

ASX Release

Level 18, 275 Kent Street
Sydney, NSW, 2000

4 NOVEMBER 2020

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Letter and Transfer Notice to Eligible Westpac Capital Notes 3 (WCN 3) Holders

Westpac Banking Corporation today provides the attached documents regarding WCN 3:

- a letter to WCN 3 holders who are eligible to participate in the Westpac Capital Notes 7 Reinvestment Offer; and
- a transfer notice regarding any WCN 3 reinvested in Westpac Capital Notes 7.

For further information:

David Lording
Group Head of Media Relations
0419 683 411

Andrew Bowden
Head of Investor Relations
0438 284 863

This document has been authorised for release by Tim Hartin, General Manager & Company Secretary.

Disclaimer

This announcement does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. In particular, this announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or to, or for the account or benefit of, any U.S. person (as defined in Regulation S under the U.S. Securities Act of 1933) (**U.S. Person**). Westpac Capital Notes 7 are being offered in Australia only and will not be offered or sold in the United States or to, or for the account or benefit of, any U.S. Person.

All Registrar communications to:
Link Market Services Limited (Link)
Locked Bag A6015, Sydney South NSW 1235 Australia
Telephone (local call cost within Australia): +61 1300 668 378
ASX Code: WBCPF
Email: westpac@linkmarketservices.com.au
Website: www.linkmarketservices.com.au

Dear Investor,

REINVESTMENT OFFER TO ELIGIBLE WESTPAC CAPITAL NOTES 3 HOLDERS

You are receiving this letter as a holder of Westpac Capital Notes 3 (**WCN3**), which are quoted on the ASX under the code WBCPF.

I am pleased to let you know that Westpac Banking Corporation (**Westpac**) has announced the offer of a new ASX listed Additional Tier 1 Capital security known as, Westpac Capital Notes 7 (**Notes**). The Notes are subordinated, unsecured notes issued by Westpac and are expected to provide investors with fully franked, floating rate, non-cumulative distributions paid quarterly.

As an eligible holder of WCN3¹, you have an opportunity to reinvest all or some of your WCN3 in the Notes (**Reinvestment Offer**).

Participation in the Reinvestment Offer is optional. If you do not wish to participate, no further action is required. Westpac intends to transfer WCN3 not reinvested in Notes to a third party on the optional conversion/redemption/transfer date of 22 March 2021, as discussed below.

If you wish to participate in the Reinvestment Offer

The Reinvestment Offer is expected to open on 13 November 2020 and close at 5.00pm (Sydney time) on 30 November 2020 (**Offer Period**). You may elect to reinvest all or some of the WCN3 you held at 7.00pm (Sydney time) on 28 October 2020 in Notes once the Offer opens. You will be Allocated one Note for each WCN3 reinvested under the Reinvestment Offer (**Participating WCN3**), as both have a face value of \$100 each.

If you apply to reinvest all of your WCN3, you may also apply for additional Notes. You will need to make an Application Payment for any additional Notes. There are no transaction costs to participate in the Reinvestment Offer or to apply for additional Notes.

Westpac will give priority to Applications received under the Reinvestment Offer (including Applications made through Syndicate Brokers) when Allocating the Notes. This priority does not apply to Applications by Eligible Westpac Capital Notes 3 Holders for additional Notes.

¹ Eligible Westpac Capital Notes 3 holders are registered holders of WCN3 shown on the Register at 7.00pm (Sydney time) on 28 October 2020 to have an address in Australia.

How to access a Prospectus and apply

The Reinvestment Offer will be made through the Westpac Capital Notes 7 Prospectus (Prospectus), which you should read in full before deciding to apply for Notes. The Prospectus was lodged with ASIC and made available on ASX on or around 4 November 2020 and is also available at the Westpac Capital Notes 7 Offer website at www.westpac.com.au/westpaccapnotes7.

In the current environment, Westpac is adopting a contactless process for applying and paying for Notes. Applications can only be made online. No printed Prospectus or personalised Application forms will be available.

You can apply online after the Offer opens by going to the Offer website and following the Application instructions. You will need your SRN or HIN.

Application Payments, which are only required for additional Notes, must be made by BPAY®. Payments by cash or cheque will not be accepted.

If you don't participate in the Reinvestment Offer

Any WCN3 not reinvested under the Reinvestment Offer (**Non-Participating WCN3**) will remain on issue following completion of the Reinvestment Offer and all rights attaching to the Non-Participating WCN3 will continue, including to any distributions determined to be paid.

On 22 March 2021 (**the optional conversion/redemption/transfer date for WCN3**), Westpac intends that all Non-Participating WCN3 will be transferred to a third party nominated by Westpac (**WCN3 Nominated Party**). If Non-Participating WCN3 are transferred to the WCN3 Nominated Party on 22 March 2021, the transfer proceeds (**\$100 per Non-Participating WCN3**) will be paid to Non-Participating WCN3 Holders on that date.

Non-Participating WCN3 Holders may choose to sell their Non-Participating WCN3 on ASX at the prevailing market price, which may be higher or lower than the transfer proceeds of \$100 (if the intended transfer were to occur). The last day of trading for WCN3 is expected to be 12 March 2021. It is also expected that off-market transfers of WCN3 will not be accepted after 12 March 2021. You may be required to pay applicable brokerage if you choose to sell WCN3 on ASX.

WCN3 distributions

The following WCN3 distributions are intended to be paid, provided the distribution payment conditions in the WCN3 terms (**WCN3 Terms**) are satisfied, including distributions being at the absolute discretion of Westpac:

To Participating and Non-Participating WCN3 Holders

(i) the First Pro-Rata WCN3 Distribution of \$0.5726 on 4 December 2020 for each WCN3 held on the record date, being 26 November 2020.

To Non-Participating WCN3 Holders only

(ii) the Second Pro-Rata WCN3 Distribution on 22 December 2020 for each WCN3 held on the record date, being 14 December 2020; and

(iii) the intended Final WCN3 Distribution on 22 March 2021 for each WCN3 held on the record date, being 12 March 2021.

All distribution payments and payments of any transfer proceeds for Non-Participating Westpac Capital Notes 3 will be made in accordance with your payment instructions recorded on the WCN3 Register.

Amendments to WCN3 Terms and transfer notice

Westpac has amended the WCN3 Terms primarily to facilitate the Reinvestment Offer, as permitted under the WCN3 Terms. The amended WCN3 Terms were lodged on ASX on or around 4 November 2020 and are also available on our website at www.westpac.com.au/westpaccapnotes3.

Westpac has also lodged on ASX the transfer notice that accompanies this letter, which outlines that if you participate in the Reinvestment Offer, your Participating WCN3 will be transferred to the WCN3 Nominated Party on 4 December 2020 and the transfer proceeds (\$100 per Participating WCN3) will be automatically applied towards the subscription for Notes. The transfer on 4 December 2020 is separate to the intended transfer of Non-Participating WCN3 on 22 March 2021.

If you have any questions regarding your WCN3 holding, please call the Westpac Capital Notes 7 Information Line (details below).

For more information about the Notes and Reinvestment Offer

- Visit the **Offer website** at www.westpac.com.au/westpaccapnotes7.
- Read the Prospectus, which contains details of the Offer in full (including the Reinvestment Offer).
- Call the **Westpac Capital Notes 7 Information Line** (Monday to Friday, 8.30am to 5.30pm, Sydney time) on 1300 668 378 (within Australia) and +61 1300 668 378 (from outside Australia).
- Seek professional advice from a financial adviser or other professional adviser.

How to update your contact details and communication preferences

- **Online:** Login to your securityholding through the Registrar's website at www.linkmarketservices.com.au and follow the links on the right of the homepage to update your details.
- **Phone:** Call the Registrar on 1800 804 255 (Monday to Friday, 8.30am to 5.30pm, Sydney time).
- **To request no marketing materials** (including information on future securities offers) call the Registrar on 1800 804 255.

Thank you for your investment and support of Westpac.

A handwritten signature in black ink, appearing to read 'Andrew Bowden'.

Andrew Bowden

Head of Investor Relations
Westpac Banking Corporation

CAUTION – Westpac Capital Notes 7 are not deposit liabilities of Westpac, are riskier than bank deposits and may not be suitable for some investors. Their complexity may make them difficult to understand and the risks associated with the Notes could result in the loss of all of your investment. If you do not fully understand how they work or the risks associated with them, you should obtain professional advice.

IMPORTANT NOTICES

- This letter is not financial product advice and has not taken into account your objectives, financial situation or needs.
- Unless otherwise defined, capitalised words used in this letter have the meanings given to them in the Prospectus.

- The Offer will be made through the Prospectus and you will need to complete a valid Application made under the Prospectus to apply for a specified number of Notes by following the online Reinvestment Application instructions.
- Dates are indicative and may change. Westpac and the Joint Lead Managers may, in their absolute discretion, close the Offer early or extend the Offer Period without notice. Westpac may also withdraw the Offer before the Notes are issued. Accordingly, if you wish to apply for Notes, you are encouraged to do so as soon as possible after the Reinvestment Offer opens on 13 November 2020.

This communication does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. In particular, this communication does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or to, or for the account or benefit of, any U.S. person (as defined in Regulation S under the U.S. Securities Act of 1933) (**U.S. Person**). Westpac Capital Notes 7 are being offered in Australia only and will not be offered or sold in the United States or to, or for the account or benefit of, any U.S. Person.

BPAY® is a registered trademark of BPAY Pty Ltd ABN 69 079 137 518.

Visit Westpac's website www.westpac.com.au for information on privacy and security.

Transfer Notice for Westpac Capital Notes 3

Westpac Banking Corporation (**Westpac**) notifies holders of Westpac Capital Notes 3 that on 4 December 2020, any Westpac Capital Notes 3 reinvested in Westpac Capital Notes 7 under the Reinvestment Offer (**Participating Westpac Capital Notes 3**) will be transferred to Citigroup Global Markets Australia Pty Limited (the **Nominated Party**)¹ in accordance with clause 8.1(a)(iii) of the Westpac Capital Notes 3 terms (as amended) (the **Terms**). A pro-rata Distribution of \$0.5726 will be paid to all registered holders of Westpac Capital Notes 3 as at 7.00pm (Sydney time) on 26 November 2020 (the **First Pro-Rata Westpac Capital Notes 3 Distribution**), provided the Distribution payment conditions in the Terms are satisfied, including Distributions being at the absolute discretion of Westpac.

The Nominated Party has agreed to acquire each Participating Westpac Capital Note 3 for \$100 in accordance with the Nominated Party Deed Poll. The \$100 proceeds for each Participating Westpac Capital Note 3 transferred will be automatically reinvested in Westpac Capital Notes 7 in accordance with the terms of the Reinvestment Offer set out in the Westpac Capital Notes 7 Prospectus.

Copies of the Nominated Party Deed Poll and the Terms are available from the Westpac Capital Notes 3 website at www.westpac.com.au/westpaccapnotes3 or by calling the Westpac Capital Notes 7 Information Line (Monday to Friday, 8.30am to 5.30pm, Sydney time) on 1300 668 378 (within Australia) or +61 1300 668 378 (from outside Australia).

Capitalised terms used but not defined in this notice have the meaning given in the Terms.

A handwritten signature in black ink, appearing to read 'Tim Hartin'.

Tim Hartin

General Manager & Company Secretary
Westpac Banking Corporation

¹ Subject to certain conditions in the Nominated Party Deed Poll being satisfied.