

2023

WESTPAC BANKING CORPORATION
ABN 33 007 457 141

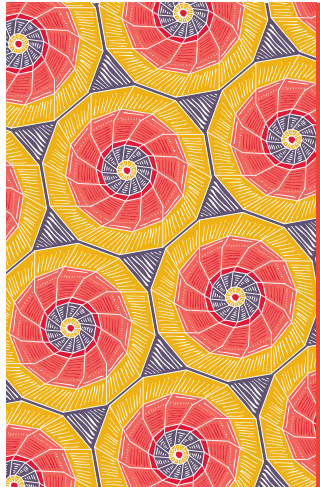
MODERN SLAVERY STATEMENT



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Cover: Workshop run by Save the Children, a strategic partner of our Safer Children, Safer Communities (SCSC) program, aimed at raising awareness of online child sexual exploitation.



ACKNOWLEDGMENT OF INDIGENOUS PEOPLES

Westpac acknowledges the First Peoples of Australia and recognises their ongoing role as Traditional Owners of the land and waters of this country, and we pay respect to Elders past and present. We extend that respect to Westpac's Aboriginal and Torres Strait Islander employees, partners and stakeholders, and to the Indigenous Peoples in the other locations where we operate.

In Aotearoa (New Zealand) we acknowledge tangata whenua and the unique relationship that Indigenous Peoples share with all New Zealanders as partners and custodians of their natural ecosystems under Te Tiriti o Waitangi.

About this Statement

This Modern Slavery Statement (Statement) is the Westpac Group's¹ and the BT reporting entities' (defined below) response to the Australian *Modern Slavery Act 2018* (Cth) (Australian Modern Slavery Act) and *Modern Slavery Act 2015* (UK) (UK Modern Slavery Act)² for the period 1 October 2022 to 30 September 2023, our financial year (FY23)³.

This is a joint Statement made on behalf of the following reporting entities:

- Westpac Banking Corporation (ABN 33 007 457 141) and a number of its owned and controlled entities which are also reporting entities under the Australian Modern Slavery Act (listed in *Section 8 – Overview of reporting entities*); and
- BT Funds Management Limited (ABN 63 002 916 458) (BTFM) and BT Portfolio Services Ltd (ABN 73 095 055 208) (BTPS), and the trusts for which BTFM and Westpac Financial Services Limited (ABN 20 000 241 127) (WFSL) are the trustee which are reporting entities under the Australian Modern Slavery Act (listed in *Section 8*) (collectively the BT reporting entities).

This Statement sets out the modern slavery risks of, and actions taken to manage those risks by, the reporting entities and their owned and controlled entities.

For approvals refer to *Section 8 – Overview of reporting entities*.

Westpac's reporting suite and key position statements

Our reporting suite brings together our financial, non-financial, risk and sustainability performance for the year. It includes our Annual Report, Results Presentation and Investor Discussion Pack, Pillar 3 Report, Corporate Governance Statement and our inaugural Climate Report.

Our full suite is available online at westpac.com.au/2023annualreport.

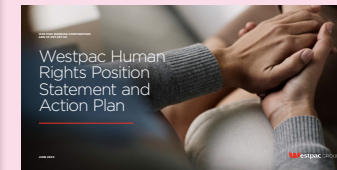
Navigating this report:

External links are indicated bold and underlined.

All data is for the 12 months ended 30 September 2023, and all dollar amounts are in Australian dollars unless otherwise indicated.



Annual Report



Human Rights Position Statement and Action Plan

Child Safeguarding Supplement

2022 Safer Children, Safer Communities Impact Report

Natural Capital Position Statement

Climate Change Position Statement and Action Plan

2023 Sustainability Index and Datasheet

1 In this Statement a reference to 'Westpac', 'Group', 'Westpac Group', 'we' and 'our' is to Westpac Banking Corporation ABN 33 007 457 141 and identified reporting entities set out in *Section 8*, including the BT reporting entities. Any reference to Westpac Banking Corporation is a reference to that entity only.

2 Westpac Banking Corporation ABN 33 007 457 141 is the only reporting entity for the purposes of the UK Modern Slavery Act.

3 In this Statement a reference to 'the year', 'this year' and 'reporting year' is to FY23 (1 October 2022 to 30 September 2023) unless otherwise specified.

1 MESSAGE FROM THE CEO

As one of the country's largest financial institutions, we sit at the centre of economic activity in Australia. Therefore we have a responsibility to respect and advance human rights. On this, we're making good progress.

This year we launched our fourth **Human Rights Position Statement and Action Plan**, the first where we have specifically integrated our position and actions on child safeguarding through our **Child Safeguarding Supplement**. It sets out the key actions we are taking and the areas for improvement.

We've focused our efforts to address modern slavery¹ across five key areas:

- enhanced governance and policy commitments
- strengthened human rights due diligence processes to identify and address modern slavery risks
- building partnerships and opportunities for shared learnings
- ongoing training and capacity building of our staff
- enhancing our grievance mechanisms and access to remedy.

Our key areas of action in FY23 are outlined on page 3.

We know more needs to be done and we will continue to collaborate with our partners to build our capability and uplift our processes in this area.

Peter King

Chief Executive Officer



¹ Modern slavery as defined within the Australian Modern Slavery Act 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 (including slavery, child prostitution, use of children in criminal activities and dangerous labour).

2 KEY AREAS OF ACTION IN FY23

During FY23, we took a range of actions to help improve our modern slavery approach:

LAUNCHED OUR FOURTH HUMAN RIGHTS POSITION STATEMENT AND ACTION PLAN

the first where we have integrated our position and actions on child safeguarding with further detail presented in our [Child Safeguarding Supplement](#).

Refer to Section 4 and Section 5

CONTINUED OUR RESPONSIBLE SOURCING ASSESSMENTS

through which 775 suppliers completed the initial risk assessment and of those, 717 completed the detailed Responsible Sourcing Questionnaire.

Refer to Section 5

CREATING PRIORITY SUPPLIER ACTION PLANS WHERE MODERN SLAVERY RISK IS ELEVATED

including 191 new priority action plans. Of those 95 were resolved and 96 remain in progress and will be actively managed into FY24.

Refer to Section 5

CONTINUED TO EMBED HUMAN RIGHTS CONSIDERATIONS

into our financial crime processes to improve management of modern slavery risks across customer relationships and strengthen the capability of our people to identify and manage modern slavery.

Refer to Section 5

ENHANCED DUE DILIGENCE PROCESSES

to strengthen management of modern slavery risks in our supply chain, including conducting a tier 2 supplier¹ deep dive.

Refer to Section 5

CONTINUED TO STRENGTHEN THE EFFECTIVENESS OF OUR GRIEVANCE MECHANISMS

and our approach to remedy, including for those who are more vulnerable to modern slavery or may face barriers to accessing these mechanisms.

Refer to Section 5

¹ Tier 2 suppliers include our suppliers' suppliers or companies that subcontract to our direct suppliers.

3 OUR STRUCTURE, OPERATIONS AND SUPPLY CHAIN

Structure and operations¹

About us

Westpac is Australia's first bank and oldest company. Established in 1817, as the Bank of New South Wales, we expanded across Australia, New Zealand and the Pacific. In 1982, we changed our name to Westpac.

In recent years we have become a simpler bank, sharpening our focus on banking for Australian and New Zealand consumer, business and institutional customers. Today, we serve 13.0 million customers and provide products and services through our Consumer, Business and Wealth (including Specialist Businesses), Westpac Institutional Bank and Westpac New Zealand segments.

Westpac comprises the following segments:

SEGMENT	OVERVIEW
Consumer	The Consumer segment provides a full range of banking products and services to customers in Australia through three lines of business consisting of mortgages, consumer finance and deposits. Products and services are provided through a portfolio of brands comprising Westpac, St.George, BankSA, Bank of Melbourne, and RAMS using digital channels and branches.
Business	The Business segment provides services and products to Australian small to medium businesses including commercial and agribusiness customers. It offers business lending, generally up to \$200 million in exposure, merchant services using eCommerce solutions and transaction banking services. Business also includes Private Wealth, supporting the needs of high-net-worth individuals. It operates under the Westpac, St.George and Bank of Melbourne brands.
Westpac Institutional Bank	Westpac Institutional Bank (WIB) comprises three lines of business: Corporate and Institutional Bank (CIB), Global Transaction Services (GTS), and Financial Markets (FM). It services predominately corporate, institutional and government clients. CIB uses dedicated industry relationship and specialist product teams to support clients' lending needs. GTS is responsible for the provision of payments and liquidity management solutions to WIB's clients and the Group's domestic and international payments infrastructure. FM provides a range of risk management, investment, and debt capital markets solutions to WIB clients and access to financial markets products for consumer and business customers. Clients are supported throughout Australia and via branches and subsidiaries located in New Zealand, New York, London, Frankfurt and Singapore.
Westpac New Zealand	Westpac New Zealand (WNZL) provides banking and wealth products and services for consumer, business and institutional customers across New Zealand.
Specialist Businesses	Specialist Businesses was established in May 2020 by combining the operations that Westpac identified to be exited as part of our portfolio simplification agenda. Since its formation, 10 business divestments have been completed. The merger of BT's personal and corporate superannuation funds with Mercer Super Trust through a successor fund transfer (SFT) and the sale of its Advance Asset Management Limited (AAML) business to Mercer Australia were completed earlier in the year. The remaining operations include Platforms, Westpac Pacific, margin lending and the retail auto finance business which is in run-off. These businesses will be retained and transferred to the management of the Business and Wealth segment from full year 2024.
Group Businesses	<ul style="list-style-type: none"> — Treasury, which is responsible for the management of the Group's balance sheet including wholesale funding, capital and liquidity. Treasury also manages interest rate risk and foreign exchange risks inherent to the balance sheet. — Customer Services and Technology, which includes operations, call centres and technology. — Corporate Services, which provides shared corporate functions such as property, procurement, finance services, corporate affairs, and HR services. — Enterprise services, which includes earnings on capital not allocated to segments, certain intra-group transactions and gains/losses for asset sales, earnings and costs associated with the Group's external investments, and other head office items.

¹ 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](#).

Corporate structure

Westpac and its subsidiaries, including those which are reporting entities under this Statement (refer to *Section 8 - Overview of reporting entities*), are referred to collectively as the 'Group'. Westpac Banking Corporation is the ultimate parent entity of the Group. For more information on the principal activities of our reporting entities, refer to *Section 8 - Overview of reporting entities*.

Westpac Banking Corporation shares are listed on the securities exchanges in Australia (ASX) and New Zealand (NZX).

Our workforce

Westpac is a retail and commercial bank with operations in Australia, New Zealand, Papua New Guinea and Fiji. The Group does not provide broad banking services outside these markets although we have branches in London, New York, Singapore, and Frankfurt that principally support our domestic customers operating internationally, or institutional customers looking for support with Australian and New Zealand products and services.

Given our business, the majority of our employees are based in our core markets of Australia and New Zealand. However, as a significant bank, we use international partners, consultants and outsourced providers to support our business. The people involved in these activities (including technology and systems development, accounts payable and certain processing services) are contingent workers and are considered part of our total workforce.

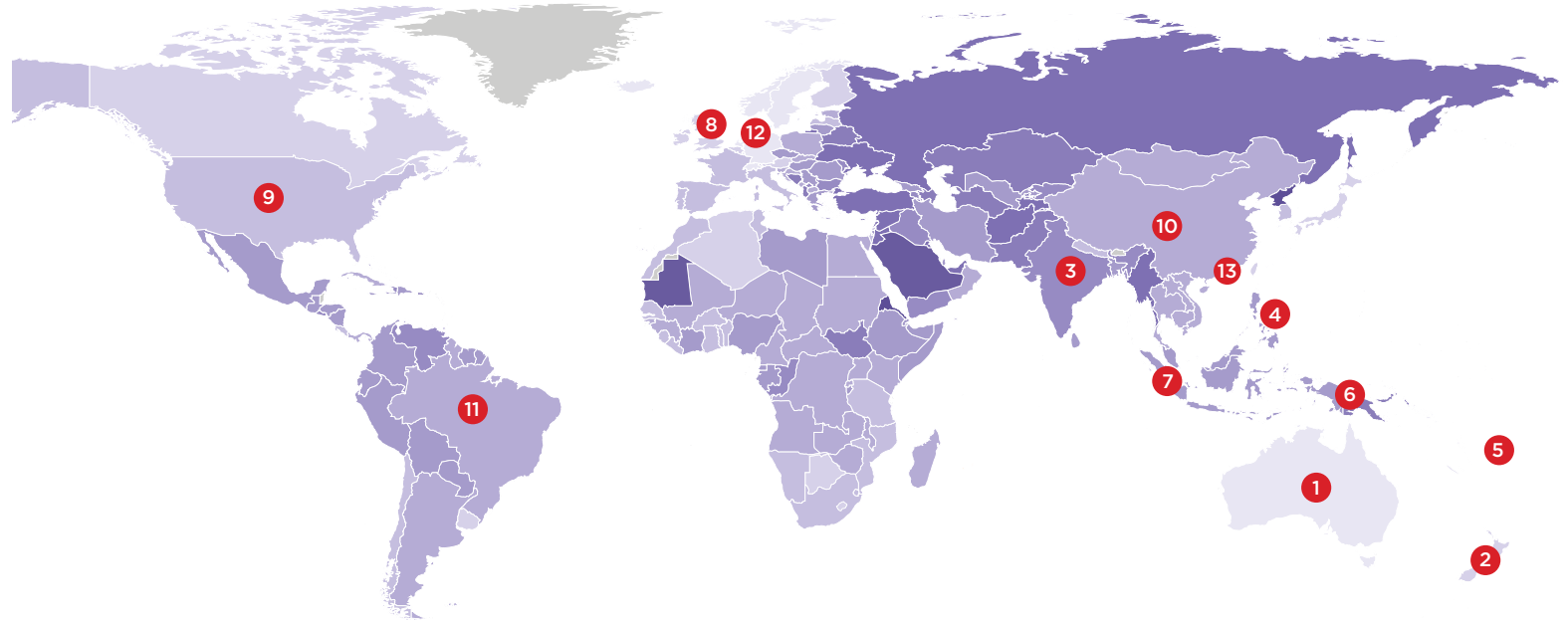
A detailed breakdown of employee headcount, including coverage by collective bargaining agreements, can be found in the [2023 Sustainability Index and Datasheet](#), and our workforce by location is provided below.

Our workforce by location¹

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

Global Slavery Index 2023²

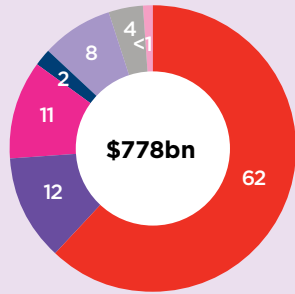
Estimated prevalence of modern slavery by country



1 Our workforce by location is based on headcount in descending order as at 30 September 2023. It includes our Westpac Group employees as well as our contingent workforce (including consultants, partners and outsourced providers). Westpac Group employees and contingent workforce are all counted as '1' regardless of the hours worked each week.

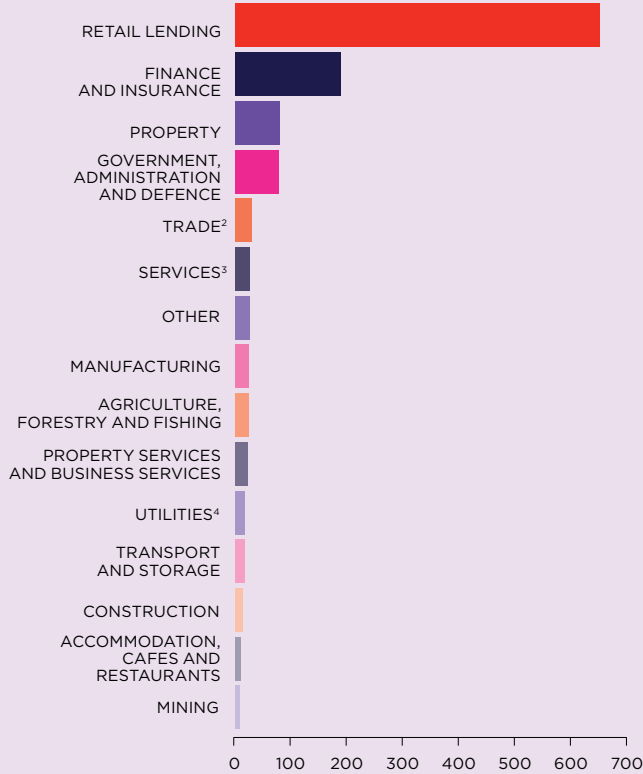
2 In addressing our risks, we have used a range of data sources. In this map we have used the [Global Slavery Index 2023](#) modern slavery prevalence data, the most up-to-date data source available at the time of risks assessment activities, to provide an indication of each country's modern slavery risk.

COMPOSITION OF GROSS LOANS (% OF TOTAL)



- Australian mortgages
- Australian business
- Institutional
- Australian personal
- New Zealand mortgages
- New Zealand business/others
- Other overseas

GROUP LENDING PROFILE (TOTAL COMMITTED EXPOSURE¹ \$bn)



Lending

Our Consumer, Business, WIB and New Zealand segments support the flow of funds to our retail, small to medium business, corporate and institutional customers.

The diagrams left outline the composition of lending as at 30 September 2023.

Investment product provider

BT offers managed funds and platform products (investment and superannuation) where customers can select their investments from a range of investment options (including term deposits, managed funds, managed portfolios and listed securities).

These products are distributed either directly to customers or by financial advisers.

On 1 April 2023, the merger of BT’s personal and corporate superannuation funds with Mercer Super Trust through a successor fund transfer (SFT) was completed. Following the SFT, BT no longer offers personal or corporate superannuation products.

In addition, on 1 April 2023, BT completed the sale of Advance Asset Management Limited (AAML) to Mercer Australia.

BT New Zealand (BTNZ)

BTNZ is the investment arm of Westpac New Zealand (WNZL) and has more than \$15 billion (NZD)⁵ in funds under management. BTNZ use a multi-manager approach to deliver risk-adjusted returns and is a government appointed default KiwiSaver provider.

BTNZ issues and manages products, and appoints investment managers and other service providers independently of BT. While BTNZ does provide a range of administrative services for certain Australian unit trusts issued by BT and distributed to NZ investors, the Australian unit trusts were not transferred to Mercer Australia as part of the SFT or sale of AAML.

1 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.
 2 Includes wholesale trade and retail trade.
 3 Includes education, health and community services, cultural and recreational services, and personal and other services.
 4 Includes electricity, gas and water, and communication services.
 5 As at 30 September 2023.

Supply chain

Procurement activity across the Group is primarily managed by two functions:

- Group Procurement (Australia) manages procurement activity for:
 - Technology goods and services, professional services and contingent labour; and
 - Other goods and services:
 - which are considered high risk¹; or
 - where spend exceeds \$250,000 per annum.
- Commercial Services (New Zealand) manages procurement activity for our New Zealand business, including technology and non-technology goods and services.

Divisions are permitted to engage suppliers directly for low-risk, low-value and short-term tactical buying needs. Group Procurement has published a 'self-serve' step by step guide to support the divisions when undertaking their own purchasing activity.

We source goods and services from a wide range of suppliers. During FY23, we focused on reducing the number of suppliers we engage to support our focus on strengthening risk management across our procurement activity.

Approximately 99% of our spend² with tier 1 suppliers was with businesses located in Australia, Singapore, the United States, the United Kingdom and Ireland. We track the country of location of tier 1 spend using data from our Accounts Payable system. The majority of our spend is with businesses located in Australia, however in some cases this is because our suppliers have Australian subsidiaries nominated as their address in the Accounts Payable System. In such cases the data may not always accurately reflect where products and/or services are being manufactured or delivered from.

In FY23, we began using our digital supplier risk assessment platform to ask suppliers in higher risk categories for modern slavery which country their products and/or services will be manufactured in or delivered from. We are continuing to use this data to build insights into location-specific modern slavery risks in our supply chain.

We also continued to focus on enhancing our supply chain visibility, specifically with respect to our tier 2 suppliers in high risk categories for modern slavery. During the year we partnered with two of our construction suppliers to perform additional due diligence over their processes to manage modern slavery risk and reviewed a number of their subcontractors processes (our tier 2 suppliers). Refer to *Case study: Supplier due diligence beyond tier 1 – construction deep dive* in Section 5 - *Our actions to identify, assess and address modern slavery risk* for more information.

¹ 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 and/or operating in or providing goods or services from higher risk countries or from industries considered high risk of modern slavery.

² Includes Westpac Australia spend only. Does not include WNZL spend.

³ In FY23 we reviewed our supply chain metrics as part of our initiatives to continuously improve on how we measure the effectiveness of our Responsible Sourcing Program in assessing and addressing potential modern slavery risks. Our updated metrics are included throughout this Statement.

⁴ Other third parties are not assessed as part of the Responsible Sourcing Program.

⁵ Regulatory fees and taxation are not assessed as part of the Responsible Sourcing Program.

Our spend is managed across the following categories³:

CATEGORY	DESCRIPTION OF SPEND
Technology	Includes professional IT services, business process outsourcing (offshore), telecommunications, application services and infrastructure.
Corporate Services	Includes consulting, human resources, legal services, office fit-out, facilities management, cleaning, utilities, rent and outgoings related to our corporate buildings and branches, security services, tools of trade, travel, entertainment, corporate memberships, market data, stationery and records management.
Customer Interactions	Includes commercial print, post, mail-house, marketing, digital and creative services, events, uniforms, promotional merchandise, contact centres, corporate insurance (staff and business) and customer relations.
Customer Solutions	Includes customer loyalty, card manufacturing, card payment processing, general insurance, card insurance, reinsurance, custodial services, shareholder administration, investments and superannuation.
Operations Enablement	Includes freight and couriers, debt collection, settlement agents, valuation services, title searches, cheque and voucher processing, mail room and ATMs.
Other Third Parties⁴	Includes mortgage brokers and agents, fees for ATMs, point of sale and other payment schemes, bank charges, charitable donations, grants and sustainability (carbon credits).
Regulatory Fees and Taxation⁵	Includes regulatory fees and taxation.

4 MODERN SLAVERY RISKS ACROSS OUR OPERATIONS AND SUPPLY CHAIN

Our approach to understanding modern slavery risks

Modern slavery involves situations of exploitation that people cannot refuse or leave due to threats, violence, coercion, deception, or abuse of power. This 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 (including slavery, child prostitution, use of children in criminal activities and dangerous labour).

It is important to recognise that these modern slavery practices occur at one end of a spectrum, ranging from decent work to dangerous or substandard working conditions, to the most serious exploitations of labour rights. People's experiences may move up or down this spectrum over time or be disproportionately impacted where underlying vulnerabilities exist, creating challenges in identifying instances of modern slavery.

Our exposure to modern slavery risks can also change over time, as our business changes or as external factors (such as inflation, global supply chain pressures or global conflicts) influence our risk exposure. We continue to monitor and track how these trends could influence our risk profile.

The risk of modern slavery occurring is heightened when any of the following factors are present:

SECTOR OR CATEGORY RISK FACTOR	GEOGRAPHIC RISK FACTOR	VULNERABLE GROUPS RISK FACTOR	BUSINESS MODEL RISK FACTOR
Categories of products, services and industry sectors regarded as having more significant inherent modern slavery risk.	Countries or regions known to have higher human rights (including modern slavery) risks.	Individuals or groups more likely to be exposed, or susceptible to harm, or unable to advocate for themselves in exploitative situations.	Business models structured around high risk work practices or complex supply chain arrangements.
Prevalence of modern slavery tends to be higher for certain categories of goods and products, raw materials, services and industry sectors (such as electronics products or the agricultural and manufacturing), due to their operational and supply chain models, workforce structure and characteristics, and the geographies in which they operate or source from.	Prevalence of modern slavery tends to be higher in geographies with weak governance (including weak rule of law and corruption), high rates of conflict, displacement or contested land use, a record of State failure to protect human rights, as well as remote or isolated areas with limited access to social or economic support and infrastructure.	Certain individuals or groups may be more vulnerable to experiencing modern slavery. This is compounded by socio-demographic and geographic factors such as cultural and language barriers, level of education and literacy, visa insecurity, residency or citizenship status, sex, age, disability and remoteness or isolation.	Prevalence of modern slavery tends to be higher within business models that are reliant on high risk work practices or complex supply chain arrangements that introduce a layer of aggressive pricing or time pressures, precarious work demands, or which reduce visibility over recruitment practice and working conditions.

The diagram below shows that, depending on the role we play as a business, there are different degrees to which we may be linked to adverse human rights impacts and the accompanying expected action in response.

Our understanding of the UN Guiding Principles on Business and Human Rights (UNGPs) continuum of involvement			
CAUSE	CONTRIBUTE	DIRECTLY LINKED	NO INVOLVEMENT
A company may cause modern slavery if its own activities directly result in modern slavery occurring. For example, a bank could cause modern slavery if it intentionally subjected workers to serious exploitation, such as forced labour.	A company may contribute to modern slavery if its activities significantly contribute to, facilitate or incentivise modern slavery caused by other parties (to the extent that modern slavery would have been unlikely to occur without the company’s activities). For example, a bank could contribute to modern slavery where impractical expectations for delivery timeframes or cost reductions incentivise offshore business centres, third party labour hire providers, or suppliers, to exploit workers to meet demands.	A company may be directly linked to modern slavery if its operations, or products or services it offers are directly linked to modern slavery carried out by another party, such as a customer, investment, supplier or business partner. Direct linkage may occur even where there are no direct contractual relationships. For example, a bank could be directly linked to modern slavery if it provides funding to a customer or project that appears to have significant modern slavery risks without further due diligence or mitigating actions.	A company may not be linked to a modern slavery impact.
Responding to impact			
TAKE ACTION TO ADDRESS RISKS AND IMPACTS			
Prevent or stop causing the harm and provide for or cooperate in remediation of any harm.	Seek to prevent or stop contribution to the harm; use leverage to mitigate any remaining impact, as far as possible (and if there is insufficient leverage, decide whether or not to continue the relationship); and provide for or cooperate in remediation relevant to the contribution.	Seek to use and build leverage to prevent and mitigate the impact and show ongoing efforts to do this (and if there is insufficient leverage, decide whether or not to continue the relationship); consider whether to take a role in remediation.	Show ongoing efforts to prevent and mitigate modern slavery risks.

INDICATORS OF MODERN SLAVERY RISK

In FY22, we reviewed our Modern Slavery Risk Indicator Library against updated modern slavery typologies¹ and added 57 new indicators which relate to identifying either victims or perpetrators (those who may exploit victims) of modern slavery, and are mapped to different types of modern slavery (e.g. forced labour, human trafficking, debt bondage).

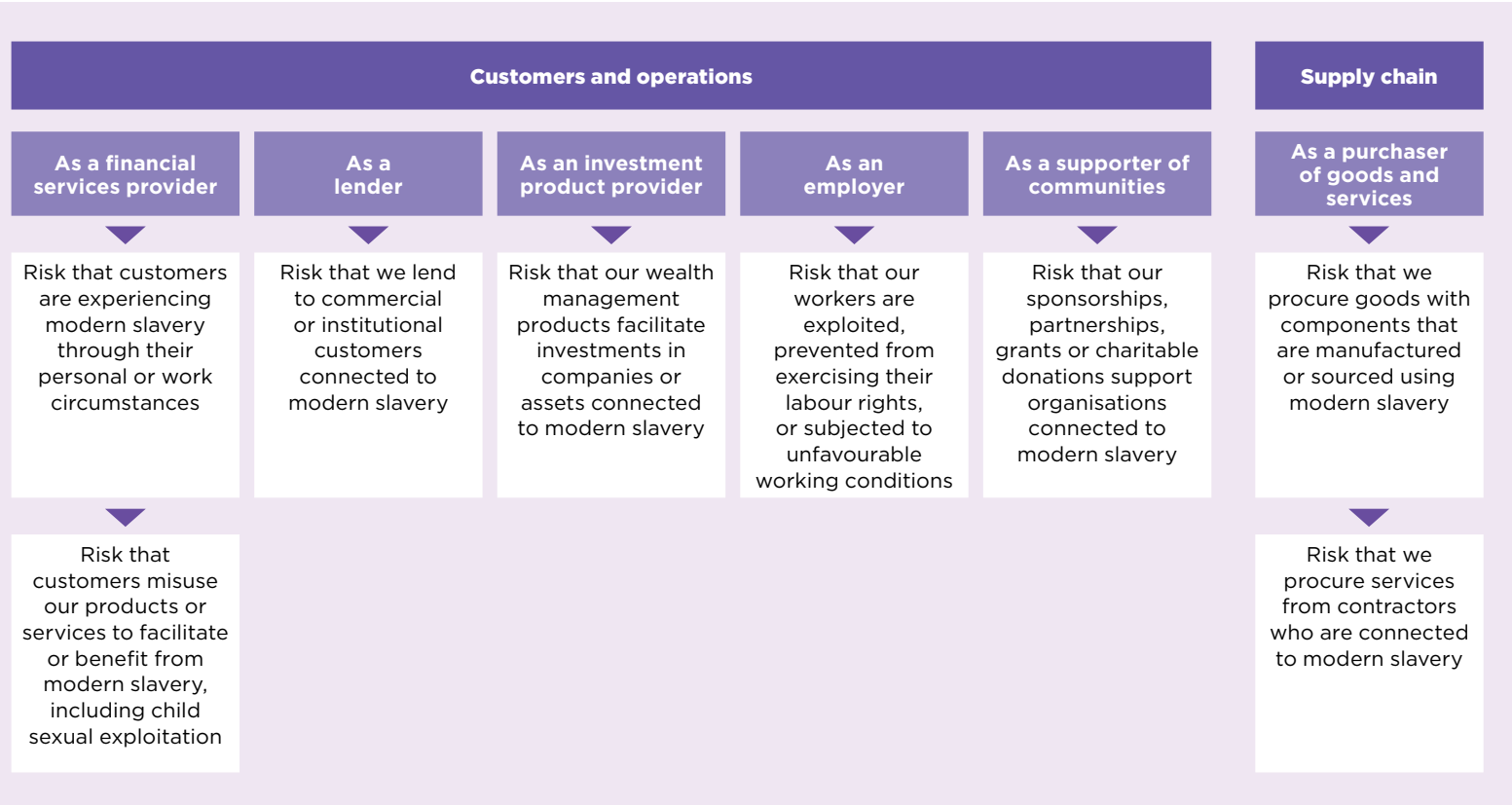
This year, we worked with front-line and escalation teams to incorporate the Modern Slavery Risk Indicator Library into their process documents to help them identify potential victims or perpetrators of modern slavery through customer interactions. Going forward, we will continue to identify opportunities to share the indicators internally and embed them as needed.

We will also continue to update the Modern Slavery Risk Indicator Library as new information arises over time, including through insights gained through our external partnerships, for example our partnership with International Centre for Missing and Exploited Children (ICMEC) Australia which aims to improve access and sharing of resources and data (including refined indicators and typologies) to help identify and disrupt child sexual exploitation.

¹ Including those indicators identified as part of a collaboration between the Australian Banking Association (ABA) and KPMG Australia: **Typologies and Indicators of Modern Slavery**

Potential modern slavery risks in our operations and supply chain

We have identified a number of potential modern slavery risk exposures across our operations and supply chain as outlined in the diagram and described below.



OUR HUMAN RIGHTS RISK ASSESSMENT

Through our [Human Rights Position Statement and Action Plan](#), we are committed to undertaking ongoing human rights due diligence to identify, prevent, mitigate and account for our human rights risks and impacts. As we take an integrated approach to managing human rights risks and impacts, this includes those risks related to modern slavery.

This year, we commenced a deep dive Human Rights Risk Assessment (HRRRA) across our Australian, New Zealand and Pacific locations, starting with a focus on our lending and procurement activities. We anticipate it will extend over future years to include our broader financial products and services, employment practices, and community partnerships and activities. We expect the assessment will help us better understand our salient human rights issues and risk exposures, which will be refined as we complete the HRRRA throughout the remainder of 2023 and through to 2025.

This year's assessment, which has included cross-functional workshops across our divisions, and engagement with external experts and affected stakeholders, is still underway and results will be reported in our FY24 Modern Slavery Statement.

FORCED LABOUR

In FY21 we reported on how we responded to allegations of forced labour arising in sub-tiers of one of our customers' supply chains, as well as the supply chain of one of our tier 1 suppliers. In both situations, we took steps to assess the risk of our involvement and openly engaged with our customer and supplier to discuss our concerns. Our ability to assess the alleged impacts (and our level of involvement) and our leverage to drive a response was limited, due to the lack of verifiable information.

We recognise the continuing risk of forced labour, including State-sponsored forced labour, occurring across our operations and supply chain. During FY23 we continued to identify and escalate high risk customers and suppliers for additional due diligence through our risk assessment processes (including WIB's Customer and Transaction Risk Escalation Committee (CTREC)). Where appropriate, we engaged directly with customers and suppliers to help ensure they have adequate policies and processes in place to address any identified risks (refer to *Supplier action plans* in Section 5 - *Our actions to identify, assess and address modern slavery risk*).

As Australia focuses on transitioning to a net-zero economy, it is important that we consider and address any human rights impacts and modern slavery challenges associated with the technologies and practices that underpin this transition. We recognise that forced labour (including State-sponsored forced labour in certain jurisdictions) is a risk associated with the manufacturing of renewable energy technology and its components, including solar modules, lithium batteries and wind turbine components¹. We also recognise that child labour is a risk associated with the mining of critical transition minerals in high risk geographies¹. A key strategic focus of our **Human Rights Position Statement and Action Plan** is to continue building our understanding of and response to the issue of a just and inclusive transition.

As a financial services provider

Risk that customers are experiencing modern slavery through their personal or work circumstances

There is a risk that we may have individual customers who are vulnerable to modern slavery through their personal or work circumstances. Although we may not be involved in the instance or allegation of modern slavery, and it may not be directly related to our relationship with customers, we may identify such instances through our customer interactions in a branch, over the phone or online. In these instances, our Customer Vulnerability Policy and vulnerable customer escalation model set out our approach to supporting customers experiencing vulnerability, including modern slavery.

Our customers' vulnerability to modern slavery may also be increased through their banking decisions, financial security or hardship, or fraud and scams, leading to disadvantage, vulnerability or loss of wealth.

Risk that customers misuse our products or services to facilitate or benefit from modern slavery, including child sexual exploitation

We recognise that we may have customers who misuse our products or services to facilitate or benefit from criminal activities that involve modern slavery, such as through the laundering of profits from modern slavery or through direct transactions to share or pay for child sexual abuse materials.

This risk may also be higher where our customers are involved in activities, industries or geographies that are higher risk for modern slavery; for example, by transacting to and from countries that are high risk for human trafficking or child sexual abuse and exploitation. There may also be a connection between corruption and human rights abuses, and recognise that some types of financial crime, such as corruption or tax/sanctions avoidance, may be linked to modern slavery.

We continuously work to combat and prevent financial crime and the misuse of our products and services, including through adverse media screening, customer verification and screening, payments screening and transaction monitoring (which includes modern slavery and child sexual exploitation detections scenarios), as well as through investigations into suspicious account activity including those that may relate to human trafficking and child sexual exploitation. We also expect our customers to respect human rights and, where applicable, meet the requirements of our Position Statements (including our **Human Rights Position Statement and Action Plan** and **Child Safeguarding Supplement**) and the contractual terms of use for our products and services.

¹ <https://www.walkfree.org/global-slavery-index/findings/spotlights/the-costs-of-the-climate-crisis/>

As a lender and investment product provider

Risk that we lend to retail, commercial or institutional customers connected to modern slavery

We recognise that there is a risk of involvement in modern slavery where we provide lending, project finance or other financial services or products to retail, business or institutional customers that perpetrate, rely on, benefit from or are otherwise connected to modern slavery in their own operations, supply chain or business relationships.

As part of our credit risk and lending processes, we continue to identify and prioritise high-risk customers for additional targeted due diligence (including ESG risk assessments), ongoing monitoring and/or direct engagement to assess how they are working to reduce and prevent modern slavery risk in their operations and supply chain (refer to *Section 5 - Our actions to identify, assess and address modern slavery risk*).

Risk that our wealth management products facilitate investments in companies or assets connected to modern slavery

Products issued by BT invest in other financial products (either at the direction of the investor (in the case of platforms) or by the responsible entity or an appointed investment manager (in the case of managed funds or managed portfolios)). There is a risk that those other financial products may be exposed to modern slavery risk. For example, through a BT platform, a customer may acquire listed securities in a company that may have modern slavery in its operations or supply chain. The underlying investments in these other financial products span multiple asset classes, industries and countries which make assessing the risk of modern slavery challenging. Where BT provides access to investments through investment platforms, the nature of these investments means that BT may have limited ability to influence the management of modern slavery risk associated with the underlying companies or assets.

For managed funds or managed portfolios offered by BT, exposure to modern slavery risk tends to be higher where the underlying investments are associated with industries and countries that are higher risk for modern slavery, or have supply chains that extend into geographies and industries where modern slavery is more likely to occur.

Where our internal product teams have appointed an external investment manager directly or where BT provides access to third party investments, BT is not involved in making individual investment decisions. BT does consider the investment beliefs of the external investment manager in deciding whether to appoint the manager.

As an employer

Risk that our workers are exploited, prevented from exercising their labour rights, or subjected to unfavourable working conditions

We recognise that there may be a risk of exploited labour within our workforce. This risk tends to be higher across our temporary or contingent workforce, where we may have limited visibility over the recruitment, pay and labour practices of the third party recruitment or labour hire agents we use. The risk may be compounded if we employ low skilled workers or workers with existing vulnerabilities, or where we operate in geographies that are high risk for modern slavery. For example, our temporary or contingent employees could be underpaid or required to pay excessive recruitment fees to a third party labour hire agency.

We consider the risk of modern slavery in our direct operations to be low due the highly skilled nature of our professional workforce, our people policies (refer to *Policy commitment in Section 5 - Our actions to identify, assess and address modern slavery risk*) and controls, and accessible grievance mechanism (Speaking Up).

As a supporter of communities

Risk that our partnerships, grants or charitable donations support organisations connected to modern slavery

We may be exposed to modern slavery where our partnerships, grants or charitable donations support organisations that are connected to modern slavery, particularly where these organisations operate in or source from industries or countries that are higher risk for modern slavery. For example, a charity or organisation that is a recipient of one of our social impact grants (i.e. through our Safer Children, Safer Communities (SCSC) program), partnerships or donations, may be found to have modern slavery in its operations or supply chain, or our funding may not be used as intended and instead be used in relation to activities involving modern slavery, or activities within higher risk industries or countries. We are continuing to uplift the way we manage this risk through our Financial Crime Risk Management Framework as well as our Charitable Donations Policy.

As a purchaser of goods and services

Risk that we procure goods with components that are manufactured or sourced using modern slavery

Risk that we procure services from contractors who are connected to modern slavery

There is a risk that we could be connected to modern slavery if we procure goods from suppliers with components that are manufactured or sourced using forced labour, the worst forms of child labour or other forms of modern slavery. We could also be connected to modern slavery if we procure services from suppliers (including contractors, outsourced and offshore service providers) that exploit their workers, including temporary visa holders, children and young people, low skilled workers or other vulnerable workers.

Our level of involvement may be influenced by our sourcing practices, engaging in one-off purchases and/or the use of non-contracted suppliers, or where suppliers engage in certain workplace practices or commonly employ vulnerable workers such as children and young people (i.e. under 18 years), temporary visa holders.

As part of our Responsible Sourcing program, we have identified 10 categories (refer to table right) in our supply chain which present higher risk for modern slavery including due to employment of temporary visa holders, use of low skilled labour, child labour or potential forced labour, or offshore manufacturing of goods in high risk countries.

Under the Responsible Sourcing Program, delivered through our digital Responsible Sourcing Assessment process, identified higher risk suppliers are required to complete a full Responsible Sourcing Assessment and demonstrate how they are working to reduce and prevent modern slavery risk in their supply chain.

PRIORITISED HIGH RISK CATEGORIES

Labour Hire

Contingent labour/contractors



IT Hardware

IT and telco hardware and consumables



Cleaning and Facilities Maintenance

Services in our corporate buildings and branches, including outgoings paid to landlords for activities on our behalf



Construction

Construction and fit-out projects in our corporate buildings and branches



Business Process Outsourcing (Onshore)

Mail sorting, document scanning and call centres



Business Process Outsourcing (Offshore)

Mortgage and data processing, call centres and IT systems support



Manufactured Products

Merchandise, stationery, security equipment, ATMs and commercial print



Security Services

Security, guarding services and mobile patrols for our corporate buildings and branches



Apparel

Uniforms for our branch staff



Hospitality and Accommodation

Catering and hospitality services in our corporate buildings and corporate travel hotels



5 OUR ACTIONS TO IDENTIFY, ASSESS AND ADDRESS MODERN SLAVERY RISK

Sustainability governance

Westpac Board oversight of sustainability




We continue to strengthen the integration of the governance and management of sustainability matters into our operations. This includes strategy development, approval of position statements, operational management and decision-making processes.

The Board approves our key sustainability policies such as our [Human Rights Position Statement and Action Plan](#), [Climate Change Position Statement](#) and our [Natural Capital Position Statement](#) as part of their oversight over our sustainability strategy. The Board approved Risk Appetite Statement also includes matters relating to sustainability risk, including social and climate change risks.

The Board Risk Committee (BRiskC) considers and approves the Sustainability Risk Management Framework at least every two years. The BRiskC meets at least four times a year and also reviews the monitoring of Westpac's reputation and sustainability risk class performance.

The Board and its Committees also receive regular reports from the Group Executives, and second-line (Risk) functions on sustainability-related matters.

During FY23, the Board received training on key environmental, social (including human rights and modern slavery) and governance topics (refer to *Training and capability building in Section 5 - Our actions to identify, assess and address modern slavery risk*), which was a key focus area for the Board's continuing education and professional development in FY23 (refer to the [Corporate Governance Statement](#) for more information on the Boards skills).

Board oversight 		Westpac Board		
		Board Risk Committee (BRiskC)		
Management Teams and Governance Committees 	Overall responsibility	Westpac CEO		
	Governance oversight of frameworks, policies, implementation	Environmental, Social and Governance and Reputation (ESGR) Committee (chaired by CEO)		
		External advisory groups including: Stakeholder Advisory Council, Westpac Indigenous Advisory Committee, Safer Children, Safer Communities Roundtable		
	Strategy development and program management	Group Sustainability Team (led by Chief Sustainability Officer)		
Divisional level implementation and product and risk management	Divisional Risk Committees			
	Divisional management teams			
	ESG disclosure and reporting			
Policies, Frameworks and Statements 	Group Risk Management Framework	Group Risk Management Strategy	Board Risk Appetite Statement	
	Sustainability Risk Management Framework	Group Environmental, Social and Governance (ESG) Credit Risk Policy		
	Position Statements and other public commitments			

Management's role in assessing and managing sustainability

The day-to-day management of Westpac's approach to sustainability is the responsibility of the CEO and is delegated to Group Executives and senior management where appropriate. The CEO and senior management work to embed the assessment of risks and opportunities of sustainability (including human rights and modern slavery) into our operations and ensure our people understand their role in supporting the Group and customers in meeting our collective sustainability ambitions.

A range of committees help assess sustainability related matters (including human rights and modern slavery) and support executive management in their decision making including:

COMMITTEES INVOLVED IN ASSESSING SUSTAINABILITY (SOCIAL) RISKS AND OPPORTUNITIES

Environment, Social, Governance, and Reputation (ESGR) Committee	<ul style="list-style-type: none"> – Chaired by the CEO and met five times in 2023. – Includes Group Executives of the major operating divisions, the Chief Risk Office, Group General Counsel, and senior executives with ESG accountabilities. – Supports the CEO to make decisions on significant ESG-related matters. – Reviews and provides input on our Sustainability strategy and ESG agenda, including human rights.
Stakeholder Advisory Council (SAC)	<ul style="list-style-type: none"> – Forum comprising a range of external stakeholders to provide insights and feedback to the CEO and selected executives on Westpac's approach to sustainability. – Meeting three times per year, topics discussed focus on the pillars of Westpac's strategy and purpose, as well as objectives outlined in the Group's Sustainability strategy. – Helps the Group understand and identify the most pressing issues, emerging ideas and leading practices on environmental, social and governance matters.
ESG Council	<ul style="list-style-type: none"> – Chaired by the Chief Executive Business and Wealth and includes senior ESG executives. – Helps prioritise and drive ESG activities across the Group.
Safer Children, Safer Communities Roundtable	<ul style="list-style-type: none"> – Forum comprising experts in human rights, child safety, online safety and law enforcement, who have co-designed and guide our approach to child safeguarding. Refer to <i>Engagement and advocacy</i> in <i>Section 5 - Our actions to identify, assess and address modern slavery risk</i>.
Divisional risk committees	<ul style="list-style-type: none"> – Chaired by the relevant divisional Group Executive and includes senior executives and Chief Risk Officer from the division. – Considers material sustainability risks (including social risks) for the division, including risk profile assessments and risk appetite measures.

Day-to-day management of sustainability-related matters (including human rights and modern slavery) is delegated to teams across the Group with key responsibilities outlined below:

SUSTAINABILITY (SOCIAL) RESPONSIBILITIES ACROSS GROUP DEPARTMENTS

Group Sustainability	<ul style="list-style-type: none"> – Develops our sustainability positions (including our Human Rights Position Statement and Action Plan) and policies and sets the Group sustainability strategy. – Leads the Group's approach to collaborating with external bodies. – Advises the ESGR Committee and the business on human rights and sustainability strategy and policies.
Group Procurement	<ul style="list-style-type: none"> – Manages responsible sourcing and supplier diversity and inclusion programs.
ESG Risk	<ul style="list-style-type: none"> – Line 2 Risk functions under the Group's three lines of defence operating model. – Provides oversight and challenge of the management of sustainability risk in conjunction with other Line 2 teams (Risk Class Owners, Divisional Chief Risk Officer). – Sets the Group's approach for sustainability risks, including related frameworks and policies. This includes the Sustainability Risk Management Framework.
Divisions	<ul style="list-style-type: none"> – Assesses ESG risks for suppliers, customers and transactions (if required) including escalation to the Customer and Transaction Risk Escalation Committee (institutional customers) (CTREC). – Coordinates divisional ESG capability building for staff and customers. – Keeps management teams abreast of emerging ESG matters.

For more information, refer to our [2023 Annual Report](#).

WNZL

During the year, the New Zealand Government announced plans to introduce legislation that will require organisations with over \$20 million (NZD) in revenue to report on modern slavery risks in their operations and supply chains. In anticipation of the new legislation, WNZL established a modern slavery working group to review and strengthen WNZL's modern slavery approach. The working group's focus is to assess the impacts of the proposed legislation, raise awareness and capability of employees to identify modern slavery risks, and monitor emerging human rights issues. In FY24, the working group will continue to monitor the proposed legislation and uplift WNZL's modern slavery approach.

Policy commitment

The table below sets out key frameworks and policies that support our human rights commitments and approach to managing the risks of modern slavery across our operations and supply chain. These apply across the Group unless otherwise stated. *Appendix 2* sets out additional policies and frameworks that support our broader approach to managing ESG risk.

POLICY	HOW THE POLICY SUPPORTS OUR MODERN SLAVERY APPROACH	HOW THE POLICY IS IMPLEMENTED
Human Rights Position Statement and Action Plan and Child Safeguarding Supplement	<p>Our approach to managing modern slavery risk is integrated within our broader human rights approach. This year we released our fourth Human Rights Position Statement and Action Plan, the first where we have specifically integrated our position and actions on child safeguarding through our Child Safeguarding Supplement. This position statement builds on the progress we have made to date by laying out our commitments and approach to respecting and advancing human rights, including our approach to conducting human rights due diligence.</p> <p>Our 2026 Action Plan sets out a series of key areas for strategic focus to guide us over the next three years.</p>	<p>Our Human Rights Position Statement and Action Plan and Child Safeguarding Supplement are published internally on our intranet and also publicly available on our corporate website.</p> <p>The commitments set out in our Human Rights Position Statement and Action Plan and Child Safeguarding Supplement are reflected in Group policies, standards, processes and risk controls. Compliance with our commitments is monitored through a standalone ESG Obligations Library in our risk management system.</p>
Financial Crime Risk Management Framework and supporting policies	<p>Our Financial Crime Risk Management Framework outlines our approach to prevention, detection, reporting and mitigation of financial crime risks, and managing compliance with global and local regulations. Key policies supporting the Framework include:</p> <ul style="list-style-type: none"> – Group Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Policy sets out our approach for managing AML/CTF risk and complying with legislative obligations, including systems and processes to manage AML and CTF risks (including potential links to modern slavery) presented by customers, products and services, channels and jurisdictions. – Group Sanctions Policy outlines our approach to protecting our customers and communities by preventing business relationships and transactions that are subject to applicable economic and trade sanctions. – Group Financial Crime Risk Standard outlines the minimum requirements divisions must meet to identify, mitigate and manage financial crime associated with our customers, employees and third parties (including suppliers) as well as comply with applicable financial crime legislation (including enhanced customer due diligence requirements on priority crimes which include modern slavery and child sexual exploitation). 	<p>Our Financial Crime Risk Management Framework and supporting policies are published internally on our intranet and regularly reviewed, with any updates communicated to relevant business areas. We also provide training on the Framework and supporting policies to relevant employees as part of our ongoing mandatory training framework.</p> <p>Our Group Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Policy and Group Sanctions Policy are also publicly available on our corporate website.</p>

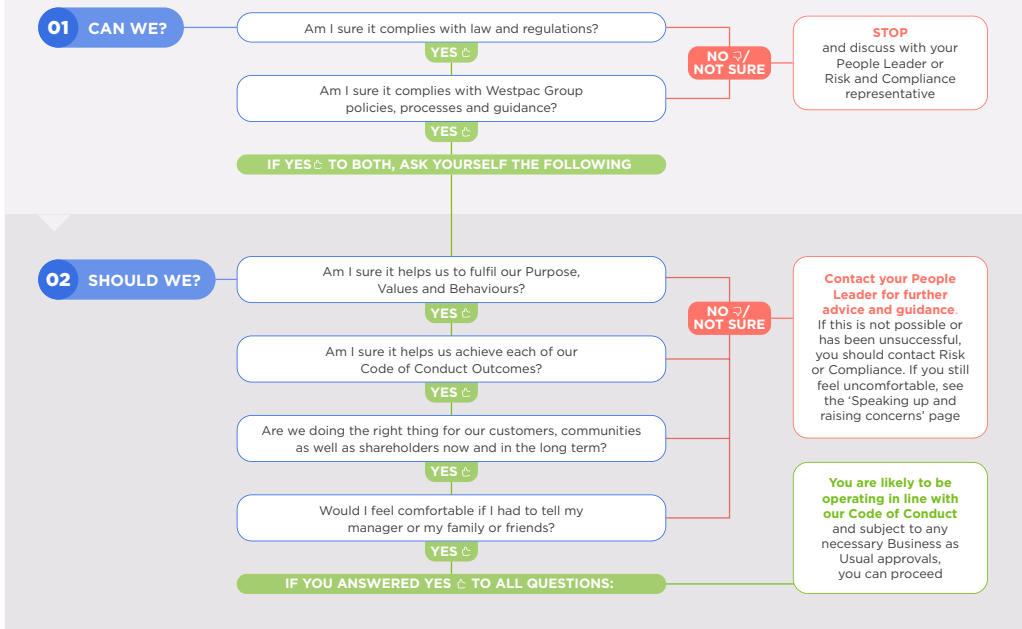
POLICY	HOW THE POLICY SUPPORTS OUR MODERN SLAVERY APPROACH	HOW THE POLICY IS IMPLEMENTED
<p>Group ESG Credit Risk Policy and supporting standards</p>	<ul style="list-style-type: none"> – The Group ESG Credit Risk Policy describes how we incorporate ESG risk analysis (including in relation to modern slavery) into the credit assessment and approval process for business, corporate and institutional customers. – The Group ESG Credit Risk Policy is supported by divisional standards relating to institutional and business customers and transactions including the Institutional and Business Bank ESG Risk Management Standards. These standards also support implementation of the Group ESG Credit Risk Policy, Sensitive Sector Position Statements, and Sustainability Risk Management Framework. 	<p>Our Group ESG Credit Risk Policy and supporting standards are published internally on our intranet and regularly reviewed, with any updates communicated to relevant business areas. The requirements of the Policy and standards are embedded through our ESG credit risk tools.</p>
<p>Investment Governance Policy</p>	<p>BT's Investment Governance Policy¹ sets out BT's investment principles which require ESG information and tools be provided to investors to help them make informed decisions as a part of their investment selection.</p>	<p>BT's Investment Governance Policy is published internally on our intranet. It is reviewed annually and any updates are communicated to relevant business areas through training.</p>
<p>Code of Conduct</p>	<p>Our Code of Conduct sets the standards and expectations of our company and people to do the right thing, including compliance with laws and key policies. Key policies include our Group Remuneration Policy and Group Recruitment Policy. It also describes the 'Outcomes' we expect and includes a 'Should We?' Test designed to help us work through decisions where the right thing to do may not be immediately clear (refer to diagram below).</p>	<p>Our Code of Conduct is published internally on our intranet and also publicly available on our corporate website, and our Group Remuneration Policy and Group Recruitment Policy are available on our intranet. They are regularly reviewed and any updates are communicated to relevant business areas.</p> <p>We provide training on Code of Conduct (including the 'Should We?' Test) to our employees as part of our ongoing mandatory training framework.</p>
<p>Responsible Sourcing Code of Conduct and supporting policies and standards</p>	<ul style="list-style-type: none"> – The Responsible Sourcing Code of Conduct outlines our key ESG principles for doing business with our suppliers including the requirement that suppliers have policies and/or processes in place to identify and address modern slavery within their operations and supply chain. – The Procurement Policy (Global) provides a consistent process, effective risk management and clear roles and responsibilities for Procurement activities. – The Supplier Risk Management Standard (Australia) outlines how we manage and monitor risk when doing business with our suppliers, including supplier risk assessment requirements through the Responsible Sourcing Assessment. 	<p>Our Responsible Sourcing Code of Conduct is published on our intranet and also publicly available on our corporate website, and our Procurement Policy (Global) and Supplier Risk Management Standard (Australia) are available internally on our intranet. They are regularly reviewed and any updates are communicated to relevant business areas.</p> <p>Responsible sourcing training (including requirements of the Responsible Sourcing Code of Conduct, Procurement Policy (Global) and Supplier Risk Management Standard (Australia) is provided to relevant business areas (refer to <i>Training and capability building in Section 5 - Our actions to identify, assess and address modern slavery risk</i>).</p>

¹ From 1 April 2023, BT ceased providing any trustee directed investment products. As a result, the BT Sustainability Principles and BT Sustainable Investment Policy are no longer in effect.

POLICY	HOW THE POLICY SUPPORTS OUR MODERN SLAVERY APPROACH	HOW THE POLICY IS IMPLEMENTED
Speaking Up Policy	The Speaking Up Policy supports current and former employees (including those employed on a temporary basis, secondees and contractors), and current and former suppliers and their workers, to raise concerns about suspected or actual unethical or unlawful behaviour, where it may have implications for Westpac. Modern slavery is considered reportable conduct.	Our Speaking Up Policy is published internally on our intranet and also publicly available on our corporate website. It is regularly reviewed and any updates are communicated to relevant business areas. We provide training on the Policy to relevant employees as part of our ongoing mandatory training framework (refer to <i>Training and capability building</i> in <i>Section 5 - Our actions to identify, assess and address modern slavery risk</i>).
Customer Vulnerability Policy and Customer Vulnerability Standard	Our Customer Vulnerability Policy sets out our principles for supporting customers experiencing vulnerability, including modern slavery. The Customer Vulnerability Standard (Australia) outlines our approach to providing extra care to customers experiencing vulnerability in line with our purpose, values and behaviours, Code of Conduct, Australian regulatory obligations, Australian industry guidelines and community expectations.	The Customer Vulnerability Policy and Customer Vulnerability Standard (Australia) are published internally on our intranet and requirements are embedded into customer facing and specialist vulnerability teams operational procedures. The Policy and Standard are regularly reviewed and any updates are communicated to relevant business areas. Customer Vulnerability training (including requirements of the Customer Vulnerability Policy and Customer Vulnerability Standard) is provided to customer facing and specialist vulnerability teams as part of their ongoing mandatory training framework (refer to <i>Training and capability building</i> in <i>Section 5 - Our actions to identify, assess and address modern slavery risk</i>).
As a supporter of our communities	The Charitable Donations Policy (Global) reflects our commitment to helping ensure integrity, accountability and ethical conduct in our charitable donations, including seeking to manage risks in our charitable donations such as modern slavery risk. The Charitable Donations Standard (Australia) outlines requirements to assess risks including social risk (including human rights and modern slavery) prior to making charitable donations.	The Charitable Donations Policy (Global) and Charitable Donations Standard (Australia) are published internally on our intranet and regularly reviewed, with any updates communicated to relevant business areas.

OUR 'SHOULD WE?' TEST

While our frameworks and policies are intended to help us understand what we expect from our employees, they may not cover every decision we will make. The 'Should We?' test is designed to help our employees work through decisions where the right thing to do may not be immediately clear.



Sustainability risk management

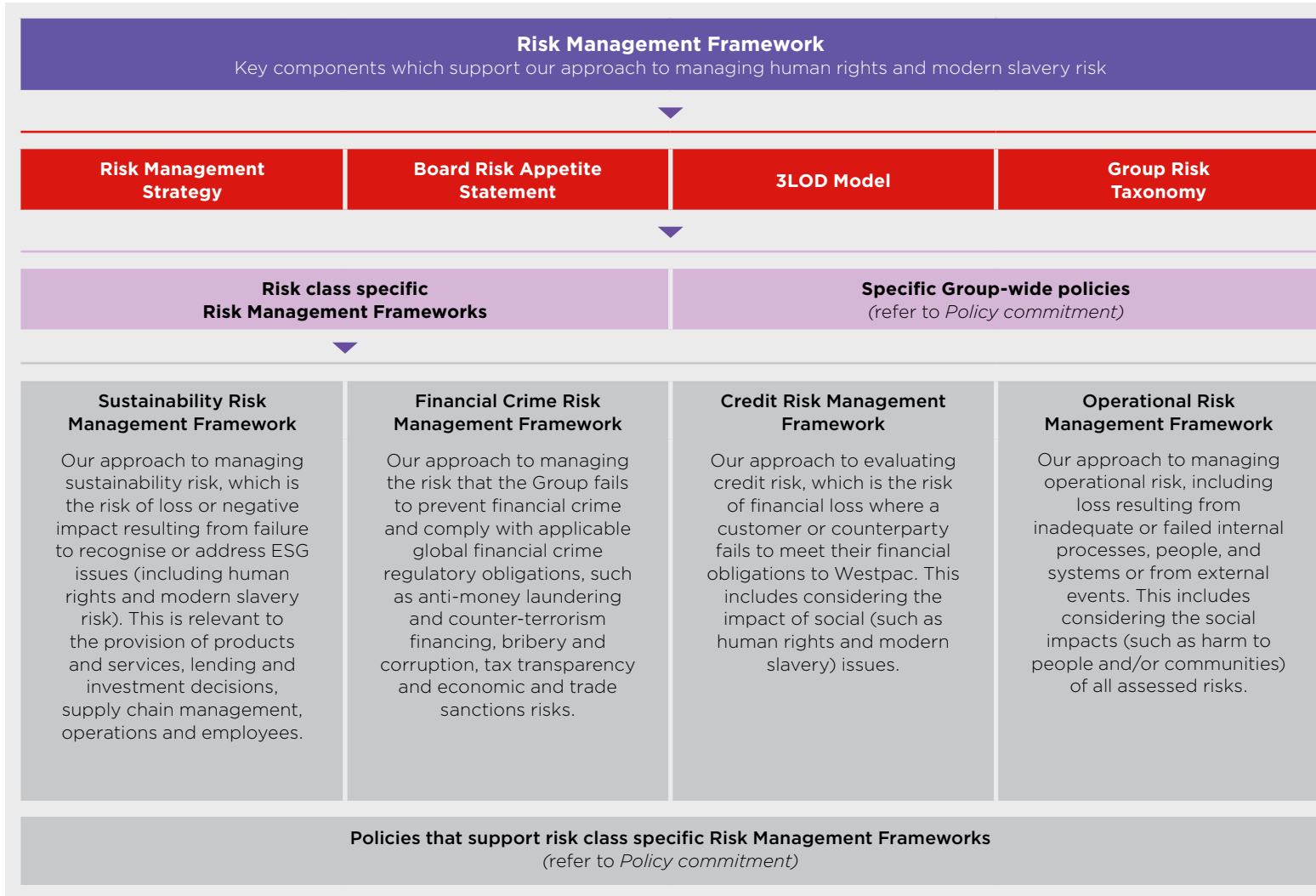
Westpac's Sustainability Risk Management Framework sets out our approach to managing sustainability risks relating to human rights (including modern slavery), climate change and the environment. It supports the Board approved Risk Management Framework (RMF) which describes our approach to managing material risks we face.

We use a Board approved Risk Taxonomy to classify and categorise our material risks and the sub-categories of those risks. Sustainability risks, including human rights and modern slavery risk, have the potential to affect the company in various ways with the main impacts classified under the material risks of Reputation and Sustainability Risk (as a non-financial risk) and Credit Risk (as a financial risk). We also consider sustainability risk across other material risk classes, including Operational Risk and Credit Risk – refer to the diagram below.

During the year, the following was undertaken to improve our management of sustainability risks (including human rights and modern slavery) across the Group:

- Under our internal risk assessment process our divisions must consider how sustainability risks may arise through their operations, customer interactions and supply chain. In assessing the risks, the inherent and residual risk is evaluated, as well as the effectiveness of the control environment. The assessment considers emerging risks, issues and incidents to complete a comprehensive view of sustainability risks, including social risk¹ (which includes human rights and modern slavery risk). Quarterly monitoring is performed by Second Line Risk teams, and an aggregate view of the Risk Class is developed based on the divisional assessments.
- Divisions must also assess the social and environmental impact when assessing risks, incidents and issues. This provides an outward view of the realised or potential impact of any failed internal processes or systems, allowing greater visibility of potential remediation activity.
- Our ESG Risk team performed a range of thematic reviews with findings communicated back to divisions, including:
 - Assessing the appropriateness of social impact assessments, particularly given it has recently been implemented as a new risk impact scale category. We reviewed incidents that may have a social impact, such as risks relating to vulnerable customers.
 - A review of modern slavery controls was performed across our Consumer and Business Divisions. The review involved identifying controls used to measure and manage modern slavery risk and whether they have been adopted. The controls included 'know your customer' related controls, customer onboarding risk assessments and transaction monitoring.
- Reviewed our Group Environment, Social and Governance (ESG) Credit Risk Policy and supporting divisional standards.
- Provided an update to the BRiskC on sustainability risk, as part of the Reputation and Sustainability Risk Class review.

¹ Social risk (including human rights and modern slavery) is the risk of loss or negative impact as a result of a failure to recognise and address the current or emerging social risks, including salient human rights themes.



WNZL

WNZL has its own Board-approved Risk Management Framework and risk-class specific Risk Management Frameworks. Human rights risks are identified in line with the Group’s Sustainability Risk Management Framework in areas including lending and supply chain management.

BT

During FY23, the BT reporting entity Boards comprised only Independent Non-Executive Directors who are responsible for approving the Investment Governance Policy which shapes the listed securities, managed fund and managed portfolio investment options available on BT platforms, and investment monitoring.

Identification, assessment and management of risks: operations

As a financial services provider

Our Financial Crime Risk Management Framework outlines our approach to managing financial crime risk including complying with applicable global financial crime regulatory obligations. Key components of the Financial Crime Risk Management Framework include prevention, detection, management and reporting of financial crime risks (refer to the diagram below). It also supports our Group Risk Management Framework and Risk Management Strategy (refer to *Sustainability risk management* above).

	FINANCIAL CRIME RISK MANAGEMENT FRAMEWORK			
Financial crime risks that may have a connection with modern slavery risks	Anti-money laundering and counter terrorism financing	Economic and trade sanctions	Tax transparency	Anti-bribery and corruption
Principles for combatting modern slavery risks through financial crime risk management	PREVENTION <ul style="list-style-type: none"> Who (customers, employees, third parties) How (channel, products) Where (jurisdiction) 	DETECTION <ul style="list-style-type: none"> Due diligence (customers, employees, third parties) Screening (customers, employees, third parties) Training (employees) Monitor (customers, transactions) 	MANAGEMENT <ul style="list-style-type: none"> Manage relationships (customers, employees, third parties) 	REPORTING <ul style="list-style-type: none"> Regulatory reporting (customers, transactions) Independent oversight (independent reviews)

Modern slavery risks may be identified through financial crime processes including risk assessments across products, channels, customers; payment and customer screening; customer due diligence; and transaction monitoring. During the year, we aimed to strengthen human rights (including modern slavery) considerations in our financial crime processes through:

- Updating the Jurisdictional Risk Assessment (JRA) methodology by adding a new risk factor related to human rights and by increasing the weighting of an existing risk factor related to human trafficking. The JRA provides an assessment of the financial crime risks posed by the jurisdictions relevant to the Group, including jurisdictions where customers are based or operate, jurisdictions where transactions are sent to or received from, as well as jurisdictions where the Group or our third parties operate from.
- Updating the Customer Risk Assessment (CRA) methodology by revising and embedding modern slavery and child sexual exploitation risks in the risk ratings for industry and occupation components of the assessment. The CRA assesses financial crime risk associated with our customers and is completed during customer onboarding and refreshed on a regular basis. Enhanced customer due diligence is conducted where financial crime risk (including modern slavery risk) associated with our customers is high or extreme.
- Commencing a review of our Product and Channel Risk Assessment (PCRA) to include modern slavery considerations. The PCRA assesses potential financial crime risks associated with our products and product channels.
- Updating our Financial Crime Human Rights Integration Plan to align with our refreshed **Human Rights Position Statement and Action Plan**. This included identifying new initiatives to help ensure Westpac's commitments and human rights considerations are integrated into financial crime frameworks, policies and processes.

This year we also continued to:

- Enforce the Group Sanctions Policy and sanctions compliance program aimed at ensuring we do not have banking relationships with or facilitate any transactions involving individuals and/or entities that are the subject of sanctions designations due to involvement in modern slavery related activities or human rights abuses.
- Regularly review and update media and transaction monitoring procedures and relevant detection scenarios to include new modern slavery or child sexual exploitation indicators.
- Uplift the capability of our people to understand the links between financial crime and modern slavery through:
 - Mandatory online financial crime awareness training for all Group employees, which highlighted the risks of modern slavery in financial crime; and
 - Inviting our community partner, the International Justice Mission (IJM), to share insights on the current link between scams and modern slavery with our scams teams.

CASE STUDY: SAFEGUARDS TO KEEP CHILDREN AND YOUNG PEOPLE SAFE AS THEY BANK WITH US

We recognise that children and young people are increasingly accessing financial products and services, both in physical and online environments, participating in decision making around managing their money, and generating income in non-traditional ways – making it important to help reduce their exposure to harm.

During the year, we introduced mandatory Safety by Design training for more than 800 employees involved in product development. This was in recognition that through the design of our products and services we can play a role in promoting safe and responsible banking for children and young people.

We also introduced new parental controls to help young people learn how to manage their money safely while giving parents the opportunity to act as banking ‘safety nets’. We also added push notifications, restrictions on online payments and daily payment limits of \$50 for children under 14 years old to our Choice Youth everyday account and Bump Savings account.

Identifying modern slavery risks that present to customer facing employees

We seek to provide customers identified as vulnerable with support (extra care) in line with our Vulnerable Customer Policy. In line with the Vulnerable Customer Standard (Australia)¹, modern slavery has been embedded into our vulnerable customer escalation model since FY21. Suspicions or disclosures of modern slavery are required to be escalated to Priority Assist, one of our specialist vulnerability teams, who provide vulnerable customers with extra care and support. The Vulnerable Customer Toolkit (Australia) provides guidance to our customer facing and specialist vulnerability teams on how to provide extra care to vulnerable customers.

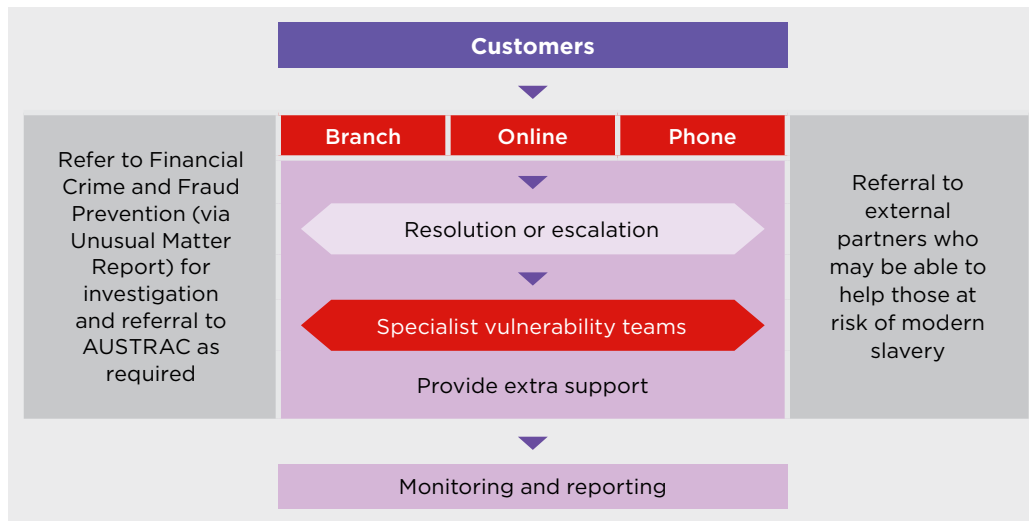
Where modern slavery risk indicators are detected (refer to *Indicators of modern slavery risk* in *Section 4 - Modern slavery risks across our operations and supply chain*), employees are required to raise an Unusual Matter Report (UMR). This includes concerns raised through interactions with customers or banking activity (i.e. transactions). UMRs are investigated by our Financial Crime and Fraud Prevention team and the Australian Transaction Reports and Analysis Centre (AUSTRAC) as required, via Suspicious Matter Reports (SMRs). AUSTRAC provides information to the police and law enforcement agencies as required. Refer to *Section 6 - Assessing the effectiveness of our modern slavery approach and defining our future focus* for matters raised during FY23 due to high modern slavery risk.

During the year, we continued to uplift modern slavery guidance for customer facing and specialist vulnerability teams including:

- Incorporating the Modern Slavery Risk Indicator Library (which was refreshed in FY22) into the Vulnerable Customer Toolkit (Australia) (refer to *Indicators of modern slavery risk* in *Section 4 - Modern slavery risks across our operations and supply chain*).
- Updating guidance on modern slavery for customer facing and specialist vulnerability teams in the Vulnerable Customer Toolkit (Australia).

We also continued to include reference to external referral partners (the Freedom Hub and Salvation Army Trafficking and Slavery Safe House) in the Customer Vulnerability Toolkit.

¹ Sets the minimum requirements to be applied by Westpac Group divisions based in Australia to provide extra care for customers experiencing vulnerability.



WNZL

WNZL's Extra Care teams provide support to customers facing vulnerability, including those who may be impacted by modern slavery. Internal guidance documents provide information for Extra Care teams on recognising, referring and recording risks associated with vulnerable customers, including modern slavery.

WNZL's modern slavery working group (refer to *Sustainability Governance* above) will focus on driving initiatives to continue to uplift WNZL's modern slavery approach when it reconvenes in FY24 (currently paused until further information about the proposed legislation is available), including continuing to uplift vulnerable customer policies and processes to support customers impacted by modern slavery.

As a lender

We have a detailed approach to assessing and reviewing our significant customers and transactions for their sustainability-related risks. The Group's ESG Credit Risk Policy forms part of our credit risk assessment process and requires the completion of an ESG-related risk assessment prior to approving finance and at periodic reviews, for certain customers and transactions.

Institutional lending

Our institutional bankers, supported by ESG specialists, complete ESG-related risk assessments. Transactions may also be escalated to the Customer and Transaction Risk Escalation Committee (CTREC) comprising executives from business, sustainability and risk management. CTREC considers transactions for ESG, reputational, conflict and financial crime risks and ensures transactions consider our sector positions. The Institutional Bank Chief Executive has authority to approve or decline a transaction following the CTREC review and may escalate any decision to the ESG Committee and/or the CEO. Refer to *Section 6 - Assessing the effectiveness of our modern slavery approach and defining our future focus* for matters escalated to CTREC due to high modern slavery risk.

This year we formalised an Institutional ESG Risk Management Standard which sets out how ESG risk (including modern slavery) is managed for institutional customers and transactions. It supports implementation of our Group ESG Credit Risk Policy, Sensitive Sector Position Statements, and Sustainability Risk Management Framework.

Business lending

In our Australian Business division, portfolio risk assessments have been conducted across the portfolio to better understand sustainability risks (including human rights and modern slavery) and ensure alignment with our policies and position statements. We are digitising our ESG Risk Assessment tool in FY24 which will enable our bankers to conduct assessments at scale progressively.

During the year we also formalised a Business Bank ESG Risk Management Standard which supports the Group's ESG Credit Risk Policy by outlining how ESG risk (including modern slavery) is managed for business customers and transactions.

WNZL

WNZL's ESG Credit Policy guides its approach to identifying and assessing ESG risks (including human rights and modern slavery) at a customer, transaction and sector level and is aligned with WNZL's Sustainability Risk Management Framework and the Group ESG Credit Risk Policy. Where ESG risks are identified through the credit process, an ESG materiality assessment is required to determine the escalation pathway, which may include WNZL's ESG Advisory team. This may include direct engagement with customers until there is sufficient comfort that adequate action has been taken to address modern slavery risk. Refer to *Section 6 - Assessing the effectiveness of our modern slavery approach and defining our future focus* for matters escalated to WNZL's ESG Advisory team due to high modern slavery risk.

During FY23, WNZL also took steps to strengthen ESG capability by establishing the ESG Advisory team within Institutional and Business Bank (IBB) to support assessment of ESG credit risk. WNZL's ESG Credit Policy is also supported by a **consolidated Responsible Banking and Investment Position**, which provides an overview of how ESG factors guide lending, investment and wider banking activities for customers.

As an investment product provider

BT has adopted an Investment Governance Policy (IGP) which applies to its platform, managed fund and managed portfolio products. During the year, the IGP was updated¹ to expand on sustainability aspects of the investment principles which require ESG information and tools to be provided to investors using platform products to help them make informed investment selections. This may include the use of external companies to provide ESG information to investors such as Sustainalytics and the Responsible Investment Association of Australasia (RIAA).

Where our internal product teams have appointed an external investment manager directly or where BT provides access to third party investments, BT is not involved in making individual investment decisions.

BTNZ

BTNZ has an Investment Governance Framework which governs its investment activity including how key ESG factors (including human rights and modern slavery) are identified and assessed. The Framework is supported by BTNZ's **Sustainable Investment Policy** which excludes investment in companies and other issuers who are identified to be in breach of international human rights standards and labour protection laws. BTNZ also requires its underlying investment managers to comply with modern slavery legislation applicable in their jurisdictions.

As an employer

While we consider the risk of modern slavery to be low across our direct operations (due to the highly skilled nature of our professional workforce and our people policies and controls, and accessible grievance mechanism (Speaking Up)), we continue to manage modern slavery risk across our workforce through:

- Our people policies and practices, which seek to ensure that Westpac employees are able to join unions, enter into collective agreements and receive equal pay for equal work.
- The nature of our workforce arrangements – we do not employ casual employees, or irregular and transitory workers in Australia.
- Our employment arrangements and terms, which are set out in written employment contracts and other industrial instruments (including Enterprise Agreements for Australia, and Collective Agreements in New Zealand, Fiji and PNG). This year we entered into a new Australian Enterprise Agreement, which was supported by our employees and approved by the Fair Work Commission, and sets out employment benefits and arrangements which are in line with, or better off overall than, the Banking, Finance and Insurance (BFI) award and comply with the National Employment Standards.
- Our verification processes, which seek to verify the age of our candidates prior to them commencing employment, to reduce the risk that we employ children under minimum employment age in line with relevant State or Territory laws.

¹ From 1 April 2023, BT ceased providing any trustee directed investment products. As a result, the BT Sustainability Principles and BT Sustainable Investment Policy are no longer in effect.

- Communication of our grievance mechanisms (including our Speaking Up whistleblower channel), which are available to current and former employees, including contractors, temporary employees and employees of our Suppliers.
- Our Responsible Sourcing Questionnaire, which assesses modern slavery risk in our supply chain (including for labour hire and outsourcing arrangements) by asking suppliers targeted questions on employment practices including how they manage outsourcing, employment of temporary visa holders, workers under the age of 18, and use of recruitment agencies and subcontractors.
- Where suppliers are providing labour hire under our Talent Acquisition Managed Service Provider (MSP) agreement, workers are paid in accordance with the Banking and Finance award which is aligned with award uplifts made by Fair Work.

During FY22, we took action to roll out a clear set of requirements designed to help us meet our regulatory requirements in relation to child employment and the Migration Act 1958, Migration Regulations 1994 and Fair Work Act 2009. This year we strengthened monitoring of the requirements to help ensure that a complete and accurate list of obligations are maintained.

As a supporter of our communities

Charitable donations

We support our communities through partnerships, grants and charitable donations. During the year, we reviewed our charitable donations processes and identified areas to improve our existing charitable donations due diligence policies and processes. We commenced action to strengthen our charitable donations policy framework (including our Charitable Donations Policy (Global) and Charitable Donations Standard (Australia)) and due diligence processes, including continuing to integrate human rights and modern slavery considerations.

SEEKING THE VOICE OF CHILDREN AND YOUNG PEOPLE

During the year we engaged community sector organisations and advocates representing a diverse group of children and young people to seek their perspectives on the financial needs of children and young people in vulnerable circumstances. This included those in foster care and out of home care or those experiencing homelessness.

The session was led by Zoe Robinson (NSW Advocate for Children and Young People) and saw representation from organisations including PCYC, Act for Kids, KARI Foundation, Yourtown, Twenty 10, CREATE Foundation, Youth off the Streets and the Lillian Howell Project.

Insights gained from the session included the difficulties faced by children to open new bank accounts due to lack of personal identification documents and challenging parent/carer relationships. We used these key insights to help inform the design of our new **safety controls** for people under 18 years.

CASE STUDY: THREE YEARS OF FUNDING ON-THE-GROUND EFFORTS TO ADDRESS MODERN SLAVERY RISKS FACED BY CHILDREN ACROSS AUSTRALIA AND THE ASIA PACIFIC

Since launching the SCSC program in 2020, we have committed over \$61 million to more than 50 organisations to keep children and young people safe in Australia and across the Asia Pacific Region.

During FY23:

- We announced our final two grants of \$100,000 (per year for two years) to Odyssey House Victoria and Mackillop Family Services to support and scale their existing efforts to tackle child protection challenges across Australia and high risk countries in the Asia Pacific region.
- Our funding helped IJM support 139 victim rescues, provide training to 163 law enforcement officials and 14 prosecutors, and assist in the conviction of 48 perpetrators in the Philippines. It also supported Save the Children to provide child protection training to over 3,520 children and 1,203 adults across 106 community training workshops to raise awareness on online child sexual exploitation as part of the delivery of the 'Protect Children – Philippines' project in the Philippines.
- Through our grantee funding, the Australian Childhood Foundation in partnership with the Y Australia (formerly the YMCA) announced the Australian Child Safeguarding Business Coalition. In November 2023, the Coalition was officially launched and rebranded as 'On Us' with the five founding members Westpac, TikTok, GPT, IHG Hotels Group¹ and TBWA (Australia) with the aim to drive action on child safeguarding among Australian businesses.

More information on progress against the SCSC program is available on our [website](#).

Safer Children, Safer Communities (SCSC) program

Our three-year (2020 to 2023) SCSC work program included a series of actions and investments delivered across Australia and Asia-Pacific aimed at making meaningful impact on child safety and protection. As we marked the third year of the program, a majority of the funding has been committed to multi-year grant programs aimed at reducing the human impact of financial crime, and we also focused on the program's legacy across Australia and the Asia Pacific. Throughout the program we have undertaken detailed due diligence (by internal and external experts) of potential grant recipients to help ensure we fund reputable organisations that have appropriate human rights and child safeguarding policies and processes in place.

Identification, assessment and management of risks: supply chain

Our Responsible Sourcing Program, delivered through our Responsible Sourcing Assessment incorporating the Responsible Sourcing Questionnaire, has been designed to support the identification, assessment, management, monitoring and remediation of ESG risks (including modern slavery) in our supply chain.

The assessment process is aligned to our Responsible Sourcing Code of Conduct and supported by a Responsible Sourcing clause which is included in our standard Master Supply Agreements. The clause requires suppliers to participate in our Responsible Sourcing Assessment process and notify us if they identify any instances or allegations of modern slavery in their operations or supply chain.

In FY23 we reviewed our supply chain metrics to help continuously improve on how we measure the effectiveness of our Responsible Sourcing Program in assessing and addressing potential modern slavery risks. Our updated metrics are reported on in this Statement.

¹ InterContinental Hotels Group.

OUR RESPONSIBLE SOURCING PROGRAM

STEP

1

Initial risk assessment

The assessment process begins with an initial risk assessment which takes into account country risk, category risk and higher risk business practices. The output of the initial risk assessment is an inherent risk rating.

Category risk

Refer to *Section 4 - Modern slavery risks across our operations and supply chain* for an overview of our high risk supplier categories. As part of our risk-based approach, we used our Responsible Sourcing Assessment process to screen suppliers representing 96% of spend in our high risk supplier categories in FY23.

Country risk

As part of our Responsible Sourcing Assessment process we collect information about the countries in which we understand a good or service will be manufactured or delivered from¹.

This country information is mapped against our country risk profiles, which have been compiled based on inputs from sources such as the Global Slavery Index², Worldwide Governance Indicators³ and Trafficking in Persons Report⁴.

Vulnerable groups and higher risk business practices

As well as factoring category and country risk into our initial risk assessment, in FY23 we brought forward selected questions from the detailed Responsible Sourcing Assessment into the initial risk assessment.

These questions relate to whether a supplier may potentially be involved with vulnerable groups or higher risk business practices through the following activities:

- Employment of children under 18
- Employment of temporary visa holders
- Outsourcing of business processes

Where the initial risk assessment identifies that a product or service is in a category or country which is higher risk for modern slavery, or that the supplier engages in one of the activities listed above, we ask the supplier to complete our detailed Responsible Sourcing questionnaire.

RESPONSIBLE SOURCING ASSESSMENTS IN FY23



STEP

2

Responsible Sourcing Questionnaire

Where the initial risk assessment identifies suppliers with a product or service in a high risk category, country or business activity, the supplier is required to complete our Responsible Sourcing Questionnaire to allocate a residual risk rating.

The Responsible Sourcing Questionnaire includes questions relating to:

- Business practices: where a supplier has responded in the initial risk assessment that they do employ under 18s or temporary visa holders, or engage in outsourcing of business practices, we ask for further information about the controls which the supplier has in place to manage modern slavery risk.
- Modern slavery management: identification and management of modern slavery risk in supply chains and operations, employment practices and subcontracting.
- Workplace practices and governance: withholding of employee identification documentation, workplace health and safety, grievance management, corporate governance and risk management, sustainability and environmental impacts.

If the Responsible Sourcing Questionnaire identifies a gap in a supplier's policies or processes relating to modern slavery, in most cases we create a supplier action plan (refer to *Supplier action plans* and *Priority action plans* below).

STEP

3

Reassessment

The Responsible Sourcing Assessment process is repeated every three years or when there is a substantial change in the product or service being delivered (whichever is sooner).

- 1 We track the country of location of tier 1 spend using data from our Accounts Payable system. The majority of our spend is with businesses located in Australia, however in some cases this is because our suppliers have Australian subsidiaries nominated as their address in the Accounts Payable System. In such cases the data may not always accurately reflect where products and/or services are being manufactured or delivered from.
- 2 Walk Free [Global Slavery Index](#).
- 3 The World Bank [Worldwide Governance Indicators](#).
- 4 U.S. Department of State [Trafficking in Persons Report](#).

CASE STUDY: SUPPLIER DUE DILIGENCE BEYOND TIER 1 – CONSTRUCTION DEEP DIVE

We recognise that gaining visibility of modern slavery risks in our supply chain beyond our direct (tier 1) suppliers is important. As such, we continue to focus on seeking to enhance supply chain transparency with our tier 2 suppliers in high risk categories for modern slavery. This year, we partnered with two of our construction suppliers (tier 1) to perform additional due diligence over their processes to manage modern slavery risk in their supply chains and review a number of their suppliers' processes (our tier 2 suppliers).

The two construction suppliers we selected for additional due diligence are responsible for delivering corporate and retail construction projects. We sought to validate their responses to our Responsible Sourcing Assessment through detailed review of their approach to modern slavery including policies, processes and practices to identify and address modern slavery risk across their operations and supply chain. We shared a number of recommendations to enhance their modern slavery approach including:

- Practices to help ensure transparency around temporary visa workers, fair wages and recruitment methods of subcontractors/employees of contractors.
- Policies to help ensure freedom of association for workers.
- Improving the availability of accessible grievance mechanisms.
- Increasing their understanding of supply chain modern slavery risks associated with building materials.
- Enhancing their management and monitoring of their suppliers and subcontractors.

We continue to monitor their progress against these recommendations.

As part of these recommendations, we extended our review to our tier 2 suppliers through reviewing three of these above mentioned tier 1 suppliers' subcontractors. We made several recommendations to enhance their current approach to identifying and addressing modern slavery risk across their operations and supply chains including:

- Enhancing specific due diligence processes to help identify, action and track effectiveness of efforts to mitigate modern slavery risks in their supply chains/subcontracting relationships.
- Improving accessibility for contractors and subcontractors to our suppliers' whistleblowing channels.
- Connecting suppliers with resources and support organisations to enhance employee, supplier and subcontractor awareness and understanding of modern slavery.

Adverse media screening

In FY23 we continued to use our adverse media screening program to help monitor modern slavery risks for a selection of suppliers with an increased inherent risk of modern slavery.

Supplier action plans

Where the detailed Responsible Sourcing Questionnaire identifies a potential gap in a supplier's policies or processes relating to modern slavery, we seek to use our digital Responsible Sourcing Assessment to create a supplier action plan to help address that gap and manage the identified risk. Where appropriate, we discuss the action plan with the suppliers when the action plan is created.

In FY23 we focused on continuing to uplift the process and framework around how supplier action plans are managed. As part of this work we:

- Released a detailed guide to support our staff in creating and managing action plans.
- Improved visibility of overdue action plans and increased engagement with suppliers to resolve outstanding gaps.
- Followed up overdue action plans and offered subject matter expertise to help suppliers close overdue actions.
- Identified priority action plans for closer management.

PRIORITY ACTION PLANS

Priority supplier action plans are created where there is potential elevated modern slavery risk due to supplier involvement with vulnerable worker groups or other higher risk business practices. Specifically, this applies where the detailed Responsible Sourcing Questionnaire identifies a gap in a supplier's controls relating to management of employees under 18 or temporary visa holders, or where a supplier discloses that they withhold employees' original identification documents.

As part of our new process, priority action plans are set with shorter periods for the supplier to complete their actions. Any overdue priority action plans are promptly escalated and followed up with suppliers.

In FY23:

- 191 priority action plans were created;
- 95 of those were resolved; and
- 96 remain in progress and will be actively managed into FY24.

WNZL

WNZL undertakes screening, due diligence and assessments of suppliers to determine sustainability risks such as modern slavery. This includes suppliers completing a Responsible Sourcing Assessment which provides information required for onboarding, governance and reporting obligations including assessing human rights and modern slavery risks. WNZL's approach to modern slavery is also supported by the WNZL Responsible Sourcing Principles which outline WNZL's commitment to respecting human rights and addressing modern slavery. WNZL continues to focus on improving their approach to monitoring suppliers and building sustainable supplier opportunities.

In 2019, WNZL became New Zealand's first Living Wage accredited bank and renewed this accreditation during FY23.

Engagement and advocacy

We recognise the important role of collaboration in addressing modern slavery. We continue to actively engage across a number of initiatives that have informed, and continue to inform, our approach to human rights including modern slavery. We also recognise we have the potential to positively influence how other companies operate by sharing our learnings publicly. We have recently shared our own human rights remediation experience at the 2023 Modern Slavery Conference and the 2023 Financial Symposium on Child Protection and will continue advocating through other forums as appropriate.



UN Environment Programme - Finance Initiative (UNEP FI) and UN Principles for Responsible Banking

UNEP FI brings together a large network of banks, insurers and investors that collectively catalyses action across the financial system to deliver more sustainable global economies. Westpac holds the Co-Chair position on the UNEP FI Banking Board, through which we apply leverage to strengthen strategic human rights focused dialogue. Recently Westpac also joined the Human Rights Community of Practice (COP), which focuses on peer-led learning and capacity building around human rights (including modern slavery) risks.

We also continued our support for the Principles for Responsible Banking, aligning the purpose of banking with delivering against the United Nations Sustainable Development Goals (SDGs) and the Paris Climate Agreement.



UN Global Compact Network Australia Modern Slavery Community of Practice

We maintained membership of the UN Global Compact Network Australia's Modern Slavery Community of Practice, a forum to discuss modern slavery risks facing business; and participated in the Australian Dialogue on Business and Human Rights. We have reported on our progress and adherence against the UNGC Ten Principles annually since 2002. Our latest Communication on Progress (CoP) for 2021 can be found [here](#).



Fintel Alliance

We continued active membership in the Fintel Alliance, which is AUSTRAC's public-private partnership that brings together financial crime intelligence professionals and law enforcement agencies to collaborate on solutions to combat serious and organised crime including child sexual exploitation and forced sexual servitude. Participation in this group provides us a platform by which we can engage with industry participants, law enforcement and regulators on matters directly and indirectly related to child sexual exploitation and forced sexual servitude.



International Centre for Missing and Exploited Children (ICMEC) Australia

Collective industry action is critical to assist in navigating the complexities of the financial trails in the payments industry and overcoming the many systemic barriers that make identifying perpetrators of child sexual exploitation (CSE) and their victims a challenging process. Our three-year \$25 million partnership with ICMEC Australia seeks to break down these barriers and bring industry together to share information and datasets that will help to better identify and report suspicious transactions and provide the evidence that is needed for investigators. To date 25 organisations have collaborated with ICMEC Australia, including Westpac and other Australian financial institutions, law enforcement and regulators, to share insights and develop toolkits to fight CSE.

Shift Financial Institutions Practitioners Circle

Shift is the leading centre of expertise on the UNGPs. We are a member of Shift's network of private banks and export credit agencies designed to co-create innovative approaches and ultimately advance leading practice for human rights. Focus areas have included human rights due diligence, the nexus between climate change and modern slavery and child labour, corporate lending and supply chains. This year we participated in two sessions focused on children's rights and the financial sector, with a deep dive into the prevention and mitigation of child labour; we also shared learnings on preventing child rights violations.

Safer Children, Safer Communities (SCSC) Roundtable

We continued to seek input and guidance from our SCSC Roundtable, consisting of experts in human rights, child and online safety, and law enforcement. In 2023, the Roundtable endorsed our 2023 grant recipients and strategic partnerships, reviewed our internal commitments to strengthen child safeguarding across the bank and provided feedback and direction on priorities for the coming year.

Responsible Investment Association Australasia (RIAA) and Investors Against Slavery and Trafficking (IAST) Asia Pacific (APAC)

BT continues to be a member of industry organisations such as RIAA and IAST APAC which are active in helping to drive stronger responses to modern slavery risk.

Training and capability building

We recognise the importance of training to support our people in understanding the role they play in managing risk and driving clearer accountability and decision making. We support training and development for our employees, including to build human rights and modern slavery awareness and capability. During FY23, this included:

- **Delivering full day ESG refresher training for the Westpac Board.** The training included a dedicated session on human rights (including modern slavery) presented by human rights advisory firm Pillar Two and covered the evolving human rights landscape and expectations of businesses to undertake human rights due diligence (including grievance mechanisms and, where relevant, remedy).
- **Delivering training to relevant Speaking Up and Employee Care representatives** aimed at supporting these teams to identify potential modern slavery (including escalation and investigation pathways) and provide support to those who may be impacted (including suppliers and their workers, and our employees). This was an opportunity identified as part of our FY22 assessment of the effectiveness of our whistleblower channel, Speaking Up.
- **Progressing the transition from one-off modern slavery training for customer facing and specialist vulnerability teams into ongoing online training** (opportunity identified in FY22). We updated our online training module 'Every Customer Matters – Taking extra care with vulnerable customers' to include our approach for identifying (including examples of modern slavery risk indicators), escalating suspicions for investigation (including raising UMRs) and supporting customers requiring extra care due to modern slavery. We will continue to seek opportunities to uplift customer facing and specialist vulnerability team training in FY24.
- **Providing employees working in ESG and targeted risk roles the opportunity to attend human rights due diligence training facilitated by Shift** (through our engagement with the Shift Financial Institutions Practitioners Circle). The content included updates on the regulatory landscape, leading human rights due diligence practice and the UNGPs.
- **Organising, through our SCSC partnership with IJM, the delivery of an awareness raising session to our Fraud and Scams Operations team on forced labour in cyber crimes** (including example modern slavery risk indicators). To support the training, the Fraud and Scams Operations team have updated their internal training to include more information on the risk indicators of human trafficking in scams.
- **Organising Kids Helpline to provide training to our Financial Crime Investigations team on needs-based conversations when investigating suspicious financial transactions linked to children and young people's bank accounts** (to support our SCSC Program). Customer facing teams' conversation guides were also updated to provide clear guidance on the types of vulnerabilities and language to use when engaging with children and young people.

During the year online learning modules continued to be available to help employees identify and manage suspicions of modern slavery including:

- Managing ESG Risk: focused on the fundamentals of managing ESG risk through the provision of products and services, including a case study on modern slavery.
- Responsible Sourcing: to support purchasing decisions, raise awareness of how to identify and manage sustainability risks (through the Responsible Sourcing Program) and promote respect and protection of modern slavery in our supply chain.
- Financial Crime Risk Awareness: to build employee capability in identifying, mitigating and managing financial crime risk and exposures (including modern slavery), financial crime red flags and situations requiring UMRs.
- Modern slavery awareness animation: focused on modern slavery fundamentals including modern slavery examples, risk indicators and resources to support escalation of potential modern slavery.

Grievance mechanisms and remediation

Through our **Human Rights Position Statement and Action Plan** we are committed to providing effective grievance mechanisms and cooperating in remedy, including:

- Providing or participating in effective grievance mechanisms¹ for our stakeholders, including continuing to develop the capacity of our mechanisms to hear from those who may be adversely impacted by our own activities or business relationships.
- Providing for, or cooperating in, the remediation of adverse human rights impacts where we identify that we have caused or contributed to these impacts. Where we have not caused or contributed to an adverse impact, but are directly linked to it, we recognise we may be able to play a role in remedy.
- Encouraging our people and business partners to speak up without fear of retribution.

We recognise that there are challenges in implementing effective grievance mechanisms for a range of stakeholders. For example, people who may be impacted by one of our customers or a business in our supply chain may not know we have a relationship with them through our operations, products or services. In addition, impacts are often remote, occurring deep within our business partners' value chains. The responsibility for providing grievance mechanisms and remedy should also lie with those who caused or contributed to the harm; however, our customers and business partners might not always have these mechanisms in place.

For this reason, and as set out in our 2026 Action Plan, we have committed to reviewing and seeking to strengthen the effectiveness of our grievance mechanisms and our approach to remedy, including for those who are more vulnerable, or at risk, or who may face barriers to accessing these mechanisms. This will include an initial focus on grievance mechanisms for children (minors) and young people and those impacted through financing. This work has commenced and we expect uplift to continue across FY24 and FY25. We will apply learnings from this work and will seek to strengthen grievance mechanisms in Fiji and PNG during FY24.

Through our **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 aims to reduce the risk of retaliation.

¹ With reference to the effectiveness criteria set out in the UNGPs, UN Guiding Principle 31, which outlines that grievance mechanisms should be legitimate, accessible, predictable, equitable, transparent, rights-compatible, a source of continuous learning and based on engagement and dialogue.

During the year we also completed the roll-out of two initiatives identified in FY22 to help further strengthen the effectiveness of our whistleblower channel, Speaking Up. The initiatives aim to improve awareness and accessibility of our Speaking Up channel in our supply chain and included:

- Introducing supplier Speaking Up posters across our Australian branch network, containing information about indicators of modern slavery, details of our Speaking Up channel and organisations able to provide further support. Branch staff complete regular checks to confirm posters are present and visible in back-of-house locations accessed by suppliers and contractors.
- Updating our Verified App, a digital application used by suppliers' workers when checking-in to our premises, to include a digital version of the poster for suppliers and contractors visiting Westpac sites.

Refer to *Section 6 – Assessing the effectiveness of our modern slavery approach and defining our future focus* for more information on matters escalated due to high modern slavery risk.

Supplier Speak Up

If you are a contractor or supplier and experience or witness any of the following at work, please Speak Up:

- Being forced to work
- Frequently underpaid, or wages withheld to pay a debt to your employer/recruiter
- Having passport, visa or other documents withheld
- Bullying, abuse or being threatened in the workplace
- Unable to communicate freely with others or reveal immigration status

These may be indicators of modern slavery and other forms of illegal conduct.

If you'd like to report activity you suspect may be slavery or illegal conduct, you can submit your concerns to sustainable sourcing@westpac.com.au

If you would prefer to remain anonymous, reach out via the 24-hour Westpac Whistleblower Hotline on 1800 989 569 (translator available), or via the Concern Online reporting system: westpac.whispl.com.au/whistleblowing

Report your concern anonymously via Concern Online

External support services include:

- In emergencies, or if someone is at risk of immediate harm, call 000
- If you feel safe to do so, raise your concern with your manager or employer
- To report a possible crime of slavery or trafficking, call the Australian Federal Police on 131 237
- If you are experiencing these conditions, or are worried about someone in this situation, call the Salvation Army on 1300 473 560 for confidential advice (translator available)
- To report possible wage theft or other workplace issues, contact the Fair Work Ombudsman on 13 13 94 (translator service available on 13 14 50), OR visit fairwork.gov.au which contains specific information for visa holders or migrant workers

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OUR FEEDBACK, COMPLAINTS AND GRIEVANCE MECHANISMS

For our current and former employees, including contractors and temporary employees, we have processes for reporting matters of concern in the ordinary course of business, including through our whistleblowing channels and via our human resources and risk and compliance teams. Our **Speaking Up Policy** also provides guidance on how to raise a concern about suspected or actual unethical or illegal behaviour, including modern slavery and other human rights concerns, confidentially. It outlines several channels for raising concerns including via the Whistleblower Hotline by calling 1800 989 569 or online using our **Concern Online system**.

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

For current and former suppliers and their workers, our **Speaking Up Policy**, including our whistleblower channels, is also available to raise concerns about suspected or actual unethical or illegal behaviour where it has significant implications for Westpac.

For our customers, we expect customer complaints to be managed in line with our values and our commitment to being genuine, fair, reasonable, transparent and timely in handling and supporting complaints across the Group. Concerns, including those relating to suspicions or disclosures of modern slavery, may be raised in-person, over the phone or online using our **feedback and complaints form**. The Group also has a **Customer Advocate** who can be contacted by completing a **secure feedback form** and whose role is to listen to customers and recommend changes to be made to bank policies, procedures and processes where appropriate.

For our community, any member of the public including those who may be impacted through a business partner, such as a customer, is able to raise human rights concerns, including modern slavery, by visiting our **feedback and complaints form** or contacting Westpac Group Sustainability at sustainability@westpac.com.au.

6 ASSESSING THE EFFECTIVENESS OF OUR MODERN SLAVERY APPROACH AND DEFINING OUR FUTURE FOCUS

We believe an effective approach to modern slavery is one where we conduct business in a way that respects human rights and reduces the risk of harm to people, including employees, business partners (including customers and suppliers), communities, and others who may be impacted through our activities and relationships.

This should be supported by processes to help identify and understand where high risk areas of modern slavery exist across our operations and business relationships, and sound frameworks, policies and controls to mitigate risks and appropriately respond to allegations or incidents.

This year we continued to mature how we measure the effectiveness of our modern slavery approach. As part of our refreshed [Human Rights Position Statement and Action Plan](#), we committed to developing a human rights Monitoring and Evaluation Framework (M&E Framework) to enhance our approach to tracking and reporting on human rights impact, including modern slavery. During the year, we made progress on this by starting with a modern slavery M&E Framework, designed to provide insights on the effectiveness of our approach to modern slavery.

The Framework includes 14 measures centred around the five core areas of our approach:

- Governance and policy commitment
- Human rights due diligence
- Stakeholder engagement and advocacy
- Training and capability building
- Grievances mechanisms and remedy.

We recognise that assessing the effectiveness of our approach to modern slavery is challenging due to the complexities in identifying and measuring the prevalence of modern slavery across our business. As such, we will continue to integrate key learnings and external stakeholder feedback as we seek to mature our broader modern slavery approach and how we measure the effectiveness of our actions to manage modern slavery risk through our M&E Framework.

The table below outlines our performance against the 14 measures of our Framework and the areas where we will continue to focus and improve upon our modern slavery approach in FY24.

AMBITION	MEASURE	FY23 PROGRESS, OUTPUTS AND OUTCOMES	FY24 FUTURE FOCUS
Core area of our modern slavery approach: Governance and policy commitment			
Governance processes are in place that ensure senior leadership and management have regular oversight of our human rights and modern slavery approach and commitments.	Divisions have established governance processes, including forums and working groups, which provide oversight of our approach to human rights and modern slavery, and any emerging or high risk issues.	<ul style="list-style-type: none"> Divisions have operationalised and applied the Sustainability Risk Management Framework and Human Rights Position Statement and Action Plan through Group policies, standards, processes and risk controls. Compliance is monitored through our risk management system. Dedicated divisional ESG advisory teams have been established to support the implementation of sustainability policies and processes and assist with escalation and investigation of high risk matters. All divisions have established Risk Committees which consider human rights dimensions of business activities as required, including reviewing and monitoring action plans to address high risk matters (including modern slavery), in line with the Sustainability Risk Management Framework. For WIB, CTREC considers transactions identified as high risk and which may require enhanced ESG due diligence, including for human rights and modern slavery. During the year, one customer was assessed with high modern slavery risk and CTREC directed further customer engagement (refer below). 	<ul style="list-style-type: none"> Divisions to continue to monitor modern slavery risk through established governance processes. Progress actions outlined in our Human Rights Position Statement and Action Plan, including the development of a human rights impact M&E framework (and enhanced modern slavery M&E Framework) to track and report on our human rights impact and performance and the effectiveness of our modern slavery actions.
Frameworks, policies, procedures and standards are in place to manage human rights risk, including modern slavery.	Number and description of policies and standards that have been updated to improve human rights capability across the Group.	<ul style="list-style-type: none"> 21 key frameworks and policies are in place that support our human rights commitments and modern slavery approach. Nine additional policies and frameworks support our broader approach to managing ESG and modern slavery. <p>Refer to <i>Policy commitment</i> in <i>Section 5 - Our actions to identify, assess and address modern slavery risk</i> and <i>Appendix 2 - Additional policies and frameworks</i>.</p>	
Westpac continues to demonstrate and implement our commitment to human rights as set out in our Human Rights Position Statement and Action Plan .	Progress against key actions set out in our 2026 Human Rights Action Plan to implement our Human Rights Position Statement and areas for improvement.	<ul style="list-style-type: none"> Released our updated Human Rights Position Statement and Action Plan in May 2023; the strategic actions set out in the action plan are in progress. Commenced development of a monitoring and evaluation framework (M&E) framework to enhance our approach to tracking and reporting on our human rights (including modern slavery) impact and performance. Our first progress update will be released in FY24. 	

AMBITION	MEASURE	FY23 PROGRESS, OUTPUTS AND OUTCOMES	FY24 FUTURE FOCUS
Core area of our modern slavery approach: Human rights due diligence			
Risk management processes are established that ensure management (divisions) identify and assess the risk of modern slavery in their business on an ongoing basis.	Divisions have assessed social risk (which includes modern slavery as part of the Reputation and Sustainability Risk Class) in their risk profiles and identified key controls to mitigate or manage the risk. Divisions should create action plans for any control gaps identified in line with our Group Risk policies.	<ul style="list-style-type: none"> Divisions periodically assessed social risk (including human rights and modern slavery risk) in their Risk Profile including assessing the effectiveness of the control environment. Where divisions assessed the residual social risk as high or above, they were required to mitigate the risk and report progress to Divisional or Group Risk Committees. 	<ul style="list-style-type: none"> Divisions to continue¹ to assess social risk (including modern slavery) as part of Risk Profile assessments and implement action plans if control gaps or deficiencies are identified.
Incidents related to human rights risk (including modern slavery) are identified, assessed and managed in accordance with our Group Risk Management Framework.	Demonstrated application of the Risk Impact Scale by divisions to assess the social impact of any incidents and implement actions to address the incident, including providing remedy as necessary.	<ul style="list-style-type: none"> Divisions were required to assess social impact of incidents, issues and risks in line with our Operational Risk Management Framework and supporting policies. Our Second Line ESG Risk team performed quarterly monitoring of incidents identified as having a high or above social impact to identify any instances of material social impact. During FY23, no incidents with high or above social impact were due to modern slavery being identified. 	
Financial crime processes are regularly reviewed and updated as necessary to help prevent, detect and report potential modern slavery risk within our operations.	Update of key financial crime processes (in-house typology/ indicator libraries, alerts, transaction monitoring rules and/or customer due diligence processes) as a result of accessing new information, technology or collaboration.	<ul style="list-style-type: none"> Strengthened consideration of human rights (including modern slavery) risk in our Jurisdictional Risk Assessment (JRA) and Customer Risk Assessment (CRA) methodology. Commenced review of our Product and Channel Risk Assessment (PCRA) to continue to uplift modern slavery considerations. Updated our Financial Crime Human Rights Integration Plan to align with our refreshed Human Rights Position Statement and Action Plan. Continued to strengthen our media and transaction monitoring detection scenarios, including integration of new modern slavery or child sexual exploitation indicators. 	

¹ Due to intended divestment, during FY23 the Pacific businesses were out of scope for a number of Group programs of work, including those related to modern slavery. A decision to retain the Pacific businesses was made in October 2023 and therefore work will be undertaken in FY24 to identify and address modern slavery risks related to operations in Fiji and PNG.

AMBITION	MEASURE	FY23 PROGRESS, OUTPUTS AND OUTCOMES	FY24 FUTURE FOCUS
Escalation processes, including additional due diligence, are in place to investigate transactions identified with high modern slavery risk.	Institutional transactions with high modern slavery risk are identified and escalated to CTREC for review.	<ul style="list-style-type: none"> One customer was assessed with high modern slavery risk and CTREC directed further customer engagement to help ensure adequate policies and processes are in place to help reduce modern slavery risk. Since our first engagement with the customer, the customer has stated it has undertaken a remediation program including the exit of certain high risk supplier relationships and an uplift of their responsible supply chain policies and practices. We will continue to monitor progress on current and emerging risk (if any). 	<ul style="list-style-type: none"> Continue to escalate transactions with high modern slavery risk to CTREC for review.
Priority supplier action plans (Responsible Sourcing Action Plans) are used to influence and manage suppliers identified for high modern slavery risk under the Responsible Sourcing Assessment or where gaps are identified in suppliers, policies or processes to manage modern slavery risk ¹ .	Status of priority supplier actions plans.	<ul style="list-style-type: none"> Updated the process for priority supplier action plans, including setting a shorter period for suppliers to complete their action plans before they become overdue and are escalated. During FY23 191 priority action plans were created of which: <ul style="list-style-type: none"> 95 were resolved; and 96 remain in progress and will be actively managed into FY24. 	<ul style="list-style-type: none"> Continue to manage suppliers with high modern slavery risk through the Responsible Sourcing Program. Undertake due diligence in areas of our supply chain which are higher risk for modern slavery.
Additional due diligence processes are in place for higher risk supplier categories to continue to build our understanding of potential modern slavery risks in our extended supply chain ¹ .	Key suppliers monitored as part of our additional due diligence processes, including our adverse media screening program.	<ul style="list-style-type: none"> Continued to use our adverse media screening program to monitor modern slavery risks for a selection of suppliers with an increased inherent risk of modern slavery. Enhanced supply chain transparency beyond our tier 1 suppliers by partnering with two of our direct construction suppliers who are responsible for delivering our corporate and retail construction projects to conduct additional due diligence (refer to <i>Case Study: Supplier due diligence beyond tier 1 - construction deep dive</i> in Section 5 - Our actions to identify, assess and address modern slavery risk). 	

¹ In FY23 we reviewed our supply chain metrics to continuously improve on how we measure the effectiveness of our Responsible Sourcing Program in assessing and addressing potential modern slavery risks. Our updated metrics are included throughout this Statement.

AMBITION	MEASURE	FY23 PROGRESS, OUTPUTS AND OUTCOMES	FY24 FUTURE FOCUS
Core area of our modern slavery approach: Stakeholder engagement and advocacy			
Westpac partners with a range of stakeholders to improve the reach and effectiveness of programs and services for children at risk of sexual exploitation and abuse, and survivors, their families and carers.	Improved reach and effectiveness of programs and services for children at risk.	<ul style="list-style-type: none"> — Total invested in the SCSC program in FY23 to help safeguard children in Australia, and in Asia-Pacific countries where children are at highest risk, from sexual exploitation and online sexual exploitation - \$18.9 million. — Number of children, young people and adults reached by our partners across all programs in Australia, the Philippines, Thailand and Cambodia - over 140,000¹. — Number of victim rescues supported by IJM in the Philippines - 139. 	<ul style="list-style-type: none"> — Westpac partners continue to deliver on their work programs, including improving reach and effectiveness of services for children at risk of sexual exploitation and abuse.
Core area of our modern slavery approach: Training and capability building			
Westpac continues to increase employee awareness of modern slavery and capabilities to identify and manage modern slavery risk where it may arise in our operations or supply chain.	Employees working in areas where modern slavery is most likely to arise receive targeted modern slavery training.	<ul style="list-style-type: none"> — Full day ESG refresher training (including human rights and modern slavery) delivered for the Westpac Board. — Refresher modern slavery training to relevant Speaking Up and Employee Care representatives. — Updated our online training module 'Every Customer Matters - Taking extra care with vulnerable customers' to include our approach for providing extra care due to modern slavery. — Delivered human rights due diligence training facilitated by Shift for employees working in ESG and targeted risk roles. — Delivered forced labour in cyber scams awareness session facilitated by IJM for employees working in fraud and scams. — Needs-based conversation training by Kids Helpline provided to our Financial Crime employees for assistance in investigating suspicious financial transactions linked to children and young people. <p>Refer to <i>Training and capability building</i> in Section 5 - <i>Our actions to identify, assess and address modern slavery risk</i>.</p>	<ul style="list-style-type: none"> — Continue to make online learning modules available for employees working in targeted risk, supplier facing and customer facing roles, to help identify and manage suspicions of modern slavery. — Seek further opportunities to align customer facing and specialist vulnerability teams online training with modern slavery guidance set out in the Vulnerable Customer Toolkit. — Deliver ESG Board training (including human rights and modern slavery) to the WNZL Board.

1 From 1 October 2022 to 31 March 2023.

AMBITION	MEASURE	FY23 PROGRESS, OUTPUTS AND OUTCOMES	FY24 FUTURE FOCUS
Core area of our modern slavery approach: Grievance mechanisms and remedy			
Westpac provides or participates in effective grievance mechanisms for our stakeholders.	Number of suspicions or disclosures of modern slavery escalated and investigated through the Group's grievance channels and risk assessment processes.	<ul style="list-style-type: none"> — One customer was assessed with high modern slavery risk and CTREC directed further customer engagement to help ensure adequate policies and processes are in place to reduce modern slavery risk. Since our first engagement with the customer, the customer has stated it has undertaken a remediation program including the exit of certain high risk supplier relationships and an uplift of their responsible supply chain policies and practices. We will continue to monitor progress on current risk and emerging risk (if any). — Two customers were escalated to WNZL's ESG Advisory team for investigation due to heightened modern slavery risk in their supply chain. WNZL engaged with the customers to help ensure adequate policies and processes were in place to reduce modern slavery risk. This included seeking additional information from the customers on their due diligence processes and, where available, third party assessments. In line with WNZL's ESG Credit Policy, the resulting ESG risk assessment was escalated to senior management for review and approval. — 685 matters were identified and escalated through our transaction monitoring processes due to concerns regarding modern slavery and/or human trafficking. Of these, 392 matters were referred to AUSTRAC. We do not have visibility of AUSTRAC's investigation (if any) of these matters. — One potential modern slavery grievance involving an entity in our supply chain was raised through our Speaking Up channel. The matter was investigated and was not substantiated. 	<ul style="list-style-type: none"> — Investigate suspicions or disclosures of modern slavery through established grievance channel or risk assessment processes. Refer to <i>Grievance mechanisms and remediation</i> above for uplift planned in FY24.

AMBITION	MEASURE	FY23 PROGRESS, OUTPUTS AND OUTCOMES	FY24 FUTURE FOCUS
Westpac continues to develop the capacity of our grievance mechanisms to hear from those who may be adversely impacted by our own activities or business relationships.	Number of pathways reviewed and strengthened to increase effectiveness of our grievance mechanisms, including for those who are more vulnerable, or at risk, or who may face barriers to accessing these mechanisms.	<ul style="list-style-type: none"> As per our <u>Human Rights Position Statement and Action Plan</u>, commenced developing guidance for effective grievance mechanisms¹ and remedy, for use by owners of existing complaints mechanisms, to be finalised in December 2023. Completed the roll-out of two initiatives to further strengthen the effectiveness of our Speaking Up channel, including Speaking Up posters in branches and updates to the Verified App. Continued to include reference to the Freedom Hub and The Salvation Army Trafficking and Slavery Safe House in customer facing and specialist vulnerability teams operational procedures. <p>Refer to <i>Grievance mechanisms and remediation</i> above.</p>	<ul style="list-style-type: none"> Continue to progress the action in our <u>Human Rights Position Statement and Action Plan</u> to review and seek to strengthen the effectiveness of our grievance mechanisms and approach to remedy. Apply learnings from this work to the grievance mechanisms used by our Pacific business in Fiji and PNG during FY24.
Westpac continues to strengthen the way we provide for, cooperate in, or play a role in, remediation of adverse human rights impacts where we identify that we have caused, contributed to, or are directly linked to these impacts.	Number of pathways reviewed and strengthened to increase effectiveness of our approach to remedy, including for those who are more vulnerable, or at risk.	<ul style="list-style-type: none"> As per our <u>Human Rights Position Statement and Action Plan</u>, we committed to reviewing and seeking to strengthen our approach to remedy, as part of our action on effective grievance mechanisms. <p>Refer to <i>Grievance mechanisms and remediation</i> above.</p>	

¹ With reference to the effectiveness criteria set out in the UNGPs, UN Guiding Principle 31, which outlines that grievance mechanisms should be legitimate, accessible, predictable, equitable, transparent, rights-compatible, a source of continuous learning and based on engagement and dialogue.

UPDATE ON PROGRESS AGAINST OUR STRATEGIC HUMAN RIGHTS PRIORITIES

Last year we committed to aligning our actions to assess and address modern slavery risk with our strategic human rights priorities, including those outlined in our refreshed **Human Rights Position Statement and Action Plan**. Under this Action Plan, a key priority for us is to continue to embed and align our human rights commitments and approach across the locations where we operate. The Action Plan also highlights five strategic areas of focus, which we have progressed as follows:

ADDRESSING OUR SALIENT HUMAN RIGHTS ISSUES

We commenced a deep dive HRRRA across our Australian, New Zealand and Pacific locations, this year focusing on lending and procurement activities (refer to *Our Human Rights Risk Assessment in Section 4 - Modern slavery risks across our operations and supply chain*).

STRENGTHENING OUR GRIEVANCE MECHANISMS AND APPROACH TO REMEDY

We have begun developing guidance for effective grievance mechanisms and remedy, for use by owners of existing complaints mechanisms which was finalised in December 2023. In FY24 we will assess the effectiveness of the Group's grievance mechanisms for children and young people and those impacted by the Bank's financing activities.

SUPPORTING AND ADVANCING HUMAN RIGHTS THROUGH A JUST AND INCLUSIVE TRANSITION

We are taking steps to enhance the way we consider and address the human rights impacts of climate change and the transition to a net-zero economy, by enhancing our understanding of these risks through our HRRRA.

STRENGTHENING OUR FOCUS ON CHILD SAFEGUARDING

We continue to take steps to integrate Safety by Design principles and consideration of child labour and child sexual exploitation risks across our operations and supply chain, in line with our **Child Safeguarding supplement**. Refer to *Section 5 - Our actions to identify, assess and address modern slavery risk* and our **2022 Impact Report**.

STRENGTHENING THE FOUNDATIONS OF OUR HUMAN RIGHTS APPROACH

The Group has embedded the core commitments of our Human Rights Position Statement within our central compliance tool and made several updates to our risk management frameworks, including our financial crime risk management framework, charitable donations due diligence process, and ESG risk assessment processes (refer to *Section 5 - Our actions to identify, assess and address modern slavery risk*). In FY24 our focus is on enhancing training and capability building for our people and enhancing the way in which we monitor and report on our human rights impact.

7 CONSULTATION WITH OWNED OR CONTROLLED ENTITIES

Through FY23, ongoing engagement and consultation on the Group's response to modern slavery has been held between our Sustainability team, relevant divisions and ESG Risk team.

This engagement and consultation facilitated collaboration between divisional representatives (which cover our owned and controlled entities) and subject matter experts on the requirements and preparation of this Statement, as well as identification, assessment and management of modern slavery risk across our business, including supporting tools and resources.

Divisions engaged the Directors of all identified reporting entities (or where the entity was a trust, of 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 this joint Statement prepared on their behalf by Westpac Banking Corporation (in accordance with the joint reporting requirement of section 14 of the Australian Modern Slavery Act). A final draft statement was made available to the reporting entities' nominated representatives before its publication.

For reporting entities which are trusts with a trustee external to Westpac, Westpac consulted with the trustee through correspondence regarding the joint Statement and the Australian Modern Slavery Act. Our approach to consultation has been formalised in guidance documents which outline the obligations of reporting entities and the role of divisions in supporting the preparation of the Statement and consultation with reporting entities.

The Boards of the BT reporting entities have approved the inclusion of these entities in the joint Statement during the reporting year. Management representatives of these entities have been involved in the Group-wide consultation process and participated in the drafting of this Statement.

8 OVERVIEW OF REPORTING ENTITIES

The following tables provide an overview of each reporting entity (including investment trusts) covered by this Statement including approving Boards¹.

Westpac Banking Corporation

	REPORTING ENTITY	PRINCIPAL ACTIVITIES DURING REPORTING PERIOD
1.	Westpac Banking Corporation (ABN 33 007 457 141)	Westpac Banking Corporation (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.
2.	BT Financial Group Holdings Pty Ltd (ABN 50 658 576 268)	The principal activity of the company consisted of holding investments in various BT operating entities.
3.	Capital Finance Australia Limited (ABN 23 069 663 136)	The principal activities of the company were the provision of plant and equipment finance facilities as well as consumer finance facilities including leasing, commercial hire purchase, and commercial loans/chattel mortgages.
4.	Crusade Trust No.2P of 2008 (ABN 54 656 327 299) ²	The Trust is used for the purpose of securitising St.George, Bank of Melbourne and BankSA brand home loans.
5.	RAMS Financial Group Pty Limited (ABN 30 105 207 538)	The principal activities of the company consisted of acting as agent for WBC to provide and distribute residential home loans and deposit products within Australia and acting as franchisor of the RAMS franchisees who distribute RAMS branded products.
6.	Series 2008-1M WST Trust (ABN 55 776 534 334) ²	The Trust is used for the purpose of securitising Westpac brand home loans.
7.	Westpac Covered Bond Trust (ABN 41 372 138 093) ²	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.
8.	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.
9.	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.
10.	Westpac Overseas Holdings No. 2 Pty Limited (ABN 90 121 257 510)	The principal activities of the company consisted of holding of investments.
11.	Westpac Securitisation Holdings Pty Limited (ABN 95 112 457 762)	The principal activities of the company consist of managing investments in a Westpac Securitisation Trust.

This Statement was approved on 7 March 2024 by the Board of Westpac Banking Corporation.



Peter King
Managing Director and Chief Executive Officer

¹ There are 17 reporting entities for the purpose of the Australian Modern Slavery Act. As there is no single higher entity for all reporting entities and it was not practicable to seek approval from each reporting entity (due to their governance structure and complexities around both the timing and requirements of Board meetings), this statement was approved by the respective Boards of WBC, BT Funds Management Limited (BTFM), and BT Portfolio Services Limited (BTPS) and Westpac Financial Services Limited (WFSL), and signed by a responsible member of each of those Boards.

² Trust with a trustee external to Westpac.

BT Funds Management Limited

	REPORTING ENTITY	PRINCIPAL ACTIVITIES DURING REPORTING PERIOD
12.	BT Funds Management Limited (ABN 63 002 916 458)	The company is both a Registrable Superannuation Entity (RSE) Licensee and trustee of an unregistered managed investment scheme. The principal activities of the company were the provision of trustee services.
13.	Asgard Independence Plan - Division 2 (ABN 90 194 410 365)	Superannuation fund.
14.	Retirement Wrap (ABN 39 827 542 991)	Superannuation fund.

The Statement was approved on 28 February 2024 by the Board of BT Funds Management Limited.



Michael Cottier

Chair, BT Funds Management Limited

BT Portfolio Services Limited

	REPORTING ENTITY	PRINCIPAL ACTIVITIES DURING REPORTING PERIOD
15.	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.

Westpac Financial Services Limited

	REPORTING ENTITY	PRINCIPAL ACTIVITIES DURING REPORTING PERIOD
16.	BT Managed Portfolios (ARSN 604 066 686)	Investment trusts.
17.	Magellan Wholesale Plus Global Fund (ARSN 602 652 737)	

The Statement was approved on 29 February 2024 by the Boards of BT Portfolio Services Limited and Westpac Financial Services Limited (as the principal governing body of BT Managed Portfolios and Magellan Wholesale Plus Global).



Jonathan Sweeney

Chair, BT Portfolio Services Limited and Westpac Financial Services Limited

APPENDIX 1 – 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	2023 MODERN SLAVERY STATEMENT
Identify the reporting entity	About this Statement (p. 1) Overview of reporting entities (pp. 42 – 43)
Describe the structure, operations and supply chain of the reporting entity	Our structure, operations and supply chain (pp. 4 – 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	Modern slavery risks across our operations and supply chain (pp. 8 – 13)
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 identify, assess and address modern slavery risk (pp. 14 – 32)
Describe how the reporting entity assesses the effectiveness of such actions	Assessing the effectiveness of our modern slavery approach and defining our future focus (pp. 33 – 40)
Describe the process of consultation with any entities that the reporting entity owns or controls	Consultation with owned or controlled entities (p. 41)
Any other information that the reporting entity considers relevant	Message from the Chief Executive Officer (p. 2) Engagement and advocacy (pp. 29 – 30)

APPENDIX 2 – ADDITIONAL POLICIES AND FRAMEWORKS

Additional policies and frameworks that support our broader approach to managing ESG and modern slavery across our operations and supply chain include:

ACTIVITY	POLICY/PROCESS DOCUMENT	PURPOSE	UPDATED IN FY23 ¹
As a financial services provider	<u>Group Anti-Bribery and Corruption Policy</u>	Establishes the minimum expectations for us to comply with our anti-bribery and corruption obligations.	N
	Group Complaints Management Policy	Sets out our approach to appropriately and consistently managing complaints across the Group.	N
	Incident Management Policy	Sets out our approach to managing incidents across the Group, including incidents with social impact (including human rights and modern slavery).	N
As a lender	WNZL ESG Credit Policy	Describes how WNZL incorporates ESG risk analysis into the credit assessment and approval process for business, corporate and institutional customers.	Y
As an employer	Group Remuneration Policy	Outlines our approach to remuneration including our commitment to providing market competitive and equitable pay.	Y
	Group Recruitment Policy	Outlines our approach to recruitment, including our commitment to fair and ethical recruitment.	Y
	Australian Enterprise Agreement	Outlines terms for employees relating to pay, leave, working hours, flexibility, staffing, dispute resolution, and leaving the company.	Y
As a purchaser of goods and services	Group Outsourcing Policy	Sets the minimum standards required to manage third party and prudential compliance risks associated with outsourcing business activities.	N
	WNZL Supplier Management Policy	Sets out the principles underlying WNZL's approach to Supplier Management. It establishes the structure for managing supplier relationships and risk.	N
	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.	Y
	WNZL Responsible Sourcing Principles	Principles that will underpin the way WNZL approaches purchasing decisions to ensure sustainable outcomes for our communities, customers and suppliers.	N

¹ Updates may not have been specifically aimed at addressing modern slavery risk.

