4 DECEMBER 2024

SUSTAINABILITY MARKET UPDATE

Westpac Banking Corporation ABN 33 007 457 141

SUSTAINABILITY MARKET UPDATE - AGENDA

1	SUSTAINABILITY STRATEGY PROGRESS	**MICHAEL CHEN** Acting Chief Sustainability Officer
2	CUSTOMER TRANSITION	**ALASTAIR WELSH** Managing Director, Corporate & Institutional Bank
3	CUSTOMER VULNERABILITY	**LISA POGONOSKI** General Manager, Customer Solutions
4	SUSTAINABILITY REPORTING	**ANDREW BOWDEN** ESG Disclosure and Reporting Officer

MICHAEL CHEN

ACTING CHIEF SUSTAINABILITY OFFICER

FY24 HIGHLIGHTS

92% of shareholder votes cast were in favour of our Climate Change Position Statement

13 targets set for all **9** emissions-intensive sectors required under our NZBA commitment[1]

Engaged more than **150** institutional customers on their climate transition plans

Released our **2nd** Climate Report

$28.7bn in sustainable finance lending
$13.7bn in bond facilitation since the start of FY22

75% of customer hardship support packages required just 3 months support

1 Westpac joined the Net-Zero Banking Alliance (NZBA) in 2022.

SUSTAINABILITY STRATEGY [1,2]

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	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	

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UNDERSTANDING OUR CARBON FOOTPRINT

	% of TOTAL
SCOPE 1: Direct emissions from controlled facilities, including fleet fuels, refrigerants, gas, diesel, LPG.	<0.1
SCOPE 2: Indirect emissions (market-based) from the generation of energy we have purchased, including purchased electricity.	<0.1
SCOPE 3 UPSTREAM EMISSIONS: Indirect emissions related to selected sources from our operations and supply chain.	<0.5
SCOPE 3 FINANCED EMISSIONS: Indirect emissions related to our lending. Share of customers' scope 1 & 2 emissions.	>99

Refer to the Climate Methodologies Supplement on our website for information about the methodologies used to estimate our operational and Group-financed emissions.

BECOMING A NET-ZERO, CLIMATE RESILIENT BANK

Delivering on the three elements of our Climate Action Plan

OUR AMBITION: TO BECOME A NET-ZERO, CLIMATE RESILIENT BANK

OUR ACTION AREAS

NET-ZERO, CLIMATE RESILIENT OPERATIONS

FY24 Scope 1 and 2 emissions down **86%** from 2021 baseline

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

Made progress against our **2030 NZBA targets**

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

TNFD Forum Member

net-zero banking alliance

Australian Sustainable Finance Institute

WE SUPPORT UN GLOBAL COMPACT

UN environment programme finance initiative

This page contains 'forward-looking statements' and statements of expectation. Please refer to the disclaimer on page 30.

APPROACH TO NATURE

BUILDING OUR UNDERSTANDING OF DEPENDENCIES, IMPACTS, RISKS AND OPPORTUNITIES

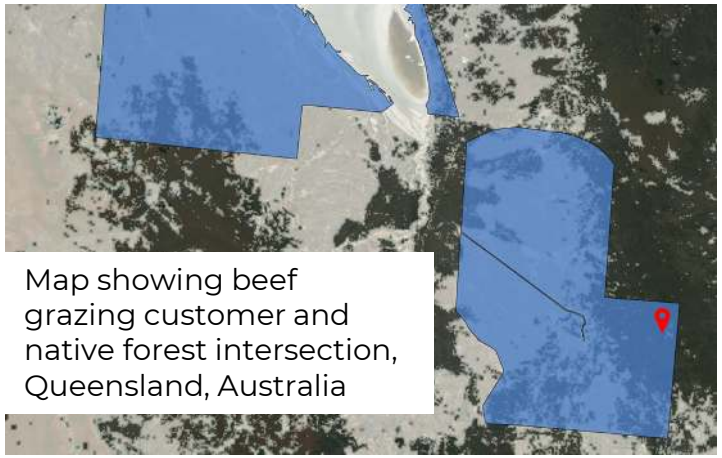
Conducting portfolio-level assessments
Identifying customer asset location to establish a baseline of our nature footprint

Assessing physical risks
Better understanding the interactions between our customers' operations and nature

Targeted engagement with customers
Engaging customers on their approach to nature-related risks and opportunities

CASE STUDY – GEOSPATIAL CAPABILITIES

Map showing Australian Commercial Real Estate assets



Map showing beef grazing customer and native forest intersection, Queensland, Australia

RESPECTING AND ADVANCING HUMAN RIGHTS

OUR ROLE AS A BANK

As a lender to businesses

As a lender to individuals

As a purchaser of goods and services

BETTER UNDERSTANDING OUR HUMAN RIGHTS RISKS AND ENHANCING DUE DILIGENCE

Enhanced ESG tools led to **164 customer escalations** for further review on human rights and modern slavery risks

Worked with suppliers to **close >100 priority action plans** addressing potential gaps in their modern slavery approaches

Provided **$77m** in funding to child safeguarding organisations since 2020

Funding for Wiradjuri Condobolin Corporation to hold weekly workshops for children to engage with their community and share their culture through storytelling and dance.

ALASTAIR WELSH

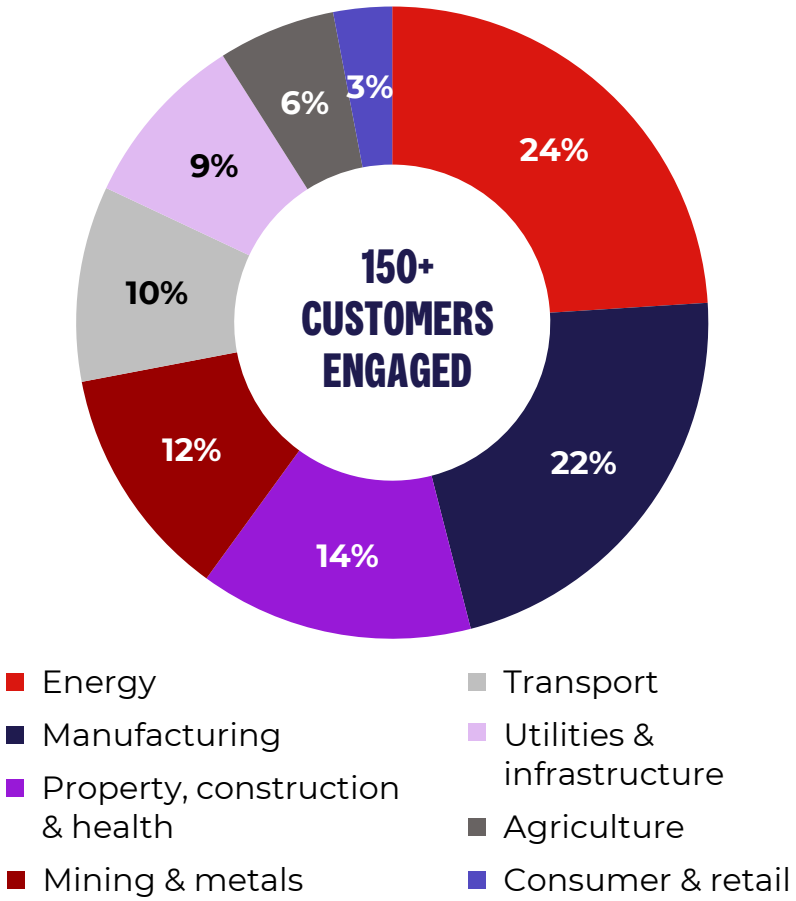
MANAGING DIRECTOR,
CORPORATE AND INSTITUTIONAL BANKING

SUPPORTING CUSTOMERS' TRANSITION TO A LOW-EMISSIONS ECONOMY

KEY COMPONENTS OF ASSESSMENT FRAMEWORK

ELEMENTS	AREAS OF DISCLOSURE
Foundations	Risks and opportunities arising from the transition to a low-emissions economy
Implementation strategy	Business strategy, commitments to emissions reduction initiatives and capital allocation
Engagement strategy	Engagement with value chain to target Scope 3 emissions reduction
Metrics	Emissions reduction targets, use of offsets and reporting
Governance	Board oversight of climate related issues including links to remuneration

TRANSITION PLANS ASSESSED BY SECTOR



Developing banker skills to provide insights on transition best practice, climate strategy and ESG trends.

CUSTOMER CLIMATE TRANSITION PLAN ASSESSMENTS

FINDINGS FROM 150 CUSTOMER ASSESSMENTS

- 84% have public climate transition plan
- Majority without transition plans were private companies

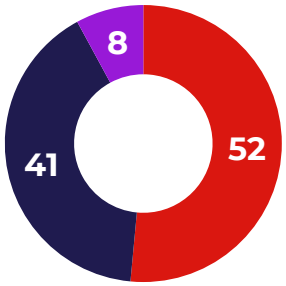
- 92% have interim scope 1 and 2 targets
- 66% have long term scope 1 and 2 targets

CHALLENGES CITED IN SETTING OR ACHIEVING TARGETS

- Grid decarbonisation uncertainties
- Electrification dependent on grid capacity
- Policy settings
- Supply of low carbon power purchasing agreement (PPA)
- Availability of low carbon fuels

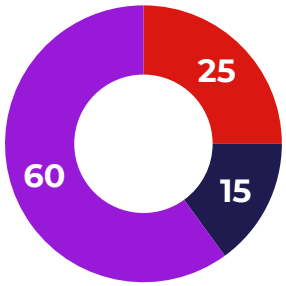
2030 INTERIM TARGETS

% of customer with interim scope 1 and 2 targets



- Temperature aligned[1]
- No specified temperature alignment
- No targets

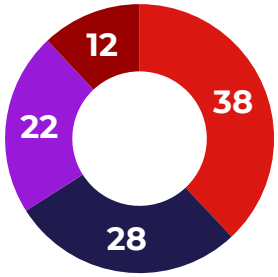
% of customer with interim scope 3 targets



- Temperature aligned[1]
- No specified temperature alignment
- No targets

2050 LONG TERM TARGETS

% of customer with long term net zero targets



- Scope 1 & 2, by 2050
- Scope 1, 2 & 3, by 2050 (or sooner)
- Ambition, aim or support
- No disclosure or commitment

1 Based on customer claim.

OBSERVATIONS

ENGAGEMENT AT SENIOR LEVELS OF BUSINESS

ENERGY TRANSITION A STRATEGIC IMPERATIVE

ENERGY EFFICIENCY MAKES GOOD BUSINESS SENSE

NEED A RELIABLE, AFFORDABLE ENERGY SUPPLY

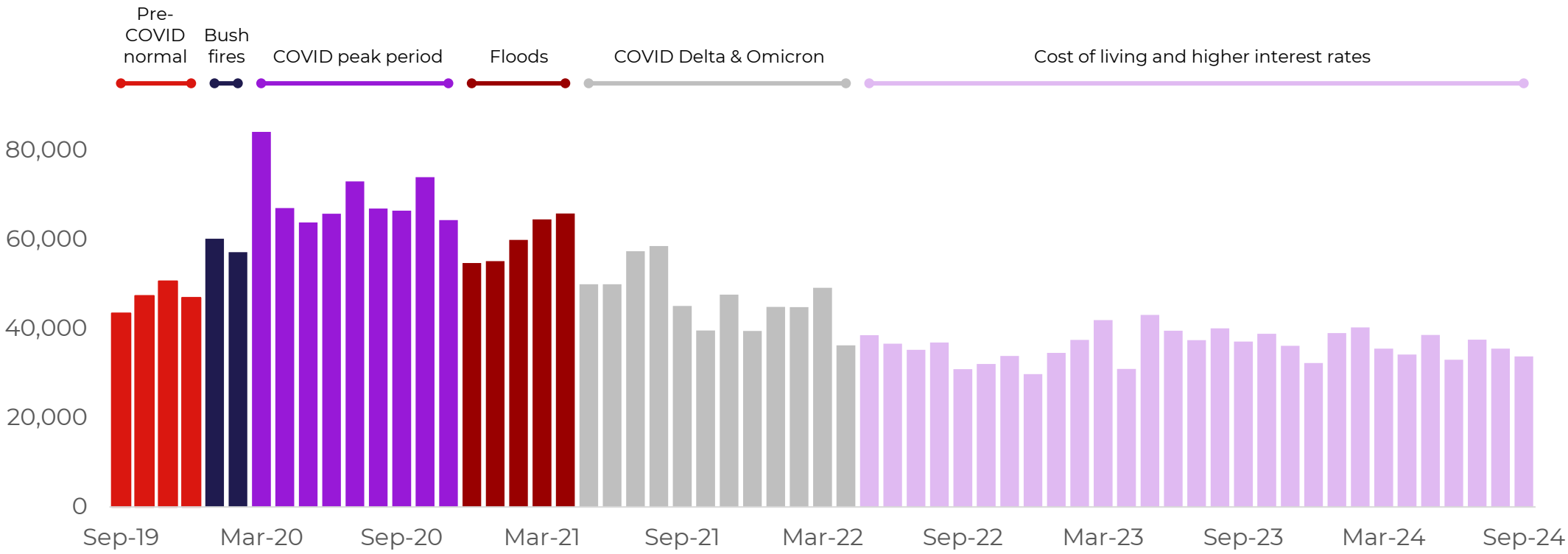
LISA POGONOSKI

GENERAL MANAGER, CUSTOMER SOLUTIONS

SUPPORTING CUSTOMERS IN MOMENTS THAT MATTER

- Support provided through COVID, floods, bushfires, and cost of living pressures
- Current number of calls to Customer Assist is lower than pre-COVID

CALLS TO CUSTOMER ASSIST SINCE SEPT 2019 (# MONTHLY)



CUSTOMER ASSIST SOLUTIONS

No matter the circumstances, Customer Assist has a solution to help customers navigate life's challenges and regain financial stability.

Our most used solutions

Recently introduced solutions in response to cost-of-living pressures

EMBEDDING SAFETY BY DESIGN

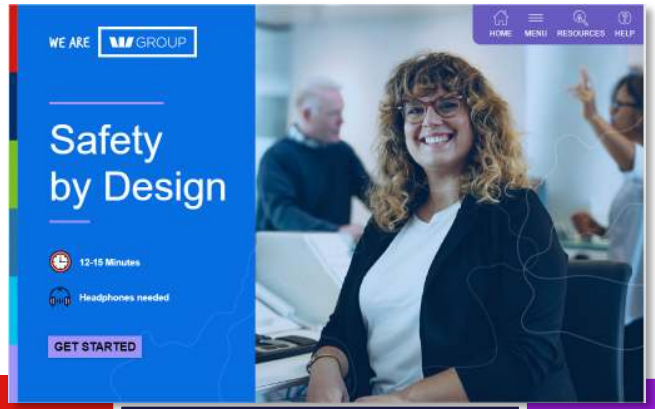
Industry-first toolkit launched and shared with peers to help prevent financial abuse and build a safer online environment

2022
Customer research undertaken

2023
Staff training implemented

Terms and Conditions updated

2024
Shared with industry for free use



Videos of vulnerable customers' lived-experience

Comprehensive customer vulnerability personas

eLearning Module

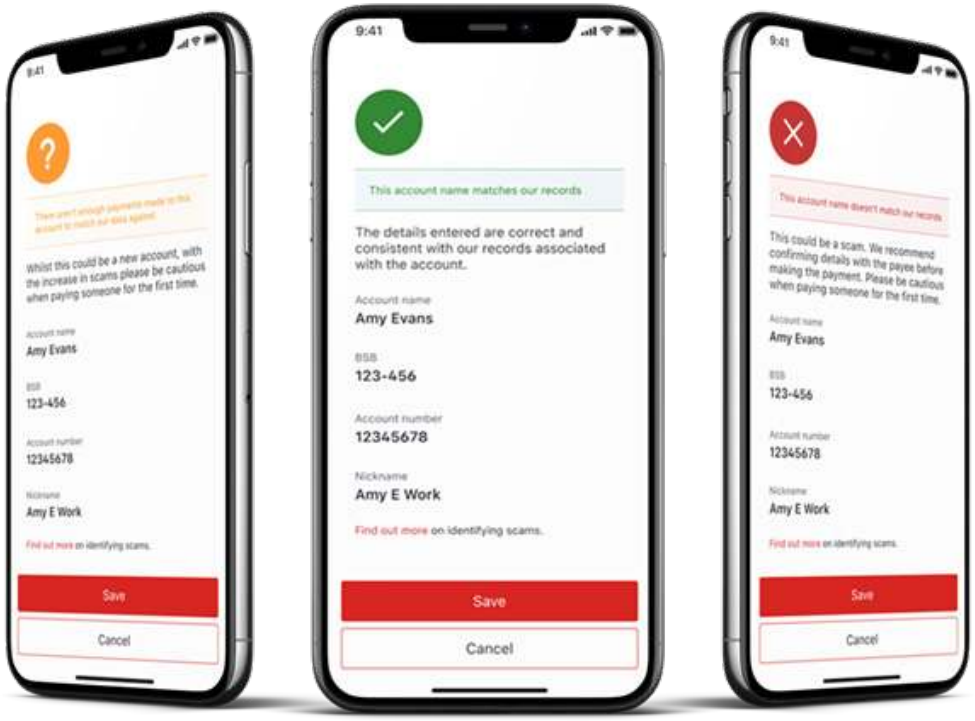
PUTTING SAFETY BY DESIGN INTO PRACTICE

- **Stopping abuse in transactions:** preventing inappropriate language in payment descriptions. Proactively contacting perpetrators, sometimes reporting them to law enforcement.
- **Parental controls and child education:** adding push notifications, online payment restrictions and daily payment limits for under 14 year olds on youth accounts.
- **Power of attorney account monitoring:** flagging unusual transactions from accounts so our specialist teams can step in and support

SCAM VOLUMES REMAIN A CONCERN, OUR PRIORITY IS PROTECTING CUSTOMERS

WESTPAC VERIFY

Alerts customers when there is a potential account name mismatch when they're adding a new payee using a BSB and account number



IN ACTION – EMAIL HACK SCAM STOPPED

House deposit payment details received in email from real estate agent

Logged into online banking to make the payment

Verify name mismatch notification

Didn't make payment

Real estate agent email had been hacked

$1.7M

in customer scam losses[1] averted via Verify checks

Westpac's systems and processes may not always be 100% effective and are subject to risks and other factors including those described in 'Risk Management' in the 2024 Annual Report and 2024 Risk Factors.

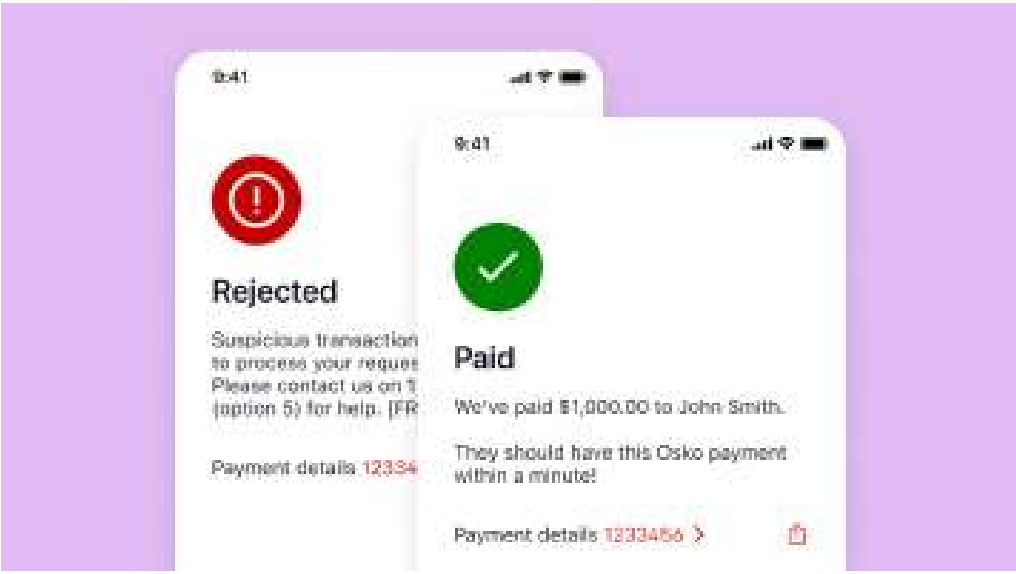
1 Since launching in Jun-24 to Sep-24

SCAM VOLUMES REMAIN A CONCERN, OUR PRIORITY IS PROTECTING CUSTOMERS

WESTPAC SAFERPAY

Presents customers with a series of questions in instances where a payment is considered a high risk of being a scam.

Places suspicious payments on hold for 24 hours while our team investigates.



IN ACTION – INVESTMENT SCAM STOPPED

Retired couple research investment opportunities and found an online investment company promoting 10% annual returns

Couple transfer $350,000 to company

SaferPay put money on hold for 24 hours

Fraud team spoke with customer

Payment reversed and scam reported to Police

$150M

in payments abandoned due to Saferpay alerts[1]

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1 Since launching in Mar-24 to Sep-24

SCAM VOLUMES REMAIN A CONCERN, OUR PRIORITY IS PROTECTING CUSTOMERS

WESTPAC SAFECALL

Provides customers with calls via the app that are Westpac branded, verified by Optus and displays a reason for the call

IN ACTION – STOPPING BANK IMPERSONATION SCAMS

Call to customer from an unknown number

Caller was a scammer

Customer tricked into downloading remote access software

Scammer withdrew nearly $5,000 from the customer's account

Safecall will allow customer to trust that calls from the banking app are from Westpac

SUCCESSFUL PILOT COMPLETED

Roll out commences Jan-25

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ANDREW BOWDEN

ESG DISCLOSURE & REPORTING OFFICER

CLIMATE-RELATED REPORTING – FOR WESTPAC

TCFD

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Dissolved 2023

IFRS Sustainability

INTERNATIONAL SUSTAINABILITY STANDARDS BOARD (ISSB)

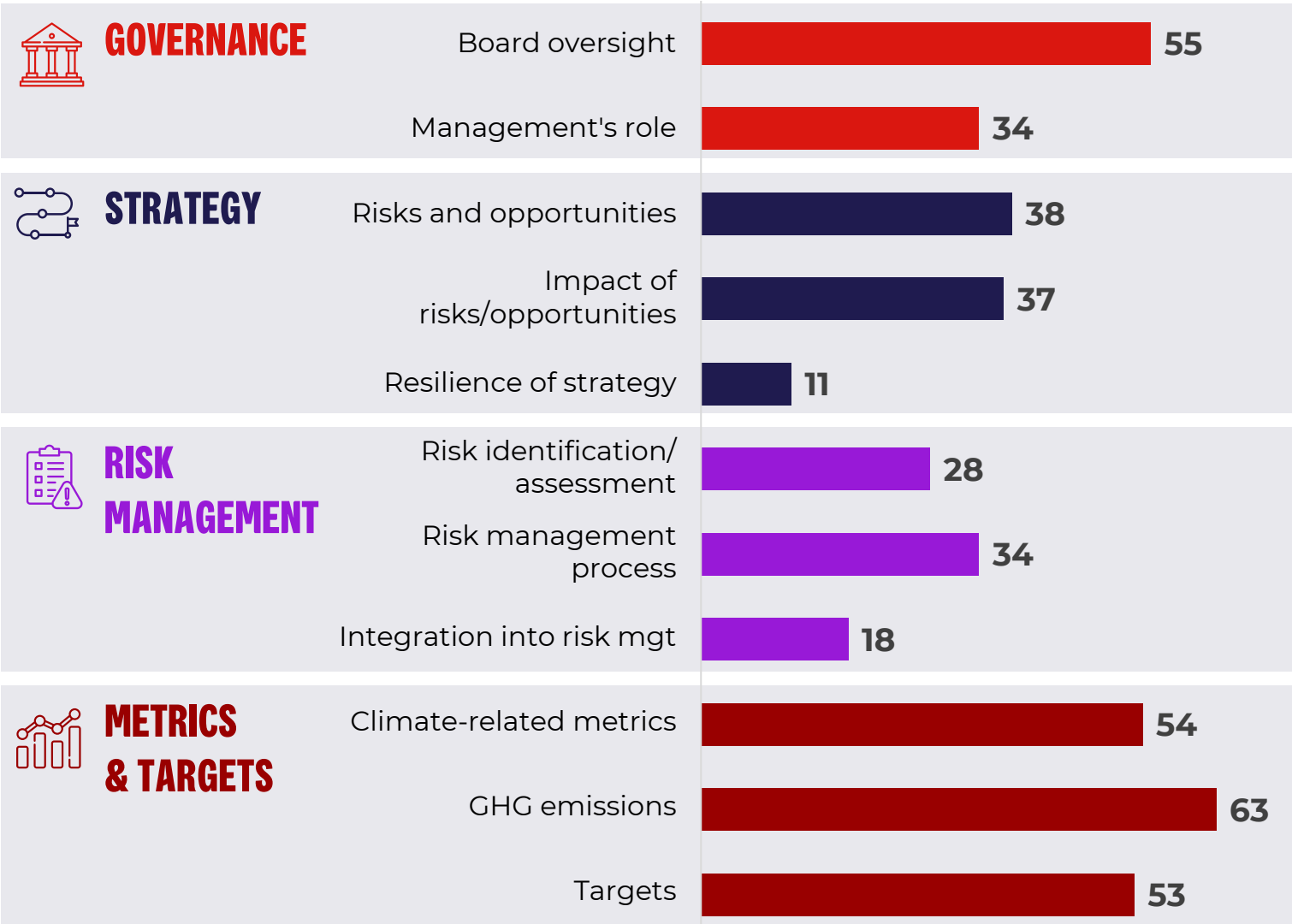
IFRS S1 – Sustainability-related standards

IFRS S2 – Climate-Related disclosures

	Europe	US SEC CDR	Aotearoa New Zealand Climate Standards	Australia AASB S2
APPLIES TO WESTPAC FROM	FY29	FY26?	FY24	FY26

PROGRESS ON CLIMATE-RELATED REPORTING

ALIGNMENT TO TCFD THEMES FOR >3000 COMPANIES GLOBALLY[1] (2023 %)



2023 ALIGNMENT

Average for all companies

38%

50%

(self assessed)

1. *Progress on Corporate Climate-related Disclosures-2024 Report*, IFRS Foundation, November 2024

AASB S2 EXPANDS ON THE TCFD RECOMMENDATIONS

AASB S2 ADDITIONS

GOVERNANCE

- Flow of climate-related information to management and board

STRATEGY

- Climate resilience
- Scenario analysis
- Company circumstances
- Transition plan details

RISK MANAGEMENT

- Explain how risks and opportunities are identified and managed

METRICS & TARGETS

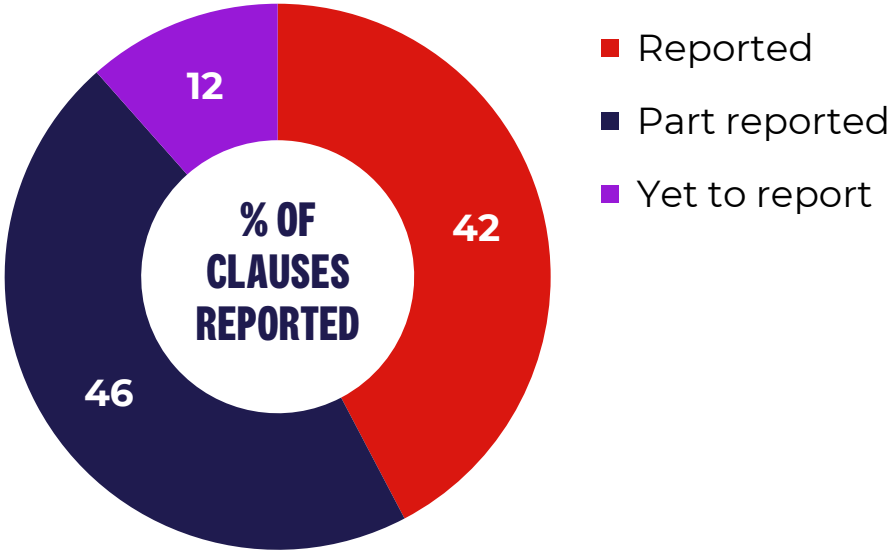
- Detail on emissions and carbon credits
- Basis for setting targets
- Mandatory financed emissions

OTHER FEATURES

- Useful for primary users of general purpose financial reports
- Climate-related risks/opportunities reasonably affecting prospects
- Strategic and financial impacts over time horizons
- Requires a new Sustainability Report
- Disclosing forward-looking information
- Not sector specific
- Mandatory assurance requirements

THE WORK AHEAD

ASSESSED ALIGNMENT WITH AASB S2 (%)[1]



MAJOR AREAS FOR COMPLIANCE BY FY26

- Integrating scenario analysis into strategy, financial and resilience assessments
- Expanding reporting over the short, medium and long-term time horizons
- Refining reporting of all scope 3 emissions
- Lifting governance and processes around disclosure

IMPLICATIONS FOR INVESTORS

- Outcomes of scenario analysis will create new insights in understanding climate impacts
- Ability to incorporate financial and strategic impacts into valuation models
- Lack of precedents will see variability across companies, and over time

1 Alignment estimated by Westpac by disaggregating each standard and its component parts. Estimate does not consider clauses requiring no action (such as objectives) requirements in the Appendix.

APPENDIX

MAJOR POSITIONS AND PARTNERSHIPS

Principles for Responsible Banking
Signatory

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

UN Sustainable Development Goals
CEO Statement of Commitment

Paris Climate Agreement
Supporter

The Valuable 500
Signatory

The Equator Principles
Founding Adopter, First Australian Bank

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

IFRS S2 Sustainability Disclosure Standard (Climate-related Disclosures)
Alignment

Taskforce on Nature-related Financial Disclosures
Forum member

Green Building Council of Australia
Member

Supply Nation (for Indigenous owned businesses)
Founding Member

RE100, an initiative of The Climate Group in partnership with CDP
Member

UN Global Compact Signatory (2002), Global Compact Network Australia
Founding Member

WeConnect International (for women owned businesses)
Member

Global Reporting Initiative
Alignment

Toitū net carbonzero certified (New Zealand)

Climate Bonds Initiative
Partner

Carbon Markets Institute
Corporate Member

Social Traders (for certified social enterprises)
Member

Australian Sustainable Finance Institute
Founding Member

Sustainability Accounting Standards Board
Alignment

Climate Active Certification (Australia) (previously NCOS)

SUSTAINABILITY AND CLIMATE STRATEGY

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

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

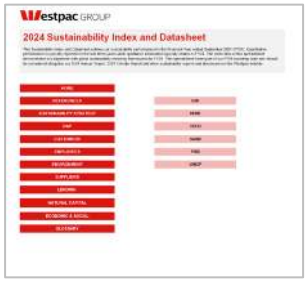
THREE AREAS OF CLIMATE ACTION

- Net-zero, climate resilient operations
- Supporting customer's transition to net-zero and to build their climate resilience
- Collaborate for impact on initiatives towards net-zero and climate resilience

2024 Annual Report

2024 Climate Report

2024 Sustainability Index and Datasheet



Human Rights Position Statement and Action Plan

Other sustainability positions and disclosures include
Modern Slavery Statement
2023 Natural Capital Position Statement
New Zealand – Sustainability and Climate Reports
Sustainable Finance Framework
2024 Climate Methodologies Supplement

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Reports available at westpac.com.au/sustainability

INVESTOR RELATIONS TEAM – CONTACT US

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Jacqueline Boddy
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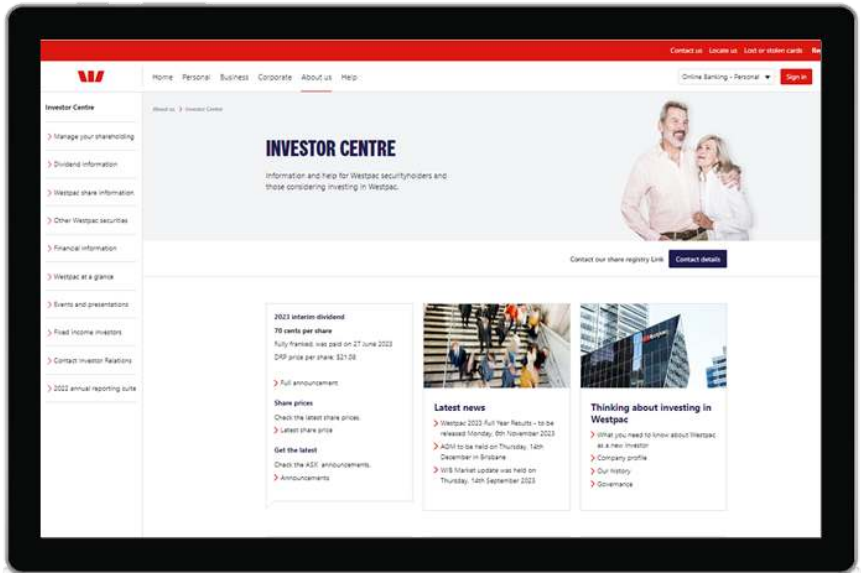

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- Address details and communication preferences
- Updating bank account details, and participation in the dividend reinvestment plan

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All amounts are in Australian dollars unless otherwise indicated.

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

We use words such as 'will', 'may', 'expect', 'intend', 'seek', 'would', 'should', 'could', 'continue', 'plan', 'estimate', 'anticipate', 'believe', 'probability', 'indicative', 'risk', 'aim', 'outlook', 'forecast', 'f'cast', 'f', 'assumption', 'projection', 'target', 'goal', 'guidance', 'ambition', 'objective' 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 us.

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 sections titled 'Our Operating Environment' and 'Risk Management' in our 2024 Annual Report, as well as the document titled '2024 Risk Factors' (each available at www.westpac.com.au). When relying on forward-looking statements to make decisions with respect to us, investors and others should carefully consider such factors and other uncertainties and events.

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We also make statements about our processes and policies (including what they are designed to do) as well as the availability of our systems or product features. Systems, processes and product features can be subject to disruption, and may not always work as intended, so these statements are limited by the factors described in the section titled 'Risk Management' in our 2024 Annual Report, as well as the Risk Factors document.

Further important information regarding climate change and sustainability-related statements

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

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