

SUPPLEMENT DATED 20 FEBRUARY 2024 TO THE PROSPECTUS DATED 10 NOVEMBER 2023

 **Westpac Banking Corporation**
(ABN 33 007 457 141)

**U.S.\$40 billion
Global Covered Bond Programme
unconditionally and irrevocably guaranteed as to payments of interest and principal
by
BNY Trust Company of Australia Limited (ABN 49 050 294 052) as trustee of the
 **Westpac Covered Bond Trust****

This supplement (the “**Supplement**”) to the base prospectus dated 10 November 2023 (the “**Base Prospectus**”, which definition includes the Base Prospectus as supplemented, amended or updated from time to time (including the supplement to the Base Prospectus dated 19 December 2023) and includes all information incorporated by reference therein) constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 and is prepared in connection with the Global Covered Bond Programme (the “**Programme**”) established by Westpac Banking Corporation (“**Westpac**” or the “**Issuer**”). Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, updates, must be read in conjunction with and forms part of the Base Prospectus and any other supplements to the Base Prospectus issued by Westpac.

This Supplement has been approved by the United Kingdom Financial Conduct Authority (the “**FCA**”), which is the United Kingdom competent authority for the purposes of Regulation (EU) 2017/1129 as it forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (as amended) (the “**UK Prospectus Regulation**”), as a supplement to the Base Prospectus. The Base Prospectus constitutes a base prospectus prepared in compliance with the UK Prospectus Regulation for the purpose of giving information with regard to the issue of Covered Bonds under the Programme.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer, the information contained in this Supplement is in accordance with the facts and this Supplement does not omit anything likely to affect its import.

The purpose of this Supplement is to:

- (i) supplement the section of the Base Prospectus entitled “Significant Developments” with a market update for the three months ended 31 December 2023; and
- (ii) update the no significant change statement in the Base Prospectus in respect of the Issuer.

Westpac Market Update

The following information shall, by virtue of this Supplement, be added under the heading “*Significant Developments*” which commences on page 293 of the Base Prospectus:

“Westpac 1Q24 update

The Group delivered unaudited net profit of \$1.5 billion for 1Q24. The impact of Notable Items, related solely to hedge accounting which will reverse over time, drove the 6% decline.

Excluding Notable Items, unaudited net profit was \$1.8 billion for 1Q24, in line with the second half 2023 average.

The Group delivered customer deposit growth of \$7.9 billion and loan growth of \$5.6 billion for 1Q24.

Operating trends

The Group net interest margin ("NIM") for 1Q24 was 1.78% and comprised of:

- Core NIM¹ of 1.80%, down 4 basis points, reflecting prudent management in the context of ongoing mortgage competition. In addition, further deposit mix shift towards lower spread savings and term deposits was offset by higher earnings on capital and hedged deposits;
- Treasury and Markets income of 13 basis points, up 3 basis points; and
- Hedging items, that will reverse over time, which detracted 15 basis points.

Expenses were down 6% for 1Q24. Excluding Notable Items, expenses were up 2% for 1Q24. The rise in expenses excluding Notable Items reflected higher amortisation expense and ongoing inflationary pressures. These outweighed benefits from the 2% reduction in FTE and ongoing Cost Reset actions.

Stressed assets reduced by 4 basis points in the quarter to 1.22% of total committed exposures, with the reduction in watchlist and substandard exposures more than offsetting the rise in 90+ day mortgage delinquencies.

Financial strength

The Group net stable funding ratio was 114% for 1Q24.

Group credit impairment provisions were \$5.1 billion as at 31 December 2023. The ratio of collectively assessed provisions to credit risk weighted assets was up 2 basis points to 1.37% as at 31 December 2023.

Financial summary

\$m			Excluding Notable Items	
	2H23 qtr average	1Q24 - 2H23 qtr average % movement	2H23 qtr average	1Q24 - 2H23 qtr average % movement
Net interest income	4,602	(7)	4,606	1
Non-interest income	719	3	730	3
Net operating income	5,321	(5)	5,336	2
Expenses	(2,852)	(6)	(2,622)	2
Pre-provision profit	2,469	(4)	2,714	1
Impairment charges	(129)	47	(129)	47

¹ Core net interest income is calculated by excluding Notable Items and Treasury and Markets.

Tax and non-controlling interests ("NCI")	(743)	(10)	(812)	(3)
Net profit	1,597	(6)	1,773	-
Return on equity ("ROE")	8.9%	(61bps)	9.9%	(7bps)

Quarterly net profit²

\$b					Excluding Notable Items			
	3Q23	4Q23	2H23 qtr average	1Q24	3Q23	4Q23	2H23 qtr average	1Q24
Net interest income	4.8	4.4	4.6	4.3	4.6	4.6	4.6	4.7
Non-interest income	0.8	0.6	0.7	0.7	0.8	0.7	0.7	0.8
Net operating income	5.6	5.0	5.3	5.0	5.4	5.2	5.3	5.4
Expenses	(2.7)	(3.0)	(2.9)	(2.7)	(2.7)	(2.6)	(2.6)	(2.7)
Pre-provision profit	2.9	2.0	2.5	2.4	2.8	2.7	2.7	2.7
Impairment charges	(0.3)	-	(0.1)	(0.2)	(0.3)	-	(0.1)	(0.2)
Tax and NCI	(0.8)	(0.7)	(0.7)	(0.7)	(0.8)	(0.9)	(0.8)	(0.8)
Net profit	1.8	1.4	1.6	1.5	1.7	1.8	1.8	1.8
ROE	10.3%	7.5%	8.9%	8.3%	9.6%	10.2%	9.9%	9.8%

The financial information for the three months ended 31 December 2023 has not been audited or reviewed by any independent registered public accounting firm and has been derived from the unaudited financial statements for the quarterly period ended 31 December 2023. Any other financial information provided as at a date after 30 September 2023 has not been audited or reviewed by any independent registered public accounting firm either. The information contained in this section is based on management's current information, including management's view of a wide variety of significant business, economic and competitive risks and uncertainties. Certain data herein may involve underlying estimates, assumptions and judgments when applying accounting policies and preparing its financial statements, particularly in connection with the calculation of provisions. Any change in such estimates, assumptions and/or judgments resulting from new information or from

² Table may not add up due to rounding.

changes in circumstances or experience could result in Westpac incurring losses greater than those anticipated or provided for.

Content in this section principally covers and compares the three months ended 31 December 2023 ("1Q24") and second half 2023 ("2H23") quarterly average periods unless otherwise stated. The 2H23 quarterly averages have been calculated using the simple arithmetic average of each financial item for the three months ended 30 June 2023 and the three months ended 30 September 2023. All amounts are in Australian dollars. Certain amounts and ratios, including amounts and ratios excluding Notable Items, are not defined by Australian Accounting Standards ("AAS"). These non-AAS measures are identified and described in the 'Reading this report' section of the Performance Review in Westpac's 2023 Annual Report.

Significant change statements

There has been no material adverse change in the prospects of the Issuer and its controlled entities taken as a whole since 30 September 2023 and no significant change in the financial position or financial performance of the Issuer and its controlled entities taken as a whole since 31 December 2023.

There has been no material adverse change in the prospects of the CB Guarantor or the Westpac Covered Bond Trust since 30 September 2023 and no significant change in the financial position or financial performance of the CB Guarantor or the Westpac Covered Bond Trust since 30 September 2023.

General

To the extent there is any inconsistency between (a) any statement in this Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus prior to the date of this Supplement, the statements in (a) above will prevail.

Save as disclosed in this Supplement, any other supplement previously issued by the Issuer and the Base Prospectus, the Issuer is not aware of any other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus which is capable of affecting an informed assessment by investors of Covered Bonds issued under the Programme since the publication of the Base Prospectus.

Factors which could be material for the purpose of assessing the risks associated with the Covered Bonds issued under the Programme are set out on pages 45 to 98 (inclusive) of the Base Prospectus, as supplemented.

Copies of all documents incorporated by reference in the Base Prospectus are available for viewing at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>.