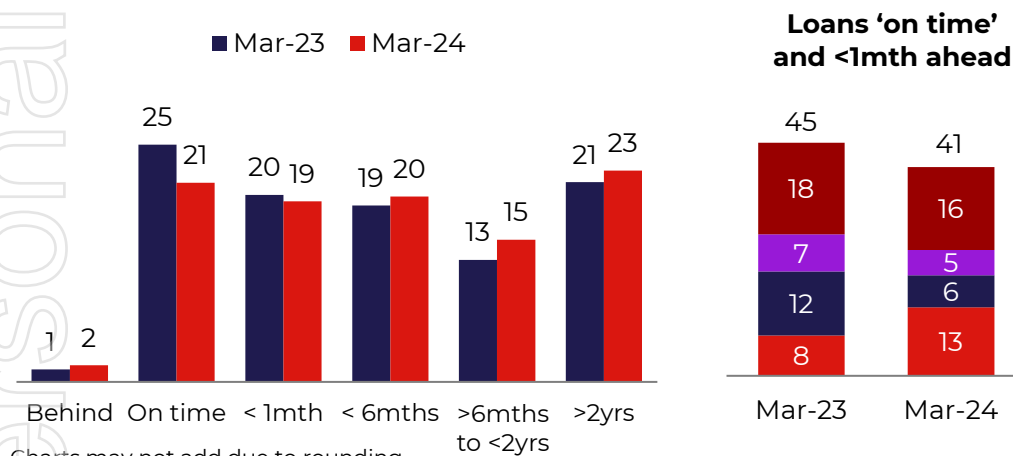
## CUSTOMERS AHEAD ON REPAYMENTS<sup>1</sup> (% BY ACCOUNTS)



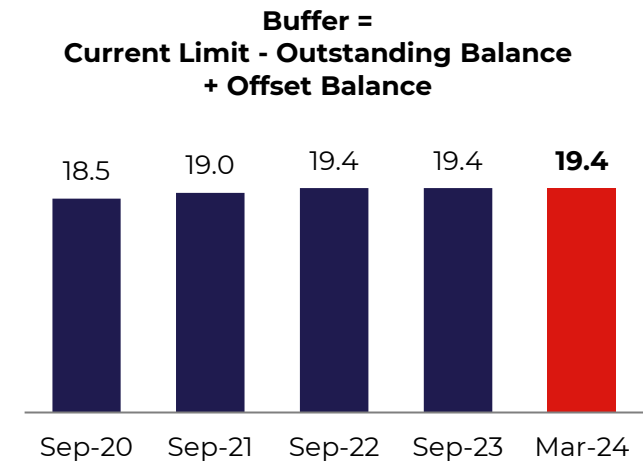
## OFFSET ACCOUNT BALANCES<sup>2</sup> (\$BN)



## CUSTOMERS AHEAD ON REPAYMENTS<sup>1</sup> (% BY BALANCES)



## BUFFER TO BALANCE RATIO<sup>3</sup> (%)



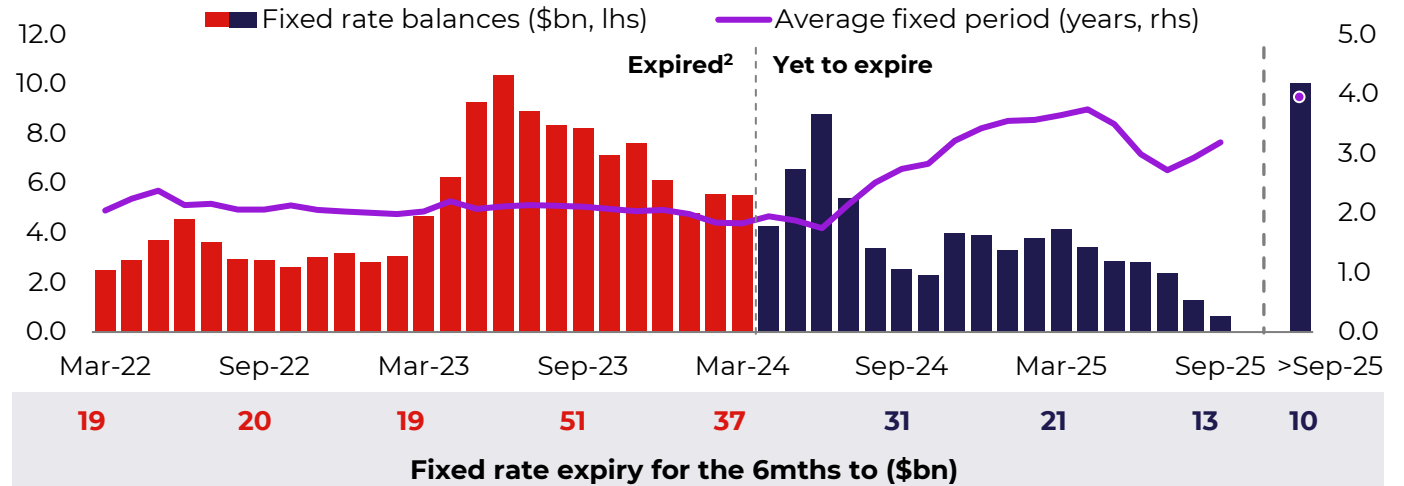
<sup>1</sup> Customer loans ahead on payments exclude equity/line of credit products as there are no scheduled principal payments. Includes mortgage offset accounts. 'Behind' is more than 30 days past due. 'On time' includes up to 30 days past due. Customers ahead on repayments have been restated to reflect changes in determining account limits when calculating prepayment amounts. <sup>2</sup> Includes RAMS from Sep-20 onwards. <sup>3</sup> Excludes Line of Credit. The Buffer to Balance ratio has been restated to reflect changes in determining account limits when calculating prepayment amounts.

# AUSTRALIAN MORTGAGE PORTFOLIO FIXED-RATE LOANS

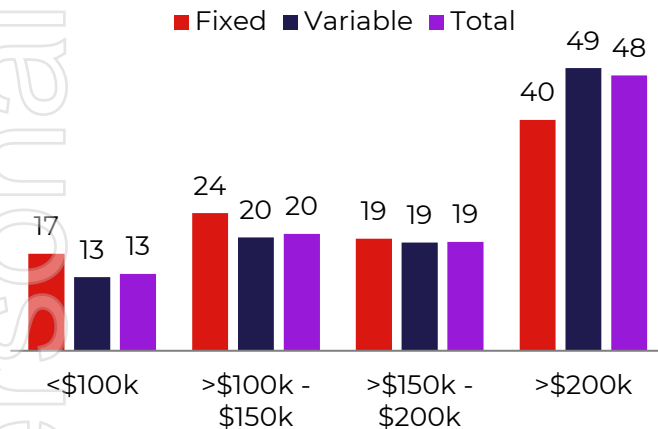
MORTGAGE CREDIT QUALITY

- Approx. \$146bn of fixed-rate loans have expired or refinanced onto higher rates since 1 October 2021
- \$76bn in fixed-rate loans remain outstanding
  - Average fixed period for the remaining fixed-rate portfolio 2.9 years
- \$31bn fixed rate loans expiring in 2H24, with an average fixed rate of 3.9%<sup>1</sup>
- Most remaining fixed rate borrowers are well placed to manage higher repayments
  - 51% also have a variable rate loan

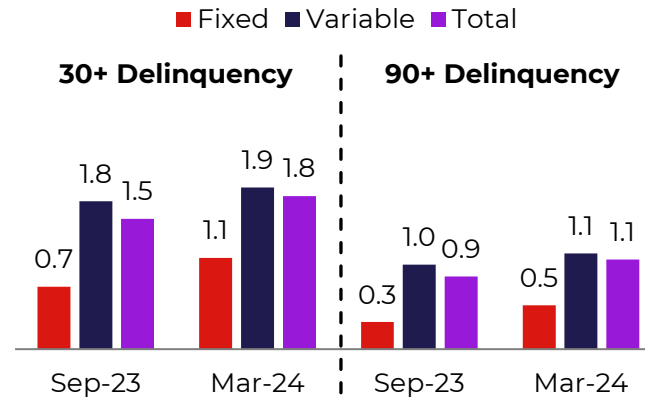
## FIXED RATE MORTGAGE EXPIRY SCHEDULE (\$BN PER MONTH)



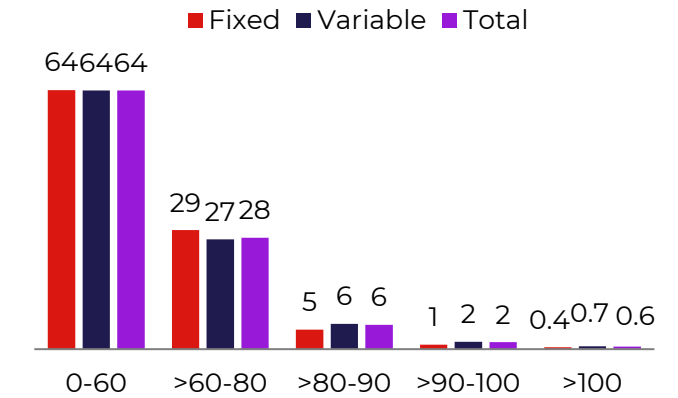
## PORTFOLIO BY INCOME BAND (%)



## PORTFOLIO ARREARS (%)



## PORTFOLIO BY DYNAMIC LVR<sup>3</sup> (%)



Charts may not add due to rounding

<sup>1</sup> On a balance weighted basis. <sup>2</sup> Scheduled expiry for 6 months to Mar-24 was \$39bn. Actual expiry \$37bn. <sup>3</sup> 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.

## CREDIT POLICY AT MARCH 2024

<b>Income</b>	<ul style="list-style-type: none"> <li>• Verified via payslips, tax returns or salary credits, with other supporting documentation such as PAYG payment summaries or ATO Income Statements (minimum standards apply)</li> <li>• Shading of at least 20% applies to less certain income sources i.e. overtime, bonuses</li> </ul>
<b>Credit Score &amp; Credit Bureau</b>	<ul style="list-style-type: none"> <li>• Bespoke application scorecards segmented by new and existing customers</li> <li>• Credit and score override rates tracked and capped</li> <li>• Credit bureau checks required</li> </ul>
<b>Expenses</b>	<ul style="list-style-type: none"> <li>• Assessed as the higher of a borrower's HEM<sup>1</sup> comparable expenses or HEM plus any expenses that are not comparable to HEM (e.g. private school fees, life insurance)</li> <li>• HEM is applied by income bands, post settlement postcode location, marital status and dependants</li> <li>• 17 expense categories used, aligned with Melbourne Institute guidelines and LIXI standards</li> </ul>
<b>Serviceability assessment</b>	<p>For serviceability assessment, 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%</p> <ul style="list-style-type: none"> <li>• 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</li> <li>• For I/O loans, serviceability is assessed on a P&amp;I basis over the residual term</li> <li>• New fixed rate loans assessed on the variable rate to which the loan will revert after fixed period, plus a buffer</li> <li>• All existing customer commitments are verified</li> <li>• Review Westpac Group accounts and Comprehensive Credit Reporting (CCR) to identify customer commitments</li> <li>• Limits apply to higher debt-to-income lending; &gt;7x referred for manual credit assessment where LVR &gt;80%</li> <li>• Credit card repayments assessed at 3.8% of limit or balance whichever is higher</li> </ul>
<b>Genuine savings deposit requirements</b>	<ul style="list-style-type: none"> <li>• Minimum 5% proof of genuine savings for higher LVR loans (typically LVR &gt;90%). Any Home Owner Grants are not considered genuine savings</li> </ul>
<b>Security</b>	<ul style="list-style-type: none"> <li>• LVR restrictions apply depending on location, property value and nature of security</li> <li>• 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</li> </ul>
<b>LMI</b>	<ul style="list-style-type: none"> <li>• Mortgage insurance for higher risk loans, such as LVRs &gt;80%. Special package policy waivers apply for certain professionals and Westpac Group staff</li> </ul>

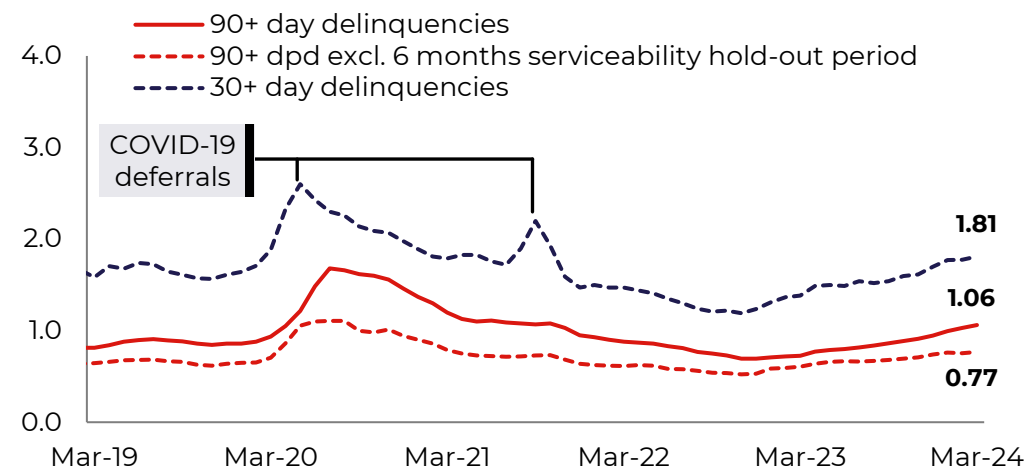
<sup>1</sup> HEM is the Household Expenditure Measure, produced by the Melbourne Institute.

# AUSTRALIAN MORTGAGE PORTFOLIO PERFORMANCE

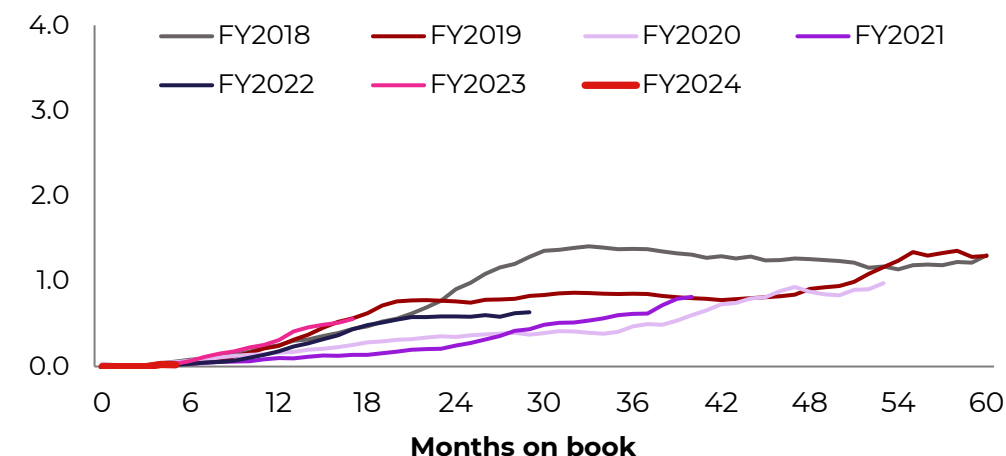
MORTGAGE CREDIT QUALITY

Australian mortgage portfolio	Mar-23	Sep-23	Mar-24
90+ day delinquencies (bps):			
Total portfolio <sup>1</sup> inc. impaired mortgages	73	86	<b>106</b>
Owner occupied loans	69	84	<b>106</b>
Investment property loans	75	85	<b>99</b>
Principal & interest loans	74	89	<b>109</b>
Interest only loans	47	54	<b>68</b>
30+ day delinquencies total portfolio (bps)	139	154	<b>181</b>
	Mar-23	Sep-23	Mar-24
Customers in hardship <sup>2</sup> including 6mth serviceability period (by balances, bps)	50	71	<b>105</b>
Consumer properties in possession (number)	227	210	<b>190</b>
Impaired mortgages (by balances, bps)	6	6	<b>7</b>
Mortgage losses net of insurance (\$m, for 6 months ending)	11	21	<b>20</b>
Annual mortgage loss rate <sup>3</sup> (bps)	0.5	0.7	<b>0.8</b>

## 30+ DAY AND 90+ DAY DELINQUENCIES (%)



## 90+ DAY DELINQUENCIES BY VINTAGE (%)

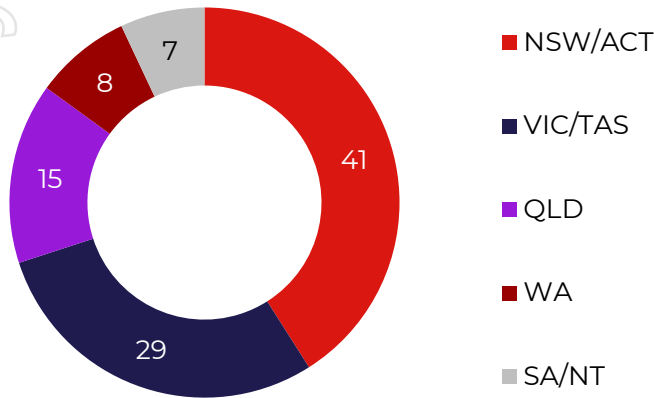


<sup>1</sup> Total portfolio includes Line of Credit loans. <sup>2</sup> Financial hardship assistance is available to customers experiencing temporary financial difficulty, including changes in income due to illness, a relationship breakdown or natural disasters. Hardship assistance often takes the form of a reduction or deferral of repayments for a short period. <sup>3</sup> 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.

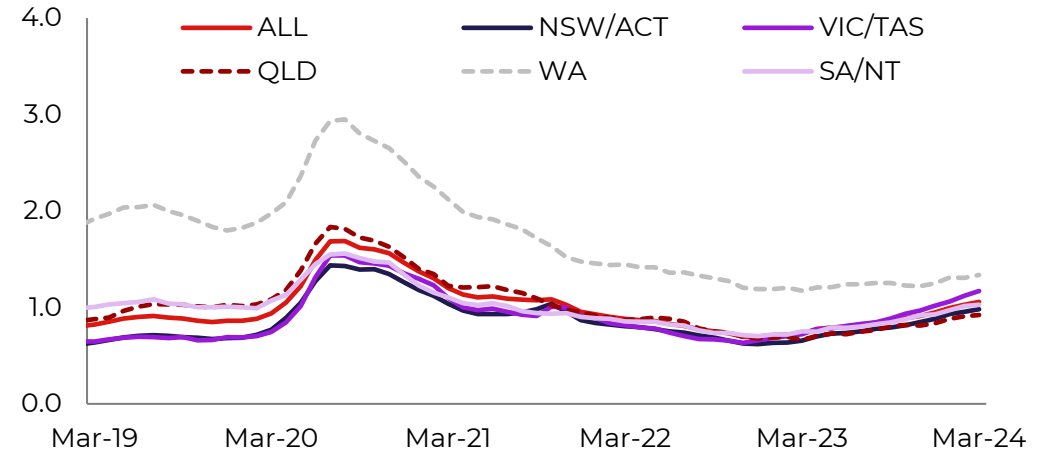
# AUSTRALIAN MORTGAGE PORTFOLIO PERFORMANCE

MORTGAGE CREDIT QUALITY

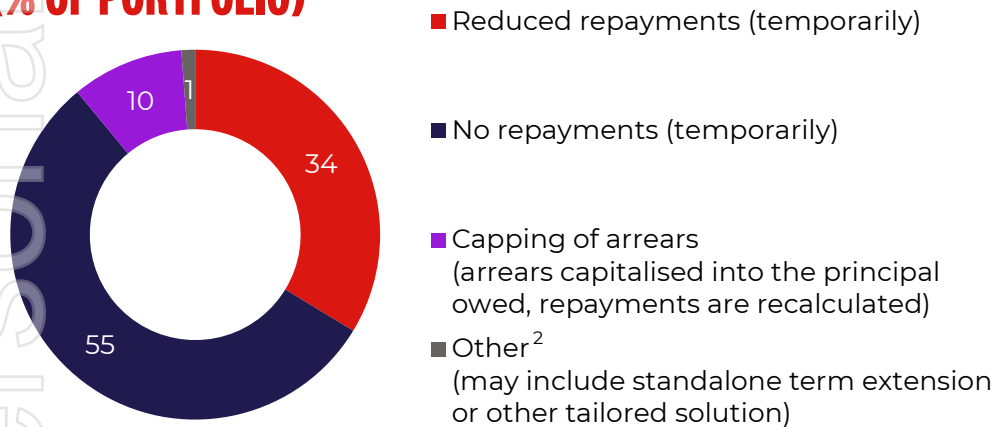
## PORTFOLIO BY STATE (%)



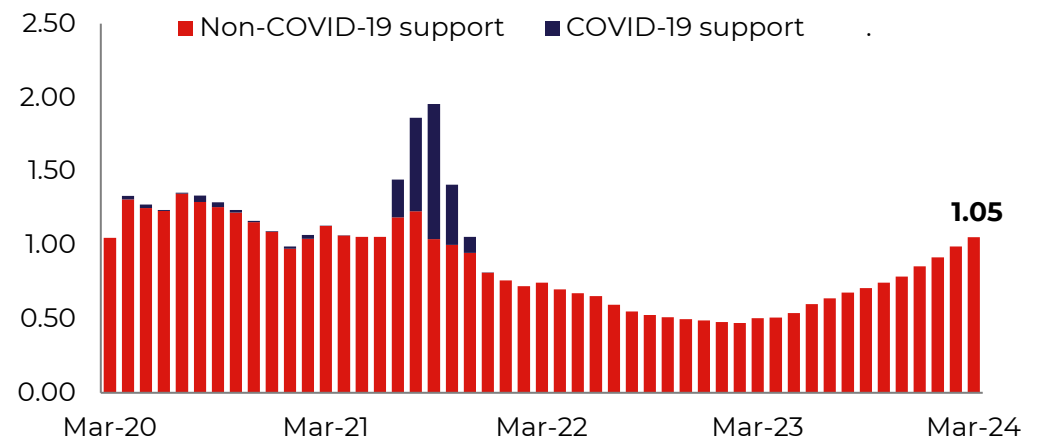
## 90+ DAY DELINQUENCIES BY STATE (%)



## HARDSHIP<sup>1</sup> BALANCES BY SUPPORT SOLUTION (% OF PORTFOLIO)



## HARDSHIP<sup>1</sup> BALANCES (% OF PORTFOLIO)



<sup>1</sup> 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. <sup>2</sup> Improvements in data quality have reduced solutions recorded as "other" over 1H24.



# AUSTRALIAN MORTGAGE PORTFOLIO INTEREST ONLY AND INVESTMENT PROPERTY LENDING

MORTGAGE CREDIT QUALITY

## INTEREST ONLY (I/O) LENDING BY DYNAMIC LVR<sup>1</sup> AND INCOME BAND (% OF TOTAL I/O LENDING)

Applicant gross income bands

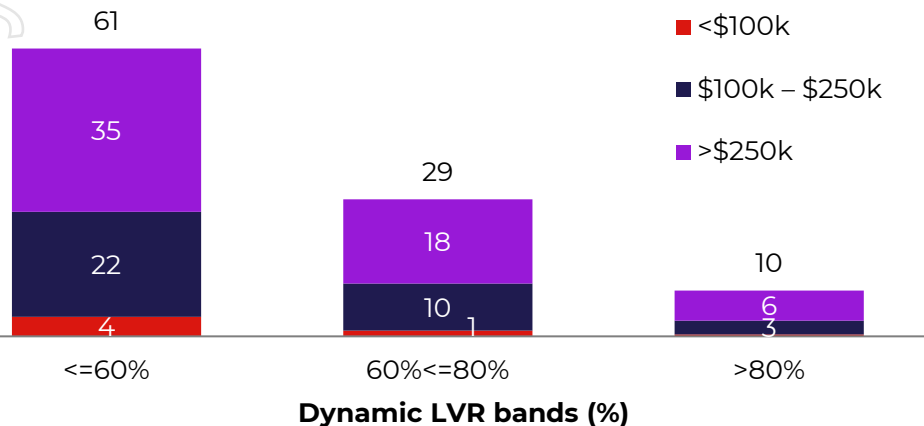
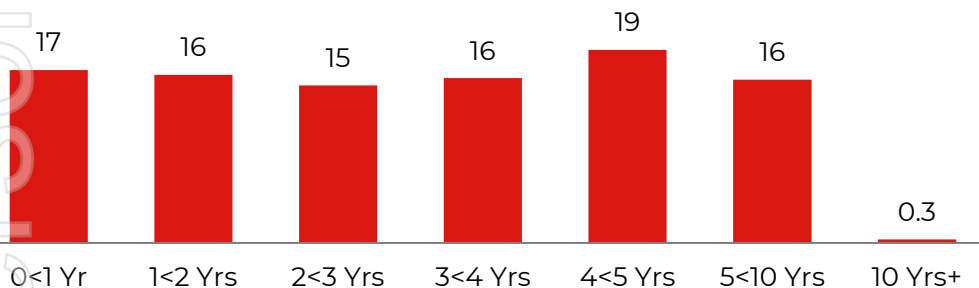


Chart does not add due to rounding

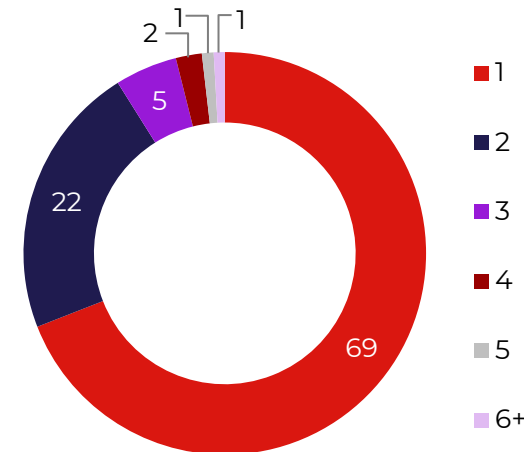
## SCHEDULED I/O TERM EXPIRY<sup>2</sup> (% OF TOTAL I/O LOANS)

I/O portfolio \$60bn (12% of portfolio) at 31 March 2024



<sup>1</sup> 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. <sup>2</sup> 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. <sup>3</sup> Includes amortisation. Calculated at account level where split loans represent more than one account. <sup>4</sup> Customer loans ahead on payments exclude equity/line of credit products as there are no scheduled principal payments. Customers ahead on repayments have been restated to reflect changes in determining account limits when calculating prepayment amounts.

## INVESTMENT PROPERTY PORTFOLIO BY NUMBER OF PROPERTIES PER CUSTOMER (%)



### Investment property lending (IPL) portfolio

	Mar-23	Sep-23	Mar-24
Investment property loans (\$bn)	151	152	<b>153</b>
Weighted averages	LVR of IPL loans at origination (%)	71	70
	LVR of new IPL loans in the period (%)	69	68
	Dynamic LVR <sup>1</sup> of IPL loans (%)	51	50
Average loan size <sup>3</sup> (\$'000)	330	337	<b>343</b>
Customers ahead on repayments including offset accounts <sup>4</sup> (%)	64	65	<b>67</b>
90+ day delinquencies (bps)	75	85	<b>99</b>
Annualised loss rate (net of insurance claims) (bps)	0.8	1.5	<b>1.7</b>

# NEW ZEALAND MORTGAGE AND CONSUMER PORTFOLIOS

NEW ZEALAND CREDIT QUALITY

Mortgage portfolio	Sep-23	Mar-24
Total portfolio (NZ\$bn) <sup>1</sup>	65.8	<b>67.4</b>
Owner occupied (%)	74.1	<b>74.4</b>
Investment property loans (IPL) (%)	25.9	<b>25.6</b>
Broker introduced (%)	51.9	<b>53.0</b>
Proprietary channel (%)	48.1	<b>47.0</b>
Fixed/ variable split (%)	91/9	<b>90/10</b>
Interest only (I/O) (%)	16.5	<b>16.0</b>
Origination LVR 80-90% (%)	9.0	<b>9.2</b>
Origination LVR >90% (%)	2.9	<b>3.1</b>
Mortgage 90+ day delinquencies (%)	0.33	<b>0.47</b>
Mortgage 30+ day delinquencies (%)	0.71	<b>0.92</b>
Unsecured consumer portfolio (NZ\$bn) <sup>2</sup>	1.2	<b>1.2</b>

## MORTGAGE 90+ DAY DELINQUENCIES<sup>3</sup> (%)

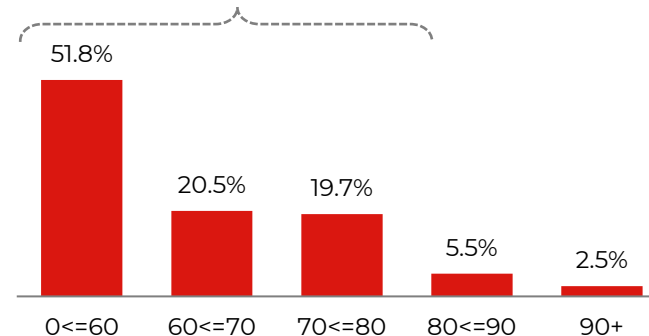


## UNSECURED CONSUMER 90+ DAY DELINQUENCIES<sup>3</sup> (%)

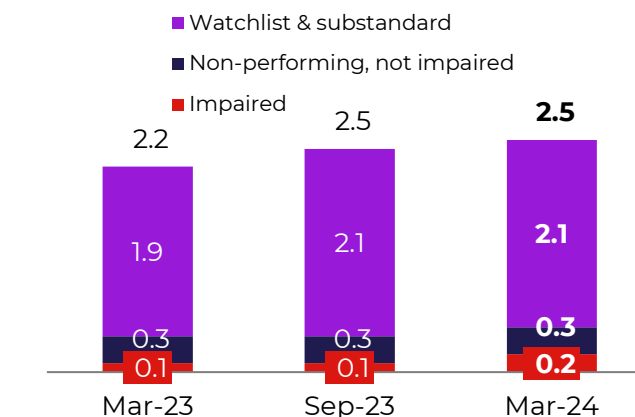


## MORTGAGE PORTFOLIO LVR<sup>4</sup> (% OF PORTFOLIO)

92% of mortgage portfolio has an LVR less than 80%



## BUSINESS STRESSED EXPOSURES TO BUSINESS TCE (%)<sup>5</sup>



<sup>1</sup> Mortgage portfolio indicates gross loans. <sup>2</sup> Unsecured consumer portfolio indicates outstanding balance. <sup>3</sup> In May-19 we made changes to the reporting of customers in hardship to align to the method used by APRA. <sup>4</sup> LVR based on current loan property value at latest credit event. <sup>5</sup> Chart may not add due to rounding.

# **NON-CREDIT RISK MANAGEMENT**

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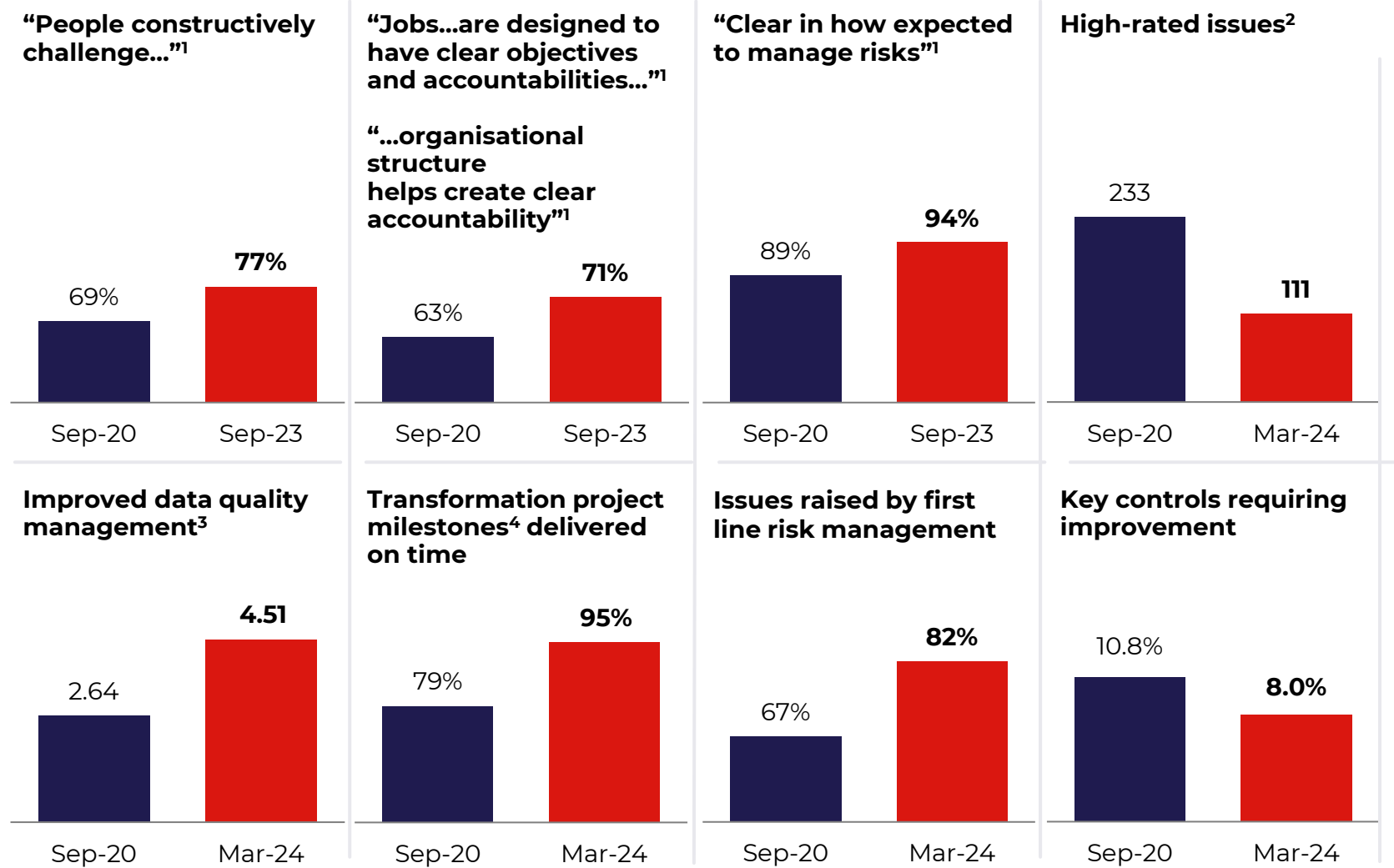
# CORE PROGRAM DRIVING STRONGER RISK GOVERNANCE, ACCOUNTABILITY AND RISK CULTURE

CORE

## TARGET STATES

## MEASURES OF PROGRESS

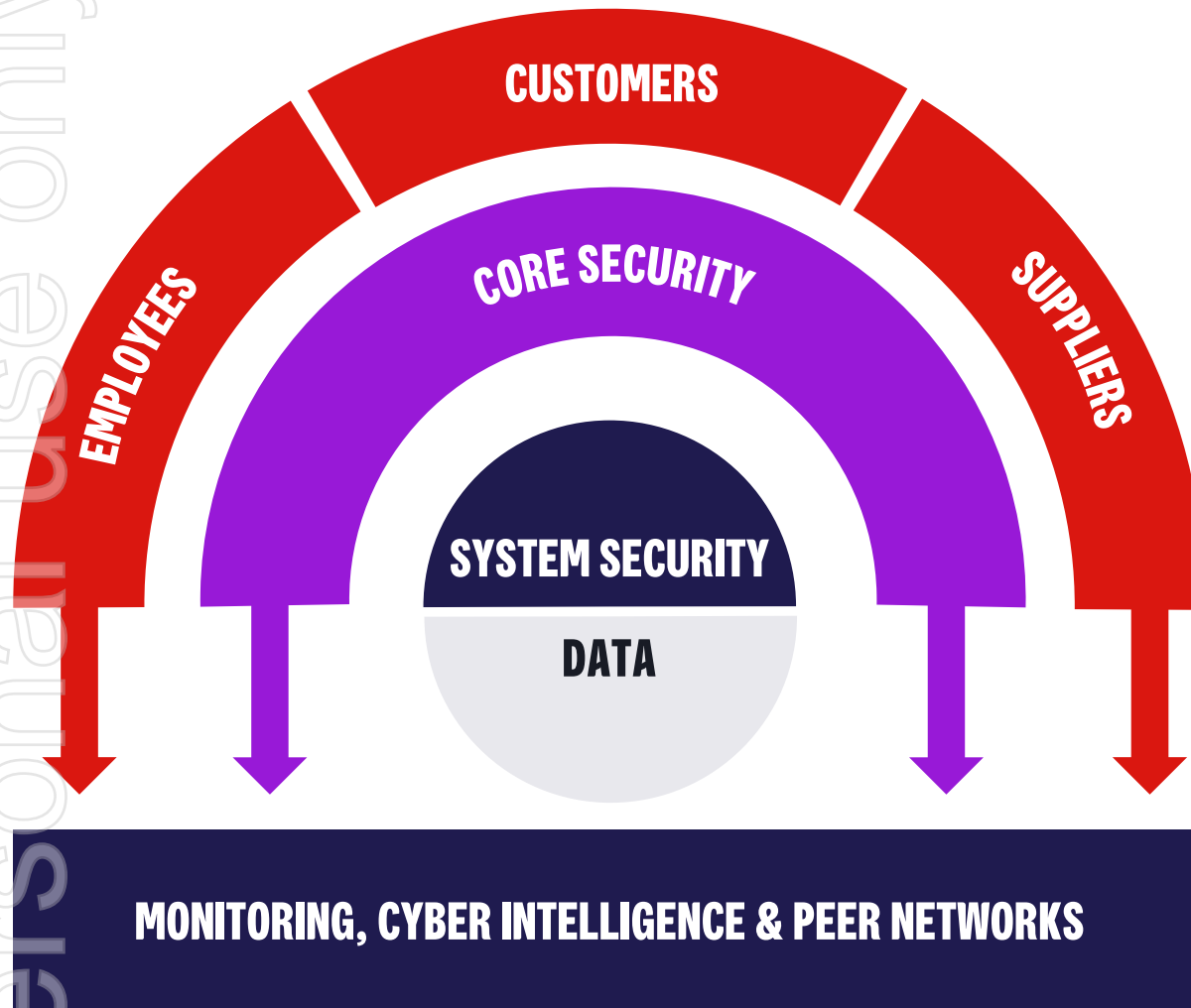
- 1 We are a well-run business where risk is actively managed
- 2 A simplified organisational construct with clear accountabilities
- 3 Three lines of defence is understood and embedded
- 4 Our people understand risks and proactively manage them
- 5 We're known for execution excellence and getting it done



<sup>1</sup> Employee survey. This survey is conducted annually, with next results to be reported in September 2024. <sup>2</sup> Number of open issues. <sup>3</sup> Internal rating out of 5. <sup>4</sup> % Gold Milestones across the Group portfolio (excl NZ).

# CYBER SECURITY – A LAYERED DEFENCE<sup>1</sup>

CYBER RISK



## EMPLOYEES

Controls underpin who we hire; how we grant access; and how we monitor system use

## CUSTOMERS

Dedicated controls to help protect customers from fraud, including multi-factor authentication

## SUPPLIERS

Security reviews, limited access to 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

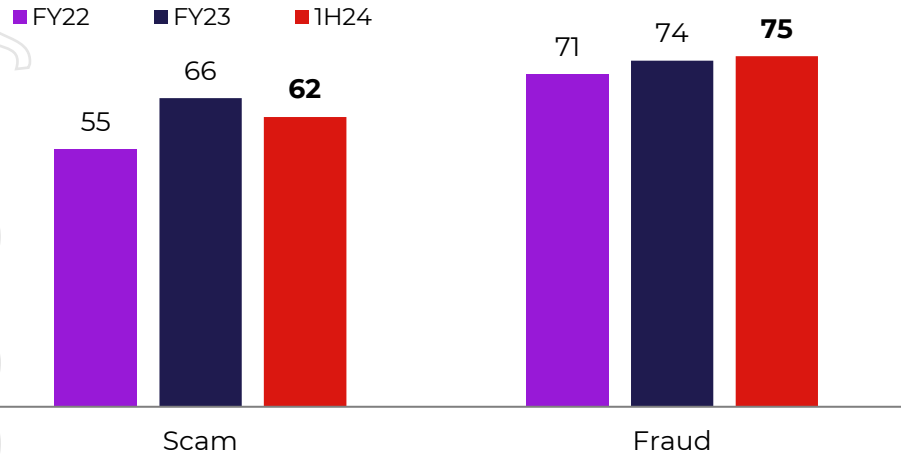
## MONITORING, INTELLIGENCE AND NETWORKS

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

<sup>1</sup> 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.

# PROTECTING CUSTOMERS FROM FRAUD AND SCAMS<sup>1</sup>

## SCAM AND DIGITAL FRAUD DETECTION (%)<sup>2</sup>



## 1H24 SNAPSHOT

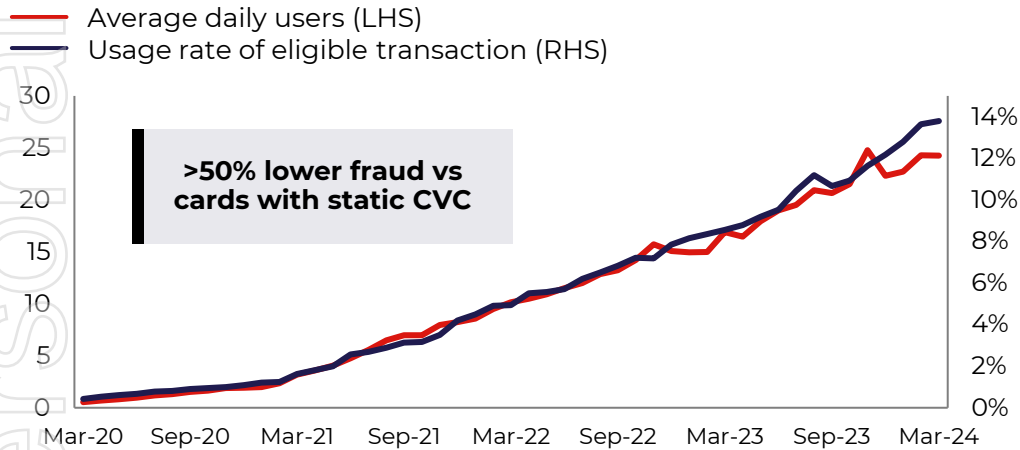
**Customer scam losses 32% lower compared to 1H23**

**SaferPay launched helping protect customers from scams**

**Top scams driving customer losses: investment, business email, remote access, romance and buying and selling scams**

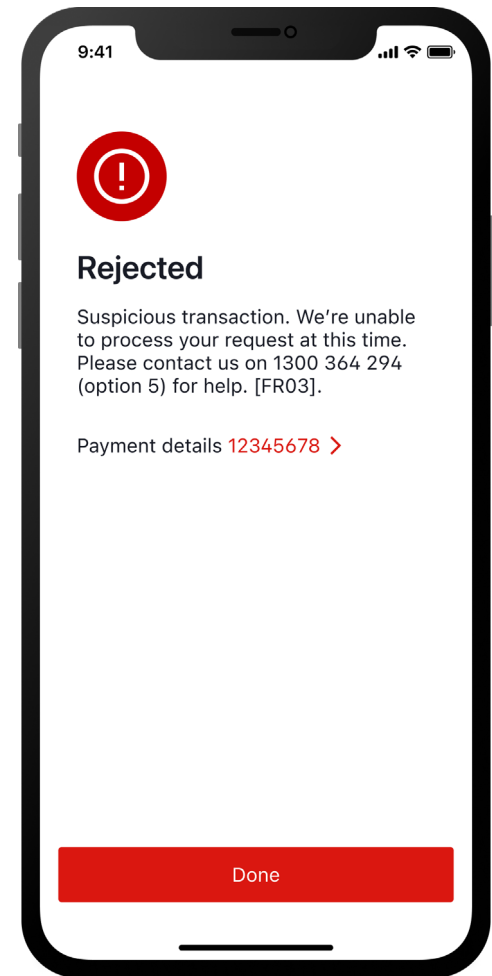
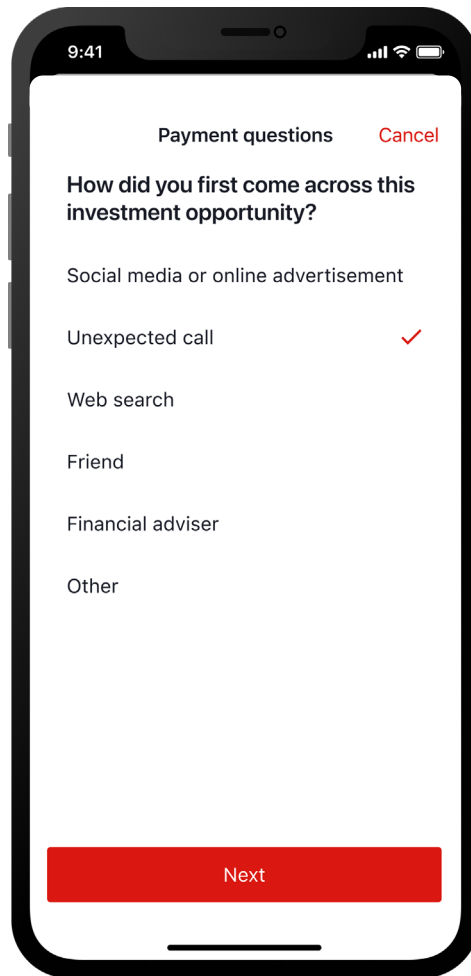
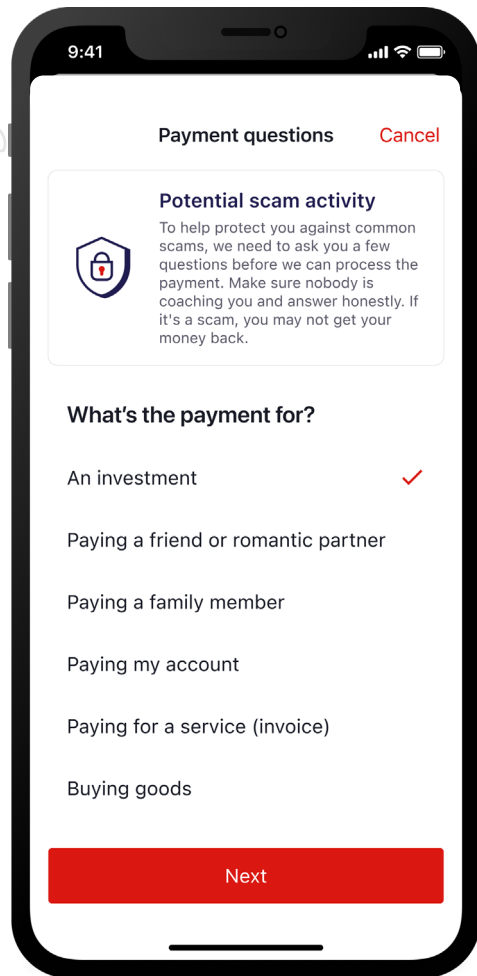
**Launched Scam-Safe Accord with other Australian banks**

## DYNAMIC CVC USERS<sup>3</sup>



<sup>1</sup> 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. <sup>2</sup> Detection rate indicates the percentage of cases Westpac triggers alerts for. <sup>3</sup> Monthly average.

# LAUNCHED SAFERPAY TO HELP PROTECT CUSTOMERS FROM SCAMS



Potential scam identified using AI

Transaction checked with customer

Suspicious transaction blocked

# BROAD SUITE OF SECURITY PROTECTION MEASURES

FRAUD & SCAMS



**SaferPay launched, prompting customers to provide more information for high scam risk transactions**



**Westpac Verify alerts customers to potential scams through risk indicators when adding new payees in digital banking**



**Real-time blocking of questionable online merchants**

Saved \$68m for 810,000 customer scam incidences in 1H24



**Launched Scam-Safe Accord with other Australian banks**

Enhancing protection for customers



**Biometric onboarding reduces identity theft, fraud and promotes digital usage**

Saved \$11m in averted fraud losses in 1H24



**Dynamic CVC generates a new CVC every 24 hours**

>50% lower fraud vs cards with static CVC



**Call-stop measures added 94,000 Westpac numbers to the 'Do Not Originate' list preventing scammers from impersonating our phone numbers**



**Advanced customer behavioural tools combatting remote access scams**

Saved customers \$11m in averted scam losses 1H24



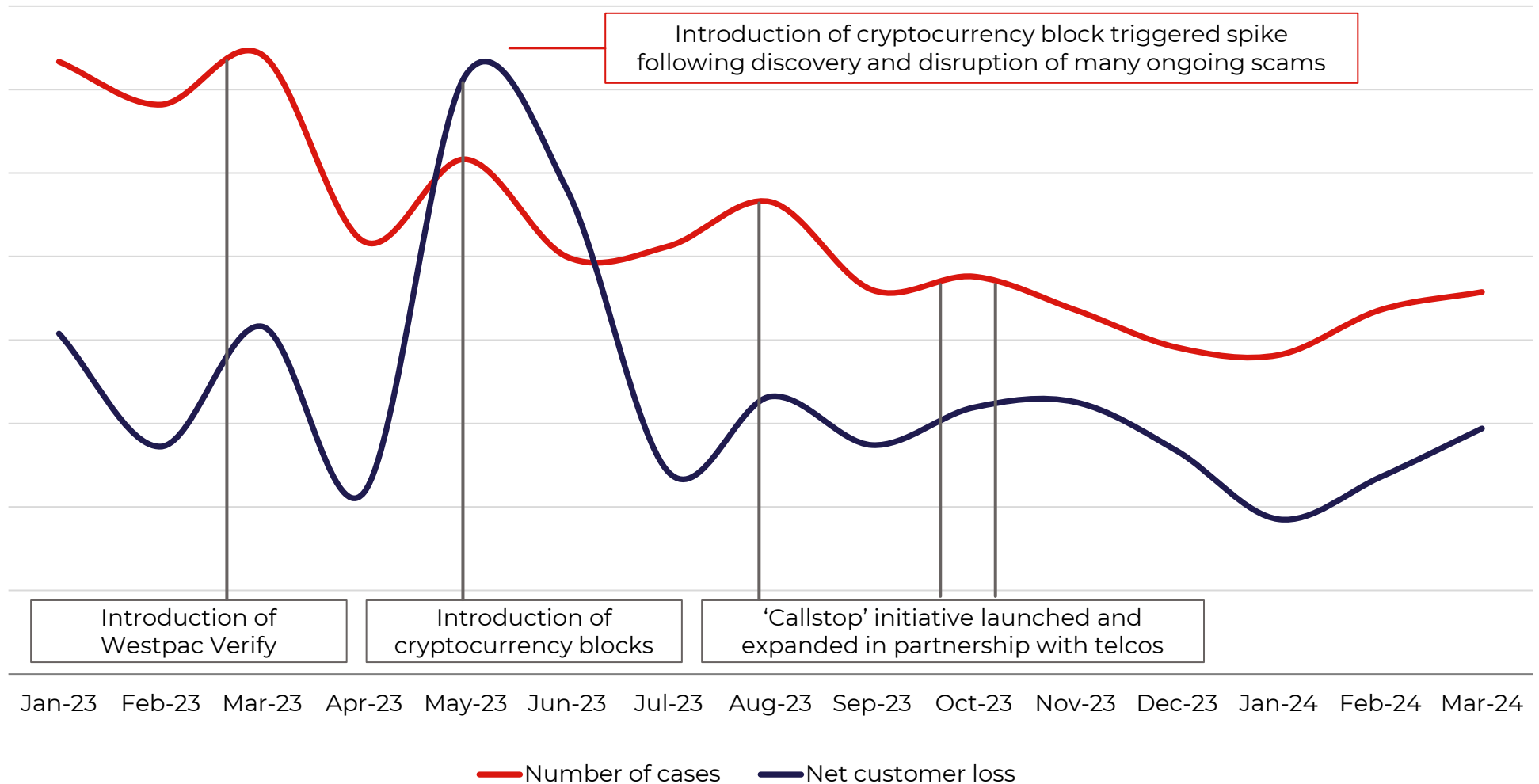
**Cryptocurrency blocks for payments to certain high-risk currency exchanges**



# PREVENTION MEASURES DRIVING DOWN CUSTOMER LOSSES

**INVESTED OVER \$100M IN DETECTION AND PREVENTION MEASURES SINCE FY21, SAVING CUSTOMERS OVER \$520M IN FRAUD AND SCAM LOSSES**

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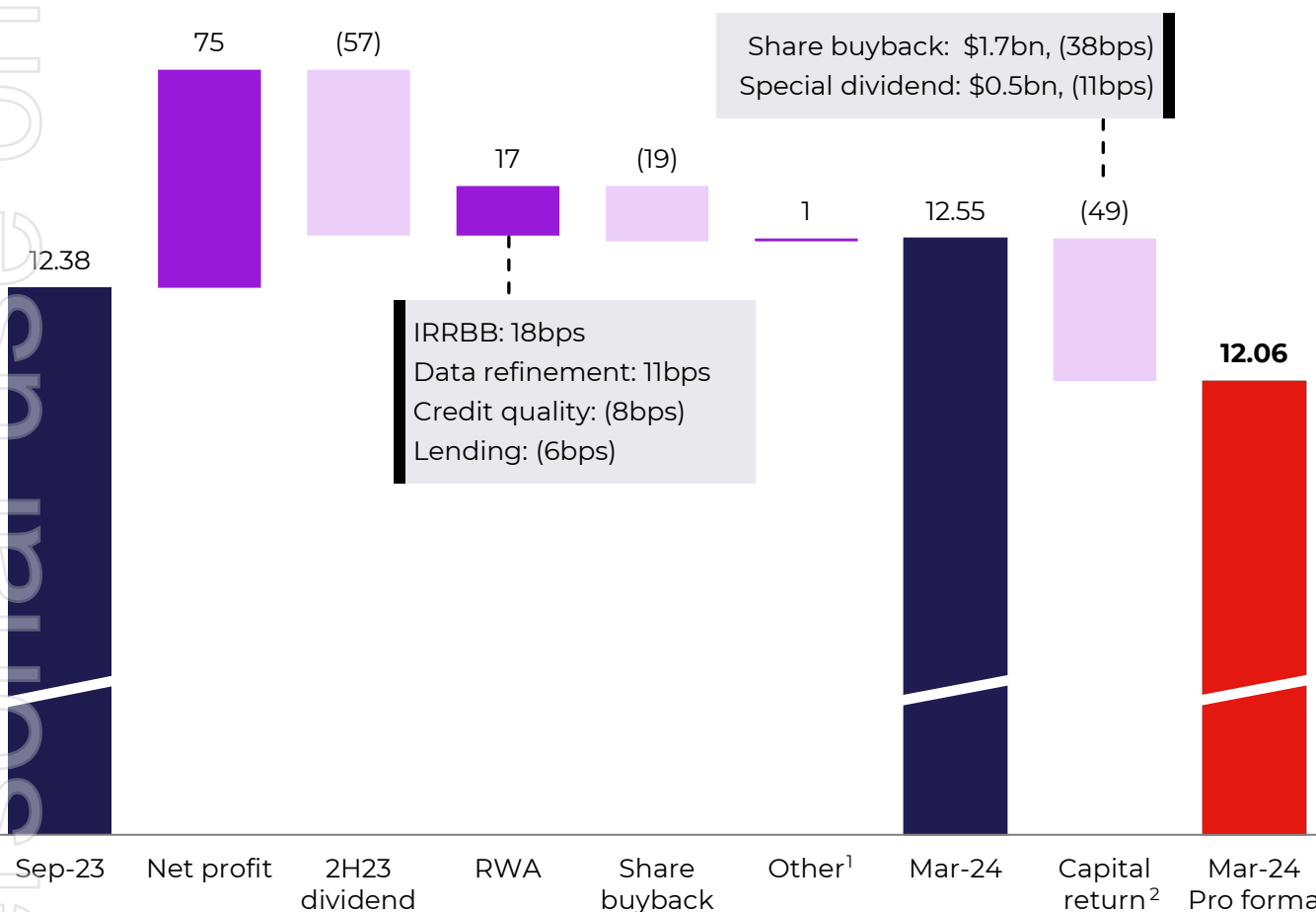


# **CAPITAL, FUNDING AND LIQUIDITY**

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# CET1 CAPITAL RATIO 12.55%

## LEVEL 2 CET1 CAPITAL RATIO MOVEMENTS (% , BPS)



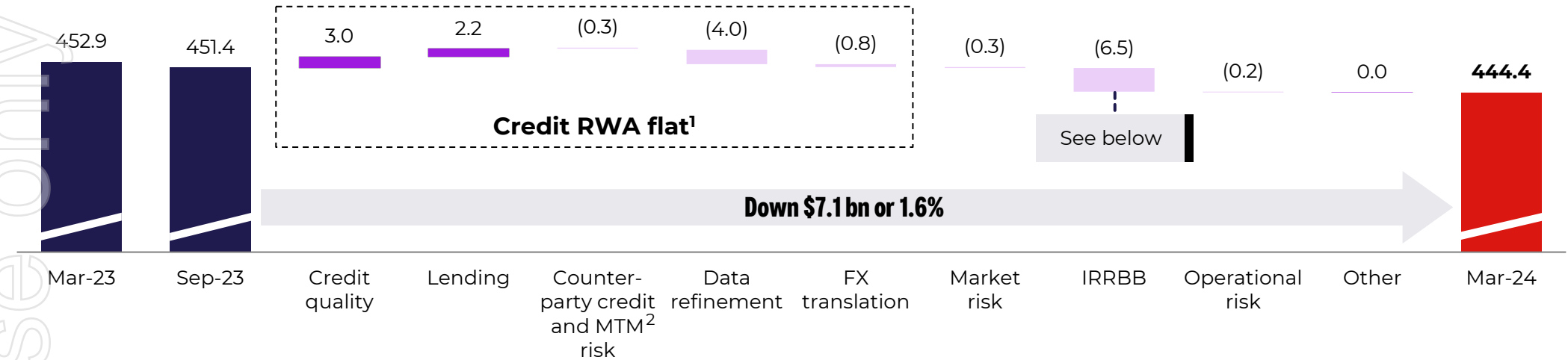
Key capital ratios (%)	Mar-23	Sep-23	Mar-24
<b>Level 2 CET1 capital ratio</b>	12.3	12.4	<b>12.5</b>
Additional Tier 1 capital ratio	2.2	2.2	<b>2.5</b>
Tier 1 capital ratio	14.5	14.6	<b>15.0</b>
Tier 2 capital ratio	5.3	5.9	<b>6.4</b>
Total regulatory capital ratio	19.8	20.5	<b>21.4</b>
Risk weighted assets (RWA) (\$bn)	453	451	<b>444</b>
Leverage ratio	5.5	5.5	<b>5.5</b>
<b>Level 1 CET1 capital ratio</b>	12.5	12.6	<b>12.8</b>
<b>Internationally comparable ratios<sup>3</sup></b>			
Leverage ratio (internationally comparable)	5.9	6.0	<b>6.0</b>
CET1 capital ratio (internationally comparable)	18.1	18.7	<b>18.6</b>

<sup>1</sup> Capital deductions and other items including FX translation impacts. <sup>2</sup> Includes on market share buyback extension of up to \$1.0bn and remaining on market share buyback announced in Nov-23. <sup>3</sup> 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.

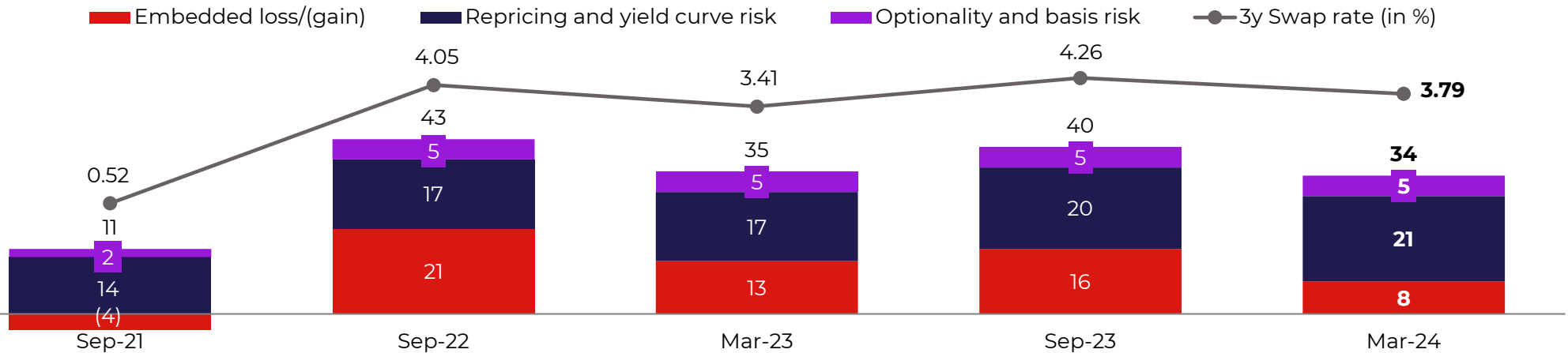
# RISK WEIGHTED ASSETS

CAPITAL, FUNDING AND LIQUIDITY

## RISK WEIGHTED ASSETS<sup>1</sup> (RWA) (\$BN)






## IRRBB RWA<sup>1</sup> (\$BN)



<sup>1</sup> Chart may not add due to rounding. <sup>2</sup> Mark to market (MTM).

# REGULATORY CAPITAL CHANGES

CAPITAL, FUNDING AND LIQUIDITY

Implementation	Change	Details	Expected impact on the Group's capital ratios
2024	<b>Additional Tier 1 Capital</b>	<ul style="list-style-type: none"> <li>In September 2023, APRA released a discussion paper to explore options for, and seek feedback from stakeholders on improving the effectiveness of Additional Tier 1 capital in Australia. APRA is expected to consult further in the first half of calendar year 2024</li> </ul>	
2025 1 Jan 2026	<b>APS117 – IRRBB</b> <b>APS116 – Market Risk</b>	<ul style="list-style-type: none"> <li>Currently standardising aspects of the calculation of IRRBB capital to reduce volatility over time and variation between ADIs</li> <li>APRA is yet to commence consultation on Fundamental Review of the Trading Book</li> </ul>	
1 Jan 2024 and 1 Jan 2026	<b>Loss Absorbing Capacity (LAC)</b>	<ul style="list-style-type: none"> <li>Total capital ratio requirement:                             <ul style="list-style-type: none"> <li>– Current 16.75%</li> <li>– 1 January 2026 18.25%</li> </ul> </li> </ul>	
Current and finalised by 1 Jul 2028	<b>RBNZ Capital Review</b>	<ul style="list-style-type: none"> <li>D-SIBs<sup>1</sup> 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</li> </ul>	

<sup>1</sup> Domestically systemically important bank (D-SIB).

# INTERNATIONALLY COMPARABLE CAPITAL RATIO RECONCILIATION<sup>1</sup>

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:

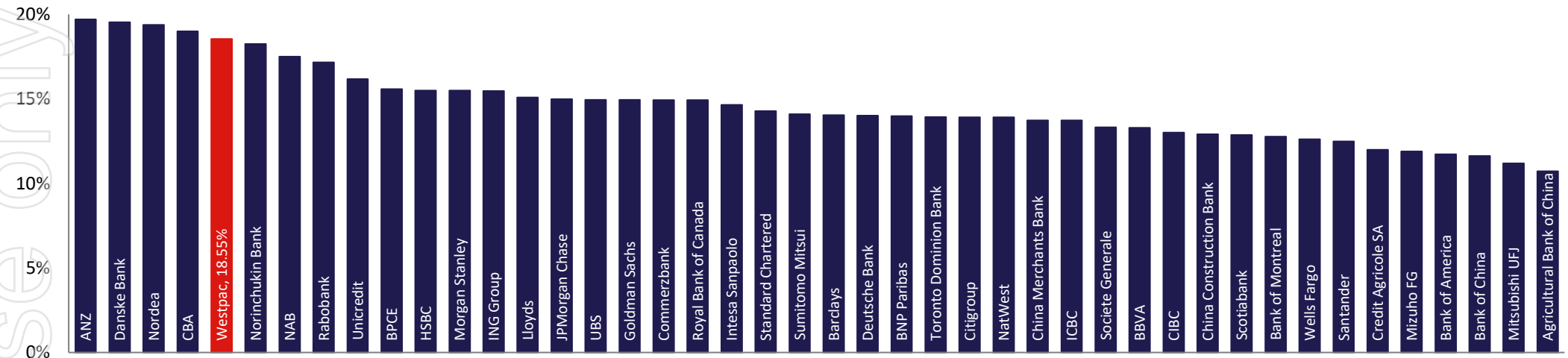
<b>Westpac's CET1 capital ratio (APRA basis)</b>		<b>12.5</b>
<b>Equity investments</b>	Balances below prescribed threshold are risk weighted, compared to a 100% CET1 deduction under APRA's requirements	0.0
<b>Deferred tax assets</b>	Balances below prescribed threshold are risk weighted, compared to a 100% CET1 deduction under APRA's requirements	0.6
<b>Capitalised expenses</b>	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
<b>Interest rate risk in the banking book (IRRBB)</b>	APRA requires capital to be held for IRRBB. The BCBS does not have a Pillar 1 capital requirement for IRRBB	1.4
<b>RWA scaling factor</b>	APRA applies a scaling factor to all Advanced IRB <sup>2</sup> credit RWAs. The BCBS does not apply this scalar	0.9
<b>Property finance</b>	APRA applies an additional scaling factor to property finance RWA. The BCBS does not apply this scalar	0.3
<b>Residential mortgages</b>	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
<b>Non-retail Loss Given Default (LGD)</b>	Non-retail LGD's under the Foundation IRB (F-IRB) and Advanced IRB approaches differ from the BCBS	(0.3)
<b>New Zealand</b>	APRA requires New Zealand RWAs to be largely calculated in accordance with the RBNZ rules. The RBNZ rules are more conservative than BCBS	0.6
<b>Internationally comparable CET1 capital ratio</b>		<b>18.6</b>
<b>Internationally comparable Tier 1 capital ratio</b>		<b>21.8</b>
<b>Internationally comparable total regulatory capital ratio</b>		<b>30.4</b>

<sup>1</sup> Internationally comparable methodology references the ABA study on the comparability of APRA's new capital framework and finalised reform released on 10 March 2023. <sup>2</sup> Internal ratings-based approach (IRB).

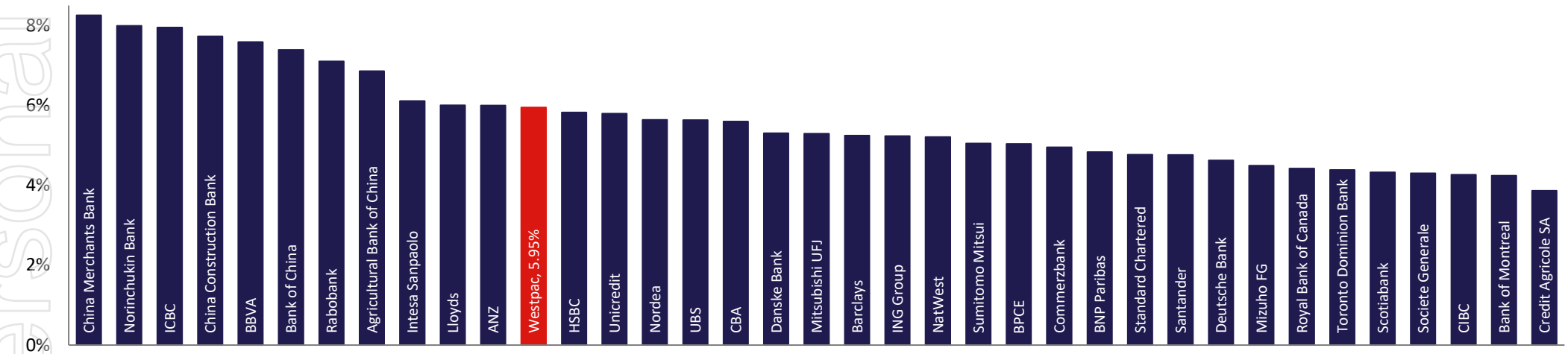
# WELL PLACED ON INTERNATIONALLY COMPARABLE

CAPITAL, FUNDING AND LIQUIDITY

## COMMON EQUITY TIER 1 RATIO<sup>1</sup> (%)



## LEVERAGE RATIO (%)



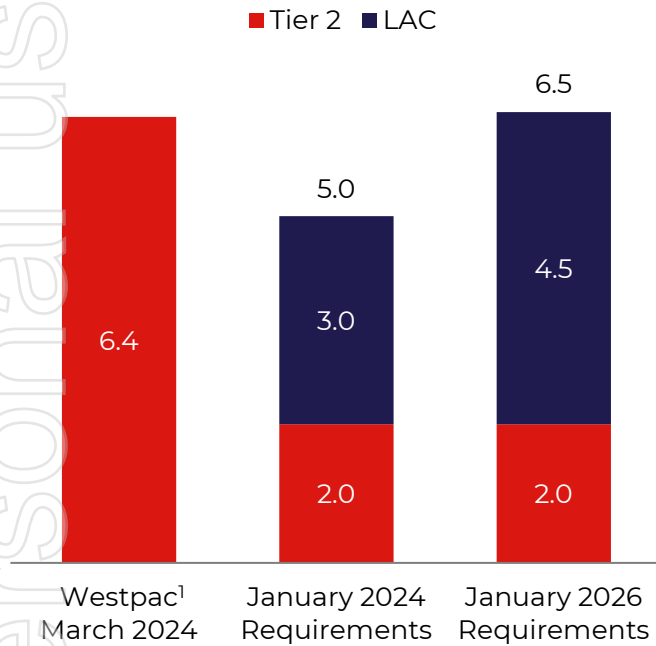
<sup>1</sup> Comparison group comprises listed commercial banks with assets in excess of A\$700bn and which have disclosed fully implemented Basel III ratios or provided enough to estimate. Based on company reports/presentations. Ratios are at 31 December 2023, except for China Construction Bank and ANZ which are at 30 September 2023, Bank of Montreal, Toronto Dominion Bank, Royal Bank of Canada, CIBC and Scotiabank which are at 31 January 2024, and National Australia Bank and Westpac which are at 31 March 2024. 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

## LOSS-ABSORBING CAPACITY (LAC)

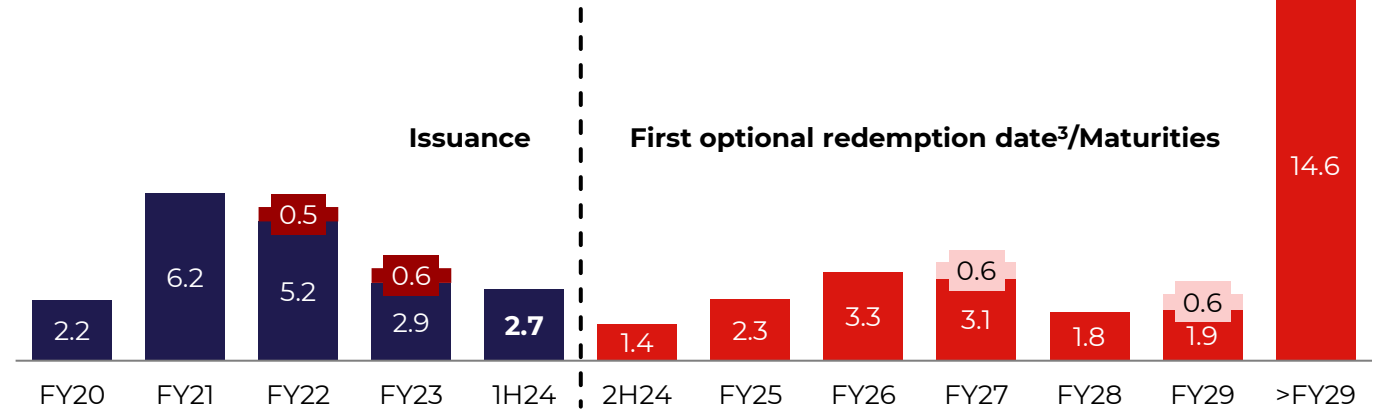
- Westpac is well progressed to meet APRA's final LAC requirement of an additional 4.5% of RWA by 1 January 2026
- To date this has been met through Tier 2 capital, which is now 6.42%
- The Group expects to run a buffer in Tier 2 capital above the final LAC requirement

### Tier 2 and LAC requirements (%)



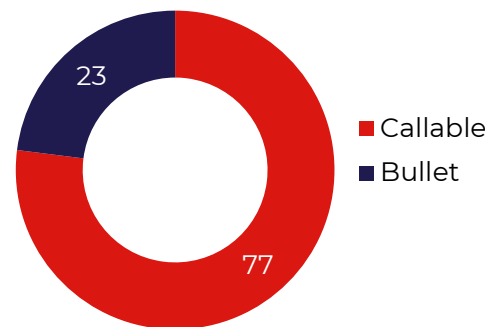
## TIER 2 PROFILE<sup>1,2,3</sup> (NOTIONAL AMOUNT, A\$BN)

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

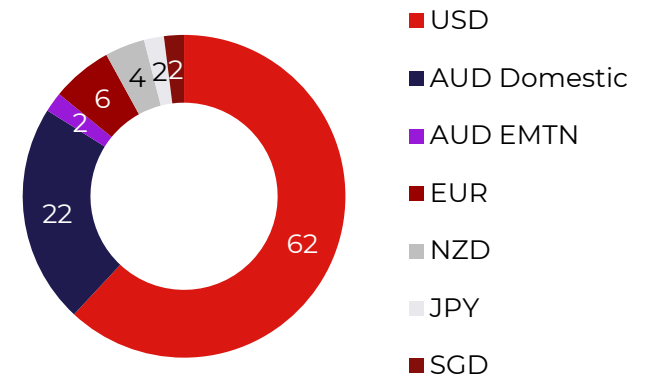


## TIER 2 CAPITAL (%)

### By format<sup>1,2,3</sup> (notional amount)



### By currency<sup>1,2</sup> (notional amount)



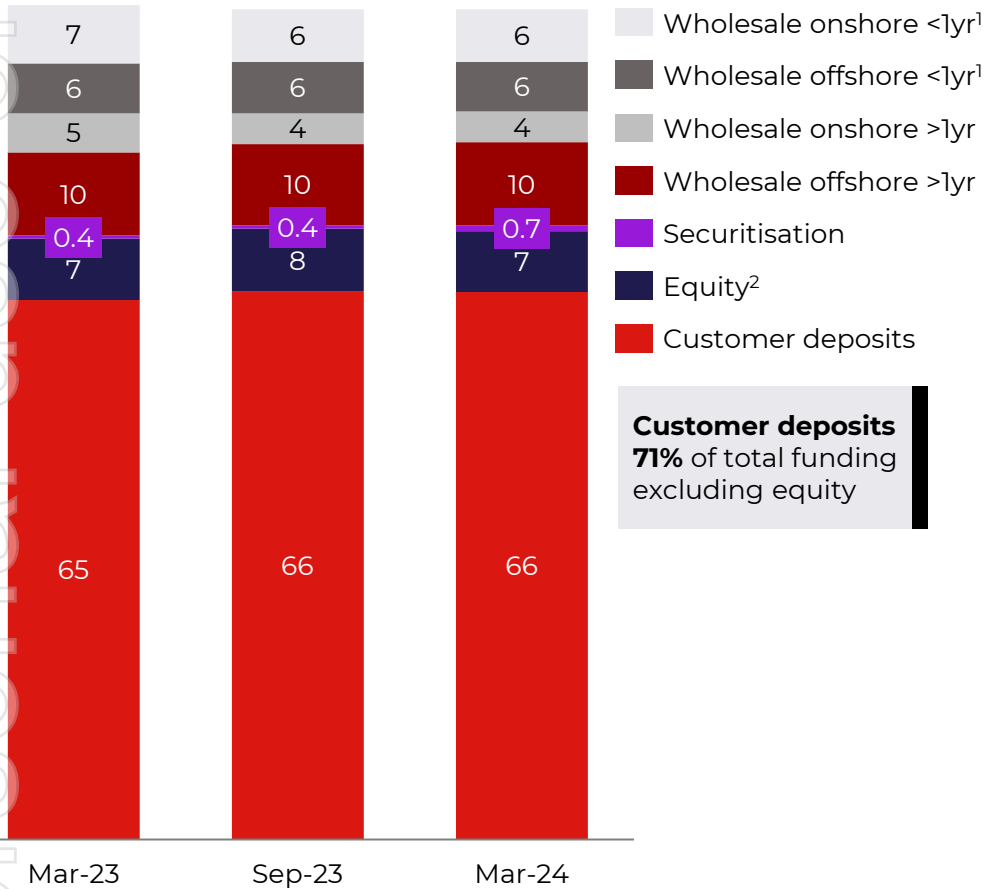
<sup>1</sup> Includes Westpac New Zealand Limited (WNZL). WNZL Tier 2 does not count for APRA Tier 2 or LAC requirements. <sup>2</sup> Represents A\$ equivalent notional amount using spot FX translation at date of issue for issuance and spot FX translation at 28-Mar-24 for redemptions/maturities. Securities in callable format profiled to first call date. Securities in bullet format profiled to maturity date. <sup>3</sup> Any early redemption would be subject to prior written approval from APRA, which may or may not be provided.



# FUNDING COMPOSITION

## FUNDING BY RESIDUAL MATURITY (%)

- 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

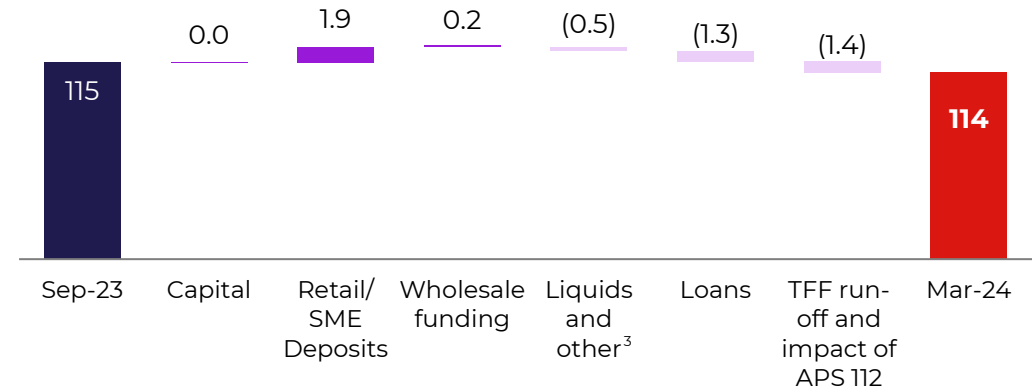


**Customer deposits**  
71% of total funding excluding equity

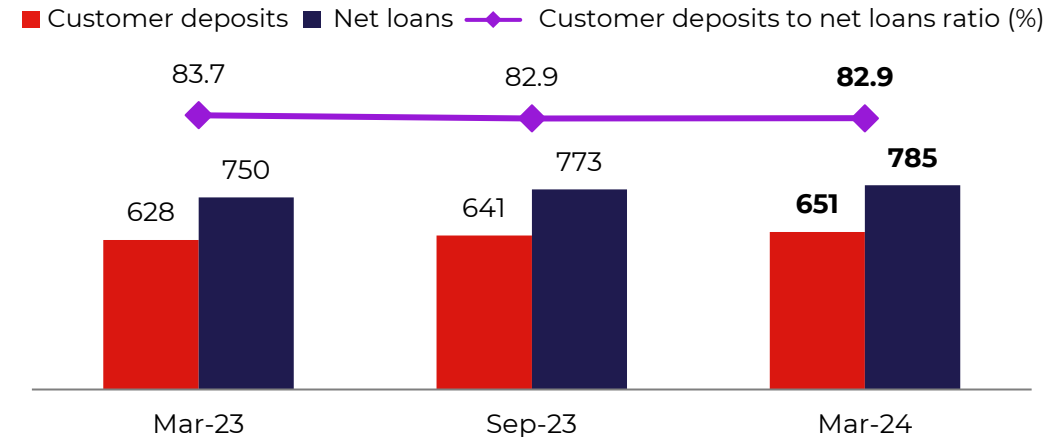
Charts may not add to 100 due to rounding

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

## NET STABLE FUNDING RATIO (%)

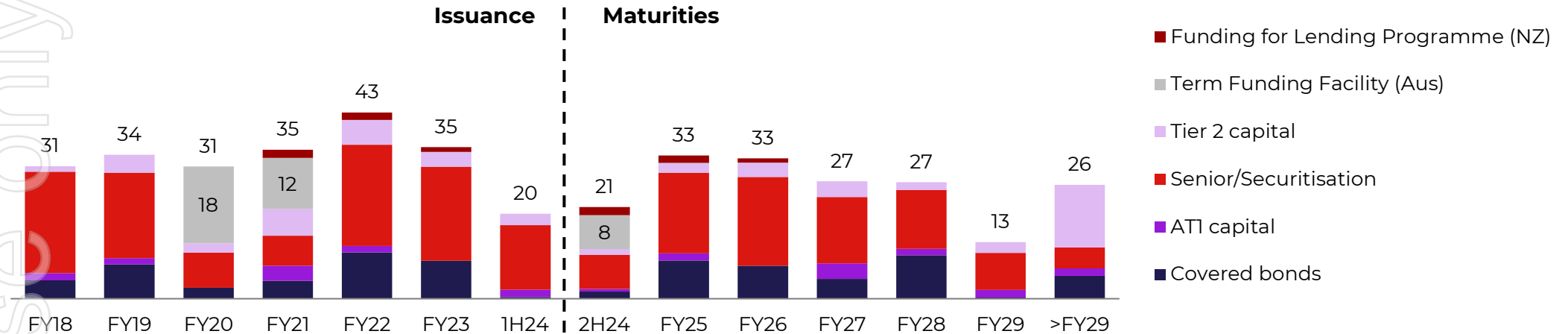


## CUSTOMER DEPOSITS AND NET LOANS (\$BN)



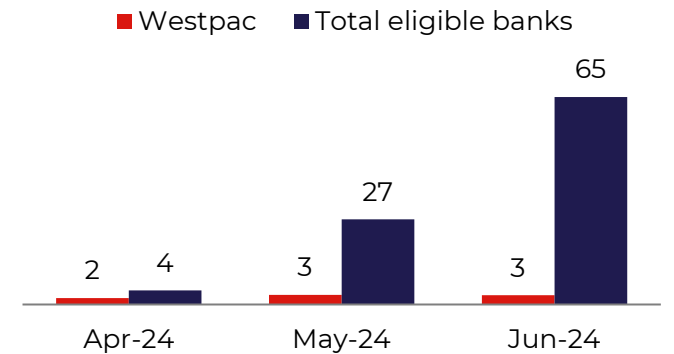
# LONG TERM WHOLESALE FUNDING PROFILE

## TERM DEBT ISSUANCE AND MATURITY PROFILE<sup>1</sup> (\$BN)



- \$19.8 billion in new term issuance in 1H24
  - Well diversified across currencies, programs and tenors, benefiting from constructive credit markets
  - Strong AUD liquidity conditions continued in 1H24
  - SEC registration remains a key advantage in US\$ market access
- Well managed Group maturity profile
  - Term Funding Facility drawdowns managed to support a smooth LCR profile
  - Limited remaining Term Funding Facility drawdowns, expected to be refinanced within normal funding capacity

## TERM FUNDING FACILITY (TFF) MATURITIES (\$BN)



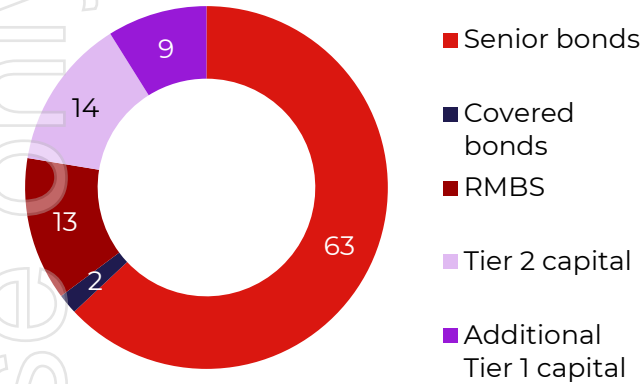
Source: Westpac, RBA

<sup>1</sup> 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 Additional Tier 1 capital instruments and callable Tier 2 capital instruments is the first scheduled conversion date or call date for the purposes of this disclosure. Any early redemption would be subject to prior written approval from APRA, which may or may not be provided. Maturities exclude securitisation amortisation.

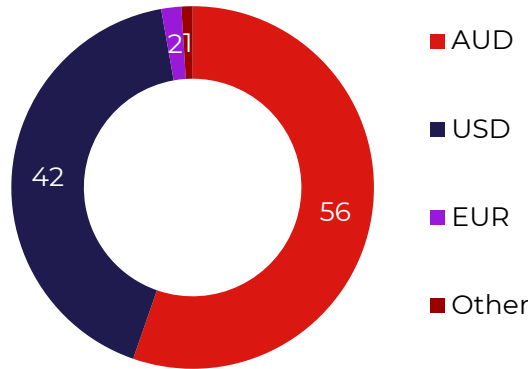
# LONG TERM WHOLESALE FUNDING DIVERSIFICATION

## 1H24 TERM DEBT ISSUANCE<sup>1</sup> (%)

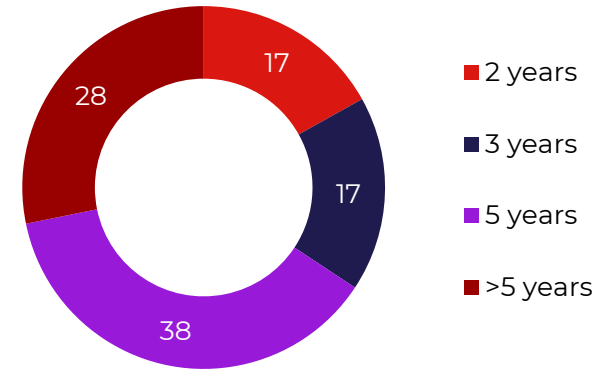
By program (%)



By currency (%)

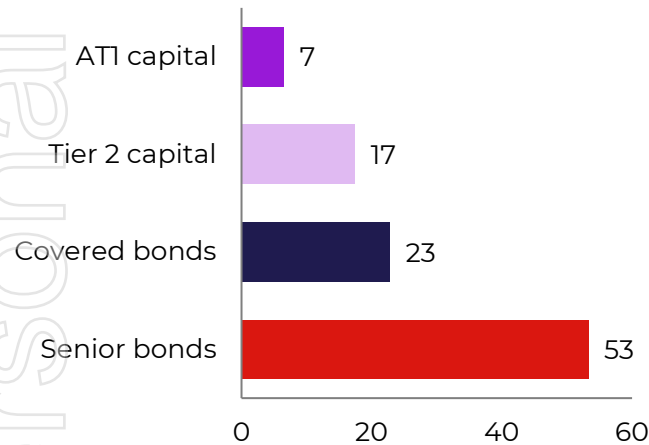


By tenor (%)

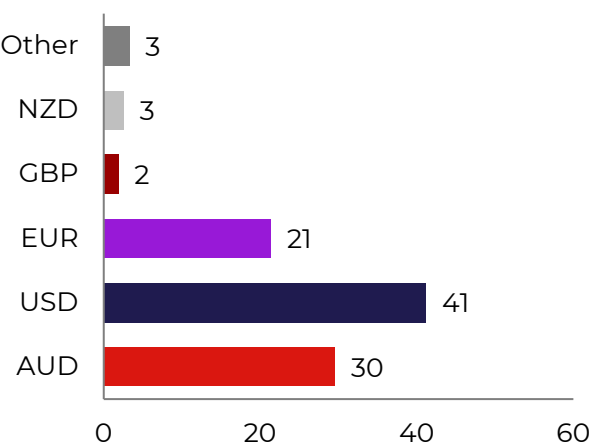


## LONG TERM WHOLESALE FUNDING BACK BOOK<sup>1,2</sup> (%)

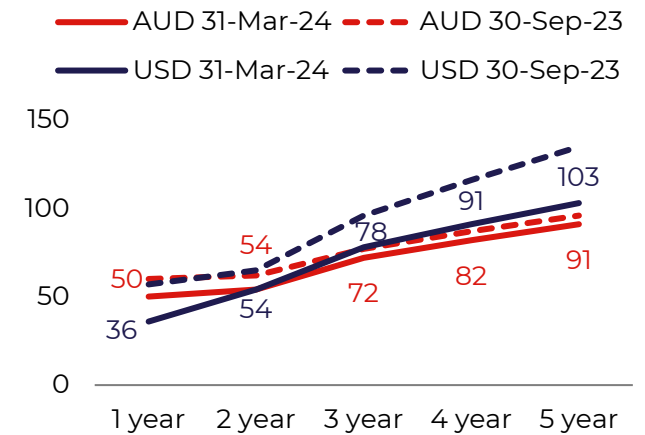
By program (%)



By currency (%)



## INDICATIVE WHOLESALE FUNDING COSTS (SPREAD ABOVE 3MTH BBSW)



<sup>1</sup> Charts may not add due to rounding. Data excludes Term Funding Facility and Funding for Lending Program. <sup>2</sup> Back book data excludes Securitisation.

# LIQUIDITY COVERAGE RATIO (LCR)

## LCR (\$BN)

March 2024 quarterly average 132%

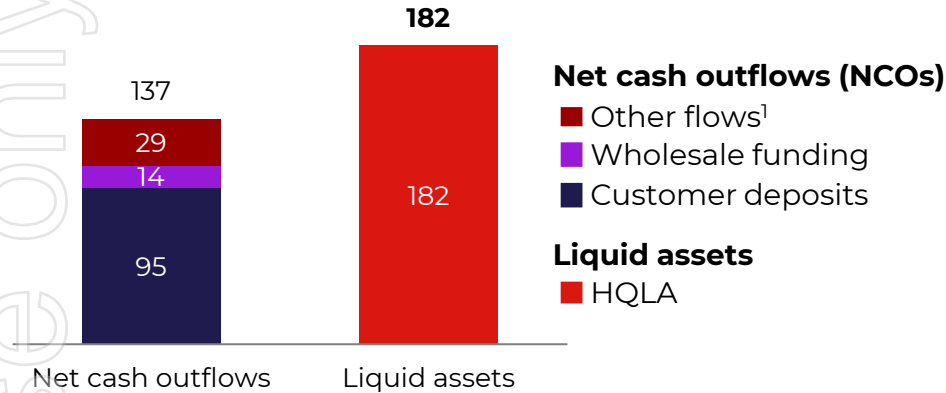


Chart does not add due to rounding

## MOVEMENT IN LCR (%)

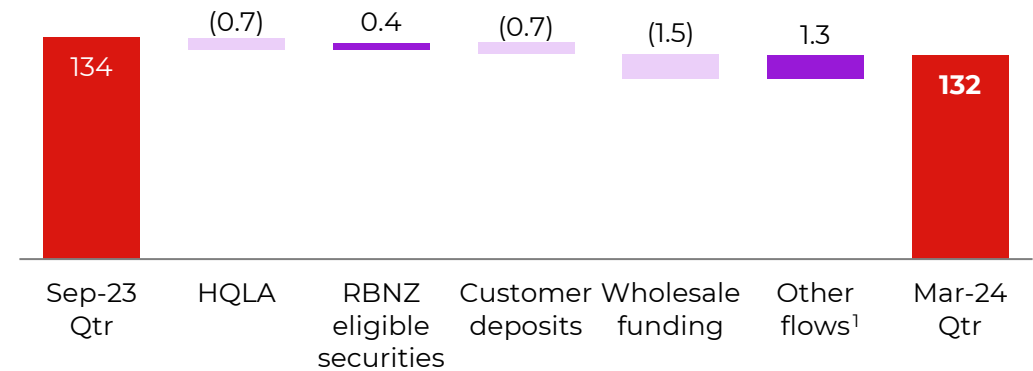


Chart does not add due to rounding

## HIGH QUALITY LIQUID ASSETS (HQLA) (%)

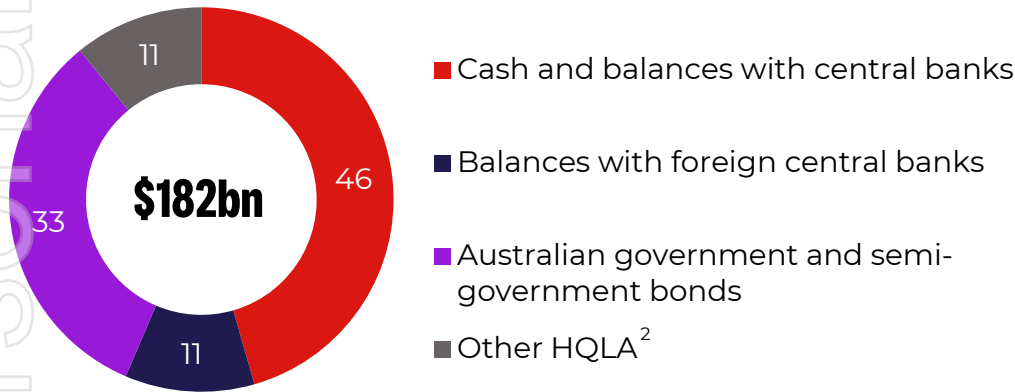
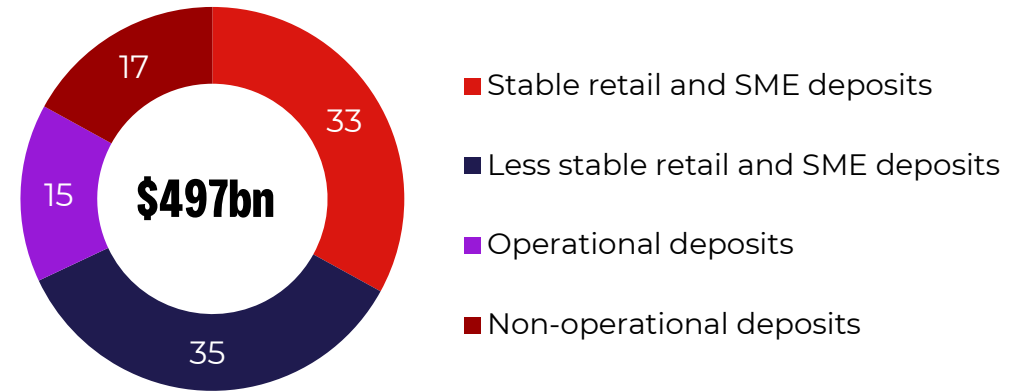


Chart does not add to 100 due to rounding

<sup>1</sup> Other flows include credit and liquidity facilities, collateral outflows, inflows from customers and TFF maturities. <sup>2</sup> Other HQLA includes securities issued by foreign sovereigns and repo-eligible qualifying assets in foreign jurisdictions, including RBNZ eligible securities.

## LCR DEPOSIT MIX (%)

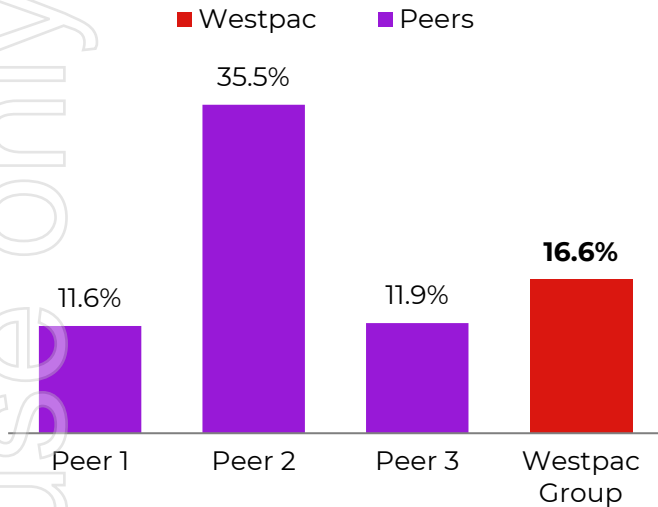


# **CUSTOMER FRANCHISE**

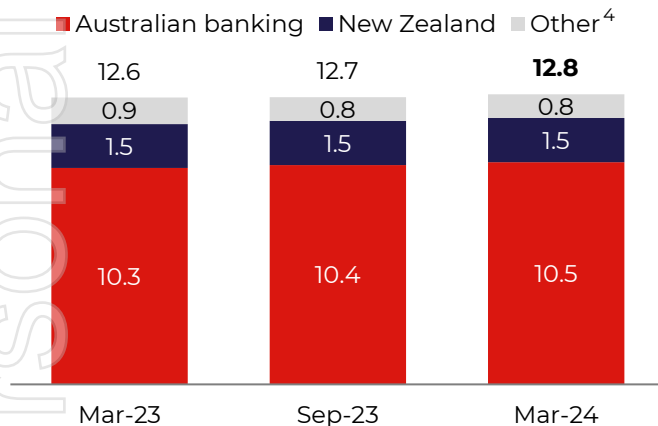
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# CUSTOMER FRANCHISE

## MFI SHARE<sup>1,2</sup>



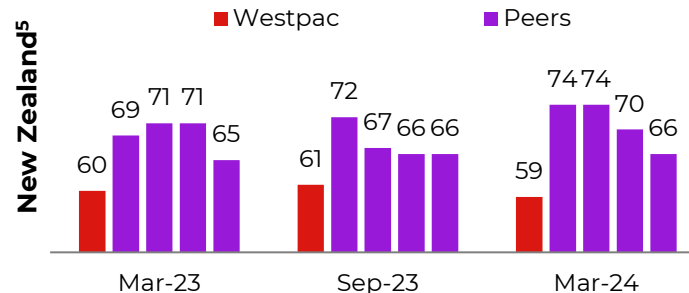
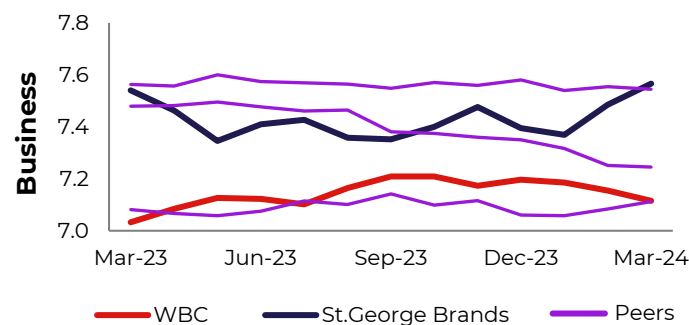
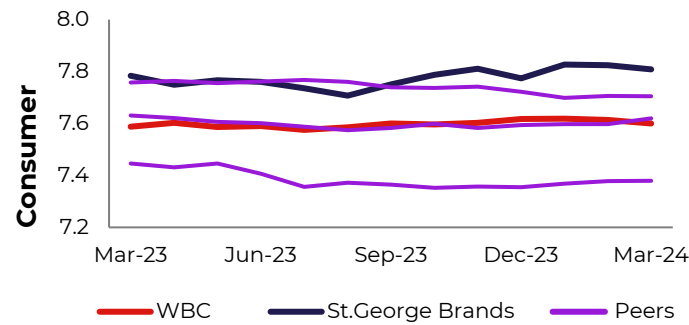
## CUSTOMER NUMBERS<sup>3</sup> (#M)



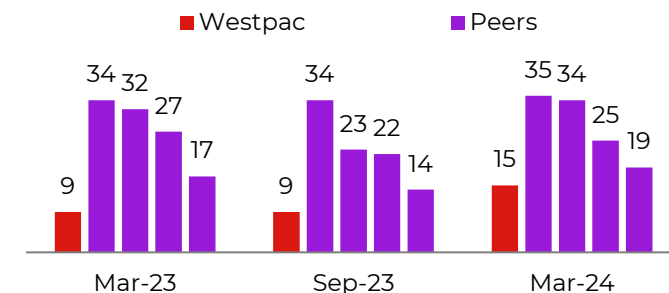
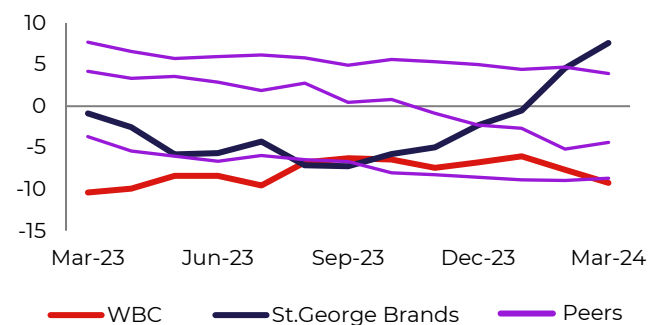
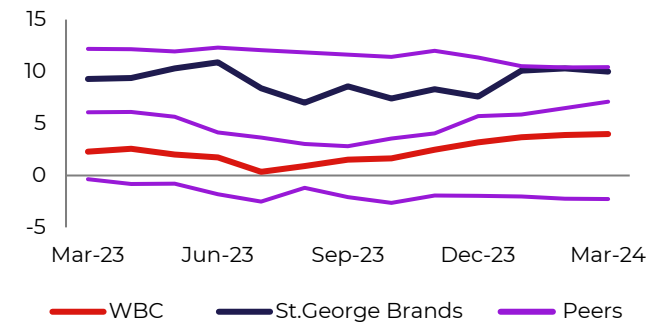
Charts may not add due to rounding

<sup>1</sup> Main Financial Institution for Consumer customers. <sup>2</sup> For further details on metric provider see page 118. <sup>3</sup> Customer numbers have been restated. Customers related to businesses sold, held for sale or in run-off at Mar-24 have been excluded from all periods. <sup>4</sup> Other includes WIB, Westpac Pacific and Platforms customers. <sup>5</sup> New Zealand Consumer. Refer to page 118.

## CUSTOMER SATISFACTION (CSAT)<sup>2</sup>



## NET PROMOTER SCORE (NPS)<sup>2</sup>



# #1 LEADING MOBILE BANKING APP<sup>1</sup>

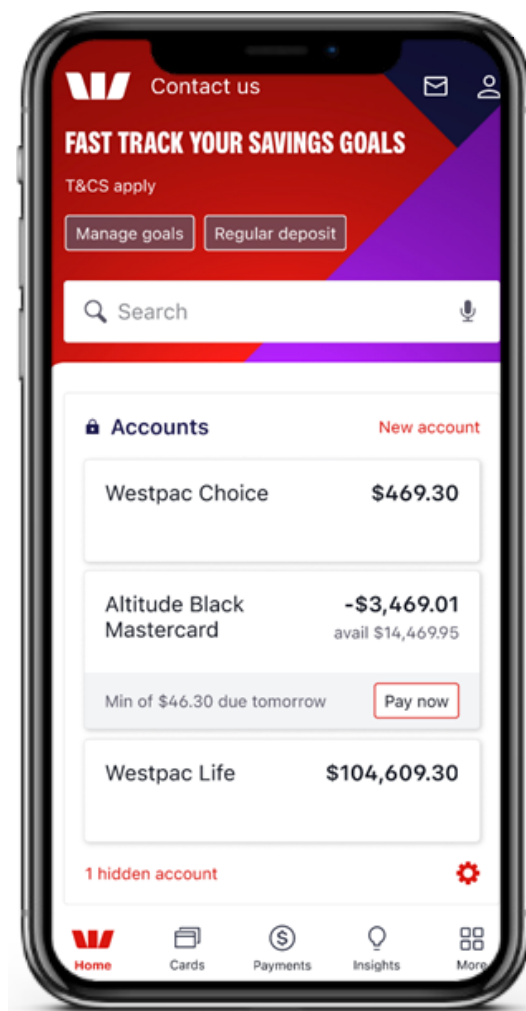
CUSTOMER FRANCHISE

## SEAMLESS USER EXPERIENCE

- Intuitive navigation with new Payment and Insights Hub
- Effortless self-service and secure chat
- Helpful messaging supporting error avoidance and recovery

## COMPREHENSIVE FUNCTIONALITY

- Best overall loyalty program<sup>2</sup> with integrated reward and offers
- Best in class Money Movement<sup>1</sup>
- Business to Personal profile switching



## SAFE AND SECURE

- Proactive fraud and scam prevention including SaferPay™
- Embedded security and safety education prompts
- Fraud alerts via push notifications

## INSIGHTFUL MONEY MANAGEMENT

- Predictive analysis and new features such as Tax Organiser, Savings Finder and Bills Calendar
- Spend analysis and cashflow
- Personalised categorisation with custom sub-categories and tagging

<sup>1</sup> The Forrester Digital Experience Review: Australian Mobile Banking Apps, Q4 2023. <sup>2</sup> Westpac Rewards – Best Overall Loyalty Financial Services in the Asia Pacific Loyalty Awards for 23/24.

# EVOLVING OUR DIGITAL BANKING EXPERIENCE – 1H24 INITIATIVES

CUSTOMER FRANCHISE

## FRAUD & SCAMS

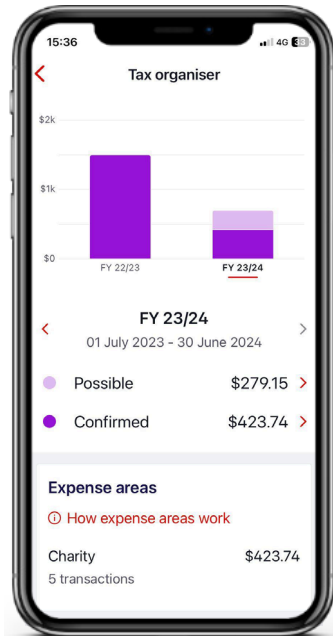
Westpac SaferPay™



Alerting customers about potential scam related activity

## MONEY MANAGEMENT

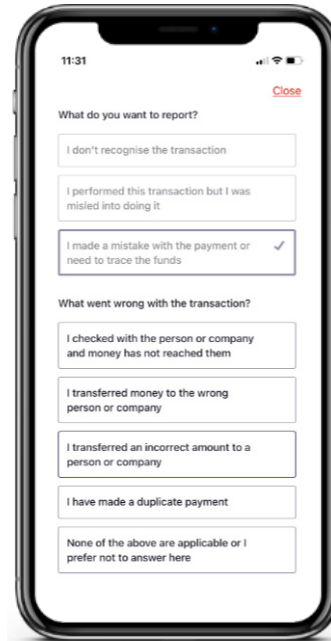
Tax Organiser & Insights Hub



>1m customers used money management features<sup>1</sup>

## SERVICING & ONBOARDING

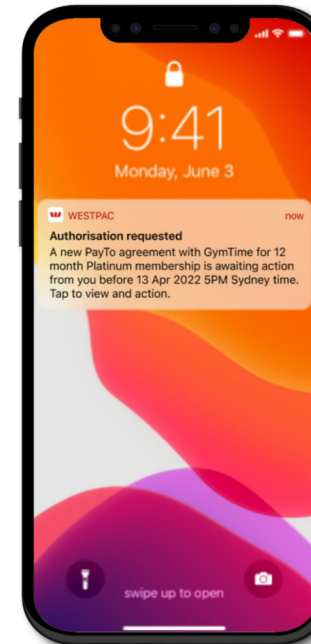
Empowering customers to digitally self-serve



Digitally request an investigation for Mistaken Internet Payments

## PAYMENTS & TRANSACTIONS

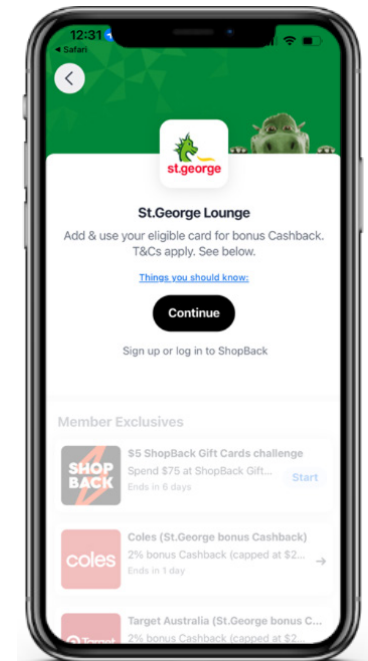
PayTo for Billers



Real time digital alternative to Direct Debit<sup>2</sup>

## LOYALTY & REWARDS

ShopBack Lounge for St.George, BankSA and Bank of Melbourne



Rewarded >\$19.9m in cashbacks

<sup>1</sup> In the 90 days to March-24. <sup>2</sup> Real-time receivables for commercial and institutional clients.



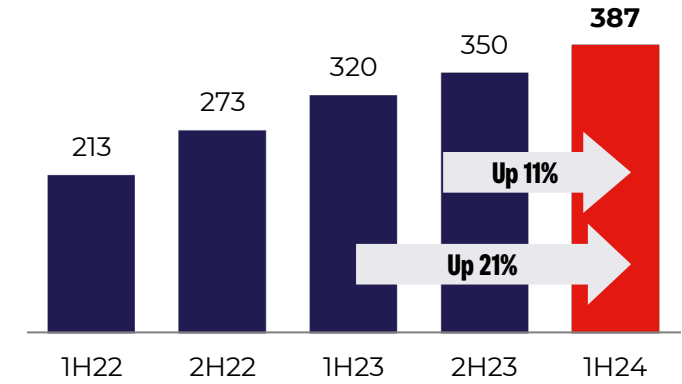
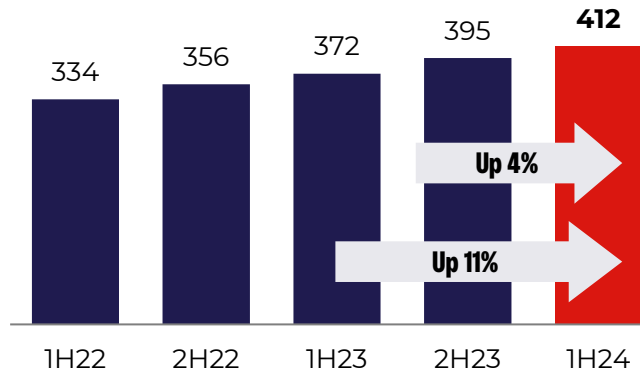
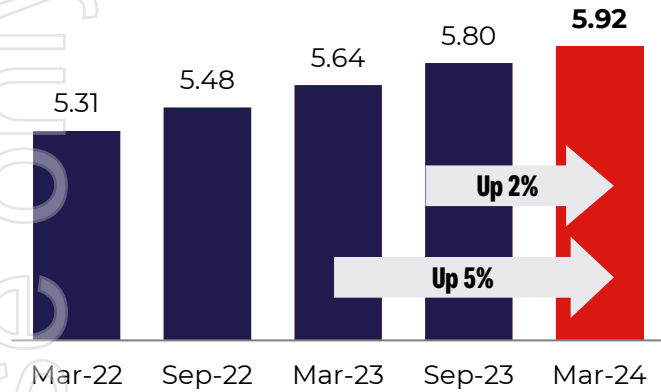
# CUSTOMERS CONTINUE TO MIGRATE TO DIGITAL

CUSTOMER FRANCHISE

## DIGITALLY ACTIVE CUSTOMERS<sup>1</sup> (#M)

## DIGITAL TRANSACTIONS<sup>1,2</sup> (#M)

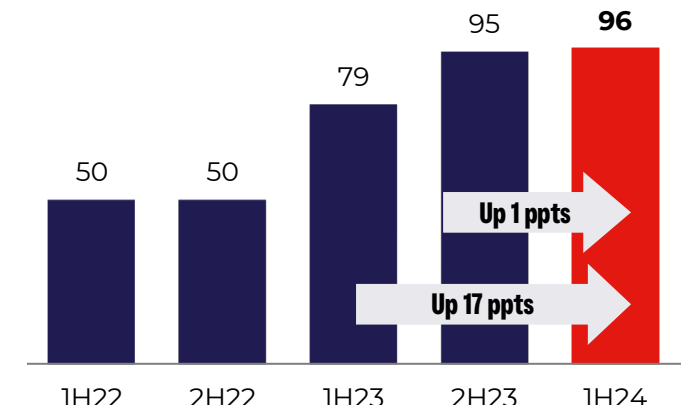
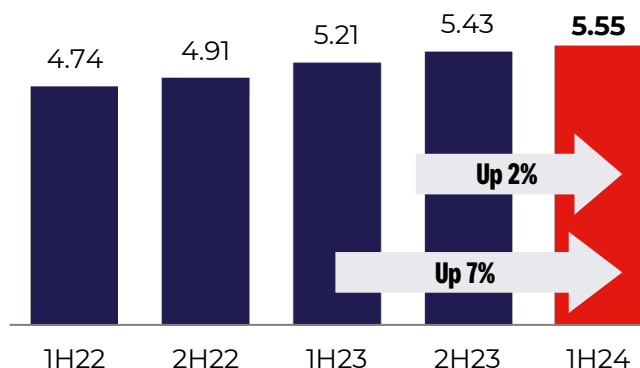
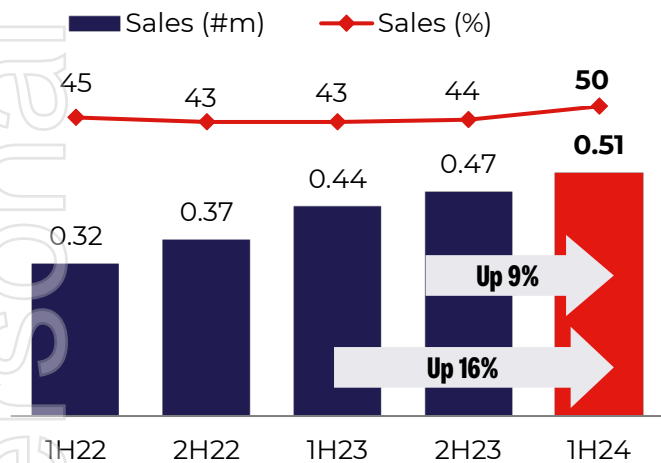
## MOBILE WALLET PAYMENTS<sup>1</sup> (#M)



## DIGITAL SALES<sup>1,3</sup>

## AVERAGE APP SESSIONS PER DAY<sup>1</sup> (#M)

## MORTGAGES PROCESSED ON DIGITAL ORIGINATION PLATFORM (%)



<sup>1</sup> Refer to page 118 for definition. <sup>2</sup> Digital transactions include all payment transactions (transfer funds, Pay Anyone and BPAY) within Westpac Live and Compass, excluding Corporate Online and Business Banking online. <sup>3</sup> Consumer only.

# SUSTAINABILITY

personal use only

## OUR PURPOSE

Creating better futures together

## PILLAR

Customer

Easy

Expert

Advocate

## THEMES

Support in good times and bad

Simpler, safer bank

Action on climate and nature

Equitable and inclusive society

## OBJECTIVES

Refer to next page for goals and metrics

1

Enhance financial inclusion and equality

2

Strengthen data security and protection

3

Become a net-zero, climate resilient bank

4

Become a nature positive bank

5

Respect and advance human rights

6

Enable diversity and inclusion

## FOUNDATIONS

Robust environment and social risk management

Reliable data and reporting

Integration and organisational capability build

<sup>1</sup> This presentation 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 at the back of this presentation. Further details on our commitments, targets and other supporting information is contained in our 2023 Annual Report, Climate Report and Sustainability Index and Datasheet. <sup>2</sup> See our website for more information on our sustainability strategy: [www.westpac.com.au/about-westpac/sustainability/our-strategy/](http://www.westpac.com.au/about-westpac/sustainability/our-strategy/)

1

## ENHANCE FINANCIAL INCLUSION AND EQUALITY

### Inclusive access to banking

- New/improved product features/ services supporting vulnerable customers<sup>1</sup>
- 90-day digitally active customers<sup>2</sup>
- Customers with access to digital banking<sup>3</sup>

### Reduce inequality for women/families and encourage savings for the young

- Customers under 30 with a savings goal<sup>4</sup>
- Customers who earned Spend & Save interest at least once in the year<sup>5</sup>

### Improve access to mortgages for those that may be excluded

- Residential mortgage balance of customers using housing inclusion solution<sup>6</sup>

4

## BECOME A NATURE POSITIVE BANK

Goals and metrics to be developed

2

## STRENGTHEN DATA SECURITY AND PROTECTION

### Reduce impact of scams

- Westpac's scam detection rate<sup>7</sup>
- Total scam prevented loss to customer<sup>8</sup>

### Maintain data security aimed to prevent information exposure

- Data breaches reported to the Australian privacy regulator<sup>9</sup>

5

## RESPECT AND ADVANCE HUMAN RIGHTS

### Indigenous financial inclusion

- Indigenous call centre unique customers<sup>10</sup>
- Spend with Indigenous-owned businesses<sup>11</sup>

### Advocate in Australia for safeguarding children

- New product features/solutions with safeguarding<sup>12</sup>
- Businesses engaged on child safeguarding through the Australian Business Coalition for Safeguarding Children<sup>13</sup>

3

## BECOME A NET-ZERO, CLIMATE RESILIENT BANK

### Reduce emissions consistent with our NZBA commitment

- Reduction of scope 1 and 2 direct operational emissions<sup>14</sup>
- Reduction of scope 3 upstream emissions<sup>15</sup>
- NZBA sector target tracking<sup>16</sup>

### Provide sustainable finance

- Sustainable lending and bond facilitation classified as Green or Transition<sup>17</sup>

6

## ENABLE DIVERSITY AND INCLUSION

### Continue to enhance inclusion in our workplace

- Organisational Health Index<sup>18</sup>
- Women in Senior Leadership<sup>19</sup>

### Support job creation and invest in a new generation of leaders

- Diverse supplier spend<sup>20</sup>
- Jobs created by Westpac Foundation supported partners<sup>21,22</sup>
- Scholarships awarded by Westpac Scholars Trust<sup>23,24</sup>

See our website for full details on our sustainability strategy – [westpac.com.au](https://www.westpac.com.au)

More on our response to digital banking, scams, data security, climate change and workforce inclusion in this pack

Note: See footnotes on page 112.

## NET-ZERO AND CLIMATE RESILIENCE IN OUR OPERATIONS

- Scope 1 and 2 emissions<sup>1</sup> 83% lower (annualised) compared to 2021 baseline. This exceeds our reduction targets (64% by Jun-25 and 76% by Jun-30)<sup>2</sup>
- Sourced equivalent of 100% of our direct electricity demand from renewables in Australia
- On track to achieve the equivalent of 100% renewables globally by Jun-25, with ~95% of the renewables expected to be sourced from the markets where the electricity is used
- Installed electric vehicle charging stations powered by renewables<sup>3</sup> at our Barangaroo (NSW) office

Note: See footnotes on page 112.

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

- Set 12 NZBA targets in 8 of 9 NZBA sectors. Currently preparing an Aluminium target
- Continued engaging corporate and institutional customers on ESG topics, with a focus on net-zero (see next page for details)
- Supported our bankers on ESG with specific ESG knowledge experts and targeted training

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

- Participated with the Australian Banking Association (ABA) and Business Council Australia on review and input to the new Australian Accounting Standards Board climate reporting standards
- Reviewed the Australian Government's Climate Active Program through the ABA
- Contributed to the Australian Government's consultation paper on an Australian sustainable finance strategy
- Contributed to the Australian Sustainable Finance Institute's Taxonomy Advisory Group for priority sectors<sup>4</sup>

# NZBA TARGET AND FOCUS AREA SNAPSHOT

## 1H24 FOCUS AREAS

- Setting Aluminium target (final sector under our NZBA commitment)
- Enhancing processes for assessing transactions in scope of our NZBA targets
- Improving the capture, storage, and analysis of the data to monitor and manage our NZBA targets
- Continuing engagement with customers, and working with industry groups, on definitions and implementation of our no deforestation commitment

## TRANSITION PLAN ASSESSMENTS

- Updated our customer transition plan assessment framework to substantially align with the UK Transition Plan Taskforce framework
- 5 areas of assessment – foundation, implementation strategy, engagement strategy, metrics and targets, and governance
- 41 customers assessed against the framework (at Mar-24). Aim to complete >100 assessments by Sept-24

## NZBA TARGETS

Westpac sector	Implied emissions 2030 reduction target to 2021 baseline* (%)	Type of target
Upstream oil and gas	23	Absolute
Thermal coal mining	100	Absolute
Power generation	62	Intensity
Cement production	14	Intensity
Commercial real estate (offices)	59	Intensity
Residential real estate (Australia)	56	Intensity
Steel production	Given the small number of customers, our intensity target (% reduction) is not disclosed.	
Aviation (passenger aircraft operators)	60	Intensity
Australia Dairy	10	Intensity
Australia Beef and Sheep	9	Intensity
NZ Dairy	10	Intensity
NZ Beef and sheep	9	Intensity

\*Baselines for Commercial Property and Residential Real Estate are 2022.

The customers and industries captured in our NZBA emission reduction targets account for up to 48% (FY22) of the Group's estimated scope 1 and 2 financed emissions.

**Details of our 12 (2030) emission reduction targets in 8 NZBA sectors are in our 2023 Climate Report.**

## In mobilising the capital to support customers' climate transition and build resilience, defining what is "sustainable" is critical.

Our new Sustainable Finance Framework details how we consider sustainable finance transactions and classify them as green, transition, social or sustainability. Under the Framework we have established 2030 targets of:

- \$55bn in lending<sup>1</sup>
- \$40bn in bond facilitation<sup>2</sup>

We are currently assessing our prior lending and bond facilitation transactions and will report progress from FY24.

Reporting under the Framework replaces previous disclosure on climate change solutions exposure.

### SUSTAINABLE FINANCE HIGHLIGHTS:

- \$2.5bn in lending to 23 labelled sustainable finance transactions<sup>3</sup> in Westpac Institutional Bank in 1H24<sup>4</sup>
- Supported 426 unique New Zealand customers with labelled sustainable loans<sup>3</sup> with TCE of NZ\$5.2bn at Mar-24 (NZ\$2.4bn in the agriculture sector)<sup>5</sup>
- Distributed 10 bonds<sup>3</sup> into capital markets with a value of \$7.5bn across Westpac
- Arranged 5 renewable power generation loans in Australia
- Identified and mapped the changes needed to classify transactions under our sustainable finance targets

Note: See footnotes on page 113.

### OTHER HIGHLIGHTS:

- Continued to provide our standard business loans to retrofit commercial buildings to improve energy efficiency and sustainability ratings
- Provided 330 loans for EV/Hybrid vehicles to Australian customers totalling \$14.8m
- Supported female-led small businesses with 316 scale-up and 42 start-up loans, totalling \$107.62m since Mar-23

### CARBON TRADING

- Carbon trading desks in Australia & New Zealand
- Continue to engage with customers

### GREEN TAILORED DEPOSITS

- Balances doubled over last 6 months to \$1.7bn
- Increased demand for green investments

# COMPREHENSIVE SUSTAINABILITY REPORTING

SUSTAINABILITY

**Annual Report 2023:**  
Details financial and non-financial performance



**Climate Report 2023, incl. Climate Change Position Statement and Action Plan:** Details our approach and strategies for addressing climate-related risks and opportunities



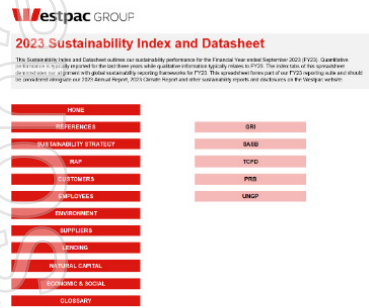
**Modern Slavery Statement FY23:**  
Describes modern slavery risks and actions in our operations and supply chain



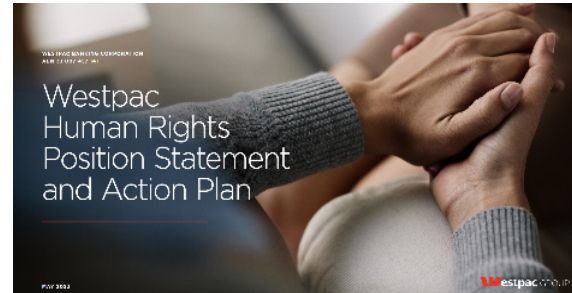
**Natural Capital Position Statement:** Outlines our approach to nature-related risks and opportunities



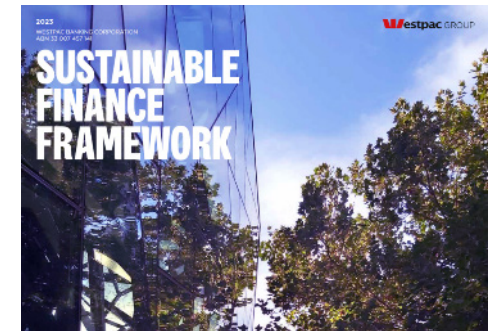
**2023 Sustainability Index and Datasheet:** Details key sustainability performance metrics in one place



**Human Rights Position Statement and Action Plan:** Outlines our approach and commitments to human rights



**Sustainable Finance Framework:** Outlines how we assess, monitor, measure and report on sustainable lending and bond facilitation



**Westpac New Zealand Climate Report 2023:** Outlines our approach to climate in New Zealand



**Child Safeguarding Supplement:** Provides additional information on our approach to child safeguarding



Reports available at [westpac.com.au/sustainability](https://westpac.com.au/sustainability)



# OUR PEOPLE – STRENGTHENING INCLUSION, DIVERSITY AND WELLBEING

PEOPLE

## STRENGTHENING GENDER DIVERSITY

FAEMALES %	MAR-24	TARGET	PROGRESS
Westpac Board	44	40:40:20 <sup>1</sup>	✓
Executive Team	55	40:40:20 <sup>1</sup>	✓
General Managers	42	40 +/-2%	✓
Senior Leadership	49	50 +/-2% <sup>2</sup>	✓
Westpac workforce	54	50	✓

**5% average pay equity difference** by organisational level<sup>3</sup>

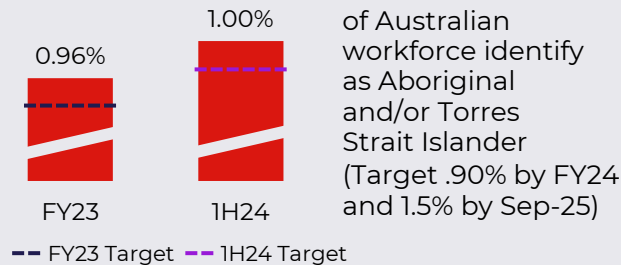
**28.5% median gender pay**

**Focus on closing gender pay gap** by improving female representation in Technology, Institutional and Business Bank

### Targeted initiatives and programs:

- Women in Tech Empower UP – Return To Work opportunities and Take the Leap internal mobility program
- Dedicated mentoring including Mentor Walks, Illuminate (sponsored by General Managers) and new partnership to advance women with disabilities
- New Menopause Taskforce

## GROWING INDIGENOUS REPRESENTATION



**New initiatives to increase representation –** Echo Elevate and Coaching for leaders  
Mobtech – non-traditional pathway for careers in tech

## MEASURING ORGANISATIONAL HEALTH

**Organisational Health Index score<sup>4</sup>**

**75** at FY23

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

## INITIATIVES

**Leadership development** – inclusive training for all people leaders, LGBTQ+ Executive Fellowship participation

**Cultural diversity** – launched shadowing program, Leading Culturally Diverse Teams training for 60 leaders, new partnership with Asian Leadership project and John Yu Fellowship participation

**Upstander initiative expanded** – to speak up and act against racism and discrimination

## MEASURING ORGANISATIONAL HEALTH

**Chief Mental Health Officer** since 2018 to oversee Group mental health strategy

**Mental Health Workplace Factors Review program** assessing and addressing psychosocial risks at division level in FY24

**10 Employee Advocacy Groups** supporting diversity and inclusion

<sup>1</sup> 40% women, 40% men and 20% of any gender. Westpac Board includes CEO. Executive team excludes CEO. <sup>2</sup> Senior leadership includes executive team, general managers and their direct reports (excluding administrative or support roles). <sup>3</sup> 5% for 8 of 9 levels below Group Executive (6% at level 3); measured on base salary by organisational job level. <sup>4</sup> At FY23. Our Voice+ survey includes McKinsey's Organisational Health Index – benchmarking Westpac's organisational health relative to global standards.

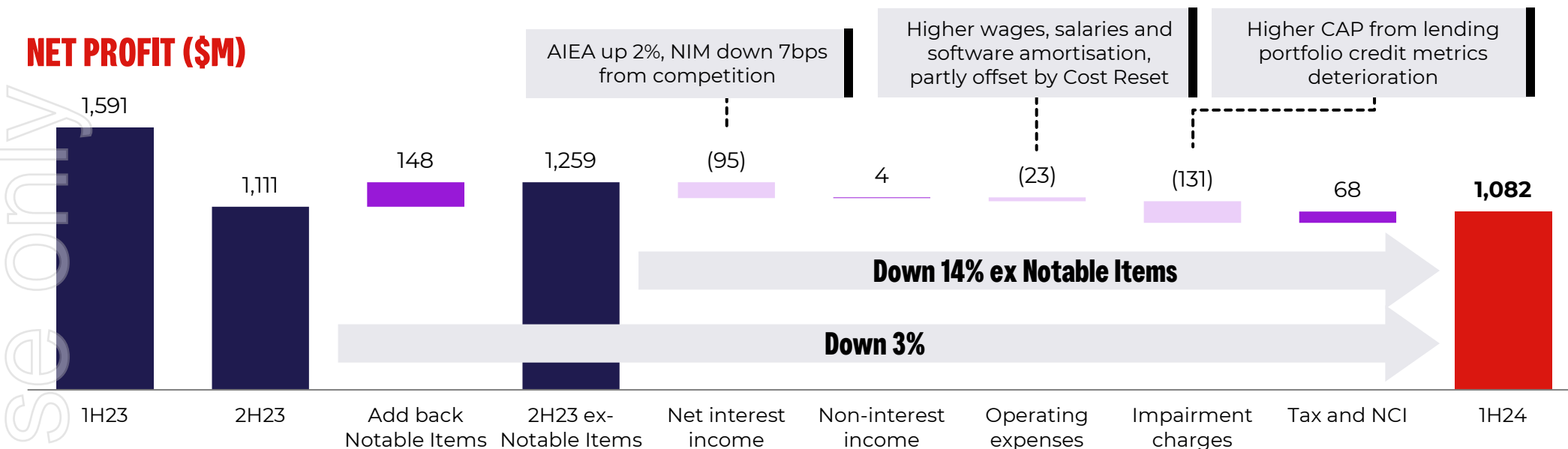
# SEGMENT RESULTS

personal use only

# CONSUMER 1H24 PERFORMANCE

CONSUMER

## NET PROFIT (\$M)



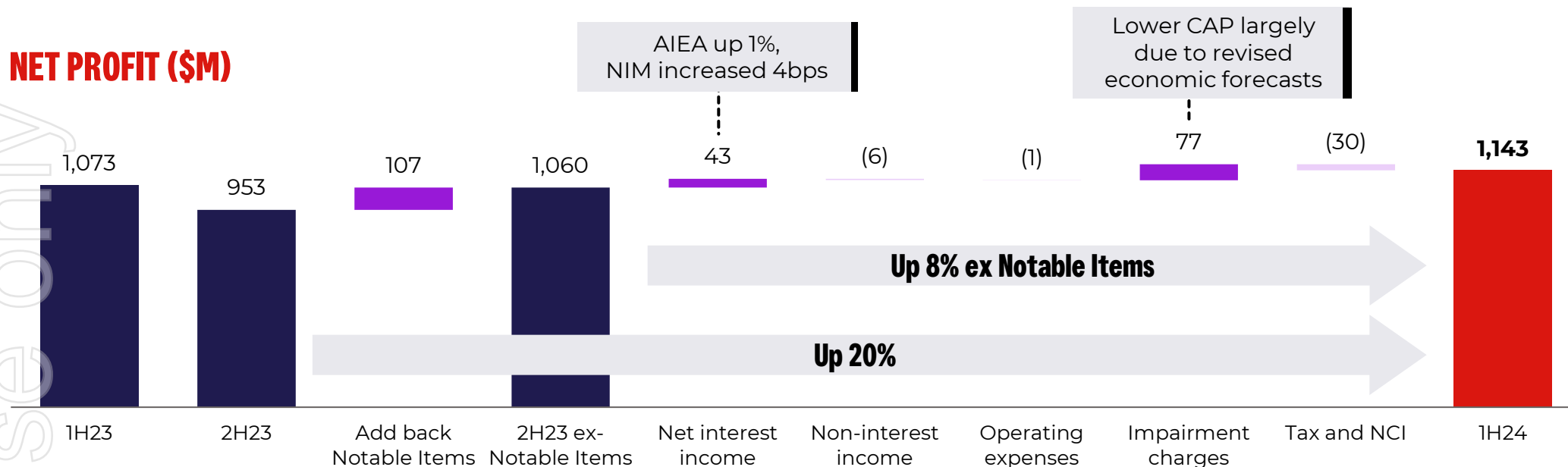
Key financial metrics ex Notable Items	Key financial metrics ex Notable Items				Key operating metrics	Key operating metrics			
	1H23	2H23	1H24	Change on 2H23		1H23	2H23	1H24	Change on 2H23
Pre-provision profit (\$m)	2,439	1,810	<b>1,696</b>	(6%)	Active digital banking customers <sup>1</sup> (#m)	5.64	5.80	<b>5.92</b>	2%
Average interest-earning assets (\$bn)	432	438	<b>446</b>	2%	Main financial institution <sup>2</sup> (%)	16.6	16.1	<b>16.6</b>	50bps
Net interest margin (%)	2.00	1.76	<b>1.69</b>	(7bps)	NPS (rank) <sup>2</sup>	#3	#3	<b>#3</b>	Flat
Expense to income (%)	46.8	56.0	<b>57.9</b>	183bps	Branches <sup>3</sup> (#)	666	644	<b>637</b>	(7)
Customer deposit to loan ratio (%)	61.2	62.6	<b>63.9</b>	137bps	Co-location branches (#)	46	82	<b>99</b>	17
Mortgage 90+ day delinquencies (%)	0.73	0.86	<b>1.06</b>	20bps	Westpac-owned ATMs (#)	965	879	<b>846</b>	(33)

<sup>1</sup> Australian consumer and business customers who have had an authenticated session (including Quickzone) on Westpac Group digital banking platforms in the prior 90 days. <sup>2</sup> See appendix page 118. <sup>3</sup> Includes all points of presence including Advisory, Community Banking Centres and Kiosks. Co-located branches are considered two points of presence.

# BUSINESS AND WEALTH 1H24 PERFORMANCE

BUSINESS AND WEALTH

## NET PROFIT (\$M)



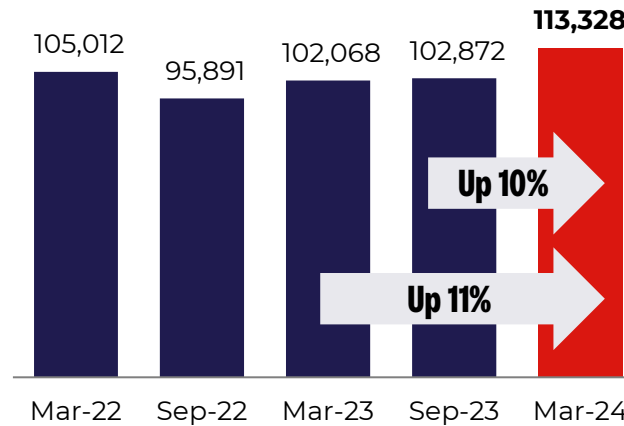
Key financial metrics ex Notable Items	1H23	2H23	1H24	Change on 2H23	Key operating metrics	1H23	2H23	1H24	Change on 2H23
Pre-provision profit (\$m)	1,604	1,687	<b>1,723</b>	2%	Digital sales <sup>1</sup> (%)	24	35	<b>36</b>	1ppt
Average interest-earning assets (\$bn)	96.5	96.8	<b>98.0</b>	1%	Business lending time to decision (days)	12.1	9.5	<b>7.7</b>	1.8
Net interest margin (%)	5.03	5.30	<b>5.34</b>	4bps	Net loans ex. Auto (\$bn)	88.3	91.5	<b>94.0</b>	3%
Expense to income (%)	43.7	43.5	<b>43.0</b>	(50bps)	Deposits (\$bn)	142.8	140.5	<b>140.6</b>	Flat
Customer deposit to loan ratio (%)	152.4	147.1	<b>145.1</b>	(198bps)	New Merchants points of presence ('000) <sup>2</sup>	7.5	12.2	<b>12.8</b>	5%
Stressed exposures to TCE (%)	5.24	5.46	<b>5.52</b>	6bps	Panorama net flows ex pension outflows <sup>3</sup> (\$m)	1,169	1,850	<b>2,066</b>	12%

<sup>1</sup> Refer page 118 for definitions. <sup>2</sup> Includes EFTPOS Core Products (EFTPOS Air, EFTPOS Flex, EFTPOS Now and EFTPOS Connect). <sup>3</sup> Excluding Adviser Portfolios.

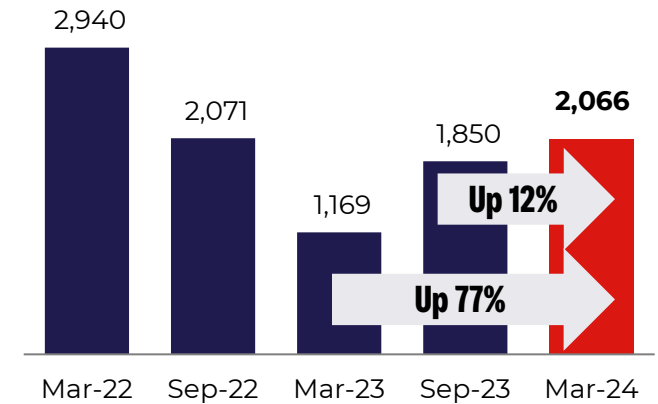
## PANORAMA PLATFORM

- Managed accounts up 21% in the half
- Panorama net flows excluding pension outflows<sup>1</sup> of \$2.1bn in the half
- Market and other movements contributed \$10.3bn to FUA in the half
- Platform enhancements include expansion of bulk reporting, streamlining pension refresh processes, expanding managed fund rebates, and expanding the investment menu
- Awarded Best Client Portal for the sixth consecutive year<sup>2</sup>
- Highest Quality Platform rating – Chant West 2023<sup>3</sup>
- Winner of Service Excellence in a Medium Contact Centre<sup>4</sup>

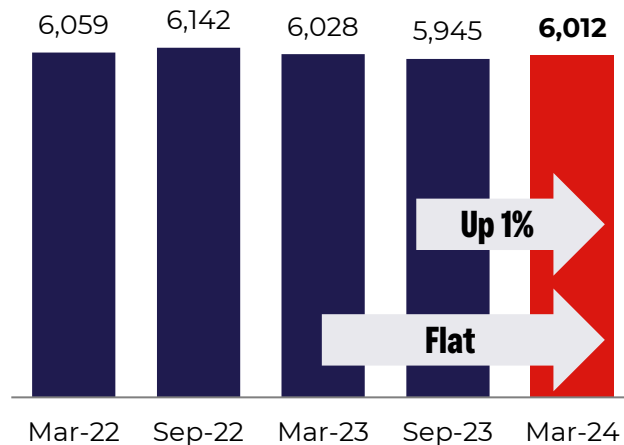
## FUA ON BT PANORAMA (\$M)



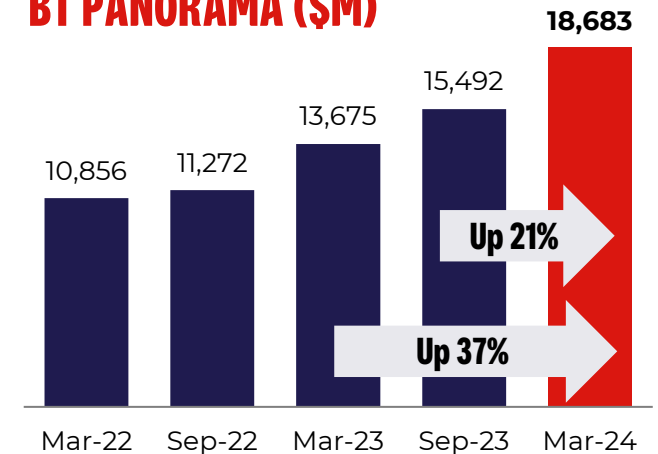
## NET FLOWS EXCLUDING PENSION OUTFLOWS<sup>5</sup> ON BT PANORAMA (\$M)



## ACTIVE ADVISERS ON BT PANORAMA (#)



## MANAGED ACCOUNTS FUA ON BT PANORAMA (\$M)

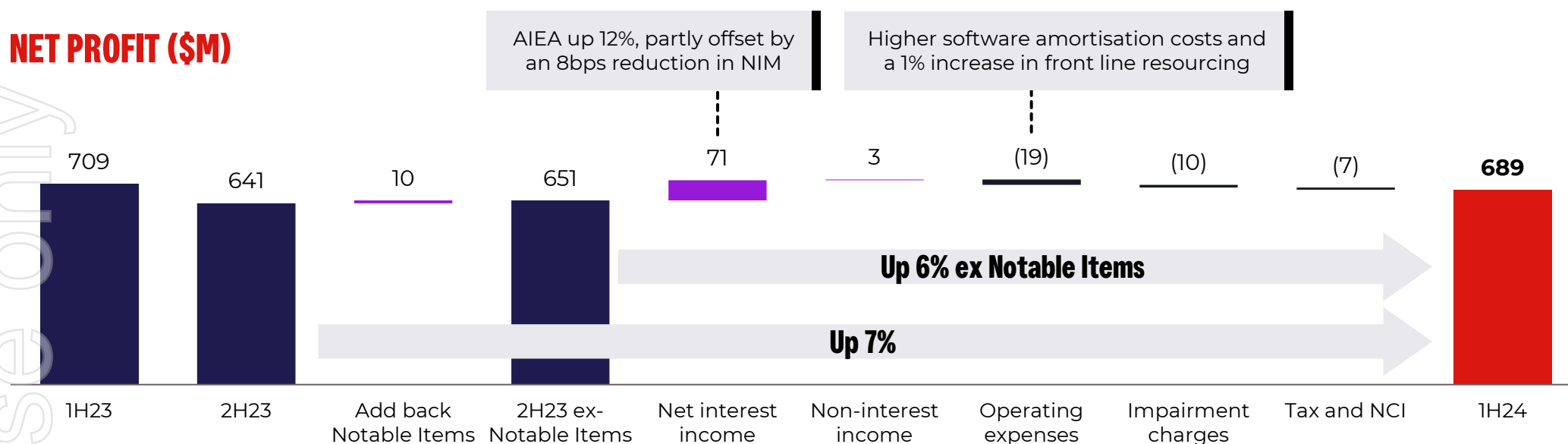


<sup>1</sup> Represents total outflows from pension accounts; including pension outflows BT Panorama net flows were \$0.2bn for the 6 months to Mar-24. <sup>2</sup> Investment Trends Competitive Analysis & Benchmarking Report 2018, 2019, 2020, 2021, 2022 and 2023 (released Feb-24). <sup>3</sup> Chant West Benchmarking (released Sep-23). <sup>4</sup> CSIA Australian Service Excellence Awards, Winner of Service Excellence in a Medium Contact Centre (Nov-23). See <https://www.bt.com.au/about-bt/bt-financial-group/overview/awards.html> for more awards. <sup>5</sup> Excluding Adviser Portfolios.

# INSTITUTIONAL 1H24 PERFORMANCE

WESTPAC INSTITUTIONAL BANK

## NET PROFIT (\$M)



Key financial metrics ex Notable Items	1H23	2H23	1H24	Change on 2H23
Pre-provision profit (\$m)	992	1,003	<b>1,058</b>	5%
Average interest-earning assets (\$bn)	98.0	105.3	<b>117.9</b>	12%
Net interest margin (%)	1.86	1.93	<b>1.85</b>	(8bps)
Expense to income ratio (%)	38.4	40.4	<b>39.7</b>	(62bps)
Net loans (\$bn)	84.7	92.6	<b>93.0</b>	0%
Customer deposit to loan ratio (%)	134.0	125.4	<b>124.0</b>	(137bps)
Stressed exposures to TCE (%)	0.28	0.58	<b>0.63</b>	5bps

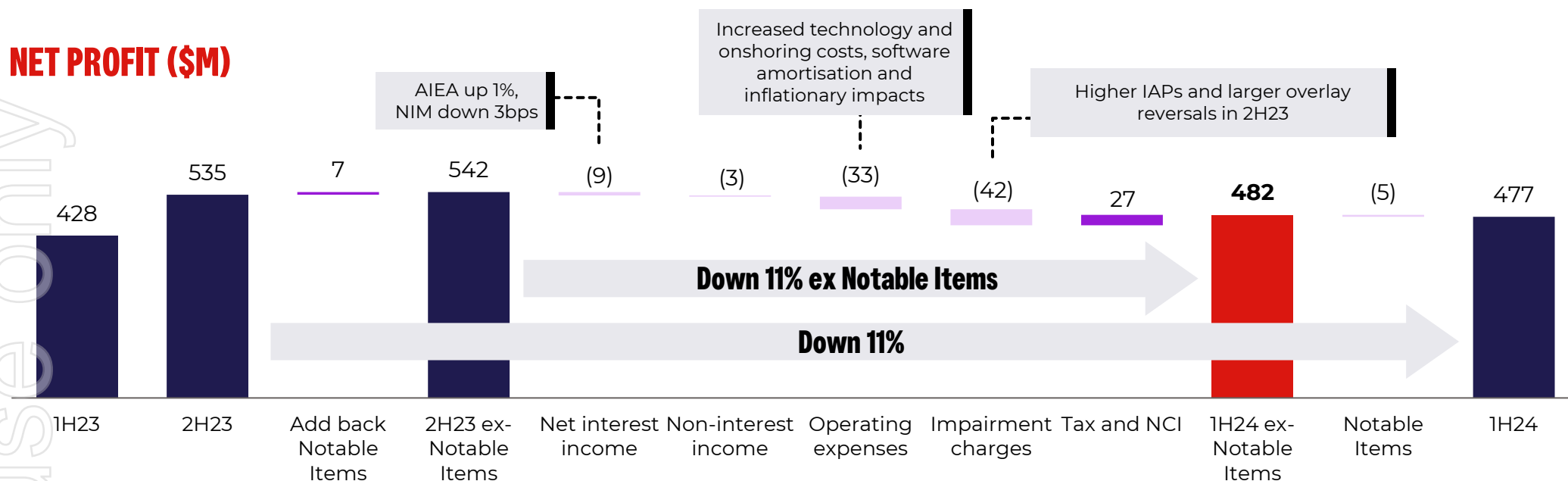
Key operating metrics	1H23	2H23	1H24	Change on 2H23
Lending and deposit revenue (\$m)	1,132	1,207	<b>1,272</b>	5%
Sales and risk management income (\$m)	434	452	<b>455</b>	1%
Sustainable finance transactions (#) <sup>1</sup>	19	32	<b>33</b>	3%
Revenue per average FTE (\$'000)	597	612	<b>637</b>	4%

<sup>1</sup> 1H24 includes 23 labelled sustainable finance loans and 10 bond issuances. Excludes NZ sustainable finance loans.

# NEW ZEALAND 1H24 PERFORMANCE<sup>1</sup>

NEW ZEALAND

## NET PROFIT (\$M)



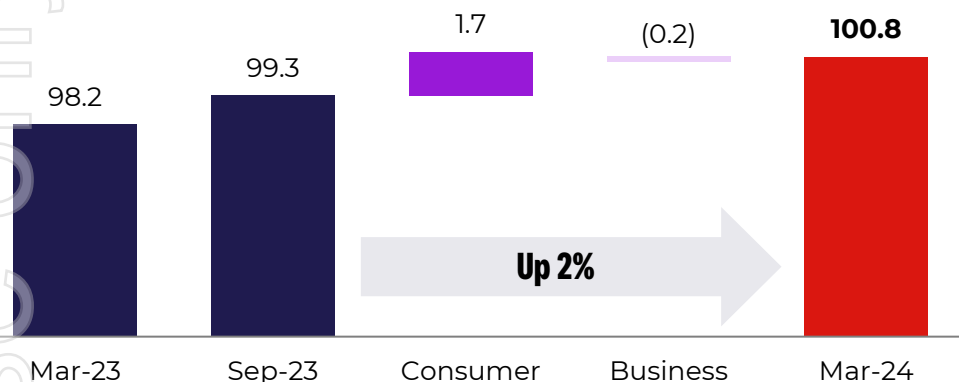
Key financial metrics ex Notable Items	1H23	2H23	1H24	Change on 2H23	Key operating metrics	Mar-23	Sep-23	Mar-24	Change Sep-23
Pre-provision profit (NZ\$m)	750	739	<b>694</b>	(6%)	Customers (#m)	1.50	1.51	<b>1.51</b>	-
Average interest-earning assets (\$bn)	119	119	<b>120</b>	1%	Digital active customers (#m) <sup>2</sup>	0.84	0.85	<b>0.86</b>	1%
Net interest margin (%)	2.11	2.12	<b>2.09</b>	(3bps)	Branches (#)	114	112	<b>112</b>	-
Expense to income (%)	45.4	47.3	<b>50.0</b>	279bps	ATMs (#)	427	413	<b>407</b>	(6)
Customer deposit to loan ratio (%)	81.3	80.4	<b>78.2</b>	(219bps)					
Stressed exposures to TCE (%)	1.33	1.49	<b>1.55</b>	6bps					
Mortgage 90+ day delinquencies (%)	0.29	0.33	<b>0.47</b>	14bps					

<sup>1</sup> In NZ\$ unless otherwise noted. <sup>2</sup> Digital active customers have been restated due to a change in definition.

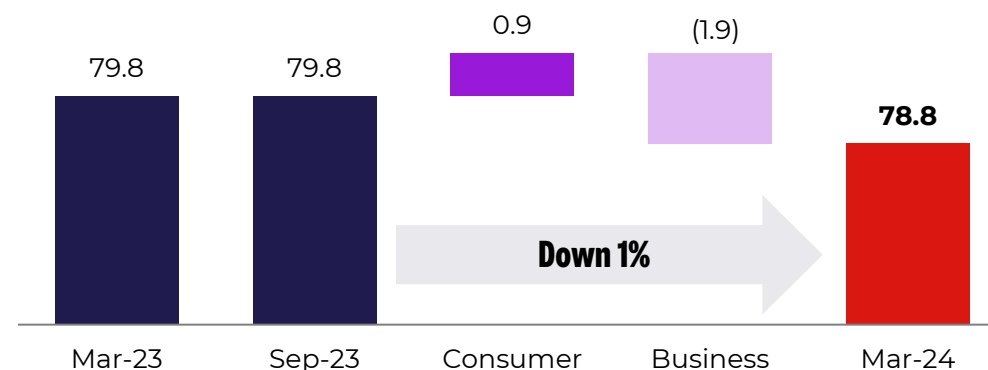
# NEW ZEALAND BALANCE SHEET

NEW ZEALAND

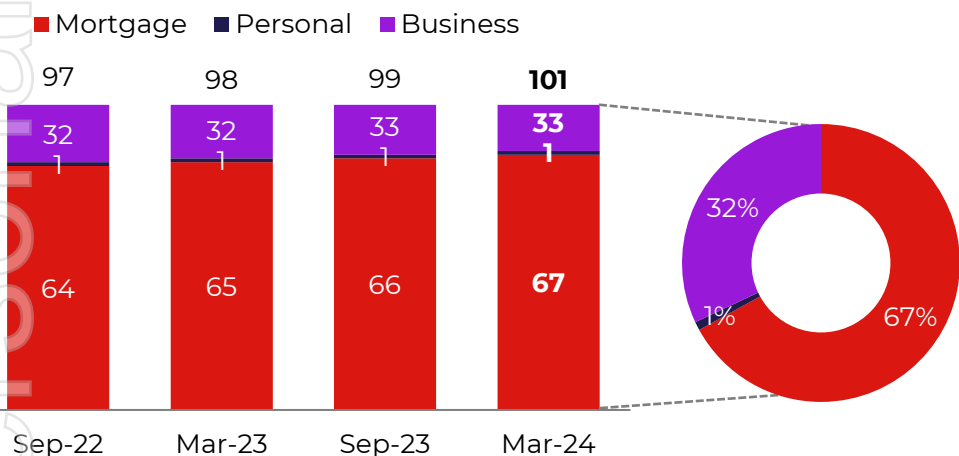
## NET LOANS (NZ\$BN)



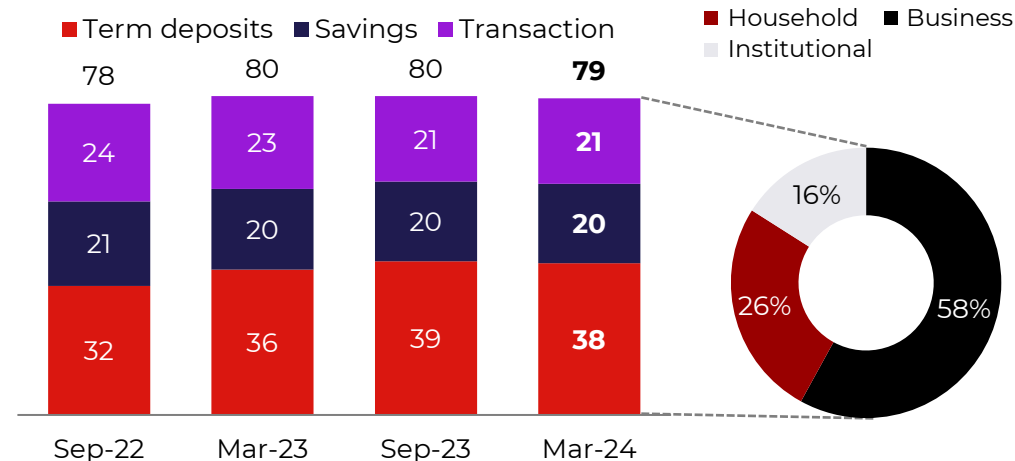
## CUSTOMER DEPOSITS (NZ\$BN)



## LOANS (NZ\$BN) % OF TOTAL<sup>1</sup>



## CUSTOMER DEPOSITS (NZ\$BN) % OF TOTAL<sup>1</sup>



<sup>1</sup> Chart may not add due to rounding.



# ECONOMICS

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# AUSTRALIAN AND NEW ZEALAND ECONOMIC FORECASTS – (%) AT 2 MAY 2024

ECONOMICS

## KEY ECONOMIC INDICATORS

		2023			2024				Calendar Years			
		Q2	Q3	Q4	Q1E	Q2F	Q3F	Q4F	2022	2023	2024F	2025F
<b>World</b>	<b>GDP<sup>1</sup></b>	-	-	-	-	-	-	-	<b>3.5</b>	<b>3.3</b>	<b>3.3</b>	<b>3.1</b>
<b>Australia</b>	<b>GDP<sup>2</sup></b>	<b>2.1</b>	<b>2.1</b>	<b>1.5</b>	<b>1.3</b>	<b>1.1</b>	<b>1.3</b>	<b>1.6</b>	<b>2.4</b>	<b>1.5</b>	<b>1.6</b>	<b>2.5</b>
	Unemployment – end period	3.6	3.7	3.9	3.9	4.2	4.4	4.5	3.5	3.9	4.5	4.6
	CPI headline – year end	6.0	5.4	4.1	3.6	3.1	2.8	3.0	7.8	4.1	3.0	2.7
	Interest rates – cash rate	4.10	4.10	4.35	4.35	4.35	4.35	4.10	3.10	4.35	4.10	3.10
<b>New Zealand</b>	<b>GDP<sup>2</sup></b>	<b>1.5</b>	<b>-0.6</b>	<b>-0.3</b>	<b>0.3</b>	<b>0.0</b>	<b>0.5</b>	<b>0.8</b>	<b>2.2</b>	<b>-0.3</b>	<b>0.8</b>	<b>2.4</b>
	Unemployment – end period	3.6	3.9	4.0	4.3	4.6	4.9	5.1	3.4	4.0	5.1	5.2
	Consumer prices	6.0	5.6	4.7	4.0	3.6	2.8	2.7	7.2	4.7	2.7	2.3
	Interest rates – official cash rate	5.50	5.50	5.50	5.50	5.50	5.50	5.50	4.25	5.50	5.50	4.50

Sources: IMF, RBA, Statistics NZ, Westpac Economics

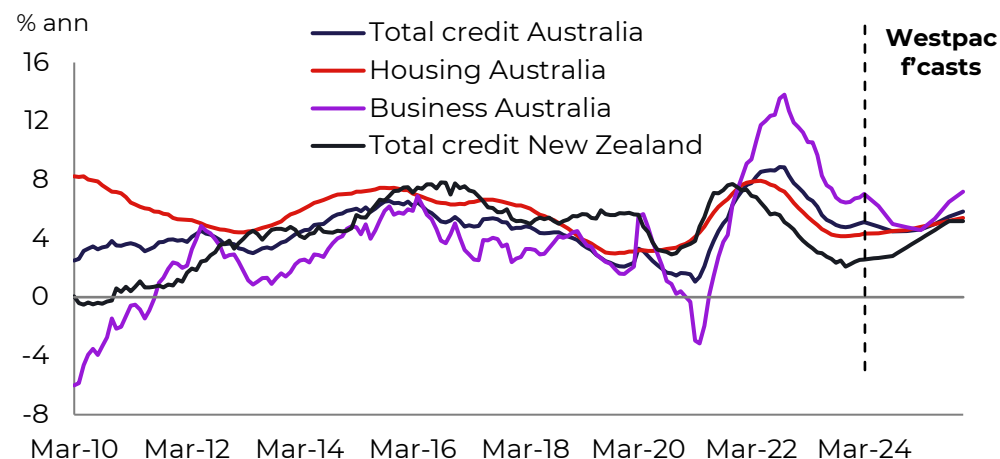
## KEY ECONOMIC INDICATORS

		2022	2023	2024F	2025F
<b>Australia</b>	<b>Credit growth</b>				
	Total – year end	7.8	4.8	4.5	5.8
	Housing – year end	6.4	4.2	4.6	5.4
	Business – year end	11.9	6.6	4.8	7.2
<b>New Zealand</b>	<b>Credit growth</b>				
	Total – year end	4.6	2.2	3.4	5.2
	Housing – year end	4.4	3.0	4.5	6.6
	Business – year end	5.4	0.7	1.6	2.8

Sources: RBA, Statistics NZ, Westpac Economics

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

## PRIVATE SECTOR CREDIT GROWTH (% ANN)

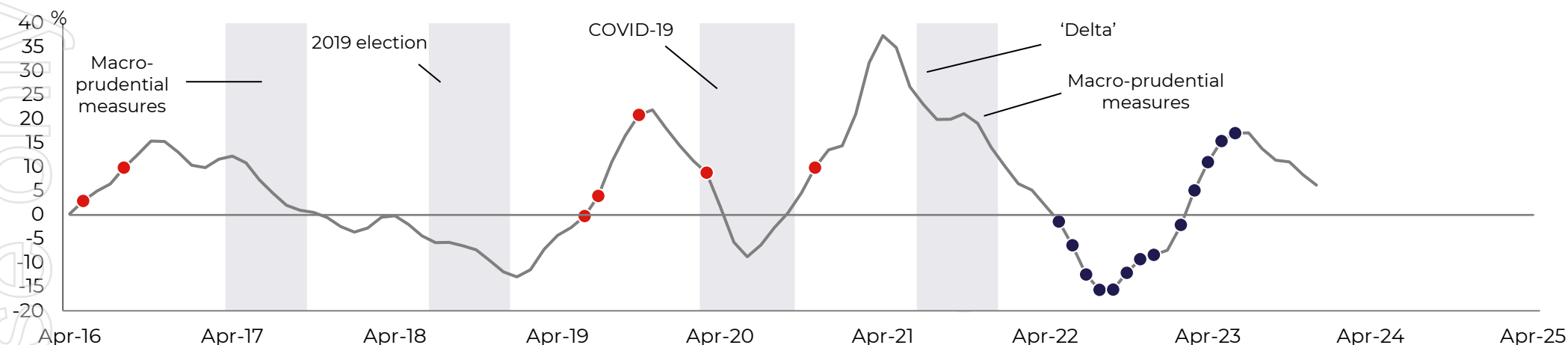


Sources: RBA, Westpac Economics

# AUSTRALIAN HOUSING MARKET – PRICES UPTURN MODERATES

ECONOMICS

## DWELLING PRICES (% , 3 MONTH ANNUALISED)



Sources: CoreLogic, Westpac Economics

## DWELLING PRICES (%) – (TO APR-24)

Capital city	Pop'n	Last 3 mths	Last 12 mths	Last 5 years
Sydney	5.5m	Up 1.1%	Up 8.7%	Up 45.4%
Melbourne	5.2m	Flat	Up 2.8%	Up 24.8%
Brisbane	2.7m	Up 3.1%	Up 16.1%	Up 63.4%
Perth	2.3m	Up 6.0%	Up 21.1%	Up 61.6%

Sources: CoreLogic, Westpac Economics

## DWELLING PRICES (ANNUAL %)

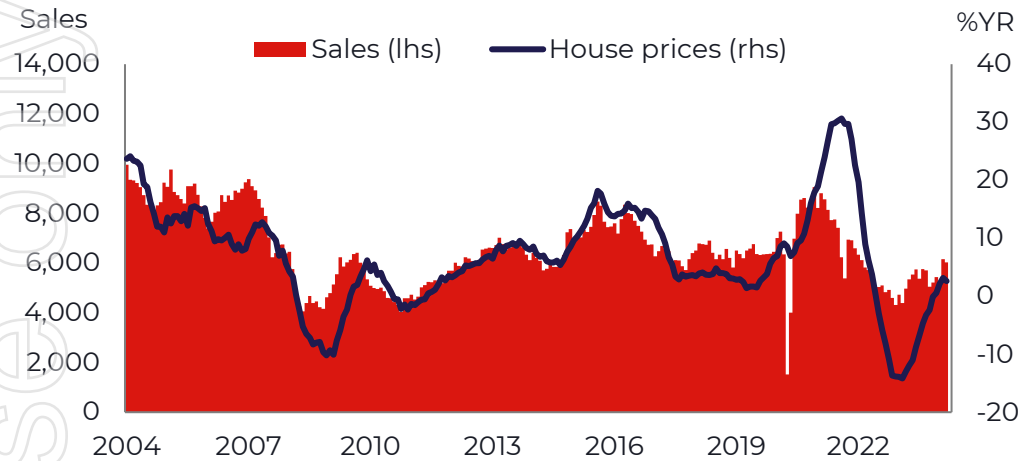
Capital city	Avg*	2021	2022	2023	2024F	2025F
Sydney	6.3	25.3	-12.1	11	6	4
Melbourne	5.0	15.1	-8.1	4	3	2
Brisbane	4.9	27.4	-1.1	14	8	3
Perth	1.1	13.1	3.6	16	10	8
<b>Australia</b>	<b>5.1</b>	<b>20.9</b>	<b>-7.1</b>	<b>10</b>	<b>6</b>	<b>4</b>

\* Average last 10yrs. Sources: CoreLogic, Westpac Economics

# NEW ZEALAND HOUSING MARKET – ACTIVITY HAS STABILISED, STILL SUBDUED

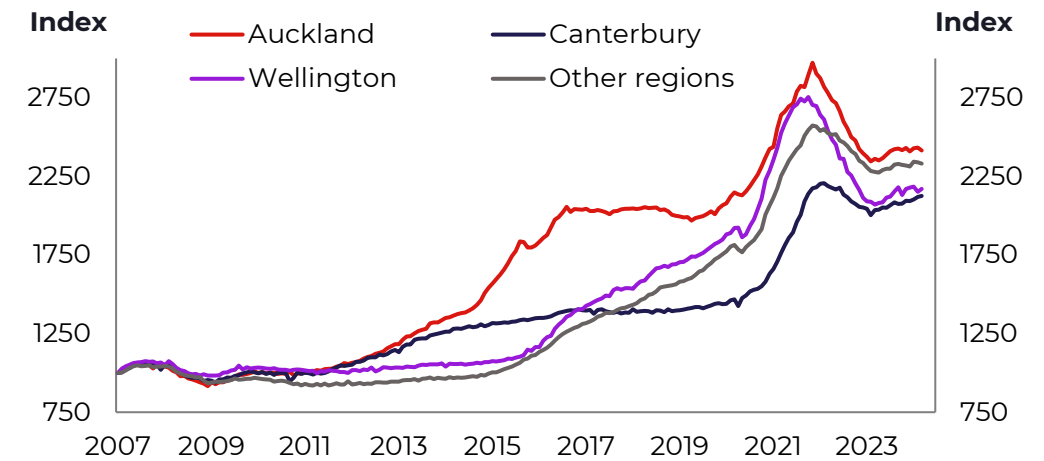
ECONOMICS

## MONTHLY HOUSE SALES AND PRICES (% YR)



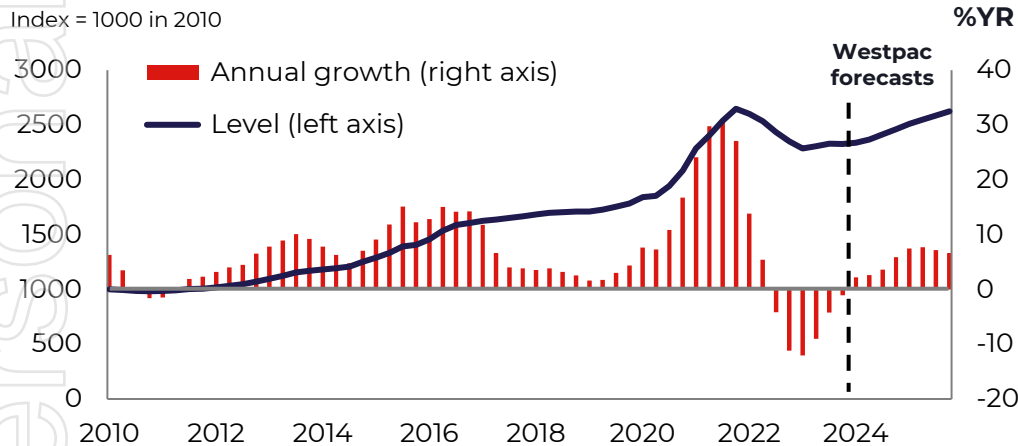
Source: REINZ

## DWELLING PRICES (INDEX)



Sources: REINZ, Westpac Economics

## DWELLING PRICES



Sources: CoreLogic, Westpac Economics

## DWELLING PRICES (%) – (TO MAR-24)

Capital city	Pop'n	Last 3 mths	Last 12 mths	Last 5 years
Auckland	1.7m	Flat	Up 2%	Up 21%
Wellington	0.6m	Flat	Up 5%	Up 26%
Canterbury	0.7m	Up 2%	Up 4%	Up 51%
Nationwide	5.3m	Up 1%	Up 3%	Up 32%

Forecast (Annual %)	Ave. past 10 years	2021	2022	2023	2024f	2025f
Nationwide	8%	+27%	-11%	-7%	+6%	+7%

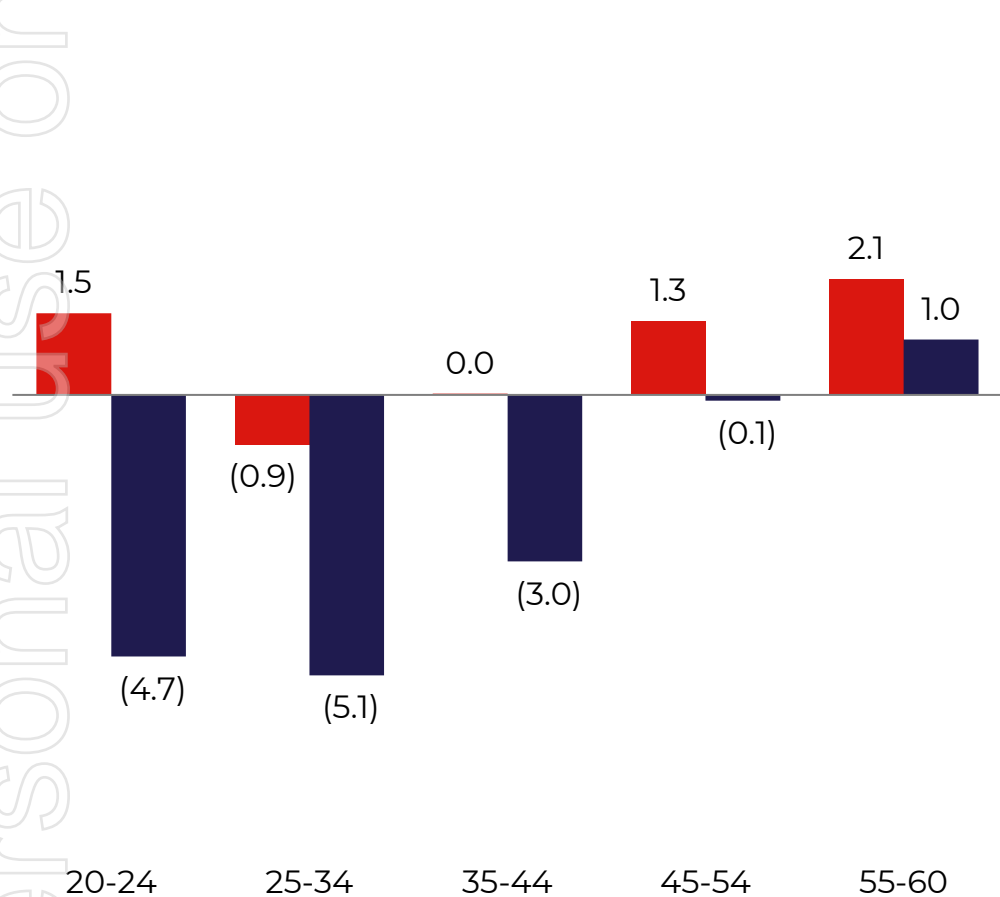
Sources: CoreLogic, REINZ, Westpac Economics

# CARD ACTIVITY: CONSUMER SPEND 12 MONTHS TO MAR-24 (%)<sup>1</sup>

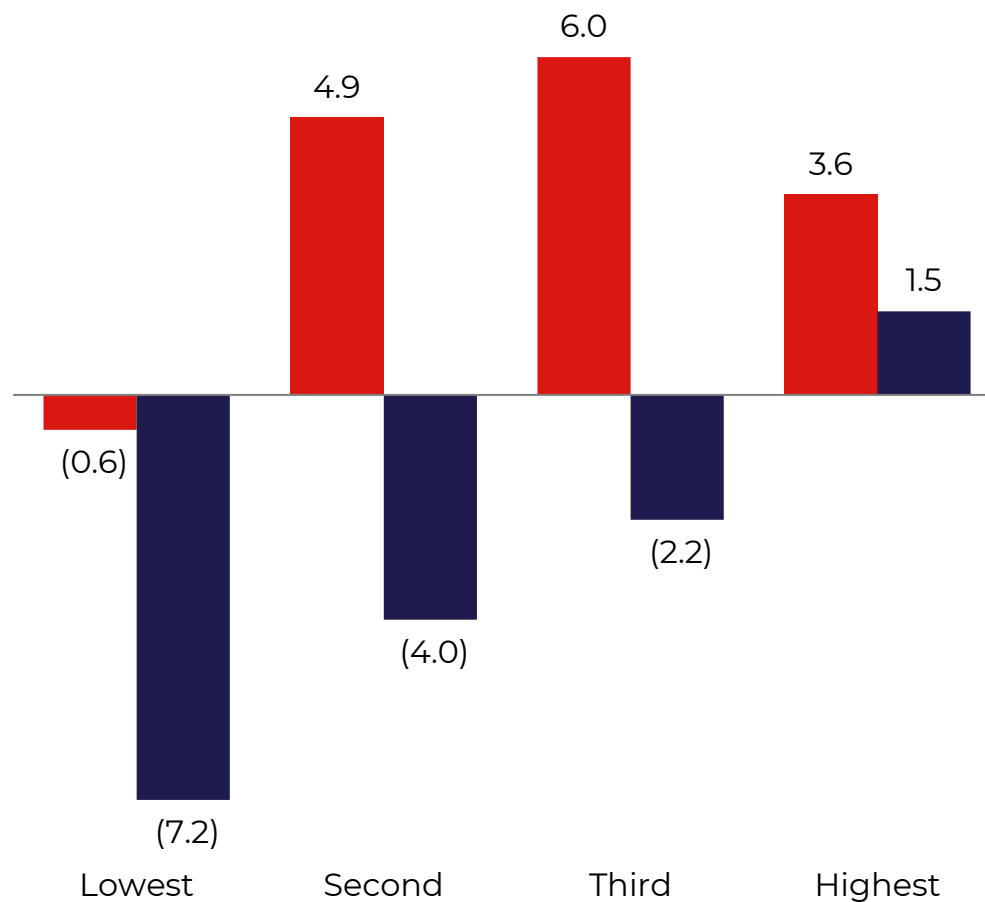
ECONOMICS

## BY AGE GROUP

Essentials Discretionary



## BY DEPOSIT COHORT



<sup>1</sup> Source: Westpac DataX, Westpac Card Activity. 12 month rolling average, percentage change.

# APPENDIX

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# APPENDIX 1: NET PROFIT EX NOTABLE ITEMS<sup>1</sup>

APPENDIX

\$m	1H23	2H23	1H24	Change 1H24 – 1H23 (%)	Change 1H24 – 2H23 (%)
Net interest income	9,202	9,212	9,351	2	2
Non-interest income	1,669	1,459	1,465	(12)	Flat
<b>Net operating income</b>	<b>10,871</b>	<b>10,671</b>	<b>10,816</b>	<b>(1)</b>	<b>1</b>
Expenses	(4,988)	(5,244)	(5,395)	8	3
<b>Pre-provision profit</b>	<b>5,883</b>	<b>5,427</b>	<b>5,421</b>	<b>(8)</b>	<b>(Flat)</b>
Impairment charges	(390)	(258)	(362)	(7)	40
Tax and non-controlling interests (NCI)	(1,670)	(1,624)	(1,553)	(7)	(4)
<b>Net profit</b>	<b>3,823</b>	<b>3,545</b>	<b>3,506</b>	<b>(8)</b>	<b>(1)</b>

<sup>1</sup> For further information refer to Westpac's 2024 Interim Results Announcement.

# APPENDIX 2: 1H24 NOTABLE ITEMS AND IMPACT OF BUSINESSES SOLD<sup>1</sup>

APPENDIX

(\$m)	Net profit after tax	Hedging Notable Items	Net profit excluding hedging Notable Items <sup>2</sup>	Other Notable Items <sup>3</sup>	Net profit excluding Notable Items <sup>4</sup>	Impact of businesses sold	1H24 Net profit excluding Notable Items & impact of business sold	2H23 Net profit excluding Notable Items & impact of business sold	% change 1H24-2H23
Net interest income	9,127	(224)	9,351	-	9,351	-	9,351	9,212	<b>2</b>
Non-interest income	1,463	(2)	1,465	-	1,465	-	1,465	1,459	<b>Flat</b>
<b>Net operating income</b>	<b>10,590</b>	<b>(226)</b>	<b>10,816</b>	-	<b>10,816</b>	-	<b>10,816</b>	<b>10,671</b>	<b>1</b>
Expenses	(5,395)	-	(5,395)	-	(5,395)	-	(5,395)	(5,272)	<b>2</b>
<b>Pre-provision profit</b>	<b>5,195</b>	<b>(226)</b>	<b>5,421</b>	-	<b>5,421</b>	-	<b>5,421</b>	<b>5,399</b>	<b>Flat</b>
Impairment charges	(362)	-	(362)	-	(362)	-	(362)	(258)	<b>40</b>
Tax and non-controlling interests (NCI)	(1,491)	62	(1,553)	-	(1,553)	-	(1,553)	(1,616)	<b>(4)</b>
<b>Net profit</b>	<b>3,342</b>	<b>(164)</b>	<b>3,506</b>	-	<b>3,506</b>	-	<b>3,506</b>	<b>3,525</b>	<b>(1)</b>

<sup>1</sup> For further information refer to Westpac's 2024 Interim Year Results Announcement. <sup>2</sup> Referred to as Cash earnings in previous periods. <sup>3</sup> Other Notable Items include provisions for remediation, litigation, fines and penalties; impact from asset sales and revaluations; asset write-downs and restructuring costs. <sup>4</sup> Referred to as Cash earnings excluding Notable Items in previous periods.



# APPENDIX 3: SUSTAINABILITY – FOOTNOTES

## Sustainability goals and metrics

1. Number of new and improved product features and services launched that will support vulnerable customers during the financial year. A new or improved feature or service is only counted once, irrespective of how many products it is available on. These product features and services are designed to support or meet the needs of customers who experience vulnerability as defined in the Westpac Customer Vulnerability Policy.
2. Refer to our 2023 Sustainability Index and Datasheet for the definition of digitally active customers.
3. Number of Australian consumer and business customers who own at least one product that can be managed via our online platforms (Westpac Live, Compass, Business Banking Online, Corporate Online or myRAMS).
4. Percentage of customers aged under 30 that have set a savings goal in a Life or Bump account. These accounts provide the ability to set up to six savings goals, including automatic transfers.
5. Number of customers who have received a Spend & Save bonus interest payment at least once during the year. Spend & Save is a proposition available to customers who are: aged 18-29; and have a Westpac Choice transaction account and Westpac Life Savings account. When customers complete 5 eligible debit card purchases in the month, they will receive the Spend & Save bonus interest.
6. Value of home loans drawn under the Home Guarantee Scheme (HGS) and the Head Start Homes Scheme (HSH). The HGS is an Australian Government scheme mostly for first home buyers while the HSH helps some customers that are more vulnerable to own a home. Eligibility criteria apply to both schemes and these are available online.
7. Percentage of scam cases detected by the bank's systems over total scams.
8. Value of total scam transactions detected and stopped, along with the value of total amounts stopped or recovered and returned to the customer.
9. Refer to our 2023 Sustainability Index and Datasheet for the definition of data breaches in Australia.
10. A unique customer is a customer that has called through to the Indigenous call centre at least once during the reporting period.
11. Refer to our 2023 Sustainability Index and Datasheet for the definition of spend with Indigenous suppliers.
12. Number of new product/service features (or enhanced features) implemented on our accounts that improve child and young person safeguarding. In Australia, a feature must be endorsed by our youth and family banking team, and includes blocks, controls and notifications.
13. Number of additional Australian businesses, engaged through the Australian Childhood Foundation, that have been reached by face-to-face conversations, online meetings, training activities, and advocacy efforts.
14. Refer to our 2023 Sustainability Index and Datasheet for the definition of scope 1 and 2 emissions.
15. Refer to our 2023 Sustainability Index and Datasheet for the definition of scope 3 upstream emissions.
16. Refer to the appendices in the 2023 Climate Report for our NZBA target methodologies.
17. Value of TCE or balance (for residential mortgages) for lending along with the sum of our proportionate share of qualifying bond issuances facilitated that have been classified as 'green' or 'transition' under our Sustainable Finance Framework.
18. Measures organisational health based on McKinsey & Company's OHI methodology. Employees are surveyed to assess organisational health, management practices, and employee experiences. The survey results are provided to McKinsey & Company to calculate our OHI score.
19. Refer to our 2023 Sustainability Index and Datasheet for the definition of women in Senior Leadership.
20. Refer to our 2023 Sustainability Index and Datasheet for the definition of spend with diverse suppliers.
21. Includes jobs created through Westpac Foundation's social enterprise partners and inclusive employment grant program for the financial year.
22. Westpac Foundation is administered by Westpac Community Limited (ABN 34 086 862 795) as trustee for Westpac Community Trust (ABN 53 265 036 982). 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.
23. 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.
24. Includes scholarships awarded by Westpac Scholars Trust for the financial year. Active Scholars includes the total number of individuals awarded a scholarship and have completed or are in the process of completing their degree or fellowship.

## 1H24 climate action plan progress

1. 2021 baselines for scope 1 and 2 emissions targets adjusted for COVID-19 pandemic and other impacts. Refer to our 2023 Sustainability Index and Datasheet.
2. Targets to be reviewed in 2025.
3. Supported by surrender of large-scale generation certificates.
4. Priority sectors includes buildings and construction (built environment), electricity generation and supply (energy), and minerals, mining and metals (resources).

# APPENDIX 3: SUSTAINABILITY – FOOTNOTES

APPENDIX

## Sustainability and climate-related opportunities

1. Our lending target will be the total committed exposure (TCE) or balance (applicable for residential mortgages) at 30 Sept-30. Reported progress against the target will be TCE or balance at a point-in-time based on transactions completed during the year, along with previous transactions assessed as sustainable under the Framework. The target requires continued growth in TCE or balance, including replacing balances paid down.
2. Our bond facilitation target and progress will be measured as the cumulative sum of our proportionate share of qualifying bond issuances facilitated from 1 Oct-21.
3. When structuring or participating in labelled sustainable finance transactions, Westpac was guided by national sustainable finance taxonomies, and global sustainable finance market standards, principles and guidance commonly used to label or categorise loans and bonds as green, social, sustainability or sustainability-linked (such as, principles and guidance issued by the Loan Market Association, International Capital Markets Association and/or the Climate Bond Initiative).
4. Excludes Westpac Institutional Bank in New Zealand.
5. Unique customers are identified as individual legal entities. The increase in the number of unique customers and total committed exposure is predominantly due to the 2023 launch of two new products in New Zealand, the Sustainable Business Loan and the Sustainable Farm Loan.

## INDUSTRY RECOGNITION



Achieved highest ISS QualityScore for Social dimension

For Governance and Environment dimensions, ISS QualityScores are 3 and 2 respectively



Rated Prime status of "C" by ISS ESG



Ranked ninth for the Australian Financial Review and GradConnection Top 100 Graduate Employers for 2024

## SUSTAINABILITY INDICES

Member of  
**Dow Jones Sustainability Indices**

Powered by the S&P Global CSA

At Dec 23, Westpac has received an S&P DJSI ESG score of 53. We have been a member of the DJSI Indices since 2002

## MORNINGSTAR SUSTAINALYTICS

At Dec 23, Westpac has received an ESG Risk Rating of 24.1 from Sustainalytics and was assessed to be at Medium risk of experiencing material financial impacts from ESG factors<sup>1</sup>



At Apr-24, Westpac has received an LSEG D&A ESG score of 74 (109 out of 1126 banking services companies)<sup>2</sup>



At Dec 23, Westpac has received an MSCI ESG Rating of A (score of 5.3)<sup>3</sup>

## DE&I<sup>4</sup> RECOGNITION



Recognised in the Bloomberg Gender Equality Index for the 8<sup>th</sup> consecutive year



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



Named #4 in Australia and #14 Globally 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 3: MAJOR COMMITMENTS, PARTNERSHIPS AND MEMBERSHIPS

 <p>Principles for Responsible Banking Signatory (2019)</p>	 <p>Industry-led UN- convened Net-Zero Banking Alliance Member, principals and steering groups (NZBA governance bodies) (from 2023)</p>	 <p>UN Sustainable Development Goals CEO Statement of Commitment (2016)</p>	 <p>Paris Climate Agreement Supporter (2015)</p>	 <p>The Valuable 500 Signatory (2021)</p>	 <p>The Equator Principles Founding Adopter, First Australian Bank (2003)</p>
 <p>UN Environment Programme Finance Initiative Founding Member (1991) Banking Board Co-Chair (since 2020)</p>	 <p>Financial Stability Board's Task Force on Climate-related Financial Disclosures Align with and support</p>	 <p>Taskforce on Nature-related Financial Disclosures Forum member (2021)</p>	 <p>Green Building Council of Australia Member (since 2011)</p>	 <p>Electric Vehicle Council of Australia Member (2022)</p>	 <p>RE100, an initiative of The Climate Group in partnership with CDP Member (since 2019)</p>
 <p>UN Global Compact Signatory (2002), Global Compact Network Australia Founding Member (2009)</p>	 <p>WeConnect International (for women owned businesses) Member (2020)</p>	 <p>Global Reporting Initiative Align with</p>	 <p>Toitū net carbonzero certified (New Zealand) Since 2019</p>	 <p>Climate Bonds Initiative Partner</p>	 <p>Carbon Markets Institute Corporate Member</p>
 <p>Social Traders (for certified social enterprises) Member (2016)</p>	 <p>Australian Sustainable Finance Institute Founding Member</p>	 <p>Sustainability Accounting Standards Board Align with</p>	 <p>Climate Active Certification (Australia) Since 2012 (previously NCOS)</p>	 <p>Supply Nation (for Indigenous owned businesses) Founding Member (2010)</p>	

# APPENDIX 4: DEFINITIONS – CREDIT QUALITY

<b>&gt;90 days past due</b>	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
<b>90+ days past due</b>	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
<b>Provision for expected credit losses</b>	Expected credit losses (ECL) are a probability-weighted estimate of the cash shortfalls expected to result from defaults over the relevant time frame. 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
<b>Collectively assessed provisions (CAP)</b>	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
<b>Individually assessed provisions (IAP)</b>	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
<b>Stage 1: 12 months ECL – performing</b>	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
<b>Stage 2: Lifetime ECL – performing</b>	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
<b>Stage 3 Lifetime ECL – non-performing</b>	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

<b>Impaired exposures</b>	<p>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:</p> <ul style="list-style-type: none"> <li>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;</li> <li>Non-accrual facilities: exposures with individually assessed impairment provisions held against them, excluding restructured loans;</li> <li>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;</li> <li>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; or</li> <li>Any other facilities where the full collection of interest and principal is in doubt.</li> </ul>
<b>Stressed exposures</b>	Watchlist and substandard, non-performing not impaired, and impaired exposures
<b>Total committed exposures (TCE)</b>	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
<b>Watchlist and substandard</b>	Loan facilities where customers are experiencing operating weakness and financial difficulty but are not expected to incur loss of interest or principal

# APPENDIX 4: DEFINITIONS – SEGMENTS, EARNINGS DRIVERS, CAPITAL AND LIQUIDITY

APPENDIX

## SEGMENTS

<b>Consumer</b>	Consumer provides banking products and services, including mortgages, credit cards, personal loans, and savings and deposit products to Australian retail customers
<b>Business and Wealth</b>	Business and Wealth serves the banking and wealth needs of Australian customers, including small business, Agribusiness and Commercial businesses
<b>WIB</b>	Westpac Institutional Bank (WIB) provides a broad range of financial products and services to corporate, institutional and government customers
<b>Westpac NZ</b>	Westpac New Zealand provides banking, wealth and insurance products and services for consumer, business and institutional customers in New Zealand

## EARNINGS DRIVERS

<b>Average interest-earning assets (AIEA)</b>	The average balance of assets held by the Group that generate interest income. Where possible, daily balances are used to calculate the average balance
<b>Group net interest margin</b>	Calculated by dividing net interest income by average interest-earning assets (annualised where applicable)
<b>Core net interest margin</b>	Calculated by dividing net interest income excluding Notable Items and Treasury & Markets by average interest-earning assets (annualised where applicable)
<b>Pre-provision profit</b>	Net operating income less operating expenses
<b>NCI</b>	Non-controlling interests
<b>Full-time equivalent employees (FTE)</b>	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

<b>Capital ratios</b>	As defined by APRA (unless stated otherwise)
<b>Committed liquidity facility (CLF)</b>	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
<b>High quality liquid assets (HQLA)</b>	Assets which meet APRA's criteria for inclusion as HQLA in the numerator of the LCR
<b>Internationally comparable ratios</b>	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
<b>Leverage ratio</b>	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
<b>Liquidity coverage ratio (LCR)</b>	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
<b>Net stable funding ratio (NSFR)</b>	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%
<b>Risk weighted assets or RWA</b>	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 4: DEFINITIONS – OTHER

<b>Branch transactions</b>	Branch transactions are typically withdrawals, deposits, transfers and payments
<b>Customer satisfaction or CSAT</b>	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')
<b>CSAT (Main Bank Service Satisfaction) (Westpac NZ)</b>	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)
<b>CSAT – overall consumer</b>	Source: Fifth Dimension (5D), March 2023 – March 2024, 6MR. MFI customers
<b>CSAT – overall business</b>	Source: Fifth Dimension (5D), March 2023 – March 2024, 6MR. MFI businesses
<b>DBM Australian Financial Awards</b>	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 <a href="http://www.dbmconsultants.com.au">www.dbmconsultants.com.au</a>
<b>Digitally active</b>	Australian consumer and business customers who have had an authenticated session (including Quickzone) on Westpac Group digital banking platforms in the prior 90 days
<b>Digital sales</b>	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)
<b>Digital transactions</b>	Digital transactions including all payment transactions (Transfer Funds, Pay Anyone and BPAY) within Westpac Live and Compass, excl. Corporate Online and Business Banking online
<b>Mobile wallet payments</b>	Count of transactions that use a digital card via apple pay, fitbit pay, garmin pay, google pay and samsung pay products

<b>Average App sessions per day</b>	Total number of sessions on Westpac Live & Compass initiated using an app over total number of days within a half year period
<b>MFI share</b>	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
<b>Consumer MFI share</b>	Source: Roy Morgan Single Source, March 2023 (1H23), September 2023 (2H23) and March 2024 (1H24), 6MR. MFI Banking Group customers.
<b>Net Promoter Score or NPS</b>	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 <sup>SM</sup> 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 likely', Net Promoter Score is calculated by subtracting the percentage of Detractors (0-6) from the percentage of Promoters (9-10)
<b>NPS Consumer (Westpac NZ)</b>	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)
<b>NPS – overall consumer</b>	Source: Fifth Dimension (5D), March 2023 – March 2024, 6MR. MFI customers
<b>NPS – overall business</b>	Source: Fifth Dimension (5D), March 2023 – March 2024, 6MR. MFI businesses
<b>NPS - Mortgages</b>	Source: Fifth Dimension (5D) for March 2024 (1H24), 6MR, AFI customers. Mortgage NPS measures the likelihood to recommend the Mortgage they hold with their financial institution
<b>St.George (SGB) brands</b>	SGB brands (Consumer): St.George Bank, Bank of Melbourne, BankSA; for MFI Share also includes RAMS SGB brands (Business): St.George Bank, Bank of Melbourne and BankSA
<b>Westpac rank</b>	The ranking refers to Westpac's position relative to the other three major Australian banks (ANZ, CBA and NAB)

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CONTACT US

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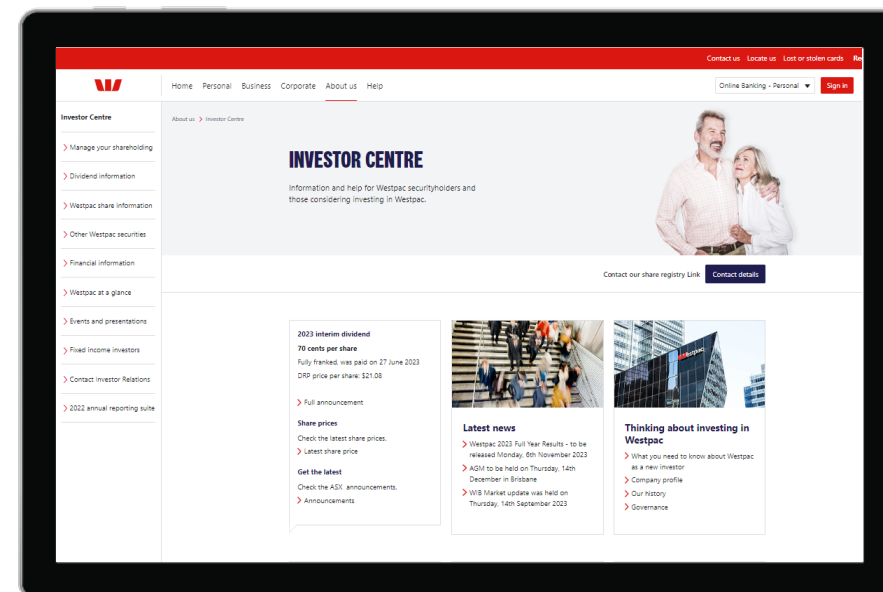
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All amounts are in Australian dollars unless otherwise indicated.

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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 2024 Interim Financial Results for the six months ended 31 March 2024 available at [www.westpac.com.au](http://www.westpac.com.au) in the section "Results Announcement to the market - Introduction" for details of the non-AAS financial measures.

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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 2024 Interim Financial Results for the six months ended 31 March 2024 available at [www.westpac.com.au](http://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.

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