

Modern Slavery Statement 2020

ONE MARGARET ST CARPARK

ENTRY

EXIT

Disclosure Notes

This Statement is Westpac Group's¹ response to the Australian *Modern Slavery Act 2018* (Cth) (Australian Modern Slavery Act) and the United Kingdom's *Modern Slavery Act 2015* (UK) (UK Modern Slavery Act) for the period 1 October 2019 to 30 September 2020, our financial year (FY20)².

This is a joint statement made on behalf of Westpac Banking Corporation (ABN 33 007 457 141) and a number of its owned and controlled entities which are reporting entities under the Australian *Modern Slavery Act 2018* (Cth) and the *Modern Slavery Act 2015* (UK).

This Statement was approved on 3 February 2021 by the Board of Westpac Banking Corporation on behalf of all the named reporting entities. The Statement in its entirety has been signed by the Chief Executive Officer of Westpac Banking Corporation (page 3).

1 In this Statement a reference to 'Westpac', 'Group', 'Westpac Group', 'we', 'us' and 'our' is to Westpac Banking Corporation ABN 33 007 457 141 and identified reporting entities set out in Appendix 1.
2 In this Statement a reference to 'the year' 'this year' and 'reporting year' is to FY20 (October 2019 – September 2020) unless otherwise specified.

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Message from the Chief Executive Officer



As a major Australian bank we recognise that we have a responsibility to respect, and opportunities to advance, human rights as a financial services provider, lender, investor, purchaser of goods and services, employer and supporter of communities. Our principles and actions to help achieve this are set out in our **Human Rights Position Statement and 2023 Action Plan**.

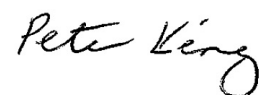
This is our fifth statement under the UK Modern Slavery Act and our first under the Australian Modern Slavery Act. During the year, we have worked to further integrate consideration of human rights into our business activities and

build awareness across the Group. Westpac has an important role to play in helping law enforcement agencies to detect, deter and disrupt money laundering, terrorism financing and other serious crimes, including conduct that amounts to modern slavery. The commencement of AUSTRAC³ proceedings in November 2019 highlighted shortcomings in our management of financial crime risk and underlying cultural and operational issues.

We admitted to contraventions, including failing to appropriately monitor a number of customers' transactions for child exploitation risk. We are focused on continuous

improvement, taking action to realise clearer end-to-end accountabilities for managing Anti-Money Laundering/Counter Terrorism Funding (AML/CTF) compliance and strengthening all aspects of non-financial risk management.

Over the past year, we have taken further steps to empower our employees and collaborate with our customers, suppliers, key external stakeholders to address human rights in how we do business. We are committed to further progressing on our actions to address modern slavery risks in our operations and supply chain.



Peter King
Chief Executive Officer



³ AUSTRAC is the Australian Government agency responsible for detecting, deterring and disrupting criminal abuse of the financial system. It regulates organisations' compliance with their obligations under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Act).

2020 Key Actions Delivered

- 1 Established 'Sustainability' as a Level 1 Risk in the Group Risk Taxonomy to enhance our focus on material sustainability risks, including human rights.
- 2 Enhanced key documents in relation to human rights risk⁴ through our Environmental, Social, Governance (ESG) Credit Risk Policy and Responsible Sourcing Code of Conduct.
- 3 Matured our supplier screening processes in relation to modern slavery risks, including enhancing our assessment questionnaire and expanding the scope of our assessment process to include suppliers in categories considered high-risk for modern slavery.
- 4 Commenced delivery of general awareness training and information sessions to employees across prioritised risk, supplier-facing and customer-facing roles to build capability to manage and report modern slavery risk.
- 5 Introduced the 'Safer Children, Safer Communities' work program - a series of actions and investments that we intend to deliver in Australia and across the Asia Pacific region to help reduce the human impact of financial crime, protect children and create safer communities.

Our commitment to human rights

Westpac recognises freedom from modern slavery is an internationally recognised human right. All human rights risks are covered by our action to address ESG or sustainability risk.

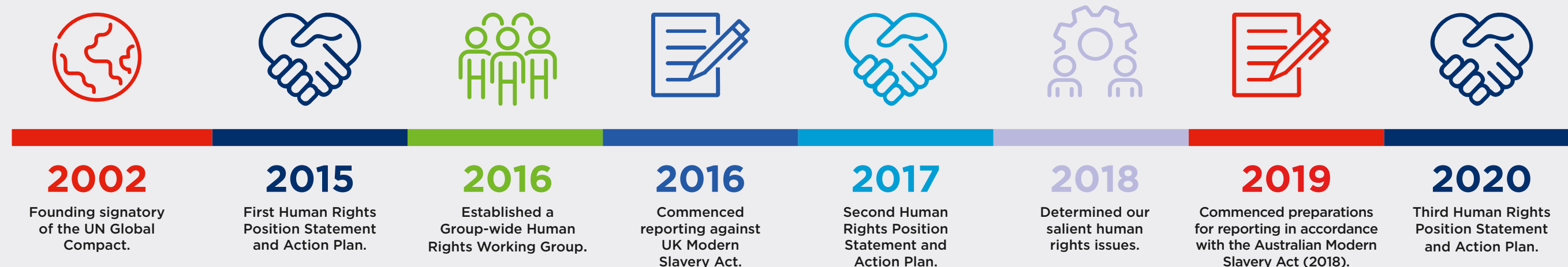
Our **Human Rights Position Statement and 2023 Action Plan** (Human Rights Position Statement) outlines our approach and commitment to respect human rights as set out in the **International Bill of Human Rights** and **International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work**, and to support the **UN Guiding Principles on Business and Human Rights (UNGPs)**.

The principles that guide our approach are as follows:

1. We respect human rights.
2. We assess our human rights impacts.
3. We integrate human rights considerations into our business and relationships.
4. We provide access to remedy when appropriate.
5. We engage with stakeholders on human rights.
6. We aim to be transparent and provide accurate and timely disclosure.

The Human Rights Position Statement presents a series of actions to embed human rights across our various roles as a bank. This is reviewed by our Group Executives and approved by the Board every three years, most recently in May 2020.

Our Progress Timeline: Taking action on human rights.



⁴ Westpac recognises modern slavery as a form of human rights risk. Therefore, any reference to human rights risk within this statement is inclusive of modern slavery risk.

Our structure, operations and supply chain

Structure and operations⁵

Founded in 1817, Westpac is Australia's first bank and oldest company. Westpac is one of four major banking organisations in Australia and one of the largest banking organisations in New Zealand. On 23 August 2002, we were registered as a public company limited by shares under the *Australian Corporations Act 2001* (Cth).


















We employ over 40,000 people across the Group. In 2020, we reported a headcount of 35,483 permanent employees (29,489 full time and 5,994 part time) and 4,742 temporary and/or contract staff.

With our portfolio of brands, we provide over 14.1 million customers with a full range of banking services. We also provide selected insurance, superannuation and wealth platform services to customers and businesses. We have branches, offices, affiliates, owned and controlled entities globally, including within Australia, New Zealand, Asia, the Pacific region, United Kingdom and United States.

More information about our business is set out in our [2020 Annual Report](#) and [2020 Sustainability Performance Report](#).

⁵ In this Statement, the term 'operations' is used to refer to the activities undertaken to pursue our business objectives and strategy, consistent with the discussion of the term provided in the [Commonwealth Modern Slavery Act 2018 Guidance for Reporting Entities](#).

About Westpac

| DIVISION | OVERVIEW | BRANDS |
|-----------------------------------|---|---|
| CONSUMER | Serves the banking needs of consumers in Australia including the sales and service of banking products, from mortgages, credit cards, personal loans and savings to deposit products. Also works with the Business Division, Westpac Institutional Bank (WIB) and Specialist Businesses in the sales, service and referral of certain financial services and products including general and life insurance, superannuation, platforms, auto lending and foreign exchange. |      |
| BUSINESS | Serves the banking needs of small-to-medium businesses and commercial and agribusiness customers across Australia. Also supports the banking needs of high net worth individuals in our Private Wealth business. |     |
| WESTPAC INSTITUTIONAL BANK | Delivers a broad range of financial products and services to corporate, institutional and government customers operating in, and with connections to, Australia and New Zealand. |  |
| WESTPAC NEW ZEALAND (WNZL) | Delivers banking, wealth and insurance services to consumer, business and institutional customers across New Zealand. |  |
| SPECIALIST BUSINESSES | Brings together the Group's non-core Australian businesses, including superannuation, wealth platforms, investments, auto finance, general insurance, life insurance and lenders mortgage insurance, along with our operations in Fiji and Papua New Guinea. |     |
| GROUP BUSINESSES | Includes Treasury, Technology and Core Support, which comprises Group support functions of Australian banking operations, property services, strategy, finance, risk, compliance, legal, human resources, and customer and corporate relations. Westpac also has limited partnership interest in fintech venture capital fund Reinventure. |   |

Supply chain

We procure a range of goods and services from a diverse supply chain. Our supplier arrangements range from one-off purchases with non-contracted suppliers through to multi-year, large value strategic partnerships governed by master agreements.

Procurement is primarily managed by three functions:

- Group Procurement manages most non-technology sourcing and procurement activity over \$250,000 (AUD) per annum and high-risk suppliers⁶ below this threshold.
- Group Technology Sourcing manages all technology sourcing and procurement.
- Commercial Services New Zealand manages sourcing and procurement for the New Zealand business, for both technology and non-technology.

Business units are permitted to engage non-technology suppliers directly if the spend is categorised as low-risk and is under \$250,000 (AUD) per annum. Group Procurement publishes a 'self-serve' step-by-step guide for internal use to support the business when undertaking their own purchasing activity.

Over 8600
DIRECT (TIER 1) SUPPLIERS







\$6.5 Billion⁷
TOTAL SPEND

Across 107
CATEGORIES OF GOODS
AND SERVICES

\$2.3B / **\$4.2B**
IT SPEND / NON-IT SPEND

80% Spend
WITH 163 SUPPLIERS

Our spend is managed in the following categories:

| CATEGORY | % OF TOTAL SPEND |
|--|------------------|
|  TECHNOLOGY Includes professional IT services, business process outsourcing, telecommunications, application services and infrastructure | 35% |
|  CORPORATE SERVICES Includes office fit-out, facilities management, utilities, security services, tools of trade, travel, entertainment, corporate memberships, market data, stationery, records management, consulting, human resources and legal services | 23% |
|  THIRD PARTIES AND FEES Includes mortgage brokers and agents, GST recoupment, regulatory fees and taxation, other fees for ATMs, point of sale and BPAY, bank charges and charitable donations and grants | 21% |
|  CUSTOMER SOLUTIONS Includes customer loyalty, card manufacturing, payments, general insurance, card insurance, reinsurance, custodial services, shareholder administration, investments and superannuation | 8% |
|  CUSTOMER INTERACTIONS Includes print, post, mail-house, marketing, events, uniforms, contact centres, corporate insurance (staff and business) and customer relations | 8% |
|  OPERATIONS ENABLEMENT Includes freight and couriers, debt collection, settlement agents, title searches, cheque and voucher processing, mail room and ATMs | 5% |

⁶ A supplier could be considered high-risk due to several factors, including criticality of services, impacts on customers, exposure to financial crime, ability to meet regulatory or legal requirements, or from industries considered high-risk of modern slavery.

⁷ FY20 spend is comprised of \$6.5 billion (AUD) that is captured in our primary Accounts Payable system. Spend excludes pCard transactions, staff reimbursements and intercompany payments.

Our operations⁸ and supply chain⁹ can be mapped as follows:

Locations of Operations⁸

- 1 Australia
- 2 India
- 3 New Zealand
- 4 Philippines
- 5 Singapore
- 6 United Kingdom
- 7 Brazil
- 8 Malaysia
- 9 China
- 10 United States
- 11 Hong Kong
- 12 Fiji
- 13 Papua New Guinea
- 14 Indonesia

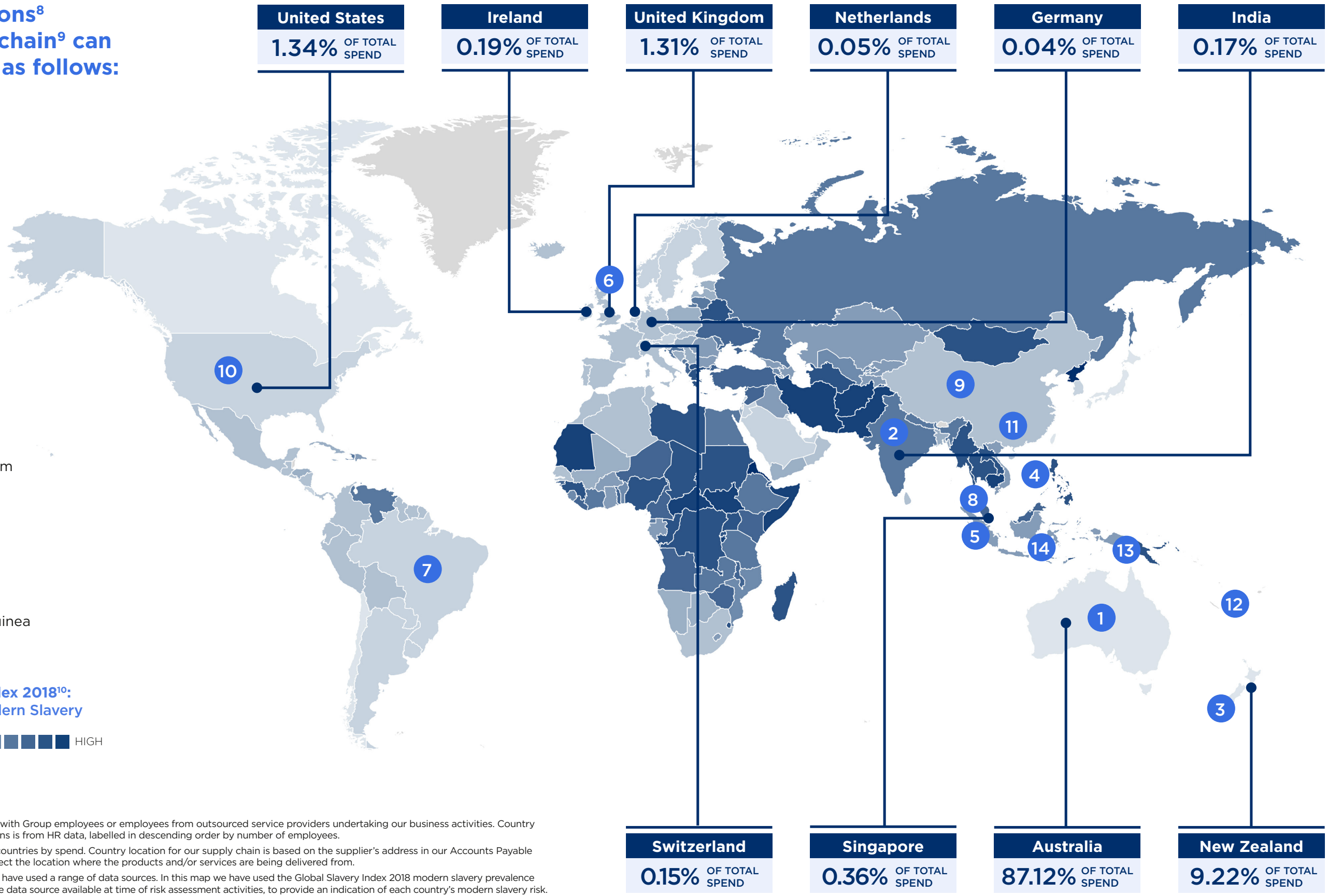
Global Slavery Index 2018¹⁰: Prevalence of Modern Slavery



8 Represents all countries with Group employees or employees from outsourced service providers undertaking our business activities. Country location for our operations is from HR data, labelled in descending order by number of employees.

9 Represents the top ten countries by spend. Country location for our supply chain is based on the supplier's address in our Accounts Payable system and may not reflect the location where the products and/or services are being delivered from.

10 In assessing our risks, we have used a range of data sources. In this map we have used the Global Slavery Index 2018 modern slavery prevalence data, the most up-to-date data source available at time of risk assessment activities, to provide an indication of each country's modern slavery risk.



Identifying our modern slavery risks

Modern slavery¹¹ includes trafficking in persons; slavery; servitude; forced marriage; forced labour; debt bondage; deceptive recruiting for labour or services; and the worst forms of child labour.

In identifying our modern slavery risks, we recognise a potential continuum of 'involvement' by Westpac, as set out in the UNGPs. This explains that companies may cause, contribute or be directly linked to adverse human rights impacts through their activities and business relationships, including in their operations and supply chain.

Risks of involvement in modern slavery

- A company may **cause** modern slavery if its own activities result in a modern slavery impact.
- A company may **contribute** to modern slavery if its activities significantly contribute to modern slavery caused by another party, including acts or omissions that may facilitate or incentivise modern slavery.
- A company may be **directly linked** to modern slavery if the impact is directly linked to its operations, products or services by its business relationships. Direct linkage may occur even where there is no direct contractual relationship.

Our modern slavery risks

We recognise that there are risks of involvement in modern slavery across our operations and supply chain, including through our various roles as a:

FINANCIAL SERVICES PROVIDER

There is a risk that our customers may use our products for activities that involve modern slavery.

LENDER AND INVESTOR

There is a risk that we could lend to or invest in businesses involved in modern slavery.

PURCHASER OF GOODS AND SERVICES

There is a risk that we could purchase goods or services involved in modern slavery in their creation or provision.

EMPLOYER

There is a risk that there could be exploited labour within our workforce.

SUPPORTER OF COMMUNITIES

There is a risk that we could support, through donations or advocacy, organisations involved in modern slavery.

During the year, Westpac conducted risk assessments in both our operations and supply chain to identify our risk of involvement in modern slavery, with consideration to these different levels of involvement. There is still ongoing global debate about what some of these types of involvement mean for the finance sector. We closely monitor these discussions and consider current guidance from key external experts.

¹¹ As defined within the Australian Modern Slavery Act 2018 (Cth).

Potential modern slavery risks in our operations

AS A FINANCIAL SERVICES PROVIDER, we could be involved in modern slavery if our customers use our products or services for activities that involve modern slavery. We recognise that this risk may be higher where we are involved in activities or countries that are high-risk for modern slavery, for example through our customers transacting to and from certain geographies or by facilitating investment in certain sectors. This includes linkages to modern slavery through entities that may use our financial services to launder money derived from modern slavery, such as child exploitation. We recognise we may have customer relationships with individuals who are vulnerable to exploitation, or exposed to modern slavery risk, through their personal or work circumstances. These individuals may present to our frontline staff in a branch, over the phone or online.

AUSTRAC civil proceedings

As a financial services provider, we recognise that our products or services could be used for activities that involve modern slavery and we have a responsibility to manage these risks. On 20 November 2019, AUSTRAC commenced civil proceedings in the Federal Court of Australia against Westpac in relation to alleged contraventions of the AML/CTF Act. The proceedings related to non-reporting of a large number of International Funds Transfer Instruction (IFTIs) and a failure to include in a number of IFTIs required information about the payer, failings in relation to record keeping and the passing on of certain data required in IFTIs, failure to comply with correspondent banking obligations, AML/CTF Program failures, and contravention of ongoing customer due diligence obligations. Relevantly for the purposes of this Statement, allegations were made in relation to failing to appropriately monitor a number of customers' transactions for child exploitation risk. AUSTRAC alleged over 23 million contraventions of the AML/CTF Act.

On 24 September 2020, Westpac reached an agreement with AUSTRAC to resolve the proceedings, subject to Court approval. Under the agreement, the parties filed with the Court a Statement of Agreed Facts and Admissions, and recommended to the Court that we pay a civil penalty of \$1.3 billion (AUD) and AUSTRAC's legal costs of \$3.75 million (AUD). The settlement was approved by the Court on 21 October 2020.

The commencement of the AUSTRAC proceedings highlighted shortcomings in our management of financial crime risk and have been a catalyst for change across the Group. In response, we established three pillars of activity: immediate fixes, lifting our standards and protecting people, each of which we have made significant progress within. As part of this process, we have made enhancements to our transaction monitoring for child exploitation risk.

Additionally, we have established a dedicated Board Legal, Regulatory and Compliance Committee, chaired by a non-executive director, and introduced a new executive position directly responsible for financial crime compliance. In parallel, we have added risk management skills and resources and are strengthening our financial crime management program including our policies, data systems, processes, and controls.

An executive-level Financial Crime Risk and Compliance Committee has oversight of AML/CTF, Anti-Bribery and Corruption (ABC), Sanctions, and Tax Transparency within the context of the risk appetite determined by the Board risks.

In addition to addressing root causes, we have established a Safer Children, Safer Communities work program to help reduce the human impact of financial crime with a particular focus on helping prevent the sexual exploitation and abuse of children including Online Sexual Exploitation of Children (OSEC). See case study on page 10.

More information about the AUSTRAC civil proceedings including our response plan and internal and external investigations is available [here](#) on our website.

AS A LENDER, we understand that there is a risk of involvement in modern slavery through providing credit services to institutional, business and retail customers. We recognise that this risk may be higher where we lend to customers that are identified as operating in industries or countries that are higher risk for modern slavery.

We conducted a risk assessment across lending customers, informed by international indices¹² to identify and provide insight into the countries that customer transactions flowed between that are higher risk for modern slavery. These insights were used to prioritise the actions taken to address our modern slavery risks during the year, described on page 10.

AS AN INVESTOR, we recognise there may be a risk that entities we invest in may have links to modern slavery.

AS AN EMPLOYER, we acknowledge that there may be a risk of exploited labour within our workforce. This risk tends to be higher in relation to low-skilled, indirect employment arrangements and in countries that are higher risk for modern slavery.

AS A SUPPORTER OF COMMUNITIES, we acknowledge that there may be a level of risk that we could support organisations involved in modern slavery through donations.

Potential modern slavery risks in our supply chain

AS A PURCHASER OF GOODS AND SERVICES, there is a risk that we could be involved in modern slavery if it is present in our supply chain. Our level of involvement may be influenced by sourcing practices, engaging in one-off purchases and/or the use of non-contracted suppliers. We also recognise that these risks in our supply chain may be higher where we procure goods and services that are manufactured in, or use raw materials sourced from, industries and/or countries that are at a higher risk for modern slavery.

We mapped the first tier of our supply chain for our Australia and New Zealand operations and commenced an industry risk profiling exercise to understand specific industry risks. We then leveraged our Responsible Sourcing program to identify and assess our modern slavery risks. Informed by international indices, we prioritised 12 high-risk categories and mapped our tier 1 suppliers to these categories¹³.

FY20 Responsible Sourcing assessment

Of our Top 100 suppliers by spend, which have already completed a Responsible Sourcing assessment, **37 suppliers** were identified as falling within our 12 prioritised high-risk categories. We then identified a further **72 suppliers** in our 12 high-risk categories, outside of the Top 100 by spend, to complete an assessment. In total, these **109 assessed suppliers comprised \$1.3 billion (AUD) of spend**, which equates to **92% of prioritised high-risk category spend**.

Expanding the assessment process has captured more information about, and increased visibility of, the higher modern slavery risk areas of our supply chain. This then enabled the prioritisation of **17 suppliers** for additional due diligence as their assessment results indicated a high residual risk, **two** of which were engaged in a pilot program to participate in workshops to develop **Sustainability Partnership Plans** (see the case study on page 12).

¹² International indices have included: Global Slavery Index, Sustainalytics and The Mekong Club.

¹³ Supplier classification and mapping to these high-risk categories requires further validation, which will continue in FY21.

| PRIORITISED HIGH-RISK CATEGORIES | OUR RELATED PRODUCTS AND SERVICES | % OF HIGH-RISK SPEND |
|---|---|----------------------|
| LABOUR HIRE | Contingent labour/contractors | 34.44% |
| IT HARDWARE | IT and telco hardware and consumables | 30.90% |
| BUSINESS PROCESS OUTSOURCING (ONSHORE) | Mail sorting, document scanning and call centres | 7.39% |
| CONSTRUCTION | Construction and fit-out projects in our corporate buildings and branches | 5.81% |
| BUSINESS PROCESS OUTSOURCING (OFFSHORE) | Mortgage processing, call centres and IT systems support | 5.35% |
| MANUFACTURED PRODUCTS | Merchandise, stationery, security equipment, ATMs and commercial print | 4.97% |
| PROPERTY LEASING | Rent and outgoings and facilities costs paid to landlords for WNZL only (Australian property leasing is captured in tier 2 suppliers) | 4.46% |
| CLEANING & MAINTENANCE | Services in our corporate buildings and branches | 3.23% |
| SECURITY SERVICES | Security, guarding services and mobile patrols for our corporate buildings and branches | 2.38% |
| FOOD & BEVERAGE & HOSPITALITY | Catering and hospitality services in our corporate buildings | 0.53% |
| APPAREL | Uniforms for our branch staff | 0.43% |
| ACCOMMODATION | Corporate travel hotels | 0.11% |

Additionally, we commenced mapping of our tier 2 suppliers across our property portfolio which included landlord and leasing arrangements, utilities, facilitates management, fit-out services and other corporate consumables.

Our actions to address modern slavery risks

Operations

This year we undertook a Group-wide modern slavery gap analysis aimed at assessing and enhancing existing policies and processes in managing our modern slavery risks. This involved reviewing documents¹⁴ against an in-house maturity scale, to understand potential improvement opportunities.

12

DIVISIONS/FUNCTIONS
ASSESSED

150

MATERIALS REVIEWED

49

MATERIALS IDENTIFIED
FOR UPDATING

AS A FINANCIAL SERVICES PROVIDER, the proceeds of modern slavery may present within financial flows and transactions, we recognise the importance of integrating consideration of human rights within our financial crime processes. Our approach to preventing financial crime focuses on identifying, assessing, mitigating and reporting financial crime risks and complying with all applicable global and local financial crime regulatory obligations, as outlined in our Financial Crime Risk Management Framework and supporting governance documents.

Areas of commonality between the mitigation of human rights related risks and financial crime risks include risk assessments across products, channels and jurisdictions, customer due diligence, payment and customer screening and transaction monitoring.

In FY20 we undertook a range of initiatives to enhance our approach to transaction monitoring, and specifically child sexual exploitation (CSE), human trafficking and people smuggling, to enhance our suite of risk indicators and detection scenarios. Enhancements to our CSE-related detection scenarios were drawn from a range of external papers and analysis of risk indicators for human trafficking and modern slavery.

In accordance with AML/CTF legislation, Westpac collects specific information in order to identify and verify our various customer types. Ongoing customer due diligence is also undertaken for the duration of the relationship to ensure currency and correctness of the information, and in the event further detail or analysis is required on the basis of the customer's activities or transactions.

CASE STUDY: Customer due diligence

During the year, a large, long-term business customer in offshore property development approached Westpac for financing for the building of a new commercial complex outside of Australia. The relationship team identified that the construction company that the customer was proposing to use had been implicated in modern slavery practices. The issue was raised with the Westpac Head of Country Operations, and subsequently escalated to the Group Sustainability team to investigate further. The investigation led to a recommendation not to proceed with the financing and the opportunity was declined.

¹⁴ A desktop review of documents including policies, procedures, due diligence process, training materials and governance forum materials.

For our retail customers, our Vulnerable Customer Policy and Standard sets out how we provide extra care to our customers experiencing circumstances which make them more susceptible to harm, loss or disadvantage, either personal or financial. These documents are currently being updated to further support frontline staff in providing extra care to vulnerable customers. The revised document will be published in FY21.

Further to this, we are launching a pilot program through which suspicions or disclosures of modern slavery are escalated to a suitable specialist team to better assist vulnerable customers access support systems. In FY21, we intend to finalise this escalation pathway, whereby the goal is to ensure we deliver appropriate support to our customers in line with the Banking Code of Practice.

AS A LENDER, our priority was to strengthen several key documents to address modern slavery risk. This included our ESG Credit Risk Policy and positions on certain sensitive sectors. Our ESG Credit Risk Policy helps to manage ESG risk, including human rights and modern slavery risk, in the credit process and is aligned with our Sustainability Risk Management Framework. Our positions on certain sensitive sectors set out the Group's position on sustainability-related issues including human rights. These documents were updated to include further guidance on human rights risks to better embed the human rights principle of assessing 'risk to people', as well as risk to the business.

CASE STUDY: Safer Children, Safer Communities work program

As part of our **AUSTRAC Response plan** last year, we announced a series of actions to reduce the human impact of financial crime. In our work program 'Safer Children, Safer Communities', we are working with industry experts¹⁵ and partners to help protect and create safer communities for children in Australia and the Asia Pacific Region, with a focus on helping prevent the sexual exploitation and abuse of children, including Online Sexual Exploitation of Children (OSEC).

During the year, we:

- Established the Safer Children, Safer Communities Roundtable of experts in human rights, child safety, online safety and law enforcement. Together, with the Roundtable and our wider Advisory Group, we developed a work program which focuses on our ambitions for impact and our target areas, with associated funding principles to support lasting change for children and their communities.
- Developed strategic partnerships with International Justice Mission to invest \$18 million (AUD) over three years to tackle OSEC in the Philippines, and with Save the Children (Australia) to invest \$6 million (AUD) over six years to support the delivery of its 'Protect Children - Philippines' project to strengthen social services resources, develop preventative and responsive services and influence community attitudes to better protect children from online sexual exploitation in the Philippines.
- Commenced scoping and discovery work to establish a \$25 million (AUD) independent fund to support data sharing to address child exploitation.
- Allocated \$9.2 million (AUD) funding over three years through our inaugural Impact Grants program to support community organisations and not-for-profits that are working across a range of child safety and protection programs and initiatives in Australia. A full list of programs we are funding is available on our [website](#).
- As part of the significant work underway across the Group to embed sustainability including human rights risks in a more consistent manner, the Safer Children, Safer Communities team is reviewing policies, procedures and standards to include child safeguarding considerations.

Additional information is available in the 2020 Progress Report on our website [here](#).

¹⁵ These are experts in human rights, child safety, online safety, and law enforcement to guide our approach and provide direction on our actions and investments.

AS AN INVESTOR, in addition to work completed as part of its ongoing engagement program to encourage Australian companies to assess and manage modern slavery risk in their operations and supply chain, during the reporting period BT commenced a risk assessment in relation to investment managers appointed by its internal investment team, BT Investment Solutions (BTIS). This work was undertaken during the reporting period and included using self-assessment questionnaires to understand how the investment managers are managing modern slavery risks in their own operations and in their investment decision making process.

These self-assessment questionnaires have helped to identify where the greater risk of modern slavery exists within our internally developed and managed portfolios, and prioritise future areas of work. Similar questionnaires were also completed by investment managers appointed by the superannuation business and insurance entities, and will be used to determine if further analysis of these areas is required in FY21.

AS AN EMPLOYER, we liaised with our employee assistance program (EAP) provider to verify that modern slavery risks were built into clinicians' risk assessments - that is, clinicians engaged to support our people are equipped to identify potential situations of modern slavery and provide appropriate referral pathways to support services. We are working to strengthen the support available to our employees by further aligning the principles and remediation strategies of our EAP provider with our own standards, processes and abilities to provide access to remedy and assess next steps, if any.

AS A SUPPORTER OF COMMUNITIES, we have a policy and standard that requires donations be made only with registered charities.

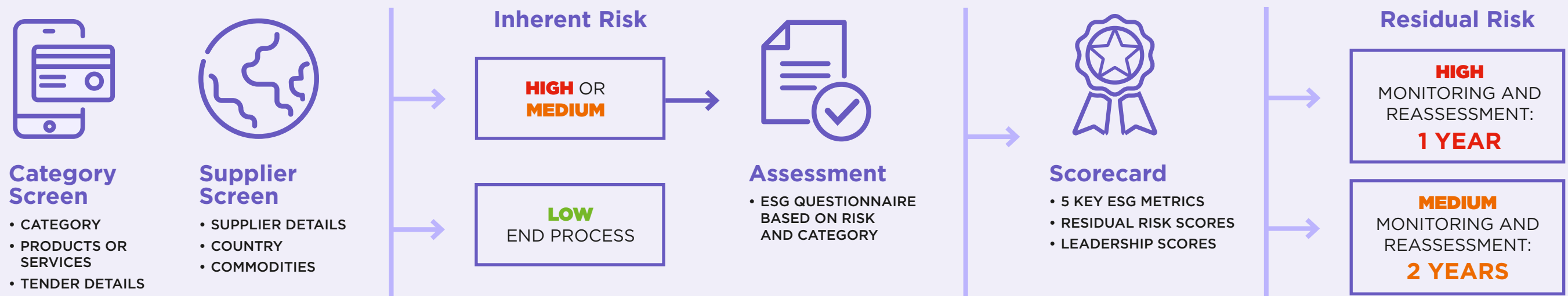
Supply chain

AS A PURCHASER OF GOODS AND SERVICES, this year we strengthened our approach to Responsible Sourcing and Supplier Risk Management.

To strengthen our approach to Responsible Sourcing during the year, we:

- published a new Responsible Sourcing Code of Conduct, strengthening our expectations of suppliers including in relation to modern slavery;
- updated the Responsible Sourcing clause in our master agreements, strengthening supplier obligations in relation to modern slavery;
- updated our Responsible Sourcing assessment tool to include questions designed to identify modern slavery risks;
- commenced an industry profiling activity to understand our inherent modern slavery risk by industry, country, known indicators and typologies;
- expanded the scope of our assessment activities to suppliers in priority high-risk categories, in addition to our Top 100 suppliers by spend (described on page 9);
- launched a pilot Sustainability Partnership Program, partnering with key suppliers to identify opportunities to address modern slavery risks in their operations and our supply chain;
- conducted Responsible Sourcing training for procurement staff which is required as part of their mandatory training;
- commenced assessments of all new third party suppliers to our Insurance division (covering General, Life and LMI insurance), from August 1 2020; and
- commenced mapping of our tier 2 suppliers, which included investigating an additional \$926 million (AUD) of spend associated with our prioritised high-risk categories, property leasing, rent and payments to building and construction suppliers for insurance claims.

Our Responsible Sourcing screening and assessment process



We recognise the opportunity to expand the scope of our Responsible Sourcing program. Currently, our scope is spend-based, applying to our Top 100 tier 1 suppliers and is primarily focused on supplier screening and assessment.

We have commenced a redesign of the program which will take a risk-based approach and extend into other tiers of our prioritised high-risk categories. The program will build capability in seven key areas as shown in the model below.

Supply chain: Responsible Sourcing Approach

The Responsible Sourcing program takes a cyclical approach to drive sustainable outcomes and continuous improvement both internally across our business and externally with our suppliers.



| | |
|---|---|
| 1 | Identify: Industry references and category risk profiles will inform identification of suppliers representing high inherent risks across each ESG risk area |
| 2 | Assess: Responsible Sourcing assessment to evaluate the residual risks of suppliers, for each ESG risk area, against our risk appetite |
| 3 | Manage: Implement tailored controls through supplier governance and partnership plans to collaboratively address identified and assessed sustainability needs |
| 4 | Monitor: Risk metrics and risk appetite thresholds will define targets that will drive continuous improvement through further identification, assessment and control |
| 5 | Report: Continuous risk-based and spend-based reporting for each step in this approach to track effectiveness and improve decision-making |
| 6 | Remediate: Take action to support, provide or cooperate in remediation when appropriate in alignment with defined procedures |
| 7 | Enablers: Approach is underpinned by four enablers to define the guardrails for operation and ensure an integrated, consistent and streamlined process |

CASE STUDY: Sustainability Partnership Plans

During FY20, we launched a pilot program through which we partnered with two suppliers in our prioritised high-risk categories (construction and cleaning) to identify opportunities to minimise modern slavery risks in our supply chain. To initiate the collaborations, we reviewed and validated their Responsible Sourcing assessments and held a workshop with each supplier to share challenges and opportunities.

The following common challenges and opportunities were raised across the workshops:

- **Modern slavery risk assessments:** a structured industry approach would help to manage the administrative workload in both assessing suppliers for risk and completing risk assessments
- **Supply chain mapping:** a coordinated process to help identify suppliers beyond our tier 1 suppliers to gain greater end to end supply chain transparency
- **Labour hire practices:** promoting transparency of contractor and sub-contractor relationships would help gain visibility of and manage risks in this space
- **Employee communications and training:** implementation would be supported by appropriately engaging suppliers' employees in training programs that are aligned to their cultural background or native language
- **Identification of available support and resources:** engaging with industry and non-government bodies could help identify areas to leverage industry expertise and resources

Through this collaboration, we drafted a 'Sustainability Partnership Plan' (SPP) with each supplier, outlining key areas of focus and proposed actions that seek to strengthen capability and controls for managing modern slavery risks.

In FY21, we intend to finalise the SPP, jointly deliver on agreed actions, monitor effectiveness and use what we learn from the pilot to establish a formal ongoing process for engaging suppliers on future SPPs. The goal for this initiative is to deliver mutually beneficial outcomes that address modern slavery risks for both ourselves and our suppliers.

Supplier Risk Management

We recognise that a consistent approach to identifying, assessing and managing a broad range of risks, including modern slavery, in our supply chain is critical.

During FY20, we commenced the development of a Supplier Risk Management program, which is a consolidation of our approach to multiple risk assessment activities across the Group. The program will set out the policy, standard and solution to identify, assess and manage supplier risks, including modern slavery risks, as part of our Responsible Sourcing program. It is anticipated that Phase 1 of the program will be finalised during FY21.

Additionally, three key documents were updated. The Group Outsourcing Policy was updated to stipulate appropriate legal and compliance provisions with respect to international slavery regulations. WNZL's Supplier Management Framework was updated to confirm expectations that suppliers adhere to modern slavery risk requirements. WNZL's Procurement Policy was updated to outline that suppliers may be required to provide evidence that they are managing relevant sustainability issues including human rights and modern slavery.

Awareness raising and training

We seek to empower our employees to identify, mitigate, manage and report on modern slavery risks in their roles by building awareness and capability. During the year, we prioritised building capability in staff in targeted risk, supplier-facing and customer-facing roles to manage and report on modern slavery risks.

As part of our approach we:

- held executive briefing sessions;
- conducted information sessions and high-risk industry training across targeted customer-facing divisions for relevant staff including first line risk personnel;
- delivered general awareness training with relevant staff including from our financial crime, group finance and group human resources functions that provided an overview to modern slavery, our obligations under the Australian Modern Slavery Act and high-level risk indicators and profiles of at risk sectors;
- published Group-wide communications via our intranet outlining our obligations under the Australian Modern Slavery Act; and
- convened an awareness raising briefing for the Board led by industry experts to discuss human rights risks, including investor expectations and directors' duties in relation to managing these risks.

We are working to expand the modern slavery training we deliver, including as part of our broader ESG risk training program.

Grievance mechanisms and remediation

We seek to identify, prevent, mitigate and account for our adverse human rights impacts. We are also committed to providing for or cooperating in remedy where appropriate. We also provide mechanisms through which grievances can be raised on several topics, including modern slavery.

What is the remedy?

The UNGPs recognise different remedies that a company may seek to provide (or cooperate in providing) if they identify that they have caused or contributed to human rights harm. These could include:

- Apologies
- Restitution
- Rehabilitation
- Financial or non-financial compensation and punitive sanctions (criminal or administrative, such as fines)
- Prevention of harm through, for example, injunctions or guarantees of non-repetition

FOR OUR EMPLOYEES, including contractors and temporary staff as well as our current and former suppliers and their workers, our **Speaking Up Policy** provides guidance on how to raise concern about suspected or actual unethical or unlawful behaviour. This year, we communicated the Speaking Up Policy to key external suppliers and stated that suspected modern slavery or other human rights violations involving Westpac's operations or supply chain were considered reportable conduct under this policy¹⁶.

FOR OUR SUPPLIERS, we have a **Supplier Advocate** hub which acts as the voice for suppliers through which they may raise queries or concerns.

Under our updated Responsible Sourcing Code of Conduct, we encourage suppliers to establish and maintain a channel for employees and stakeholders to confidentially and anonymously raise complaints which ensures no retaliation.

FOR OUR CUSTOMERS, we strive to provide the best possible service and we will do our best to resolve concerns which may be raised by post, phone, online or in branch. For our customers in need of extra care, suspicions or disclosures of modern slavery may be raised for escalation through a suitable specialist team.

FOR OUR COMMUNITY, any member of the public is able to raise concerns by post, phone, in branch or by contacting the **Group Sustainability team**.

In our Human Rights Position Statement we have committed to seeking to improve the effectiveness of these mechanisms specifically in relation to remediating human rights issues, which will be done with reference to the effectiveness criteria set out in the UNGPs.

¹⁶ As detailed in our Speaking Up Policy, all current and former employees, officers, suppliers, current and former employees of suppliers and individuals who are or have been a trustee, custodian, investment manager, officer or employee of, or a supplier to, a Westpac superannuation entity may raise a concern, including through Westpac's reporting portal.

Policies and Frameworks

Our Human Rights Position Statement outlines our approach and commitment to respect human rights and continuously improve. This year we have taken action to strengthen our practices to address modern slavery risks. Additional policies and processes which outline our expectations across the Group include:

| ACTIVITY | POLICY / PROCESS DOCUMENT | PURPOSE | FY20 MODERN SLAVERY UPDATES |
|---|--|---|-----------------------------|
| AS A FINANCIAL SERVICES PROVIDER | Group AML/CTF Policy | Sets out how we comply with our anti-money laundering and counter-terrorism financing legislative obligations. | |
| | Group Sanctions Policy | Establishes the minimum expectations for us to comply with our relevant economic and trade sanctions obligations. | |
| | Group Anti-Bribery and Corruption Policy | Establishes the minimum expectations for us to comply with our anti-bribery and corruption obligations. | |
| | Customer Vulnerability Policy and Standard | Sets out our commitment and approach to supporting vulnerable customers and supports our Customer Vulnerability Action Plan 2020 . | |
| AS A LENDER | ESG Credit Risk Policy | Describes how we incorporate ESG risk analysis into the credit assessment and approval process for business, corporate and institutional customers. | ✓ |
| AS A PURCHASER OF GOODS AND SERVICES | Responsible Sourcing Code of Conduct | Shares our key sustainability principles for doing business with our suppliers, supports suppliers to identify, mitigate and manage their sustainability risks, and sets expectations of our suppliers and their supply chain engagements in providing goods and services to Westpac. | ✓ |
| | Group Outsourcing Policy | Sets the minimum standards required to manage third party and prudential compliance risks associated with outsourcing business activities. | ✓ |
| | WNZL Supplier Management Framework (SMF) | Sets out the principles underlying WNZL's approach to Supplier Management. It establishes the structure for managing supplier relationships and risk. | ✓ |
| | WNZL Procurement Policies (Related Party and Independent Third-Party Policies) | The Procurement Policies related to the SMF are the 'Related Party' and 'Independent Third Party' Outsourcing Policies. These provide clear guidance on either market-based engagements or when WNZL engages the services of an affiliate or subsidiary of another Westpac entity. | ✓ |
| | | | |

| ACTIVITY | POLICY / PROCESS DOCUMENT | PURPOSE | FY20 MODERN SLAVERY UPDATES |
|--------------------------------------|------------------------------------|--|-----------------------------|
| AS AN INVESTOR | BT Sustainability Framework | Describes BT's wealth management entities' approach to sustainability, including modern slavery. | ✓ |
| | BT Sustainable Investment Policy | For internally developed and managed investment options the policy sets out BT's approach to addressing ESG risks when making investment decisions on behalf of superannuation members and investors. | ✓ |
| AS AN EMPLOYER | Code of Conduct | Sets out the standards and outlines the expectations of our company and our people to do the right thing, comply with laws and policies and behave professionally. It applies to all employees, contractors, Westpac Group entities ¹⁷ and our Group (non-WNZL) subsidiary Board members. | |
| | Group Remuneration Policy | Outlines our approach to remuneration including our commitment to providing market competitive and fair remuneration. | |
| | Group Recruitment Policy | Outlines our approach to recruitment, including our commitment to fair and ethical recruitment. | |
| | Australian Enterprise Agreement | Outlines terms for employees relating to pay, leave, working hours, flexibility, staffing, development, speaking up and leaving the company. | |
| | Speaking Up Policy | Outlines how to raise a concern about suspected or actual unethical or unlawful behaviour through several safe and secure reporting options. | |
| AS A SUPPORTER OF COMMUNITIES | Charitable Donations Policy | Sets out our commitment to ensuring Westpac complies with applicable laws and risks governing charitable donations. Charities must be legally recognised as determined by the Australian Charities and Not-for-profits Commission or local equivalent. | |

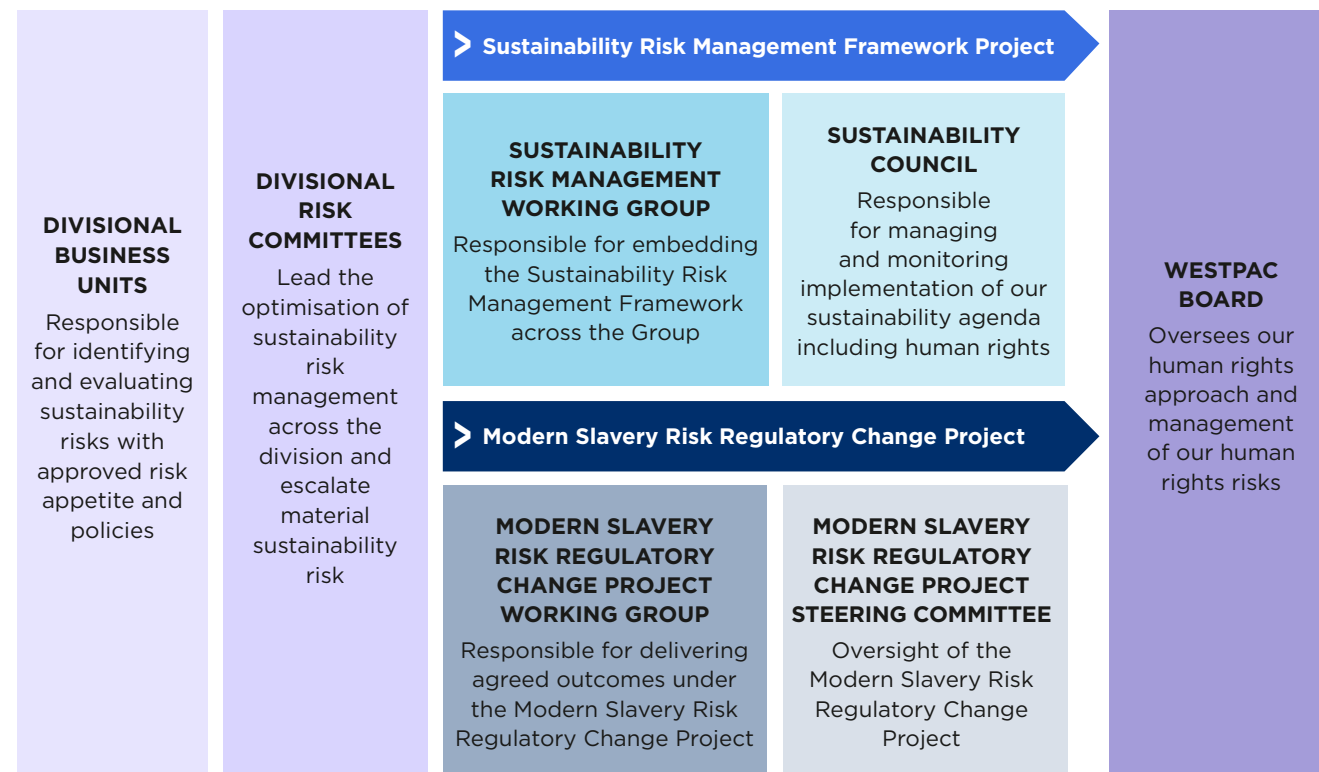
¹⁷ WNZL operations are subject to the WNZL Code of Conduct which describes the standards of conduct expected of its people, both employees and contractors.

Governance

The Westpac Group Board has oversight of our approach to human rights and our management of human rights risks. Our Human Rights Action Plan is reviewed by the Executive Team and approved by the Board every three years. The Board Risk Committee considers and approves Westpac's Sustainability Risk Management Framework (which includes human rights and modern slavery risks) every two years. The implementation and management of Westpac's approach to human rights is led by Group Executives.

During the year, the Modern Slavery Risk Regulatory Change Project team (the Project) was established to deliver the Group response to the Australian Modern Slavery Act. Additionally, a Modern Slavery Steering Committee was established, sponsored by a senior leader and made up of representatives across business divisions responsible for setting the approach this year. It also had oversight of a Working Group which operationalised activities to review and strengthen our approach to assessing and addressing modern slavery risk.

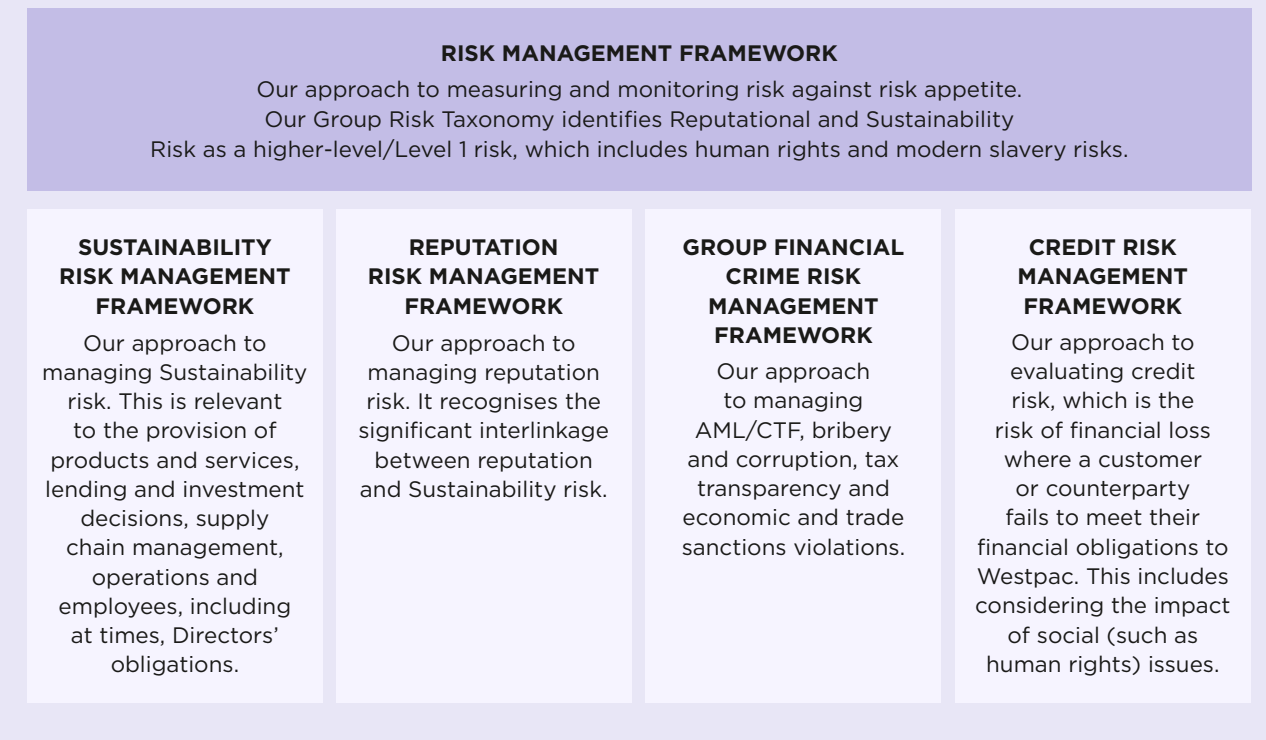
The Project also worked collaboratively with the Sustainability Risk Management Framework Project to support the delivery of activities in response to the Modern Slavery Act across key divisions and functions. The diagram below reflects the structures in place during the reporting period.



Risk Management Framework

At Westpac 'risk is everyone's business'. We adopt a Three Lines of Defence approach to risk management with responsibilities assigned to business unit management (first line), Group and divisional risk, compliance and risk assurance functions (second line) and Group audit (third line).

During the year, 'Sustainability' was elevated to a Level 1 Risk in the Group Risk Taxonomy to enhance Group focus on material sustainability risks, including human rights. In support, we realigned ownership of the Sustainability Risk Management Framework from Group Sustainability to Risk to improve integration with the Group-wide approach to risk.



What COVID-19 has meant for our response to modern slavery

COVID-19 has had widespread impacts globally and has increased the vulnerabilities that many people experience. Respecting human rights is crucial both in responding to the pandemic and supporting our communities' recovery from it. Our COVID-19 response has focused on keeping our people safe while supporting customers and other business partners including our suppliers.

How we addressed increasing vulnerabilities

During the year we identified customers experiencing vulnerability due to COVID-19, serious illness and natural disaster as a salient human rights issue. We kept as many branches as we could open, as we are aware that many of our vulnerable customers prefer face-to-face banking services. We also hired additional staff to support our customers, for example in call centres and loan processing.

For our employees, enabling around 22,000 employees to work from home and providing mental wellbeing support has been a key focus. We have introduced new tools and resources to support employees' health and wellbeing, including for parents and carers in balancing home and work commitments and for employees exposed to the increased risk of domestic and family violence.

Along our supply chain, we acknowledge there may be increasing vulnerabilities of workers as a result of the pandemic, including the heightened risk of modern slavery in categories that experienced rapid demand such as medical supplies and personal protective equipment (PPE). Due to the urgent nature of COVID-19 related purchasing, we were required to make one-off transactions with non-contracted suppliers. To help mitigate the associated risks we established an additional supplier screening process informed by international indices.

Additionally, to mitigate increasing vulnerabilities in our supplier base, on 1 May 2020 we introduced a new process to increase the number of invoice payments we can make within seven days for our small and medium sized (SME) suppliers¹⁸. Before COVID-19, our SME supplier payments within seven days were at 41%, by the end of September our payment rate within seven days was up to 63%¹⁹. Between 1 May 2020 and 30 September 2020, this equated to a total of \$73.7 million (AUD) in spend paid to SME suppliers within seven days to support working capital in their businesses. In New Zealand we were able to change all our payment terms to immediate during this period.

How our FY20 modern slavery response was impacted

With banking an essential service, our teams continue to work hard to support customers, communities and the broader economy throughout the COVID-19 pandemic. Several of our planned activities to identify and address modern slavery risks were impacted by the limited capacity of key business operations. As a result, we adjusted our risk assessment approach to focus on readily available data. Also, we were unable to update all documents identified for enhancement. We will seek to address these actions in FY21.

¹⁸ There is no single definition for an SME. For the purposes of accelerating payments, we used an internal definition only of suppliers <\$1 million (AUD) spend p.a. excluding large global organisations.

¹⁹ Applies only to our primary invoice payment channel WEAPS.

Our engagement and advocacy

We recognise the important role of collaboration in addressing modern slavery risks.

During the year, we played an active role in several forums focused on supporting companies to improve their modern slavery approaches. We shared our insights and experiences with customers, suppliers, investors, peers and civil society representatives. This included the following:

| FORUM | PURPOSE |
|--|---|
| AUSTRALIAN BANKING ASSOCIATION'S (ABA) MODERN SLAVERY WORKING GROUP | Through this group, we have contributed to the development of best practice approaches to monitoring modern slavery risks, including exploration of common industry-wide modern slavery red flags and typologies in the banking sector. |
| UN GLOBAL COMPACT | We are a signatory to the UN Global Compact and a member of the Global Compact Network Australia's Modern Slavery Community of Practice, a peer forum through which we share our experiences and learn from other Australian companies in relation to modern slavery approaches. |
| PRINCIPLES FOR RESPONSIBLE INVESTMENT | We are a signatory to the Principles for Responsible Investment, a UN supported network, which works to support investor signatories to incorporate ESG factors, including human rights, into investment and ownership decisions. |
| FINTEL ALLIANCE | We are a founding partner in this public-private partnership convened by AUSTRAC. The aim of the Fintel Alliance is to reduce the risk that the financial sector could be exploited by criminals and to support related law enforcement investigations. |
| FINANCIAL SERVICES COUNCIL (FSC) AND RESPONSIBLE INVESTMENT ASSOCIATION OF AUSTRALASIA (RIAA) | Through BT, we have been an active participant in both the FSC and RIAA Human Rights Working Group which has developed a due diligence questionnaire to help asset owners assess how investment managers are managing modern slavery risk in their portfolios. |
| SAFER CHILDREN, SAFER COMMUNITIES | This initiative (outlined on page 10) involves close partnership with leading non-government organisations, the International Justice Mission and Save the Children (Australia). These partners bring significant expertise and reach and are critical in helping us continue to build our knowledge and through collective efforts drive positive change for children. |

Assessing the effectiveness of our actions

We are committed to continually improving our approach to advancing human rights. We recognise that measures of effectiveness are critical to assist in informing appropriate actions to address our modern slavery risks.

We sought to appraise the activities conducted during the year, by both tracking the output and seeking feedback from key stakeholders to gain insight into the effectiveness of our actions and inform improvement opportunities in future reporting periods. This included tracking general awareness training participation, updates to policy and procedure documents and the outcomes of our risk assessments.

We have outlined a description of the measures that we will seek to implement in FY21 in the table below. We recognise opportunities to build on these, which are captured in our future focus section on page 18.

| ROLE | OBJECTIVES | MEASURING EFFECTIVENESS |
|--|--|--|
| AS A FINANCIAL SERVICES PROVIDER, LENDER AND INVESTOR | <ul style="list-style-type: none"> Seek continuous improvement in our approach to identifying and addressing modern slavery risk. | Number of channels used to raise suspicions or disclose of human rights issues |
| | | Number of suspicions or disclosures of modern slavery raised by customers through a suitable specialist team |
| | | Number of suspicions or disclosures of modern slavery issues received through grievance channels |
| | | Number of suspicions or disclosures of modern slavery issues remediated |

| ROLE | OBJECTIVES | MEASURING EFFECTIVENESS |
|---|---|---|
| AS A PURCHASER OF GOODS AND SERVICES | <ul style="list-style-type: none"> Improve transparency across extended supply chain. Improve residual sustainability risk of suppliers. Foster collaborative relationships. | Percentage of suppliers in high-risk categories with completed responsible sourcing assessments |
| | | Number of suppliers in high-risk categories that have improved their risk rating |
| | | Number of suppliers who agreed to participate in Sustainability Partnership Plans |
| AS AN EMPLOYER | <ul style="list-style-type: none"> Understand vulnerability our employees may experience and provide appropriate support. Continue to foster a culture of accountability recognising 'risk is everyone's business'. Build role specific awareness and capability to identify, mitigate, manage and report modern slavery risk including for employees working in new country contexts. | Percentage of employees who complete onboarding training to schedule |
| | | Percentage of employees that participate in modern slavery training |
| | | Number of visits to modern slavery intranet |
| | | Percentage of employee expats participating in cultural briefings |

Consultation

Westpac's divisions have been part of a consultation process to address the Group's response to modern slavery through the Modern Slavery Risk Regulatory Change Project. This ongoing process is primarily undertaken through the Modern Slavery Risk Regulatory Change Project Steering Committee as outlined on page 15.

Westpac wrote to the Directors of all identified reporting entities (or where the entity was a trust, to the relevant Trustee) to inform them of their obligations under the Australian Modern Slavery Act and offered guidance on the reporting obligations where required. All of those entities endorsed participation in a joint statement prepared on their behalf by Westpac (in accordance with the joint reporting requirements of Section 14 (1),(2)). A final draft statement was made available to the entities' nominated representatives before its publication.

Our future focus

We are committed to continually improving our approach to advancing human rights and have identified areas to further progress as well as new initiatives to undertake. Actions identified for FY21 include:

AS A FINANCIAL SERVICES PROVIDER

- Strengthening customer onboarding controls.
- Conducting training with frontline staff.
- Enhancing our existing financial crime processes.

AS A LENDER AND INVESTOR

- Improving our ability to identify and assess human rights risks and salient issues in our lending relationships.
- Delivering targeted capability building and training for relevant staff enabling identification and management of human rights risks.

AS A PURCHASER OF GOODS AND SERVICES

- Finalising the design and implementing the Responsible Sourcing program, including validation of high-risk categories and suppliers.
- Exploring how we can provide for, or cooperate with, grievance channels and access to remedy.
- Finalising Phase 1 of the Supplier Risk Management program.

AS AN EMPLOYER

- Conducting an assessment to understand vulnerabilities across Group employees.
- Refining risk indicators used by grievance channels.

THREE-YEAR HORIZON

Our Human Rights Position Statement outlines additional activity of relevance to modern slavery for the 2020-2023 period. To see the actions in full, refer to the [Human Rights Position Statement](#).

Appendix 1: Overview of reporting entities

The following table provides an overview of each reporting entity covered by this Statement.

| REPORTING ENTITY | PRINCIPAL ACTIVITIES DURING REPORTING PERIOD |
|---|---|
| Asgard Capital Management Limited (ABN 92 009 279 592) | The principal activity of the company was acting as the administrator for superannuation master trusts and investor directed portfolio services. |
| Asgard Wealth Solutions Limited (ABN 28 009 143 597) | The principal activity of the company was that of a holding company for the Asgard Group which provides external financial adviser dealer group services, equity research on financial planners and administration services for investor directed portfolio services. |
| BT Financial Group Pty Limited (ABN 38 087 480 331) | The principal activity of the company was the provision of administration services to related entities. |
| BT Funds Management Limited (ABN 63 002 916 458) | The company is both a Registrable Superannuation Entity (RSE) Licensee and Responsible Entity (RE). The principal activities of the company were the provision of trustee and funds management services. |
| BT Portfolio Services Limited (ABN 73 095 055 208) | The principal activities of the company were the provision of the client investment administration services and back office administration services to the Wealth Group companies. |
| Capital Finance Australia Limited (ABN 23 069 663 136) | The principal activities of the company were the provision of plan and equipment finance facilities, property and construction finance facilities and consumer finance facilities including leasing, commercial hire purchase, chattel mortgage and secured loans. |
| Crusade Trust No. 2P of 2008 (ABN 54 656 327 299) | The Trust is used for the purpose of securitising St.George, Bank of Melbourne and BankSA brand home loans. |
| RAMS Financial Group Pty Limited (ABN 30 105 207 538) | The principal activities of the company consisted of acting as agent for Westpac Banking Corporation (WBC) to provide and distribute residential home loans and deposit products within Australia. |
| Series 2008-1M WST Trust (ABN 55 776 534 334) | The Trust is used for the purpose of securitising Westpac brand home loans. |

| REPORTING ENTITY | PRINCIPAL ACTIVITIES DURING REPORTING PERIOD |
|---|--|
| Westpac Banking Corporation (ABN 33 007 457 141) | WBC is the parent entity of the Westpac Group. The principal activities of the Group were the provision of financial services including lending, deposit taking, payments services, investment platforms, superannuation and funds management, insurance services, leasing finance, general finance, interest rate risk management and foreign exchange services. |
| Westpac Covered Bond Trust (ABN 41 372 138 093) | The Trust is used to provide a financial guarantee in respect of all interest and principal payable under the terms of the covered bonds issued, from time to time, by Westpac. |
| Westpac Equity Holdings Pty Limited (ABN 77 003 018 559) | The principal activities of the company consisted of holding of investments in various entities in the Westpac Group and providing lending to related entities. |
| Westpac Financial Services Group Limited (ABN 50 000 326 312) | The principal activity of the company was that of a holding company for its controlled wealth entities. The wealth business includes the design and manufacture of financial products for sale to retail and wholesale customers in Australia. The company also provides administration and support services to its controlled and related entities. |
| Westpac General Insurance Limited (ABN 99 003 719 319) | The principal activities of the company were underwriting home and contents and consumer credit insurance. |
| Westpac General Insurance Services Limited (ABN 63 005 274 368) | The principal activities of the company consisted of: operating as a service company managing relationships with external general insurance underwriters on behalf of WBC; providing support services to internal general insurance underwriters including employee and expense management; and investment of related income generated by the provision of those services. |
| Westpac Lenders Mortgage Insurance Limited (ABN 60 074 042 934) | The principal activities of the company consisted of underwriting lenders mortgage insurance on residential mortgages issued by WBC. |
| Westpac Life Insurance Services Limited (ABN 31 003 149 157) | The principal activities of the company were the provision of a range of life insurance products, including risk and investment policies. |
| Westpac Overseas Holdings No. 2 Pty Limited (ABN 64 003 116 452) | The principal activities of the company consisted of holding of investments. |
| Westpac Securitisation Holdings Pty Limited (ABN 95 112 457 762) | The principal activities of the company consisted of managing investments in a Westpac Securitisation Trust. |

Appendix 2: Australian Modern Slavery Act Mandatory Criteria

This Statement was prepared to meet the mandatory reporting criteria set out under the Australian Modern Slavery Act. The table below identifies where each criterion is addressed within this Statement.

| AUSTRALIAN MODERN SLAVERY ACT MANDATORY CRITERIA | MODERN SLAVERY STATEMENT 2020 |
|--|--|
| Identify the reporting entity | Disclosure Notes (page 2) Appendix 1: Overview of reporting entities (page 19) |
| Describe the structure, operations and supply chain of the reporting entity | Our structure, operations and supply chain (pages 5-7) |
| Describe the risks of modern slavery practices in the operations and supply chain of the reporting entity, and any entities that the reporting entity owns or controls | Identifying our modern slavery risks (pages 8-9) |
| Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes | Our actions to address modern slavery risks (pages 10-16) |
| Describe how the reporting entity assesses the effectiveness of such actions | Assessing the effectiveness of our actions (page 17) |
| Describe the process of consultation with any entities that the reporting entity owns or controls | Consultation (page 18) |
| Any other information that the reporting entity considers relevant | Introduction: Message from the Chief Executive Officer (page 3) Our engagement and advocacy (page 16) Our future focus (page 18) |

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