

# ASX Release

Level 18, 275 Kent Street  
Sydney, NSW, 2000

**7 November 2022**

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## **Westpac 2022 AGM Notice of Meeting**

Westpac Banking Corporation (“Westpac”) today provides the attached Westpac 2022 AGM Notice of Meeting.

### **For further information:**

**Hayden Cooper**  
Group Head of Media Relations  
0402 393 619

**Andrew Bowden**  
General Manager, Investor Relations  
0438 284 863

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

## 2022 ANNUAL GENERAL MEETING

WESTPAC BANKING CORPORATION  
ABN 33 007 457 141

Wednesday, 14 December 2022  
10:00am (AEDT)

# Notice of Meeting

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The Westpac Group 2022 Notice of Meeting is printed on PEFC certified paper. Compliance with the certification criteria set out by the Programme for the Endorsement of Forest Certification (PEFC) means that the paper fibre is sourced from sustainable forests.

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## Annual General Meeting

Wednesday, 14 December 2022

10:00am (AEDT)

To be held at the Melbourne Convention & Exhibition Centre and online

Melbourne Room, Level 2  
1 Convention Centre Place  
South Wharf Victoria 3006

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# Message from the Chairman



Dear fellow shareholder

I present to you our Notice of Meeting and invite you to participate in our 2022 Annual General Meeting (2022 AGM). The 2022 AGM will be held on 14 December 2022 as a hybrid meeting with the ability to participate either in person or online. The various ways you can participate are outlined in this Notice of Meeting.

I and the Board are looking forward to meeting shareholders face to face this year after two years of online meetings. However, we must remain mindful of the ongoing impacts of COVID-19 and should medical advice from the government change we may need to re-consider how the AGM is conducted. Should this occur, we will notify shareholders by announcement to the ASX, on our website, and by email if you have elected to receive electronic communications.

The items of business at the 2022 AGM will be the Financial Reports (allowing shareholders the opportunity to ask questions and comment on our Financial Reports), the Remuneration Report, the granting of equity to the Chief Executive Officer, one director re-election and resolutions proposed by shareholders. I encourage you to read this Notice of Meeting, which explains the resolutions that will be put to the meeting along with the recommendations of the Board. If you would like further detail on our strategy, performance and progress you should review our Annual Report, including the reports from myself and the Chief Executive Officer.

Turning to the Board, Peter Nash will retire and seek re-election this year. Peter is the Chair of the Board Audit Committee and has extensive business and audit experience and has worked in geographically diverse and complex operating environments. Peter also has extensive listed company experience which makes him an excellent director and shareholder representative and he is recommended by the Board for re-election. Peter Marriott will retire as a Director at the conclusion of this meeting. We continue to consider new Board appointments to further strengthen the existing skills, experience and diversity of the Board.

At our 2021 AGM, just over 30% of votes cast were against our 2021 Remuneration Report and, as a result, Westpac incurred a 'first strike'. In accordance with the Corporations Act, if Westpac receives a second strike against the 2022 Remuneration Report, a separate resolution must be put to shareholders at the 2022 AGM asking if shareholders wish to hold an extraordinary general meeting, a 'spill meeting'. The details of what this means are explained in this Notice of Meeting. We have taken the first strike seriously and our response to the first strike is outlined in the 2022 Remuneration Report (within our 2022 Annual Report).

Two resolutions are also being proposed by a group of shareholders relating to our reporting on climate change. The first resolution seeks to amend our Constitution to allow Advisory resolutions while the second resolution (which relies on the first resolution being supported) seeks Westpac to disclose, in future annual reporting, how our financing will not be used for new or expanded fossil fuel projects. Our Climate Change Position Statement and Action Plan is publicly available and was updated this year in light of our joining the Net-Zero Banking Alliance. Our updated Climate Change Position Statement and Action Plan includes our interim 2030 sector targets for fossil fuels, including targets for thermal coal mining and upstream oil and gas.

Further details are provided in the explanatory notes of this Notice of Meeting. As a result, the Board is not recommending these resolutions. I encourage you to familiarise yourself with our climate reporting and the progress we are making, before deciding how to vote on these resolutions.

Details of the meeting, and how you can attend, participate and vote, are in this Notice of Meeting. Further information on the 2022 AGM is on our website at [westpac.com.au/AGM](http://westpac.com.au/AGM).

Yours sincerely,



**John McFarlane**  
Chairman

7 November 2022

# Participating in the Westpac 2022 Annual General Meeting

Westpac shareholders (and their proxies, corporate representatives and attorneys (Representatives)) can participate in the Annual General Meeting of Westpac Banking Corporation (ABN 33 007 457 141) (Westpac or the Company) (2022 AGM or meeting) either in person or online. This includes being able to view proceedings, make comments, ask questions and vote (subject to the voting exclusions). We will support people with mobility difficulties and have a sign language interpreter at the meeting and viewable online.

Details on how to participate are set out on page 5. Copies of the Chairman's and Chief Executive Officer's (CEO) speeches will be available on the ASX just prior to the 2022 AGM and will also be on our website at [westpac.com.au/AGM](https://westpac.com.au/AGM).

The 2022 AGM will be webcast and a replay of the webcast will also be available on our website shortly after the event. A transcript of the meeting will also be made available on our website as soon as practical after the event.

The 2022 AGM is an important forum for the Board and shareholders, so we will provide shareholders as a whole with a reasonable opportunity to make comments and ask questions. The Chairman and the CEO will generally answer questions; however, some questions may be referred to Westpac's Auditor or to another member of the Board or Executive team. If appropriate, a response may be provided as soon as possible after the 2022 AGM.



## How to ask questions

**On the day of the AGM** – Shareholders can comment or ask questions in person at the meeting, online through the AGM Online Platform or via the teleconference.

**Prior to the AGM** – Shareholders can also submit questions to Westpac or Westpac's Auditor (in relation to the content of the Auditor's Report or the conduct of the audit of the Financial Reports) ahead of the meeting online at [vote.linkmarketservices.com/WBC](https://vote.linkmarketservices.com/WBC). To use this facility please log in by entering your Shareholder Reference Number (SRN) or Holder Identification Number (HIN) and your postcode or select 'Outside Australia'. You can also submit your questions by email to [vote@linkmarketservices.com.au](mailto:vote@linkmarketservices.com.au). For shareholders who receive a hardcopy Question Form, please submit and return your question(s) in the manner described on the Question Form.

Questions submitted prior to the 2022 AGM will not be read or tabled at the 2022 AGM but we will seek to respond to shareholders' most pressing issues in the Chairman and the CEO addresses and, where applicable, in the comments on the resolutions. Questions must be received by 5:00pm (AEDT) on Wednesday, 7 December 2022. Given the likely number of questions, individual responses will not be provided but we will seek to address the major themes at the 2022 AGM.



## 1. Attending in person

Shareholders may attend the 2022 AGM in the Melbourne Room, on Level 2 at the Melbourne Convention & Exhibition Centre, 1 Convention Centre Place, South Wharf, Victoria 3006, commencing at 10:00am (AEDT). Options on how to get to the 2022 AGM are on page 21.

The health and safety of shareholders and our people is paramount, and we will continue to monitor health directives and risks relating to COVID-19. We ask that those attending follow the health advice and recommendations issued by the government at the time of the meeting. Should any changes to attending the 2022 AGM become necessary we will advise shareholders through an announcement to the ASX and on our website,

or via email to those that have elected to receive electronic communications.

Registration commences at 9:00am (AEDT) on the day of the 2022 AGM and you will be given a voting card upon registering. Instructions on how to complete the voting card will be provided at the 2022 AGM. To avoid delays and to allow for our security procedures we recommend shareholders arrive comfortably prior to the 10:00am start time.

Non-shareholders (who are not proxies, corporate representatives or attorneys) who wish to attend the AGM are requested to register by 5:00pm (AEDT) on Monday, 12 December 2022, by emailing their details to [westpacagm@linkmarketservices.com.au](mailto:westpacagm@linkmarketservices.com.au). Westpac retains its discretion to decline entry to visitors at the 2022 AGM for safety or other reasons.



## 2. Participating online

To participate in the 2022 AGM online, please follow these steps:

- Enter [westpac.com.au/AGM](https://westpac.com.au/AGM) into a web browser.
- Click on the 'Join the 2022 AGM' link.
- Register by inputting your name, email address and setting a password.
- Once registered, you will be able to view the live webcast. As the webcast is 'view only', you cannot vote, comment or ask a question through the webcast facility.
- To vote, comment or ask a question you must click on the 'Shareholder Voting & Questions' button to enter the AGM Online Platform. You will then need to input your SRN or HIN. This number is available on your holding statement or should be requested well in advance of the day of the meeting from Westpac's Share Registry, Link Market Services (or Link) on 1800 804 255 (Australia) or +61 1800 804 255 (International).
- For proxies, you will need your proxy code to verify your appointment. This code will be emailed to you by Link Market Services no later than 24 hours prior to the 2022 AGM. Accordingly, you will need to have registered as a proxy by 10:00am (AEDT) on Monday, 12 December 2022.

We will have support available to assist shareholders with any difficulties using the AGM Online Platform or the webcast.

Detailed instructions are in the Online AGM Guide available at [westpac.com.au/AGM](https://westpac.com.au/AGM).

If you register more than an hour before the meeting, you can add the event to your calendar.

### Technical difficulties

The Chairman of the 2022 AGM has discretion as to whether and how the AGM should proceed in the event of technical difficulties arising during the AGM. In exercising this discretion, the Chairman of the 2022 AGM will have regard to the number of shareholders impacted and the extent to which participation in the business of the meeting is affected. Where he considers it appropriate, the Chairman of the 2022 AGM may continue to hold the AGM and continue the business of the AGM, including conducting a poll and voting in accordance with valid proxy instructions. For this reason, shareholders may wish to lodge a direct vote by 10:00am (AEDT) on Monday, 12 December 2022, even if you plan to attend the AGM online or in person.



## 3. Attending via teleconference

A teleconference facility will be available for shareholders to participate in, and speak directly to, the meeting. Shareholders (and Representatives) can dial in, listen to the 2022 AGM live and make comments or ask questions. A moderator will notify those dialling in when they may make comments or ask questions. Voting is not available via the teleconference facility but can be done through the AGM Online Platform at the same time.

A unique shareholder PIN is required to participate by teleconference. To obtain the PIN please contact Link Market Services and quote your SRN/HIN prior to 5:00pm (AEDT) on Monday, 12 December 2022.

Link can be contacted on 1800 990 363 (Australia) or +61 1800 990 363 (International).

The teleconference line will open from 9:00am (AEDT) on Wednesday, 14 December 2022 (one hour before the meeting). To avoid delays, we recommend connecting well before the start time. We will have technology support available to assist shareholders with any difficulties using the teleconference. Further details are in the Online AGM Guide.

### Teleconference numbers:

Australia Toll Free: 1800 798 067

International Toll Free: +61 1800 798 067  
or +61 2 9189 5793



# Notice of 2022 Annual General Meeting

Notice is given that the Annual General Meeting of Westpac Banking Corporation (ABN 33 007 457 141) (Westpac or the Company) will be held at 10:00am (AEDT) on Wednesday, 14 December 2022 as a hybrid meeting. Shareholders and Representatives may attend in person at the Melbourne Room, on Level 2, Melbourne Convention & Exhibition Centre, 1 Convention Centre Place, South Wharf, Victoria 3006, online at [westpac.com.au/AGM](https://westpac.com.au/AGM) or via the teleconference.



## Items of business

### 1. Resolutions Requisitioned by Shareholders (Not Supported by the Board)

#### (a) Amendment to the Constitution

Insert into the Constitution in clause 7 'General meetings' the following new sub-clause 7.3A 'Advisory resolutions':

"The Company in general meeting may by ordinary resolution express an opinion or request information about the way in which a power of the Company partially or exclusively vested in the Directors has been or should be exercised. Such a resolution must relate to a material risk identified by the Directors or the Company and cannot advocate action that would violate any law or relate to any personal claim or grievance. Such a resolution is advisory only and does not bind the Directors or the Company".

#### (b) Climate Risk Safeguarding

Shareholders recognise the substantial transitional and physical risks of climate change and their potential financial impacts on our company. We also note our company's support for the Paris climate change agreement and the goal of net-zero emissions by 2050. Shareholders therefore request the company disclose, in subsequent annual reporting, information demonstrating how the company's financing<sup>1</sup> will not be used for the purposes of new or expanded fossil fuel projects.

1. Loans and syndication, structured finance and securitisation, sustainable finance, asset finance and leasing, leveraged and acquisition finance, and project finance, as listed by Westpac: <https://www.westpac.com.au/corporate-banking/corporate-and-structured-finance/>

### 2. Financial Reports

To receive and consider the Financial Report, the Directors' Report and the Auditor's Report for the year ended 30 September 2022.

### 3. Re-election of Peter Nash

To re-elect Peter Nash as a Director.

### 4. Grant of Equity to Managing Director and Chief Executive Officer

To approve, for all purposes, including ASX Listing Rule 10.14 and sections 200B and 200E of the *Corporations Act 2001* (Cth), the grant of performance share rights under the Long Term Variable Reward (LTVR) Plan for the 2023 financial year to the Managing Director and Chief Executive Officer, Peter King, under the LTVR Plan rules and on the terms summarised in the Explanatory Notes in the Notice of Meeting.

### 5. Remuneration Report

To adopt the Remuneration Report for the year ended 30 September 2022.

The vote on this item is advisory only and does not bind the Company or its Directors.

## 6. Conditional Spill Resolution

Subject to, and conditional on 25% or more of the votes validly cast on the Remuneration Report for the year ended 30 September 2022 (Item 5) being cast against that Item, to hold an extraordinary general meeting of Westpac (Spill Meeting) within 90 days, at which:

- (a) all the Non-executive Directors in office when the resolution to approve the Directors' Report for the financial year ended 30 September 2022 was passed and who remain in office at the time of the Spill Meeting, cease to hold office immediately before the end of the Spill Meeting; and
- (b) resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting are put to the vote at the Spill Meeting.

This resolution will only be put to the 2022 AGM if at least 25% of the votes validly cast on the resolution proposed in Item 5 are against that resolution. If you do not want a Spill Meeting to take place, you should vote 'against' Item 6. If you want a Spill Meeting to take place, you should vote 'for' Item 6.

In practice, passing this resolution would mean that each Non-executive Director, with the exception of Peter Marriott who will retire at the end of the 2022 AGM, needs to stand for re-election at the Spill Meeting if they wish to continue to be a Non-executive Director of Westpac.



## Important voting information

### Eligible Shareholders

For the 2022 AGM, a person who is registered as the holder of Westpac shares at 7:00pm (AEDT) on Monday, 12 December 2022 will be entitled to attend and vote at the meeting. Share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

### Voting Exclusions

Key Management Personnel (KMP) that may have a vested interest in the outcome of a resolution are restricted from voting on that resolution. KMP includes members of the Board and Group Executives that are listed in Section 1 'Key Management Personnel' of Westpac's 2022 Remuneration Report. The *Corporations Act 2001* (Cth) (Corporations Act) restricts KMP and their closely related parties from voting in certain circumstances on such resolutions. A closely related party includes a spouse, dependants, and certain other close family members, as well as any companies controlled by the KMP.

Voting exclusions apply to the following Items:

| ITEM | RESOLUTION   |
|------|--|
| 4    | Grant of Equity to Managing Director and Chief Executive Officer |
| 5    | Remuneration Report  |
| 6    | Conditional Spill Resolution                                     |

Westpac will disregard any votes cast on Item 4:

- by or on behalf of Mr Peter King or any of his associates, regardless of the capacity in which the vote is cast; or
- as a proxy by a person who is a KMP at the date of the AGM or their closely related parties,

unless the vote is cast on Item 4:

- as proxy or attorney for a person entitled to vote on the Item in accordance with a direction given to the proxy or attorney to vote on the Item in that way; or
- by the Chairman of the AGM as proxy for a person entitled to vote on the Item, pursuant to an express authorisation to exercise the proxy as the Chairman of the AGM decides, even though Item 4 is connected with the remuneration of a KMP; or
- by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Item; and
  - the holder votes on the Item in accordance with directions given by the beneficiary to the holder to vote in that way.

Westpac will disregard any votes cast on Items 5 and 6:

- by or on behalf of a KMP named in the Remuneration Report for the financial year ended 30 September 2022 or their closely related parties, regardless of the capacity in which the vote is cast; or
- as a proxy by a person who is a KMP at the date of the AGM or their closely related parties,

unless the vote is cast as proxy for a person entitled to vote on Items 5 and 6:

- in accordance with a direction on the Voting/Proxy Form to vote on the Item in that way; or
- by the Chairman of the AGM pursuant to an express authorisation to exercise the proxy, even though Items 5 and 6 are connected with the remuneration of the KMP.

The attached 'How to Vote' instructions and Explanatory Notes provide shareholders with further information and form part of this Notice of Meeting.

By order of the Board of Directors.

**Timothy Hartin**  
Company Secretary

7 November 2022

# How to vote



## There are four ways to vote at the 2022 AGM

### 1. In person at the AGM

When registering at the 2022 AGM you will be given a voting card and instructions on how to complete it.

Voting on all Items at the 2022 AGM will be conducted by poll and details will be provided at the meeting.

### 2. Online during the meeting

Once connected to the AGM webcast, click on the button titled 'Shareholder Voting & Questions' and follow the instructions in the 'Participating in the Westpac 2022 Annual General Meeting' section on page 5.

The Chairman of the AGM intends to open voting shortly after the commencement of the meeting at 10:00am (AEDT). Those entitled to vote may do so after voting opens and up until the poll is closed 15 minutes after the meeting has concluded.

Further details are in the Online AGM Guide available at [westpac.com.au/AGM](http://westpac.com.au/AGM).

### 3. Direct vote prior to the 2022 AGM

A direct vote can be lodged online, or for those shareholders receiving a Voting/Proxy Form, by completing the direct voting section and returning the form in accordance with the instructions on page 9.

For a vote to be counted for an Item, you must complete the voting directions for that Item by marking 'For', 'Against' or 'Abstain'.

Votes will only be valid for Items marked and no vote will be counted for Items left blank. However, if the Voting/Proxy Form is left blank for **all** Items, the Chairman of the AGM will be deemed to be your appointed proxy for **all** Items.

By submitting a direct vote, you agree to be bound by the direct voting rules adopted by the Board. The direct voting rules are available at [westpac.com.au/AGM](http://westpac.com.au/AGM). Further instructions on direct voting are on the Voting/Proxy Form.

### 4. Appoint a proxy

Shareholders can appoint up to two proxies to participate in the 2022 AGM on their behalf. A proxy need not be a shareholder of Westpac.

Where two proxies are appointed, each proxy can represent a specific proportion or number of shares. If no number or proportion is specified, each proxy will represent half the shareholder's votes.

If a proxy is instructed to abstain from voting on an Item, they must not vote on the shareholder's behalf. Any vote cast in these circumstances will not be counted.

If you appoint a proxy (other than the Chairman of the AGM) and direct them how to vote, the Chairman of the AGM must cast those proxy votes on your behalf if your proxy does not do so in accordance with your directions.

If you appoint the Chairman of the AGM as your proxy (or if he is appointed by default), and no direction is provided, you will be expressly authorising the Chairman to exercise your proxy as the Chairman sees fit. This includes in relation to Items 4, 5 and 6 even though those items are connected directly or indirectly with the remuneration of a member of Westpac's KMP.

If you wish to appoint the Chairman of the AGM as proxy and direct him how to vote on an Item, you must complete the 'For', 'Against' or 'Abstain' boxes on the Voting/Proxy Form. Otherwise, the Chairman of the AGM intends to vote all available proxies in favour of Items 3, 4 and 5 and against Items 1a, 1b and 6.

If you appoint a Director (other than the Chairman) or another KMP or closely related party of any KMP as your proxy, you must specify how they should vote on Items 4, 5 and 6 by completing the 'For', 'Against' or 'Abstain' boxes on the Voting/Proxy Form. If you do not, your proxy will not be able to exercise your vote for those Items.

Shareholders are encouraged to direct their proxies on how to vote. If a proxy is not directed, the proxy may abstain or vote as they see fit (subject to the voting exclusions).

Note that if you appoint a proxy but then attend the meeting in a manner outlined on page 5, your proxy will be automatically revoked as required by law, and you will need to lodge your vote at the meeting.

Further instructions on appointing proxies are available on the Voting/Proxy Form or online at [vote.linkmarketservices.com/WBC](http://vote.linkmarketservices.com/WBC).



## How to submit a vote prior to the meeting

Voting can be completed prior to the meeting in the following ways:



**Online** - at [vote.linkmarketservices.com/WBC](https://vote.linkmarketservices.com/WBC). Follow the prompts or scan the QR code on the back of the Voting/Proxy Form with an appropriate device. You will need your SRN or HIN and your postcode for your shareholding.



**Email** - scan and email a completed Voting/Proxy Form to [vote@linkmarketservices.com.au](mailto:vote@linkmarketservices.com.au).



**By post** - completed Voting/Proxy Forms may be posted to Westpac Banking Corporation, c/- Link Market Services Limited, Locked Bag A6015, Sydney South NSW 1235 Australia.

New Zealand shareholders can also return their Voting/Proxy Form in a manner described in their Voting/Proxy Form.

A completed Voting/Proxy Form (and any power of attorney or other authority under which it is signed) must be received by no later than 10:00am (AEDT) on Monday, 12 December 2022. Any Voting/Proxy Form received after this time will not be valid.

Given potential postal delays, we recommend you allow sufficient time for your Voting/Proxy Forms to be received in time.

## Corporate representatives

A corporation which is a shareholder, or which has been appointed as a proxy, may appoint an individual to act as a representative to vote at the 2022 AGM. The appointment must comply with section 250D of the Corporations Act. The representative should lodge their properly executed letter or other document confirming their authority to act as the company's representative with their Certificate of Appointment of Corporate Representative form by post to Link Market Services at the postal address shown opposite unless it has previously been provided to Link. A Certificate of Appointment of Corporate Representative form may be obtained from Link or online at [linkmarketservices.com.au](https://linkmarketservices.com.au) and must be received by Link Market Services by 10:00am (AEDT) on Wednesday, 14 December 2022.

## Attorney

A shareholder entitled to participate and vote at the 2022 AGM is entitled to appoint an attorney to participate and vote at the meeting on the shareholder's behalf. An attorney does not have to be a shareholder of Westpac. The power of attorney appointing the attorney must be duly signed and specify the name of each of the shareholder and the attorney and specify the meetings at which the appointment may be used.

To be effective, a hard copy of the power of attorney, certified as an original true copy by statutory declaration, must also be received by Link Market Services by 10:00am (AEDT) on Monday, 12 December 2022 at the postal address shown opposite.

# Explanatory Notes



## Item 1 Resolutions requisitioned by shareholders (not supported by the Board)

A group of shareholders has proposed two resolutions under section 249N of the Corporations Act and requested pursuant to section 249P of the Corporations Act that the statements set out in Appendix 1 to this Notice of Meeting be provided to shareholders.

### Item 1(a) – Requisitioned resolution to amend Westpac’s Constitution

Item 1(a) is a special resolution which proposes an amendment to Westpac’s Constitution. The amendment would enable shareholders at a general meeting, by non-binding advisory resolution, to express an opinion or request information about the way in which a power of the Company vested in the Directors has been or should be exercised if the matter relates to a material risk identified by the Directors or the Company. The resolution in Item 1(a) is proposed as a special resolution and, to be passed, must be passed by at least 75% of the votes cast by shareholders entitled to vote on the resolution.

#### The Board’s response

The Board supports the rights of shareholders to serve notices under the Corporations Act and is attentive and actively seeks and responds to shareholder feedback. However, the Board does not believe that Item 1(a), which would allow advisory resolutions, is in the best interests of shareholders.

Westpac is a large organisation operating in a complex financial services landscape. The Directors represent and serve the interests of all shareholders by providing guidance, oversight and leadership to the Company, while balancing the interests of various stakeholders.

The Board must have clear authority to make decisions about the management of the Company so it can meet its obligation to act in the best interests of the Company and all shareholders. The proposed amendment, if approved, would also make Westpac’s Constitution inconsistent with the constitutions of other ASX listed companies.

Shareholders have several avenues available to engage with the Company, including via a detailed shareholder engagement program with the Investor Relations and Group Sustainability team, through the AGM and via shareholder questions. A Question Form also accompanies this Notice of Meeting and shareholders are encouraged to submit questions ahead of the 2022 AGM. Shareholders also have a say in the course and direction of Westpac by voting on the composition of the Board. If shareholders disapprove of actions taken by the Board, they have the right to exercise their vote to refuse to re-elect a Non-executive Director or remove them from office by ordinary resolution.

**The Board unanimously recommends shareholders vote against Item 1(a).**

**The Chairman of the AGM intends to vote all available proxies against this Item.**

### Item 1(b) – Requisitioned resolution on Climate Risk Safeguarding

Item 1(b) contains an ‘advisory resolution’ and may be properly considered at the 2022 AGM only if Item 1(a) is passed by a special resolution. Item 1(b) is an ordinary resolution that is contingent on Item 1(a) being passed. This means that if Item 1(a) is not passed, Item 1(b) will not be put to the vote at the 2022 AGM but there will be opportunity for discussion of this item.

#### The Board’s response

The Board acknowledges the objectives of this resolution and supports strong action by companies on climate change. However, for the reasons set out below, the Board recommends that shareholders vote against Item 1(b).

This year Westpac updated its Climate Change Position Statement and Action Plan, which is available at [westpac.com.au/about-westpac/sustainability/](https://westpac.com.au/about-westpac/sustainability/).



Climate change is a significant issue that will impact the long-term prosperity of the economy and our way of life. We recognise the effects of climate change already impact our business, customers and community. It is our ambition to become a net-zero, climate resilient bank and in July 2022 we joined the Net-Zero Banking Alliance (NZBA).

We aim to:

- reduce our direct operational and financed emissions consistent with a commitment to align with a 1.5°C pathway<sup>1</sup> to net-zero by 2050;
- build climate resilience into our direct operations and facilities;
- provide financial products and services that support customers to transition and build their climate resilience;
- mobilise capital to incentivise development of transition technologies and climate adaptation measures;
- engage on matters of government policy; and
- contribute to industry initiatives.

Our Climate Change Position Statement (Position Statement) sets out our positions on the key climate change risks and opportunities for our business, customers and community. It provides the framework within which we seek to conduct business, support customers and engage with stakeholders. It outlines the actions and targets that drive our focus, guiding our people as we seek to become a net-zero, climate resilient bank.

Our Position Statement is supplemented by a suite of position statements for sensitive sectors and related sustainability issues (e.g. human rights) and is approved by the Board. The Board has oversight of Westpac's response to climate change. The CEO has overall accountability for the execution of our response to climate change. Management of actions are delegated to the Executive Team as appropriate.

Westpac recognises the need to continually review our targets, positions and pathways as climate science advances, requirements and opportunities for transition and resilience evolve, and guidance and policy develops. We will review our Position Statement annually, or as needed, so it remains relevant and aligned with our ambition.

Implementation of the Position Statement is supported by our Action Plan, which outlines at a high-level the categories of actions we are taking to deliver on our ambition and commitments. It includes our plans to implement our net-zero transition, in line with our commitment to the NZBA.

To become a net-zero, climate resilient bank, we have three key action areas:

1. Net zero, climate resilient operations.
2. Supporting customers' transition to net-zero and to build their climate resilience.
3. Collaborate for impact on initiatives towards net-zero and climate resilience.

Having joined the NZBA, we are committed to aligning our lending portfolios with net-zero emissions by 2050, consistent with a 1.5°C pathway. In accordance with our NZBA commitment, we are working on setting interim targets for emissions-intensive sectors in our portfolios.

1. A pathway to net-zero by mid-century, or sooner, including CO<sub>2</sub>-e emissions reaching net-zero at the latest by 2050, consistent with a maximum temperature rise of 1.5°C above pre-industrial levels by 2100.

To date, we have set interim 2030 sector targets for our lending portfolios in the following sectors: upstream oil and gas, thermal coal mining, power generation<sup>2</sup>, cement production, and Australian commercial real estate (large customers with office properties).

The core elements of our 2030 sector targets and other sector positions include:

- Upstream oil and gas<sup>3</sup>:
  - Target: 23% reduction in Scope 1, 2 and 3<sup>4</sup> absolute financed emissions by 2030 relative to a 2021 baseline.
  - Only consider directly financing greenfield oil and gas projects that are in accordance with the International Energy Agency Net Zero by 2050 scenario<sup>5</sup>, or where necessary for national energy security<sup>6</sup>.
  - Continue to provide corporate lending where the customer has a credible transition plan<sup>7</sup> in place by 2025 and work with customers to support their development of credible transition plans prior to 2025.
- Unconventional oil and gas:
  - No project finance to oil and gas exploration in high-risk frontier basins, such as Arctic and Antarctic refuges and for oil sands development.
  - No project finance to exploration of shale, offshore deep water or ultra-deep-water<sup>8</sup> oil and gas.
- Thermal coal mining:
  - Target: zero lending exposure to companies with >5% of their revenue coming directly from thermal coal mining by 2030.
  - Our thermal coal mining definition aligns with the NZBA guidelines<sup>9</sup> on the required scope of target setting for thermal coal mining.
  - Transactional banking and rehabilitation bonds are excluded from our target.

2. In our previous targets, 'power generation' was referred to as 'electricity generation'.

3. Upstream oil and gas includes exploration, extraction and drilling companies, integrated oil and gas companies as it relates to upstream activities, and LNG producers. The scope of the target does not include midstream (e.g. processing, storing and transportation of crude oil) and downstream (e.g. refining and distribution) companies.

4. Includes emissions from combustion of sold goods. As we refine the methodologies used to set targets and account for our financed emissions, we will revise definitions accordingly.

5. The International Energy Agency Net Zero by 2050 scenario specifies that no new (greenfield) oil and gas fields are needed beyond those projects that have already been committed (i.e. approved for development) as of 18 May 2021.

6. National energy security refers to circumstances where the Australian or New Zealand Government or regulator determines (or takes a formal public position) that supply from the asset being financed is necessary for national energy security.

7. A credible transition plan should be developed by reference to the best available science and should include Scope 1, 2 and 3 emissions and actions the company will take to achieve greenhouse gas reductions aligned with pathways to net-zero by 2050, or sooner, consistent with a maximum temperature rise of 1.5°C above pre-industrial levels by 2100.

8. Deep water refers to water depths of greater than 1,000 ft (300m) but less than 5,000 ft (1,500m). Ultra-deep-water refers to water depths of greater than 5,000 ft (1,500m).

9. The NZBA guidelines require that any client with more than 5% of their revenue coming directly from thermal coal mining shall be included in the scope of targets. Accordingly, our targets cover the production and sale of thermal coal, with adjacent sectors (including mining service providers) to be covered in other targets as appropriate. The UN Environment Programme Finance Initiative's Guidelines for Climate Target Setting for Banks, April 2021 is referred to as the NZBA guidelines.

- Power generation:
  - Target: portfolio financed emissions intensity of 0.10 tCO<sub>2</sub>-e/MWh for Scope 1 and 2<sup>10</sup> by 2030.
  - No project finance to greenfield coal-fired power generation facilities.
  - We will consider the intersecting requirements of emissions reduction, the feasibility of emerging technologies, as well as energy affordability, security and reliability.
- Cement production:
  - Target: portfolio financed emissions intensity of 0.57 tCO<sub>2</sub>-e/tonne of cement for Scope 1 and 2 by 2030. This target covers customers that produce clinker in-house<sup>11</sup>.
- Australian commercial real estate (large customers with office properties<sup>12</sup>):
  - Target: 62% reduction in Scope 1 and 2<sup>13</sup> portfolio financed emissions intensity (kgCO<sub>2</sub>-e/m<sup>2</sup> net lettable area) by 2030 relative to a 2021 baseline. This target covers Australian commercial real estate large customers with office properties only.

As part of our Action Plan, we will continue our work to operationalise our positions and targets into our internal processes and governance.

We report our progress on climate change, responding to the four key recommendations set out in the Task Force on Climate-related Financial Disclosures (TCFD) framework every year. The latest information on progress is available in the 2022 Annual Report. Some highlights include:

- The Group's total committed exposure to climate change solutions<sup>14</sup> increased from \$7.0bn to \$10.8bn (from 2017 to 2022).
- In our Institutional Bank's lending, the share of renewables to the electricity generation sector has increased from 66% to 80% (from 2017 to 2022).
- Westpac is the largest bank lender to greenfield renewable energy projects in Australia over the past five years<sup>15</sup>.
- Coal mining is around 0.04% of total lending (of which 42% was to thermal coal).
- Oil and gas extraction is around 0.15% of total lending.

10. Refers to Scope 1 and 2 emissions of power generators, i.e. customers with >10% revenue coming from power generation or >5% revenues from thermal coal electricity generation. In Australia, this applies to customers under ANZSIC (1993) code 3610 with National Greenhouse and Energy Reporting Scheme designated generation facilities and have >10% revenue coming from power generation.

11. The target has been set for customers' Scope 1 and 2 emissions in relation to the production of cement. It covers emissions generated from calcination in clinker production as well as fuel combustion and electricity consumption associated with the cement production process. For further details on our scope and target setting please refer to our 'Net-Zero 2030 Targets and Financed Emissions - Our methodology and approach'.

12. Large customers with office properties refers to discrete borrowers with office properties comprising a majority of their portfolio and with commercial real estate total committed exposure >\$75m, within Specialised Lending - Property Finance (investment only) and Corporate portfolios. This excludes construction finance. For further details on our scope and target setting please refer to our 'Net-Zero 2030 Targets and Financed Emissions - Our methodology and approach'.

13. Base building operational Scope 1 and 2 emissions. Excludes all Scope 3 emissions (e.g. tenant emissions from electricity and appliance use, construction, embodied emissions and corporate activities).

## Board recommendation

Given our Board approved plans and commitments, combined with our consistent progress in advancing our climate change strategy, the Board recommends that shareholders vote against the advisory resolution in Item 1(b).

**In the event this Item is put to the vote at the 2022 AGM, the Chairman of the AGM intends to vote all available proxies against this Item.**



## Item 2 Financial Reports

This Item relates to Westpac's Financial Report, Directors' Report and Auditor's Report (the Reports) for the year ended 30 September 2022. This Item does not require a formal resolution and so no vote will be held.

Shareholders may ask questions and make comments on the Reports or the management of Westpac and will have an opportunity to ask questions of Westpac's auditor in relation to the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by Westpac and the independence of the auditor in relation to the conduct of the audit.

The Reports are in Westpac's 2022 Annual Report and can be accessed on our website at [westpac.com.au/investorcentre](https://westpac.com.au/investorcentre).

14. Lending and investment to climate change solutions is defined as the total direct and indirect financing of customers to the extent they are a) Involved in climate change solutions activities reported in total committed exposures as at 30 September; or b) Undertake activities that are over and above what is considered to be business as usual in the relevant industry, and which produce a material net benefit to the environment. For further information on our definition of climate change solutions refer to the Glossary section in our 2022 Sustainability Index and Datasheet.

15. Over the period 1 October 2017 to 30 September 2022. Based on IJGlobal and Westpac Research data.

### Item 3



## Re-election of Peter Nash

Westpac seeks to maintain a high quality Board with the skills and experience to represent shareholders in understanding the complexities of a modern financial services environment. A board skills matrix is in Westpac's 2022 Annual Report and in the 2022 Corporate Governance Statement. This matrix highlights that the current Board has the necessary skills and experience to be Directors of the Company.

The Board undertakes ongoing self-assessment and commissions an annual performance review by an independent consultant. This self-assessment and review assists the Board Nominations & Governance Committee and the Board in considering the current and future composition of the Board. Following consideration of the mix of skills, experience, expertise, diversity, independence and other qualities of the Directors, the Board (with the exception of Mr Nash) has recommended the re-election of Mr Nash as a Non-executive Director.



### Peter Nash

**BCom, FCA, F Fin.  
Independent Non-executive Director since  
March 2018.**

Mr Nash was formerly a Senior Partner with KPMG until September 2017, having been admitted to the partnership of KPMG Australia in 1993. Mr Nash served as the National Chairman of KPMG Australia from 2011 until August 2017, where he was responsible for the overall governance and strategic positioning of KPMG in Australia. In this role, Mr Nash also served as a member of KPMG's Global and Regional Boards. Mr Nash's previous positions with KPMG included Regional Head of Audit for Asia Pacific, National Managing Partner for Audit in Australia, and head of KPMG Financial Services.

Mr Nash is a Non-executive Director of ASX Limited and Mirvac Group and Chairman of the Johns Lyng Group Limited. He is also on the Board of the not-for-profit organisations Koorie Heritage Trust and the General Sir John Monash Foundation.

Mr Nash has worked in geographically diverse and complex operating environments providing advice on a range of topics including business strategy, risk management, internal controls, business processes and regulatory change and brings extensive business and audit experience to the Board. Mr Nash has also provided both financial and commercial advice to many Government businesses at both a Federal and State level. Mr Nash is a former member of the Business Council of Australia and its Economic and Regulatory Committee.

Mr Nash does not have a relationship with Westpac, other than as a Director, as a customer and as a shareholder. Mr Nash does not have a relationship with any other Director.

Mr Nash is the Chairman of the Board Audit Committee, and he is also a member of each of the Board Risk and Board Nominations & Governance Committees.

**The Board considers Mr Nash to be an independent director.**

**The Board (other than Mr Nash) unanimously recommends shareholders vote in favour of the re-election of Mr Nash to the Board.**

**The Chairman of the AGM intends to vote all available proxies in favour of this Item.**



## Item 4

# Grant of equity to Managing Director and Chief Executive Officer

**Shareholders are asked to vote on the grant of equity as a LTVR award to the CEO, Peter King, that will form part of his 2023 financial year remuneration.**

To increase the alignment of the CEO's long term interests with those of shareholders, the Board believes the CEO should maintain a substantial shareholding in Westpac and receive part of his remuneration in equity that vests if certain conditions are met.

The Board believes it is appropriate to proceed with granting performance-hurdled equity to support long term shareholder returns and value creation.

Specifically, it is proposed that the 2023 LTVR award be allocated as performance share rights. If certain conditions (including a performance hurdle) are met over a four-year performance period, the performance share rights will vest as set out in the LTVR Plan rules and award terms (outlined below).

The grant of performance-hurdled equity is consistent with Mr King's employment agreement and the LTVR Plan, the terms of which have each been set by the Board.

The Board has the ability to adjust the number of performance share rights downwards (including to zero) in the event of misconduct resulting in significant financial and/or reputational impact to the Group and in other circumstances considered appropriate.

Mr King's total remuneration package for 2023 is comprised of the following:

- (a) Fixed remuneration of \$2,522,727<sup>16</sup>;
- (b) Maximum STVR opportunity of \$3,750,000; and
- (c) LTVR with a face value of \$3,250,000, subject to the performance hurdle.

Further details of Mr King's remuneration arrangements are in the Remuneration Report in Westpac's 2022 Annual Report, which is available at [westpac.com.au/investorcentre](https://www.westpac.com.au/investorcentre).

### 1. Reason for requesting shareholder approval

ASX Listing Rule 10.14.1 requires shareholder approval for the issue of securities to a Director under an employee incentive scheme.

Under the LTVR Plan, the Board decides whether shares to satisfy any vested LTVR awards will be acquired on-market or be issued by Westpac.

While it is currently intended that shares will be acquired on-market, shareholder approval is being sought in order to preserve flexibility to issue shares under the LTVR Plan in satisfaction of the CEO's entitlement in the event that the award vests at the end of the performance period.

This resolution is not seeking approval for the total remuneration of the CEO, rather it relates to the issue of securities to the CEO (as a Director) under the LTVR Plan, which is one component of his total remuneration.

If shareholder approval is not obtained, the Board will consider alternative approaches to rewarding Mr King should the performance hurdles under the LTVR Plan be achieved. This may include purchasing shares on-market or paying him a cash equivalent.

Shareholder approval is also being sought for the purposes of sections 200B and 200E of the Corporations Act for any potential termination benefits that may be given to Mr King in connection with the LTVR award covered by Item 4.

If approved, Mr King will be entitled to receive benefits arising through this award on termination of employment (subject to various conditions), in addition to any other termination benefits that may be provided to him, without further shareholder approval. If shareholder approval is provided, the value of any termination benefits that may be received in connection with the LTVR award will be disregarded when calculating the termination benefits cap under the Corporations Act. It is intended that this approval will remain valid during the life of equity granted to Mr King under Item 4.

### 2. Terms of the LTVR Plan

Consistent with our remuneration strategy, the terms of the LTVR Plan are designed to:

- Align accountability and remuneration with the long term interests of shareholders by rewarding the delivery of sustained Group performance over the long term;
- Place a significant proportion of remuneration 'at-risk' as vesting is subject to the achievement of a performance hurdle, a service condition, and Board discretion; and
- Ensure remuneration is competitive and aligned with market remuneration in the financial services industry.

16. Includes the increase to the superannuation guarantee rate from 10.5% to 11% effective 1 July 2023.

## TERMS OF THE LTVR PLAN

| <b>Quantum of award</b>                    | <p>Each year, Westpac may grant performance share rights to Mr King under the LTVR Plan.</p> <p>The Board has determined that Mr King will receive a 2023 LTVR award comprising a maximum grant of 154,761 performance share rights under the LTVR Plan to a face value of \$3,250,000.</p> <p>Subject to meeting the performance hurdle and other vesting criteria described below, the maximum number of fully paid ordinary shares to be issued to Mr King under the 2023 LTVR award is 154,761, at a deemed issue price of \$21.00 per performance share right. The performance share rights to be granted will be offered at nil cost to him and no amount is payable on their vesting.</p> <p>The number of performance share rights to be granted to Mr King was determined by dividing the dollar value of the 2023 LTVR award by the market price (being the volume weighted average market price of Westpac's ordinary shares, as traded on the ASX and Chi-X (now known as Cboe Australia) in the five trading days up to and including 30 September 2022).</p>   |                           |                               |                                  |      |  |                                       |               |     |                  |    |
|--|--|---------------------------|-------------------------------|----------------------------------|------|--|---------------------------------------|---------------|-----|------------------|----|
| <b>Performance hurdle</b>                  | <p>Under the LTVR Plan, the performance hurdle must be satisfied before performance share rights can vest, except in limited circumstances (refer to the Board discretion and the cessation of employment section described below). There is no re-testing and any performance share rights that do not vest on testing will lapse.</p> <p>The LTVR award will vest after four years (starting the day after the Board determined the CEO's LTVR award) subject to a relative Total Shareholder Return (TSR) performance hurdle and subject to Board discretion where deemed appropriate.</p> <p>The relative TSR performance hurdle for the 2023 LTVR measures Westpac's TSR against eight Australian financial services companies using a percentile ranking vesting schedule as outlined below.</p> <table border="1" data-bbox="375 920 1422 1126"> <thead> <tr> <th>WESTPAC'S TSR PERFORMANCE</th> <th>INDICATIVE VESTING PERCENTAGE</th> </tr> </thead> <tbody> <tr> <td>At the 75th percentile or higher</td> <td>100%</td> </tr> <tr> <td>Between the median and the 75th percentile</td> <td>Pro-rata vesting between 50% and 100%</td> </tr> <tr> <td>At the median</td> <td>50%</td> </tr> <tr> <td>Below the median</td> <td>0%</td> </tr> </tbody> </table> | WESTPAC'S TSR PERFORMANCE | INDICATIVE VESTING PERCENTAGE | At the 75th percentile or higher | 100% | Between the median and the 75th percentile | Pro-rata vesting between 50% and 100% | At the median | 50% | Below the median | 0% |
| WESTPAC'S TSR PERFORMANCE                  | INDICATIVE VESTING PERCENTAGE  |                           |                               |                                  |      |  |                                       |               |     |                  |    |
| At the 75th percentile or higher           | 100%   |                           |                               |                                  |      |  |                                       |               |     |                  |    |
| Between the median and the 75th percentile | Pro-rata vesting between 50% and 100%  |                           |                               |                                  |      |  |                                       |               |     |                  |    |
| At the median                              | 50%  |                           |                               |                                  |      |  |                                       |               |     |                  |    |
| Below the median                           | 0%   |                           |                               |                                  |      |  |                                       |               |     |                  |    |
| <b>Forfeiture</b>                          | <p>If, in the Board's opinion, Mr King has acted fraudulently or dishonestly, or is in material breach of his obligations, the Board may determine that his unvested performance share rights will be forfeited.</p> <p>The Board may, in certain circumstances, also adjust the number of unvested performance share rights downwards, including to zero, in which case they will be forfeited. This may occur to respond to significant misconduct by Mr King which may result in significant financial and/or reputational impact to Westpac.</p>   |                           |                               |                                  |      |  |                                       |               |     |                  |    |
| <b>Clawback</b>                            | <p>At the discretion of the Board, clawback will apply to vested equity awards for up to seven years from the date of grant. Clawback may occur in circumstances of serious or gross misconduct, fraud, bribery, severe reputational damage, and any other deliberate, reckless or unlawful conduct that may have a serious adverse impact on Westpac, its customers or its people which has resulted in dismissal, or the Board considers at its discretion would have justified dismissal or where otherwise required by law.</p>  |                           |                               |                                  |      |  |                                       |               |     |                  |    |
| <b>Cessation of employment</b>             | <p>Subject to the Board's discretion (refer to section 3 on the Board's discretion), all unvested performance share rights will be forfeited when Mr King's employment with Westpac ceases, except where the cessation of his employment:</p> <ul style="list-style-type: none"> <li>(a) is due to retirement;</li> <li>(b) is due to death, or total and permanent disablement; or</li> <li>(c) occurs in certain circumstances (such as a change of control where certain other conditions are met).</li> </ul> <p>Unvested performance share rights held by Mr King will vest if his employment ceases for reasons (b) or (c) above unless the unvested performance share rights are prevented from vesting by law.</p>   |                           |                               |                                  |      |  |                                       |               |     |                  |    |

In addition, the CEO and Group Executives are required to build and maintain a significant Westpac shareholding within five years of their appointment to strengthen alignment with shareholder interests. The sale of any shares that may be delivered to Mr King from the 2023 LTVR grant is conditional on meeting the minimum shareholding requirement (except for the purposes of meeting tax obligations).



### 3. Termination benefits

Early vesting of Mr King's LTVR awards or a decision to allow performance share rights to remain on foot in connection with Mr King's cessation of employment may amount to providing a termination benefit.

The Board also has discretion in relation to performance share rights where Mr King ceases employment under certain circumstances that do not involve serious misconduct and where early vesting of performance share rights is not otherwise prohibited by law. This discretion enables the Board to vest or leave the performance share rights on foot, subject to the performance hurdles.

The Board may determine to exercise this discretion in relation to awards in circumstances where Mr King's employment ceases without fault on his part. In determining whether to exercise discretion, the Board will consider all relevant circumstances, which may include Westpac's performance against applicable performance hurdles at the date of cessation, as well as Mr King's individual performance and the period that has passed from the date of grant to the date of cessation.

The value of termination benefits that may be given to Mr King as a result of early vesting of any of his awards, or the exercise of the Board's discretion that his performance share rights will not lapse, cannot be determined in advance. This is because, in addition to the factors listed above, the value at the date of cessation of employment will also depend upon:

- The number of securities initially granted as part of the LTVR awards;
- The date when, and the circumstances in which, employment ceases;
- Westpac's share price at the relevant date of vesting; and
- The number of unvested securities held at the time of cessation.

### 4. Further information

(a) Since his appointment as Managing Director and Chief Executive Officer, Mr King has been issued with performance share rights under the LTVR Plan as follows:

| LTVR GRANT | GRANT DATE                  | PERFORMANCE TEST DATE | NO. OF PERFORMANCE SHARE RIGHTS | NOTIONAL ISSUE PRICE | OVERALL PERFORMANCE SHARE RIGHTS OUTCOME |
|------------|-----------------------------|-----------------------|---------------------------------|----------------------|--|
| 2020       | December 2020 <sup>17</sup> | 1 October 2023        | 12,391                          | \$16.14              | To be confirmed post-vesting dates       |
| 2021       | December 2020               | 1 October 2024        | 187,134                         | \$17.10              |  |
| 2022       | December 2021               | 1 October 2025        | 127,401                         | \$25.51              |  |

No amount was or is payable at grant or on vesting by Mr King for the above performance share rights.

- (b) No loans are, or will be, granted to Mr King in connection with the LTVR Plan.
- (c) Details of any performance share rights granted to Mr King under the LTVR Plan will be published each year in Westpac's Annual Report. The Annual Report will note that approval for issue of those securities was obtained under ASX Listing Rule 10.14.
- (d) Other than Mr King, there are no other Directors and no other associates of Directors who are presently entitled to participate in the LTVR Plan, and no additional Director or associate of a Director who becomes entitled to participate in the LTVR Plan will participate until approval is obtained under ASX Listing Rule 10.14.
- (e) Mr King is not permitted to deal in (including hedge) securities received under the LTVR Plan until they have vested. All dealings in securities (vested and unvested) must comply with the Westpac Group's Securities Trading Policy.
- (f) Performance share rights do not receive dividends and do not have voting rights.
- (g) If shareholder approval is obtained, the grant of awards will be approved for the purposes of all applicable requirements, including sections 200B and 200E of the Corporations Act and ASX Listing Rule 10.14.
- (h) Westpac intends to grant the performance share rights in December 2022 and, in any event, no later than three years after the AGM.

Further information on the LTVR Plan and details of Mr King's remuneration arrangements are in the Remuneration Report in Westpac's 2022 Annual Report.

A voting exclusion applies to this Item, as set out earlier in this Notice of Meeting.

**The Board (other than Mr King) unanimously recommends shareholders vote in favour of Item 4.**

**The Chairman of the AGM intends to vote all available proxies in favour of this Item.**

17. This award was made in respect to Mr King's appointment as the permanent CEO in April 2020 as outlined in the 2020 Notice of Meeting.



## Item 5 Remuneration Report

Shareholders are asked to adopt Westpac's Remuneration Report for the year ended 30 September 2022. This report is included within Westpac's 2022 Annual Report and is available at [westpac.com.au/investorcentre](http://westpac.com.au/investorcentre).

### Remuneration strategy and 2022 framework

Westpac's remuneration strategy is designed to attract and retain talented employees by rewarding them for achieving high performance and delivering sustained long term results for shareholders. The remuneration strategy and reward framework are set out in the 2022 Remuneration Report.

The CEO and Group Executives are rewarded based on a total reward framework comprising:

- **Fixed remuneration** to attract and retain high quality executives through market competitive and fair remuneration.
- **Short term variable reward (STVR)** to ensure a portion of remuneration is variable and at-risk, linked to the delivery of agreed targets that support Westpac's strategic priorities, noting that outcomes may fall below target or exceed the target amount when exceptional performance is achieved.
- **Long term variable reward (LTVR)** to align executive accountability and remuneration with the long term interests of shareholders by rewarding the delivery of sustained Group performance.

Non-executive Director remuneration is designed to attract and retain experienced, qualified Board directors and provide appropriate remuneration for their time and expertise. Non-executive Director remuneration for Board membership comprises cash fees and superannuation. Additional fees may be paid to Non-executive Directors for membership on certain Committees.

### First strike

At the 2021 Annual General Meeting, just over 30% of the votes cast by shareholders were against the adoption of the 2021 Remuneration Report which meant Westpac incurred a first strike.

The strike against the adoption of the Remuneration Report was a serious message for the Board from shareholders. We have spoken to many shareholders and their advisers to understand their concerns and where we could do better.

Those that voted against could not reconcile the results of our performance with remuneration outcomes and felt that remuneration did not align to their experience as shareholders.

We have therefore enhanced our disclosures, expanded commentary and improved our transparency. We have also worked hard to deliver on the objectives of our remuneration strategy – to align executive and shareholder experience while also providing the motivation that variable award is designed to deliver and to honour our contractual obligations to our people.

### 2022 Remuneration outcomes

Westpac has made meaningful progress on the Fix, Simplify, Perform strategic priorities which we set two years ago and which forms the basis of the Group STVR Scorecard.

Half of the Group STVR Scorecard is weighted to Perform and the other half is weighted to Fix and Simplify. The Board and the Executive team firmly believe that the Fix and Simplify aspects of our strategic priorities are fundamental to enabling us to deliver on the Perform objective, and, in turn, deliver sustainable returns for shareholders.

Key remuneration outcomes for 2022 include:

- The CEO's 2022 STVR outcome was 78% of his target opportunity or 52% of his maximum opportunity.
- The average Group Executive 2022 STVR outcome was 79% of target opportunity or 53% of maximum opportunity, with outcomes ranging from 25% to 60% of maximum.
- The 2019 LTVR lapsed in full for the seventh consecutive year reflecting the underperformance of relative TSR and return on equity in recent years.

Total remuneration awarded to and realised by KMP in 2022 is outlined in section 3 of the 2022 Remuneration Report.

Total remuneration calculated in accordance with the Australian Accounting Standards is provided at section 7 of the 2022 Remuneration Report.

The remuneration outcomes for 2022 represent the Board's best judgement in recognising the progress against Westpac's strategic priorities by the management team, while ensuring continued alignment with our shareholders.

The outcome of this vote will determine whether the resolution in Item 6 will be put to the meeting.

A voting exclusion applies to this Item, as set out earlier in this Notice of Meeting.

**The Board unanimously recommends shareholders vote in favour of adopting the Remuneration Report.**

**The Chairman of the AGM intends to vote all available proxies in favour of this Item.**



## Item 6

# Conditional spill resolution

**Item 6 is a conditional item of business subject to the result of Item 5. This Item will only be put to the 2022 AGM if at least 25% of the votes validly cast on Item 5 (to adopt the Remuneration Report) are cast against the resolution. If less than 25% of the votes validly cast on Item 5 are cast against the resolution, then there will be no 'second strike' and this Item will not be put to the 2022 AGM.**

If this Item is put to the 2022 AGM, shareholders will be asked to vote on whether an extraordinary general meeting known as a 'Spill Meeting' should be convened. For this Item to be passed, an ordinary majority (more than 50%) of the votes validly cast on the resolution must be in favour of it.

If this Item is passed at the 2022 AGM, a Spill Meeting must be held within 90 days of the 2022 AGM. If a Spill Meeting is required, the date of the meeting will be notified to shareholders in due course.

If the Spill Meeting is held, all of the following Non-executive Directors will cease to hold office immediately before the end of the Spill Meeting (unless they are re-elected at the Spill Meeting):

- John McFarlane;
- Nerida Caesar;
- Audette Exel;
- Michael Hawker;
- Chris Lynch;
- Peter Nash<sup>18</sup>;
- Nora Scheinkestel; and
- Margaret Seale.

There is no assurance that all Non-executive Directors will seek re-election at the Spill Meeting.

In accordance with the Corporations Act, ASX Listing Rules and Westpac's Constitution, the CEO, Peter King, would not be required to stand for re-election as a Director, and would continue to hold office, at the Spill Meeting.

Eligibility to stand for election or re-election at the Spill Meeting would be determined in accordance with the Company's Constitution.

The Board considers the following factors to be relevant to a shareholder's decision on how to vote on this Item:

- The Board has taken the first strike against the Remuneration Report very seriously and we have spoken to many shareholders and their advisors to understand their concerns and where we could do better.
- There has been significant change in the management team with nine of the twelve Executive Team appointed since April 2020. Significant transformation of the Group is underway, with improvement in all strategic pillars. Financial performance has improved though not yet to the levels that we aspire to. It is however important to recognise the work of new Executives who have joined to deliver on our Fix and Simplify agenda in order to be able to, in turn, show improved performance. Attraction, retention and motivation of talented executives is critical to ensuring continued improvements.
- The Board has also undergone significant change with four new director appointments since April 2020. We believe that the current Board has the skills and experience and remain best placed to receive shareholder feedback, act to address concerns and provide oversight to deliver on the turnaround of the Company and to represent shareholders.
- Proceeding to a Spill Meeting with consequent possible changes in the Board will create disruption, uncertainty and instability in the Company and for our staff and customers. If the Spill Meeting resulted in some Non-executive Directors not standing for re-election or not being returned, it would take time to rebuild a board with appropriate skills and experience. The ongoing transformation of the Company would likely be disrupted and delayed in the process.

For the reasons outlined, we do not believe that proceeding to a Spill Meeting would be in the best interests of Westpac's shareholders. We have worked hard to align executive and shareholder experience while also providing the motivation that variable reward is designed to deliver and to honour our contractual obligations to our people. The Board considers that the remuneration outcomes delivered on these objectives and management have been appropriately rewarded for the absolute and relative performance of the Company. We therefore encourage shareholders to support the Board's decisions in relation to remuneration of the management team. However, if shareholders do not support these decisions and vote in favour of this Item there will be a Spill Meeting.

A voting exclusion applies to this Item, as set out earlier in this Notice of Meeting.

**In the event that this Item is put to the vote at the 2022 AGM, the Board unanimously recommends shareholders vote against Item 6.**

**The Chairman of the AGM intends to vote all available proxies against this Item.**

18. This assumes that Peter Nash is re-elected at the 2022 AGM under Item 3.

# Appendix

## Appendix 1 Supporting Statements provided by Market Forces and Australian Ethical Investments Ltd pursuant to section 249P of the Corporations Act

**The shareholders who requisitioned the resolutions in Items 1(a) and 1(b) have requested, pursuant to section 249P of the Corporations Act, that the following statements accompany the resolutions.**

**Westpac is legally required to circulate the statements to shareholders. However, the Board and the Company are not responsible for the contents of the statements or for any inaccurate or misleading statements contained in them. The statements are not endorsed by the Board. The Board unanimously recommends that shareholders vote against Resolution 1(a) and, if put to the meeting, against Resolution 1(b).**

### Supporting Statement 1

Shareholder resolutions are a healthy part of corporate democracy in many jurisdictions other than Australia. For example, in the UK shareholders can consider resolutions seeking to explicitly direct the conduct of the board. In the US, New Zealand and Canada shareholders can consider resolutions seeking to advise their board as to how it should act. As a matter of practice, typically, unless the board permits it, Australian shareholders cannot follow the example of their UK, US, New Zealand or Canadian counterparts in this respect.

A board of directors is a steward for shareholders and accountability for the discharge of that stewardship is essential to long-term corporate prosperity.

In some situations the appropriate course of action for shareholders dissatisfied with the conduct or performance of the board is to seek to remove directors individually. However in many situations a better course of action is to formally and publicly allow shareholders the opportunity at shareholder meetings to alert board members that the shareholders seek more information or favour a particular approach to corporate policy.

The constitution of Westpac is not conducive to the rights of shareholders to place resolutions on the agenda of a shareholder meeting. This is contrary to the long-term interests of Westpac, its board and shareholders.

Passage of this resolution – to amend the Westpac constitution – will simply put the company in a similar position in regard to shareholder resolutions as any listed company in the UK, US, Canada or New Zealand.

We encourage shareholders to vote in favour of this resolution.

### Supporting Statement 2

Despite committing to the 1.5°C global warming limit of the Paris Agreement, and net-zero global emissions by 2050, Westpac’s financing continues to undermine these goals, exposing our company to increased transitional, physical and legal climate risks.

#### Paris-aligned financing means no new fossil fuels

The International Energy Agency’s (IEA) Net Zero by 2050 scenario (NZE2050)<sup>2</sup> states “no new coal mines or mine extensions”, “no new oil and gas fields” and “huge declines in the use of coal, oil and gas” are needed to achieve net-zero emissions by 2050. It further states “also not needed are many of the liquefied natural gas (LNG) liquefaction facilities currently under construction or at the planning stage”.<sup>3</sup>

In July 2021, 115 investors with US\$4.2 trillion in assets under management and/or stewardship wrote to 63 global banks, calling on them to integrate the NZE2050 findings, including the need for no new fossil fuels, into their climate strategies.<sup>4</sup>

As early as 2018 the IEA’s Executive Director said limiting global warming to less than 2°C means “we have no room to build anything that emits CO<sub>2</sub> emissions”.<sup>5</sup> This conclusion has been confirmed by peer-reviewed scientific research<sup>6</sup> and analysis<sup>7</sup> drawing upon data from organisations including Rystad Energy, IEA and IPCC.

#### Westpac continuing to finance fossil fuel expansion

Despite these ever-growing calls to end fossil fuel expansion, Westpac continues to finance projects and companies doing exactly that.

Our company loaned at least \$791M for six projects that expand the fossil fuel industry between 2016 and 2020. These projects will enable the release of 2.3 billion tonnes of CO<sub>2</sub>, equivalent to almost five times Australia’s 2020 national emissions.<sup>8</sup>

Since January 2019 Westpac has loaned over \$1.1B to 11 ASX300 companies pursuing new or expanded coal, oil or gas projects, including AGL Energy, Aurizon, BHP, Mineral Resources, Origin Energy, Santos, South32, Viva Energy, Whitehaven Coal, Woodside and Worley.<sup>9</sup>

In August 2022, Westpac took part in a US\$1B syndicated loan to Santos, ostensibly for the company to proceed with its Barossa gas project, which is so emissions intensive it has been described by one analyst as “...a CO<sub>2</sub> emissions factory with an LNG by-product.”<sup>10</sup>

- <https://www.iea.org/reports/net-zero-by-2050>
- <https://www.iea.org/reports/net-zero-by-2050> (p102)
- <https://shareaction.org/investors-call-on-banks-to-strengthen-climate-ambitions-before-cop26>
- <https://www.theguardian.com/business/2018/nov/13/world-has-no-capacity-to-absorb-new-fossil-fuel-plants-warns-iea>
- <https://www.nature.com/articles/s41586-019-1364-3>;  
<https://iopscience.iop.org/article/10.1088/1748-9326/aabc5f/meta>
- <http://priceofoil.org/content/uploads/2020/09/OCI-Big-Oil-Reality-Check-vF.pdf> (p.6); <https://priceofoil.org/2018/10/17/the-skys-limit-ipcc-report-15-degrees-of-warming/>
- <https://www.marketforces.org.au/campaigns/banks/bigfourscorecard/>
- <https://www.marketforces.org.au/campaigns/super/outofline/>
- <https://ieefa.org/articles/ieefa-santos-barossa-gas-field-emissions-create-major-risks-shareholders>

Our company is currently exposed to Whitehaven Coal, a company planning several new and expanded coal mining projects. With this transaction set to mature next year, nothing in Westpac's policy settings rules out a renewal of this financing, nor the financing of other clients planning new or expanded coal mines.

#### Physical and transitional climate risk exposure

As an institution exposed across virtually the entire Australian economy, Westpac should be extremely concerned about the financial impacts of physical, transitional, legal and reputational climate risks, which inevitably will be borne by shareholders.

A September 2021 report by the Reserve Bank of Australia (RBA) identifies mortgages as a source of financial risk, stating: "housing prices could decline, leaving banks with less protection than expected against borrower default".<sup>11</sup> A May 2022 Climate Council study found one in 25 Australian homes would be uninsurable by 2030.<sup>12</sup>

Our peer and competitor, Commonwealth Bank of Australia, has itself drawn attention to climate risks in agriculture, reporting in 2019 that grain growing regions risk productivity declines of up to 50% below the 2018 baseline by 2060, attributed to changes in rainfall.<sup>13</sup>

For Westpac to be so widely exposed to physical and transitional climate risk, yet willing to worsen the problem by enabling fossil fuel expansion, amounts to our company shooting itself in the foot.

#### Westpac being left behind

Financial institutions are placing more effective restrictions on finance to companies and projects expanding fossil fuels, leaving Westpac's clearly ineffective policies behind.

In August 2022 industry super fund NGS divested from numerous oil and gas producing companies due to the risk of stranded assets.<sup>14</sup>

In March 2022:

- Dutch bank ING announced it would "restrict dedicated upstream finance (lending or capital markets) for oil and gas fields approved for development after 31 December 2021",<sup>15</sup>
- European reinsurer Hannover RE announced its facultative division "will no longer take on any new covers for project policies associated with the exploration and/or development of new oil and gas reserves (upstream) or for project policies that exclusively support the transportation and storage (midstream) of new oil and gas reserves",<sup>16</sup> and
- MAPFRE ruled out insuring or investing in any coal, oil or gas company that had not committed to an energy transition plan that allows global warming to be maintained at around 1.5°C.<sup>17</sup>

In 2020 Suncorp committed to "not directly invest in, finance or underwrite... new oil and gas exploration or production" and phase out underwriting for the sector by 2025 and direct investment by 2040.<sup>18</sup>

Since March 2021, Nordea Asset Management has excluded fossil fuel producers without a clear plan for complying with the Paris Agreement in 213 of its 368 funds, stating "no oil and gas producers and of course coal miners live up to these requirements at present".<sup>19</sup> In March 2021, Danske Bank committed to immediately end direct finance for expansion of oil and gas exploration and production worldwide<sup>20</sup> while NedBank,<sup>21</sup> SEB,<sup>22</sup> and NatWest<sup>23</sup> have made similar commitments.

#### Regulatory and legal risk

In November 2021, the Australian Prudential Regulation Authority (APRA) published its Prudential Practice Guide 'CPG 229 Climate Change Financial Risks'.<sup>24</sup>

It states that where an institution is unable to adequately address climate risk facing its customers through other measures, it may need to consider "the institution's ability to continue the relationship" with the customer.

#### Investor support required

Despite its stated support for the Paris Agreement and net-zero emissions by 2050, Westpac remains an active investor in fossil fuel expansion, further exposing shareholders to financial risks associated with the energy transition required to meet the Paris climate goals.

We urge shareholders to vote in favour of this resolution.

11. <https://www.rba.gov.au/publications/bulletin/2021/sep/climate-change-risks-to-australian-banks.html>

12. <https://www.climatecouncil.org.au/resources/australian-homes-uninsurable-2030-climate-risk-map/>

13. <https://www.commbank.com.au/content/dam/commbank-assets/about-us/2019-08/CBA-2019-Annual-Report-Risk-management.pdf>

14. <https://www.ngssuper.com.au/articles/sustainability/ngs-divests-major-fossil-fuel-companies>

15. <https://www.ing.com/Sustainability/Our-Stance/Oil-gas-industry.htm>

16. <https://www.hannover-re.com/1846913/annual-report-2021.pdf> (p74)

17. <https://www.mapfre.com/media/shareholders/2022/06-integrated-report-2021.pdf> (p56)

18. <https://www.suncorpgroup.com.au/corporate-responsibility/sustainable-growth/responsible-banking-insurance-investing>

19. <https://www.nordea.com/en/news/140-nordea-funds-tighten-requirements-for-investments-in-fossil-fuels>

20. <https://danskebank.com/-/media/danske-bank-com/file-cloud/2017/5/danske-bank-position-statement-fossil-fuels.pdf>

21. <https://www.nedbank.co.za/content/dam/nedbank/site-assets/AboutUs/Information%20Hub/Integrated%20Report/2021/Nedbank%20Group%20Energy%20Policy.pdf>

22. <https://webapp.sebgroup.com/mb/mblib.nsf/did/80AF6A2E5F88CDC2C12586B1002E33C2?opendocument> (p6-9)

23. [https://www.natwestgroup.com/content/dam/natwestgroup\\_com/natwestgroup/pdf/oil-and-gas.pdf](https://www.natwestgroup.com/content/dam/natwestgroup_com/natwestgroup/pdf/oil-and-gas.pdf) (p2-3)

24. <https://www.apra.gov.au/sites/default/files/2021-11/Final%20Prudential%20Practice%20Guide%20CPG%20229%20Climate%20Change%20Financial%20Risks.pdf>



# Attending the 2022 AGM in person

## Location

As noted above, attendance in person is subject to any government health directives or other developments at the time. Any shareholder intending on attending the 2022 AGM in person should make their own enquiries to confirm travel availability at the time.

The 2022 AGM will be held at:

Melbourne Convention & Exhibition Centre  
Melbourne Room, Level 2  
1 Convention Centre Place  
South Wharf Victoria 3006

The Melbourne Convention & Exhibition Centre is located just outside the central business district of Melbourne, Australia. It can be accessed via entrances on either Convention Centre Place (next to Pan Pacific Melbourne), the Maritime Precinct or through a connected walkway between the Convention Centre and the Melbourne Exhibition Centre (entrance via Clarendon Street). For more information on the Melbourne Convention & Exhibition Centre visit [mcec.com.au](http://mcec.com.au).

## How to get there

### Mobility impaired access

Parking is available for people with disabilities in the Melbourne Convention & Exhibition Centre car park or the South Wharf retail car park. Both car parking facilities provide ample disabled parking spots, closely located to either lifts or a Melbourne Convention & Exhibition Centre entry point.

There are two taxi ranks within easy reach of the Melbourne Convention & Exhibition Centre. One is located outside the Clarendon Street entrance and the other is at Convention Centre Place near Pan Pacific Melbourne and the DFO retail shopping centre entrance.

Disabled toilets are situated throughout the Convention Centre on all levels.

National Relay Service (NRS) telephones suitable for hearing or speech impaired people have also been implemented throughout the Convention Centre.

## TRANSPORT

**By car** – The Melbourne Convention & Exhibition Centre is approximately 30 minutes from the main Tullamarine International and Domestic Airport. We recommend being dropped at 1 Convention Centre Place, South Wharf. Car parking is available. The Melbourne Convention & Exhibition Centre underground car park located on Normanby Road is the closest to the meeting room where the AGM will be held.

**By train** – Southern Cross Station is approximately a 10 minute walk from the Melbourne Convention & Exhibition Centre.

**By tram** – A number of trams stop outside the Melbourne Convention & Exhibition Centre on Clarendon Street. For online tram and train timetables go to [ptv.vic.gov.au](http://ptv.vic.gov.au).

**Venue security** – Security will be in place at the venue, including electronic screening prior to 2022 AGM entry.

**Cloakroom facilities** – A cloakroom facility will be available on the day.



## Further information

For further information regarding the Westpac 2022 AGM, please contact Link on +61 1800 804 255 (free in Australia).

