

ASX Release

Level 18, 275 Kent Street
Sydney, NSW, 2000

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2024 Annual General Meeting – Chairman’s Address

In accordance with ASX Listing Rule 3.13.3, Westpac Banking Corporation (“Westpac”) attaches the Chairman’s address to be delivered at Westpac’s 2024 Annual General Meeting.

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

Westpac Banking Corporation 2024 Annual General Meeting

13 December 2024

Chairman's address

Good morning and welcome to the 2024 Westpac Annual General Meeting.

I'm pleased to see shareholders here today, along with those joining us online.

Thank you to everyone who submitted questions in advance. I will address some of the key themes you have raised during today's meeting.

Today marks my first year as Chairman - a year in which I've had the privilege of immersing myself in every aspect of the organisation: its people, strategy, operations and the history that has shaped it into a leading financial services provider.

Westpac made significant progress this year, as we continue to unlock the immense opportunities and potential before us.

The team remained focused on executing our strategy for sustainable growth and improved returns.

We made strides in digital innovation to deliver better customer experiences.

Household and business deposits and loans grew across our target segments.

Financial performance was solid given the backdrop of heightened competition in a challenging economic environment.

The operating and financial performance was recognised by investors with a peer leading total shareholder return of 58% for 2024.

With the four year total shareholder return also improving, long term variable rewards vested for the first time in nine years.

As your Chairman, I am focused on building on these strong foundations to create sustainable value for all our shareholders.

Creating better futures together

Reflecting on the past year, the Australian and New Zealand economies experienced below trend growth.

Households have continued to feel the pressures of high living costs and elevated interest rates, while businesses faced cost pressures and subdued demand.

Westpac was well-prepared for these challenges, prioritising a strong financial and capital position throughout the year.

Our purpose – **creating better futures together** – continued to guide our decisions as we supported our 13 million customers.

When households and small businesses asked us for help, we provided solutions.

We took decisive action to protect customers from scams through additional preventative tools, along with banker training and increased awareness.

CEO Peter King will elaborate on this.

We continue to deliver personalised banking experiences, blending digital innovation with a human touch.

This focus on our customers helped us maintain momentum and achieve steady growth in a competitive market.

People

The Board is closely engaged with our people and culture, ensuring we continue to support and invest in our teams to drive the success of our business.

I've been impressed by the dedication of our people and their unwavering commitment to understanding and anticipating the needs of our customers and community.

Pleasingly, we achieved a top quartile Organisational Health Index score.

We are investing in the development of our people, while attracting and retaining the best talent. We believe a commitment to diversity does exactly that.

It also ensures our people reflect the mix of our customers and have opportunities to reach their full potential.

UNITE

A little over 12 months ago we announced 'UNITE' – our business led, tech enabled simplification program.

Completing the UNITE program is crucial for Westpac to achieve its long term growth aspirations. By improving systems and processes, our people can spend more time focused on what matters most - helping our customers.

It will also improve our cost structure which will support sustainable shareholder returns.

Improved risk culture

The Customer Outcomes and Risk Excellence (CORE) program has driven significant changes in the management of risk, governance and accountability.

This program stemmed from APRA's Enforceable Undertaking at the end of 2020.

CORE has been essential in restoring trust in Westpac on many levels. It has supported us in fostering an improved risk culture with clear accountabilities, underpinned by the three lines of defence.

APRA has acknowledged the progress we've made through its decision to reduce our operational risk capital overlay from \$1 billion to \$500 million in July.

In the coming years we will remain absolutely focused on delivering the outcomes of the CORE program.

It is vital that all the learnings are embedded within the Westpac culture and operations.

The Board remains committed to maintaining an open and constructive dialogue with our regulators, supporting our shared goal of ensuring the resilience and stability of the Australian financial system.

Performance

Turning now to the financial results.

The bank delivered a solid performance in the 2024 financial year. We grew the business and our balance sheet remains strong.

Profit after tax was \$7.0 billion, a decline of 3% on a statutory basis. The

performance was slightly above the target set for management in the context of a competitive environment.

Importantly, our strong balance sheet provided flexibility for further capital management.

Following the completion of last year's \$1.5 billion buyback, we announced an additional \$2.0 billion in share buybacks, along with payment of a \$500 million special dividend in the first half.

This was in addition to 6% growth in total ordinary dividends to \$1.51 per share, fully franked, including a second half dividend of 76 cents per share.

The combination of dividends, both ordinary and special, and a 50% appreciation of the share price generated a total shareholder return of 58% for the year.

We've received several questions from shareholders on the form of capital management announced at the full year results.

At the year end, the Board decided an additional buyback was more appropriate than a special dividend, given ongoing geopolitical tensions and global uncertainty.

Buybacks support dividend sustainability and have added a cumulative 22 cents to dividends per share since 2021.

The Capital management framework is assessed by the Board each reporting period.

Overall, I am pleased with performance and CEO Peter King will speak more on this shortly.

CEO retirement

Today's AGM marks a significant milestone for Peter. After 30 years at Westpac, he will make his final address as CEO before retiring this Sunday.

On behalf of the Board, I sincerely thank him for his immense contribution.

Peter began his career at Westpac as a young man in his 20s, rising through the organisation to become the CFO and ultimately the CEO.

Few people achieve such longevity and progression within the same organisation, which speaks highly of Westpac's ability in identifying and

promoting talent from within.

Peter was appointed CEO in 2019 at a critical point for Westpac. He faced numerous challenges and delivered a major overhaul of the bank's risk culture and values.

He also led the organisation through the unprecedented disruption of COVID-19 and the divestment of non-core businesses, which realigned the direction of the organisation.

Under Peter's leadership, Westpac made significant strides in digital innovation, scams protection and customer advocacy.

The commencement of the UNITE program is designed to provide a platform for continued growth.

We are undoubtedly in a better position than we were five years ago.

Our business is simpler, we've reset our risk culture and our operations are now more closely aligned with our core banking strengths in Australia and New Zealand.

On behalf of the Board, we thank you Peter and offer our heartfelt congratulations on an outstanding career.

CEO appointment

I was delighted to announce in September that the Board had appointed Anthony Miller, Westpac's Chief Executive Business & Wealth, to succeed Peter King.

The Board undertook an extensive search to find the best talent to lead Westpac.

The process determined that the most qualified candidate was from the internal talent pool.

Anthony is an outstanding leader and the Board has full confidence in his ability, drive and ambition to lead Westpac into the future.

Since joining Westpac four years ago, he has led and restored two of our operating segments to growth. He has a clear vision to return Westpac to a leadership position and to build on the strategy and momentum of the past few years.

Anthony has been working closely with Peter over the past few months to ensure a smooth transition. He will formally assume the role of CEO on Monday.

The Board and I look forward to working closely with Anthony and the Executive Team to drive strategy and in doing so, grow the business and create long-term value for all shareholders.

Commitment to sustainability

Some of your questions touched on sustainability and the issue of climate change. I recognise that our shareholders hold differing views on this issue.

To deliver sustainable value to shareholders, Westpac must balance the interests of a wide range of stakeholders. Tackling climate change and supporting the transition to a low-carbon future is one such expectation.

We are committed to taking action towards net-zero by 2050, reducing our greenhouse gas emissions, and building resilience against the impacts of climate change for a cleaner, more sustainable future.

Since joining the Net-Zero Banking Alliance, we've set 13 interim targets for 2030 across all nine NZBA carbon-intensive sectors.

Our exposure to fossil fuels has been declining in recent years and was down an additional 11% this year.

87% of our lending to electricity-generation is now directed towards renewable energy sources such as wind, solar and hydro power.

Our Climate Change Position Statement and Action Plan, which received 92% of shareholder votes at our last AGM, also focuses on helping both our customers and the nation navigate this transition.

We are committed to partnering with institutional customers to help them reduce their emissions intensity.

As part of this, we engaged with 150 customers in high-emitting sectors this year, of which 84% have a public climate transition plan.

We will continue to support the remaining 16%, primarily private companies, in developing their plans.

In our 2024 Climate Report, we provide detail on our progress along with some of the insights from our engagement with customers.

Board renewal

The Board has undergone renewal in the past twelve months.

We welcomed Andy Maguire in July. With his global banking experience and expertise in digital transformation and technology infrastructure, we are very pleased to have Andy on the Board, particularly as we progress the UNITE program.

He will stand for election today with the Board's unanimous support.

We have had two Directors – Nora Scheinkestel and Audette Exel – retire from the Board this year to pursue other interests.

Nora helped to steer the bank through critical regulatory changes and oversaw significant changes to our remuneration structure and reporting, ensuring it was aligned with evolving standards and public expectations for transparency, fairness and responsible risk management.

Audette also made a significant contribution, drawing on her expertise in risk, governance and passion for social impact. She played a major role in transforming our risk management and governance, overseeing the successful implementation of the CORE program.

I sincerely thank both Nora and Audette for their invaluable contributions during these critical years and wish them every success in the future.

With their retirements, we are considering candidates for the Board who complement the collective skills and experience of our Directors.

We will be seeking candidates with a strong financial services background and preferably with public company experience.

We are also very mindful of our gender representation responsibilities and goals and we will be making new appointments in due course.

Current directors Margie Seale and Nerida Caesar, both of whom have made significant contributions since joining the Board, will stand for re-election today with the Board's unanimous support.

I am pleased Margie was appointed to the role of Chair of the Remuneration Committee and that Michael Ullmer will take over the role of Chair of the Risk Committee.

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These appointments highlight the strong calibre of Directors on your Board and will ensure continuity and leadership in key areas of governance.

Closing remarks

Looking ahead, we expect Australia and New Zealand to see a modest economic recovery.

Westpac's ambition **to be our customers' number one bank and partner through life**, will be pursued through deepening relationships and providing outstanding customer service.

For generations, we have been at the heart of Australia's banking system, and our history is deeply intertwined with the fabric of this country.

We take immense pride in being a trusted partner to millions of Australians and New Zealanders.

Thank you to our people for their hard work and commitment, our customers for their loyalty and our valued shareholders for your continued support.

It is an honour to serve as your Chairman and I look forward to the years ahead.

Now, I am pleased to welcome CEO Peter King.