

# Sustainability Appendix

**2021**

WESTPAC BANKING CORPORATION  
ABN 33 007 457 141

This appendix contains our:

- Principles for Responsible Banking (PRBs) Reporting and Self-Assessment Template
- Global Reporting Initiative (GRI) Standards Index
- Sustainability Accounting Standards Board (SASB) Index
- Human Rights Reporting Index
- Reconciliation Action Plan Scorecard
- Glossary

Further information about our approach to sustainability, including our 2021 Sustainability Supplement, oversight frameworks, policies, positions and benchmark performance, can be found on our website [westpac.com.au/sustainability](https://westpac.com.au/sustainability)

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## Principles for Responsible Banking



# Principles for Responsible Banking

Westpac is a founding bank and signatory to the Principles for Responsible Banking (the Principles). The Principles reinforce Westpac's commitment to align to the Paris Climate Agreement and the United Nations Sustainable Development Goals (SDGs) that inform our 2023 Sustainability Strategy, targets, governance mechanisms and commitments.

To communicate our progress against the Principles we have adopted the PRB Reporting and Self-Assessment Template.

Areas highlighted in pink are subject to limited assurance.



# Principles for Responsible Banking

## Reporting and Self-Assessment Index

REPORTING AND SELF-ASSESSMENT REQUIREMENTS	HIGH-LEVEL SUMMARY OF BANK'S RESPONSE	REFERENCES & MORE INFORMATION
<p><b>Principle 1: Alignment</b></p> <p>We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.</p>		
<p>1.1 <i>Describe</i> (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities, and where relevant the technologies financed across the main geographies in which your bank has operations or provides products and services.</p>	<p>Westpac is Australia's first bank and oldest company, one of four major banks in Australia and one of five major banks in New Zealand. We provide a broad range of banking and financial services in these markets, including consumer and business and institutional banking.</p> <p>Group's customer-facing divisions are:</p> <ul style="list-style-type: none"> <li>• <b>Consumer</b> – serving consumers in Australia with a range of banking products under the brands of Westpac, St.George, BankSA, Bank of Melbourne and RAMS.</li> <li>• <b>Business</b> – serving the needs of small to medium businesses and commercial and agribusiness customers across Australia. This division also includes Private Wealth, supporting the needs of high-net-worth individuals.</li> <li>• <b>Westpac Institutional Bank (WIB)</b> – delivering a broad range of financial services to commercial, corporate, institutional, and government customers operating in, and with connections to, Australia and New Zealand.</li> <li>• <b>Specialist Businesses</b> – bringing together the Group's non-core businesses that we ultimately plan to divest. These include superannuation, wealth platforms and investments, Auto finance, along with our operations in Fiji and Papua New Guinea. For part of the year, the division included our Vendor Finance and Australian insurance operations (General and Lenders Mortgage Insurance) which were sold during the year. The sale of Life Insurance and Auto finance is expected to be completed in 2022.</li> <li>• <b>Westpac New Zealand</b> – delivering banking, wealth and insurance services to consumer, business and institutional customers across New Zealand.</li> </ul>	<p><a href="#">Website: Our Businesses</a> 2021 Annual Report: About Westpac</p>
<p>1.2 <i>Describe</i> how your bank has aligned and/or is planning to align its strategy to be consistent with and contribute to society's goals, as expressed in the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.</p>	<p>Westpac has focused on climate change for many years. This year, we made a significant addition to our strategic priorities – elevating climate as part of our Perform priority. Its importance to investors, customers and society more broadly has accelerated, and it was therefore appropriate to have climate more clearly reflected in our major priorities. This includes explaining how we are supporting the transition to a net zero economy.</p>	<p><a href="#">2023 Sustainability Strategy</a> <a href="#">2021 Sustainability Supplement: Our Sustainability Strategy</a> <a href="#">Climate Change Position Statement and 2023 Action Plan</a></p>



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	<p>Climate forms part of our broader environmental, social and governance (ESG) agenda, and we recognise that managing climate-related risks and opportunities is vital to the long-term sustainability to our company. We were the first Australian bank to release a climate change position statement in 2008. In 2015 we supported the Paris Agreement and in 2017 we committed to managing our business in line with the Paris Agreement and the need to transition to a net zero emissions economy by 2050.</p> <p>Our Climate Change Position Statement and 2023 Action Plan (Climate Action Plan) highlights our support for the Paris Climate Agreement to limit global warming to less than two degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5 degrees Celsius. We were the first Australian bank to commit to supporting the Paris Climate Agreement and the need to transition to a net zero emissions economy.</p> <p>Our 2023 Sustainability Strategy (Sustainability Strategy) sets out how we can best serve our customers, communities and nation, and contribute to solving global challenges. We have been a supporter of the UN Sustainable Development Goals (SDGs) since 2015, and we map how our initiatives contribute to the SDG targets.</p> <p>Our sustainability priorities are:</p> <ul style="list-style-type: none"> <li>• <b>Helping when it matters most</b> – help individuals and businesses build strong financial futures and navigate times of change, providing extra support for customers experiencing hardship</li> <li>• <b>Backing a stronger Australia</b> – help support the social, economic and environmental wellbeing of our nation to build a stronger Australia</li> <li>• <b>Collaborating for impact</b> – finance has a central role to play in addressing the biggest challenges facing our world. We want to play our part – by learning from our partners, sharing our experiences and collaborating to find solutions.</li> </ul> <p>Our Human Rights Position Statement and 2023 Action Plan (Human Rights Action Plan) recognises that we have both a responsibility to respect human rights, and opportunities to positively impact human rights, across our value chain.</p> <p>It also lays out the principles and actions that guide our approach and commitment to respecting human rights. These principles and actions are underpinned by a commitment to respect human rights as set out in the International Bill of Human Rights and ILO Declaration on Fundamental Principles and Rights at Work, and to support the UN Guiding Principles on Business and Human Rights.</p>	<p><a href="#">Human Rights Position Statement and 2023 Action Plan</a></p>



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<p><b>Principle 2: Impact and Target Setting</b></p> <p>We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.</p>		
<p><b>2.1 Impact analysis*</b></p> <p>Show that your bank has identified the areas in which it has its most significant (potential) positive and negative impact through an impact analysis that fulfills the following elements:</p> <p><b>a) Scope:</b> The bank's core business areas, products/services across the main geographies that the bank operates in have been as described under 1.1 have been considered in the scope of the analysis.</p> <p><b>b) Scale of Exposure:</b> In identifying its areas of most significant impact the bank has considered where its core business/its major activities lie in terms of industries, technologies and geographies.</p> <p><b>c) Context &amp; Relevance:</b> Your bank has taken into account the most relevant challenges and priorities related to sustainable development in the countries/regions in which it operates.</p> <p><b>d) Scale and intensity/salience of impact:</b> In identifying its areas of most significant impact, the bank has considered the scale and intensity/salience of the (potential) social, economic and environmental impacts resulting from the bank's activities and provision of products and services.</p> <p>(Your bank should have engaged with relevant stakeholders to help inform your analysis under elements c) and d)).</p>	<p>As a major financial institution, we recognise we can influence both positive and negative social and environmental outcomes throughout our operations, products and services.</p> <p>We understand that the Bank's most significant impacts are associated with the products and services we provide.</p> <p>Every three years we review our Sustainability Strategy and Climate Change and Human Rights Action plans to assist in ensuring our commitments and targets continue to be focused on the areas of most impact.</p> <p>This review follows extensive consultation with stakeholders and considers our core business areas, products/services, operations and main geographies in which we operate.</p> <p>Additional consideration and inputs from:</p> <ul style="list-style-type: none"> <li>• Our Group Fix, Simplify and Perform strategic priorities</li> <li>• Sustainability materiality assessment</li> <li>• Sustainability Risk Management Framework</li> <li>• Our policies and positions</li> <li>• Alignment to the Paris Agreement and the SDGs.</li> </ul> <p>As a result of the above process, our refreshed Sustainability Strategy, along with our Climate Action Plan and our Human Rights Action Plan, focuses on areas of most potential significant impact resulting from the Group's activities, at local, national and global levels.</p> <p>Our Sustainability Strategy priorities are in three areas: helping our customers when it matters most, supporting business and communities backing a stronger Australia, and collaborating for impact, particularly on climate change and social risks including human rights.</p> <p>Our Climate Action Plan recognises that climate change is one of the most significant issues that will impact the long-term prosperity of the global economy and our way of life. Our strategy was informed by scenario and financed emissions analysis, as well as engagement with customers, investors, industry bodies, non-governmental organisations and community representatives. It focuses on the three areas where we believe climate change will most impact our customers, business and stakeholders: help customers and communities respond to climate change; improve the climate change performance of our operations; and support initiatives and policies to achieve the goals of the Paris Agreement.</p>	<p><a href="#">2023 Sustainability Strategy</a></p> <p>2021 Annual Report: Strategic Report</p> <p>2021 Sustainability Supplement: Our Sustainability Strategy, Sustainability Performance, Climate change, Human rights</p> <p>2021 Sustainability Datasheet - Sustainable lending and investment, Economic and social impact</p> <p><a href="#">Website: Sustainability Oversight</a></p> <p><a href="#">Website: Listening to Stakeholders</a></p> <p><a href="#">Website: Approach to Sustainability Risk Management</a></p> <p><a href="#">Website: Safer Children, Safer Communities</a></p> <p><a href="#">Climate Change Position Statement and 2023 Action Plan</a></p> <p><a href="#">Human Rights Position Statement and 2023 Action Plan</a></p>



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<p>Show that building on this analysis, the bank has:</p> <ul style="list-style-type: none"> <li>– Identified and disclosed its areas of most significant (potential) positive and negative impact</li> <li>– Identified strategic business opportunities in relation to the increase of positive impacts / reduction of negative impacts.</li> </ul>	<p>The Climate Action Plan sets out updated criteria for lending to certain emissions intensive sectors including a commitment to reduce our exposure to the thermal coal mining sector to zero by 2030. It recognises that our financing activity must align with activities that support efforts to keeping a global temperature rise this century to well below 2 degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5 degrees Celsius.</p> <p>In 2021, we completed analysis to understand the sectoral profile of our Scope 3 financed emissions. We continued to develop Paris-aligned financing strategies and portfolio targets for sectors representing the majority of our financed emissions, with a focus during the year on oil and gas, metals and mining sectors.</p> <p>Our Human Rights Action Plan recognises that as one of the largest financial institutions in Australia and New Zealand, that we have both a responsibility to respect human rights, and opportunities to positively impact human rights, across our value chain.</p> <p>Our Human Rights Action Plan sets out a series of actions for how we will more deeply embed respect for human rights into our business and our business relationships, reflecting our role as a: financial services provider; lender; purchaser of goods and services; employer; and supporter of our communities. This year we provide an update on our most salient human rights issues.</p> <p>We are committed to reducing the human impact of financial crime, helping to protect children, create safer communities, and contribute to long-term change within Westpac Group. In upholding this commitment, we recognise we have a role to play in identifying, mitigating, preventing, and accounting for our adverse human rights impacts related to children and young people.</p> <p>The Safer Children, Safer Communities work program involves a series of actions and investments that we intend to deliver in Australia and across the Asia Pacific Region over a three year period (2020 – 2023) to help make a meaningful impact on child safety and protection. The program emerged from the third pillar of <a href="#">Westpac's Response Plan</a> to the AUSTRAC November 2019 Statement of Claim.</p>	

**Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Impact Analysis.**

*We have fulfilled our Impact Analysis requirements by identifying the areas in which we have the most significant potential positive and negative impact through our Sustainability Strategy, Climate and Human Rights Action Plans refresh, also considering inputs from our materiality assessments, which take into consideration scope, scale of exposure, context & relevance, and scale and intensity of impact. We have piloted using the PRB Impact Identification and Assessment Tool for our Australian businesses, to further understand and check/validate key areas of impact potentially not yet identified by Westpac through the above described approach.*



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<p><b>2.2 Target Setting</b></p> <p><i>Show</i> that the bank has set and published a minimum of two <b>Specific, Measurable</b> (can be qualitative or quantitative), <b>Achievable, Relevant</b> and <b>Time-bound</b> (SMART) targets, which address at least two of the identified "areas of most significant impact", resulting from the bank's activities and provision of products and services.</p> <p><i>Show</i> that these targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks. The bank should have identified a baseline (assessed against a particular year) and have set targets against this baseline.</p> <p><i>Show</i> that the bank has analysed and acknowledged significant (potential) negative impacts of the set targets on other dimensions of the SDG/climate change/society's goals and that it has set out relevant actions to mitigate those as far as feasible to maximise the net positive impact of the set targets.</p>	<p>Our Sustainability Strategy sets out a range goals/targets, initiatives and measures. These are linked to the SDGs.</p> <p><b>Example 1: Helping Australians respond to climate change</b></p> <ul style="list-style-type: none"> <li>Target: \$3.5 billion of new lending to climate change solutions by 2023 and \$15 billion by 2030</li> <li>Date target established: 2020</li> <li>Progress to date:             <ul style="list-style-type: none"> <li>\$1.9 billion new lending to climate change solutions in FY21</li> <li>\$10.9 billion lending to climate solutions as at Sep-21 (See 2021 Sustainability Datasheet – Sustainable Lending and Investment)</li> </ul> </li> <li>Material topic: Climate Change</li> <li>Relevant SDGs: 7, 12, 13</li> <li>Negative impacts: none significant identified</li> </ul> <p><b>Example 2: Respecting human rights</b></p> <ul style="list-style-type: none"> <li>Target: Invest up to \$30 million to raise awareness of child exploitation and support child protection, and establish a fund to accelerate the development of collaborative technologies initiatives</li> <li>Date target established: 2020</li> <li>Progress to date:             <ul style="list-style-type: none"> <li>In FY21 we provided \$12.1 million in funding to the overall work program to raise awareness of child exploitation and support child protection initiatives as part of our commitment to invest up to \$10 million per year for three years</li> </ul> </li> <li>Material topic: Human Rights</li> <li>Relevant SDGs: 5, 10</li> <li>Negative impacts: unintended harm caused by organisations who may use grants for purpose other than safeguarding children</li> </ul> <p>Further details can be found in the 2021 Sustainability Supplement – Our Sustainability Strategy.</p>	<p><a href="#">2023 Sustainability Strategy</a></p> <p><a href="#">Climate Change Position Statement and 2023 Action Plan</a></p> <p><a href="#">Website: Safer Children, Safer Communities</a></p> <p>2021 Sustainability Supplement: Our Sustainability Strategy, Sustainability Performance, Climate change, Human rights</p>
<p><b>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Target Setting.</b></p>		
<p><i>We have fulfilled our Target Setting requirements through the measures set out in our Sustainability Strategy, Human Rights Action Plan and our Climate Action Plan.</i></p>		



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<p><b>2.3 Plans for Target Implementation and Monitoring</b></p> <p>Show that your bank has defined actions and milestones to meet the set targets.</p> <p>Show that your bank has put in place the means to measure and monitor progress against the set targets. Definitions of key performance indicators, any changes in these definitions, and any rebasing of baselines should be transparent.</p>	<p>Our Sustainability Strategy sets out goals, initiatives, measures and accountabilities across three pillars. Progress against our Sustainability Strategy can be found in our Sustainability Supplement.</p> <p>Performance against our Sustainability Strategy scorecard (including for climate change and human rights) is updated to the Board half-yearly.</p> <p>This year a Group ESG &amp; Reputation Committee was established, replacing the Group Sustainability Council, to oversee the wider agenda on ESG, including the Group's Sustainability Strategy, Climate and Human Rights Action Plans. It will meet at least four times a year and is chaired by the Group CEO.</p> <p>Updates are provided to the market in our interim and annual reporting suite.</p>	<p><a href="#">2023 Sustainability Strategy</a></p> <p><a href="#">Climate Change Position Statement and 2023 Action Plan</a></p> <p><a href="#">Human Rights Position Statement and 2023 Action Plan</a></p> <p>2021 Annual Report: Climate change, Human rights</p> <p>2021 Sustainability Supplement: Our Sustainability Strategy, Sustainability Performance, Climate change, Human rights</p> <p>2021 Sustainability Datasheet</p>
<p><b>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Plans for Target Implementation and Monitoring.</b></p>		
<p><i>We have fulfilled our Target Implementation and Monitoring requirements through disclosure of accountabilities and half-yearly update to the Board.</i></p>		
<p><b>2.4 Progress on Implementing Targets</b></p> <p><u>For each target separately:</u></p> <p>Show that your bank has implemented the actions it had previously defined to meet the set target.</p> <p>Or explain why actions could not be implemented/needed to be changed and how your bank is adapting its plan to meet its set target.</p> <p>Report on your bank's progress over the last 12 months (up to 18 months in your first reporting after becoming a signatory) towards achieving each of the set targets and the impact your progress resulted in. (Where feasible and appropriate, banks should include quantitative disclosures.</p>	<p>Update and progress on our Sustainability Strategy (including the examples provided above) and various action plans is disclosed publicly through our interim and annual reporting.</p> <p>Progress and actions implemented for both our lending to climate change solutions and investing to raise awareness of child exploitation and support child protection targets are included in our 2021 Sustainability Supplement.</p> <p>Further details can be found in the references provided.</p>	<p>2021 Annual Report: Climate change, Human rights</p> <p>2021 Sustainability Supplement: Our Sustainability Strategy, Sustainability Performance, Climate change, Human rights</p> <p><a href="#">2021 Interim Financial Results: Sustainability Performance</a></p>
<p><b>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing Targets.</b></p>		
<p><i>We have fulfilled our Progress on Implementing Targets requirements by disclosing our implementation in the last 12 months through our external reporting.</i></p>		





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<p><b>Principle 3: Clients and Customers</b></p> <p>We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.</p>		
<p><b>3.1</b> <i>Provide an overview</i> of the policies and practices your bank has in place and/or is planning to put in place to promote responsible relationships with its customers. This should include high-level information on any programmes and actions implemented (and/or planned), their scale and, where possible, the results thereof.</p>	<p>Our Code of Conduct and wider operating principles, policies, frameworks and position statements set out how we aim to conduct ourselves with our customers. This includes:</p> <ul style="list-style-type: none"> <li>• Access and Inclusion Action Plan – has a continuous focus on providing customers and community with independent and equal access to our products and services</li> <li>• Climate Action Plan</li> <li>• Human Rights Action Plan.</li> </ul> <p>We believe responsible borrowing is a key element in our customers' long term prosperity and growth. Our Principles for Responsible Lending form the foundation to ensure our business practices are responsible and sustainable.</p> <p>Upholding the Australian banking industry's standards of practice and service contained in the Banking Code of Practice is a priority for Westpac.</p> <p>Further details can be found in the references provided.</p>	<p><a href="#">Website: Code of Conduct</a></p> <p><a href="#">Website: Corporate Governance Statement</a></p> <p><a href="#">Website: Banking Code of Practice</a></p> <p><a href="#">Website: Our Positions and Perspectives</a></p> <p><a href="#">Website: Customer Initiatives</a></p> <p><a href="#">Website: Access and Inclusion Plan</a></p> <p>2021 Annual Report: Strategic Report</p>
<p><b>3.2</b> <i>Describe</i> how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities. This should include information on actions planned/implemented, products and services developed, and, where possible, the impacts achieved.</p>	<p>We are committed to helping customers move towards more sustainable business models, by funding assets and outcomes to build a better future for all. When funds are allocated to sustainable assets or linked to sustainability outcomes, borrowers and issuers can achieve their sustainability goals and a range of other benefits – see 'Sustainable finance' in the references provide.</p> <p>We seek to understand the potential for sustainability-related risks to impact on credit risk. We do so by reviewing our Risk Management Framework, Risk Management Strategy, Sustainability Risk Management Framework, risk appetite measures and policies. These inform how we integrate the criteria set out in our position statements. We seek to apply these criteria to our portfolio, customers and transactions as appropriate. The requirements for ESG risk analysis are outlined in Westpac's ESG Credit Risk Policy.</p> <p>Our Climate Action Plan outlines how we are working to help customers and communities respond to climate change.</p> <p>Our Human Rights Action Plan describes how as a financial services provider we operationalise our responsibility to respect human rights.</p> <p>We also acknowledge impact areas increasing in focus, including biodiversity, circular economy and AI.</p> <p>Further details can be found in the references provided.</p>	<p><a href="#">Website: Sustainable Finance</a></p> <p><a href="#">Website: Climate Change and Environmental Issues</a></p> <p><a href="#">Website: Approach to Sustainability Risk Management</a></p> <p><a href="#">Climate Change Position Statement and 2023 Action Plan</a></p> <p><a href="#">Human Rights Position Statement and 2023 Action Plan</a></p> <p>2021 Sustainability Supplement: Our Sustainability Strategy, Sustainability Performance, Climate change</p>



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<p><b>Principle 4: Stakeholders</b></p> <p>We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.</p>		
<p><b>4.1</b> Describe which stakeholders (or groups/types of stakeholders) your bank has consulted, engaged, collaborated or partnered with for the purpose of implementing these Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders and what issues were addressed/results achieved.</p>	<p>Engagement with stakeholders plays a critical part in shaping our approach to sustainability. The Group has a range of mechanisms in place to enable effective engagement with stakeholders such as its Whistleblower hotline, feedback and complaints webpages and phonelines. These channels provide us the opportunity to assess feedback, understand concerns and respond to stakeholders.</p> <p>We seek to maintain an open dialogue with our broad range of stakeholders, enabling us to understand and respond to their evolving expectations and concerns. See reference (2021 Sustainability Supplement: Stakeholder engagement) for a summary containing our key stakeholder groups, prevalent issues and how we engage and respond to prevalent issues.</p> <p>External stakeholder committees also play an important role by bringing wider perspectives to inform our approach, including the Stakeholder Advisory Council, Westpac Indigenous Advisory Committee, and Customer Council.</p> <p>Our Climate Action Plan and Human Rights Action Plan provide details on our approach to stakeholder engagement on these matters.</p> <p>Further details can be found in the references provided.</p>	<p><a href="#">Website: Listening to Stakeholders</a></p> <p>2021 Sustainability Supplement: Sustainability materiality assessment</p> <p><a href="#">Climate Change Position Statement and 2023 Action Plan</a></p> <p><a href="#">Human Rights Position Statement and 2023 Action Plan</a></p> <p><a href="#">Website: Safer Children, Safer Communities</a></p>



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<p><b>Principle 5: Governance &amp; Culture</b>                      We will implement our commitment to these Principles through effective governance and a culture of responsible banking.</p>		
<p>5.1 <i>Describe</i> the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support effective implementation of the Principles.</p>	<p>The Group ESG &amp; Reputation Committee was established this year to oversee the bank's ESG agenda, including the Group's Climate Action Plan. It meets at least four times a year and is chaired by the Group CEO. This Committee replaces the Group Sustainability Council.</p> <p>As a bank, the management of risk is an inherent part of our business and central to our approach is our Risk Management Framework which outlines the steps we take to manage our risks. ESG risks are managed in accordance with the Group's Risk Management Framework, which is supported by the Sustainability Risk Management Framework (SRMF), Group ESG Credit Policy and both Group and Divisional Risk Appetite Statements.</p> <p>The Board Risk Committee considers and approves Westpac's SRMF at least every two years. In 2021 we progressed implementation of the refreshed ESG Credit Risk Policy with a dedicated program of work on uplift of ESG risk management. This included development of training to support our institutional, business bankers and risk officers, as well as our sustainability, communication and reputation job families.</p> <p>The Climate Change Financial Risk Committee (CCFRC) is a management sub-committee of the Group Credit Risk Committee and focuses on work to identify and manage climate-related financial risks, including the potential impact on credit exposures from climate change-related transition and physical risks. The committee meets at least three times a year.</p>	<p>2021 Annual Report: Corporate governance; Risk and risk management  <a href="#">Website: Sustainability Management Framework</a>                      2021 Sustainability Supplement: Approach to sustainability, Climate change, Human rights</p>



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<p><b>Principle 5: Governance &amp; Culture</b> We will implement our commitment to these Principles through effective governance and a culture of responsible banking.</p>		
<p><b>5.2</b> Describe the initiatives and measures your bank has implemented or is planning to implement to foster a culture of responsible banking among its employees. This should include a high-level overview of capacity building, inclusion in remuneration structures and performance management and leadership communication, amongst others.</p>	<p>Creating a strong risk culture is an important objective of the CORE program. Our people must more proactively identify and manage risks, and work in an environment where they feel safe to speak up. We have updated our Code of Conduct, strengthened our whistleblower protections, and amended our performance management framework and recruitment approach. We are seeking to build the right workforce based on their values and behaviours.</p> <p>Transforming these values and behaviours into a stronger culture must start at the top. Our senior leaders are expected to be role models in their attitudes and actions if we are to deliver genuine change. While it is early in the program, we are seeing improved results in our employee surveys and our leaders' actions.</p> <p>Culture change initiatives for our most senior leaders have included:</p> <ul style="list-style-type: none"> <li>• Refreshed Code of Conduct and incorporated new behaviours in our performance management framework. The roll-out of our Code of Conduct has been driven by our leaders.</li> <li>• Statements of Accountability for the Group's top 600 leaders.</li> <li>• Leadership Culture Development training program for 500 of our most senior leaders to clarify the mindsets, skills and behaviours required.</li> <li>• Leadership dashboards incorporate new behaviours and are more transparent.</li> </ul>	<p>2021 Annual Report: Strategic Review 2021 Annual Report: Directors' report <a href="#">Website: Customer Outcomes and Risk Excellence (CORE) Program</a> <a href="#">Website: Sustainability Management Framework</a></p>
<p><b>5.3</b> <b>Governance structure for implementation of the Principles</b> <i>Show</i> that your bank has a governance structure in place for the implementation of the PRB, including: a) target-setting and actions to achieve targets set b) remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected.</p>	<p>To oversee progress of our ESG agenda, a Group ESG and Reputation Committee has been established, replacing the previous Sustainability Council. The new committee is a sub-committee of the Group Executive Committee and is chaired by the CEO and meets at least four times a year. The Committee will receive quarterly updates on our Sustainability Strategy performance progress and discuss remedial actions where required.</p> <p>Sustainability updates are provided to the Board at least twice per year, and to the Board Risk Committee at least quarterly.</p> <p>A newly-established Reputation and Sustainability Risk team has taken accountability for implementing the Group's framework for managing reputation and sustainability risk.</p>	<p><a href="#">Website: Sustainability Management Framework</a></p>
<p><b>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Governance Structure for Implementation of the Principles.</b></p>		
<p><i>We have fulfilled our Governance Structure requirements through the use of our ESG and Reputation Committee for driving implementation of our Sustainability Strategy targets.</i></p>		



# Principles for Responsible Banking

## Reporting and Self-Assessment Index

REPORTING AND SELF-ASSESSMENT REQUIREMENTS	HIGH-LEVEL SUMMARY OF BANK'S RESPONSE	REFERENCES & MORE INFORMATION
<p><b>Principle 6: Transparency &amp; Accountability</b></p>		
<p>We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.</p>		
<p><b>6.1 Progress on Implementing the Principles for Responsible Banking</b></p> <p><i>Show that your bank has progressed on implementing the six Principles over the last 12 months (up to 18 months in your first reporting after becoming a signatory) in addition to the setting and implementation of targets in minimum two areas (see 2.1–2.4).</i></p> <p><i>Show that your bank has considered existing and emerging international/ regional good practices relevant for the implementation of the six Principles for Responsible Banking. Based on this, it has defined priorities and ambitions to align with good practice.</i></p> <p><i>Show that your bank has implemented/is working on implementing changes in existing practices to reflect and be in line with existing and emerging international/regional good practices and has made progress on its implementation of these Principles.</i></p>	<p>Westpac was a founding member of the PRBs in 2019 and our Group Head of Sustainability serves as the UNEP FI's Co-chair, Banking Board, and regularly engages with the PRB's Civil Society Advisory Body.</p> <p>Our participation in UNEP-FI working groups provides access to existing and good practice for consideration as we continue to implement the PRBs.</p> <p>We publish our alignment with the PRBs and progress against the priorities set out in our Sustainability Strategy each year.</p> <p>Westpac's reporting suite includes:</p> <ul style="list-style-type: none"> <li>• updates on our sustainability performance and progress;</li> <li>• our current sustainability commitments and partnerships; and</li> <li>• updates on developments in the external environment, particularly with respect to our material sustainability issues.</li> </ul> <p>In 2022, we will continue developing Paris-aligned financing strategies and portfolio targets, particularly for sectors representing the majority of our financed emissions. We will work with customers and industry experts. The analysis will consider a range of factors, including the IPCC Sixth Assessment Report, the IEA's Net Zero by 2050, A Roadmap for the Global Energy Sector Report, as well as the impact on the bank and customers, including in hard-to-abate sectors. Our approach will also seek to consider post 2021 UN Climate Change Conference, COP26 policy settings and outlook.</p> <p>This year we established an ESG Working Group to oversee delivery of actions to further embed ESG capability into our organisation. These actions are largely drawn from our Climate Action Plan and Human Rights Action Plan – as well as themes gaining increased focus such as biodiversity and the circular economy.</p> <p>We have continuing participation in the United Nations Global Compact Network, publishing our Communication in Progress each year.</p> <p>Further details can be found in the references provided.</p>	<p>2021 Annual Report: Sustainability Performance Progress</p> <p>2021 Sustainability Supplement: Our Sustainability Strategy</p> <p><a href="#">Climate Change Position Statement and 2023 Action Plan</a></p> <p><a href="#">Human Rights Position Statement and 2023 Action Plan</a></p> <p><a href="#">UN Global Compact: Westpac Banking Corporation</a></p> <p>See also 2020 Sustainability Performance Report</p>
<p><b>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing the Principles for Responsible Banking.</b></p>		
<p><i>We have fulfilled our Principles for Responsible Banking Progress requirements through the use of the Principles to continuously improve our existing practices. Continued work is under way to progress implementation of the PRBs.</i></p>		

Global Reporting Initiative  
Standards Index



# Global Reporting Initiative (GRI) Standards

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Westpac's 2021 Sustainability Supplement was prepared in alignment with the Global Reporting Initiative Standards (2016), Comprehensive option, and with relevant parts of GRI G4 Financial Services Sector Disclosures.



# Global Reporting Initiative Index

## General Disclosures

INDICATOR	DESCRIPTION	LOCATION
<b>Organisational Profile</b>		
102-1	Name of organisation	Westpac Banking Corporation
102-2	Activities, brands, products, and services	<a href="#">Website: Our Businesses</a>
102-3	Location of headquarters	275 Kent St, Sydney NSW 2000, Australia
102-4	Location of operations	<a href="#">Website: Global Locations</a>
102-5	Ownership and legal form	Publicly listed company limited by shares under the Australian Corporations Act 2001 (Cth)
102-6	Markets served	<a href="#">Website: Global Locations</a>
102-7	Scale of the organisation	2021 Annual Report: Three Year Summary 2021 Sustainability Supplement: Three Year Non-Financial Summary
102-8	Information on employees and other workers	2021 Sustainability Datasheet: Employees
102-9	Supply chain	2021 Sustainability Supplement: Stakeholder engagement; Human rights 2021 Sustainability Datasheet: Suppliers <a href="#">Website: Sustainable Sourcing</a> <a href="#">Website: Human Rights</a>
102-10	Significant changes to the organisation and its supply chain	2021 Annual Report: Significant developments <a href="#">Website: Responsible Sourcing Code of Conduct</a>
102-11	Precautionary Principles or approach	Westpac publicly recognises this principle by being a signatory to the United Nations Global Compact and in the implementation of our risk frameworks
102-12	External Initiatives	<a href="#">Website: Our Commitments and Partnerships</a>
102-13	Membership of association	<a href="#">Website: Industry Associations</a>
<b>Strategy</b>		
102-14	Statement from senior decision-maker	2021 Annual Report: CEO's letter
102-15	Key impacts, risks and opportunities	2021 Annual Report: Strategic Report, Significant developments, Risk and risk management 2021 Sustainability Supplement: Sustainability materiality assessment, Our Sustainability Strategy, Climate change and Human rights



# Global Reporting Initiative Index

## General Disclosures

INDICATOR	DESCRIPTION	LOCATION
<b>Ethics &amp; Integrity</b>		
102-16	Values, principles, standards, and norms of behaviour	<a href="#">Website: Operating Principles and Policies</a> <a href="#">Website: Code of Conduct</a> <a href="#">Website: Our Values</a> <a href="#">Website: Our Strategy and Purpose</a> <a href="#">Website: Responsible Sourcing</a>
102-17	Mechanisms for advice and concerns about ethics	<a href="#">Website: Speaking Up Policy</a> <a href="#">Website: Feedback and Complaints</a> 2021 Sustainability Datasheet: Employees
<b>Governance</b>		
102-18	Governance structure	2021 Annual Report: Information on Westpac, Directors' Report
102-19	Delegating authority	<a href="#">Website: Corporate Governance Statement</a>
102-20	Executive-level responsibility for economic, environmental, and social topics	<a href="#">Website: Corporate Governance Statement</a> <a href="#">Website: Sustainability Oversight</a> <a href="#">Website: Listening to Stakeholders</a>
102-21	Consulting stakeholders on economic, environmental, and social topics	<a href="#">Climate Change Position Statement and 2023 Action Plan</a> (Climate Action Plan) <a href="#">Human Rights Position Statement and 2023 Action Plan</a> (Human Rights Action Plan)
102-22	Composition of the highest governance body and its committees	2021 Annual Report: Directors' Report: Directors <a href="#">Website: Board of Directors</a> <a href="#">Website: Constitution and the Board</a> <a href="#">Website: Corporate Governance Statement</a>
102-23	Chair of the highest governance body	The Chair of the Westpac Board is an independent and non-executive director
102-24	Nominating and selecting the highest governance body	<a href="#">Website: Corporate Governance Statement</a> <a href="#">Website: Constitution and the Board</a>
102-25	Conflicts of interest	<a href="#">Website: Conflicts of Interest</a>
102-26	Role of highest governance body in setting purpose, values, and strategy	<a href="#">Website: Corporate Governance Statement</a>
102-27	Collective knowledge of highest governance body	<a href="#">Website: Corporate Governance Statement</a> 2021 Sustainability Supplement: Our approach to sustainability, Climate change, Human rights





# Global Reporting Initiative Index

## General Disclosures

INDICATOR	DESCRIPTION	LOCATION
102-28	Evaluating the highest governance body's performance	Independent reviews of Board performance are undertaken annually as outlined in: <a href="#">Website: Corporate Governance Statement</a>
102-29	Identifying and managing economic, environmental, and social impacts	2021 Annual Report: Risk and risk management, Climate change 2021 Sustainability Supplement: Climate change, Human rights <a href="#">Website: Corporate Governance</a> <a href="#">Website: Approach to Sustainability Risk Management</a>
102-30	Effectiveness of risk management processes	<a href="#">Website: Corporate Governance Statement</a> 2021 Annual Report: Risk and risk management <a href="#">Board Charter</a> <a href="#">Website: Risk Management</a> Also refer to GRI Standard 102-32
102-31	Review of economic, environmental, and social topics	2021 Annual Report: Risk and risk management 2021 Sustainability Supplement <a href="#">Website: Corporate Governance Statement</a> <a href="#">Website: Approach to Sustainability Risk Management</a>
102-32	Highest governance body's role in sustainability reporting	Sustainability information included in the Annual Report and the Full Year Financial Results is approved by the Board; 2021 Sustainability Supplement and appendices are approved by the Group Executive, Customer & Corporate Relations
102-33	Communicating critical concerns	<a href="#">Website: Code of Conduct</a> <a href="#">Website: Constitution and the Board</a> <a href="#">Website: Speaking Up Policy</a> <a href="#">Website: Your Customer Advocate</a>
102-34	Nature and total number of critical concerns	2021 Sustainability Datasheet: Customers – Customer complaints, Employees – Whistleblower reporting  Identified omission: The nature and number of critical concerns is confidential.
102-35	Remuneration policies	2021 Annual Report: Remuneration report
102-36	Process for determining remuneration	
102-37	Stakeholders' involvement in remuneration	2021 Annual Report: Remuneration Report, Employment agreements <a href="#">Website: Latest AGM – Notice of meeting</a>



# Global Reporting Initiative Index

## General Disclosures

INDICATOR	DESCRIPTION	LOCATION
102-38	Annual total compensation ratio	2021 Sustainability Datasheet: Employees - Remuneration
102-39	Percentage increase in annual total compensation ratio	
<b>Stakeholder Engagement</b>		
102-40	List of stakeholder groups	<u>Website: Listening to Stakeholders</u> 2021 Sustainability Supplement: Stakeholder engagement
102-41	Collective bargaining agreements	2021 Sustainability Datasheet: Employees – Employee relations <u>Fair Work Commission: Westpac Enterprise Agreement</u>
102-42	Identifying and selecting stakeholders	<u>Website: Listening to stakeholders</u> 2021 Sustainability Supplement: Sustainability materiality assessment – Stakeholder engagement
102-43	Approach to stakeholder engagement	
102-44	Key topics and concerns raised	2021 Annual Report: Strategic Report 2021 Sustainability Supplement: Sustainability materiality assessment – Our material issues
<b>Reporting Practice</b>		
102-45	Entities included in the consolidated financial statements	2021 Annual Report: Note 30. Investments in subsidiaries and associates. This does not include philanthropic foundations that are not owned or operated by the Group
102-46	Defining report content and topic Boundaries	2021 Sustainability Supplement: Sustainability materiality assessment Also refer to Management Approach section in this index.
102-47	List of material topics	2021 Sustainability Supplement: Sustainability materiality assessment – Our material issues
102-48	Restatements of information	All material restatements are noted within the relevant data sets
102-49	Changes in reporting	2021 Sustainability Supplement: Our approach to sustainability, Sustainability materiality assessment
102-50	Reporting period	1 October 2020 – 30 September 2021 unless otherwise stated
102-51	Date of most recent report	2020 Sustainability Performance Report
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	<a href="mailto:sustainability@westpac.com.au">sustainability@westpac.com.au</a> General enquiries: 13 20 32



# Global Reporting Initiative Index

## General Disclosures

INDICATOR	DESCRIPTION	LOCATION
102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Comprehensive option
102-55	GRI Content Index	2021 Sustainability Appendix: Global Reporting Initiative index
102-56	External assurance	2021 Sustainability Supplement: Assurance statement



# Global Reporting Initiative Index

## Management Approach

Our reporting suite including our Annual Report and Sustainability Supplement, sets out how we manage material topics. An overview of our governance and policy frameworks, external benchmarking and stakeholder engagement is available on our [website](#). Wherever possible, we aim to reduce any negative impacts associated with our activities and seek opportunities to enhance the positive impacts. Our current performance, including targets, can be found within the 2021 Sustainability Datasheet, this GRI table, and discussions on performance against our Sustainability Strategy. Further information on our current activities, including impacts and responses, is detailed throughout our reporting suite as indicated below. More specific information, including publicly available copies of the relevant policies, can be found online where indicated for each GRI aspect below.

INDICATOR	DESCRIPTION	LOCATION
103-1	Explanation of the material topic and its Boundary	2021 Sustainability Supplement: Sustainability materiality assessment Reference to boundary is included in the specific standard disclosures section below
103-2	The management approach and its components	2021 Annual Report: Strategic Report 2021 Annual Report: Risk and risk management 2021 Annual Report: Corporate governance 2021 Sustainability Supplement: Sustainability materiality assessment, Our Sustainability Strategy, Climate change and Human rights 2021 Sustainability Appendix: Global Reporting Initiative index <a href="#">Human Rights Position Statement and 2023 Action Plan</a> <a href="#">Climate Action Position Statement and 2023 Action Plan</a> <a href="#">2023 Sustainability Strategy</a> <a href="#">Website: Ratings and Recognition</a>
103-3	Evaluation of the management approach	2021 Sustainability Supplement: Sustainability materiality assessment – Our material issues <a href="#">Website: Listening to Stakeholders</a>



# Global Reporting Initiative Index

## Topic Specific Standards

MATERIAL ASPECTS	DESCRIPTION IN REPORT	LOCATION
<b>ECONOMIC</b>		
<b>GRI 201: Economic Performance</b>		
<i>Material Topics: (a) Governance, conduct and culture, (b) Financial performance and (c) Climate change</i>		
<i>GRI Boundary: Cause impact within our own operations and contribute to impact outside</i>		
<b>Aspect-specific management approach: 2021 Annual Report</b>		
201-1	Direct economic value generated and distributed	2021 Annual Report: Three Year Summary, Financial statements 2021 Sustainability Datasheet: Social and economic impact
201-2	Financial implications and other risks and opportunities due to climate change	2021 Annual Report: Risk and risk management, Climate change 2021 Sustainability Supplement: Climate change 2021 Sustainability Datasheet: Sustainable lending and investment <a href="#">Climate Change Position Statement and 2023 Action Plan</a>
201-3	Defined benefit plan obligations and other retirement plans	<a href="#">Fair Work Commission: Westpac Enterprise Agreement – Section 8. What are my superannuation benefits?</a> <a href="#">In-Tandem Westpac New Zealand Staff Superannuation Scheme: About the scheme</a> 2021 Annual Report: Note 33 Superannuation commitments
201-4	Financial assistance received from government	2021 Annual Report
<b>GRI 205: Anti-corruption</b>		
<i>Material Topics: (a) Governance, conduct and culture</i>		
<i>GRI Boundary: Cause impact within our own operations</i>		
<b>Aspect-specific management approach: <a href="#">Website: Corporate Governance Statement</a>, <a href="#">Website: Risk Management</a></b>		
205-1	Operations assessed for risks related to corruption	2021 Annual Report: Information on Westpac, Risk and risk management <a href="#">Website: Anti-Bribery &amp; Corruption Policy</a> <a href="#">Website: Corporate Governance Statement</a>
205-2	Communication and training about anti-corruption policies and procedures	2021 Sustainability Datasheet: Employees – Training and Capability – Code of Conduct training completed by 100% of employees; Suppliers – Top suppliers assessed under Westpac Responsible Sourcing Program 2021 Annual Report: Corporate governance, Risk and risk management <a href="#">Website: Anti-Bribery &amp; Corruption Policy</a> <a href="#">Responsible Sourcing Code of Conduct</a>



# Global Reporting Initiative Index

## Topic Specific Standards

MATERIAL ASPECTS	DESCRIPTION IN REPORT	LOCATION
205-3	Confirmed incidents of corruption and actions taken	2021 Annual Report: Significant developments 2021 Sustainability Datasheet: Employees – Whistleblower reporting <a href="#">Website: Corporate Governance Statement</a>

### SOCIAL

#### GRI 401: Employment

**Material Topics: (a) Our people**

**GRI Boundary:** Cause impact within our own operations

**Aspect-specific management approach:** Work Environment

401-1	New employee hires and employee turnover	2021 Sustainability Datasheet: Employees - Engagement, new starters, attrition and retention
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	<a href="#">Website: Global Locations</a> <a href="#">Website: Your Benefits and Wellbeing</a>
401-3	Parental leave	2021 Sustainability Datasheet: Employees – Parental leave <a href="#">Website: Parental Leave</a>

#### GRI 404: Training and Education

**Material Topics: (a) Our people**

**GRI Boundary:** Cause impact within our own operations

**Aspect-specific management approach:** Grow your career with us

404-1	Average hours of training per year per employee	2021 Sustainability Datasheet: Employees – Training and capability
404-2	Programs for upgrading employee skills and transition assistance programs	<a href="#">Website: Grow Your Career With Us</a>
404-3	Percentage of employees receiving regular performance and career development reviews	Westpac requires all permanent employees receive regular performance and career development reviews



# Global Reporting Initiative Index

## Specific Standard Disclosure

MATERIAL ASPECTS	DESCRIPTION IN REPORT	LOCATION
<b>GRI 405: Diversity and Equal Opportunity</b>		
<i>Material Topics: (a) Our people and (b) Human rights</i>		
<i>GRI Boundary: Cause impact within our own operations and contribute to impact outside</i>		
Aspect-specific management approach: <u>Website: Gender equality</u>		
405-1	Diversity of governance bodies and employees	2021 Sustainability Datasheet: Employees – Inclusion and diversity
405-2	Ratio of basic salary and remuneration of women to men	2021 Sustainability Datasheet: Employees – Remuneration
<b>GRI 412: Human Rights Assessment</b>		
<i>Material Topics: (a) Human rights</i>		
<i>GRI Boundary: Cause impact within our own operations and contribute to impact outside</i>		
Aspect-specific management approach: <u>Human Rights Action Plan</u>		
412-1	Operations that have been subject to human rights reviews or impact assessments	<u>Human Rights Position Statement and 2023 Action Plan</u> 2021 Sustainability Supplement: Human rights 2021 Sustainability Datasheet: Suppliers – Top suppliers assessed under Westpac <u>2020 Modern Slavery Statement</u> Responsible Sourcing Program, Sustainable lending and investment – Application of Equator Principles
412-2	Employee training on human rights policies or procedures	<u>2020 Modern Slavery Statement</u> 2021 Sustainability Datasheet: Employees – Training and Capability
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	<u>Human Rights Position Statement and 2023 Action Plan</u> <u>2020 Modern Slavery Statement</u> 2021 Sustainability Datasheet: Suppliers – Top suppliers assessed under Westpac Responsible Sourcing Program, Sustainable lending and investment – Application of Equator Principles



# Global Reporting Initiative Index

## Specific Standard Disclosure

MATERIAL ASPECTS	DESCRIPTION IN REPORT	LOCATION
<b>GRI 413: Local Communities</b>		
<i>Material Topics: (a) Community empowerment and (b) Customer experience</i>		
<i>GRI Boundary: Cause impact within our own operations and contribute to impact outside</i>		
Aspect-specific management approach: <a href="#">Website: Our Sustainability Strategy</a> , <a href="#">Website: Our people &amp; communities</a>		
413-1	Operations with local community engagement, impact assessments, and development programs	In all main operating geographies we have invested in community engagement activities, as evidenced by the geographic breakdowns in 2021 Sustainability Datasheet - Social and economic impact 2021 Sustainability Supplement: <a href="#">Our Sustainability Strategy</a> 2021 Sustainability Datasheet: Sustainable lending and investment, Social and economic impact: Community investment, Financial education, Social impact framework measures
413-2	Operations with significant actual and potential negative impacts on local communities	2021 Sustainability Supplement: <a href="#">Our Sustainability Strategy</a> , Climate change, Human rights 2021 Sustainability Datasheet: Sustainable investment and lending, Economic and social impact, Environmental
G4-FS13	Access points in low-populated or economically disadvantaged areas by type	Westpac provides services to help those in low-populated or economically disadvantaged areas, seen in: 2021 Sustainability Datasheet: Customers, Social and economic impact <a href="#">Website: Customers in need of extra care</a> <a href="#">Website: Westpac Indigenous and remote banking</a>
G4-FS14	Initiatives to improve access to financial services for disadvantaged people	2021 Sustainability Supplement: <a href="#">Our Sustainability Strategy</a> <a href="#">Website: Customers in need of extra care</a> <a href="#">Website: Westpac Indigenous and Remote Banking</a>





# Global Reporting Initiative Index

## Specific Standard Disclosure

MATERIAL ASPECTS	DESCRIPTION IN REPORT	LOCATION
<b>GRI 417: Marketing and Labelling</b>		
<i>Material Topics: (a) Changing regulatory landscape and (b) Customer experience</i>		
<i>GRI Boundary: Cause impact within our own operations as well as outside</i>		
Aspect-specific management approach: <a href="#">Website: Banking Code of Practice</a> ; <a href="#">Website: Disclosure Documents</a>		
417-1	Requirements for product and service information and labelling	<a href="#">Website: Banking Code of Practice</a> <a href="#">Website: Disclosure Documents</a>
417-2	Incidents of non-compliance concerning product and service information and labelling	2021 Annual Report: Information on Westpac: Litigation, Note 26. Provisions, contingent liabilities, contingent assets and credit commitments
417-3	Incidents of non-compliance concerning marketing communications	2021 Annual Report: Information on Westpac: Litigation, Note 26. Provisions, contingent liabilities, contingent assets and credit commitments
<b>GRI 418: Customer Privacy</b>		
<i>Material Topics: (a) Information security and (b) Human rights</i>		
<i>GRI Boundary: Cause impact within our own operations and contribute to impact outside</i>		
Aspect-specific management approach: <a href="#">Website: Privacy policy</a> ; <a href="#">Human Rights Action Plan</a>		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Complaints metrics are available in our 2021 Sustainability Datasheet – Customers.
<b>GRI 419: Socioeconomic Compliance</b>		
<i>Material Topics: (a) Changing regulatory landscape and (b) Governance, conduct and culture</i>		
<i>GRI Boundary: Contribute to impact outside our operations</i>		
Aspect-specific management approach: 2021 Annual Report: Risk and risk management		
419-1	Non-compliance with laws and regulations in the social and economic area	2021 Annual Report: Significant developments; Information on Westpac: Litigation; Note 26. Provisions, contingent liabilities, contingent assets and credit commitments



# Global Reporting Initiative Index

## Specific Standard Disclosure

MATERIAL ASPECTS	DESCRIPTION IN REPORT	LOCATION
<b>G4 Financial Services Sector Disclosure</b>		
<i>Material topic: Financial performance</i>		
<i>GRI Boundary: Cause impact within our own operations and contribute to impact outside</i>		
<b>Audit</b>		
Aspect-specific management approach - <a href="#">Website: Constitution and the Board</a>		
<b>Product Portfolio</b>		
<i>Material Topics: (a) Governance, conduct and culture, (b) Community empowerment, (c) Customer experience, and (d) Human rights</i>		
<i>GRI Boundary: Cause impact within our own operations and contribute to impact outside</i>		
Aspect-specific management approach: <b>2021 Annual Report, <a href="#">Website: Products and services with social or environmental outcomes</a></b>		
<b>G4-FS6</b>	Percentage of the portfolio for business lines by specific region, size and by sector	2021 Annual Report: Divisional performance 2021 Sustainability Supplement Website Sustainable lending and investment – Group lending profile Pillar 3 Report for 30 September 2021 – Summary credit risk disclosure
<b>G4-FS7</b>	Monetary value of products and services designed to deliver a specific social benefit	2021 Sustainability Datasheet: Sustainable lending and investment, Glossary: Positive Impact Finance definition 2021 Sustainability Supplement – Our Sustainability Strategy <a href="#">2023 Sustainability Strategy</a>
<b>G4-FS8</b>	Monetary value of products and services designed to deliver a specific environmental benefit	2021 Sustainability Datasheet: Sustainable lending and investment
<b>Active Ownership</b>		
Aspect-specific management approach: <a href="#">Website: Responsible Investment Transparency Report</a>		
<b>G4-FS10</b>	Percentage and number of companies held in the institution's portfolio with which the reporting organisation has interacted on environmental or social issues	Percentage and number of companies/assets are not separately tracked. We apply our ESG Credit Risk Policy to transaction-managed customers and apply Equator Principles where appropriate.
<b>G4-FS11</b>	Percentage of assets subject to positive and negative environmental or social screening	2021 Sustainability Datasheet: Sustainable lending and investment <a href="#">BT's Principles for Responsible Investment Transparency Report</a>

Sustainability Accounting  
Standards Board Index



# Sustainability Accounting Standards Board (SASB) Index

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The table below describes our alignment to the Sustainability Accounting Standards Board (SASB) standard set for Commercial Banks, Consumer Finance and Mortgage Finance.

As SASB is a Global Framework, we have translated the meaning of some of the metrics into local terms.



# Sustainability Accounting Standards Board

## Commercial Bank Standards

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
Data Security	(1) Number of data breaches (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	Quantitative	Number, Percentage (%)	FN-CB-230a.1	<p>During the FY21 period, a total of 11 data breaches were reported to the Office of the Australian Information Commissioner under the Notifiable Data Breaches Scheme<sup>1</sup>. This included 9 data breaches reported on a mandatory basis and 2 data breaches reported on a voluntary basis.</p> <p>These data breaches involved personal information and were remediated in accordance with Westpac Group's policy and processes to manage privacy breaches. These include a process for:</p> <ul style="list-style-type: none"> <li>- identifying and assessing the data breach</li> <li>- undertaking corrective actions to mitigate risk of likely serious harm to affected individuals</li> <li>- notification to affected individuals</li> <li>- reporting to relevant regulators</li> <li>- remediation activities and improvement of processes and internal controls.</li> </ul>
	Description of approach to identifying and addressing data security risks	Discussion and Analysis	n/a	FN-CB-230a.2	<p>Westpac has frameworks, policies, procedures, and training in place to support identification and addressing of risks related to cyber and data security, including privacy breaches. All employees, contractors and third parties must comply with the Westpac Group's Information Security, <a href="#">Privacy Policy</a>, <a href="#">Code of Conduct</a>, Technology Code of Use, Incident Management Policy, and Compliance Assessment Standard Operating Procedure in managing data security risks.</p> <p>Westpac also deploys capabilities to automatically prevent, detect and respond to cyber and data security incidents and risks.</p>
Financial Inclusion & Capacity Building	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	Quantitative	Number, Reporting currency	FN-CB-240a.1	<p>In 2020, Westpac formed a partnership with First Australians Capital to support the growth of Indigenous Businesses. The intent of the partnership is to provide businesses with access to finance, capacity building, networks and dedicated relationship management.</p> <p>In FY21, the total loans made under the partnership was \$461,904.</p> <p>See '<a href="#">Microfinance Opportunities</a>'.</p>

<sup>1</sup> Under the Notifiable Data Breaches scheme organisations must notify affected individuals and the OAIC when a data breach is likely to result in serious harm to an individual whose personal information is involved.



# Sustainability Accounting Standards Board

## Commercial Bank Standards

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
	(1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development	Quantitative	Number, Reporting currency	FN-CB-240a.2	See 'COVID-19 response' in our 2021 Investor Discussion Pack.
	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customer	Quantitative	Number	FN-CB-240a.3	See 'Community Investment - foregone fee revenue' in our 2021 Sustainability Datasheet.  Across our brands, in FY21 we provided 1,010,583 customers (retirees, charities/not for profits, students and concessional card holders) access to services where fees were foregone.  Westpac has a standard transactional offering tailored to customers who hold a concession or health care card and have Australian social security benefits paid into the account.
	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	Quantitative	Number	FN-CB-240a.4	See 'Social and economic impact – financial education' in our 2021 Sustainability Datasheet.  See ' <a href="#">The Davidson Institute</a> '.
Incorporation of Environmental, Social, and Governance Factors in Credit Analysis	Commercial and industrial credit exposure, by industry	Quantitative	Reporting currency	FN-CB-410a.1	See 'Summary credit risk disclosure' in our Pillar 3 Report.  See 'Sustainable Lending and Investment - Group lending profile' in our 2021 Sustainability Datasheet.
	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis	Discussion and Analysis	n/a	FN-CB-410a.2	See our climate disclosures in our 2021 Sustainability Supplement.  <a href="#">Website: Approach to Sustainability Risk Management.</a>



# Sustainability Accounting Standards Board

## Commercial Bank Standards

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations	Quantitative	Reporting currency	FN-CB-510a.1	See our 2021 Annual Report.
	Description of whistle-blower policies and procedures	Discussion and Analysis	n/a	FN-CB-510a.2	See <a href="#">Westpac's Whistleblower policy, known as the Westpac Group Speaking Up Policy</a> .  See 'Employees – Whistleblower reporting' in our 2021 Sustainability Datasheet.
Systemic Risk Management	Global Systemically Important Bank (G-SIB) score, by category	Quantitative	Basis points (bps)	FN-CB-550a.1	
	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	Discussion and Analysis	n/a	FN-CB-550a.2	See 'Capital Management Strategy' in our Pillar 3 Report and climate disclosures in our 2021 Sustainability Supplement.

ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business	Quantitative	Number, Reporting currency	FN-CB-000.A	See 'Divisional Results' in our 2021 Full Year Investor Discussion Pack.
(1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate	Quantitative	Number, Reporting currency	FN-CB-000.B	See 'Customer Support' in our 2021 Full Year Investor Discussion Pack, Balance Sheet Review in our 2021 Annual Report, and 'Summary credit risk disclosure' in our Pillar 3 Report.



# Sustainability Accounting Standards Board

## Consumer Finance Standards

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
Data Security	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	Quantitative	Number, percentage (%)	FN-CF-230a.1	Response provided in Commercial Banks Standard.
	Description of approach to identifying and addressing data security risks	Discussion and analysis	n/a	FN-CF-230a.3	Response provided in Commercial Banks Standard.
Selling Practices	Percentage of total remuneration for covered employees that is variable and linked to the amount of products and services sold	Quantitative	Percentage (%)	FN-CF-270a.1	See 'Remuneration Report' in our 2021 Annual Report.
	(1) Number of complaints filed with the Consumer Financial Protection Bureau (CFPB), (2) percentage with monetary or non-monetary relief, (3) percentage disputed by consumer, (4) percentage that resulted in investigation by the CFPB	Quantitative	Number, percentage (%)	FN-CF-270a.4	See 'Customers – Complaints' in our 2021 Sustainability Datasheet and 'Remediation Program' in our 2021 Annual Report.
	Total amount of monetary losses as a result of legal proceedings associated with selling and servicing of products	Quantitative	Reporting currency	FN-CF-270a.5	See our 2021 Annual Report.



# Sustainability Accounting Standards Board

## Consumer Finance Standards

ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
Card-related fraud losses from (1) card-not-present fraud and (2) card-present and other fraud	Quantitative	Number	FN-CF-000.A	See ' <a href="#">How We Protect You</a> '.
Number of (1) credit card accounts and (2) pre-paid debit card accounts	Quantitative	Number	FN-CF-000.B	As at 30 September 2021: <ul style="list-style-type: none"> <li>- Consumer Credit Card Accounts – 1,929,292 (excluding closed with Balances)</li> <li>- Pre-Paid Debit Card Accounts – 255,541</li> </ul>

## Mortgage Finance Standards

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
Lending practices	(1) Number and (2) value of residential mortgages of the following types: (a) Hybrid or Option Adjustable-rate Mortgages (ARM), (b) Prepayment penalty, (c) Higher Rate, (d) total, by FICO scores above or below 660	Quantitative	Number, Reporting currency	FN-MF-270a.1	See 'Australian Mortgage Portfolio' in our 2021 Full Year Investor Discussion Pack.
	(1) Number and (2) value of residential mortgage modifications, (b) foreclosures, and (c) short sales or deeds in lieu of foreclosure, by FICO scores above and below 660	Quantitative	Number, Reporting currency	FN-MF-270a.2	See 'Credit Quality', 'Portfolio Segments' and 'Delinquencies' in our 2021 Full Year Financial Results and 2021 Annual Report.
	Total amount of monetary losses as a result of legal proceedings associated with communications to customers or remuneration of loan originators	Quantitative	Reporting currency	FN-MF-270a.3	See our 2021 Annual Report.





# Sustainability Accounting Standards Board

## Mortgage Finance Standards

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
	Description of remuneration structure of loan originators	Discussion and analysis	n/a	FN-MF-270a.4	See <a href="#">Financial Services Guide</a> , our 'Broker Page' and 'Mortgage Broker' Recommendations in our ' <a href="#">Royal Commission Implementation Progress Update</a> '.
Environment Risk to Mortgaged Properties	(1) Number and (2) value of mortgage loans in 100-year flood zones	Quantitative	Number, reporting currency	FN-MF-450a.1	See Physical Risk of our Australian mortgage portfolio in our 2021 Sustainability Datasheet, 2021 Annual Report, and 'Lending and Investment' in our 2021 Sustainability Datasheet.
	(1) Total expected loss and (2) Loss Given default (LGD) attributable to mortgage loan default and delinquency due to weather-related natural catastrophes, by geographic region	Quantitative	Reporting currency, Percentage (%)	FN-MF-450a.2	See 'Lending and Investment' in our 2021 Sustainability Datasheet.
	Description of how climate change and other environmental risks are incorporated into mortgage origination and underwriting	Discussion and analysis	n/a	FN-MF-450a.3	See 'Climate Change' in our 2021 Sustainability Supplement.

ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
(1) Number and (2) value of mortgages originated by category: (a) residential and (b) commercial	Quantitative	Number, Reporting currency	FN-MF-000.A	See 'Australian Mortgages' in our 2021 Full Year Investor Discussion Pack.
(1) Number and (2) value of mortgages purchased by category: (a) residential and (b) commercial	Quantitative	Number, Reporting currency	FN-MF-000.B	See 'Australian Mortgages' in our 2021 Full Year Investor Discussion Pack.

## Human Rights Reporting Index



# Human Rights Reporting Index

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Our approach to human rights is guided by the UN Guiding Principles on Business and Human Rights and has been described in our Human Rights Position Statement and 2023 Action Plan. This is our fifth year of formally reporting our progress in line with the UNGP Reporting Framework's principles and criteria. We continue to work towards improving the depth and quality of our responses to all criteria over time.



# Human Rights Reporting Index

## UN Guiding Principles Reporting Framework Index

QUESTION	DESCRIPTION	LOCATION
<b>Governance of respect for human rights</b>		
A1	Public commitment to human rights	<a href="#">Human Rights Position Statement and 2023 Action Plan</a> : Our principles and commitments, Our approach to human rights <a href="#">Website: Human Rights</a>
A2	Embedding human rights commitment	<a href="#">Human Rights Position Statement and 2023 Action Plan</a> : Our principles and commitments, Our approach to human rights <a href="#">Website: Sustainability Oversight</a> <a href="#">Westpac's Corporate Governance Statement: Ethical and responsible decision-making</a> 2021 Sustainability Supplement: Human Rights
<b>Defining focus of reporting</b>		
B1	Statement of salient issues	<a href="#">Human Rights Position Statement and 2023 Action Plan</a> : Our 2023 Action Plan
B2	Determining salient issues	2021 Sustainability Supplement: <ul style="list-style-type: none"> <li>• Human Rights</li> <li>• Our material topics</li> </ul> FY20 Modern Slavery Statement
B3	Geographic focus	FY20 Modern Slavery Statement
B4	Severe impacts	
<b>Management of Salient Human Rights Issues</b>		
C1	Specific policies to address salient issues	<a href="#">Human Rights Position Statement and 2023 Action Plan</a> : Our 2023 Action Plan, Related policies and position statements 2021 Sustainability Supplement: Human Rights FY20 Modern Slavery Statement
C2	Approach to stakeholder engagement on salient issues	<a href="#">Human Rights Position Statement and 2023 Action Plan</a> : Engaging with stakeholders, Feedback, complaints and questions <a href="#">Website: Listening to Stakeholders</a> 2021 Sustainability Supplement: Human Rights
C3	Approach to identifying changes in salient issues over time	<a href="#">Human Rights Position Statement and 2023 Action Plan</a> : Our 2023 Action Plan, Our approach <a href="#">Website: Sustainability Oversight</a> 2021 Sustainability Supplement: Sustainability materiality assessment - Our material topics



# Human Rights Reporting Index

## UN Guiding Principles Reporting Framework Index

QUESTION	DESCRIPTION	LOCATION
C4	Integration of findings relating to salient issues into decision-making	<u>Human Rights Position Statement and 2023 Action Plan</u> : Our 2023 Action Plan, Our approach <u>Website: Sustainability Oversight</u> 2021 Sustainability Supplement: Human Rights
C5	Tracking performance and actions on salient issues	<u>Human Rights Position Statement and 2023 Action Plan</u> : Our approach <u>Website: Sustainability Oversight</u> 2021 Sustainability Supplement: Human Rights
C6	Remediation processes relating to salient issues	<u>Human Rights Position Statement and 2023 Action Plan</u> : Our principles and commitments, Our 2023 Action Plan, Feedback, complaints and questions 2021 Sustainability Supplement: Human Rights

## Reconciliation Action Plan Scorecard



# Reconciliation Action Plan (RAP) Scorecard

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Our 2018–2020 RAP was extended and focuses on four areas – meaningful careers, better banking experiences, backing Indigenous business, and prosperous communities – where we believe we can achieve greatest outcomes. These areas reflect our commitment to the UN Sustainable Development Goals and the UN Declaration on the Rights of Indigenous Peoples. Reconciliation Australia’s pillars – Relationships, Respect and Opportunities – underpin our RAP commitments.



# Reconciliation Action Plan (RAP) Scorecard

OBJECTIVES AND MEASURES	FULL YEAR 2021 PERFORMANCE
<b>Meaningful careers</b>	
Aboriginal and Torres Strait Islander new-to-bank hires – Australia (%)	2.5% (172 new-to-bank hires).
Build reliable mechanisms to better understand new starter retention and attrition rates of Aboriginal and Torres Strait Islander employees	Reporting mechanisms have been developed and are now embedded.
Increase completion of traineeship qualifications and measure transitions into permanent employment	45 Aboriginal and Torres Strait Islander employees transitioned into permanent employment.
Westpac employees who have participated in the Echo mentoring program	24 employees participated in the Echo Mentoring program.
Increase understanding and use of Welcome to Country and Acknowledgement of Country protocols	Protocols are embedded with resources available to employees.
Number of events celebrating days of cultural significance to Indigenous Australians	15 events held celebrating days of cultural significance.
Development of a group-wide Indigenous cultural intelligence framework	New cultural training launched.
Number of executive visits by Westpac Group senior leaders to organisations through Jawun (cumulative)	10 visits completed.



# Reconciliation Action Plan (RAP) Scorecard

OBJECTIVES AND MEASURES	FULL YEAR 2021 PERFORMANCE
<b>Better banking experiences</b>	
Improve access to home ownership products and services by meeting the needs of Indigenous Australians	Maintained strategic partnership with Head Start Homes.
Continue to improve understanding of banking through testing the effectiveness, and expanding the roll-out, of the Banking Story <sup>1</sup>	Project rolled out in September 2020. Banking Story continues to be utilised in remote branches and Westpac Remote Services.
Include Aboriginal and Torres Strait Islander representation in marketing collateral	Maintained year on year.
<b>Backing Indigenous business<sup>2</sup></b>	
Spend with Supply Nation registered and certified Indigenous businesses	\$1.6 million.
Number of Indigenous Australian owned businesses established or expanded with support from Westpac's microfinance partner Many Rivers	Westpac transitioned to a partnership with First Australians Capital, supporting five Aboriginal and Torres Strait Islander organisations expand and grow their businesses.
<b>Prosperous communities</b>	
Number of Westpac Group employees on secondments with Indigenous organisations through Jawun (cumulative)	17 secondees.
Number of personal financial capability seminars delivered through community visits to regional, remote and urban communities	31 community visits were conducted.
Delivery of Financial First Steps program to Indigenous employees of business customers	153 individuals participated in Financial First Steps.

1. Tool for communicating banking with remote Indigenous customers.

2. Regarding the measure to consider a fair and culturally appropriate funeral cost savings service: Following initial scoping of potential solutions, in November 2018 Westpac concluded that it was not in a position to progress this commitment further. Westpac agreed to continue the dialogue with Social Ventures Australia on any relevant updates to their funeral savings proposal but made no commitment to their initiative.

Glossary



# Glossary

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# Glossary

INDICATOR OR TERM	DEFINITION
ABORIGINAL AND TORRES STRAIT ISLANDER NEW-TO-BANK HIRES - AUSTRALIA (%)	The number of interns, trainees, employees and contractors who self-identified as Aboriginal and Torres Strait Islander that have been hired across Westpac Group (Australia) during the reporting period as a percentage of total number of Australian external permanent hires for the same period.
ABSENTEEISM	Measured as the number of actual absentee days lost as a percentage of total days scheduled to be worked by the workforce for the same period. Employees absent from work because of incapacity of any kind, not as the result of work-related injury, excluding permitted leave such as holidays, study, parental and compassionate leave. Includes permanent full time, part time and maximum term employees.
AUSTRALIAN LOCATIONS THAT MAY EXPERIENCE HIGHER PHYSICAL RISK BY 2050	To assess the possible implications of climate-related physical risks, the Group studied the potential impact of natural perils on its Australian mortgage portfolio. The analysis: <ul style="list-style-type: none"> <li>• uses a generalised model of how extreme weather and climate change may affect direct physical risks to a 'representative property', which is an archetype of a modern Australian home using current building codes, under IPCC RCP2.6 and RCP8.5 scenarios .</li> <li>• considers riverine or surface water flooding, coastal inundation, forest fires, extreme wind including cyclones, and soil subsidence.</li> <li>• computes physical risk for each year from 1990 to 2100, allowing us to assess the potential impacts of current and future extreme weather and climate change.</li> <li>• models the current portfolio with no growth or movement, and did not consider the impact of adaptation measures or management actions to mitigate risks.</li> <li>• identifies locations that may be at higher risk and assessed the Group's current exposure to these locations. Higher risk were locations where insurance may become more expensive or unavailable.</li> <li>• This analysis has been used to assess Westpac's Australian mortgage portfolio exposure to locations identified as likely to be exposed to higher physical risk.</li> </ul>
AVERAGE HOURS OF TRAINING PER EMPLOYEE	Total number of hours of completed training (both workshop and online) in the period as captured by Westpac Group learning management systems, divided by headcount as at 30 September. Excludes non-managed training and some training conducted at a business unit level. 'Australian employees' refers to geography of legal employer; which excludes Westpac Pacific or New Zealand based employees. All data sourced from Australian (eAcademy and LearningBank) and New Zealand Learning Management Systems (iLearn NZ) who are still currently employed by Westpac.
BASE BUILDING (TCO <sub>2</sub> -E)	Emissions from shared building facilities or services that are attributable to Westpac Group Australia but not under our direct operational control, including both direct and indirect emissions sources (electricity, natural gas, stationary diesel, transmission and distribution losses). Emission factors are sourced from the National Greenhouse Accounts Factors 2020.
BRANCHES WITH 24/7 CAPABILITY	Branches that allow customers to self-serve 24/7 via a range of devices that allow them to withdraw and deposit cash, coin exchange etc. (not all these services would be available at every 24/7 zone). Access determined by individual location (i.e. shopping centre opening hours may prevent 24/7 access).



# Glossary

INDICATOR OR TERM	DEFINITION
<p><b>BT INVESTMENT PORTFOLIO CARBON INTENSITY</b></p>	<p>BT investment portfolio carbon intensity is made up of three metrics, intended to provide members of our internally managed superannuation and investment options with information on the investments they hold. Portfolios covered by this analysis include the MySuper Lifestage options under the following product lines:</p> <ul style="list-style-type: none"> <li>• BT Super For Life (BTSFL)</li> <li>• BT Super</li> <li>• Westpac Group Plan MySuper (WGP)</li> <li>• Asgard Employee Super Account (AESAs)</li> </ul> <p>These options represent the majority of funds under management across BT's retail and corporate superannuation portfolios. Other portfolios covered by the analysis include:</p> <ul style="list-style-type: none"> <li>• Westpac Group Plan Diversified Options</li> <li>• Advance Diversified Multi-Blend Funds</li> <li>• BT Multi-manager Diversified Funds</li> <li>• BT Diversified Index Funds</li> </ul> <p>The metrics include:</p> <ul style="list-style-type: none"> <li>• weighted average carbon intensity describing each portfolio's exposure to each company's carbon intensity. Each company's carbon intensity is expressed in tonnes of carbon dioxide equivalents (tCO<sub>2</sub>e) per million Australian dollars of revenue;</li> <li>• % of fund covered by the carbon intensity analysis. Funds with a higher exposure to Australian and International Equities will have a higher portion included in the analysis; and</li> <li>• exposure to carbon-related assets providing the weight within the Australian and International equities allocation invested in the most carbon-intensive sectors. A fund's overall exposure to these carbon-related assets is derived using the % of the fund covered by the analysis.</li> </ul> <p>More information on these metrics can be found on our website <a href="http://www.bt.com.au/sustainability">www.bt.com.au/sustainability</a></p>
<p><b>BUSINESS LOGISTICS – COURIERS (TCO<sub>2</sub>-E)</b></p>	<p>Emissions from couriers are calculated using a supplier carbon inventory tool that uses an approach where emissions are allocated to products according to expenditure, composition and disposal practices. Emission factors are provided by our supplier.</p>
<p><b>BUSINESS TRAVEL – AIR (TCO<sub>2</sub>-E)</b></p>	<p>Air travel undertaken by Westpac Group employees for business purposes and booked through Westpac Group's preferred travel management supplier. Australia, Pacific and UK emission factors are sourced from the UK Government GHG Conversion Factors for Company Reporting (2020) published by the Department for Business, Energy &amp; Industrial Strategy, including radiative forcing and well to tank factors. For New Zealand, emission factors are sourced from the 2020 Ministry for the Environment Summary of Emission Factors which includes radiative forcing.</p>
<p><b>BUSINESS TRAVEL – HIRE VEHICLES AND PERSONAL VEHICLES (TCO<sub>2</sub>-E)</b></p>	<p>Hire vehicle travel undertaken by Westpac Group employees for business purposes, including preferred supplier kilometres travelled and non-preferred spend. Data is supplied by the preferred supplier or extracted from the Westpac Group supplier database, and where required kilometres travelled are estimated based on average \$/km. For Australia, emission factors are sourced from the UK Government GHG Conversion Factors for Company Reporting (2020) published by the Department for Business, Energy &amp; Industrial Strategy. For New Zealand, emission factors are sourced from the 2020 Ministry for the Environment Summary of Emission Factors. Personal vehicle travel includes distance travelled by employees using their vehicles for business purposes and is reported for New Zealand only. Excludes UK and Pacific.</p>



# Glossary

INDICATOR OR TERM	DEFINITION
BUSINESS TRAVEL – HOTELS (TCO <sub>2</sub> -E)	Hotel stays include accommodation nights undertaken by Westpac Group employees in Australia and New Zealand booked through the Westpac preferred travel supplier agency. For Australia, country specific emission factors are sourced from the UK Government GHG Conversion Factors for Company Reporting (2020) published by the Department for Business, Energy & Industrial Strategy. For New Zealand, country specific emission factors are sourced from the 2020 Ministry for the Environment Summary of Emission Factors. Excludes UK and Pacific.
BUSINESS TRAVEL – TAXIS (TCO <sub>2</sub> -E)	Taxi travel undertaken by Westpac Group employees in Australia and New Zealand for business purposes. For Australia, spend data is sourced from the Westpac Group supplier database and total kilometres travelled estimated utilising State-based flag fall and kilometre fees of major taxi providers. For Australia, emission factors are sourced from the UK Government GHG Conversion Factors for Company Reporting (2020) published by the Department for Business, Energy & Industrial Strategy. For New Zealand, spend data is sourced from internal ledgers and emission factors are sourced from the 2020 Ministry for the Environment Summary of Emission Factors. Excludes UK and Pacific.
CERTIFIED PAPER	Paper purchased during the reporting period that has some content that is accredited by the Forest Stewardship Council (FSC) and/or Programme for the Endorsement of Forest Certification (PEFC) as indicated by the supplier.
CHARITABLE GIFTS	Cash donations to charities, with no branding or strategic intent. Cash support for charitable purposes not directly linked to the company's community investment or commercial strategies. This donation type is typically made in response to an appeal or initiated by management or an employee.
CLIMATE CHANGE SOLUTIONS	<p>Lending and investment to climate change solutions is defined as the total direct and indirect financing of customers to the extent they are:</p> <p>a) Involved in climate change solutions activities reported in total committed exposures (TCE) as at 30 September; or</p> <p>b) Undertake activities that are over and above what is considered to be business as usual in the relevant industry, and which produce a material net benefit to the environment.</p> <p>To meet this, the activities must:</p> <ul style="list-style-type: none"> <li>• Involve process changes used to reduce environmental impacts or greenhouse gas emissions; and</li> <li>• Be over and above normal compliance obligations (e.g. legal, license or regulations)</li> </ul> <p>Climate change solutions activities are defined as any of the following:</p> <p>Energy Efficiency: Projects qualifying for government energy efficiency schemes.</p> <p>Green Buildings: Buildings with NABERS 5-Star rating or better (or equivalent). Any other evidence that supports building GHG gas efficiency being in the top 15% of buildings within a given geography (e.g. city boundary) OR combinations of buildings within portfolios that achieve the same result may qualify.</p> <p>Green Businesses: Businesses involved in providing green products or services, and consulting.</p> <p>Renewable Energy: Projects qualifying for government renewable energy schemes and hydro-electric generation.</p> <p>Low carbon transport: Includes national rail and freight systems (where less than 50% of revenues or freight km come from haulage of fossil fuels), urban rail systems (e.g. metro and light rail), electric vehicles, fuel efficient vehicles, alternative fuel vehicles, Bus Rapid Transit, bicycle transport, aviation biofuel, transport logistics.</p>



# Glossary

INDICATOR OR TERM	DEFINITION
	<p>Adaptation infrastructure: Infrastructure to increase resilience of existing infrastructure (e.g. bridges and rail) to the physical impacts of climate change. Includes water desalination.</p> <p>Waste: Alternate waste treatment, resulting in displacement or reduction of carbon emissions resulting from landfill.</p> <p>Water: Rehabilitation of waterways, water recycling &amp; efficiency. Excludes desalination projects (these are categorised in 'Adaptation infrastructure').</p> <p>Carbon Farming Projects: Projects qualifying for inclusion in the Carbon Farming Initiative. Low Carbon Agriculture will also be allowable, where carbon benefits over conventional farming practices can be demonstrated.</p> <p>Forestry: Plantation forestry only.</p> <p>Land Rehabilitation: Rehabilitation of contaminated or developed land to natural habitat or other long term carbon sequestration.</p> <p>Direct financing refers to structured exposures to specific assets or unstructured exposures to an organisation whose operations are focused on only one type of activity that meets the definition for climate change solutions.</p> <p>Indirect financing refers to organisations where one or more of the following apply:</p> <ul style="list-style-type: none"> <li>• Finance is provided centrally as unstructured lending and forms part of the general capital of the company at large; and/or</li> <li>• The company has operations other than climate change solutions; and/or</li> <li>• The company operates multiple assets or facilities that are funded centrally</li> </ul> <p>For indirect financing, the total TCE is apportioned so that only the proportion attributed to climate change solutions activities is included. This proportion is based on available financial information (such as revenues or assets) for the period, which provide an indication of the extent of an organisation's activities or assets that relate to climate change solutions. In some cases, the TCE is apportioned based on the clean energy generation capacity of the organisation.</p> <ul style="list-style-type: none"> <li>• Figures are for Australia and New Zealand only, and cover financing undertaken by Westpac Institutional Bank Australia and New Zealand, and WNZL Business Banking (including corporate, mid-markets, Agri and property finance).</li> </ul>
<p><b>COMMERCIAL SPONSORSHIPS</b></p>	<p>Activities in the community, usually by commercial departments, to directly support the success of the company, provide direct opportunities to sell the company's products and service, promote its brand identities and other policies, in partnership with charities and community based organisations with the purpose of generating business and/or commercial gain.</p>
<p><b>COMMUNITY PARTNERSHIPS</b></p>	<p>Contributions that are typically:</p> <ul style="list-style-type: none"> <li>• Over a longer period, e.g. one-to-five years;</li> <li>• Represent strategic investments in community partnerships; and</li> <li>• Address specific community issues chosen by the company to fulfil a business objective, such as a culture of engagement, and to support employee desires to make a contribution to the communities that in turn support our enterprise.</li> </ul> <p>These contributions include partnerships with non-profits or community groups, which have been selected due to their programs' relevance to Westpac Banking Group's business objectives. They also include memberships and subscriptions to non-profit and community groups.</p>
<p><b>COMPLAINTS RESOLVED WITHIN FIVE DAYS</b></p>	<p>The percentage of customer complaints that are resolved within five calendar days from the date the complaint was received, including those complaints that are resolved at the first point of contact. Based on the total number of complaints tracked and closed during the reporting period.</p>



# Glossary

INDICATOR OR TERM	DEFINITION
<b>CUSTOMER COMPLAINTS</b>	Complaints reported are those recorded in the Bank's complaint systems. Complaints recorded by Westpac Group personnel in Australia for Australian banking, BT Financial Group personnel in the Bank's complaint systems for BT Financial Group, and WNZL personnel in the Bank's complaint systems for New Zealand. MyClient is the legacy WIB complaints system, which is in the process of being decommissioned.
<b>CUSTOMER NUMBERS</b>	All customers with an active relationship excludes channel only and potential relationships. For Australian Banking an active relationship is where the customer has at least one open product; where a product has joint ownership, both owners are counted.
<b>CUSTOMERS EXPERIENCING FINANCIAL HARDSHIP WHO ACCESSED A FINANCIAL ASSISTANCE PACKAGE</b>	Number of approved applications for financial assistance from Westpac Group customers experiencing financial hardship. Financial hardship occurs when a person is unable to meet their repayment obligations for a period of time due to an unexpected event or unforeseen change in circumstances, such as illness or injury or a change in employment. Each request is assessed on a case-by-case basis. Some of the hardship options that may be available to customers include reduced or deferred repayments and reduction in interest charges.
<b>CUSTOMERS PROVIDED WITH NATURAL DISASTER RELIEF PACKAGES</b>	Number of customers and businesses who have been provided with 3 months Disaster Relief Assistance on eligible accounts as a result of Natural disaster (floods, fires, cyclones).
<b>CUSTOMERS WHO RECEIVED ASSISTANCE THROUGH SPECIALIST VULNERABILITY TEAMS</b>	Number of cases escalated through to one of our specialist teams to support customers experiencing vulnerability.
<b>DIGITALLY ACTIVE CUSTOMERS</b>	Westpac Group customers who, as at 30 September, have successfully authenticated into the Bank's digital banking platforms within 90 days.
<b>ELECTRICITY GENERATION – AUSTRALIA AND NEW ZEALAND</b>	<p>This includes both direct and indirect financing to energy generation assets in the Australian and New Zealand electricity markets, reported in total committed exposures (TCE) as at 30 September.</p> <p>Direct financing refers to structured exposures to specific energy generation assets or unstructured exposures to an organisation whose operations are focused on only one type of energy generation asset that is registered for operation in Australian or the New Zealand electricity markets.</p> <p>Indirect financing organisations are where one or more of the following apply:</p> <ul style="list-style-type: none"> <li>• Finance is provided centrally as unstructured lending and forms part of the general capital of the company at large; and/or</li> <li>• The company has operations other than electricity generation; and/or</li> <li>• The company operates multiple generation assets or facilities that are funded centrally;</li> <li>• Where a company has operations other than electricity generation and/or operates multiple generation assets or facilities, TCE is apportioned based on the proportional value contribution of the energy generation business of each organisation and the relative proportions of the different types of energy generation within each organisation; and</li> <li>• Figures do not include generator financing outside of Australia and New Zealand and refer only to financing undertaken by Westpac Institutional Bank (Infrastructure and Utilities) and Westpac NZ.</li> </ul>



# Glossary

INDICATOR OR TERM	DEFINITION
<b>ELECTRICITY GENERATION PORTFOLIO EMISSIONS INTENSITY – AUSTRALIA</b>	The average financed greenhouse gas emissions intensity is calculated by weighting each credit exposure by the greenhouse gas emissions intensity of each company (or Special Purpose Vehicle), where that entity is borrowing in Australia dollars and energy generation forms a major part of their business. The greenhouse gas emissions intensity of a company is calculated as the average greenhouse gas emissions intensity of their generation portfolio (scope 1 and 2 only), weighted by the most recently available generation data. Where greenhouse gas emissions intensity for a facility is not available from data provided under the National Greenhouse and Energy Reporting Act (2007) or other publicly available sources, an average greenhouse gas emissions intensity of similar facilities is applied.
<b>EMPLOYEE COMMUTE (TCO2-E)</b>	Commute travel undertaken by Westpac Group employees in Australia between their home and workplace. Modes of transportation include personal vehicle, train, bus, motorbike, ferry, tram, bicycle, walk. Modes of transport and distance travelled estimated using the Climate Active 'Staff Commute' calculator which is based on Australia Bureau Statistics 2016 data on commuting patterns.
<b>EMPLOYEE INVOLUNTARY ATTRITION (%)</b>	Measured as the total involuntary separation of permanent employees over the 12 months average total permanent headcount for the period (includes full time, part time and maximum term employees).
<b>EMPLOYEE TOTAL ATTRITION (%)</b>	Measured as the total voluntary and involuntary separation of permanent employees over the 12 months average total permanent headcount for the period (includes full time, part time and maximum term employees).
<b>EMPLOYEE VOLUNTARY ATTRITION (%)</b>	Measured as the total voluntary separation of permanent employees over the 12 months average total permanent headcount for the period (includes full time, part time and maximum term employees).
<b>ENERGY CONSUMPTION</b>	Total consumption of natural gas, stationary diesel, stationary LPG, fleet fuels and electricity for the year ending 30 June, as per supplier invoices for all facilities under the operational control of Westpac and vehicle fleet, converted to gigajoules. Includes operations in Australia, New Zealand, UK and Pacific.
<b>ENERGY SECTOR FOCUS – THERMAL COAL AND METALLURGICAL COAL</b>	This includes direct financing to customers where coal mining is their primary source of business. Direct financing refers to structured exposures to specific coal mining assets or unstructured exposures to an organisation where coal mining is their primary source of business. Thermal coal customers are defined as those generating more than 25% of revenues from thermal coal, or in the case of a stand-alone mine, more than 35% of volumes from thermal coal. All other coal customers or mines are deemed as metallurgical.
<b>ENGAGEMENT (%)</b>	Engagement has been simplified in 2021 from four questions on vision, advocacy and inspiration down to one question on workplace advocacy. The result shows the percentage of Westpac Group employees who answered favourably to the survey on a scale of 1 to 5 where 1 is Strongly Disagree and 5 is Strongly Agree.
<b>ENHANCED LENDING CRITERIA TO COAL-FIRED GENERATION (CLIMATE CHANGE POSITION STATEMENT)</b>	All lending during the year to coal fired generation facilities is compliant with limits as established in 'Action Plan 2 – Energy System, Energy Generation' of the Climate Change Position Statement and 2020 Action Plan. Figures are for Australia and WIB only.



## Glossary

INDICATOR OR TERM	DEFINITION
ENHANCED LENDING CRITERIA TO EXISTING THERMAL COAL SECTOR CUSTOMERS (CALORIFIC VALUE >5,700 KCAL/KG)	Compliance of lending to existing customers, mines or projects in the Thermal Coal Sector with limits as set out in 'Action Plan 2 – Energy System, Coal Mining' of the Climate Change Position Statement and 2020 Action Plan (calorific value >5,700 kCal/kg Gross As Received).
ENHANCED LENDING CRITERIA TO NEW THERMAL COAL MINES OR PROJECTS (CALORIFIC VALUE >6,300 KCAL/KG)	Compliance of lending to new customers, mines or projects in the Thermal Coal Sector with limits as set out in 'Action Plan 2 – Energy System, Coal Mining' of the Climate Change Position Statement and 2020 Action Plan (calorific value >6,300 kCal/kg Gross As Received).
FINANCIAL ASSISTANCE	Financial assistance options that may be available to customers include reduced or deferred repayments and reduction in interest charges.
FINANCIAL EDUCATION (HOURS)	The number of hours of financial education, offered by the Westpac Group, undertaken by employees, customers and the general public (including via online channels). In Australia financial education covers personal, business and social sector content inclusive of modules on financial basics, owning your home, building wealth, retirement planning, starting and growing a business, and financials for non-profit organisations. New Zealand and Pacific businesses deliver locally tailored programs.
FINANCIAL EDUCATION (PARTICIPANTS)	Total number of employees, customers and general public engaging with financial education materials offered by the Westpac Group during the year, delivered through face-to-face and online platforms.
FINANCIAL HARDSHIP	Financial hardship occurs when a person is willing but unable to meet their repayment obligations for a period of time due to an unexpected event or unforeseen change in circumstances, such as illness or injury, a relationship breakdown, or a change in employment.
FOREGONE FEE REVENUE	An effective donation arising by not charging fees to charitable organisations or low-income earners. The estimated value of the effective donation is calculated as the difference between what was charged (if anything), and what would have been charged on equivalent standard accounts.
FULL TIME EQUIVALENT (FTE)	Total full-time equivalent (FTE) employees of the Group as at 30 September. One full-time equivalent (FTE) is 76 hours paid work per fortnight. Full-time equivalent employees include permanent (full-time and pro-rata part-time staff) employees, and temporary (overtime, temporary and contract staff) employees.
GROUP COMMUNITY INVESTMENT (\$AUD)	Total amount in AUD provided in support of community-based activities during the reporting year. It includes monetary contributions, time contributions, management costs and in-kind contributions comprising of gifts and foregone fee revenue or donations. Reported amounts have been compiled with reference to the Global Reporting Initiative's Standards under 103-2 and the Financial Services Sector Disclosures.
IN-KIND GIFTS OR DONATIONS	Use of company premises, donation of resources such as computers and in-kind marketing to community organisations.
LENDING TO COAL MINING - THERMAL AND METALLURGICAL (TCE)	This includes direct financing to customers where coal mining is their primary source of business. Direct financing refers to structured exposures to specific coal mining assets or unstructured exposures to an organisation where coal mining is their primary source of business. Thermal coal customers are defined as those generating more than 25% of revenues from thermal coal, or in the case of a stand-alone mine, more than 35% of volumes from thermal coal. All other coal customers or mines are deemed as metallurgical.



# Glossary

INDICATOR OR TERM	DEFINITION
LOCATION-BASED ACCOUNTING METHOD	The location-based method provides a picture of a business's electricity emissions in the context of its location, and the emissions intensity of the electricity grid it relies on. It reflects the average emissions intensity of the electricity grid in the location (State) in which energy consumption occurs. The location-based method does not allow for any claims of renewable electricity from grid-imported electricity usage.
LOST TIME INJURY FREQUENCY RATE (LTIFR)	Lost Time Injury Frequency Rate (LTIFR) measures the number of Lost Time Injuries (LTIs), defined as injuries or illnesses (based on workers compensation claims accepted) resulting in an employee being unable to work for a full scheduled day (or shift) other than the day (or shift) on which the injury occurred where work was a significant contributing factor, per one million hours worked in the rolling 12 months reported.
MANAGEMENT COSTS	General: management costs comprise of salaries and on-costs of employees involved in facilitating donations and volunteering by employees, managing the community investment program, as well as non-wage administration costs e.g. research or evaluation and communications. Indigenous: management costs comprise the relevant proportion of salaries and on-costs of employees involved in facilitating donations and volunteering by employees, managing the community investment program, as well as non-wage administration costs e.g. research or evaluation and communications.
MARKET-BASED ACCOUNTING METHOD	The market-based method provides a picture of a business's electricity emissions in the context of its renewable energy investments. It reflects the emissions intensity of different electricity products, markets and investments. It uses a residual mix factor (RMF) to allow for unique claims on the zero emissions attribute of renewables without double-counting.
MATCHED GIVING	Where employees raise or donate money and the financial institution matches with its own contribution. Only the money the financial institution itself donates is counted, not that contributed by employees.
MINING – GROUP	Data is reported in Total Committed Exposure (TCE) as at 30 September. Data represent group wide exposures (TCE) to all customers where mining forms the primary basis of their business. Where companies operate in multiple industries they are classified according to their primary industry exposures into six commodity categories (coal mining, oil and gas extraction, iron ore mining, other metal ore mining, mining services and other) and are reported as a percentage of the metric Mining – Group. Where companies have more than one mining activity TCE is apportioned based on the majority activity of the company. Where the major activity does not meet any of the categories presented above, the exposure has been categorised as other.
MONETARY CONTRIBUTIONS	Monetary contributions are comprised of charitable gifts of money or other cash donations, matched giving and community partnerships. Inclusive of GST where applicable.
NET LETTABLE AREA (NLA)	As defined in the Method of Measurement published by the Property Council of Australia and as recorded on lease agreements during the reporting year. Measured in square metres (m <sup>2</sup> ).
NEW STARTER RETENTION (%)	New starter retention over the 12 months rolling new starter headcount for the period (includes full time and part time permanent employees).
NR	Data not reported.





# Glossary

INDICATOR OR TERM	DEFINITION
NUMBER OF APPROVED APPLICATIONS FOR FINANCIAL ASSISTANCE FROM CUSTOMER EXPERIENCING HARDSHIP	Number of approved applications for financial assistance from Westpac Group customers experiencing financial hardship. Each request is assessed on a case-by-case basis. Some of the hardship financial assistance options that may be available to customers include reduced or deferred repayments and reduction in interest charges.
ORGANISATIONAL HEALTH INDEX (OHI)	Organisational Health Index (OHI) is a leading indicator of sustained performance, measuring organisational health relative to global benchmark. OHI measures the management practices and health outcomes that drive performance.
PAPER CONSUMPTION (TONNES)	Total office paper and paper products purchased (in tonnes) by Westpac Group as reported by key suppliers. Includes office copy paper, paper products and printed materials, including direct mail and marketing documents (e.g. office stationery, marketing brochures, customer statements).
PAPER CONSUMPTION AND DISPOSAL (TCO <sub>2</sub> -E)	Paper consumption includes office and copy paper and other paper items and paper products (e.g. statements) purchased through Westpac Group suppliers that is not certified as carbon neutral. Emission factors for paper consumption are sourced from Australian Paper Public Disclosure Summary 2017. Emission factors for paper disposal are sourced from the National Greenhouse Accounts Factors 2020.
PERCENTAGE OF BASIC SALARY	The average full-time equivalent base salary for males and females across the Westpac Group by role level. Base salary is defined as an employee's annual fixed remuneration excluding variable reward, leave loading, superannuation, and any other allowances. Role levelling is underpinned by an evaluation methodology whereby roles are evaluated against a set of common factors that measure the size of a job. The report includes all permanent employees (full-time, part-time and flexi part-time), employees on a fixed term arrangement (full-time maximum term, part-time maximum term, and flexi part-time maximum term), and expatriate employees as at 30th September 2021. Annualised salaries are included for those employees who have been with Westpac for part of the reporting year. The report excludes the CEO, non-executive directors, contractors, casual employees and employees who have not responded with a defined gender. Westpac New Zealand (WNZL) employees have also been excluded from this report as this data is published separately.
PROPORTION OF ELECTRICITY GENERATION FINANCING IN RENEWABLES INCLUDING HYDRO	Measured as the percentage of indirect and direct financing (total committed exposure) to electricity generation assets in the Australian and New Zealand electricity markets.
PURCHASED ELECTRICITY – THIRD PARTY DATA CENTRE AND ATMS (TCO <sub>2</sub> -E)	Total consumption of electricity purchased from the grid by third parties engaged by Westpac Group such as Data Centre and ATM providers. For Australia and New Zealand this includes emissions from indirect Scope 2 electricity as consumed by the supplier and reported as Westpac Scope 3 emissions. For Australia, emission factors are sourced from the National Greenhouse Accounts Factors 2020. For New Zealand, emission factors are sourced from the 2020 Ministry for the Environment Summary of Emission Factors.
RECYCLED CONTENT PAPER PURCHASED	The percentage of paper purchased during the reporting period that has some content that is from recycled sources as indicated by the supplier.
RECYCLING (TONNES)	Total waste that is converted and repurposed, that would have otherwise been disposed of in landfill, into new materials and energy sources for the year ending 30 June. For Australia, calculated as the total volume of waste that does not go to landfill (tonnes) from Westpac Group's Australian based sites. Excludes storage units, stand-alone ATMs and sites over which the Westpac Group does not have direct operational control. For New Zealand, based on supplier records.



# Glossary

INDICATOR OR TERM	DEFINITION
RECYCLING RATE (%)	Converting and repurposing waste, that would have otherwise been disposed of in landfill, into new materials and energy sources for the year ending 30 June. The rate is calculated as the total volume of waste that does not go to landfill (tonnes) divided by the total waste generated (tonnes) for Westpac Group's Australian based commercial sites. Excludes storage units, stand-alone ATMs and sites over which the Westpac Group does not have direct operational control.
RENEWABLES	Renewable electricity produced from Westpac Group's own facilities or sourced by Westpac Group from generators and suppliers in the market (including power purchase agreements).
RESPONSIBLE SOURCING CODE OF CONDUCT (RSCOC)	We ask our suppliers participating in formal market engagements and others seeking to do business with us to comply with Westpac's Responsible Sourcing Code of Conduct. Its purpose is to: <ul style="list-style-type: none"> <li>• Share our key sustainability principles for doing business with our suppliers;</li> <li>• Support suppliers to identify, mitigate and manage their sustainability risks; and</li> <li>• Set expectations of our suppliers and their supply chain engagements in providing goods and services to Westpac.</li> </ul> The RSCoC is available on our website: <a href="https://www.westpac.com.au/about-westpac/sustainability/initiatives-for-you/suppliers-supply-chain/">https://www.westpac.com.au/about-westpac/sustainability/initiatives-for-you/suppliers-supply-chain/</a>
RESPONSIBLE SOURCING PROGRAM	The Westpac Responsible Sourcing Program is a program designed to: <ul style="list-style-type: none"> <li>• Guide the identification, assessment, prioritisation and management of ESG-related risks as they relate to suppliers; and</li> <li>• Enhance opportunities for creating positive environmental and social outcomes via supplier engagement and collaboration.</li> </ul> As part of the Westpac Responsible Sourcing Program relevant suppliers are assessed for sustainability risk. The Westpac Responsible Sourcing Program is applicable to those suppliers that satisfy the following criteria: <ul style="list-style-type: none"> <li>• Suppliers being (or previously) on-boarded or participating in formal market engagement processes facilitated by Westpac Group sourcing functions, business units, brands and subsidiaries through new contracts and renewals;</li> <li>• Suppliers that supply conventional goods and services;</li> <li>• Suppliers with which Westpac has entered into a formal contract with a duration of 12 months or more; and</li> <li>• Suppliers that are defined as strategic, material, or major.</li> </ul>
RESPONSIBLE SOURCING PROGRAM – ASSESSMENT OF SUPPLIERS	We ask our suppliers participating in formal market engagements and others seeking to do business with us to comply with Westpac's Responsible Sourcing Code of Conduct. Compliance includes a category and supplier self-assessment/screening conducted by Westpac Commercial or Category Manager, or Business Unit representative. This sometimes requires a follow up Supplier Assessment if internal Category and Supplier self-assessment/screening has a MED or HIGH risk result.
SCOPE 1 AND 2 (TCO <sub>2</sub> E)/EMPLOYEE (FTE)	This is a normalised figure describing the tonnes of Scope 1 and 2 greenhouse gas emissions per full time equivalent employee (FTE) during the reporting year. Note that FTE data is calculated on a 30 June year-end consistent with environmental data. Australian emissions data is prepared in alignment with the National Greenhouse and Energy Reporting Act 2007 (NGER Act). New Zealand data is prepared in accordance with the New Zealand Ministry for the Environment guidance for GHG reporting, using emission factors from the 2020 Ministry for the Environment Summary of Emissions Factors and Toitū carbonzero programme rules.
SCOPE 1 AND 2 (TCO <sub>2</sub> E)/NLA (M <sup>2</sup> )	This is a normalised figure describing the tonnes of Scope 1 and 2 greenhouse gas emissions per weighted net lettable area (NLA) measured in square metres (m <sup>2</sup> ). Australian emissions data is prepared in alignment with the National Greenhouse and Energy Reporting Act 2007 (NGER Act). New Zealand data is prepared in accordance with the New Zealand Ministry for the Environment guidance for GHG reporting, using emission factors from the 2020 Ministry for the Environment Summary of Emissions Factors and Toitū carbonzero programme rules.



# Glossary

INDICATOR OR TERM	DEFINITION
SECTORS THAT MAY FACE RELATIVELY HIGHER GROWTH CONSTRAINTS FROM TRANSITION RISK	<p>To assess the possible implications of climate-related transition risks, the Group used scenario analysis to study how the Australian economy, electricity market and other industry sectors might perform when emissions are constrained in line with 1.5-degree transition pathways.</p> <ul style="list-style-type: none"> <li>• The emission constraints used in the modelling were informed by the International Energy Agency's Sustainable Development Scenario, the International Renewable Energy Agency's Renewable Energy Roadmap and the Intergovernmental Panel on Climate Change (IPCC) Special Report on Global Warming of 1.5 Degrees;</li> <li>• Each sector's performance under the scenario pathway was analysed and categorised according to risk profile;</li> <li>• Sectors whose medium (2030) and long-term (2050) performance under a scenario deviated by more than 1 standard deviation below average GDP growth, were classified as 'higher risk'; and</li> <li>• These results were applied to the Australian Business and Institutional lending portfolio to assess the extent of current exposure to these higher risk sectors.</li> </ul>
SKILLED VOLUNTEERING	<p>Volunteering that utilises employee skills including unique life and/or professional skills and advice, to help not-for-profits or community organisations, realise and achieve their potential and aspirations.</p>
SMART ATMS	<p>ATMs with deposit taking functionality. Excludes envelope deposit machines.</p>
SPEND WITH DIVERSE SUPPLIERS	<p>Annual spend with businesses that are</p> <ul style="list-style-type: none"> <li>- At least 50% owned by individuals of Australian Indigenous descent; and must be accredited by Supply Nation or listed with an Australian Indigenous Chamber of Commerce.</li> <li>- Owned and controlled by at least 51% Women</li> <li>- Social Enterprises (certified by Social Traders or a registered charity)</li> <li>- Australian Disability Enterprises (listed in Buyability website)</li> <li>- B Corporations (certified by B Lab)</li> </ul> <p>Defined at: Website:  <a href="https://www.westpac.com.au/content/dam/public/wbc/documents/pdf/aw/sustainability/WBG_DiverseSupplierGroupDefinitions.pdf">https://www.westpac.com.au/content/dam/public/wbc/documents/pdf/aw/sustainability/WBG_DiverseSupplierGroupDefinitions.pdf</a></p>
SPEND WITH INDIGENOUS SUPPLIERS	<p>Annual spend with businesses that are at least 50% owned by individuals of Australian Indigenous descent and must be accredited by Supply Nation or listed with an Australian Indigenous Chamber of Commerce. Indigenous owned businesses are Defined at: Website:  <a href="https://www.westpac.com.au/content/dam/public/wbc/documents/pdf/aw/sustainability/WBG_DiverseSupplierGroupDefinitions.pdf">https://www.westpac.com.au/content/dam/public/wbc/documents/pdf/aw/sustainability/WBG_DiverseSupplierGroupDefinitions.pdf</a></p>
SUPPLIERS BY TYPE	<p>We ask our suppliers participating in formal market engagements and others seeking to do business with us to comply with Westpac's Responsible Sourcing Code of Conduct. Its purpose is to:</p> <ul style="list-style-type: none"> <li>• Share our key sustainability principles for doing business with our suppliers;</li> <li>• Support suppliers to identify, mitigate and manage their sustainability risks; and</li> <li>• Set expectations of our suppliers and their supply chain engagements in providing goods and services to Westpac.</li> </ul> <p>The RSCoC is available on our website: <a href="https://www.westpac.com.au/about-westpac/sustainability/initiatives-for-you/suppliers-supply-chain/">https://www.westpac.com.au/about-westpac/sustainability/initiatives-for-you/suppliers-supply-chain/</a></p>



## Glossary

INDICATOR OR TERM	DEFINITION
SUPPLY CHAIN SPEND	Westpac's Responsible Sourcing Program is the method used to identify, assess and manage sustainability risks and opportunities in our supply chain. The purpose is to: <ul style="list-style-type: none"> <li>• Guide our sourcing and purchasing decisions and drive sustainable outcomes for our suppliers, customers and communities</li> <li>• Embed risk management principles throughout the lifecycle of the supplier relationship to mitigate sustainability risks in our supply chain</li> <li>• Focus on salient issues such as climate change, human rights and modern slavery and other industry related environmental and governance impacts.</li> </ul>
TOTAL COMMITTED EXPOSURE (TCE)	Represents the sum of the committed portion of direct lending (including funds placement overall and deposits placed), contingent and pre-settlement risk plus the committed portion of secondary market trading and underwriting risk.
TOTAL REPORTABLE INJURY FREQUENCY RATE (TRIFR)	Total Recordable Injury Frequency Rate (TRIFR) measures the number of Total Recordable Injuries (TRIs) requiring more than first aid treatment, i.e., all lost time injuries, restricted work injuries, and medical treatment injuries, per one million hours worked in the rolling 12 months reported.
TOTAL SCOPE 1 GREENHOUSE GAS EMISSIONS (TCO <sub>2</sub> -E)	Scope 1 emissions are the release of greenhouse gases (GHG) into the atmosphere as a result of Westpac Group's direct operations for the period 1 July – 30 June. Australian data is prepared in accordance with the National Greenhouse and Energy Reporting Act 2007 (NGER Act), using emission factors from the National Greenhouse and Energy Reporting (Measurement) Determination 2008. New Zealand data is prepared in accordance with the New Zealand Ministry for the Environment guidance for GHG reporting, using emission factors from the 2020 Ministry for the Environment Summary of Emissions Factors and Toitū carbonzero programme rules.
TOTAL SCOPE 2 GREENHOUSE GAS EMISSIONS (TCO <sub>2</sub> -E)	Scope 2 emissions are indirect greenhouse gas emissions (GHG) from the consumption of purchased electricity by Westpac Group for the period 1 July – 30 June. Australian data is prepared in accordance with the National Greenhouse and Energy Reporting Act 2007 (NGER Act), using emission factors from the National Greenhouse and Energy Reporting (Measurement) Determination 2008. New Zealand data is prepared in accordance with the New Zealand Ministry for the Environment guidance for GHG reporting, using emission factors from the 2020 Ministry for the Environment Summary of Emissions Factors and Toitū carbonzero programme rules.
TOTAL SCOPE 3 GREENHOUSE GAS EMISSIONS (TCO <sub>2</sub> -E)	Scope 3 emissions are indirect greenhouse gases (GHG) emitted as a consequence of Westpac Group operations but occur at sources owned or controlled by another organisation for the period 1 July – 30 June. Australian data is prepared in accordance with the Climate Active Carbon Neutral Standard for Organisations, using emission factors from the National Greenhouse Accounts Factors 2020 or as detailed against the indicator definition. New Zealand data is prepared in accordance with the New Zealand Ministry for the Environment guidance for GHG reporting, using emission factors from the 2020 Ministry for the Environment Summary of Emissions Factors and Toitū carbonzero programme rules.
TRANSMISSION & DISTRIBUTION LOSSES (TCO <sub>2</sub> -E)	Emissions from energy losses that are attributable to the transmission and/or distribution of energy to the end user. For Australia, this includes electricity, natural gas and stationary diesel. For New Zealand, UK and Pacific this includes electricity only.



# Glossary

INDICATOR OR TERM	DEFINITION
TRANSPORT – FLEET VEHICLES (TCO <sub>2</sub> -E)	Includes consumption of liquid fuels for transport purposes (diesel, gasoline) by vehicles under Westpac Group operational control, regardless of whether these vehicles are owned or leased. Excludes novated lease, salary sacrifice purchased vehicles, transport services provided by a third-party supplier or vehicles sponsored by the Westpac Group. For Australia this includes emissions from direct Scope 1 (fuel consumption) and indirect Scope 3 (upstream extraction and distribution) prepared in accordance with the National Greenhouse and Energy Reporting Act 2007 (NGER Act) and the National Greenhouse Accounts Factors 2020. For New Zealand this includes direct Scope 1 emissions only prepared in accordance with the Ministry for the Environment guidance GHG reporting. Emission factors are sourced from the 2020 Ministry for the Environment Summary of Emissions Factors.
VOLUNTEER TIME	Staff participation in authorised volunteering activities. The value of volunteer time is calculated based on total community leave hours recorded in the Group's HR systems or other internal records, multiplied by the derived average hourly salary for all employees in the financial year.
WASTE TO LANDFILL (TONNES)	Total waste (tonnes) that is sent to landfill from commercial and retail facilities under Westpac Group's operational control for the year ending 30 June. For Australia, calculated as the total volume of waste that goes to landfill (tonnes) utilising actual waste data where available. Estimates are based on averages from Westpac Group's properties within the same portfolio for which actual data is available. For retail sites, volume is based on representative waste audits and extrapolated across the retail network. Emission factors are sourced from the National Greenhouse Accounts Factors 2020 for commercial and industrial waste. Volumes exclude waste from stand-alone ATMs and fleet. For New Zealand, volume (tonnes) is based on provider records and calculated in accordance with the Ministry for the Environment guidance for Greenhouse Gas reporting. Emission factors are sourced from the 2020 Ministry for the Environment Summary of Emissions Factors.
WATER CONSUMPTION (KL)	Water consumption is the total potable water consumed at facilities under Westpac Group operational control in Australia. Water consumption is based on invoices where available, or estimated based on the net lettable area and average consumption of similar properties for which actual data is available. Excludes recycled and reclaimed water consumption.
WHISTLEBLOWER REPORTING	Number of concerns entered into the whistleblower case management database that has come via: a direct entry by the whistleblower, the whistleblower external hotline, the Group's Whistleblower Protection Officer, or other Eligible Recipients. Total concerns are broken down into reporting categories. Reportable conduct concerns are given a substantiation status, as determined by the investigation.
WOMEN IN LEADERSHIP – BOARD (%)	Refers to the % female Board directors including executive and non-executive directors at the end of the reporting period.
WOMEN IN LEADERSHIP (%)	Women in Leadership refers to the proportion of women (permanent and maximum term) in leadership roles across the Group. It includes the CEO, Group Executives, General Managers, senior leaders with significant influence on business outcomes (direct reports to General Managers and their direct reports), large (3+) team people leaders three levels below General Manager, and Bank and Assistant Bank Managers.
WORKING FROM HOME EMISSIONS (TCO <sub>2</sub> -E)	Emissions associated with work undertaken by Westpac Group employees in Australia at their home, as opposed to office based emissions. An increase in home energy use is estimated by accounting for increased heating/cooling, lighting, equipment electricity and fuel use. Emission factors are sourced from the National Greenhouse Accounts Factors 2020 and Climate Active Electricity Calculator v6.5, National RMF FY20/21.