

# Release

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7 SEPTEMBER 2022

**NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

**Westpac Banking Corporation (“Westpac”) – issue of SGD450,000,000 Fixed Rate Reset Subordinated Instruments due 7 September 2032 (the “Subordinated Instruments”)**

**Cleansing notice under section 708A(12H)(e) of the Corporations Act 2001 (Cth) (“Act”) as inserted by ASIC Corporations (Regulatory Capital Securities) Instrument 2016/71 (“Instrument”)**

1. Westpac will issue the Subordinated Instruments on 7 September 2022. Offers of the Subordinated Instruments do not require disclosure to investors under Part 6D.2 of the Act.
2. The terms and conditions of the Subordinated Instruments (“**Conditions**”) are set out on pages 61 to 157 of the Information Memorandum relating to Westpac’s Programme for the Issuance of Debt Instruments dated 8 November 2021 (“**Information Memorandum**”), as supplemented by the Pricing Supplement dated 5 September 2022, the form of which is attached to this notice as Annexure A (“**Pricing Supplement**”). The Information Memorandum was released to the Australian Securities Exchange (“**ASX**”) on 9 November 2021 and may be viewed at [www.asx.com.au](http://www.asx.com.au).
3. The Subordinated Instruments are expected to be treated as Tier 2 regulatory capital under the Basel III capital adequacy framework as implemented in Australia by the Australian Prudential Regulation Authority (“**APRA**”).
4. If APRA determines that Westpac is or would become non-viable, the Subordinated Instruments may be:
  - (a) Converted into fully paid ordinary shares in the capital of Westpac; or
  - (b) immediately and irrevocably Written-off (and rights attaching to the Subordinated Instruments terminated) if for any reason Conversion does not occur within five ASX Business Days of APRA notifying Westpac of the determination,in accordance with the Conditions.
5. In order to enable ordinary shares in the capital of Westpac issued on Conversion to be sold without disclosure under Chapter 6D of the Act, Westpac has elected to give this notice under section 708A(12H)(e) of the Act as inserted by the Instrument. The

Conditions and the information in the attached Schedule are included in, and form part of, this notice.

6. Westpac confirms that:
  - (a) the information in this notice remains current as at today's date;
  - (b) this notice complies with section 708A of the Act, as notionally modified by the Instrument; and
  - (c) this notice complies with the content requirements of section 708A(12I) of the Act as inserted by the Instrument.
7. Unless otherwise defined, capitalised expressions used in this notice have the meanings given to them in the Information Memorandum or Pricing Supplement.

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

**NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

This market announcement does not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States or any other jurisdiction. The securities offered have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered, sold or delivered in the United States or to, or for the account or benefit of, U.S. persons, except in certain transactions permitted by U.S. tax regulations.

## SCHEDULE

### **A. Effect on Westpac of the offer of the Subordinated Instruments**

The issuance of the Subordinated Instruments is expected to raise Tier 2 regulatory capital to satisfy Westpac's regulatory requirements and maintain the diversity of Westpac's sources and types of capital funding.

The proceeds from the issue of the Subordinated Instruments will be used for general corporate purposes. Those proceeds, less the costs of the issue, will be classified as loan capital in the financial statements of Westpac. The issue of the Subordinated Instruments will not have a material impact on Westpac's financial position.

The proceeds of the issue, less the costs of the issue, are expected to increase Westpac's total capital ratio on a Level 2 basis by 0.1%.

### **B. Rights and liabilities attaching to the Subordinated Instruments**

The rights and liabilities attaching to the Subordinated Instruments are set out in the Conditions as supplemented by the Pricing Supplement.

### **C. Effect on Westpac of the issue of the ordinary shares if the Subordinated Instruments are required to be Converted<sup>1</sup>**

A key feature of APRA's requirements for Tier 2 regulatory capital instruments is that they absorb losses at the point of non-viability of the issuer. The Conditions include provisions that require the Subordinated Instruments to be Converted into ordinary shares in the capital of Westpac or Written-off on the occurrence of a Non-Viability Trigger Event. A Non-Viability Trigger Event will occur when APRA notifies Westpac in writing that it believes that relevant non-viability circumstances (as described in the definition of "Non-Viability Trigger Event" in the Conditions) subsist, which could occur at any time.

If a Non-Viability Trigger Event occurs and Westpac Converts the Subordinated Instruments and issues ordinary shares to Holders (as required under the Conditions), the effect of Conversion on Westpac would be to reduce loan capital by the principal amount, less any unamortised costs of the issue, of the Subordinated Instruments being Converted and increase Westpac's shareholders' equity (ordinary share capital) by a corresponding amount. APRA has not provided extensive guidance as to how it would determine non-viability. Non-viability could be expected to include serious impairment of Westpac's financial position and concerns about its capital, funding or liquidity levels and/or insolvency. APRA has indicated that non-viability is likely to arise prior to insolvency.

The number of ordinary shares issued on Conversion is variable, but is limited to the Maximum Conversion Number. Limiting the number of ordinary shares which may be issued to the Maximum Conversion Number means that it is likely that Holders will receive a number of ordinary shares that have a market value that is significantly less than the Outstanding Principal Amount of the Subordinated Instruments. The Australian Dollar may depreciate in value against the Singapore Dollar by the time of Conversion. In that case, the Maximum Conversion Number is more likely to apply.

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<sup>1</sup> If, in accordance with the Conditions, Westpac is replaced by an Approved Successor as debtor of the Subordinated Instruments and the issuer of ordinary shares, Subordinated Instruments may be Converted into fully paid ordinary shares in the capital of an Approved Successor in accordance with the Conditions. This notice also enables ordinary shares in the capital of an Approved Successor which is a NOHC for the purposes of the *Banking Act 1959 (Cth)* and the ultimate holding company of Westpac issued on Conversion to be sold without disclosure under Chapter 6D of the Act. Refer to the Conditions and the Instrument for further information.

The Maximum Conversion Number is calculated based on a VWAP set to reflect 20% of the Issue Date VWAP. The Maximum Conversion Number may be adjusted to reflect a consolidation, division or reclassification or pro rata bonus issue, of ordinary shares. However, no adjustment will be made to it on account of other transactions which may affect the price of ordinary shares, including for example, rights issues, returns of capital, buy-backs or special dividends.

The Maximum Conversion Number is 60,007.4957 Westpac ordinary shares per Subordinated Instrument (with denominations of SGD250,000), based on the Issue Date VWAP of AUD21.81. If Conversion of any Subordinated Instruments does not occur for any reason within five ASX Business Days after the occurrence of the Non-Viability Trigger Event, the Subordinated Instruments will be Written-off, and all corresponding rights and claims of Holders under the Conditions (including with respect to payments of interest, the repayment of the Outstanding Principal Amount and upon Conversion, the receipt of ordinary shares) will be immediately and irrevocably written-off and terminated, with effect on and from the Non-Viability Trigger Event Date in accordance with the Conditions, and investors will lose all or some of their investment and will not receive any compensation.

#### **D. Rights and liabilities attaching to the ordinary shares in the capital of Westpac**

Westpac was registered on 23 August 2002 as a public company limited by shares under the Act. Westpac's constitution was most recently amended at the general meeting held on 15 December 2021 ("**Constitution**", as amended from time to time). The ordinary shares in the capital of Westpac are admitted to trading on ASX. The rights attaching to the ordinary shares in the capital of Westpac are set out in the Act and the Constitution.

In addition, the rights and liabilities attaching to the ordinary shares in the capital of Westpac are described on pages 204 to 206 of the Information Memorandum<sup>2</sup>.

#### **E. Additional information**

Information about the Subordinated Instruments is contained in the Information Memorandum and the Pricing Supplement.

Westpac is a disclosing entity for the purposes of the Act and, as a result, is subject to regular reporting and disclosure obligations under the Act and the ASX Listing Rules. In addition, Westpac must notify ASX immediately (subject to certain exceptions) if it becomes aware of information about Westpac that a reasonable person would expect to have a material effect on the price or value of its listed securities, including ordinary shares in the capital of Westpac.

Copies of documents lodged with the Australian Securities and Investments Commission ("**ASIC**") can be obtained from, or inspected at, an ASIC office and Westpac's ASX announcements may be viewed at [www.asx.com.au](http://www.asx.com.au).

Any person has the right to obtain copies of:

- Westpac's half-yearly and annual financial reports; and
- any continuous disclosure notices given by Westpac after the lodgement of the 2021 Westpac Group Annual Report, but before the date of this notice,

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<sup>2</sup> If, in accordance with the Conditions, Westpac is replaced by an Approved Successor as debtor of the Subordinated Instruments and the issuer of ordinary shares, then on Conversion Holders will be issued with fully paid ordinary shares in the capital of the Approved Successor.

from [www.westpac.com.au/investorcentre](http://www.westpac.com.au/investorcentre), or by request made in writing to Westpac at:

Westpac Group Secretariat  
Level 18  
Westpac Place  
275 Kent Street  
Sydney NSW 2000

**ANNEXURE A**

**Form of Pricing Supplement dated 5 September 2022 in respect of the issue of  
SGD450,000,000 Fixed Rate Reset Subordinated Instruments due 7 September 2032**

**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Subordinated Instruments are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**EU PRIIPs Regulation**”) for offering or selling the Subordinated Instruments or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Subordinated Instruments or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

**PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Subordinated Instruments are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the “**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law in the UK by virtue of the European Union (Withdrawal) Act 2018, as amended by the European Union (Withdrawal Agreement) Act 2020 (the “**EUWA**”); or (ii) a customer within the meaning of the provisions of the UK’s Financial Services and Markets Act 2000, as amended (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97 in the UK, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law in the UK by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law in the UK by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Subordinated Instruments or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Subordinated Instruments or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

**NOTIFICATION UNDER SECTION 309B(1) OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE, AS MODIFIED OR AMENDED FROM TIME TO TIME (THE “SFA”)** – The Subordinated Instruments are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

THIS PRICING SUPPLEMENT HAS BEEN ISSUED IN RESPECT OF INSTRUMENTS WHICH ARE NOT ADMITTED TO THE OFFICIAL LIST OF THE UK FINANCIAL CONDUCT AUTHORITY OR TO ANY EUROPEAN ECONOMIC AREA REGULATED MARKET, OR OFFERED TO THE PUBLIC IN THE EUROPEAN ECONOMIC AREA FOR THE PURPOSES OF REGULATION (EU) 2017/1129 (AS AMENDED) (THE “**EU PROSPECTUS REGULATION**”) OR IN THE UK FOR THE PURPOSES OF THE FSMA. THIS PRICING SUPPLEMENT HAS NOT BEEN REVIEWED OR APPROVED BY THE UK FINANCIAL CONDUCT AUTHORITY AND DOES NOT CONSTITUTE A BASE PROSPECTUS FOR THE PURPOSES OF THE EU PROSPECTUS REGULATION OR REGULATION (EU) 2017/1129 AS IT FORMS PART OF THE DOMESTIC LAW IN THE UK BY VIRTUE OF THE EUWA.

## **PRICING SUPPLEMENT**

Series No.: 1484

Tranche No.: 1

**WESTPAC BANKING CORPORATION ABN 33 007 457 141**

### **Programme for the Issuance of Debt Instruments**

Issue of

**SGD450,000,000**

**Fixed Rate Reset Subordinated Instruments due 7 September 2032**

**by Westpac Banking Corporation**

**Legal Entity Identifier (LEI): EN5TNI6CI43VEPAMHL14**

This document constitutes the Pricing Supplement relating to the issue of Subordinated Instruments described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the “**Terms and Conditions**”) set forth in the Information Memorandum dated 8 November 2021 and any supplement to the Information Memorandum prepared by the Issuer from time to time (together, the “**Information Memorandum**”). This Pricing Supplement must be read in conjunction with the Information Memorandum.

Full information on the Issuer and the Subordinated Instruments described herein is only available on the basis of a combination of this Pricing Supplement and the Information Memorandum. The Information Memorandum is available for viewing at Camomile Court, 23 Camomile Street, London EC3A 7LL, United Kingdom and copies may be obtained from the Specified Offices of the Paying Agents.

Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the Subordinated Instruments by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act 1947 of Singapore (the “**ITA**”) shall not apply if such person acquires such Subordinated Instruments using the funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Subordinated Instruments is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the ITA.

### **Part A: Contractual Terms**

The Subordinated Instruments being purchased have the following terms:

- 1. Issuer:** Westpac Banking Corporation, acting through its head office



<b>2. Date of Board Approval of the Issuer:</b>	Not applicable, save as discussed in paragraph 2 of the “General Information” section of the Information Memorandum.
<b>3. Status:</b>	Subordinated
	The primary method of loss absorption is Conversion, subject to possible Write-off in accordance with Condition 5.3.
	For the purposes of:
	<ul style="list-style-type: none"> <li>• Condition 6.1, the formula to be used for calculating the Conversion Number, P is 0.99; and</li> <li>• Condition 6.10(b), the Clearing System Cut-off Date is 10 ASX Business Days prior to the Non-Viability Trigger Event Date.</li> </ul>
<b>4. Specified Currency:</b>	
(i) of denomination:	Singapore Dollars (“ <b>SGD</b> ”)
(ii) of payment:	SGD
<b>5. Aggregate Principal Amount of Tranche:</b>	SGD450,000,000
<b>6. Aggregate Principal Amount of Series:</b>	SGD450,000,000
<b>7. If interchangeable with existing Series, Series No.:</b>	Not applicable
<b>8. Issue Date:</b>	7 September 2022
<b>9. Interest Commencement Date:</b>	Issue Date
<b>10. Issue Price:</b>	100 per cent. of the Aggregate Principal Amount of Tranche
<b>11. Maturity Date:</b>	7 September 2032, subject to adjustment in accordance with the Business Day Convention specified in paragraph 21(vii).
<b>12. Total Expenses related to admission to trading:</b>	AUD5,000
<b>13. Form of Subordinated Instruments:</b>	Bearer

(i) Initially represented by a Temporary Global Instrument or Permanent Global Instrument:	Temporary Global Instrument
(ii) Temporary Global Instrument exchangeable for a Permanent Global Instrument or for Definitive Subordinated Instruments:	Yes. The Exchange Date shall be no earlier than 40 days after the Issue Date.
(iii) Specify date (if any) from which exchanges for Registered Subordinated Instruments will be made:	Not applicable
(iv) Permanent Global Instrument exchangeable at the option of the bearer for Definitive Subordinated Instruments:	No. Permanent Global Instruments are only exchangeable for Definitive Subordinated Instruments in the limited circumstances set out in Conditions 2.5(a) and (b).
(v) Talons for future Coupons to be attached to Definitive Subordinated Instruments:	No
<b>14. If issued in registered form:</b>	Not applicable
<b>15. Denomination:</b>	SGD250,000
<b>16. Calculation Amount:</b>	SGD250,000
<b>17. Type of Subordinated Instrument(s):</b>	Fixed Rate Reset Subordinated Instruments
<b>18. Interest:</b>	4.65 per cent. per annum Fixed Rate subject to the Reset Rate. Further details are specified in paragraph 21.
<b>19. Change of interest basis:</b>	Not applicable
<b>20. Fixed Rate Subordinated Instruments:</b>	Not applicable
<b>21. Fixed Rate Reset Subordinated Instruments Provisions:</b>	Applicable
(i) Initial Rate of Interest:	4.65 per cent. per annum payable semi-annually in arrear for the period from, and including, the Issue Date to, but excluding, the Interest Payment Date scheduled to fall on 7 September 2027 (the “ <b>Early</b>

**Redemption Date (Call)**”).

- (ii) Fixed Rate Reset Date: Early Redemption Date (Call)
- (iii) Reset Rate: A fixed rate per annum equal to the sum of (a) the Reset Reference Rate and (b) the Reset Reference Rate Spread payable semi-annually in arrear for the period from, and including, the Early Redemption Date (Call) to, but excluding, the Maturity Date.
- (iv) Reset Reference Rate: The 5-year SORA Overnight Indexed Swap rate (“**5-year SORA OIS**”) appearing on the Relevant Screen Page at the Reset Rate Time on the Reset Determination Date.
  - Relevant Screen Page: The 5-year SORA OIS available on the “OTC SGD OIS” page on Bloomberg under the “BGN” panel and the column headed “Ask”, or such other page as may be determined by the Calculation Agent for the purposes of displaying comparable rates.
  - Reset Reference Rate Spread: 1.751 per cent. per annum, being the difference between the Initial Rate of Interest and the 5-year SORA OIS of 2.899 per cent. per annum determined at the time of pricing on 30 August 2022.
- (v) Interest Payment Dates: 7 March and 7 September of each year commencing on 7 March 2023 up to and including the Maturity Date, subject in each case to adjustment in accordance with the Business Day Convention specified in paragraph 21(vii).
- (vi) Interest Period End Date(s): 7 March and 7 September of each year commencing on 7 March 2023 up to and including 7 September 2032, subject in each case to adjustment in accordance with the Business Day Convention specified in paragraph 21(vii).
- (vii) Applicable Business Day Convention:
  - for Interest Payment Dates: Modified Following Business Day Convention
  - for Interest Period End Dates: Modified Following Business Day Convention
  - for Maturity Date: Modified Following Business Day Convention
  - any other date: No adjustment

(viii)	Additional Business Centre(s):	London, Singapore, New York and Sydney
(ix)	Fixed Coupon Amount up to (but excluding) the Fixed Rate Reset Date:	Not Applicable
(x)	Broken Amount(s):	Not applicable
(xi)	Day Count Fraction:	Actual/365 (Fixed)
(xii)	Reset Determination Date:	The second Singapore Business Day immediately preceding the Early Redemption Date (Call), where “ <b>Singapore Business Day</b> ” means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in Singapore.
(xiii)	Reset Rate Time:	4.00 pm (Singapore time)
<b>22.</b>	<b>Floating Rate Subordinated Instruments Provisions:</b>	Not applicable
<b>23.</b>	<b>Benchmark Replacement:</b>	Benchmark Replacement (General)
<b>24.</b>	<b>Final Redemption Amount of each Subordinated Instrument:</b>	SGD250,000 per Calculation Amount
<b>25.</b>	<b>Early Redemption at the option of the Issuer (Call):</b>	Condition 8.3 is applicable, but only in respect of the Interest Payment Date scheduled to fall on 7 September 2027
(i)	Early Redemption Date (Call):	Interest Payment Date scheduled to fall on 7 September 2027
(ii)	Early Redemption Amount (Call) of each Subordinated Instrument:	SGD250,000 per Calculation Amount
(iii)	Series redeemable in part:	The Issuer may redeem all or some Subordinated Instruments at its discretion under Condition 8.3
(iv)	Notice period(s):	As set out in Condition 8.7
(v)	Specify any additional conditions to exercise of the call option:	Not applicable
<b>26.</b>	<b>Early Redemption (Adverse Tax Event)</b>	Condition 8.4 is applicable
(i)	Early Redemption Amount (Adverse Tax Event) of each	SGD250,000 per Calculation Amount

Subordinated Instrument:	
(ii) Series redeemable in part:	Not applicable
(iii) Notice period(s):	As set out in Condition 8.7
(iv) Specify any additional conditions to exercise of option:	Not applicable
<b>27. Early Redemption (Regulatory Event)</b>	Condition 8.5 is applicable
(i) Early Redemption Amount (Regulatory Event) of each Subordinated Instrument:	SGD250,000 per Calculation Amount
(ii) Series redeemable in part:	Not applicable
(iii) Notice period(s):	As set out in Condition 8.7
(iv) Specify any additional conditions to exercise of option:	Not applicable
<b>28. Early Termination (Event of Default):</b>	Condition 11 is applicable
Early Termination Amount:	SGD250,000 per Calculation Amount
<b>29. Taxation:</b>	Condition 10.1 is applicable
<b>30. Other terms and conditions:</b>	Not applicable
<b>31. Lead Managers:</b>	DBS Bank Ltd.  The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch  Oversea-Chinese Banking Corporation Limited  Standard Chartered Bank  United Overseas Bank Limited  Westpac Banking Corporation
<b>32. Relevant Dealers:</b>	Lead Managers
<b>33. Paying Agent(s):</b>	As set out in the Information Memorandum
<b>34. Calculation Agent:</b>	Fiscal Agent
<b>35. Notices:</b>	Condition 16 applies

**36. U.S. selling restrictions:**

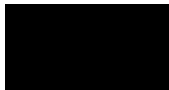
Regulation S Category 2 restrictions apply to the Subordinated Instruments

Not Rule 144A eligible

TEFRA D Rules apply to the Subordinated Instruments

**WESTPAC BANKING CORPORATION**

**By:**



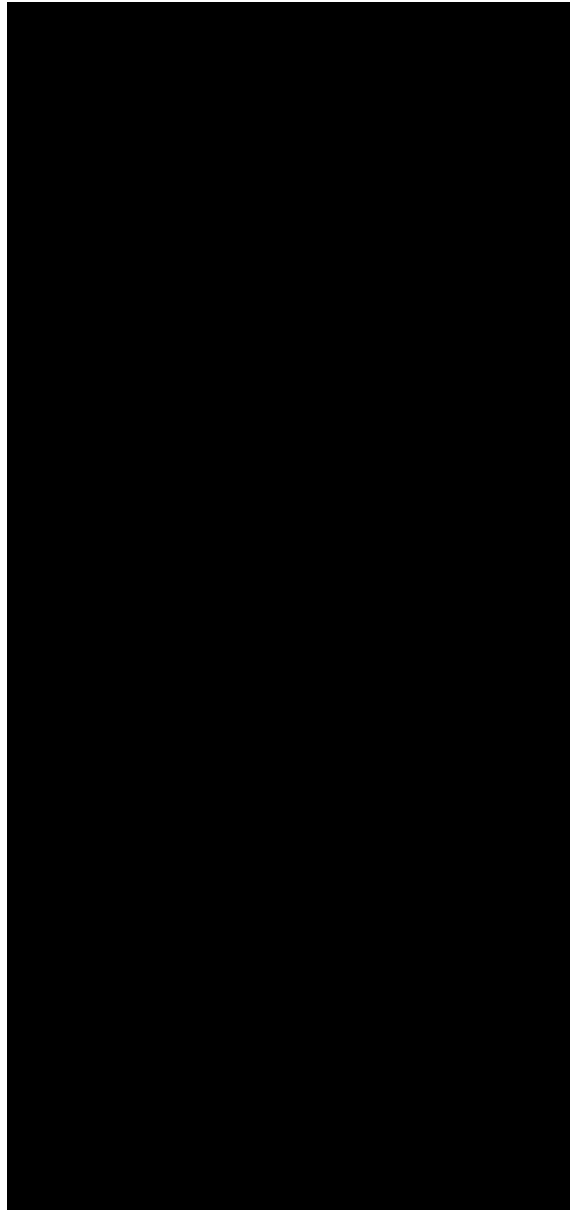
**Name:** Emily Blythe

**Date:** 5 September 2022

## Part B: Other Information

**1. Listing:** Yes. It is intended that the Subordinated Instruments will be listed on the Australian Securities Exchange's wholesale Interest Rate Securities Market.

**2. Ratings:**



**3. Interests of natural and legal persons involved in the issue:** Save as discussed in the "Subscription and Sale" section of the Information Memorandum, so far as the Issuer is aware, no person involved in the offer of the Subordinated Instruments has an interest material to the offer.

**4. Reasons for the offer:**

Reasons for the offer and use of proceeds:

General corporate purposes

**5. Operational Information:**

(i) Trade Date:	30 August 2022
(ii) ISIN:	XS2529229036
(iii) Common Code:	252922903
(iv) CFI:	DTFUFB
(v) FISN:	WESTPAC BANKING/1EMTN 20320907
(vi) Common Depository/Lodging Agent	The Bank of New York Mellon
(vii) Any Clearing System other than Euroclear and Clearstream, Luxembourg:	Not applicable
(viii) CMU Service Instrument Number:	Not applicable
(ix) Settlement procedures:	Customary medium term note settlement and payment procedures apply

**6. Other**

(i) Distribution of Information Memorandum:	See pages 1 to 4 and the "Subscription and Sale" section of the Information Memorandum.
(ii) Other selling restrictions:	See the "Subscription and Sale" section of the Information Memorandum.
(iii) Stabilisation Manager:	Not applicable
(iv) Other amendments:	Not applicable
(v) Additional disclosure:	See the Annexure to this Pricing Supplement.



## **ANNEXURE TO THE PRICING SUPPLEMENT**

*The Information Memorandum is hereby supplemented with the following information, which shall be deemed to be incorporated in, and to form part of, the Information Memorandum. Save as otherwise defined herein, terms defined in the Information Memorandum have the same meaning when used in this Annexure.*

### **Amendment to Information Memorandum**

All references in the Information Memorandum to “Securities and Futures Act (Chapter 289) of Singapore” and “Securities and Futures Act, Chapter 289 of Singapore” shall be deemed to be deleted and replaced with “Securities and Futures Act 2001 of Singapore”.

### **Holders of Subordinated Instruments may be exposed to risks relating to Singapore taxation**

The Subordinated Instruments are intended to be qualifying debt securities (“**QDS**”) for the purposes of the Income Tax Act 1947 of Singapore (“**ITA**”), subject to the fulfilment of certain conditions more particularly described in the section titled “Singapore Taxation”.

However, there is no assurance that the conditions for QDS will be met or that the Subordinated Instruments would continue to enjoy the tax concessions for QDS should the relevant tax laws be amended or revoked at any time, or should the required conditions cease to be fulfilled.

In addition, the tax concessions for QDS may not be available for the Subordinated Instruments if the Inland Revenue Authority of Singapore (“**IRAS**”) does not regard the Subordinated Instruments as debt securities for Singapore income tax purposes.

### **Interim Financial Report**

On 9 May 2022, Westpac released its interim financial report for the six-month period ended 31 March 2022 (“**Interim Financial Report**”) containing the unaudited consolidated interim financial statements (including the auditor’s review report thereon and the notes thereto) as at and for the six-month period ended 31 March 2022, as set out on pages 97 to 136 (inclusive) of the Interim Financial Report. By virtue of this Pricing Supplement, pages 97 to 136 (inclusive) of the Interim Financial Report are incorporated in and form part of this Pricing Supplement, and are thereby incorporated in and form part of the Information Memorandum.

Any information in the Interim Financial Report which is not incorporated in and does not form part of this Pricing Supplement and therefore is not incorporated in and does not form part of the Information Memorandum is not relevant for investors or is contained elsewhere in the Information Memorandum.

### **Singapore Taxation**

*The statements below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines and circulars issued by the IRAS and the Monetary Authority of Singapore (“**MAS**”) in force as at the date of this Pricing Supplement and are subject to any changes in such laws, administrative guidelines or circulars, or the interpretation of those laws, administrative guidelines or circulars, occurring after such date, which changes could be made on a retroactive basis. These laws, administrative guidelines and circulars are also subject to various*

*interpretations and the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Pricing Supplement are intended or are to be regarded as advice on the tax position of any holder of the Subordinated Instruments or of any person acquiring, selling or otherwise dealing with the Subordinated Instruments or on any tax implications arising from the acquisition, sale or other dealings in respect of the Subordinated Instruments. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Subordinated Instruments and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive(s)) may be subject to special rules or tax rates. The statements should not be regarded as advice on the tax position of any person and should be treated with appropriate caution. Prospective holders and holders of the Subordinated Instruments are advised to consult their own professional tax advisers as to the Singapore or other tax consequences of the acquisition, ownership of or disposal of the Subordinated Instruments, including, in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that none of the Issuer, the Relevant Dealers and any other persons involved in the issuance of the Subordinated Instruments accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Subordinated Instruments.*

*In addition, the disclosure below is on the assumption that the IRAS regards the Subordinated Instruments, which are intended to be "qualifying debt securities" for the purposes of the ITA, as "debt securities" for the purposes of the ITA and that distribution payments made under the Subordinated Instruments will be regarded as interest payable on indebtedness and holders thereof may therefore enjoy the tax concessions and exemptions available for qualifying debt securities, provided that the other conditions for the qualifying debt securities scheme are satisfied. An advance tax ruling will be requested from the IRAS to confirm, amongst other things, whether the IRAS would regard the Subordinated Instruments as "debt securities" for the purposes of the ITA and the distributions made under the Subordinated Instruments as interest payable on indebtedness. There is no guarantee that a favourable ruling will be obtained from the IRAS. In addition, no assurance is given that the Issuer can provide all information or documents requested by the IRAS for the purpose of the ruling request, and a ruling may not therefore be issued.*

*If the Subordinated Instruments are not regarded as "debt securities" for the purposes of the ITA, the distributions made under the Subordinated Instruments are not regarded as interest payable on indebtedness and/or holders thereof are not eligible for the tax concessions under the qualifying debt securities scheme, the tax treatment to holders may differ. No assurance, warranty or guarantee is given on the tax treatment to holders of the Subordinated Instruments in respect of the distributions payable to them. Investors and holders of the Subordinated Instruments should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of the Subordinated Instruments.*

## **1. Interest and Other Payments**

On the basis that more than half of the Subordinated Instruments are distributed by DBS Bank Ltd., The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited, each of which is a Financial Sector Incentive (Bond Market) Company, Financial Sector Incentive (Capital Market) Company or Financial Sector Incentive (Standard Tier) Company (as defined in the ITA) at such time and assuming that the

Subordinated Instruments are regarded as “debt securities” for the purposes of the ITA, the Subordinated Instruments would be, pursuant to the ITA, QDS for the purposes of the ITA, to which the following treatment shall apply.

Subject to certain prescribed conditions having been fulfilled (including the furnishing by the Issuer or such other person as the MAS may direct, to the MAS of a return on debt securities in the prescribed format for the Subordinated Instruments within one month of the date of issue of the Subordinated Instruments or such period as the MAS may specify and such other particulars in connection with the Subordinated Instruments as the MAS may require to MAS), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the “**Qualifying Income**”) from the Subordinated Instruments paid by the Issuer and derived by any company or body of persons (as defined in the ITA) in Singapore is subject to income tax at a concessionary rate of 10.0% (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates) under section 43H(1) of the ITA.

Notwithstanding the foregoing:

- A. if during the primary launch of the Subordinated Instruments, the Subordinated Instruments are issued to fewer than four persons and 50.0% or more of the issue of the Subordinated Instruments is beneficially held or funded, directly or indirectly, by related parties of the Issuer, the Subordinated Instruments would not qualify as QDS; and
- B. even though the Subordinated Instruments are QDS, if, at any time during the tenure of the Subordinated Instruments, 50.0% or more of the Subordinated Instruments which are outstanding at any time during the life of their issue is beneficially held or funded, directly or indirectly, by any related party(ies) of the Issuer, Qualifying Income derived from the Subordinated Instruments held by:
  - i. any related party of the Issuer; or
  - ii. any other person where the funds used by such person to acquire the Subordinated Instruments are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption or concessionary rate of tax as described above.

The terms “**break cost**”, “**prepayment fee**”, “**redemption premium**” and “**related party**” are defined in section 13(16) of the ITA as follows:

“break cost”, in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption;

“prepayment fee”, in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities;

“redemption premium”, in relation to debt securities and qualifying debt securities, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity; and

“related party”, in relation to a person, means any other person who, directly or indirectly, controls that person, or is controlled, directly or indirectly, by that person, or where he and that other person, directly or indirectly, are under the control of a common person.

References to “break cost”, “prepayment fee”, “redemption premium” and “related party” in this Singapore tax disclosure have the same meaning as defined in the ITA.

All foreign-sourced income received in Singapore on or after 1 January 2004 by Singapore tax-resident individuals will be exempt from income tax, provided such foreign-sourced income is not received through a partnership in Singapore.

Where interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) is derived from the Subordinated Instruments by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for QDS under the ITA shall not apply if such person acquires such Subordinated Instruments using the funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost (i.e., the Qualifying Income) derived from the Subordinated Instruments is not exempt from tax is required to include such income in a return of income made under the ITA.

### ***Singapore Tax Classification of Hybrid Instruments***

The ITA currently does not contain specific provisions on how financial instruments that exhibit both debt-like and equity-like features, i.e. hybrid instruments, should be treated for income tax purposes. However, the IRAS has published the e-Tax Guide: Income Tax Treatment of Hybrid Instruments (Second Edition) on 21 October 2019 (the “**Hybrid Instruments e-Tax Guide**”) which sets out the income tax treatment of hybrid instruments, including the factors that the IRAS will generally use to determine whether such instruments are debt or equity instruments for income tax purposes.

Among others, the IRAS has stated in the Hybrid Instruments e-Tax Guide that:

- (a) whether or not a hybrid instrument will be treated as debt or equity instruments for income tax purposes will firstly depend on its legal form, to be determined based on an examination of the legal rights and obligations attached to the instrument;
- (b) a hybrid instrument is generally characterised as equity if the legal terms of the instrument indicate ownership interests in the issuer. If the legal form of a hybrid instrument is not indicative of or does not reflect the legal rights and obligations, the facts and circumstances surrounding the instrument and a combination of factors, not limited to the following, would have to be examined to ascertain the nature of the instrument for income tax purposes.

These factors include (but are not limited to):

- (i) nature of interest acquired;

- (ii) investor's right to participate in issuer's business;
  - (iii) voting rights conferred by the instrument;
  - (iv) obligation to repay the principal amount;
  - (v) payout;
  - (vi) investor's right to enforce payment;
  - (vii) classification by other regulatory authority; and
  - (viii) ranking for repayment in the event of liquidation or dissolution;
- (c) if a hybrid instrument is characterised as a debt instrument for income tax purposes, distributions from the issuer to the investors are regarded as interest; and
- (d) if a hybrid instrument issued by a company or a REIT (as defined in the ITA) is characterised as an equity instrument for income tax purposes, distributions from the issuer to the investors are regarded as either dividends or distributions.

## **2. Capital Gains**

Any gains considered to be in the nature of capital made from the sale of the Subordinated Instruments will not be taxable in Singapore. However, any gains derived by any person from the sale of the Subordinated Instruments which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

Holders of the Subordinated Instruments who apply or who are required to apply Singapore Financial Reporting Standard 39 ("**FRS 39**"), Financial Reporting Standard 109 Financial Instruments ("**FRS 109**") or Singapore Financial Reporting Standard (International) 9 ("**SFRS(I) 9**") (as the case may be), may for Singapore income tax purposes be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Subordinated Instruments, irrespective of disposal, in accordance with FRS 39, FRS 109 or SFRS(I) 9 (as the case may be). Please see the section below on "Adoption of FRS 39, FRS 109 or SFRS(I) 9 for Singapore Income Tax Purposes".

## **3. Adoption of FRS 39, FRS 109 or SFRS(I) 9 for Singapore Income Tax Purposes**

Section 34A of the ITA provides for the tax treatment for financial instruments in accordance with FRS 39 (subject to certain exceptions and "opt-out" provisions) to taxpayers who are required to comply with FRS 39 for financial reporting purposes. The IRAS has also issued a circular entitled

“Income Tax Implications arising from the adoption of FRS 39 – Financial Instruments: Recognition and Measurement”.

FRS 109 or SFRS(I) 9 (as the case may be) is mandatorily effective for annual periods beginning on or after 1 January 2018, replacing FRS 39. Section 34AA of the ITA requires taxpayers who comply or who are required to comply with FRS 109 or SFRS(I) 9 (as the case may be) for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109 or SFRS(I) 9 (as the case may be), subject to certain exceptions. The IRAS has also issued a circular entitled “Income Tax: Income Tax Treatment Arising from Adoption of FRS 109 – Financial Instruments”.

Holders of the Subordinated Instruments who may be subject to the tax treatment under Sections 34A and 34AA of the ITA should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Subordinated Instruments.

#### **4. Estate Duty**

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.